



Easyknit International Holdings Limited

永義國際集團有限公司

(Stock Code 股份代號 : 1218)



2019

Interim Report 中期業績報告

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Corporate Information 公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Tse Wing Chiu Ricky
(*President and Chief Executive Officer*)
Ms. Lui Yuk Chu (*Vice President*)
Ms. Koon Ho Yan Candy

Independent Non-Executive Directors

Mr. Tsui Chun Kong
Mr. Jong Koon Sang
Mr. Hon Tam Chun

AUDIT COMMITTEE

Mr. Tsui Chun Kong (*Chairman*)
Mr. Jong Koon Sang
Mr. Hon Tam Chun

REMUNERATION COMMITTEE

Mr. Jong Koon Sang (*Chairman*)
Mr. Tsui Chun Kong
Mr. Hon Tam Chun
Mr. Tse Wing Chiu Ricky

NOMINATION COMMITTEE

Mr. Hon Tam Chun (*Chairman*)
Mr. Tsui Chun Kong
Mr. Jong Koon Sang
Mr. Tse Wing Chiu Ricky

EXECUTIVE COMMITTEE

Mr. Tse Wing Chiu Ricky (*Chairman*)
Ms. Lui Yuk Chu
Ms. Koon Ho Yan Candy

COMPANY SECRETARY

Mr. Lee Po Wing Simon

AUDITOR

Deloitte Touche Tohmatsu

LEGAL ADVISERS

As to Hong Kong law:
David Norman & Co

As to Bermuda law:
Conyers Dill & Pearman

董事會

執行董事

謝永超先生
(*主席兼首席行政總裁*)
雷玉珠女士 (*副主席*)
官可欣女士

獨立非執行董事

徐震港先生
莊冠生先生
韓譚春先生

審核委員會

徐震港先生 (*主席*)
莊冠生先生
韓譚春先生

薪酬委員會

莊冠生先生 (*主席*)
徐震港先生
韓譚春先生
謝永超先生

提名委員會

韓譚春先生 (*主席*)
徐震港先生
莊冠生先生
謝永超先生

執行委員會

謝永超先生 (*主席*)
雷玉珠女士
官可欣女士

公司秘書

李寶榮先生

核數師

德勤 • 關黃陳方會計師行

法律顧問

香港法律:
David Norman & Co

百慕達法律:
康德明律師事務所

PRINCIPAL BANKER

Hang Seng Bank Limited

主要往來銀行

恒生銀行有限公司

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

註冊辦事處

Clarendon House
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Hamilton HM 11
Bermuda

PRINCIPAL PLACE OF BUSINESS

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主要營業地點

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BERMUDA PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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4th Floor North Cedar House
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Hamilton HM12
Bermuda

百慕達主要股份過戶登記處

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HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Secretaries Limited
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Hong Kong

香港股份過戶登記分處

卓佳秘書商務有限公司
香港
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STOCK CODE

1218

股份代號

1218

WEBSITE ADDRESS

www.easyknit.com

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Management Discussion and Analysis

管理層討論及分析

The board of directors (the “**Board**”) of Easyknit International Holdings Limited (the “**Company**”) is pleased to announce the results of the Company and its subsidiaries (collectively the “**Group**”) for the six months ended 30 September 2019 (the “**Period**”). These interim results have not been audited but have been reviewed by the Company’s audit committee.

INTERIM RESULTS

During the Period, the Group was able to capture a revenue of approximately HK\$32,782,000 (compared to approximately HK\$85,378,000 for the same period in 2018 (“**2018 Period**”)). The Group’s revenue for the Period was mainly derived from properties rental income and interest income from loan financing.

The Group’s unaudited consolidated loss attributable to shareholders of the Company for the Period was approximately HK\$170,767,000 as compared to consolidated profit of approximately HK\$3,173,000 for the 2018 Period. The loss for the Period is primarily due to (i) the loss on deemed disposal of equity interests in an associate; (ii) the decrease in revenue generated from the sales of properties since the Group did not roll out new properties during the Period; (iii) loss on changes in fair value of investment properties; and (iv) the increase in impairment loss of financial assets. The rental income of the Group during the Period decreased by approximately 27.5% to approximately HK\$19,797,000 as compared to 2018 Period.

The basic and diluted loss per share for the Period was approximately HK\$1.87 (2018 Period: basic and diluted earnings per share of HK\$0.04).

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the Period (2018 Period: nil).

永義國際集團有限公司(「本公司」)董事會(「董事會」)欣然公佈本公司及其附屬公司(統稱「本集團」)截至2019年9月30日止六個月(「本期間」)之業績。本中期業績未經審核但已由本公司之審核委員會審閱。

中期業績

於本期間，本集團營業額約為32,782,000港元(相比2018年同期(「**2018 期間**」)約85,378,000港元)。本集團於本期間之營業額主要源自物業租金收入及貸款融資業務的利息收入。

於本期間，本公司股東應佔本集團之未經審核綜合虧損約為170,767,000港元，相比2018期間之綜合溢利約為3,173,000港元。本期間之虧損主要是由於(i)視為出售聯營公司之股權錄得虧損；(ii)出售物業收入減少(因本集團於本期間沒有推出新銷售物業)；(iii)投資物業公平值變動虧損；及(iv)金融資產之減值虧損增加等所致。本集團於本期間之租金收入相對2018期間減少約27.5%至約19,797,000港元。

本期間的每股基本及攤薄虧損約為1.87港元(2018期間：每股基本及攤薄盈利為0.04港元)。

中期股息

董事會不建議就本期間派發中期股息(2018期間：無)。

BUSINESS REVIEW

During the Period, the Group was principally engaged in the property development, property investment, investment in securities and loan financing business which property development and property investment are the core businesses of the Group. Below sets out the performance of each principal business segment of the Group:

(i) Property Development

One of the core businesses of the Group is property development. The Group has extensive experience on property redevelopment, in particular, acquisition of old buildings for renewal and redevelopment. As the Group did not roll out new properties during the Period, there was no revenue recorded from the property development segment for the Period (2018 Period: approximately HK\$48,195,000). Below are the major projects of the Group during the Period:

(a) Project Waterloo

The Group, through its wholly-owned subsidiary, owns the site at Nos. 93, 93A, 95 and 95A Waterloo Road, Kowloon, Hong Kong (also known as the Remaining Portion of Section C of Kowloon Inland Lot No. 2145) which has a site area of approximately 9,800 sq. ft. (“**Waterloo Site**”).

The Waterloo Site is being developed into a luxurious residential accommodation with club house facilities and car parks, and the estimated gross floor area is approximately 48,965 sq. ft. The development works are in progress and are expected to be completed in late 2021.

業務回顧

於本期間，本集團主要從事物業發展、物業投資、證券投資及貸款融資業務，而物業發展及物業投資為本集團之核心業務。下文列出本集團各主要業務分部之表現：

(i) 物業發展

本集團的核心業務之一是物業發展。本集團在物業重建方面擁有豐富經驗，尤其是收購舊樓以進行翻新及重建。由於本集團於本期間沒有推出新銷售物業，於本期間，物業發展分部並無錄得營業額(2018期間：約48,195,000港元)。以下是本集團於本期間內的主要項目：

(a) 窩打老道項目

本集團透過其全資附屬公司擁有香港九龍窩打老道93號、93A號、95號及95A號(也被稱為九龍內地段第2145號C分段的餘段)，地盤總面積約9,800平方呎(「**窩打老道地盤**」)。

窩打老道地盤將發展成為具有會所設施及停車場的豪華住宅，估計總建築面積約為48,965平方呎。建築工程正在進行中，預期將於2021年底完成。

(b) Chatham Road North Project

In mid 2018, the Group acquired the entire issued share capital of an investment holding company known as Success Active Limited, which held in excess of 80% interest in the properties at Nos. 470, 472, 474, 476 and 478 Chatham Road North, Kowloon, Hong Kong (“**Chatham Road North**”). The total site area of Chatham Road North is approximately 4,685 sq. ft. The Group is currently the registered owner of more than 80% of Chatham Road North.

On 29 November 2018, the Company filed an application to the Lands Tribunal for an order to auction all the undivided shares of Chatham Road North (including those owned by the Group) for the purposes of redevelopment.

If the Group successfully acquires all the remaining units, the Chatham Road North site will be 100% owned by the Group and will be developed into a composite building with residential and commercial use. The estimated gross floor area after redevelopment is expected to be approximately 41,401 sq. ft.

Details of the acquisition are set out in the Company’s announcements dated 16 May 2018, 8 June 2018 and 30 November 2018 respectively and the Company’s circular dated 25 June 2018.

(b) 漆咸道北項目

於2018年中旬，本集團收購了投資控股公司Success Active Limited的全部已發行股本。該公司持有香港九龍漆咸道北470號、472號、474號、476號及478號(「**漆咸道北**」)超過80%物業的權益。漆咸道北總地盤面積約為4,685平方呎。本集團現為漆咸道北超過80%的登記擁有人。

於2018年11月29日，本公司向土地審裁處提出申請，作出一項為重新發展而拍賣漆咸道北之所有不可分割份數(包括本集團擁有者)的命令。

倘本集團成功收購所有剩餘單位，本集團將擁有漆咸道北地盤100%，並計劃將其發展成為一個住宅及商業用途的綜合發展項目。重建後預計的總樓面面積約為41,401平方呎。

收購詳情分別載於本公司日期為2018年5月16日、2018年6月8日及2018年11月30日的公佈以及本公司日期為2018年6月25日的通函。

(c) Inverness Road Property – “Ayton”

“Ayton” is a residential building on Inverness Road, Kowloon (also known as New Kowloon Inland Lot No. 6573) developed by the Group. It consists of two 8-storey residential blocks comprising 60 residential units, 29 car parking spaces and 3 motor parking spaces. The total saleable area of approximately 40,743 sq. ft. On 26 September 2019, the Group successfully obtained the occupation permit. The Group plans to launch the sale of “Ayton” in the 1st quarter of 2020.

(ii) Property Investment

The Group’s investment properties comprise of residential, commercial and industrial properties located in Hong Kong.

As at 30 September 2019, the occupancy rate of commercial units and industrial units of the Group’s investment properties were 99% and 77% respectively.

Revenue arising from property rental for the Period was approximately HK\$19,797,000 (2018 Period: approximately HK\$27,325,000), representing an approximately HK\$7,528,000 or approximately 27.5% decrease over 2018 Period. The decrease in rental income was primarily due to the disposal of Easy Tower which was completed in March 2019, as well as the adjustment of rent for the shop space at Fa Yuen Plaza. Details of the disposal of Easy Tower are disclosed in the Company’s announcement dated 21 November 2018 and the circular dated 12 February 2019. Income from property management for the Period amounted to approximately HK\$594,000, an increase of approximately HK\$117,000 compared to 2018 Period (2018 Period: approximately HK\$477,000). The overall results for the property investment segment was approximately a loss of HK\$2,793,000 for the Period from a gain of HK\$48,157,000 in 2018 Period, representing a decrease of approximately HK\$50,950,000 or approximately 106% as compared with 2018 Period.

(c) 延文禮士道物業 – 「雋睿」

「雋睿」是由本集團發展位於九龍延文禮士道的住宅物業(也被稱為新九龍內地段第6573號)。該物業為兩幢8層高包含60個住宅單位、29個車位及3個電單車車位。其總銷售面積約為40,743平方呎。本集團於2019年9月26日成功獲得佔用許可證。本集團計劃於2020年第一季開售「雋睿」。

(ii) 物業投資

本集團的投資物業包括位於香港的住宅、商業及工業物業。

於2019年9月30日，本集團投資物業中之商業物業及工業單位的出租率分別為99%及77%。

本期間的物業租賃營業額約為19,797,000港元(2018期間：約27,325,000港元)，較2018期間減少約7,528,000港元或約27.5%。租金收入減少主要是因為於2019年3月完成出售永義廣場，以及對花園廣場商舖租金的調整。出售永義廣場的詳情分別載於本公司日期為2018年11月21日的公佈和日期為2019年2月12日的通函內披露。本期間的物業管理收入約為594,000港元，較2018期間上升約117,000港元(2018期間：約477,000港元)。物業投資分部的整體業績由2018期間盈利約48,157,000港元下降至本期間虧損約2,793,000港元，較2018期間減少約50,950,000港元或約106%。

(iii) Securities Investment

The Group maintains a portfolio comprising blue-chip stocks and top-tier investments products which generate high yield in Hong Kong. The Group takes into account the following criteria when determining whether to take up an investment opportunity: (i) potential return on investment in terms of capital appreciation and dividend payment for the targeted holding period; (ii) risk exposure in comparison with the Group's risk tolerance level at the prevailing time; and (iii) diversification of the existing investment portfolio.

During the Period, the Group has several major actions in relation to securities investment, one of which was the purchase of equity-linked notes ("ELN") of China Construction Bank Corporation ("CCB") (stock code: 939). On 15 May 2019 and 8 July 2019, the Group, through its wholly-owned subsidiary, purchased principal amount of HK\$10,000,000 and HK\$14,000,000 of CCB's ELN respectively.

The other securities investment activity was the on-market disposal of 631,700 shares in aggregate of HSBC Holdings plc (stock code: 5) during the period from 27 August 2019 to 30 August 2019. Through such disposal, the Group received an aggregate sale proceeds of approximately HK\$35,452,000 (excluding transaction costs).

(iii) 證券投資

本集團持有的投資組合包括在香港的藍籌股及高收益的一級投資產品。本集團在決定是否承攬投資項目時會考慮以下準則：(i)投資項目在目標持有期間於資本增值及股息派付方面的投資回報潛力；(ii)當時與本集團風險承受程度相比下的風險承擔；及(iii)現有投資組合的多元化。

於本期間，本集團在證券投資方面進行了幾項重大投資活動，其中一項為購入中國建設銀行股份有限公司(「建設銀行」)(股份代號：939)之股票掛鈎票據(「股票掛鈎票據」)。本集團透過其全資附屬公司於2019年5月15日及2019年7月8日分別購入本金金額為10,000,000港元及14,000,000港元之建設銀行股票掛鈎票據。

另一項證券投資活動為於2019年8月27日至2019年8月30日期間在公開市場出售合共631,700股滙豐控股有限公司(股份代號：5)之股份。透過該出售，本集團獲得款項總額合共約35,452,000港元(未計交易費用)。

Management Discussion and Analysis *(continued)*

管理層討論及分析 *(續)*

As at 30 September 2019, the Group's investment in equity securities listed in Hong Kong amounting to approximately HK\$55,604,000 (31 March 2019: approximately HK\$105,666,000). During the Period, there was (i) a conversion of equity-linked investments of approximately HK\$14,000,000; (ii) net disposal of securities of approximately HK\$52,754,000; and (iii) net decrease in market value of securities of approximately HK\$12,666,000. As at 30 September 2019, the Group's investment portfolio comprises 6 (31 March 2019: 5) equity securities which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Group reported segment loss of approximately HK\$8,406,000 (2018 Period: segment loss of approximately HK\$25,506,000) during the Period. The Group received dividend income from the listed securities investments of approximately HK\$2,233,000 during the Period.

The Group considers the prospects in respect of the investments are healthy. The Board understands that the performance of the investments may be affected by volatility in the Hong Kong stock market and subject to other external factors. Accordingly, the Group will continue to maintain a diversified portfolio of investments in different segments of markets to minimise the possible financial risks. The Group will closely monitor the performance and progress of the investment portfolio from time to time.

於2019年9月30日，本集團投資於香港上市之證券金額約達55,604,000港元(2019年3月31日：約105,666,000港元)。此乃源於(i)於本年度內股票掛鈎投資的轉換約14,000,000港元；(ii)出售證券淨額約為52,754,000港元；及(iii)證券市值金額淨減少約12,666,000港元。於2019年9月30日，本集團之投資組合包括6隻(2019年3月31日：5隻)於香港聯合交易所有限公司(「聯交所」)主板上市的證券。

本集團於本期間錄得分部虧損約8,406,000港元(2018期間：分部虧損約25,506,000港元)。於本期間，本集團自上市證券投資獲得之股息收入約2,233,000港元。

本集團認為有關投資的前景屬健康。董事會明白投資表現可能受到香港股市波動及其他外部因素影響。因此，本集團將繼續維持不同市場分部的多元化投資組合，以盡量減低可能的財務風險。本集團將不時密切監察投資組合的表現及進展。

(iv) Loan Financing

During the Period, the Group recorded an interest income from the loan financing business amounting to approximately HK\$12,391,000 (2018 Period: approximately HK\$9,381,000), representing approximately 37.8% of the total revenue of the Group. Profit derived from loan financing business for the Period was approximately HK\$933,000 (2018 Period: approximately HK\$8,939,000). The carrying amount of loans receivable as at 30 September 2019 was approximately HK\$290,037,000 (31 March 2019: approximately HK\$206,674,000). At 30 September 2019, the Group recognised an impairment allowance under expected credit loss model amounting to approximately HK\$7,629,000 in its loan financing business.

Below is one of the major transactions of the Group on loan financing business:

On 18 June 2019, Planetic International Limited (“**Planetic**”), a wholly-owned subsidiary of the Company, entered into a co-lending agreement with STI Partners Limited (“**STI**”) and China Yinsheng Finance Limited (“**China Yinsheng**”), pursuant to which, inter alia, Planetic, STI and China Yinsheng, as co-lenders, agreed to enter into a loan agreement with an independent third party and make available to that independent third party, as borrower, an aggregate loan of HK\$64,000,000 (of which HK\$45,000,000 was from Planetic) for a period of 12 months from the drawdown date. The interest rate charged by Planetic was 8.50% per annum. Such loan was secured by charge on properties of the borrower. During the Period, the Group received a total interest income from such lending of approximately HK\$1,381,000.

Further information can be found in the announcement published by the Company on 18 June 2019.

(iv) 貸款融資

於本期間，本集團錄得來自貸款融資業務之利息收入約12,391,000港元(2018期間：約9,381,000港元)，佔本集團總營業額約37.8%。本期間，來自貸款融資業務之溢利約為933,000港元(2018期間：約8,939,000港元)。應收貸款於2019年9月30日之金額約為290,037,000港元(2019年3月31日：約206,674,000港元)。於2019年9月30日，本集團的貸款融資業務確認預期信貸虧損模式下之減值撥備約7,629,000港元。

以下是本集團貸款融資業務的主要交易之一：

於2019年6月18日，Planetic International Limited (「**Planetic**」) (本公司全資附屬公司) 與STI Partners Limited (「**STI**」) 及中國銀盛財務有限公司(「**中國銀盛**」) 訂立共同借貸協議，據此(其中包括) Planetic、STI及中國銀盛(為共同貸款人) 同意與一名獨立第三方簽訂貸款協議並向該獨立第三方(為借款人) 提供合共64,000,000港元之貸款(Planetic佔當中之45,000,000港元)，貸款期為自提取日期起計12個月。Planetic所收取之年利率為8.50厘。該貸款以借款人的物業作抵押。於本期間，本集團從該貸款獲得總利息收入約1,381,000港元。

詳細資料請參閱本公司日期為2019年6月18日之公佈。

FINANCIAL REVIEW

Liquidity and Financial Resources

The Group financed its operations through internally generated cash flow and bank borrowings. As at 30 September 2019, the bank balances (including cash and deposits) were approximately HK\$103,718,000 (31 March 2019: approximately HK\$191,670,000), representing a decrease of approximately HK\$87,952,000 compared to 31 March 2019. As at 30 September 2019, the Group's bank borrowings amounted to approximately HK\$1,315,868,000 (31 March 2019: approximately HK\$1,285,984,000). The gearing ratio of the Group, calculated as a ratio of total borrowings to total equity as at 30 September 2019 stayed healthily at approximately 0.39 (31 March 2019: approximately 0.36).

As at 30 September 2019, the Group has net current assets of approximately HK\$1,637,096,000 (31 March 2019: approximately HK\$1,690,736,000), exhibiting a decrease of approximately HK\$53,640,000 as compared to 31 March 2019. This is attributed to a decrease in the current assets of the Group for the Period from approximately HK\$2,636,742,000 (as at 31 March 2019) to approximately HK\$2,579,034,000. On such account, the current ratio as at 30 September 2019 was approximately 2.7 (31 March 2019: approximately 2.8).

Capital Structure

As at 30 September 2019, the total number of issued ordinary shares of the Company was 91,320,403 shares (31 March 2019: 91,320,403 shares), and the nominal value per share was HK\$0.1. The total share capital of the Company was therefore approximately HK\$9,132,000 (31 March 2019: approximately HK\$9,132,000).

財務回顧

流動資金及財務資源

本集團之營運資金主要來自其內部產生的現金流及銀行借貸。於2019年9月30日，銀行結餘(包括現金及存款)約為103,718,000港元(2019年3月31日：約191,670,000港元)，較2019年3月31日減少約87,952,000港元。於2019年9月30日，本集團之銀行借貸約為1,315,868,000港元(2019年3月31日：約1,285,984,000港元)。於2019年9月30日，本集團的資產負債比率(即借貸總額佔權益總額之百分比)維持穩健約0.39(2019年3月31日：約0.36)。

於2019年9月30日，本集團之流動資產淨值約為1,637,096,000港元(2019年3月31日：約1,690,736,000港元)，反映與2019年3月31日相比減少約53,640,000港元。此乃由於本集團於本期間的流動資產由約2,636,742,000港元(於2019年3月31日)減少至約2,579,034,000港元。因此，於2019年9月30日，流動比率約為2.7(2019年3月31日：約2.8)。

股本結構

於2019年9月30日，本公司已發行普通股股份總數為91,320,403股(2019年3月31日：91,320,403股)，而每股面值0.1港元。因此，本公司的總股本約為9,132,000港元(2019年3月31日：約9,132,000港元)。

Capital Expenditures

During the Period, the Group invested approximately HK\$32,000 (2018 Period: approximately HK\$190,000) on the acquisitions of property, plant and equipment; and expended approximately HK\$3,077,000 (2018 Period: approximately HK\$1,170,000) on additions of investment properties.

Capital Commitments

As at 30 September 2019, the Group had no capital commitments in respect of capital expenditure contracted for but not provided (31 March 2019: nil).

Material Acquisitions and Disposals

The Group had no material acquisitions or disposals of subsidiaries or associated companies during the Period.

Charge on Assets

As at 30 September 2019, bank loans amounting to approximately HK\$1,315,868,000 (31 March 2019: approximately HK\$1,285,984,000) were secured by leasehold properties, investment properties, properties held for development for sale, properties held for sale, life insurance policy, listed equity securities in Hong Kong, perpetual bonds and debt instruments at fair value through other comprehensive income of the Group having a net book value of approximately HK\$3,465,250,000 (31 March 2019: approximately HK\$3,064,625,000).

Exposure on Foreign Exchange Fluctuations

Most of the Group's revenues and payments are in Hong Kong dollars. During the Period, the Group did not have significant exposure to the fluctuation in exchange rates and thus, no financial instrument for hedging purposes was employed. The Group considered the risk of exposure to the currency fluctuation to be minimal.

資本開支

於本期間，本集團已投資約32,000港元(2018期間：約190,000港元)於購買物業、廠房及設備；及支出約3,077,000港元(2018期間：約1,170,000港元)於增置投資物業。

資本承擔

於2019年9月30日，本集團並無已訂約但未撥備之資本性開支的資本承擔(2019年3月31日：無)。

重大收購及出售

本集團於本期間內並無有關附屬公司或聯營公司之重大收購或出售事項。

資產抵押

於2019年9月30日，銀行貸款約1,315,868,000港元(2019年3月31日：約1,285,984,000港元)乃以本集團賬面淨值約為3,465,250,000港元(2019年3月31日：約3,064,625,000港元)之出租物業、投資物業、持作出售發展物業、持作出售物業、人壽保單、香港上市之股票證券、永久債券以及按公平值計入其他綜合收益之債務票據作為抵押。

外匯波動之風險

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

Contingent Liabilities

The Group did not have significant contingent liabilities as at 30 September 2019 (31 March 2019: nil).

Changes in Fair Value of Investment Properties

During the Period, there was a loss of approximately HK\$2,427,000 arising from changes in fair value of investment properties (2018 Period: gain of approximately HK\$28,830,000).

Finance Costs

Finance costs was approximately HK\$11,282,000, decreased by approximately HK\$213,000 from approximately HK\$11,495,000 in 2018 Period.

Changes Since 31 March 2019

There were no other significant changes in the Group's financial statements or from the information disclosed under Management Discussion and Analysis in 2019 Annual Report.

PROPOSED SPIN-OFF

On 12 May 2017, the Company submitted a spin-off and separate listing proposal of the Group's residential property business ("Proposed Spin-off") to the Stock Exchange and on 24 October 2017, the Stock Exchange agreed that the Company may proceed with the Proposed Spin-off. However, on 29 March 2019, the Company received a letter from the Stock Exchange rejecting the Proposed Spin-off on the basis that the Company did not satisfy certain requirements of Practice Note 15 of the Rules Governing the Listing of Securities on the Stock Exchange as introduced in February 2018. After several rounds of review, appeals and hearings during the Period, the Listing Committee on 13 August 2019 upheld its decision of rejecting the Proposed Spin-off. As such, the Company decided not to further appeal nor proceed with the Proposed Spin-off.

或然負債

於2019年9月30日，本集團並無任何重大或然負債(2019年3月31日：無)。

投資物業之公平值變動

於本期間，投資物業之公平值變動產生之虧損約為2,427,000港元(2018期間：收益約28,830,000港元)。

融資成本

融資成本約為11,282,000港元，較2018期間約11,495,000港元減少約213,000港元。

自2019年3月31日起變動

本集團的財務報表或2019年年報中管理層討論及分析所披露的資料並無其他重大變動。

建議分拆

於2017年5月12日，本公司向聯交所呈交分拆及將住宅物業業務分開上市之建議(「建議分拆」)，而聯交所於2017年10月24日同意本公司可進行建議分拆。可是，本公司於2019年3月29日收到由聯交所發出之信件拒絕建議分拆，原因是本公司未能符合於2018年2月引入的聯交所證券上市規則第15項應用指引有關分拆上市之若干要求。本公司於本期間經過多輪覆核、上訴及聆訊，上市委員會於2019年8月13日決定維持不接納建議分拆之決定。故此，本公司決定不再提出進一步上訴及建議分拆。

Management Discussion and Analysis (continued)

管理層討論及分析 (續)

For further details, please refer to Company's announcements dated 27 October 2017, 9 April 2019, 17 May 2019, 24 May 2019 and 14 August 2019.

PROSPECTS

Despite the uncertainties on global economic outlook caused by the softening global economic growth, trade war between US and China and technology disputes, Hong Kong's economy remains resilient.

The Group maintains a cautiously optimistic view on the property market and will devote resources and efforts in increasing and replenishing its land bank for development. The Group will continue to adopt a prudent approach on acquiring and disposing properties. In addition, the Group will continue to look for potential investment properties for recurring income and capital appreciation, at the same time expanding its loan financing business for the growth of its stable recurring income.

These strategies will enable the Group to maintain its competitiveness thereby ensuring the Group's sustainability and securing the shareholders benefits.

詳細資料請參閱本公司日期為2017年10月27日、2019年4月9日、2019年5月17日、2019年5月24日及2019年8月14日之公佈。

展望

儘管環球經濟增長放緩、中美貿易戰及科技範疇之爭議，香港經濟仍然具有彈性。

本集團對房地產市場保持謹慎樂觀的態度，並將投入資源及努力增加及補充其土地儲備以促進發展。本集團將繼續採取審慎的方法收購及出售物業。此外，本集團將繼續尋找潛在投資物業作經常性收入及資本增值，同時擴大其貸款融資業務以促進本集團的穩定經常性收入增長。

該等策略將使本集團維持其競爭力，從而確保本集團的可持續發展及確保股東利益。

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

As at 30 September 2019, the interests or short positions of the directors of the Company (the “**Directors**”) and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “**SFO**”) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on the Stock Exchange, to be notified to the Company and the Stock Exchange, were as follows:

董事及主要執行人員於股份、相關股份及債權證之權益

於2019年9月30日，本公司董事（「**董事**」）及主要執行人員於本公司或其任何相關聯法團（定義見證券及期貨條例（「**證券及期貨條例**」）第XV部）的股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益或淡倉（包括彼等根據證券及期貨條例之該等條文被假設或視為擁有之權益或淡倉），或記載於本公司按證券及期貨條例第352條須存置之登記冊內的權益或淡倉，或根據聯交所證券上市規則（「**上市規則**」）附錄10所載之上市發行人董事進行證券交易的標準守則（「**標準守則**」）須知會本公司及聯交所的權益或淡倉如下：

(a) Interests in the Company (long position)

(a) 於本公司之權益(好倉)

Name of Director	Capacity	Number of ordinary shares held 持有普通股股份數目	Aggregate number of ordinary shares held 持有普通股股份總數	Approximate percentage of interests 權益之概約百分比
Ms. Lui Yuk Chu 雷玉珠女士	Interest of controlled corporation (Note i) 受控制法團之權益(附註i)	17,429,664	17,429,664	19.09%
Ms. Koon Ho Yan Candy 官可欣女士	Beneficiary of a trust (Note ii) 信託受益人(附註ii)	29,179,480	29,179,480	31.95%

Disclosure of Interests (continued)

權益披露 (續)

Notes:

- (i) 17,429,664 shares of the Company are owned by Sea Rejoice Limited which is wholly-owned by Ms. Lui Yuk Chu, an executive director of the Company.
- (ii) 29,179,480 shares of the Company are registered in the name of and are beneficially owned by Magical Profits Limited which is wholly-owned by Accumulate More Profits Limited which in turn is wholly-owned by The Winterbotham Trust Company Limited as trustee of The Magical 2000 Trust (the beneficiaries of which include Ms. Koon Ho Yan Candy). As a result, Ms. Koon Ho Yan Candy is deemed to be interested in the shares by virtue of her capacity as one of the beneficiaries of The Magical 2000 Trust.

附註：

- (i) 本公司之17,429,664股股份由樂洋有限公司實益擁有，該公司乃由本公司執行董事雷玉珠女士全資擁有。
- (ii) 本公司之29,179,480股股份由Magical Profits Limited之名義登記及由其實益擁有，該公司乃由Accumulate More Profits Limited全資擁有，而Accumulate More Profits Limited則由作為The Magical 2000 Trust(其受益人包括官可欣女士)之信託人溫特博森信託有限公司全資擁有。故此，官可欣女士因作為The Magical 2000 Trust受益人之一被視為於股份中擁有權益。

(b) Interests in associated corporations (long positions)

(b) 於相聯法團之權益(好倉)

Eminence Enterprise Limited (“Eminence”)

高山企業有限公司(「高山」)

Name of Director	Capacity	Number of ordinary shares held	Number of underlying shares held	Total	Approximate percentage of interests
董事名稱	身份	持有普通股股份數目	持有相關股份數目	總計	權益之概約百分比
Ms. Lui Yuk Chu 雷玉珠女士	Interest of controlled corporation (Note i, ii & iii) 受控制法團之權益 (附註i, ii & iii)	739,330,692	1,560,727,272	2,300,057,964	
	Beneficial owner (Note iii) 實益擁有人(附註iii)	-	11,300,000	11,300,000	
	Interest of spouse (Note iii) 配偶權益(附註iii)	-	11,300,000	11,300,000	
				2,322,657,964	62.34%
Ms. Koon Ho Yan Candy 官可欣女士	Beneficiary of a trust (Note i & iv) 信託受益人(附註i & iv)	739,330,692	1,560,727,272	2,300,057,964	61.73%

Notes:

- (i) In the 739,330,692 shares of Eminence, 93,549,498 shares and 645,781,194 shares of Eminence are registered in the name of and are beneficiary owned by Landmark Profits Limited ("Landmark Profits") and Goodco Development Limited ("Goodco") respectively, both companies are wholly-owned subsidiaries of the Company.
- (ii) Sea Rejoice Limited is interested in approximately 19.09% of the issued share capital of the Company and is wholly-owned by Ms. Lui Yuk Chu.
- (iii) 1,560,727,272 underlying shares of Eminence are the total number of convertible notes issued by Eminence to Goodco. 22,600,000 underlying shares of Eminence are the 11,300,000 share options granted to each of Ms. Lui Yuk Chu and Mr. Koon Wing Yee (the spouse of Ms. Lui Yuk Chu) respectively on 14 October 2016 by Eminence under Eminence share option scheme. By virtue of the SFO, Ms. Lui Yuk Chu is deemed to be interested in the shares of Eminence.
- (iv) Magical Profits Limited is interested in approximately 31.95% of the issued share capital of the Company and is wholly-owned by Accumulate More Profits Limited which in turn is wholly-owned by The Winterbotham Trust Company Limited as trustee of The Magical 2000 Trust (the beneficiaries of which include Ms. Koon Ho Yan Candy). For the 1,560,727,272 underlying shares of Eminence, these are the total number of convertible notes issued by Eminence to Goodco. By virtue of the SFO, Ms. Koon Ho Yan Candy is deemed to be interested in the shares of Eminence.

Save as disclosed above, as at 30 September 2019, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

附註：

- (i) 於739,330,692股高山股份中，93,549,498股及645,781,194股之高山股份分別以Landmark Profits Limited (「Landmark Profits」)及佳豪發展有限公司(「佳豪」)之名義登記並由其實益擁有，該等公司為本公司之全資附屬公司。
- (ii) 樂洋有限公司於本公司已發行股本中擁有約19.09%之權益而其由雷玉珠女士全資擁有。
- (iii) 1,560,727,272股高山相關股份為高山向佳豪發行可換股票據之相關股份總數。22,600,000股高山相關股份為於2016年10月14日根據高山之購股權計劃向雷玉珠女士及官永義先生(雷玉珠女士配偶)各自授予11,300,000股之高山購股權。根據證券及期貨條例，雷玉珠女士被視為為高山的股份中擁有權益。
- (iv) Magical Profits Limited於本公司已發行股本中擁有約31.95%之權益而其由Accumulate More Profits Limited全資擁有，而Accumulate More Profits Limited則由作為The Magical 2000 Trust (其受益人包括官可欣女士)之信託人溫特博森信託有限公司全資擁有。1,560,727,272股高山股份為高山向佳豪發行之可換股票據之相關股份總數。根據證券及期貨條例，官可欣女士被視為為高山的股份中擁有權益。

除上文所披露者外，於2019年9月30日，本公司董事或主要執行人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益或淡倉(包括彼等根據證券及期貨條例之該等條文被假設或視為擁有的權益或淡倉)，或記載於本公司按證券及期貨條例第352條須存置之登記冊內的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉。

Disclosure of Interests (continued)

權益披露 (續)

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the six months ended 30 September 2019 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18, was granted any right to subscribe for the equity or debt securities of the Company or other body corporate nor had exercised any such right.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 September 2019, the persons (other than the Directors or the chief executives of the Company) who had an interest or a short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

董事認購股份或債權證之權利

本公司或其任何附屬公司於截至2019年9月30日止六個月內任何時間概無訂立任何安排，致使董事可藉購買本公司或任何其他法人團體之股份或債權證而獲益，以及並無董事或其配偶或18歲以下之子女獲授予任何權利以認購本公司或其他法人團體之股本或債務證券，或已行使任何該等權利。

主要股東於股份及相關股份之權益

於2019年9月30日，於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部的條文須向本公司披露或記載於本公司按證券及期貨條例第336條須存置之登記冊內的權益或淡倉之人士(董事或主要執行人員除外)如下：

Name of Shareholder	Notes	Capacity	Number of ordinary shares held (long position) 持有普通股 股份數目 (好倉)	Approximate percentage of interests 權益之概約 百分比
股東名稱	附註	身份		
Mr. Koon Wing Yee 官永義先生	ii & iii	Interest of spouse 配偶權益	17,429,664	19.09%
Sea Rejoice Limited 樂洋有限公司	ii	Beneficial owner 實益擁有人	17,429,664	19.09%
Magical Profits Limited	i	Beneficial owner 實益擁有人	29,179,480	31.95%

Disclosure of Interests (continued)

權益披露 (續)

Name of Shareholder	Note	Capacity	Number of ordinary shares held (long position) 持有普通股股份數目 (好倉)	Approximate percentage of interest 權益之概約百分比
股東名稱	附註	身份		
Accumulate More Profits Limited	i	Interest of controlled Corporation 受控制法團之權益	29,179,480	31.95%
The Winterbotham Trust Company Limited 溫特博森信託有限公司	i	Trustee 信託人	29,179,480	31.95%
Winterbotham Holdings Limited	i	Interest of controlled corporation 受控制法團之權益	29,179,480	31.95%
Markson International Holding Limited	i	Interest of controlled corporation 受控制法團之權益	29,179,480	31.95%
Christopher Geoffrey Douglas Hooper	i	Interest of controlled corporation 受控制法團之權益	29,179,480	31.95%
Ivan Geoffrey Douglas Hooper	i	Interest of controlled corporation 受控制法團之權益	29,179,480	31.95%

Notes:

附註:

- (i) 29,179,480 shares of the Company are registered in the name of and are beneficially owned by Magical Profits Limited, which is wholly-owned by Accumulate More Profits Limited, which in turn is wholly-owned by The Winterbotham Trust Company Limited as trustee of The Magical 2000 Trust (the beneficiaries of which include Ms. Koon Ho Yan Candy, an executive director of the Company). The Winterbotham Trust Company Limited is owned as to 75% by Winterbotham Holdings Limited ("**Winterbotham Holdings**") and 25% by Markson International Holding Limited ("**Markson**") respectively. Winterbotham Holdings is owned as to approximately 99.99% by Mr. Christopher Geoffrey Douglas Hooper. And Markson is owned as to approximately 99.99% by Mr. Ivan Geoffrey Douglas Hooper.
- (ii) 17,429,664 Shares are owned by Sea Rejoice Limited which is wholly-owned by Ms. Lui Yuk Chu, an executive director of the Company.
- (i) 29,179,480股本公司股份以Magical Profits Limited之名義登記及由其實益擁有，該公司乃由Accumulate More Profits Limited全資擁有，而Accumulate More Profits Limited則由作為The Magical 2000 Trust(其受益人包括本公司執行董事官可欣女士)之信託人溫特博森信託有限公司全資擁有。Winterbotham Holdings Limited ("**Winterbotham Holdings**")及Markson International Holding Limited ("**Markson**")於溫特博森信託分別擁有75%及25%權益。Christopher Geoffrey Douglas Hooper先生擁有Winterbotham Holdings 約99.99%之權益。Ivan Geoffrey Douglas Hooper先生於Markson擁有約99.99%之權益。
- (ii) 17,429,664股股份由樂洋有限公司實益擁有，該公司乃由本公司執行董事雷玉珠女士全資擁有。

Disclosure of Interests (continued)

權益披露 (續)

(iii) Mr. Koon Wing Yee, being the spouse of Ms. Lui Yuk Chu, is deemed to be interested in the 17,429,664 shares of the Company by virtue of the SFO.

Save as disclosed above, as at 30 September 2019, the Company had not been notified by any persons (other than Directors or chief executives of the Company) who had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register kept by the Company under Section 336 of the SFO.

SHARE OPTION SCHEMES

On 5 July 2012, a share option scheme (“**Share Option Scheme**”) was adopted and approved by the shareholders of the Company for a period of 10 years commencing on the adoption date whereby the Board, may at its discretion, grant share options to any eligible participants (including Directors and employees of the Group) to subscribe for the shares in the Company subject to the terms and conditions as stipulated in the Share Option Scheme.

At the annual general meeting of the Company held on 8 August 2019, the scheme mandate limit for the Share Option Scheme was refreshed to allow the Company to issue a maximum of 9,132,040 share options under the Share Option Scheme, representing 10% of the total number of issued shares of the Company (i.e. 91,320,403 shares) as at 30 September 2019.

During the Period, no share option(s) were outstanding, granted, exercised, cancelled or lapsed under the Share Option Scheme.

PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's issued shares were held by the public as at the date of this report.

(iii) 官永義先生為雷玉珠女士之配偶，根據證券及期貨條例被視為於17,429,664股本公司股份中擁有權益。

除上文所披露者外，於2019年9月30日，概無任何人士(本公司董事或主要執行人員除外)曾知會本公司擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露或記載於本公司按證券及期貨條例第336條須存置之登記冊內的本公司股份或相關股份之權益或淡倉。

購股權計劃

於2012年7月5日，本公司股東已採納及批准一項新購股權計劃(「**購股權計劃**」)，年期由採納日期起計10年，董事會可酌情向任何合資格參與者(包括董事及本集團僱員)授出購股權以認購本公司股份，惟須受購股權計劃的條款及細則所限。

於2019年8月8日舉行之本公司股東週年大會上，購股權計劃之計劃授權獲更新，批准本公司根據購股權計劃發行最多9,132,040份購股權，佔本公司於2019年9月30日已發行股份總數(即91,320,403股股份)之10%。

於截至2019年9月30日止年度內，購股權計劃概無購股權尚未行使、獲授出、行使、被註銷或已失效。

公眾持股量

根據本公司可公開獲得的資料及董事所知，於本報告日期，本公司已發行股份的至少25%由公眾持有。

CORPORATE GOVERNANCE

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

Code Provision A.2.1

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

Mr. Tse Wing Chiu Ricky (“Mr. Tse”) serves as president as well as chief executive officer of the Company. The Board considers this arrangement to be appropriate for the Company as it preserves the consistent leadership culture of the Company and allow more effective planning and better execution of long-term strategies. The Board is of the view that a balance of power and authority is adequately ensured by the operations and governance of the Board which comprises experienced and high caliber individuals, with half of them being independent non-executive Directors of the Company. The Company will continue to review the existing structure when and as it becomes appropriate. The day-to-day management and operation of the Group are delegated to divisional management under the leadership and supervision of Mr. Tse in the role of president and chief executive officer who is supported by the executive Directors and senior management of the Company.

企業管治

於本期間，本公司一直遵守上市規則附錄14所載《企業管治守則》（「企業管治守則」）之原則及所有守則條文，惟下文所述的偏離情況除外：

守則條文第A.2.1條

主席與行政總裁之角色應有區分，並不應由一人同時兼任

謝永超先生（「謝先生」）同時擔任本公司主席及首席行政總裁。董事會認為此安排對本公司而言是恰當的，既能繼續貫徹本公司之領導文化亦能提高長遠策略的有效規劃及執行表現。董事會認為董事會成員不乏經驗豐富及具才幹之人士（其中半數為本公司獨立非執行董事），其營運及管治足以確保權力及職能平衡。本公司將繼續於適當時檢討現行架構。在主席及首席行政總裁謝先生的領導及監督，與一眾執行董事及本公司高層管理人員之輔助下，本集團日常管理及營運事宜均由各部門管理人員負責。

Code Provision C.2.5

The issuer should have an internal audit function

Code provision C.2.5 of the CG Code provides that the Group should have an internal audit function. The Group does not have an internal audit function. During the year ended 31 March 2019, the Board reviewed the effectiveness of the internal control system of the Group and there were no major issues but areas for improvement have been identified by the Audit Committee and appropriate measures have been taken. In addition, the Board was of the view that there is no immediate need to set up an internal audit function within the Group in light of the size, nature and complexity of the Group's business. The situation will be reviewed annually.

CHANGES IN DIRECTORS' INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, since the date of the Company's latest published 2019 Annual Report and up to the date of this report, the changes in the Directors' information are set out below:

- (a) There were changes to the directorships of each of Mr. Tse Wing Chiu Ricky and Ms. Lui Yuk Chu in certain members of the Group.
- (b) The Director's fee of Ms. Lui Yuk Chu and Ms. Koon Ho Yan Candy, executive directors of the Company, was changed from HK\$2,400,000 per annum to HK\$2,640,000 per annum, and from HK\$1,200,000 per annum to HK\$1,560,000 per annum, respectively with effect from 1 April 2019.

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

守則條文第C.2.5條

發行人應設立內部審核功能

根據企業管治守則第C.2.5條守則條文之規定，本集團應設立內部審核功能。本集團沒有設立內部審核功能。於2019年3月31日之年度，董事會已對本集團內部監控制度的有效性進行了檢討，並沒有發現重大問題，但審核委員會已經確定有待改進的範疇，並採取了適當措施。此外，董事會認為，鑑於本集團業務規模、性質及複雜性，本集團目前並無設立內部審核功能的急切需要。本集團將每年審查上述情況。

董事資料的變動

根據上市規則第13.51B(1)條，董事資料自本公司最近刊發之2019年年報日期起至本報告日期止變動如下：

- (a) 謝永超先生及雷玉珠女士各自於本集團若干成員公司所擔任的董事職務上有所替換。
- (b) 本公司執行董事雷玉珠女士及官可欣女士董事袍金分別由每年2,400,000港元更改至每年2,640,000港元及由每年1,200,000港元更改至每年1,560,000港元，自2019年4月1日起生效。

除上文所披露者外，概無其他董事資料變動須根據上市規則第13.51B(1)條須予。

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors, who are likely to be in possession of inside information in relation to the securities of the Company. All Directors have confirmed, following specific enquiries by the Company, their compliance with the required standards set out in the Model Code throughout the Period.

THE AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) comprises three (3) independent non-executive directors of the Company, namely Mr. Tsui Chun Kong (Chairman of the Audit Committee), Mr. Jong Koon Sang and Mr. Hon Tam Chun. The Audit Committee has reviewed the accounting policies adopted by the Group and discussed auditing, internal control and financial reporting matters, including the review of the Group’s unaudited condensed consolidated financial statements for the six months ended 30 September 2019, the interim results announcement and this interim report.

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

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

遵守標準守則

本公司已採納上市規則附錄10所載之標準守則，作為其本身有關董事(可能擁有與本公司證券有關的內幕消息)進行證券交易之行為守則。經本公司作出特定查詢後，本公司所有董事確認，彼等於本期間內一直遵守標準守則所規定之準則。

審核委員會

本公司審核委員會(「**審核委員會**」)由本公司由三(3)位獨立非執行董事組成，分別為徐震港先生(審核委員會主席)、莊冠生先生及韓譚春先生。審核委員會已審議本集團採用之會計政策，並商討審計、內部監控及財務匯報事項，包括審議本集團截至2019年9月30日止六個月之未經審核簡明綜合財務報表、中期業績公佈及本中期報告。

購買、出售或贖回本公司之上市證券

於本期間，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

HUMAN RESOURCES

As at 30 September 2019, the Group has 29 employees (30 September 2018: 33). Staff costs (including Directors' emoluments) amounted to approximately HK\$15,140,000 for the Period (2018 Period: approximately HK\$13,809,000). The Group adopts competitive remuneration packages which are based on its employees' performance, experience and prevailing industry practice. The Group has also participated the Mandatory Provident Fund Scheme for its Hong Kong's employees. The Group has the Share Option Scheme to motivate employees.

EVENT AFTER THE REPORTING PERIOD

The Company published a joint announcement on 6 November 2019 (the "Announcement") with Eminence (as supplemented by a further announcement dated 18 November 2019) in relation to, *inter alia*, the full acceptance of allotment under the proposed rights issue of Eminence. The Company, through its wholly-owned subsidiaries Landmark Profits and Goodco, owns 739,330,692 shares of Eminence. Goodco has irrevocably undertaken to Eminence that it will not exercise any conversion rights under, or transfer, the convertible notes held by it before close of business on the record date. Each of Landmark Profits and Goodco has irrevocably undertaken to Eminence and the underwriter that shares of Eminence beneficially owned by it will not be disposed of or transferred from the date of the undertakings (i.e. 4 November 2019) before close of business on the record date, that the rights shares to be allotted in respect of those consolidated shares will be taken up in full, representing a total of 147,866,132 rights shares and it will not apply for any excess rights shares. Further information can be found in the Announcement.

人力資源

於2019年9月30日，本集團共有29名僱員(2018年9月30日：33名)。於本期間，員工成本(包括董事袍金)約為15,140,000港元(2018期間：約13,809,000港元)。本集團提供具競爭力的薪酬待遇，乃基於其僱員的表現、經驗及現行業內慣例。本集團已參與為香港僱員設立強制性公積金計劃。本集團設有一項購股權計劃，以鼓勵優秀員工。

報告期後事項

本公司於2019年11月6日與高山刊發一份聯合公佈(「該公告」)(其後於日期為2019年11月18日之公佈作補充)，內容有關(其中包括)悉數接納高山建議供股下的配額。本公司透過其全資附屬公司Landmark Profits及佳豪擁有739,330,692股高山股份。佳豪已向高山作出不可撤回承諾，其於記錄日期營業時間結束前不會行使佳豪擁有之可換股票據下的任何換股權或轉讓該等可換股票據。Landmark Profits及佳豪各自已不可撤回地向高山及包銷商承諾，自承諾之日(即2019年11月4日)起於記錄日期營業時間結束前不會出售或轉讓彼等實益擁有的高山股份、將悉數承購就該等合併股份而將予配發的供股股份(相當於合共147,866,132股供股股份)，及不會申請任何額外供股股份。詳情載了列於該公佈。

FORWARD LOOKING STATEMENTS

Certain information in this interim report contains forward-looking statements relating to the Group. These statements are based on the current beliefs, predictions, assumptions, projections and expectations of the Board towards the industries and markets in which the Group operates. These forward-looking statements do not guarantee or assure future performance or development of the Group and are subject to risks and uncertainties which might cause deviations from those expressed or implied statements. Investors and shareholders of the Company are advised not to place reliance on any forward-looking statements.

By Order of the Board
Easyknit International Holdings Limited

TSE WING CHIU RICKY
President and Chief Executive Officer

Hong Kong, 27 November 2019

前瞻性陳述

本中期報告中的若干資料載有與本集團有關的前瞻性陳述。該等陳述乃基於董事會對本集團經營所在行業及市場的現有信念、預測、假設、預算及預期。該等前瞻性陳述不保證或確保本集團未來的業績或發展，並受可能導致偏離該等明示或暗示陳述的風險和不確定因素影響。投資者及本公司股東不可依賴任何前瞻性陳述。

承董事會命
永義國際集團有限公司

謝永超
主席兼首席行政總裁

香港，2019年11月27日

In case of any inconsistency, the English version of this interim report shall prevail over the Chinese version.

本中期報告之中、英文版如有任何歧義，概以英文版為準。

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income 簡明綜合損益及其他全面收益表

For the six months ended 30 September 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 HK\$'000 千港元 (Unaudited) (未經審核)	2018 HK\$'000 千港元 (Unaudited) (未經審核)
	NOTES 附註		
Revenue	營業額		
Property sales	物業銷售	-	48,195
Rental income	租金收入	19,797	27,325
Interest income from loan financing	來自貸款融資之利息收入	12,391	9,381
Building management	樓宇管理	594	477
Total revenue	營業額總額	3,278	85,378
Cost of properties sold and services rendered	銷售物業及提供服務成本	(1,141)	(33,102)
Gross profit	毛利	31,641	52,276
Other income	其他收入	5,296	8,981
Distribution and selling expenses	經銷成本	(6,412)	(5,038)
Administrative expenses	行政開支	(27,110)	(28,891)
(Loss) gain on changes in fair value of investment properties	投資物業之公平值變動(虧損)收益	(2,427)	28,830
Loss on changes in fair value of financial assets at fair value through profit or loss ("FVTPL")	按公平值計入損益之金融資產之公平值變動虧損	(20,650)	(29,288)
Reversal of (impairment loss) on financial assets:	金融資產之撥回(減值虧損):		
- Debt instruments at fair value through other comprehensive income ("FVTOCI")	- 按公平值計入其他全面收益之債務工具	77	-
- Other debt instrument at amortised cost	- 按攤銷成本計量之其他債務工具	(1,762)	-
- Loans receivable, net	- 淨應收貸款	(3,899)	-
Results attributable to interests in associates	聯營公司權益分佔業績	(133,128)	(9,870)
Results attributable to interest in a joint venture	合營公司權益分佔業績	(1)	-
Finance costs	融資成本	(11,282)	(11,495)
(Loss) profit before taxation	除稅前(虧損)溢利	(169,657)	5,505
Taxation	稅項	(1,230)	(2,366)
(Loss) profit for the period	本期間(虧損)溢利	(170,887)	3,139

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)

簡明綜合損益及其他全面收益表 (續)

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 HK\$'000 千港元 (Unaudited) (未經審核)	2018 HK\$'000 千港元 (Unaudited) (未經審核)
Other comprehensive (expense) income	其他全面(開支)收入		
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>隨後可能重新分類至損益之項目：</i>		
Share of other comprehensive (expense) income of associates:	分佔聯營公司之其他全面(開支)收入：		
Share of translation reserve of associates	分佔聯營公司之匯兌儲備	(5,886)	(9,430)
Share of FVTOCI reserve of associates	分佔聯營公司之按公平值計入其他全面收益儲備	(163)	-
Reclassification of translation reserve to profit or loss upon deemed partial disposal of interests in associates without loss of significant influence	於沒有失去重大影響之視為出售聯營公司部分權益時重新分類至損益之匯兌儲備	1,350	-
Reclassification of investment revaluation reserve to profit or loss upon deemed partial disposal of interests in associates without loss of significant influence	於沒有失去重大影響之視為出售聯營公司部分權益時重新分類至損益之投資重估儲備	(36)	-
		(4,735)	(9,430)
Net loss on debt instruments at FVTOCI	按公平值計入其他全面收益之債務工具之淨虧損	(218)	-
Reversal of impairment loss on debt instruments at FVTOCI included in profit or loss	按公平值計入其他全面收益之債務工具之減值虧損撥回包括在損益中	(77)	-
Other comprehensive expense for the period	本期間之其他全面開支	(5,030)	(9,430)
Total comprehensive expense for the period	本期間之全面開支總額	(175,917)	(6,291)

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)

簡明綜合損益及其他全面收益表 (續)

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 HK\$'000 千港元 (Unaudited) (未經審核)	2018 HK\$'000 千港元 (Unaudited) (未經審核)
	NOTE 附註		
(Loss) profit for the period attributable to:	本期間(虧損)溢利分佔：		
Owners of the Company	本公司股東	(170,767)	3,173
Non-controlling interest	非控股權益	(120)	(34)
		(170,887)	3,139
Total comprehensive expense for the period attributable to:	本期間全面開支分佔：		
Owners of the Company	本公司股東	(175,797)	(6,257)
Non-controlling interest	非控股權益	(120)	(34)
		(175,917)	(6,291)
Basic and diluted (loss) earnings per share	每股基本及攤薄(虧損)盈利	HK\$(1.87) 港元	HK\$0.04 港元
	6		

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

			30 September	31 March
			9月30日	3月31日
			2019	2019
	NOTES		HK\$'000	HK\$'000
	附註		千港元	千港元
			(Unaudited)	(Audited)
			(未經審核)	(經審核)
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	8	81,419	83,770
Right-of-use assets	使用權資產	8	1,761	-
Investment properties	投資物業	9	1,459,450	1,458,800
Interests in associates	聯營公司權益	10	534,058	671,921
Interest in a joint venture	一間合營公司權益		1,739	1,740
Financial assets at FVTPL	按公平值計入損益之 金融資產	11	128,069	79,000
Debt instruments at FVTOCI	按公平值計入其他 全面收益之債務工具	12	30,566	34,614
Loans receivable	應收貸款	13	11,902	27,785
Intangible asset	無形資產		500	500
Deposits	按金		205	205
Other debt instrument at amortised cost	按攤銷成本計量之 其他債務工具	14	29,950	31,712
			2,279,619	2,390,047
Current assets	流動資產			
Properties held for development for sale	持作出售發展物業	15	1,981,991	1,932,432
Properties held for sale	持作出售物業		119,181	119,181
Financial assets at FVTPL	按公平值計入損益之 金融資產	11	66,491	105,666
Debt instrument at FVTOCI	按公平值計入其他 全面收益之債務工具	12	15,591	11,762
Trade and other receivables	貿易及其他應收款項	16	13,812	96,811
Tax recoverable	可收回稅項		89	331
Loans receivable	應收貸款	13	278,135	178,889
Amount due from a joint venture	應收一間合營公司金額		26	-
Bank balances and cash	銀行結餘及現金		103,718	191,670
			2,579,034	2,636,742

Condensed Consolidated Statement of Financial Position (continued)

簡明綜合財務狀況表 (續)

At 30 September 2019

於2019年9月30日

			30 September	31 March
			9月30日	3月31日
			2019	2019
		NOTES	HK\$'000	HK\$'000
		附註	千港元	千港元
			(Unaudited)	(Audited)
			(未經審核)	(經審核)
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	17	37,517	41,932
Amount due to non-controlling shareholder	應付非控股股東金額	18	86,498	101,009
Tax payable	應付稅項		50,124	50,514
Secured bank borrowings	有抵押銀行借貸	19	766,763	752,551
Lease liabilities	租賃負債		1,036	-
			941,938	946,006
Net current assets	流動資產淨值		1,637,096	1,690,736
Total assets less current liabilities	資產總額減流動負債		3,916,715	4,080,783
Non-current liabilities	非流動負債			
Secured bank borrowings	有抵押銀行借貸	19	549,105	533,433
Lease liabilities	租賃負債		743	-
			549,848	533,433
			3,366,867	3,547,350
Capital and reserves	資本及儲備			
Share capital	股本	20	9,132	9,132
Reserves	儲備		3,358,000	3,538,363
Equity attributable to owners of the Company	本公司股東應佔權益		3,367,132	3,547,495
Non-controlling interest	非控股權益		(265)	(145)
			3,366,867	3,547,350

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 owners of the Company 本公司股東應佔											
		Share capital	Share premium	Capital reserve	Translation reserve	Special reserve	Contributed surplus	FVTOCI reserve	Property revaluation reserve	Accumulated profits	Total	Non-controlling interest	Total
		股本	股份溢價	股本儲備	匯兌儲備	特別儲備	繳入盈餘	按公平值計入其他全面收益儲備	物業重估儲備	累計溢利	總計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(Note a) (附註a)		(Note b) (附註b)	(Note c) (附註c)		(Note d) (附註d)				
At 1 April 2019 (audited)	於2019年4月1日 (經審核)	9,132	271,333	196,565	(2,893)	9,800	220,937	1,885	69,872	2,770,864	3,547,495	(145)	3,547,350
Net loss on debt instruments at FVTOCI	按公平值計入其他全面收益之債務工具之淨虧損	-	-	-	-	-	-	(216)	-	-	(216)	-	(216)
Reversal of impairment loss on debt instruments at FVTOCI included in profit or loss	按公平值計入其他全面收益之債務工具之減值虧損撥回包括在損益中	-	-	-	-	-	-	(77)	-	-	(77)	-	(77)
Share of other comprehensive expense of associates	分佔聯營公司其他全面開支	-	-	-	(4,536)	-	-	(199)	-	-	(4,735)	-	(4,735)
Loss for the period	本期間虧損	-	-	-	-	-	-	-	-	(170,767)	(170,767)	(120)	(170,887)
Total comprehensive expense for the period	本期間全面開支總額	-	-	-	(4,536)	-	-	(494)	-	(170,767)	(175,797)	(120)	(175,917)
2019 final dividend paid (Note 7)	2019年度已支付末期股息(附註7)	-	-	-	-	-	-	-	-	(4,566)	(4,566)	-	(4,566)
At 30 September 2019 (unaudited)	於2019年9月30日 (未經審核)	9,132	271,333	196,565	(7,429)	9,800	220,937	1,391	69,872	2,595,531	3,367,132	(265)	3,366,867

Condensed Consolidated Statement of Changes in Equity (continued)

簡明綜合權益變動表 (續)

For the six months ended 30 September 2019

截至2019年9月30日止六個月

		Attributable to owners of the Company 本公司股東應佔											
		Share capital	Share premium	Capital reserve	Translation reserve	Special reserve	Contributed surplus	FVTOCI reserve	Property revaluation reserve	Accumulated profits	Total	Non-controlling interest	Total
		股本	股份溢價	股本儲備	匯兌儲備	特別儲備	繳入盈餘	按公平值計入其他全面收益儲備	物業重估儲備	累計溢利	總計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(Note a) (附註a)		(Note b) (附註b)	(Note c) (附註c)		(Note d) (附註d)				
At 1 April 2018 (audited)	於2018年4月1日 (經審核)	7,942	218,330	196,565	3,634	9,800	220,937	-	69,872	2,459,471	3,186,551	-	3,186,551
Share of other comprehensive expense of associates	分佔聯營公司其他全面開支	-	-	-	(9,430)	-	-	-	-	-	(9,430)	-	(9,430)
Profit (loss) for the period	本期間溢利(虧損)	-	-	-	-	-	-	-	-	3,173	3,173	(34)	3,139
Total comprehensive (expense) income for the period	本期間全面(開支)收入總額	-	-	-	(9,430)	-	-	-	-	3,173	(6,257)	(34)	(6,291)
2018 final dividend paid (Note 7)	2018年度已支付末期股息(附註7)	-	-	-	-	-	-	-	-	(4,566)	(4,566)	-	(4,566)
Issue of new shares	發行新股	1,190	53,550	-	-	-	-	-	-	-	54,740	-	54,740
Transaction costs attributable to issue of new shares	發行新股之交易成本	-	(547)	-	-	-	-	-	-	-	(547)	-	(547)
At 30 September 2018 (unaudited)	於2018年9月30日 (未經審核)	9,132	271,333	196,565	(5,796)	9,800	220,937	-	69,872	2,456,078	3,229,921	(34)	3,229,887

Notes:

- (a) The capital reserve of the Group represents the credit arising from the reduction of share capital of the Company in October 2006.
- (b) The special reserve of the Group represents the difference between the nominal value of the share capital issued by the Company and the nominal value of the share capital and share premium of the companies forming the Group pursuant to the group reorganisation prior to the listing of the Company's shares in 1995.
- (c) The contributed surplus of the Group represents the credit arising from the reduction of certain reserves of the Company in August 2004.
- (d) The property revaluation reserve of the Group includes (i) the gain on revaluation of certain leasehold properties of the Group, (ii) share of the gain on revaluation of prepaid lease payments and property, plant and equipment of the Group's former associates, both arising from the transfer of the Group's leasehold properties or associates' prepaid lease payments and property, plant and equipment to investment properties in prior years, net of (iii) the transfer to accumulated profits upon deemed disposal of subsidiaries in prior years.

附註:

- (a) 本集團之股本儲備代表藉於2006年10月股本削減所產生之進賬。
- (b) 本集團之特別儲備代表本公司已發行股本面值與現時組成本集團(根據本公司股份在1995年上市前之集團重組)屬下各公司之股本面值及股份溢價之差額。
- (c) 本集團之繳入盈餘代表本公司於2004年8月削減若干儲備之進賬。
- (d) 本集團之物業重估儲備包括(i)本集團若干租約物業之重估收益、(ii)分佔本集團前聯營公司之預付租賃款項及物業、廠房及設備之重估收益,皆因於過往年度本集團之租約物業或聯營公司之預付租賃款項及物業、廠房及設備轉撥至投資物業所致,扣除(iii)於過往年度於視為出售附屬公司時轉撥至累計溢利。

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 HK\$'000 千港元 (Unaudited) (未經審核)	2018 HK\$'000 千港元 (Unaudited) (未經審核)
(Loss) profit before taxation	除稅前(虧損)溢利	(169,657)	5,505
Adjustments for:	經調整：		
Loss on deemed partial disposal of equity interests in associates	視為出售聯營公司部份股本權益之虧損	130,957	-
Other non-cash items	其他非現金項目	42,007	13,088
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	3,307	18,593
Increase in properties held for development for sale	持作出售發展物業增加	(37,263)	(490,849)
Decrease in properties held for sale	持作出售物業減少	-	30,524
Decrease in trade and other receivables	貿易及其他應收款項減少	82,999	4,153
Decrease in financial assets at FVTPL	按公平值計入損益之金融資產減少	34,210	123,400
Increase in contract liabilities	合約負債增加	-	175,200
Other cash flows (used in) from operating activities	(用於)來自經營活動之其他現金流量	(74,633)	32,075
Net cash from (used in) operating activities	來自(用於)經營活動之現金淨額	8,620	(106,904)
Net cash (used in) from investing activities	(用於)來自投資活動之現金淨額		
Acquisition of financial assets at FVTPL	購入按公平值計入損益之金融資產	(98,000)	(50,000)
Additions of investment properties	添置投資物業	(3,077)	(1,170)
Purchase of property, plant and equipment	購入物業、廠房及設備	(32)	(51)
Redemption of financial assets at FVTPL	贖回按公平值計入損益之金融資產	14,001	30,004
Deposit paid for investment properties	購入投資物業之已付按金	-	(255)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	-	404
Other investing activities	其他投資活動	4,224	5,048
		(82,884)	(16,020)
Net cash (used in) from financing activities	(用於)來自融資活動之現金淨額		
Bank loans raised	籌得銀行貸款	43,762	250,000
Advance from non-controlling shareholder	非控股股東墊支	3,089	56,000
Interest paid	已付利息	(23,659)	(17,956)
Repayment to non-controlling shareholder	償還非控股股東	(17,600)	-
Repayment of bank loans	償還銀行貸款	(14,053)	(180,614)
Dividend paid	已付股息	(4,566)	(4,566)
Repayment of lease liabilities	償還租賃負債	(661)	-
Proceeds from issue of new shares	發行新股之所得款項	-	54,740
Transaction costs attributable for issue of new shares	發行新股之交易成本	-	(547)
		(13,688)	157,057
Net (decrease) increase in cash and cash equivalents	現金及等同現金(減少)增加淨額	(87,952)	34,133
Cash and cash equivalents at beginning of the period	期初現金及等同現金	191,670	150,370
Cash and cash equivalents at end of the period, represented by bank balances and cash	期末現金及等同現金，即銀行結餘及現金	103,718	184,503

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 September 2019

截至2019年9月30日止六個月

1. BASIS OF PREPARATION

The condensed consolidated financial statements of Easyknit International Holdings Limited (the “Company”; the Company and its subsidiaries are referred to as the “Group”) have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

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

2. PRINCIPAL ACCOUNTING POLICIES

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

Other than changes in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2019 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 March 2019.

1. 編製基準

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

本公司於百慕達註冊成立之獲豁免有限公司而其股份於聯交所上市。

2. 主要會計政策

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

除應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)導致會計政策變動外，截至2019年9月30日止六個月之簡明綜合財務報表所採納之會計政策及計算方法與本集團編製截至2019年3月31日止年度之全年綜合財務報表所採用者相同。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

2. 主要會計政策(續)

Application of new and amendments to HKFRSs

應用新訂及經修訂香港財務報告準則

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs and an interpretation issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1 April 2019 for the preparation of the Group's condensed consolidated financial statements:

於本中期期間，本集團已首次應用下列由香港會計師公會所頒佈之新訂及經修訂香港財務報告準則及詮釋，就編製本集團簡明綜合財務報表而言，該等準則及修訂乃於2019年4月1日或之後開始之年度期間強制生效：

HKFRS 16	Leases	香港財務報告準則第16號	租賃
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments	香港(國際財務報告詮釋委員會) – 詮釋第23號	所得稅處理之不確定因素
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle	香港財務報告準則之修訂本	香港財務報告準則2015年至2017年週期之年度改進
Amendments to HKFRS 9	Prepayment Features with Negative Compensation	香港財務報告準則第9號之修訂本	具有負補償之預付特性
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement	香港會計準則第19號之修訂本	計劃修訂、縮減或清償
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures	香港會計準則第28號之修訂本	於聯營公司及合營企業之長期權益

Except as described below, the application of the new and amendments to HKFRSs and an interpretation in the current period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

除下文所述者外，於本期間應用其他新訂及經修訂香港財務報告準則及詮釋並無對本集團於本期間及過往期間的財務表現及狀況及／或簡明綜合財務報表所載披露有任何重大影響。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Application of new and amendments to HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases”

The Group has applied HKFRS 16 for the first time in the current interim period. HKFRS 16 superseded HKAS 17 “Leases”, and the related interpretations.

2.1.1 Key changes in accounting policies resulting from application of HKFRS 16

The Group applied the following accounting policies in accordance with the transition provisions 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. 主要會計政策(續)

應用新訂及經修訂香港財務報告準則(續)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動

本集團已於本中期期間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號取代了香港會計準則第17號「租賃」及其相關詮釋。

2.1.1 應用香港財務報告準則第16號所導致的會計政策的主要變動

本集團已根據香港財務報告準則第16號的過渡條文應用以下會計政策。

租賃的定義

倘合約為換取代價而給予在一段時間內控制已識別資產使用的權利，則該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改的合約而言，本集團根據香港財務報告準則第16號的定義於開始或修改日期評估該合約是否為一項租賃或包含一項租賃。除非合約的條款及條件其後出現變動，否則有關合約將不予重新評估。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

2. 主要會計政策(續)

Application of new and amendments to HKFRSs (Continued)

應用新訂及經修訂香港財務報告準則(續)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

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

2.1.1 應用香港財務報告準則第16號所導致的會計政策的主要變動(續)

As a lessee

作為承租人

Allocation of consideration to components of a contract

將合約代價分配至各組成部分

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.

對於包含一項租賃組成部分及一項或多項額外的租賃或非租賃組成部分的合約，本集團根據租賃組成部分的相對單獨價格及非租賃組成部分的單獨價格總和將合約代價分配至各個租賃組成部分。

Non-lease components are separated from lease component on the basis of their relative stand-alone prices.

非租賃組成部分根據租賃組成部分的相對單獨價格分開出來。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Application of new and amendments to HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

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

As a lessee (Continued)

Right-of-use 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;

2. 主要會計政策(續)

應用新訂及經修訂香港財務報告準則(續)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

2.1.1 應用香港財務報告準則第16號所導致的會計政策的主要變動(續)

作為承租人(續)

使用權資產

本集團於租賃開始日期(即相關資產可供使用當日)確認使用權資產。使用權資產按成本減任何累計折舊及減值虧損計量，並於租賃負債重新計量時作出調整。

使用權資產的成本包括：

- 租賃負債的初始計量金額；
- 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；

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

2. 主要會計政策(續)

Application of new and amendments to HKFRSs (Continued)

應用新訂及經修訂香港財務報告準則(續)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

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

2.1.1 應用香港財務報告準則第16號所導致的會計政策的主要變動(續)

As a lessee (Continued)

作為承租人(續)

Right-of-use assets (Continued)

使用權資產(續)

- any initial direct costs incurred by the Group; and
- 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.

- 本集團產生的任何初始直接成本；及

- 本集團於拆解及搬遷相關資產、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時產生的成本估計。

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.

就本集團於租賃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期間計提折舊。否則，使用權資產按直線基準於其估計可使用年期及租賃期(以較短者為準)內計提折舊。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Application of new and amendments to HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

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

As a lessee (Continued)

Right-of-use assets (Continued)

The Group presents right-of-use assets that do not meet the definition of investment property as a separate line item on the condensed consolidated statement of financial position.

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, except for those that are classified and accounted for as investment properties.

2. 主要會計政策(續)

應用新訂及經修訂香港財務報告準則(續)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

2.1.1 應用香港財務報告準則第16號所導致的會計政策的主要變動(續)

作為承租人(續)

使用權資產(續)

本集團於簡明綜合財務狀況表內將不符合投資物業定義的使用權資產呈列為單獨項目。

租賃土地及樓宇

就物業權益(包括租賃土地及樓宇部分)的付款而言，當有關付款無法於租賃土地及樓宇部分之間可靠分配時，則整項物業呈列為本集團的物業、廠房及設備，惟分類及入賬為投資物業者除外。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

2. 主要會計政策(續)

Application of new and amendments to HKFRSs (Continued)

應用新訂及經修訂香港財務報告準則(續)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

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

2.1.1 應用香港財務報告準則第16號所導致的會計政策的主要變動(續)

As a lessee (Continued)

作為承租人(續)

Refundable rental deposits

可退還租賃按金

Refundable rental deposits paid are accounted under HKFRS 9 “Financial Instruments” and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

已付可退還租賃按金乃根據香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)入賬並初始按公平值計量。於初始確認時對公平值的調整被視為額外租賃付款並計入使用權資產成本。

Lease liabilities

租賃負債

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.

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遞增借款利率計算。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Application of new and amendments to HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

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

As a lessee (Continued)

Lease liabilities (Continued)

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable.

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

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever the lease payments change due to changes in market rental rates following a market rent review in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

2. 主要會計政策(續)

應用新訂及經修訂香港財務報告準則(續)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

2.1.1 應用香港財務報告準則第16號所導致的會計政策的主要變動(續)

作為承租人(續)

租賃負債(續)

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。

於開始日期後，租賃負債就利息增長及租賃付款作出調整。

倘租賃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最初貼現率貼現經修訂租賃付款而重新計量，則本集團重新計量租賃負債(並就相關使用權資產作出相應調整)。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

2. 主要會計政策(續)

Application of new and amendments to HKFRSs (Continued)

應用新訂及經修訂香港財務報告準則(續)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

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

2.1.1 應用香港財務報告準則第16號所導致的會計政策的主要變動(續)

As a lessee (Continued)

作為承租人(續)

Lease modifications

租賃修訂

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

倘出現以下情況，本集團將租賃修訂作為一項單獨的租賃進行入賬：

- 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.

- 該項修訂通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，加上按照特定合約的實際情況對單獨價格進行的任何適當調整。

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.

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Application of new and amendments to HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

2.1.1 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 the 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 right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

2. 主要會計政策(續)

應用新訂及經修訂香港財務報告準則(續)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

2.1.1 應用香港財務報告準則第16號所導致的會計政策的主要變動(續)

作為承租人(續)

稅項

為計量本集團於其確認使用權資產及相關租賃負債的租賃交易的遞延稅項，本集團會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的租賃交易而言，本集團將香港會計準則第12號「所得稅」的規定分別應用於使用權資產及租賃負債。由於應用初始確認豁免，故與使用權資產及租賃負債相關的臨時差額不會於初始確認時及於租賃期內確認。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

2. 主要會計政策(續)

Application of new and amendments to HKFRSs (Continued)

應用新訂及經修訂香港財務報告準則(續)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

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

2.1.1 應用香港財務報告準則第16號所導致的會計政策的主要變動(續)

As a lessor

作為出租人

Allocation of consideration to components of a contract

將合約代價分配至各組成部分

Effective on 1 April 2019, the Group applies HKFRS 15 “Revenue from Contracts with Customers” to allocate consideration in a contract to lease and non-lease components. Non-lease components are separated from lease component on the basis of their relative stand-alone selling prices.

自2019年4月1日起，本集團應用香港財務報告準則第15號「來自客戶合約的營業額」將合約的代價分配至租賃及非租賃部分。非租賃部分因彼等的較單獨價格而有別於租賃部分。

Refundable rental deposits

可退還租賃按金

Refundable rental deposits received are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

已收可退還租賃按金乃根據香港財務報告準則第9號入賬並初始按公平值計量。於初始確認時對公平值的調整被視為來自承租人的額外租賃付款。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Application of new and amendments to HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

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

As a lessor (Continued)

Lease modification

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

2.1.2 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.

2. 主要會計政策(續)

應用新訂及經修訂香港財務報告準則(續)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

2.1.1 應用香港財務報告準則第16號所導致的會計政策的主要變動(續)

作為出租人(續)

租賃修訂

本集團將經營租賃修改自修改生效日期起作為新租賃入賬，並將有關原定租賃的任何預付或應計租賃付款視為新租賃的租賃付款一部分。

2.1.2 首次應用香港財務報告準則第16號而進行的過渡及產生的影響概要

租賃的定義

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)-詮釋第4號「釐定安排是否包括租賃」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括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。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

2. 主要會計政策(續)

Application of new and amendments to HKFRSs (Continued)

應用新訂及經修訂香港財務報告準則(續)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

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

2.1.2 首次應用香港財務報告準則第16號而進行的過渡及產生的影響概要(續)

Definition of a lease (Continued)

租賃的定義(續)

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

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的定義。

As a lessee

作為承租人

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 accumulated profits and comparative information has not been restated.

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累計溢利確認且比較資料不予重列。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Application of new and amendments to HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

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

As a lessee (Continued)

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

- (i) excluded initial direct costs from measuring the right-of-use assets at the date of initial application; and
- (ii) used 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.

2. 主要會計政策(續)

應用新訂及經修訂香港財務報告準則(續)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

2.1.2 首次應用香港財務報告準則第16號而進行的過渡及產生的影響概要(續)

作為承租人(續)

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) 於首次應用日期計量使用權資產時撇除初始直接成本；及
- (ii) 根據於首次應用日期的事實及情況使用事後分析，為本集團具有延期及終止選擇權的租賃釐定租賃期。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

2. 主要會計政策(續)

Application of new and amendments to HKFRSs (Continued)

應用新訂及經修訂香港財務報告準則(續)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

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

2.1.2 首次應用香港財務報告準則第16號而進行的過渡及產生的影響概要(續)

As a lessee (Continued)

作為承租人(續)

On transition, the Group has made the following adjustments upon application of HKFRS 16:

於過渡時，本集團已於應用香港財務報告準則第16號後作出以下調整：

As at 1 April 2019, the Group recognised additional lease liabilities and right-of-use assets at amounts equal to the related lease liabilities by applying HKFRS 16.C8(b)(ii).

於2019年4月1日，本集團確認額外租賃負債，並透過應用香港財務報告準則第16.C8(b)(ii)號過渡條文按相當於相關租賃負債的金額確認使用權資產。

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The incremental borrowing rates applied by the relevant group entities range from 4.6% to 4.8%.

於確認先前分類為經營租賃的租賃的租賃負債時，本集團已應用於首次應用日期相關集團實體的遞增借款利率。所用承租人的遞增借款利率為由4.6%至4.8%。

Notes to the Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註 (續)

For the six months ended 30 September 2019

截至2019年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

2. 主要會計政策(續)

Application of new and amendments to HKFRSs (Continued)

應用新訂及經修訂香港財務報告準則(續)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

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

2.1.2 首次應用香港財務報告準則第16號而進行的過渡及產生的影響概要(續)

As a lessee (Continued)

作為承租人(續)

**At 1 April
2019
於2019年
4月1日
HK\$'000
千港元**

Operating lease commitments disclosed as at 31 March 2019	於2019年3月31日披露的經營租賃承擔	1,989
Add: Extension options reasonably certain to be exercised	加:延期之權利已合理地確認將會被生效	559
		2,548
Lease liabilities discounted at relevant incremental borrowing rates relating to operating leases recognised upon application of HKFRS 16 as at 1 April 2019	於2019年4月1日應用香港財務報告準則第16號時確認與經營租賃有關按遞增借款利率貼現的租賃負債	2,390
Analysed as:	分析為:	
Current	流動	1,235
Non-current	非流動	1,155
		2,390

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

2. 主要會計政策(續)

Application of new and amendments to HKFRSs (Continued)

應用新訂及經修訂香港財務報告準則(續)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

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

2.1.2 首次應用香港財務報告準則第16號而進行的過渡及產生的影響概要(續)

As a lessee (Continued)

作為承租人(續)

The carrying amount of right-of-use assets as at 1 April 2019 comprises the following:

使用權資產於2019年4月1日的賬面值包括以下各項：

	Right-of-use assets
	使用權資產
	HK\$'000
	千港元
Right-of-use assets relating to operating leases recognised upon application of HKFRS 16	2,390
	2,390
By class:	
Leasehold land and buildings	2,390

應用香港財務報告準則第16號時確認與經營租賃有關的使用權資產

按類別：
租賃土地及樓宇

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Application of new and amendments to HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

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

As a lessor

In accordance with the transitional provisions in HKFRS 16, the Group is not required to make any adjustment on transition for leases in which the Group is a lessor but account for these leases in accordance with HKFRS 16 from the date of initial application and comparative information has not been restated.

Upon application of HKFRS 16, new lease contracts entered into but commence after the date of initial application relating to the same underlying assets under existing lease contracts are accounted as if the existing leases are modified as at 1 April 2019. The application has had no impact on the Group's condensed consolidated statement of financial position at 1 April 2019. However, effective on 1 April 2019, lease payments relating to the revised lease term after modification are recognised as income on straight-line basis over the extended lease term.

2. 主要會計政策(續)

應用新訂及經修訂香港財務報告準則(續)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

2.1.2 首次應用香港財務報告準則第16號而進行的過渡及產生的影響概要(續)

作為出租人

根據香港財務報告準則第16號的過渡性條文，本集團毋須就本集團為出租人的租賃於過渡時作出任何調整，惟須根據香港財務報告準則第16號自首次應用日期起為該等租賃入賬，而比較資料並未經重列。

於應用香港財務報告準則第16號時，有關現有租約項下相同相關資產之已訂立但於首次應用日期後開始的新租約以猶如現有租賃於2019年4月1日獲修訂的方式入賬。該項應用對本集團於2019年4月1日的簡明綜合財務狀況表並無影響。然而，於2019年4月1日生效，有關經修訂租期於修訂後的租賃付款按直線法於經延長租期內確認為收入。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

2. 主要會計政策(續)

Application of new and amendments to HKFRSs (Continued)

應用新訂及經修訂香港財務報告準則(續)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (Continued)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

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

2.1.2 首次應用香港財務報告準則第16號而進行的過渡及產生的影響概要(續)

As a lessor (Continued)

作為出租人(續)

Before application of HKFRS 16, refundable rental deposits received were considered as rights and obligations under leases to which HKAS 17 applied. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right-of-use assets and were adjusted to reflect the discounting effect at transition. The directors of the Company consider that the application of HKFRS 16 in the current period has had no material impact on the Group's financial position and performance for the current period.

於應用香港財務報告準則第16號前，所收取的可退回租賃按金被視為應用香港會計準則第17號的租賃的權利及責任。根據香港財務報告準則第16號租賃付款的定義，該等按金並非與使用權資產相關的付款，並調整以反映過渡時的貼現影響。本公司董事認為，於本期間應用香港財務報告準則第16號對本集團於本期間的財務狀況及表現並無重大影響。

Notes to the Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註 (續)

For the six months ended 30 September 2019

截至2019年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Application of new and amendments to HKFRSs (Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (Continued)

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

As a lessor (Continued)

The following adjustments were made to the amounts recognised in the condensed consolidated statement of financial position at 1 April 2019. Line items that were not affected by the changes have not been included.

2. 主要會計政策(續)

應用新訂及經修訂香港財務報告準則(續)

2.1 應用香港財務報告準則第16號「租賃」的影響及會計政策變動(續)

2.1.2 首次應用香港財務報告準則第16號而進行的過渡及產生的影響概要(續)

作為出租人(續)

已對於2019年4月1日的簡明綜合財務狀況表確認的金額作出以下調整。並無載入未受變動所影響的項目。

		Carrying amounts previously reported at 31 March 2019	Adjustments	Carrying amounts under HKFRS 16 at 1 April 2019
		先前於2019年3月31日報告的賬面值 HK\$'000 千港元	調整 HK\$'000 千港元	香港財務報告準則第16號下於2019年4月1日的賬面值 HK\$'000 千港元
Non-current assets	非流動資產			
Right-of-use assets	使用權資產	-	2,390	2,390
Current liabilities	流動負債			
Lease liabilities	租賃負債	-	1,235	1,235
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	-	1,155	1,155

Note: For the purpose of reporting cash flows from operating activities under indirect method for the six months ended 30 September 2019, movements in working capital have been computed based on opening consolidated statement of financial position as at 1 April 2019 as disclosed above.

附註：就呈報根據間接法截至2019年9月30日止六個月的來自經營活動之現金流量而言，營運資金之變動根據上文所披露於2019年4月1日的期初綜合財務狀況表計算。

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Application of new and amendments to HKFRSs (Continued)

2.2 Impacts and changes in accounting policies of application on Amendments to HKAS 28 “Long-term Interests in Associates and Joint Ventures”

The amendments clarify that the Group applies HKFRS 9, including the impairment requirements, to long-term interests in an associate or joint venture to which the equity method is not applied that form part of the net investment in the investee. Furthermore, in applying HKFRS 9 to long-term interests, the Group does not take into account adjustments to their carrying amount required by HKAS 28 “Investments in Associates and Joint Ventures” (i.e. adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with HKAS 28). The application is not expected to have impact as the Group’s exiting accounting policies are consistent with the requirements clarified by the amendments.

3. SEGMENT INFORMATION

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

2. 主要會計政策(續)

應用新訂及經修訂香港財務報告準則(續)

2.2 應用香港會計準則第28號「於聯營公司及合營企業之長期權益」之修訂對會計政策的影響及變動

該等修訂釐清本集團將香港財務報告準則第9號應用於聯營公司或合營企業的長期權益，包括減值規定，其不應用權益法並構成於投資對象的投資淨額。此外，在應用香港財務報告準則第9號至長期權益時，本集團並無計及香港會計準則第28號「於聯營公司及合營企業的長期投資」所規定對賬面值的調整(即按照香港會計準則第28號產生自分配投資對象虧損或減值評估的長期權益賬面值的調整)。由於本集團現時之會計政策與該等修訂釐定之規定一致，因此並不預期該等應用有任何影響。

3. 分類資料

就資源分配及分類表現評估而言，呈報給本集團之主要經營決策者首席行政總裁(「主要經營決策者」)之資料，乃集中於物業銷售或服務提供之種類。此亦為組織之基準，管理層選擇以此組織本集團產品及服務之差異。

Notes to the Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註 (續)

For the six months ended 30 September 2019

截至2019年9月30日止六個月

3. SEGMENT INFORMATION

(Continued)

The Group's operating and reportable segments under HKFRS 8 "Operating Segments" are (i) property investment, (ii) property development, (iii) investment in securities and (iv) loan financing.

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

Segment revenue and results

Six months ended 30 September 2019

3. 分類資料(續)

根據香港財務報告準則第8號「經營分類」，本集團之經營及呈報分類包括：(i)物業投資、(ii)物業發展、(iii)證券投資及(iv)貸款融資。

回顧本期間按經營及呈報分類劃分本集團之營業額及業績之分析如下：

分類營業額及業績

截至2019年9月30日止六個月

		Property investment 物業投資 HK\$'000 千港元 (Unaudited) (未經審核) (Note) (附註)	Property development 物業發展 HK\$'000 千港元 (Unaudited) (未經審核) (Note) (附註)	Investment in securities 證券投資 HK\$'000 千港元 (Unaudited) (未經審核)	Loan financing 貸款融資 HK\$'000 千港元 (Unaudited) (未經審核)	Total 總額 HK\$'000 千港元 (Unaudited) (未經審核)
Segment revenue	分類營業額					
External sales	外來銷售	20,391	-	-	12,391	32,782
Segment results	分類業績	(2,793)	(13,433)	(8,406)	933	(23,699)
Unallocated corporate income	無分配之公司收入					98
Unallocated corporate expenses	無分配之公司開支					(1,645)
Finance costs	融資成本					(11,282)
Results attributable to interests in associates	聯營公司權益分佔業績					(133,128)
Results attributed to interest in a joint venture	一間合營公司權益分佔業績					(1)
Loss before taxation	除稅前虧損					(169,657)

Notes to the Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註 (續)

For the six months ended 30 September 2019

截至2019年9月30日止六個月

3. SEGMENT INFORMATION

(Continued)

3. 分類資料(續)

Segment revenue and results (Continued)

分類營業額及業績(續)

Six months ended 30 September 2018

截至2018年9月30日止六個月

		Property investment 物業投資 HK\$'000 千港元 (Unaudited) (未經審核) (Note) (附註)	Property development 物業發展 HK\$'000 千港元 (Unaudited) (未經審核) (Note) (附註)	Investment in securities 證券投資 HK\$'000 千港元 (Unaudited) (未經審核)	Loan financing 貸款融資 HK\$'000 千港元 (Unaudited) (未經審核)	Total 總額 HK\$'000 千港元 (Unaudited) (未經審核)
Segment revenue	分類營業額					
External sales	外來銷售	27,802	48,195	-	9,381	85,378
Segment results	分類業績	48,157	(1,945)	(25,506)	8,939	29,645
Unallocated corporate income	無分配之公司收入					132
Unallocated corporate expenses	無分配之公司開支					(2,907)
Finance costs	融資成本					(11,495)
Results attributable to interests in associates	聯營公司權益分佔業績					(9,870)
Profit before taxation	除稅前溢利					5,505

Note: Rental income generated from properties held for development for sale (included in property development segment) was included in property investment segment.

附註：來自持作出售發展物業(已包括在物業發展分類內)之租金收入已包括在物業投資之分類內。

Notes to the Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註 (續)

For the six months ended 30 September 2019

截至2019年9月30日止六個月

3. SEGMENT INFORMATION

(Continued)

Segment revenue and results (Continued)

Segment results represent the profit earned or loss incurred by each segment without allocation of results attributable to interests in associates and interest in a joint venture, finance costs, and unallocated corporate income and expenses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Segment assets and liabilities

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

3. 分類資料(續)

分類營業額及業績(續)

分類業績代表各分類賺取之溢利或虧損，當中沒有分配聯營公司權益分佔業績及一間合營公司權益分佔業績、融資成本及無分配之公司收入及開支。以此計量向主要經營決策者呈報，作為資源分配及表現評估之參考。

分類資產及負債

按經營及呈報分類分析本集團之資產及負債如下：

		30 September	31 March
		9月30日	3月31日
		2019	2019
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Segment assets	分類資產		
Property investment	物業投資	1,463,475	1,463,348
Property development	物業發展	2,104,790	2,142,526
Investment in securities	證券投資	220,537	222,221
Loan financing	貸款融資	329,640	242,213
Total segment assets	分類資產總額	4,118,442	4,070,308
Interests in associates	聯營公司權益	534,058	671,921
Interest in a joint venture	一間合營公司權益	1,739	1,740
Amount due from a joint venture	應收一間合營公司 金額	26	-
Tax recoverable	可收回稅項	89	331
Bank balances and cash	銀行結餘及現金	103,718	191,670
Unallocated corporate assets	無分配之公司資產	100,581	90,819
Consolidated assets	綜合資產	4,858,653	5,026,789

3. SEGMENT INFORMATION

(Continued)

3. 分類資料(續)

Segment assets and liabilities (Continued)

分類營業額及業績(續)

		30 September	31 March
		9月30日	3月31日
		2019	2019
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Segment liabilities	分類負債		
Property investment	物業投資	10,147	18,117
Property development	物業發展	106,275	118,679
Investment in securities	證券投資	2,076	286
Loan financing	貸款融資	6,356	4,544
Total segment liabilities	分類負債總額	124,854	141,626
Secured bank borrowings	有抵押銀行借貸	1,315,868	1,285,984
Tax payable	應付稅項	50,124	50,514
Unallocated corporate liabilities	無分配之公司負債	940	1,315
Consolidated liabilities	綜合負債	1,491,786	1,479,439

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

- all assets are allocated to operating and reportable segments other than interests in associates, interest in a joint venture, tax recoverable, bank balances and cash and assets used jointly by operating and reportable segments.
- all liabilities are allocated to operating and reportable segments other than secured bank borrowings, tax payable and liabilities for which operating and reportable segments are jointly liable.

就分類表現監控及分類間之資源分配而言：

- 除聯營公司權益、一間合營公司權益、可收回稅項、銀行結餘及現金及經營及呈報分類共同使用之資產外，所有資產已分配至經營及呈報分類。
- 除有抵押銀行借貸、應付稅項以及經營及呈報分類共同承擔之負債外，所有負債已分配至經營及呈報分類。

Notes to the Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註 (續)

For the six months ended 30 September 2019

截至2019年9月30日止六個月

4. (LOSS) PROFIT BEFORE TAXATION 4. 除稅前(虧損)溢利

		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)
(Loss) profit before taxation has been arrived at after charging:	除稅前(虧損)溢利已扣除：		
Interest on lease liabilities	租賃負債利息	58	-
Interest on bank borrowings	銀行借貸利息	23,520	18,337
Less: Amount capitalised in the cost of qualifying assets	減：於合資格資產之成本資本化之金額	(12,296)	(6,842)
		11,282	11,495
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	2,383	2,332
Depreciation of right-of-use assets	使用權資產之折舊	736	-
and after crediting to other income:	及已計入其他收入：		
Dividend income from listed investments	來自上市投資之股息收入	(2,233)	(5,105)
Interest income from bank and others	來自銀行及其他之利息收入	(2,485)	(3,595)

5. TAXATION

5. 稅項

		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)
The charge comprises:	開支包含:		
Hong Kong Profits Tax	香港利得稅		
Charge for the period	本期間開支	1,196	2,366
Underprovision in prior periods	前期不足撥備	34	-
		1,230	2,366

On 21 March 2018, the Hong Kong Legislative Council passed the Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of assessable profits of qualifying entity will be taxed at 8.25%, and assessable profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for regime will continue to be taxed at the rate of 16.5%.

於2018年3月21日，香港立法會通過《2017年稅務(修訂)(第7號)條例草案》(「該條例草案」)而其引入利得稅兩級制。該條例草案於2018年3月28日經簽署生效，並於翌日在憲報刊登。根據利得稅兩級制，合資格法團就首2,000,000港元的應課稅溢利將按8.25%之稅率繳納稅項，並就超過2,000,000港元的應課稅溢利將按16.5%之稅率繳納稅項。本集團不符合利得稅兩級制資格的其他法團的溢利將繼續按16.5%之稅率繳納稅項。

Notes to the Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註 (續)

For the six months ended 30 September 2019

截至2019年9月30日止六個月

6. BASIC AND DILUTED (LOSS) EARNINGS PER SHARE

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

6. 每股基本及攤薄(虧損)盈利

本公司股東應佔之每股基本及攤薄(虧損)盈利乃根據以下資料計算：

		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)
(Loss) earnings	(虧損) 盈利		
(Loss) earnings for the purpose of calculating basic and diluted (loss) earnings per share ((loss) profit for the period attributable to owners of the Company)	就計算每股基本及攤薄(虧損)盈利而言之(虧損)盈利(本公司股東應佔本期間(虧損)溢利)	(170,767)	3,173
Number of shares	股份數目		
Weighted average number of shares for the purpose of calculating basic and diluted (loss) earnings per share	就計算每股基本及攤薄(虧損)盈利而言之加權平均股份數目	91,320,403	88,329,147

The computation of diluted (loss) earnings per share for the six months ended 30 September 2019 and 2018 does not assume the conversion of the associates' outstanding convertible notes and share options since their exercise would result in decrease in loss per share/increase in earnings per share.

於計算截至2019年9月30日及2018年9月30日止六個月之每股攤薄(虧損)盈利時並沒有假設行使本公司尚未行使之購股權會因其行使導致每股虧損減少/每股盈利增加。

7. DIVIDEND

7. 股息

		Six months ended 30 September 截至9月30日止六個月	
		2019 HK\$'000 千港元 (Unaudited) (未經審核)	2018 HK\$'000 千港元 (Unaudited) (未經審核)
Dividend recognised as distribution during the period	於期內已確認派發之股息		
Final dividend paid for the year ended 31 March 2019 of HK\$0.05 per share on 91,320,403 shares (six months ended 30 September 2018: HK\$0.05 per share for the year ended 31 March 2018 on 91,320,403 shares)	截至2019年3月31日止年度91,320,403股股份之已支付末期股息為每股0.05港元(截至2018年9月30日止六個月:截至2018年3月31日止年度91,320,403股股份每股0.05港元)	4,566	4,566

The directors have determined that no dividend will be paid in respect of both interim periods.

董事決定兩個中期期間均不派發股息。

8. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

8. 物業、廠房及設備及使用權資產之變動

During the six months ended 30 September 2019, the Group acquired property, plant and equipment amounting to HK\$32,000 (six months ended 30 September 2018: HK\$190,000).

截至2019年9月30日止六個月，本集團用於購入物業、廠房及設備之款項32,000港元(截至2018年9月30日止六個月:190,000港元)。

During the six months ended 30 September 2019, the Group entered into a new lease agreement for the use of office premise for 2 years. On lease commencement, the Group recognised HK\$107,000 of right-of-use assets and HK\$107,000 of lease liabilities.

截至2019年9月30日止六個月，本集團簽訂為期兩年使用辦公室之新租賃協議。於租賃開始時，本集團確認使用權資產為107,000港元及租賃負債為107,000港元。

Notes to the Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註 (續)

For the six months ended 30 September 2019

截至2019年9月30日止六個月

9. INVESTMENT PROPERTIES

9. 投資物業

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
FAIR VALUE	公平值		
At 1 April (audited)	於4月1日(經審核)	1,458,800	1,791,200
Additions	添置	3,077	1,170
(Decrease) increase in fair value recognised in profit or loss	於損益確認之公平值(減少)增加	(2,427)	28,830
At 30 September (unaudited)	於9月30日(未經審核)	1,459,450	1,821,200

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

所有本集團於租約項下賺取租金之土地租約權益乃以公平值模式計量及列作投資物業列賬。

All of the Group's investment properties at 30 September 2019 and 31 March 2019 are situated in Hong Kong. The fair values of the Group's investment properties at 30 September 2019 and 31 March 2019 were arrived at on the basis of valuations carried out as at these dates by Colliers International (Hong Kong) Limited, an independent firm of qualified professional property valuers not connected with the Group. The valuations were arrived at by reference to market evidence of transaction prices for similar properties or by reference to net rental income allowing for reversionary income potential using the applicable market yields for the respective locations and types of properties.

於2019年9月30日及2019年3月31日，所有本集團之投資物業乃位於香港。本集團於2019年9月30日及2019年3月31日之投資物業公平值乃按與本集團沒有關連之獨立合資格專業物業估值師行高力國際物業顧問(香港)有限公司於該等日期進行估值之基準釐定。該等估值乃經參考同類物業之市場成交價及參考採用適用市場收益之相關地區及物業類型之應有潛在收入之租金收入淨額而釐定。

The unrealised loss arising on changes in fair value of investment properties amounting to HK\$2,427,000 has been recognised in profit or loss during the six months ended 30 September 2019 (six months ended 30 September 2018: unrealised gain of HK\$28,830,000).

投資物業之公平值變動產生的未變現虧損為2,427,000港元已於截至2019年9月30日止六個月的損益中確認(截至2018年9月30日止六個月：未變現收益為28,830,000港元)。

10. INTERESTS IN ASSOCIATES

10. 聯營公司權益

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
At 1 April (audited)	於4月1日(經審核)	671,921	665,666
Share of loss and other comprehensive expense	分佔虧損及其他全面開支	(6,906)	(19,300)
Loss on deemed partial disposal of equity interests	視為出售部分股本權益之虧損	(130,957)	-
At 30 September (unaudited)	於9月30日(未經審核)	534,058	646,366
Fair value of listed investments in associates at 30 September (Note)	於9月30日聯營公司上市投資之公平值(附註)	20,701	51,753

During the current interim period, the convertible note issued by Eminence Enterprise Limited (“Eminence”) to Madian Star Limited, an independent third party, was partially exercised, and a total of 760,000,000 conversion shares were issued by Eminence upon conversion. The reduction in ownership interest held by the Group was reclassified to profit or loss as loss on deemed partial disposal of equity interests.

At 30 September 2019, the Group has 19.84% (31 March 2019: 24.93%) equity interest in Eminence, shares of which are also listed on the Stock Exchange. The Group is able to exercise significant influence over Eminence because Ms. Lui Yuk Chu is a director and substantial shareholder of both Eminence and the Group. In addition, the Group’s equity interest in Eminence will be over 20%, assuming that all conversion rights held by the Group and/or other holders on convertible notes issued by Eminence are exercised in full without any other change in shareholding structure.

Note: The fair value of the listed shares is determined based on quoted market bid prices available on the Stock Exchange.

於本中期間，部分由高山企業有限公司(「高山」)發行予一名獨立第三方Madian Star Limited之可換股票據被行使，於兌換時高山發行總數760,000,000兌換股份。本集團所有權益之減少於損益中重新分類為視為出售部分股本權益之虧損。

於2019年9月30日，本集團持有高山之19.84%(2019年3月31日：24.93%)股本權益，其股份亦於聯交所上市。由於雷玉珠女士作為高山及本集團之董事及主要股東，因此本集團能夠對高山實行重要影響。此外，假設本集團及/或其他可換股票據持有人在股權架構沒有改變的情況下行使所有由高山發行可換股票據附隨之兌換權，本集團持有高山之股本權益將會多於百分之二十。

附註：上市股份之公平值乃按聯交所所報之市場出價釐定。

Notes to the Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註 (續)

For the six months ended 30 September 2019

截至2019年9月30日止六個月

11. FINANCIAL ASSETS AT FVTPL

11. 按公平值計入損益之金融資產

		30 September	31 March
		9月30日	3月31日
		2019	2019
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Financial assets at FVTPL:	按公平值計入 損益之金融資產：		
– Listed equity securities in Hong Kong (Note (a))	– 於香港上市之 股本證券， 按市值 (附註(a))	55,604	105,666
– Convertible notes (Note (b))	– 可換股票據 (附註(b))	87,448	28,033
– Life insurance policy (Note (c))	– 人壽保單 (附註(c))	11,188	11,051
– Perpetual bond (Note (d))	– 永久債券 (附註(d))	40,320	39,916
		194,560	184,666
Analysed as:	分析為：		
Current portion	流動部分	66,491	105,666
Non-current portion	非流動部分	128,069	79,000
		194,560	184,666

Notes:

- (a) The fair values of the listed equity securities are determined based on the quoted market bid prices available on the Stock Exchange.

附註：

- (a) 上市股本證券之公平值乃根據聯交所所報之市場出價釐定。

11. FINANCIAL ASSETS AT FVTPL

(Continued)

Notes: (Continued)

- (b) (i) On 11 May 2017, the Group subscribed for convertible note (the "2017 CN1") issued by Eminence, with principal amount of HK\$16,000,000 which carries interest at 3% per annum and payable semi-annually in arrears with maturity on 11 May 2022 at redemption amount of 100% of the principal amount. The 2017 CN1 can be converted at any time from and excluding the date of issue to and including the date falling on the fifth last business day prior to the maturity date with conversion price of HK\$0.16 per share. The Group may redeem the 2017 CN1, at any time three months after the grant date, at 100% of the principal amount outstanding together with all interest accrued thereon up to and including the date of redemption. Eminence may redeem the 2017 CN1 on any business day prior to the maturity date at 100% of the principal amount outstanding together with all interest accrued thereon up to and including the date of redemption.

At 30 September 2019, principal amount of HK\$16,000,000 (31 March 2019: HK\$16,000,000) of the 2017 CN1 remains outstanding.

The fair value of the 2017 CN1 is determined based on the valuation provided by Greater China Appraisal Limited, an independent firm of professional qualified valuers not connected with the Group.

11. 按公平值計入損益之金融資產(續)

附註:(續)

- (b) (i) 於2017年5月11日,本集團認購高山發行之可換股票據(「第一份2017年可換股票據」),本金額為16,000,000港元於每半年期末支付年利率為3%之利息及於2022年5月11日到期日贖回100%之本金額。第一份2017年可換股票據可自不計發行日起至包括到期日前第五個營業日止期間之任何時間以每股0.16港元之兌換價兌換。本集團可自發行日後三個月之任何時間提早贖回第一份2017年可換股票據尚餘之100%本金額及所有計提利息直至及包括贖回日期。高山可於到期日前之任何營業日提早贖回第一份2017年可換股票據尚餘之100%本金額及所有計提利息直至及包括贖回日期。

於2019年9月30日,第一份2017年可換股票據尚餘本金額16,000,000港元(2019年3月31日:16,000,000港元)。

第一份2017年可換股票據之公平值乃根據漢華評估有限公司,一間與本集團沒有關連之獨立合資格專業估值師行提供之估值釐定。

Notes to the Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註 (續)

For the six months ended 30 September 2019

截至2019年9月30日止六個月

11. FINANCIAL ASSETS AT FVTPL

(Continued)

Notes: (Continued)

(b) (Continued)

- (ii) On 26 September 2017, the Group subscribed for convertible note (the "2017 CN2") issued by Eminence, with principal amount of HK\$28,200,000 which carries interest at 3% per annum and payable semi-annually in arrears with maturity on 26 September 2020 at redemption amount of 100% of the principal amount. The 2017 CN2 can be converted at any time from and excluding the date of issue to and including the date falling on the fifth last business day prior to the maturity date with conversion price of HK\$0.06 per share. The Group may redeem the 2017 CN2, at any time three months after the grant date, at 100% of the principal amount outstanding together with all interest accrued thereon up to and including the date of redemption. Eminence may redeem the 2017 CN2 on any business day prior to the maturity date at 100% of the principal amount outstanding together with all interest accrued thereon up to and including the date of redemption.

On 18 October 2017, the conversion rights attached to the 2017 CN2 with principal amount of HK\$16,920,000 were partially exercised and a total of 282,000,000 conversion shares were issued by Eminence to the Group upon conversion.

At 30 September 2019, principal amount of HK\$11,280,000 (31 March 2019: HK\$11,280,000) of the 2017 CN2 remains outstanding.

The fair value of the 2017 CN2 is determined based on the valuation provided by Greater China Appraisal Limited, an independent firm of professional qualified valuers not connected with the Group.

11. 按公平值計入損益之金融資產(續)

附註：(續)

(b) (續)

- (ii) 於2017年9月26日，本集團認購高山發行之可換股票據〔第二份2017年可換股票據〕，本金額為28,200,000港元須於每半年期末支付年利率為3%之利息及於2020年9月26日到期時贖回100%之本金額。第二份2017年可換股票據可自不計發行日起至包括到期日前第五個營業日止期間之任何時間以每股0.06港元之兌換價兌換。本集團可自發行日後三個月之任何時間提早贖回第二份2017年可換股票據尚餘之100%本金額及所有計提利息直至及包括贖回日期。高山可於到期日前之任何營業日提早贖回第二份2017年可換股票據尚餘之100%本金額及所有計提利息直至及包括贖回日期。

於2017年10月18日，第二份2017年可換股票據附隨之兌換權獲部分行使本金額為16,920,000港元並於兌換時高山合共發行282,000,000股兌換股份予本集團。

於2019年9月30日，第二份2017年可換股票據尚餘本額11,280,000港元(2019年3月31日：11,280,000港元)。

第二份2017年可換股票據之公平值乃根據漢華評值有限公司，一間與本集團沒有關連之獨立合資格專業估值師行提供之估值釐定。

11. FINANCIAL ASSETS AT FVTPL

(Continued)

Notes: (Continued)

(b) (Continued)

- (iii) On 28 August 2019, the Group subscribed for convertible note (the "2019 CN") issued by Eminence, with principal amount of HK\$70,000,000 which carries interest at 3% per annum and payable semi-annually in arrears with maturity on 17 June 2024 at redemption amount of 100% of the principal amount. The 2019 CN can be converted at any time from and excluding the date of issue to and including the date falling on the fifth last business day prior to the maturity date with conversion price of HK\$0.055 per share. The Group may redeem the 2019 CN on the maturity date, at 100% of the principal amount outstanding together with all interest accrued thereon up to and including the date of redemption. Eminence may redeem the 2019 CN on the maturity date at 100% of the principal amount outstanding together with all interest accrued thereon up to and including the date of redemption.

At 30 September 2019, the principal amount of HK\$70,000,000 (31 March 2019: nil) of the 2019 CN remains outstanding.

The fair value of the 2019 CN is determined based on the valuation provided by Greater China Appraisal Limited, an independent firm of professional qualified valuers not connected with the Group.

11. 按公平值計入損益之金融資產(續)

附註:(續)

(b) (續)

- (iii) 於2019年8月28日，本集團認購由高山發行之可換股票據(「2019年可換股票據」)，其本金金額為70,000,000港元，年息率3%之利息則每半年期末支付利息，到期日為2024年6月17日並贖回100%之本金金額。2019年可換股票據可自發行日(不包括該日)起至到期日前最後第五個營業日(包括該日)止之任何時間兌換，兌換價為每股股份0.055港元。本集團可於到期日贖回2019年可換股票據100%之本金金額及截至贖回日(包括該日)之所有計提利息。高山可於到期日贖回2019年可換股票據尚餘之100%本金金額及截至贖回日(包括該日)之所有計提利息。

於2019年9月30日，2019年可換股票據尚餘本金金額70,000,000港元(2019年3月31日：無)。

2019年可換股票據之公平值乃根據漢華評值有限公司，一間與本集團沒有關連之獨立合資格專業估值師行提供之估值釐定。

Notes to the Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註 (續)

For the six months ended 30 September 2019

截至2019年9月30日止六個月

11. FINANCIAL ASSETS AT FVTPL

(Continued)

Notes: (Continued)

(b) (Continued)

The convertible notes are recognised as follows:

		HK\$'000 千港元
At 1 April 2019	於2019年4月1日	28,033
Addition	增加	70,000
Interest received	已收利息	(606)
Unrealised fair value loss recognised in profit or loss	於損益內確認之未實現公平值虧損	(9,979)
At 30 September 2019 (unaudited)	於2019年9月30日(未經審核)	87,448

The methods and assumptions applied for the valuation of the convertible notes are as follows:

Valuation of Convertible Notes

The convertible notes are measured at fair value using the Black-Scholes model with Trinomial Tree method, at initial recognition and at the end of each subsequent reporting period. The inputs into the model as at date of subscription and the end of the reporting periods are as follows:

2017 CN1

	At 30 September 2019	At 31 March 2019	Date of subscription 11 May 2017 認購日期 2017年 5月11日
Stock price	HK\$0.029 港元	HK\$0.063 港元	HK\$0.139 港元
Conversion price	HK\$0.16 港元	HK\$0.16 港元	HK\$0.16 港元
Volatility	54.83%	76.66%	75.15%
Dividend yield	0%	0%	0%
Time to maturity	2.6 years 年	3.1 years 年	5 years 年
Risk-free rate	1.4946%	1.3563%	1.1572%

11. 按公平值計入損益之金融資產(續)

附註：(續)

(b) (續)

可換股票據確認如下：

		HK\$'000 千港元
At 1 April 2019	於2019年4月1日	28,033
Addition	增加	70,000
Interest received	已收利息	(606)
Unrealised fair value loss recognised in profit or loss	於損益內確認之未實現公平值虧損	(9,979)
At 30 September 2019 (unaudited)	於2019年9月30日(未經審核)	87,448

用作估值可換股票據之方法及假設如下：

可換股票據之估值

可換股票據於初始確認及於隨後每個報告期末乃按布萊克-蘇科爾模式及三叉樹法以公平值計量。於認購日期及報告期末模式採用之輸入數據如下：

第一份2017年可換股票據

	At 30 September 2019	At 31 March 2019	Date of subscription 11 May 2017 認購日期 2017年 5月11日
Stock price	HK\$0.029 港元	HK\$0.063 港元	HK\$0.139 港元
Conversion price	HK\$0.16 港元	HK\$0.16 港元	HK\$0.16 港元
Volatility	54.83%	76.66%	75.15%
Dividend yield	0%	0%	0%
Time to maturity	2.6 years 年	3.1 years 年	5 years 年
Risk-free rate	1.4946%	1.3563%	1.1572%

Notes to the Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註 (續)

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11. FINANCIAL ASSETS AT FVTPL

(Continued)

Notes: (Continued)

(b) (Continued)

Valuation of Convertible Notes (Continued)

2017 CN2

Stock price	股價
Conversion price	兌換價
Volatility	波幅
Dividend yield	股利率
Time to maturity	到期時間
Risk-free rate	無風險貼現率

11. 按公平值計入損益之金融資產(續)

附註：(續)

(b) (續)

可換股票據之估值(續)

第二份2017年可換股票據

At 30 September 2019	At 31 March 2019	Date of subscription 26 September 2017 認購日期 2017年 9月26日
於2019年 9月30日	於2019年 3月31日	
HK\$0.029 港元	HK\$0.063 港元	HK\$0.064 港元
HK\$0.06 港元	HK\$0.06 港元	HK\$0.06 港元
52.22%	56.74%	80.66%
0%	0%	0%
1.0 year 年	1.5 years 年	3 years 年
1.7770%	1.4113%	1.0164%

2019 CN

Stock price	股價
Conversion price	兌換價
Volatility	波幅
Dividend yield	股利率
Time to maturity	到期時間
Risk-free rate	無風險貼現率

2019年可換股票據

At 30 September 2019	Date of subscription 28 August 2019 認購日期 2019年 8月28日
於2019年 9月30日	
HK\$0.029 港元	HK\$0.030 港元
HK\$0.055 港元	HK\$0.055 港元
69.18%	68.70%
0%	0%
4.92 years 年	5 years 年
1.2407%	1.0547%

11. FINANCIAL ASSETS AT FVTPL

(Continued)

Notes: (Continued)

- (c) In prior years, the Company entered into a life insurance policy with an insurance company to insure Ms. Koon Ho Yan Candy, a director of the Company. Under the policy, the Company is the beneficiary and policy holder and the total insured sum is United States dollars ("US\$") 10,800,000 (equivalent to HK\$83,808,000). The Company is required to pay an upfront deposit of US\$1,283,000 (equivalent to HK\$9,956,000) including a premium charge at inception of the policy amounting to US\$76,980 (equivalent to HK\$597,000). The Company can terminate the policy at any time and receive cash back based on the cash value of the policy at the date of withdrawal, which is determined by the upfront payment of US\$1,283,000 plus accumulated interest earned and minus the accumulated insurance charge and policy expense charge. In addition, if withdrawal is made between the first to eighteenth policy year, there is a specified amount of surrender charge.

The life insurance policy is classified as financial assets at FVTPL as these financial assets have contractual right to cash flows that do not represent contractual cash flows that are solely payments of principal and interest on the principal outstanding.

At 30 September 2019, life insurance policy amounting to HK\$11,188,000 (31 March 2019: HK\$11,051,000), is pledged to a bank to secure general banking facilities granted to the Group.

- (d) The fair values of the perpetual bonds as at 30 September 2019 amounting to HK\$40,320,000 (31 March 2019: HK\$39,916,000) are determined based on the quoted market closing prices available on an overseas recognised stock exchange with fixed interest at a range from 5.50% to 6.25% (31 March 2019: 5.50% to 6.25%) per annum.

11. 按公平值計入損益之金融資產(續)

附註：(續)

- (c) 於過往年度，本公司與一間保險公司訂立一項人壽保單以投保本公司董事官可欣女士。根據該保單，本公司為受益人及保單持有人及總投保額為10,800,000美元(「美元」)(相等於83,808,000港元)。本公司須支付預付按金1,283,000美元(相等於9,956,000港元)，包括於開立保單時須支付之保費76,980美元(相等於597,000港元)。本公司可於任何時間終止該保單及根據退保時該保單之現金價值收回現金，此乃根據預付款1,283,000美元及所賺取之累計利息及扣減累計保費及保單費用開支而釐定。此外，倘於保單第一年至第十八年退保，將有特定金額作為退保開支。

人壽保單分類為按公平值計入損益之金融資產，因該等金融資產之合約權益之現金流量並不代表純粹為支付本金及未償還本金利息之合約現金流量。

於2019年9月30日，人壽保單為11,188,000港元(2019年3月31日：11,051,000港元)，已抵押予銀行作為其授予本集團一般銀行額度之抵押。

- (d) 於2019年9月30日，永久債券之公平值為40,320,000港元(2019年3月31日：39,916,000港元)，乃按一海外外認可證券交易所之所報收市價以固定年利率介乎由5.50%至6.25%釐定(2019年3月31日：5.50%至6.25%)。

12. DEBT INSTRUMENTS AT FVTOCI

12. 按公平值計入其他全面收益之債務工具

		30 September	31 March
		9月30日	3月31日
		2019	2019
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Debt securities listed in Hong Kong or overseas with fixed interests ranging from 3.75% to 6.35% (31 March 2019: 3.75% to 6.35%) per annum and maturity dates ranging from 19 January 2020 to 15 December 2026 (31 March 2019: 19 January 2020 to 15 December 2026), at fair value	於香港或海外上市之債務證券，固定年利率介乎由3.75%至6.35%（2019年3月31日：3.75%至6.35%），到期日為2020年1月19日至2026年12月15日（2019年3月31日：2020年1月19日至2026年12月15日），按公平值	46,157	46,376
Analysed as:	分析為：		
Current portion	流動部分	15,591	11,762
Non-current portion	非流動部分	30,566	34,614
		46,157	46,376

As at 30 September 2019 and 31 March 2019, debt instruments at FVTOCI are stated at fair values which are determined based on the quoted market closing prices available on the Stock Exchange or overseas recognised stock exchanges.

於2019年9月30日及2019年3月31日，按公平值計入其他全面收益之債務工具按公平值列賬乃根據聯交所或海外認可證券交易所之所報收市價釐定。

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簡明綜合財務報表附註 (續)

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13. LOANS RECEIVABLE

13. 應收貸款

		30 September	31 March
		9月30日	3月31日
		2019	2019
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Fixed-rate loans receivable	應收定息貸款	287,811	200,091
Variable-rate loans receivable	應收浮息貸款	9,855	10,313
		297,666	210,404
Less: Impairment allowance	減：減值撥備	(7,629)	(3,730)
		290,037	206,674
Analysed as:	分析為：		
Current portion	流動部分	278,135	178,889
Non-current portion	非流動部分	11,902	27,785
		290,037	206,674
Analysed as:	分析為：		
Secured	有抵押	159,077	113,580
Unsecured	無抵押	130,960	93,094
		290,037	206,674

13. LOANS RECEIVABLE (Continued)

13. 應收貸款(續)

The movement of impairment allowance for loans receivable for the period is as follows:

期內應收貸款之減值撥備之變動如下：

		HK\$'000 千港元
At 1 April 2019	於2019年4月1日	3,730
Changes due to loans receivable recognised as at 1 April 2019	於2019年4月1日已確認應收貸款所致的變動	
– Impairment allowance recognised	– 已確認減值撥備	2,676
– Reversal	– 撥回	(577)
Impairment loss recognised for new loans granted	就已授新貸款確認減值虧損	1,800
		3,899
At 30 September 2019	於2019年9月30日	7,629

At 30 September 2019, the range of interest rate on the Group's fixed-rate loans receivable is 2.3% to 18.0% (31 March 2019: 2.3% to 18.0%) per annum and the range of interest rate on the Group's variable-rate loans receivable is prime rate less 1.0% to prime rate (31 March 2019: prime rate less 1.0% to prime rate) per annum.

於2019年9月30日，本集團之定息應收貸款每年利率介乎2.3%至18.0%（2019年3月31日：2.3%至18.0%）及本集團之浮息應收貸款每年利率介乎最優惠利率減1.0%至最優惠利率（2019年3月31日：最優惠利率減1.0%至最優惠利率）。

Before granting loans to outsiders, the Group assesses the potential borrower's credit quality and defines credit limits granted to each borrower. The credit limits attributed to the borrowers are reviewed by the management regularly.

在授出貸款予外來者前，本集團評估潛在借款人之信貸質素及釐定授予每位借款人之信貸額。管理層定期檢討借款人之信貸額。

13. LOANS RECEIVABLE (Continued)

The Group has a policy for assessing the impairment on loans receivable on an individual basis. The assessment also includes evaluation of collectability of accounts and management's judgment, including the financial background, current creditworthiness, collateral and past collection history of each borrower.

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the one as at the date of initial recognition. In making this assessment, the loans receivable from borrowers are assessed individually by the management of the Group based on the financial background, financial condition and historical settlement records, including past due dates and default rates, of each borrower and reasonable and supportable forward-looking information such as macroeconomic data that is available without undue cost or effort. Each borrower is assigned a risk grading under internal credit ratings to calculate the ECL, taking into consideration of the estimates of expected cash shortfalls which are driven by estimates of possibility of default and the amount and timing of cash flows that are expected from foreclosure on the collaterals (if any) less the costs of obtaining and selling the collaterals. At every reporting date, the financial background, financial condition and historical settlement records are reassessed and changes in the forward-looking information are considered.

The management closely monitors the credit quality of loans receivable. At 30 September 2019 and 31 March 2019, no loans receivable were past due at the end of the reporting period for which the Group has not provided for impairment loss.

13. 應收貸款(續)

本集團按個別基準之政策評估應收貸款之減值。該評估亦包括賬戶可收回狀況之評估及管理層之判斷，包括各借款人之財務背景、現時信譽、抵押及過往收回歷史。

評估信貸風險自初始確認以來是否顯著上升時，本集團比較金融工具於報告日期發生違約的風險與金融工具於初始確認日期發生違約的風險。作出評估時，本集團管理層個別地評估各借款人之應收貸款乃根據其財務背景、財務狀況及過往還款記錄，包括逾期日及違約率，以及無需過度的成本或努力獲取的合理有理據的前瞻性資料，如宏觀經濟數據。各借款人根據內部信貸評級獲分配風險等級以計算預期信貸虧損，並經考慮預期現金短缺之估計，乃根據估計違約之可能性及預期抵押品止贖之現金流的金額及時間(如有)減去取得及出售抵押品之成本。於各報告日期，財務背景、財務狀況及過往還款記錄會重新評估，並考慮前瞻性資料的變動。

管理層緊密監控應收貸款之信貸質素。於2019年9月30日及2019年3月31日，本集團於報告期末並無應收貸款過期，故無計提減值虧損。

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14. OTHER DEBT INSTRUMENT AT AMORTISED COST

14. 按攤銷成本計量之其他債務工具

		30 September	31 March
		9月30日	3月31日
		2019	2019
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Unlisted debt instrument in Hong Kong	香港非上市債務工具		
Fixed-rate junior note classified as non-current assets	固定利率初級票據分類為非流動資產	35,235	35,235
Less: Impairment allowance	減：減值撥備	(5,285)	(3,523)
		29,950	31,712

15. PROPERTIES HELD FOR DEVELOPMENT FOR SALE

15. 持作出售發展物業

At 30 September 2019, the amount of properties held for development for sale which is expected to be completed more than twelve months after the end of the reporting period is HK\$921,464,000 (31 March 2019: HK\$886,606,000).

於2019年9月30日，預期本集團之持作出售發展物業於報告期末後十二個月內完成之金額為921,464,000港元(2019年3月31日：886,606,000港元)。

Notes to the Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註 (續)

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16. TRADE AND OTHER RECEIVABLES 16. 貿易及其他應收款項

		30 September	31 March
		9月30日	3月31日
		2019	2019
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Trade receivables:	貿易應收款項：		
0–60 days	0–60日	236	243
Prepayments	預付款	2,096	710
Interest receivable	應收利息	9,563	3,803
Dividend receivable	應收股息	192	1,139
Refundable stamp duty (Note)	可退回印花稅(附註)	–	89,400
Other receivables	其他應收款項	1,725	1,516
		13,576	96,568
		13,812	96,811

The Group did not grant any credit period to its tenants. The aged analysis of trade receivables is determined based on invoice date at the end of the reporting period.

Note: In accordance with the provisions of the Hong Kong Stamp Duty Ordinance, the Group applied for refund of the stamp duty paid when the property redevelopment project commenced. Such amount is received during the current interim period.

本集團沒有給予其租戶任何信貸期。貿易應收款項之賬齡分析乃根據於報告期之發票日期確定。

附註：根據香港印花稅法例之條款，當物業重建項目展開時，本集團將申請退回已支付印花稅。相關金額於本中期期間收取。

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簡明綜合財務報表附註 (續)

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17. TRADE AND OTHER PAYABLES

17. 貿易及其他應付款項

		30 September	31 March
		9月30日	3月31日
		2019	2019
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Trade payables:	貿易應付款項：		
0-60 days	0-60日	5,685	1,534
Over 90 days	超過90日	-	459
		5,685	1,993
Retention payable (Note)	應付保修金(附註)	8,670	11,204
Rental deposits received and rental received in advance	已收租金按金及 預收租金	10,164	10,551
Property management fund payable	應付物業管理基金	-	7,277
Interest payable	應付利息	404	674
Accruals and other payables	預提及其他應付款項	12,594	10,233
		37,517	41,932

The aged analysis of trade payable is determined based on the invoice date at the end of the reporting period. The average credit period on the purchases of goods is 30 days.

貿易應付款項之賬齡分析乃根據於報告期之發票日期確定。購貨之平均除賬期為30日。

Note: At 30 September 2019, retention payable of HK\$8,670,000 (31 March 2019: HK\$11,204,000) is expected to be settled within twelve months after the end of the reporting period.

附註：於2019年9月30日，應付保修金8,670,000港元(2019年3月31日：11,204,000港元)預期將於報告期末後十二個月內支付。

18. AMOUNT DUE TO NON-CONTROLLING SHAREHOLDER

18. 應付非控股股東金額

The amount is unsecured, interest-free and repayable on demand.

該金額為沒有抵押、免息及即期付款。

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19. SECURED BANK BORROWINGS

19. 有抵押銀行借貸

		30 September	31 March
		9月30日	3月31日
		2019	2019
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Carrying amount repayable as follows (based on the scheduled repayment dates set out in the loan agreements):	應償還之賬面值如下(根據載列於貸款協議之指定償還日期):		
– within one year	– 一年內	766,763	752,551
– between one to two years	– 一至兩年	235,260	29,349
– between two to five years	– 二至五年	68,290	247,756
– more than five years	– 五年後	245,555	256,328
		1,315,868	1,285,984
Comprising:	包含:		
Amount due within one year shown under current liabilities	顯示於流動負債之一年內到期金額	766,763	752,551
Amount shown under non-current liabilities	顯示於非流動負債之金額	549,105	533,433
		1,315,868	1,285,984

During the current interim period, the Group obtained new bank loan amounting to HK\$43,762,000 (six months ended 30 September 2018: HK\$250,000,000) and repaid bank loans amounting to HK\$14,053,000 (six months ended 30 September 2018: HK\$180,614,000). The new loan carries interest at Hong Kong Interbank Offered Rate plus 1.6% per annum. The new loan is secured by properties held for development for sale with carrying amount HK\$422,522,000 at 30 September 2019.

於本中期期間，本集團取得新銀行貸款43,762,000港元(截至2018年9月30日止六個月：250,000,000港元)及已償還銀行貸款14,053,000港元(截至2018年9月30日止六個月：180,614,000港元)。新貸款之年息率為香港銀行同業拆息加1.6%。新貸款以持作出售發展物業於2019年9月30日之賬面值422,522,000港元作為抵押。

20. SHARE CAPITAL

20. 股本

		Nominal value per share 每股面值	Number of shares 股份數目	Amount 金額
		HK\$ 港元		HK\$'000 千港元
Authorised:	法定：			
At 1 April 2018 (audited), 31 March 2019 (audited) and 30 September 2019 (unaudited)	於2018年4月1日 (經審核)、 2019年3月31日 (經審核)及 2019年9月30日 (未經審核)	0.1	10,000,000,000	1,000,000
Issued and fully paid:	已發行及繳足：			
At 1 April 2018 (audited)	於2018年4月1日 (經審核)	0.1	79,420,403	7,942
Issue of new shares (Note)	發行新股份(附註)	0.1	11,900,000	1,190
At 31 March 2019 (audited) and 30 September 2019 (unaudited)	於2019年3月31日 (經審核)及 2019年9月30日 (未經審核)	0.1	91,320,403	9,132

Note: On 17 May 2018, the Company allotted 11,900,000 ordinary shares of HK\$0.1 each by placing to not less than six places at a placing price of HK\$4.60 per placing share. The Company raised HK\$54,193,000 (net of expenses) with the intention at the time of placing for acquisition of properties. The new placing shares were issued pursuant to the general mandate granted to the directors by a resolution of the shareholders of the Company passed at the annual general meeting held on 7 August 2017.

附註：於2018年5月17日，本公司配發11,900,000股每股0.1港元普通股股份以每股配售股份配售價格4.6港元配售予不少於六名承配人。本公司籌得54,193,000港元(扣除開支後)於配售時打算用作收購物業。新配售股份乃按2017年8月7日週年大會由本公司股東給予之授權發行。

21. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

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

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

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

21. 金融工具之公平值計量

按經常性基準以公平值計量之本集團金融工具之公平值

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

- 第1級輸入數據乃按可識別資產或負債於活躍市場所報之價格(未經調整)得出;
- 第2級輸入數據乃按資產或負債可直接(即作為價格)或間接(即按價格衍生)觀察之輸入數據得出;及
- 第3級輸入數據指資產或負債之不可觀察數據。

21. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

21. 金融工具之公平值計量(續)

(Continued)

Fair value of the Group's financial instruments that are measured at fair value on a recurring basis (Continued)

按經常性基準以公平值計量之本集團金融工具之公平值(續)

Financial assets 金融資產	Fair value as at 公平值於	Fair value hierarchy 公平值級別	Valuation technique(s) and key inputs 估值技術及輸入數據	Significant unobservable inputs 重大不可觀察輸入	
	30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)			
Financial assets at FVTPL 按公平值計入損益之 金融資產					
- Listed equity securities - 上市股本證券	55,604	105,666	Level 1 第1級	Quoted bid prices in an active market 於活躍市場中所報之出價	N/A 不適用
- Convertible notes - 可換股票據	87,448	28,033	Level 3 第3級	Black-Scholes model with Trinomial Tree method (Note 11(b)) 布萊克-蘇科爾模式及三叉樹法(附註11(b))	Volatility from 54.83% to 69.18% (31 March 2019: 56.74% to 76.66%) 波幅由54.83%至69.18% (2019年3月31日: 56.47%至76.66%)

Notes to the Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註 (續)

For the six months ended 30 September 2019

截至2019年9月30日止六個月

21. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

(Continued)

21. 金融工具之公平值計量(續)

Fair value of the Group's financial instruments that are measured at fair value on a recurring basis (Continued)

按經常性基準以公平值計量之本集團金融工具之公平值(續)

Financial assets 金融資產	Fair value as at 公平值於	Fair value hierarchy 公平值級別	Valuation technique(s) and key inputs 估值技術及輸入數據	Significant unobservable inputs 重大不可觀察輸入
	30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)		
- Life insurance policy - 人壽保單	11,188	11,051	Level 2 第2級	Quoted asset value provided by a financial institution (Note) N/A 金融機構提供之所報資產價值(附註)
- Perpetual bonds - 永久債券	40,320	39,916	Level 1 第1級	Quoted bid prices in an active market N/A 於活躍市場所報之出價
Debt instruments at FVTOCI 按公平值計入其他全面收益之債務工具	46,157	46,376	Level 1 第1級	Quoted bid prices in an active market N/A 於活躍市場所報之出價

Note: Quoted asset value provided by a financial institution represents the fair value of the underlying investments.

附註：金融機構提供之資產出價價值是代表相關投資之公平值。

21. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS*(Continued)***Fair value of the Group's financial instruments that are measured at fair value on a recurring basis** *(Continued)*

A slight increase in the volatility in isolation would result in a slight decrease in the fair value measurement of the convertible notes, and vice versa.

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

21. 金融工具之公平值計量(續)

按經常性基準以公平值計量之本集團金融工具之公平值(續)

波幅單獨略為增加將導致可換股票據之公平值計量略為下降，反之亦然。

第1級、第2級及第3級之間並沒有於兩個期間轉移。

22. RELATED PARTY TRANSACTIONS/ CONNECTED TRANSACTIONS

(a) During the period, the Group had the following transactions with a wholly-owned subsidiary of Eminence.

22. 關連人士交易/關連交易

(a) 於期內，本集團與高山之一間全資擁有附屬公司進行如下交易。

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)
Rental income	1,248	1,248
租金收入		

Ms. Lui Yuk Chu, a director and substantial shareholder of the Company, is also a director of Eminence.

本公司董事及主要股東雷玉珠女士亦為高山之董事。

Notes to the Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註 (續)

For the six months ended 30 September 2019

截至2019年9月30日止六個月

22. RELATED PARTY TRANSACTIONS/ CONNECTED TRANSACTIONS

(Continued)

(b) At 30 September 2019 and 31 March 2019, the Group holds convertible notes issued by Eminence, details of which are set out in note 11(b).

(c) Compensation of key management personnel

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

22. 關連人士交易／關連交易 (續)

(b) 於2019年9月30日及2019年3月31日，本集團持有高山發行之可換股票據，詳情載列於附註11(b)。

(c) 主要管理人員之薪酬

董事及其他主要管理成員之期內之酬金如下：

		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)
Short-term employee benefits	短期僱員福利		
Salaries and other benefits	薪金、花紅及其他福利	9,532	9,064
Contributions to retirement benefit scheme	退休福利計劃供款	175	176
		9,707	9,240

**22. RELATED PARTY TRANSACTIONS/
CONNECTED TRANSACTIONS**

(Continued)

22. 關連人士交易／關連交易
(續)

(c) Compensation of key management personnel (Continued)

The Group has been providing accommodation to Ms. Lui Yuk Chu for use by her and her family members. With effect from 1 March 2019, the Company further determined to provide these residential units and carparking spaces to Mr. Koon Chun Ting, a son of Ms. Lui Yuk Chu and a director of subsidiaries of the Company, free of rental and charges for as long as he is employed by the Group.

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

- (d) In January 2011, the Company entered into an employment agreement with Mr. Koon Wing Yee to act as general manager of the Company. The employment agreement, which constitutes a connected transaction, commenced on 21 February 2011 but may be terminated by either party at any time by three months' notice. The monthly salary has been adjusted twice to HK\$180,000 with effect from 1 April 2017. The remuneration of Mr. Koon Wing Yee as general manager of the Company during the six months ended 30 September 2019 was HK\$1,209,000 (six months ended 30 September 2018: HK\$1,089,000) and was included in "compensation of key management personnel" in (c) above.

(c) 主要管理人員之薪酬(續)

本集團提供住所給雷玉珠女士作為其及其家庭成員使用。自2019年3月1日起生效，本公司進一步決定向官俊廷先生(雷玉珠女士的兒子亦為本公司附屬公司董事)提供該等住宅單位及停車位，並只要其受僱於本集團的期間均免租及費用。

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

- (d) 於2011年1月，本公司與官永義先生訂立僱用協議，僱用其為本公司之總經理。該僱用協議，構成關連交易，由2011年2月21日開始，但可由其中任何一方於任何時間給予三個月通知而終止。月薪經調整兩次至180,000港元，自2017年4月1日生效。官永義先生截至2019年9月30日止六個月作為本公司總經理之酬金為1,209,000港元(截至2018年9月30日止六個月：1,089,000港元)，及已包括在以上(c)項之「主要管理人員之薪酬」內。

Notes to the Condensed Consolidated Financial Statements (continued)

簡明綜合財務報表附註 (續)

For the six months ended 30 September 2019

截至2019年9月30日止六個月

22. RELATED PARTY TRANSACTIONS/ CONNECTED TRANSACTIONS

(Continued)

(d) (Continued)

Mr. Koon Wing Yee is the spouse of Ms. Lui Yuk Chu who is a director of the Company and is holding 19.09% (31 March 2019: 19.09%) equity interest of the Company through an entity wholly-owned by her.

(e) During the current interim period, the Group received rental income totalling HK\$120,000 (six months ended 30 September 2018: HK\$120,000) from certain close relatives of Ms. Lui Yuk Chu and Ms. Koon Ho Yan Candy, a director and substantial shareholder of the Company.

(f) During the current interim period, the Group paid HK\$365,000 (six months ended 30 September 2018: HK\$866,000) to Wing Yee Football Team Company Limited, a company controlled by Mr. Koon Wing Yee, which is recognised in profit or loss as “advertising”.

23. EVENT AFTER THE END OF THE REPORTING PERIOD

On 6 November 2019, the Group announced to subscribe in full for the entitlement under the proposed issue of rights shares by Eminence on the basis of four rights shares for every one share at HK\$0.483 per rights share for a consideration of approximately HK\$353.9 million. Details of this transaction are set out in Eminence and the Company’s joint announcement dated 6 November 2019.

22. 關連人士交易／關連交易 (續)

(d) (續)

官永義先生為雷玉珠女士之配偶，其為本公司董事，並透過一間其全資擁有之實體持有本公司19.09% (2019年3月31日：19.09%) 股本權益。

(e) 於本中期期間，本集團收取雷玉珠女士及官可欣女士 (本公司董事及主要股東) 若干近親之租金收入合共120,000港元 (截至2018年9月30日止六個月：120,000港元)。

(f) 於本中期期間，本集團支付365,000港元 (截至2018年9月30日止六個月：866,000港元) 予永義足球隊有限公司 (一間官永義先生控制之公司) 於損益確認為「廣告」。

23. 報告期末後重大事項

於2019年11月6日，本集團宣佈悉數認購高山建議按每持有一股股份可獲發四股供股股份之基準以每股供股股份0.483港元之價格進行之供股項下配額，代價約為353,900,000港元。有關該交易之詳情載於高山及本公司日期為2019年11月6日之聯合公佈。



Easyknit International Holdings Limited
永義國際集團有限公司

(Stock Code 股份代號 : 1218)

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