



四洲集團有限公司
Four Seas Mercantile Holdings Limited

Interim Report
中期報告
2019-20

Stock Code
股份代號

374

The board of directors (the “Board”) of Four Seas Mercantile Holdings Limited (the “Company”) presents the unaudited condensed consolidated statement of financial position as at 30 September 2019 of the Company and its subsidiaries (the “Group”) and the unaudited condensed consolidated statement of profit or loss, unaudited condensed consolidated statement of comprehensive income, unaudited condensed consolidated statement of changes in equity and unaudited condensed consolidated statement of cash flows for the six months ended 30 September 2019 as follows:

四洲集團有限公司(「本公司」)董事會(「董事會」)謹提呈本公司及其附屬公司(「本集團」)於二零一九年九月三十日之未經審核簡明綜合財務狀況表及截至二零一九年九月三十日止六個月之未經審核簡明綜合損益表、未經審核簡明綜合全面收益表、未經審核簡明綜合權益變動表及未經審核簡明綜合現金流量表如下：

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

簡明綜合損益表

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 Unaudited 未經審核 HK\$'000 港幣千元	2018 二零一八年 Unaudited 未經審核 HK\$'000 港幣千元
		Notes 附註	
REVENUE	收入	3	1,505,607
Cost of sales	銷售成本		(1,055,679)
Gross profit	毛利		449,928
Other income and gains/(losses), net	其他收入及收益／(虧損)， 淨額	3	6,990
Selling and distribution expenses	銷售及分銷費用		(251,577)
Administrative expenses	行政開支		(147,914)
Other operating expenses	其他營運開支		(5,041)
Finance costs	融資成本	4	(14,210)
Share of profits and losses of associates	應佔聯營公司溢利及虧損		3,764
PROFIT BEFORE TAX	除稅前溢利	2 & 5	41,940
Income tax expense	所得稅開支	6	(14,383)
PROFIT FOR THE PERIOD	期內溢利		27,557
Attributable to:	歸屬於：		
Equity holders of the Company	本公司權益所有者		18,885
Non-controlling interests	非控股權益		8,672
			27,557
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	本公司普通權益所有者 應佔每股盈利		
– Basic and diluted	– 基本及攤薄	8	HK4.9 cents港仙
			HK6.0 cents港仙

**CONDENSED CONSOLIDATED
STATEMENT OF COMPREHENSIVE
INCOME**

簡明綜合全面收益表

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 Unaudited 未經審核 HK\$'000 港幣千元	2018 二零一八年 Unaudited 未經審核 HK\$'000 港幣千元
PROFIT FOR THE PERIOD	期內溢利	27,557	29,356
OTHER COMPREHENSIVE LOSS	其他全面虧損		
<i>Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:</i>	<i>將於往後期間可能重新分類至損益之其他全面虧損：</i>		
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	(54,033)	(77,040)
Share of other comprehensive loss of associates	應佔聯營公司其他全面虧損	(2,090)	(3,847)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	期內其他全面虧損，除稅後	(56,123)	(80,887)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	期內總全面虧損	(28,566)	(51,531)
Attributable to:	歸屬於：		
Equity holders of the Company	本公司權益所有者	(35,921)	(55,490)
Non-controlling interests	非控股權益	7,355	3,959
		(28,566)	(51,531)

**CONDENSED CONSOLIDATED
STATEMENT OF FINANCIAL POSITION**

簡明綜合財務狀況表

			30 September 2019 二零一九年 九月三十日 Unaudited 未經審核 HK\$'000 港幣千元	31 March 2019 二零一九年 三月三十一日 Audited 經審核 HK\$'000 港幣千元
		Notes 附註		
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	9	467,780	494,692
Investment property	投資物業		19,077	20,346
Prepaid land lease payments	預付土地租賃款項		–	85,825
Right-of-use assets	使用權資產		527,205	–
Goodwill	商譽		42,914	44,699
Other intangible assets	其他無形資產		431	540
Investments in associates	於聯營公司之投資		151,620	149,186
Financial assets at fair value through profit or loss	按公平值透過損益入賬的金融資產		30,779	30,780
Deposits	訂金		19,048	33,396
Deferred tax assets	遞延稅項資產		8,162	8,691
Total non-current assets	非流動資產總值		1,267,016	868,155
CURRENT ASSETS	流動資產			
Inventories	存貨		377,418	356,608
Trade receivables	應收貿易賬款	10	561,451	571,975
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款項		154,777	123,666
Tax recoverable	可收回稅項		347	666
Financial assets at fair value through profit or loss	按公平值透過損益入賬的金融資產		39,266	41,762
Cash and cash equivalents	現金及現金等值項目		577,567	590,979
Total current assets	流動資產總值		1,710,826	1,685,656
CURRENT LIABILITIES	流動負債			
Trade payables, other payables and accruals	應付貿易賬款、其他應付款項及應計負債	11	354,044	345,754
Interest-bearing bank borrowings	須繳付利息之銀行貸款		641,659	705,883
Lease liabilities	租賃負債		131,505	–
Tax payable	應付稅項		14,270	10,148
Total current liabilities	流動負債總值		1,141,478	1,061,785
NET CURRENT ASSETS	流動資產淨額		569,348	623,871
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		1,836,364	1,492,026

**CONDENSED CONSOLIDATED
STATEMENT OF FINANCIAL POSITION**
(continued)

簡明綜合財務狀況表(續)

		30 September 2019 二零一九年 九月三十日 Unaudited 未經審核 HK\$'000 港幣千元	31 March 2019 二零一九年 三月三十一日 Audited 經審核 HK\$'000 港幣千元
NON-CURRENT LIABILITIES	非流動負債		
Interest-bearing bank borrowings	須繳付利息之銀行貸款	80,000	–
Lease liabilities	租賃負債	336,458	–
Deferred tax liabilities	遞延稅項負債	16,581	17,466
		<hr/>	<hr/>
Total non-current liabilities	非流動負債總值	433,039	17,466
		<hr/>	<hr/>
Net assets	資產淨額	1,403,325	1,474,560
		<hr/> <hr/>	<hr/> <hr/>
EQUITY	權益		
Equity attributable to equity holders of the Company	歸屬於本公司權益所有者的權益		
Issued capital	已發行股本	38,425	38,425
Reserves	儲備	1,323,072	1,398,753
		<hr/>	<hr/>
Non-controlling interests	非控股權益	1,361,497	1,437,178
		41,828	37,382
		<hr/>	<hr/>
Total equity	權益總值	1,403,325	1,474,560
		<hr/> <hr/>	<hr/> <hr/>

**CONDENSED CONSOLIDATED
STATEMENT OF CHANGES IN EQUITY**
SIX MONTHS ENDED 30 SEPTEMBER 2019

簡明綜合權益變動表

截至二零一九年九月三十日止六個月

		Attributable to equity holders of the Company 歸屬於本公司權益所有者										
		Issued capital	Share premium account	Reserve funds	Capital reserve	Available-for-sale investment revaluation reserve	Capital redemption reserve	Exchange fluctuation reserve	Retained profits	Total	Non-controlling interests	Total equity
		已發行股本	股份溢價賬	儲備金	資本儲備	可供出售投資重估儲備	資本贖回儲備	匯兌波動儲備	保留溢利	總計	非控股權益	權益總值
		Unaudited 未經審核	Unaudited 未經審核	Unaudited 未經審核	Unaudited 未經審核	Unaudited 未經審核	Unaudited 未經審核	Unaudited 未經審核	Unaudited 未經審核	Unaudited 未經審核	Unaudited 未經審核	Unaudited 未經審核
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 April 2018	於二零一八年四月一日	38,425	199,301	13,904	750	126	1,531	98,311	1,250,088	1,602,436	35,697	1,638,133
Effect of adoption of HKFRS 9	採納香港財務報告準則第9號之影響	-	-	-	-	(126)	-	-	126	-	-	-
At 1 April 2018 (restated)	於二零一八年四月一日 (經重列)	38,425	199,301	13,904	750	-	1,531	98,311	1,250,214	1,602,436	35,697	1,638,133
Total comprehensive loss for the period	期內總全面虧損	-	-	-	-	-	-	(78,595)	23,105	(55,490)	3,959	(51,531)
Contributions by non-controlling interests	非控股權益注資	-	-	-	-	-	-	-	-	-	1,160	1,160
Transfer to reserve funds and capital reserve	轉撥至儲備金及資本儲備	-	-	323	3,541	-	-	-	(3,864)	-	-	-
Special dividend declared	宣派特別股息	-	-	-	-	-	-	-	(96,064)	(96,064)	-	(96,064)
Final 2018 dividend declared	宣派二零一八年末期股息	-	-	-	-	-	-	-	(24,977)	(24,977)	-	(24,977)
At 30 September 2018	於二零一八年九月三十日	38,425	199,301	14,227	4,291	-	1,531	19,716	1,148,414	1,425,905	40,816	1,466,721
At 1 April 2019	於二零一九年四月一日	38,425	199,301	15,622	4,291	-	1,531	33,127	1,144,881	1,437,178	37,382	1,474,560
Effect of adoption of HKFRS 16 (note 1)	採納香港財務報告準則第16號之影響(附註一)	-	-	-	-	-	-	-	(14,783)	(14,783)	(2,746)	(17,529)
At 1 April 2019 (restated)	於二零一九年四月一日 (經重列)	38,425	199,301	15,622	4,291	-	1,531	33,127	1,130,098	1,422,395	34,636	1,457,031
Total comprehensive loss for the period	期內總全面虧損	-	-	-	-	-	-	(54,806)	18,885	(35,921)	7,355	(28,566)
Dividends paid to non-controlling shareholders	已付予非控股股東股息	-	-	-	-	-	-	-	-	-	(163)	(163)
Final 2019 dividend declared	宣派二零一九年末期股息	-	-	-	-	-	-	-	(24,977)	(24,977)	-	(24,977)
At 30 September 2019	於二零一九年九月三十日	38,425	199,301*	15,622*	4,291*	-*	1,531*	(21,679)*	1,124,006*	1,361,497	41,828	1,403,325

* These reserve accounts comprise the consolidated reserves of HK\$1,323,072,000 (31 March 2019: HK\$1,398,753,000) in the unaudited condensed consolidated statement of financial position.

* 該等儲備賬為計入未經審核簡明綜合財務狀況表中之綜合儲備1,323,072,000港元(二零一九年三月三十一日: 1,398,753,000港元)。

**CONDENSED CONSOLIDATED
STATEMENT OF CASH FLOWS**

簡明綜合現金流量表

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 Unaudited 未經審核 HK\$'000 港幣千元	2018 二零一八年 Unaudited 未經審核 HK\$'000 港幣千元
		<i>Note</i> 附註	
CASH FLOWS FROM OPERATING ACTIVITIES	經營業務之現金流量		
Profit before tax	除稅前溢利	41,940	46,613
Total non-cash adjustments	總非現金之調整	103,815	46,900
Total working capital changes	總營運資本變動	(42,378)	(64,782)
Cash generated from operations	經營業務所得之現金	103,377	28,731
Income taxes paid	已付所得稅	(10,114)	(3,681)
Net cash flows from operating activities	經營業務之現金流入淨額	93,263	25,050
CASH FLOWS FROM INVESTING ACTIVITIES	投資業務之現金流量		
Bank interest received	已收銀行利息	3,376	3,705
Dividend received from listed investments	收取上市投資股息	4,678	1,014
Purchases of items of property, plant and equipment	購入物業、廠房及 設備項目	(24,476)	(26,262)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及 設備項目所得款項	1,053	110
Purchases of financial assets at fair value through profit or loss	購入按公平值透過損益入賬 的金融資產	(2,003)	(27,931)
Net cash flows used in investing activities	投資業務之現金流出淨額	(17,372)	(49,364)

**CONDENSED CONSOLIDATED
STATEMENT OF CASH FLOWS** (continued)

簡明綜合現金流量表(續)

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 Unaudited 未經審核 HK\$'000 港幣千元	2018 二零一八年 Unaudited 未經審核 HK\$'000 港幣千元
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動之現金流量		
New bank and trust receipt loans	新增銀行貸款及信託收據貸款	605,055	451,380
Repayment of bank and trust receipt loans	銀行貸款及信託收據貸款之還款	(585,275)	(515,067)
Interest paid	已付利息	(8,546)	(8,138)
Principal portion of lease payments	租賃付款的本金部分	(66,165)	-
Contributions by non-controlling interests	非控股權益注資	-	1,160
Dividends paid	已付股息	(24,977)	(121,041)
Dividends paid to non-controlling shareholders	已付予非控股股東股息	(163)	-
Net cash flows used in financing activities	融資活動之現金流出淨額	(80,071)	(191,706)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目減少淨額	(4,180)	(216,020)
Cash and cash equivalents at beginning of period	期初之現金及現金等值項目	590,979	802,085
Effects of foreign exchange rate changes, net	匯率變動影響，淨額	(9,232)	(15,223)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末之現金及現金等值項目	577,567	570,842
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值項目 結存之分析		
Cash and bank balances	現金及銀行結存	425,134	420,834
Time deposits	定期存款	152,433	150,008
		577,567	570,842

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

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

The accounting policies and basis of preparation adopted in the preparation of the unaudited condensed consolidated interim financial statements are consistent with those adopted in the preparation of the annual financial statements for the year ended 31 March 2019, except as described below.

In the current interim period, the Group has applied, for the first time, certain new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) and Interpretations issued by the HKICPA that are mandatorily effective for the Group’s financial years beginning on or after 1 April 2019. Other than explained below regarding the impact of HKFRS 16 *Leases*, the application of the new and revised HKFRSs and Interpretations in the current interim period has had no material effect on the amounts reported and/or disclosure set out in these condensed consolidated interim statements.

HKFRS 16 *Leases*

HKFRS 16 replaces HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases – Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in HKAS 17. Therefore, HKFRS 16 did not have any financial impact on leases where the Group is the lessor.

The Group adopted HKFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 April 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initial adoption as an adjustment to the opening balance of retained profits at 1 April 2019, and the comparative information as at 31 March 2019 and for the six months ended 30 September 2018 was not restated and continues to be reported under HKAS 17.

簡明綜合財務報表附註

1. 會計政策

本未經審核簡明綜合中期財務報表乃根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄16所載之適用披露規定以及香港會計師公會（「香港會計師公會」）頒佈之香港會計準則（「香港會計準則」）第34號 *中期財務報告編製*。

除下列說明外，編製本未經審核簡明綜合中期財務報表時所採納之會計政策及編製基準與編製截至二零一九年三月三十一日止年度全年財務報表所採用者相同。

於本期間，本集團首次應用香港會計師公會所頒佈之若干本集團於二零一九年四月一日及後之會計期間必須生效之新訂及經修訂香港財務報告準則及詮釋。除下列說明有關香港財務報告準則第16號 *租賃* 之影響外，於本期間應用新修訂及經修訂香港財務報告準則及詮釋對於本簡明綜合中期財務報表所列金額及／或所作披露並無重大影響。

香港財務報告準則第16號 *租賃*

香港財務報告準則第16號取代香港會計準則第17號 *租賃*、香港（國際財務報告詮釋委員會）—詮釋第4號 *釐定安排是否包含租賃*、香港（準則詮釋委員會）—詮釋第15號 *經營租賃—優惠* 及香港（準則詮釋委員會）—詮釋第27號 *評估涉及租賃法律形式交易的内容*。該準則載列確認、計量、呈列及披露租賃的原則，並要求承租人根據單一表內模型將所有租賃入賬。香港財務報告準則第16號項下出租人會計處理方法與香港會計準則第17號大致上維持不變。出租人將繼續使用與香港會計準則第17號相似的分類原則對所有租賃進行分類，分為經營租賃及融資租賃。因此，香港財務報告準則第16號並無對本集團為出租人的租賃造成任何財務影響。

本集團採納經修訂追溯採納法（首次應用日期為二零一九年四月一日）採納香港財務報告準則第16號。根據此方法，該準則獲追溯應用，而首次採納的累計影響作為對二零一九年四月一日保留溢利年初結餘的調整，而於二零一九年三月三十一日及截至二零一八年九月三十日六個月之比較資料不予重列，並繼續根據香港會計準則第17號呈報。

1. ACCOUNTING POLICIES (continued)

HKFRS 16 Leases (continued)

New definition of a lease

Under HKFRS 16, a contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 at the date of initial application. Contracts that were not identified as leases under HKAS 17 and HK(IFRIC)-Int 4 were not reassessed. Therefore, the definition of a lease under HKFRS 16 has been applied only to contracts entered into or changed on or after 1 April 2019.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their standard-alone prices.

As a lessee – Leases previously classified as operating leases

Nature of the effect of adoption of HKFRS 16

The Group has lease contracts for various items of properties. As a lessee, the Group previously classified leases as either finance leases or operating leases based on the assessment of whether the lease transferred substantially all the rewards and risks of ownership of assets to the Group. Under HKFRS 16, the Group applies a single approach to recognise and measure right-of-use assets and lease liabilities for all leases, except for two elective exemptions for leases of low value assets (elected on a lease by lease basis) and short-term leases (elected by class of underlying asset). The Group has elected not to recognise right-of-use assets and lease liabilities for (i) leases of low-value assets; and (ii) leases, that at the commencement date, have a lease term of 12 months or less. Instead, the Group recognises the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

Impacts on transition

Lease liabilities at 1 April 2019 were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at 1 April 2019 and presented separately in the consolidated statement of financial position as lease liabilities.

The right-of-use assets were recognised based on the carrying amount as if the standard had always been applied, except for the incremental borrowing rate where the Group applied the incremental borrowing rate at 1 April 2019. All these assets were assessed for any impairment based on HKAS 36 on that date. The Group elected to present the right-of-use assets separately in the consolidated statement of financial position.

1. 會計政策 (續)

香港財務報告準則第16號租賃 (續)

租賃的新定義

根據香港財務報告準則第16號，倘一份合約在一段時間內為換取代價而授出一項可識別資產使用的控制權，則該合約是一項租賃或包含一項租賃。倘客戶有權從可識別資產的使用中獲取絕大部分經濟利益及有權主導可識別資產的使用，則控制權已予授出。本集團已選擇過渡時使用可行權宜方法，允許該準則僅可於首次應用日期應用於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號識別為租賃的合約。根據香港會計準則第17號及香港(國際財務報告詮釋委員會)–詮釋第4號並無識別為租賃的合約不予重新評估。因此，香港財務報告準則第16號的租賃定義僅應用於二零一九年四月一日或之後訂立或修改的合約。

於包含租賃部分的合約開始或獲重新評估時，本集團根據其獨立價格將合約中的代價分配予各個租賃及非租賃部分。

作為承租人 – 先前分類為經營租賃的租賃

採納香港財務報告準則第16號的影響性質

本集團就不同物業持有租賃合約。本集團作為承租人先前根據租賃是否將資產所有權的絕大部分風險與回報轉移予本集團的評估，將租賃分類為融資租賃及經營租賃。根據香港財務報告準則第16號，本集團對所有租賃採用單一方法確認及計量使用權資產與租賃負債，惟對低價值資產租賃(按租賃基準選擇租賃)與短期租賃(按相關資產類別選擇)的兩項選擇性豁免除外。本集團已選擇不對(i)低價值資產租賃；及(ii)於租賃期開始日期為12個月或以下的租賃，確認使用權資產及租賃負債。相反，本集團於租賃期內按直線法將與該等租賃相關的租賃款項確認為開支。

對過渡的影響

於二零一九年四月一日的租賃負債按剩餘租賃付款的現值確認，採用於二零一九年四月一日的遞增借款利率進行貼現並於綜合財務狀況表中分開呈列為租賃負債。

使用權資產已根據賬面值確認，猶如該準則一直獲應用，惟遞增借款利率除外，而本集團在該情況下已於二零一九年四月一日應用遞增借款利率。所有該等資產均已就於該日按照香港會計準則第36號是否有任何減值作出評估。本集團選擇在財務狀況表中單獨呈列使用權資產。

1. ACCOUNTING POLICIES (continued)

HKFRS 16 Leases (continued)

Impacts on transition (continued)

For the leasehold land and building (that was held to earn rental income and/or for capital appreciation) previously included in investment property and measured at fair value, the Group has continued to include it as investment property at 1 April 2019. It continues to be measured at fair value applying HKAS 40.

The Group has used the following elective practical expedients when applying HKFRS 16 at 1 April 2019:

- Applied the short-term lease exemptions to leases with a lease term that ends within 12 months from the date of initial application
- Applied a single discount rate to a portfolio of leases with reasonable similar characteristics
- Used hindsight in determining the lease term where the contract contains options to extend/terminate the lease

The impacts arising from the adoption of HKFRS 16 as at 1 April 2019 are as follows:

1. 會計政策(續)

香港財務報告準則第16號租賃(續)

對過渡的影響(續)

關於先前計入投資物業並按公平值計量的租賃土地及樓宇(即為賺取租金收入及/或資本增值而持有者),本集團已繼續將其計入於二零一九年四月一日的投資物業,並繼續應用香港會計準則第40號按公平值計量。

本集團於二零一九年四月一日應用香港財務報告準則第16號時,已選用以下可行權宜方法:

- 對租期自首次應用日期起十二個月內終止的租賃應用短期租賃豁免
- 對具有合理相似特徵的租賃組合使用單一貼現率
- 對於包含延長/終止租賃選擇權的合約,事後釐定租期

於二零一九年四月一日採用香港財務報告準則第16號所產生的影響載列如下:

		Increase/(decrease) 增加/(減少) Unaudited 未經審核 HK\$'000 港幣千元
Assets	資產	
Right-of-use assets	使用權資產	532,465
Prepaid land lease payments	預付土地租賃款項	(85,825)
Deferred tax assets	遞延稅項資產	(580)
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款項	(4,419)
Total assets	資產總值	441,641
Liabilities	負債	
Lease liabilities	租賃負債	463,762
Other payables and accruals	其他應付款項及應計費用	(4,592)
Total liabilities	負債總值	459,170
Equity	權益	
Retained profits	保留溢利	(14,783)
Non-controlling interests	非控股權益	(2,746)
Total equity	權益總值	(17,529)

1. ACCOUNTING POLICIES (continued)

HKFRS 16 Leases (continued)

Impacts on transition (continued)

The lease liabilities as at 1 April 2019 reconciled to the operating lease commitments as at 31 March 2019 are as follows:

		Unaudited 未經審核 HK\$'000 港幣千元
Operating lease commitments as at 31 March 2019	於二零一九年三月三十一日之經營租賃承擔	434,116
Add: Payments for optional extension periods not recognised as at 31 March 2019	加：未於二零一九年三月三十一日確認的選擇性延期期間付款	91,039
Less: Commitments relating to short-term leases and those leases with a remaining lease term ending on or before 31 March 2020	減：有關短期租賃及餘下租期於二零二零年三月三十一日或之前終止的租賃承擔	(38,734)
		486,421
Effect of discounting at incremental borrowing rate as at 1 April 2019	於二零一九年四月一日按遞增借款利率貼現之影響	(22,659)
Lease liabilities as at 1 April 2019	於二零一九年四月一日的租賃負債	463,762
Weighted average incremental borrowing rate as at 1 April 2019	於二零一九年四月一日的加權平均遞增借款利率	2.42%

Summary of new accounting policies

The accounting policy for leases as disclosed in the annual financial statements for the year ended 31 March 2019 is replaced with the following new accounting policies upon adoption of HKFRS 16 from 1 April 2019:

Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of the estimated useful life and the lease term. When a right-of-use asset meets the definition of investment property, it is included in investment properties. The corresponding right-of-use asset is initially measured at cost, and subsequently measured at fair value, in accordance with the Group's policy for "investment properties".

1. 會計政策 (續)

香港財務報告準則第16號 租賃 (續)

對過渡的影響 (續)

於二零一九年四月一日的租賃負債與於二零一九年三月三十一日的經營租賃承擔之對賬如下：

		Unaudited 未經審核 HK\$'000 港幣千元
Operating lease commitments as at 31 March 2019	於二零一九年三月三十一日之經營租賃承擔	434,116
Add: Payments for optional extension periods not recognised as at 31 March 2019	加：未於二零一九年三月三十一日確認的選擇性延期期間付款	91,039
Less: Commitments relating to short-term leases and those leases with a remaining lease term ending on or before 31 March 2020	減：有關短期租賃及餘下租期於二零二零年三月三十一日或之前終止的租賃承擔	(38,734)
		486,421
Effect of discounting at incremental borrowing rate as at 1 April 2019	於二零一九年四月一日按遞增借款利率貼現之影響	(22,659)
Lease liabilities as at 1 April 2019	於二零一九年四月一日的租賃負債	463,762
Weighted average incremental borrowing rate as at 1 April 2019	於二零一九年四月一日的加權平均遞增借款利率	2.42%

新會計政策概要

截至二零一九年三月三十一日止年度的年度財務報表所披露有關租賃的會計政策自二零一九年四月一日起採用香港財務報告準則第16號後以下列新會計政策所取代：

使用權資產

使用權資產於租賃開始日期確認。使用權資產按成本減任何累計攤銷及任何減值虧損計量，並就任何租賃負債的重新計量作出調整。使用權資產成本包括已確認租賃負債金額、所產生的初步直接成本及於開始日期或之前已作出租賃付款減任何已收取的租賃優惠。除非本集團合理確定於租賃期結束時取得租賃資產所有權，否則已確認使用權資產於其估計可使用年期與租賃期的較短者按直線法計算攤銷。當使用權資產符合投資物業的定義時，則計入投資物業。相應的使用權資產初步按成本計量，其後根據本集團「投資物業」政策按公平值計量。

1. ACCOUNTING POLICIES (continued)

HKFRS 16 Leases (continued)

Impacts on transition (continued)

Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

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. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in-substance fixed lease payments or a change in assessment to purchase the underlying asset.

Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases, to lease properties for additional terms of one to three years. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. It considers all relevant factors that create an economic incentive for it to exercise the renewal. After the lease commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within the control of the Group and affects its ability to exercise the option to renew.

1. 會計政策 (續)

香港財務報告準則第16號 租賃 (續)

對過渡的影響 (續)

租賃負債

租賃負債於租賃開始日按租賃期內租賃付款的現值確認。租賃付款包括固定付款(包括視同固定付款)減去任何應收租賃優惠、取決於指數或利率的可變租賃付款及預期在剩餘價值擔保下支付的金額。租賃付款亦包括本集團合理確定行使的購買選擇權的行使價及支付終止租賃的罰款(倘租期反映本集團行使終止選擇權)，並非取決於指數或利率的可變租賃付款在觸發付款的事件或條件發生的期間內確認為開支。

在計算租賃付款的現值時，倘租賃中隱含的利率不易確定，則本集團於租賃開始日使用增量借款利率。於開始日之後，租賃負債的金額會增加，以反映利息的增加，並減少租賃付款。此外，倘存在修改、指數或利率變化引起的未來租賃付款變動、租期變更、視同固定租賃付款變更或購買相關資產的評估變更，則重新計量租賃負債的賬面值。

釐定有重續選擇權合約的租期時所用重大判斷

本集團將租期釐定為不可撤銷租賃條款，倘能合理確定將行使延長租賃的選擇權，租期還應包括該選擇權所涵蓋的任何期間，或在合理確定將不會行使終止租賃的選擇權時，還應包括該選擇權所涵蓋的任何期間。

根據若干租賃，本集團有權將物業租期延長一至三年。本集團於評估是否合理確定行使重續選擇權時運用判斷。其考慮所有會對行使重續構成經濟誘因的相關因素。於租賃開始日後，倘在本集團控制範圍內有影響其行使重續選擇權能力的重大事件或情況變動，本集團將重新評估租賃期限。

1. ACCOUNTING POLICIES (continued)

HKFRS 16 Leases (continued)

Impacts on transition (continued)

Amounts recognised in the interim condensed consolidated statement of financial position and profit or loss

The carrying amounts of the Group's right-of-use assets and lease liabilities, and the movement during the period are as follows:

		Right-of-use assets 使用權資產			Lease liabilities 租賃負債
		Prepaid land lease payments 預付土地租賃款項 Unaudited 未經審計 HK\$'000 港幣千元	Properties 物業 Unaudited 未經審計 HK\$'000 港幣千元	Total 總值 Unaudited 未經審計 HK\$'000 港幣千元	Unaudited 未經審計 HK\$'000 港幣千元
As at 1 April 2019	於二零一九年四月一日	88,726	443,739	532,465	463,762
Additions	添置	-	70,592	70,592	70,592
Depreciation	折舊	(1,404)	(63,745)	(65,149)	-
Interest expense	利息開支	-	-	-	5,664
Payments	付款	-	-	-	(66,165)
Exchange reserve	匯兌儲備	(5,488)	(5,215)	(10,703)	(5,890)
As at 30 September 2019	於二零一九年九月三十日	81,834	445,371	527,205	467,963

The Group recognised rental expenses from short-term leases of HK\$34,927,000 for the six months ended 30 September 2019.

2. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on geographical areas and has two reportable operating segments as follows:

- the Hong Kong segment is engaged in the manufacturing and trading of snack foods, confectionery, beverages, frozen food products, ham and ham-related products, noodles and the retailing of snack foods, confectionery and beverages, provision of catering services, and the operations of restaurants; and
- the Mainland China segment is engaged in the manufacturing and trading of snack foods, confectionery, beverages, frozen food products, ham and ham-related products, noodles and the operations of restaurants.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit before tax except that interest income, dividend income and unallocated gains/(losses), finance costs, share of profits and losses of associates and corporate and other unallocated expenses are excluded from such measurement.

1. 會計政策(續)

香港財務報告準則第16號租賃(續)

對過渡的影響(續)

於中期簡明綜合財務狀況及損益表確認的金額

本集團使用權資產及租賃負債的賬面值及期內變動如下：

		Right-of-use assets 使用權資產			Lease liabilities 租賃負債
		Prepaid land lease payments 預付土地租賃款項 Unaudited 未經審計 HK\$'000 港幣千元	Properties 物業 Unaudited 未經審計 HK\$'000 港幣千元	Total 總值 Unaudited 未經審計 HK\$'000 港幣千元	Unaudited 未經審計 HK\$'000 港幣千元
As at 1 April 2019	於二零一九年四月一日	88,726	443,739	532,465	463,762
Additions	添置	-	70,592	70,592	70,592
Depreciation	折舊	(1,404)	(63,745)	(65,149)	-
Interest expense	利息開支	-	-	-	5,664
Payments	付款	-	-	-	(66,165)
Exchange reserve	匯兌儲備	(5,488)	(5,215)	(10,703)	(5,890)
As at 30 September 2019	於二零一九年九月三十日	81,834	445,371	527,205	467,963

截至二零一九年九月三十日止六個月，本集團就短期租賃確認租金開支34,927,000港元。

2. 經營分部資料

就管理而言，本集團根據區域而劃分業務單位，並有以下兩個須予報告之經營分部：

- 香港分部從事製造及銷售小食、糖果、飲料、冷凍食品、火腿及火腿類產品、麵食、零售小食、糖果及飲料、提供膳食服務，以及經營餐廳；及
- 中國大陸分部從事製造及銷售小食、糖果、飲料、冷凍食品、火腿及火腿類產品、麵食以及經營餐廳。

管理層獨立監察本集團之經營分部業績，以決定資源分配及評估表現。分部表現根據須予報告分部溢利／虧損(即經調整除稅前溢利／虧損之方式計算)評估。經調整除稅前溢利／虧損之計算方法與本集團之除稅前溢利一致，惟利息收入、股息收入及未分配收益／(虧損)、融資成本、應佔聯營公司溢利及虧損以及公司及其他未分配開支則不撥入該項計算中。

2. OPERATING SEGMENT INFORMATION (continued)

Segment assets exclude deferred tax assets, tax recoverable, investments in associates, financial assets at fair value through profit or loss and cash and cash equivalents as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank borrowings, tax payable and deferred tax liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

2. 經營分部資料 (續)

分部資產不包括遞延稅項資產、可收回稅項、於聯營公司之投資、按公平值透過損益入賬的金融資產以及現金及現金等值項目，此乃由於該等資產作為整體資產進行管理。

分部負債不包括須繳付利息之銀行貸款、應付稅項及遞延稅項負債，此乃由於該等負債作為整體負債進行管理。

各分部間之銷售及轉讓乃經參考與第三方交易之售價，按當時現行市價進行交易。

		Hong Kong 香港		Mainland China 中國大陸		Total 總計	
		Six months ended 30 September 截至九月三十日止六個月		Six months ended 30 September 截至九月三十日止六個月		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 Unaudited 未經審核 HK\$'000 港幣千元	2018 二零一八年 Unaudited 未經審核 HK\$'000 港幣千元	2019 二零一九年 Unaudited 未經審核 HK\$'000 港幣千元	2018 二零一八年 Unaudited 未經審核 HK\$'000 港幣千元	2019 二零一九年 Unaudited 未經審核 HK\$'000 港幣千元	2018 二零一八年 Unaudited 未經審核 HK\$'000 港幣千元
Segment revenue:	分部收入：						
Sales to external customers*	銷售予外界客戶*	976,182	967,878	529,425	520,836	1,505,607	1,488,714
Intersegment sales	內部銷售	13,309	8,324	84,932	86,045	98,241	94,369
		989,491	976,202	614,357	606,881	1,603,848	1,583,083
<u>Reconciliation:</u>	<u>對賬：</u>						
Elimination of intersegment sales	內部銷售抵銷					(98,241)	(94,369)
Revenue	收入					1,505,607	1,488,714
Segment results	分部業績	42,127	56,136	17,033	6,752	59,160	62,888
<u>Reconciliation:</u>	<u>對賬：</u>						
Interest income	利息收入					3,376	3,705
Dividend income and unallocated gains/(losses), net	股息收入及未分配收益/(虧損)，淨額					178	(5,857)
Finance costs	融資成本					(14,210)	(8,138)
Share of profits and losses of associates	應佔聯營公司溢利及虧損					3,764	2,610
Corporate and other unallocated expenses	公司及其他未分配開支					(10,328)	(8,595)
Profit before tax	除稅前溢利					41,940	46,613
Other segment information:	其他分部資料：						
Impairment allowance of trade receivables	應收貿易賬款減值備抵	-	72	-	7	-	79
Write-down of slow-moving inventories	滯銷存貨撇銷	13	13	-	1,541	13	1,554
Depreciation and amortisation	折舊及攤銷	66,768	13,269	29,624	22,658	96,392	35,927

2. OPERATING SEGMENT INFORMATION (continued)

2. 經營分部資料(續)

		Hong Kong 香港		Mainland China 中國大陸		Total 總計	
		30 September 2019 二零一九年 九月三十日 Unaudited 未經審核 HK\$'000 港幣千元	31 March 2019 二零一九年 三月三十一日 Audited 經審核 HK\$'000 港幣千元	30 September 2019 二零一九年 九月三十日 Unaudited 未經審核 HK\$'000 港幣千元	31 March 2019 二零一九年 三月三十一日 Audited 經審核 HK\$'000 港幣千元	30 September 2019 二零一九年 九月三十日 Unaudited 未經審核 HK\$'000 港幣千元	31 March 2019 二零一九年 三月三十一日 Audited 經審核 HK\$'000 港幣千元
Segment assets	分部資產	1,583,471	1,185,423	951,919	913,799	2,535,390	2,099,222
<i>Reconciliation:</i>	<i>對賬:</i>						
Elimination of intersegment receivables	內部應收款項抵銷					(365,289)	(367,475)
Investments in associates	於聯營公司之投資					151,620	149,186
Corporate and other unallocated assets	公司及其他未分配資產					656,121	672,878
Total assets	資產總值					<u>2,977,842</u>	<u>2,553,811</u>
Segment liabilities	分部負債	699,161	357,870	488,135	355,359	1,187,296	713,229
<i>Reconciliation:</i>	<i>對賬:</i>						
Elimination of intersegment payables	內部應付款項抵銷抵銷					(365,289)	(367,475)
Corporate and other unallocated liabilities	公司及其他未分配負債					752,510	733,497
Total liabilities	負債總值					<u>1,574,517</u>	<u>1,079,251</u>

* The revenue information above is based on the locations of the customers.

* 以上收入資料乃根據其客戶所在區域而劃分。

3. REVENUE, OTHER INCOME AND GAINS/(LOSSES), NET

An analysis of revenue is as follows:

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 Unaudited 未經審核 HK\$'000 港幣千元	2018 二零一八年 Unaudited 未經審核 HK\$'000 港幣千元
Revenue from contracts with customers	來自客戶合約之收入		
(i) Disaggregated revenue information	(i) 收入分類資料		
<i>Primary geographical markets:</i>	<i>主要地區市場：</i>		
Hong Kong	香港	976,182	967,878
Mainland China	中國大陸	529,425	520,836
		<u>1,505,607</u>	<u>1,488,714</u>
<i>Timing of revenue recognition:</i>	<i>確認收益時間：</i>		
At a point in time	在某個時間點	<u>1,505,607</u>	<u>1,488,714</u>

The amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period are as follows:

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 Unaudited 未經審核 HK\$'000 港幣千元	2018 二零一八年 Unaudited 未經審核 HK\$'000 港幣千元
Sale of goods	銷售貨品	<u>4,254</u>	<u>5,134</u>

3. 收入、其他收入及收益／（虧損），淨額

收入分析如下：

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 Unaudited 未經審核 HK\$'000 港幣千元	2018 二零一八年 Unaudited 未經審核 HK\$'000 港幣千元
Revenue from contracts with customers	來自客戶合約之收入		
(i) Disaggregated revenue information	(i) 收入分類資料		
<i>Primary geographical markets:</i>	<i>主要地區市場：</i>		
Hong Kong	香港	976,182	967,878
Mainland China	中國大陸	529,425	520,836
		<u>1,505,607</u>	<u>1,488,714</u>
<i>Timing of revenue recognition:</i>	<i>確認收益時間：</i>		
At a point in time	在某個時間點	<u>1,505,607</u>	<u>1,488,714</u>

於報告期初計入合約負債之當前報告期間已確認之收益金額如下：

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 Unaudited 未經審核 HK\$'000 港幣千元	2018 二零一八年 Unaudited 未經審核 HK\$'000 港幣千元
Sale of goods	銷售貨品	<u>4,254</u>	<u>5,134</u>

3. REVENUE, OTHER INCOME AND GAINS/(LOSSES), NET
(continued)

An analysis of revenue is as follows: (continued)

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of goods

The performance obligation is satisfied upon delivery of the goods and payment is generally due within one to three months, extending up to four to five months for major customers, from delivery, except for new customers, where payment in advance is normally required.

The transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 30 September 2019 and 31 March 2019 are as follows:

Within one year

一年內

All remaining performance are expected to be recognised within one year.

3. 收入、其他收入及收益／(虧損)，淨額(續)

收入分析如下：(續)

(ii) 履約責任

有關本集團履約責任之資料概述如下：

銷售貨品

履約責任於貨品交付時獲履行，付款一般於交付起一至三個月內到期，就主要客戶而言，可延長至四至五個月，惟新客戶一般需要預先付款。

於二零一九年九月三十日及二零一九年三月三十一日，交易金額分配至剩餘履約責任(未達成或部份未達成)如下：

	30 September 2019 二零一九年 九月三十日 Unaudited 未經審核 HK\$'000 港幣千元	31 March 2019 二零一九年 三月三十一日 Audited 經審核 HK\$'000 港幣千元
	4,732	4,254

預期所有剩餘的履約責任將於一年內獲確認。

3. REVENUE, OTHER INCOME AND GAINS/(LOSSES), NET
(continued)

An analysis of other income and gains/(losses), net is as follows:

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 Unaudited 未經審核 HK\$'000 港幣千元	2018 二零一八年 Unaudited 未經審核 HK\$'000 港幣千元
Other income	其他收入		
Bank interest income	銀行利息收入	3,376	3,705
Dividend income	股息收入	4,678	1,014
Rental income	租金收入	736	647
Others	其他	2,700	1,276
		11,490	6,642
Gains/(losses), net	收益/(虧損), 淨額		
Amortisation of deferred gain	攤銷遞延收益	-	2,416
Net fair value loss on financial assets at fair value through profit or loss	按公平值透過損益入賬的 金融資產之公平值虧損, 淨額	(4,500)	(6,871)
		(4,500)	(4,455)
		6,990	2,187

3. 收入、其他收入及收益/(虧損), 淨額(續)

其他收入及收益/(虧損), 淨額分析如下:

4. FINANCE COSTS

An analysis of finance costs is as follows:

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 Unaudited 未經審核 HK\$'000 港幣千元	2018 二零一八年 Unaudited 未經審核 HK\$'000 港幣千元
Interest on bank and trust receipt loans	銀行貸款及信託收據貸款利息	8,546	8,138
Interest on lease liabilities	租賃負債利息	5,664	-
		14,210	8,138

4. 融資成本

融資成本分析如下:

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 Unaudited 未經審核 HK\$'000 港幣千元	2018 二零一八年 Unaudited 未經審核 HK\$'000 港幣千元
Cost of inventories sold	已售存貨之成本	1,055,679	995,651
Depreciation of items of property, plant and equipment	物業、廠房及設備項目之折舊	31,134	33,540
Depreciation of right-of-use assets	使用權資產之折舊	65,149	-
Amortisation of prepaid land lease payments	預付土地租賃款項之攤銷	-	1,477
Amortisation of other intangible assets	其他無形資產之攤銷	109	910

6. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2018: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

5. 除稅前溢利

本集團之除稅前溢利已扣除：

6. 所得稅

香港利得稅乃按期內於香港所產生之估計應課稅溢利按16.5% (二零一八年：16.5%) 之稅率作出撥備。其他地區之應課稅溢利之稅項乃根據本集團經營業務之國家／司法管轄區之現行稅率計算。

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 Unaudited 未經審核 HK\$'000 港幣千元	2018 二零一八年 Unaudited 未經審核 HK\$'000 港幣千元
Current – Hong Kong Charge for the period	當期 – 香港 期內稅項	9,611	11,764
Current – Elsewhere Charge for the period	當期 – 其他地區 期內稅項	4,794	6,814
Underprovision in prior years	過往年度撥備不足	58	109
Deferred	遞延	(80)	(1,430)
Total tax charge for the period	本期之總稅項支出	14,383	17,257

The share of tax attributable to associates amounting to HK\$999,000 (2018: HK\$436,000) is included in "Share of profits and losses of associates" in the unaudited condensed consolidated statement of profit or loss.

應佔聯營公司之稅項共999,000港元 (二零一八年：436,000港元) 已包括於未經審核簡明綜合損益表之「應佔聯營公司溢利及虧損」項內。

7. DIVIDEND

- (a) Interim dividend on ordinary shares payable to equity holders of the Company is as follows:

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 Unaudited 未經審核 HK\$'000 港幣千元	2018 二零一八年 Unaudited 未經審核 HK\$'000 港幣千元
Interim dividend declared – HK3.0 cents (2018: HK3.0 cents) per ordinary share	宣派中期股息 – 每股普通股3.0港仙 (二零一八年：3.0港仙)	11,528	11,528

The interim dividend is based on 384,257,640 ordinary shares (2018: 384,257,640 ordinary shares), being the total number of issued shares of the Company at the end of the reporting period.

中期股息以本公司報告期末已發行股本總數，即384,257,640股普通股（二零一八年：384,257,640股普通股）計算。

The interim dividend is not recognized as a liability as at 30 September 2019 because it has been declared after the end of reporting period.

中期股息乃於報告期末後宣派，故於二零一九年九月三十日並無確認為負債。

- (b) Dividends on ordinary shares declared/approved and paid to equity holders of the Company during the interim period are as follows:

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 Unaudited 未經審核 HK\$'000 港幣千元	2018 二零一八年 Unaudited 未經審核 HK\$'000 港幣千元
Special dividend for year ended 31 March 2018 approved and paid – HK25.0 cents per ordinary share	已批准及派付之截至二零一八年 三月三十一日止年度之特別股息 – 每股普通股25.0港仙	–	96,064
Final dividend for year ended 31 March 2019 approved and paid – HK6.5 cents (2018: HK6.5 cents) per ordinary share	已批准及派付之截至二零一九年 三月三十一日止年度之末期股息 – 每股普通股6.5港仙 (二零一八年：6.5港仙)	24,977	24,977
		24,977	121,041

- (b) 於期內宣派／批准及派付予本公司普通股權益所有者之股息如下：

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the period.

No adjustment has been made to the basic earnings per share amounts presented for the six months ended 30 September 2019 and 2018 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during these periods.

The calculations of basic and diluted earnings per share are based on:

8. 本公司普通權益所有者應佔每股盈利

每股基本盈利乃根據期內本公司普通權益所有者應佔溢利及期內已發行普通股之加權平均數計算。

由於本集團於截至二零一九年及二零一八年九月三十日止六個月期間並無具攤薄潛力之已發行普通股份，因此並無就攤薄該等期間所呈列之每股基本盈利作出調整。

每股基本及攤薄盈利乃根據下列基準計算：

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 Unaudited 未經審核 HK\$'000 港幣千元	2018 二零一八年 Unaudited 未經審核 HK\$'000 港幣千元
Earnings	盈利		
Profit attributable to ordinary equity holders of the Company, used in the basic and diluted earnings per share calculation	計算每股基本及攤薄盈利所使用之本公司普通權益所有者應佔溢利	<u>18,885</u>	<u>23,105</u>
		Number of shares 股份數目	
		2019 二零一九年 Unaudited 未經審核	2018 二零一八年 Unaudited 未經審核
Shares	股份		
Weighted average number of ordinary shares in issue during the period used in the basic and diluted earnings per share calculation	計算每股基本及攤薄盈利所使用之期內已發行普通股之加權平均數	<u>384,257,640</u>	<u>384,257,640</u>

9. PROPERTY, PLANT AND EQUIPMENT

Acquisitions and disposals

During the six months ended 30 September 2019, the Group acquired items of property, plant and equipment with a cost of HK\$24,476,000 (2018: HK\$26,262,000). Items of property, plant and equipment with a net book value of HK\$1,570,000 (2018: HK\$1,783,000) were disposed of during the six months ended 30 September 2019, resulting in a net loss on disposal of HK\$517,000 (2018: HK\$1,673,000).

9. 物業、廠房及設備

添置及出售

本集團於二零一九年九月三十日止六個月，購入價值24,476,000港元(二零一八年：26,262,000港元)之物業、廠房及設備項目。於二零一九年九月三十日止六個月，出售賬面值1,570,000港元(二零一八年：1,783,000港元)之物業、廠房及設備項目，導致出售之虧損淨額為517,000港元(二零一八年：1,673,000港元)。

10. TRADE RECEIVABLES

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally for a period of one to three months, extending up to four to five months for major customers.

An ageing analysis of trade receivables as at 30 September 2019 and 31 March 2019, based on the invoice date and net of loss allowance, is as follows:

		30 September 2019 二零一九年 九月三十日 Unaudited 未經審核 HK\$'000 港幣千元	31 March 2019 二零一九年 三月三十一日 Audited 經審核 HK\$'000 港幣千元
Within 1 month	1個月內	198,513	213,610
1 to 2 months	1至2個月	120,065	99,408
2 to 3 months	2至3個月	80,391	101,937
Over 3 months	3個月以上	162,482	157,020
		561,451	571,975

11. TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

Included in trade payables, other payables and accruals is trade payables balance of HK\$213,610,000 (31 March 2019: HK\$183,102,000). An ageing analysis of the trade payables as at 30 September 2019 and 31 March 2019 based on the invoice date, is as follows:

		30 September 2019 二零一九年 九月三十日 Unaudited 未經審核 HK\$'000 港幣千元	31 March 2019 二零一九年 三月三十一日 Audited 經審核 HK\$'000 港幣千元
Within 1 month	1個月內	173,328	151,062
1 to 2 months	1至2個月	26,774	21,900
2 to 3 months	2至3個月	5,409	4,590
Over 3 months	3個月以上	8,099	5,550
		213,610	183,102

Included in the trade payables are amounts due to the Group's associates of HK\$46,246,000 (31 March 2019: HK\$38,128,000) and subsidiaries of Hong Kong Food Investment Holdings Limited ("HKFH"), a substantial shareholder of the Company, of HK\$197,000 (31 March 2019: HK\$55,000), which are normally settled on 30-day to 60-day terms.

The trade payables are non-interest-bearing and are normally settled on 30-day to 60-day terms. Other payables are non-interest-bearing and have an average term of three months.

10. 應收貿易賬款

本集團與客戶之貿易賬期以信貸為主，惟新客戶一般需要預先付款。信貸賬期一般為一至三個月，就主要客戶而言，可延長至最多四至五個月。

於二零一九年九月三十日及二零一九年三月三十一日，根據發票日期及扣除減值撥備之應收貿易賬款之賬齡分析如下：

		30 September 2019 二零一九年 九月三十日 Unaudited 未經審核 HK\$'000 港幣千元	31 March 2019 二零一九年 三月三十一日 Audited 經審核 HK\$'000 港幣千元
Within 1 month	1個月內	198,513	213,610
1 to 2 months	1至2個月	120,065	99,408
2 to 3 months	2至3個月	80,391	101,937
Over 3 months	3個月以上	162,482	157,020
		561,451	571,975

11. 應付貿易賬款、其他應付款項及應計負債

應付貿易賬款、其他應付款項及應計負債包括應付貿易賬款結餘共213,610,000港元(二零一九年三月三十一日：183,102,000港元)。於二零一九年九月三十日及二零一九年三月三十一日，根據發票日期之應付貿易賬款之賬齡分析如下：

		30 September 2019 二零一九年 九月三十日 Unaudited 未經審核 HK\$'000 港幣千元	31 March 2019 二零一九年 三月三十一日 Audited 經審核 HK\$'000 港幣千元
Within 1 month	1個月內	173,328	151,062
1 to 2 months	1至2個月	26,774	21,900
2 to 3 months	2至3個月	5,409	4,590
Over 3 months	3個月以上	8,099	5,550
		213,610	183,102

應付貿易賬款已包括結欠本集團聯營公司之款項46,246,000港元(二零一九年三月三十一日：38,128,000港元)及結欠本公司一名主要股東香港食品投資控股有限公司(「香港食品」)的附屬公司之款項197,000港元(二零一九年三月三十一日：55,000港元)，彼等一般按30至60日期限結付。

應付貿易賬款為免息及一般按30至60日期限結付。其他應付款項乃免息，信貸期平均為三個月。

12. COMMITMENTS

The Group had capital commitments in respect of property, plant and equipment at the end of the interim reporting period as follows:

		30 September 2019 二零一九年 九月三十日 Unaudited 未經審核 HK\$'000 港幣千元	31 March 2019 二零一九年 三月三十一日 Audited 經審核 HK\$'000 港幣千元
Contracted, but not provided for	已訂約但未撥備	3,009	2,218

13. RELATED PARTY TRANSACTIONS

(a) The Group had the following material transactions with its related parties during the period:

			Six months ended 30 September 截至九月三十日止六個月	2019 二零一九年 Unaudited 未經審核 HK\$'000 港幣千元	2018 二零一八年 Unaudited 未經審核 HK\$'000 港幣千元
		Notes 附註			
Associates:	聯營公司：				
Purchases of goods	採購貨品	(i)		196,063	188,117
Sales of goods	銷售貨品	(ii)		950	910
Promotion expenses reimbursed by associates	聯營公司退還宣傳開支	(iii)		15,541	17,015
Rental income	租金收入	(iv)		736	647

Notes:

- (i) The cost of purchases from associates was made at pre-determined prices agreed between the parties.
- (ii) The selling prices of goods sold to associates were determined by reference to prices and conditions similar to those offered to other major customers.
- (iii) The promotion expenses reimbursed by associates were determined by reference to the costs incurred by the Group.
- (iv) The rental income from an associate was determined between the Group and the associate.

12. 承擔

本集團於中期報告期末就物業、廠房及設備之資本承擔如下：

		30 September 2019 二零一九年 九月三十日 Unaudited 未經審核 HK\$'000 港幣千元	31 March 2019 二零一九年 三月三十一日 Audited 經審核 HK\$'000 港幣千元
Contracted, but not provided for	已訂約但未撥備	3,009	2,218

13. 關連人士交易

(a) 期內，本集團與其關連人士訂立下列重大交易：

			Six months ended 30 September 截至九月三十日止六個月	2019 二零一九年 Unaudited 未經審核 HK\$'000 港幣千元	2018 二零一八年 Unaudited 未經審核 HK\$'000 港幣千元
		Notes 附註			
Associates:	聯營公司：				
Purchases of goods	採購貨品	(i)		196,063	188,117
Sales of goods	銷售貨品	(ii)		950	910
Promotion expenses reimbursed by associates	聯營公司退還宣傳開支	(iii)		15,541	17,015
Rental income	租金收入	(iv)		736	647

附註：

- (i) 向聯營公司採購之成本乃根據訂約方預先議定之價格而釐定。
- (ii) 向聯營公司銷售之售價乃參照向其他主要客戶提出之類似價格及條件釐定。
- (iii) 聯營公司退還宣傳開支乃根據本集團之實際交易成本釐定。
- (iv) 來自聯營公司之租金收入乃由本集團與聯營公司釐定。

13. RELATED PARTY TRANSACTIONS (continued)

(b) Outstanding balances with related parties:

Details of the Group's trade balances with its associates and subsidiaries of a substantial shareholder of the Company as at 30 September 2019 and 31 March 2019 are disclosed in note 11 to the unaudited condensed consolidated interim financial statements.

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

13. 關連人士交易 (續)

(b) 與關連人士之尚未償還結餘：

於二零一九年九月三十日及二零一九年三月三十一日，本集團與其聯營公司及一名主要股東之附屬公司之貿易結餘詳情於本未經審核簡明綜合中期財務報附註11披露。

(c) 本集團主要管理人員之報酬：

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 Unaudited 未經審核 HK\$'000 港幣千元	2018 二零一八年 Unaudited 未經審核 HK\$'000 港幣千元
Short term employee benefits	短期僱員福利	7,562	7,682
Pension scheme contributions	退休金計劃供款	166	176
		7,728	7,858

14. EVENTS AFTER THE REPORTING PERIOD

On 15 November 2019, a wholly-owned subsidiary of the Company (the "Purchaser"), entered into a share sale agreement with an independent third party (the "Vendor") under which the Vendor agreed to sell and the Purchaser agreed to purchase 14 ordinary shares and 1 veto share ("Sale Shares") of Miyata Holding Co., Ltd., a company incorporated in Japan (the "Target Company") for a consideration of JPY10,000 (equivalent to approximately HK\$721). The Purchaser may exercise an option to require the Vendor to sell further 55 ordinary shares (the "Option Shares") of the Target Company to the Purchaser at the exercise price of JPY1,000 (equivalent to approximately HK\$72) within five business days after the earlier of (i) 23 March 2020 and (ii) completion of further due diligence investigation on the Target Company and its subsidiaries.

The Sale Shares and Option Shares represent 15% and 55% of the issued share capital of the Target Company, respectively. The Target Company and its subsidiaries is a renowned snack food and confectionery distributor in Japan.

On 15 November 2019, the Purchaser entered into a loan agreement with a wholly-owned subsidiary of the Target Company (the "Borrower"), pursuant to which the Purchaser provided an interest-free loan in the amount of JPY800,000,000 (equivalent to approximately HK\$57,685,000) to the Borrower.

Further details of the above transactions are included in the Company's announcement dated 18 November 2019.

14. 報告期後事項

於二零一九年十一月十五日，本公司之全資附屬公司（「買方」）與獨立第三方（「賣方」）訂立售股協議，據此，賣方同意出售及買方同意購買一間於日本註冊成立之公司宮田控股株式會社（「目標公司」）之14股普通股股份及1股否決權股份（「銷售股份」），代價為10,000日圓（相等於約721港元）。買方可於(i)二零二零年三月二十三日；及(ii)完成向目標公司之進一步盡職審查（以較早者為準）後五個營業日內，要求賣方按行使價1,000日圓（相等於約72港元）出售55股目標公司普通股股份（「購股權股份」）予買方。

銷售股份及購股權股份分別相當於目標公司已發行股本之15%及55%。目標公司及其附屬公司乃日本著名零食及糖果經銷商。

於二零一九年十一月十五日，買方與目標公司之全資附屬公司（「借方」）訂立貸款協議，據此，買方提供免息貸款800,000,000日圓（相等於約57,685,000港元）予借方。

有關上述交易之進一步詳情載於本公司二零一九年十一月十八日之公告當中。

INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HK3.0 cents (2018: HK3.0 cents) in cash per ordinary share for the six months ended 30 September 2019, payable to shareholders whose names appear in the register of members of the Company at the close of business on Wednesday, 18 December 2019. The said dividend will be paid on Friday, 17 January 2020.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 16 December 2019 to Wednesday, 18 December 2019, both dates inclusive, during such period no transfer of shares will be registered. In order to qualify for the interim dividend for the six months ended 30 September 2019, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Friday, 13 December 2019.

MANAGEMENT DISCUSSION AND ANALYSIS

RESULTS

The Group's consolidated revenue was HK\$1,505,607,000 (2018: HK\$1,488,714,000) for the six months ended 30 September 2019, representing an increase of 1%. The profit for the period attributable to equity holders of the Group was HK\$18,885,000 (2018: HK\$23,105,000). The businesses in Hong Kong and Mainland China have performed steadily. Sales derived from the Hong Kong segment amounted to HK\$976,182,000 (2018: HK\$967,878,000), accounting for 65% of the Group's total sales. Sales in Mainland China amounted to HK\$529,425,000 (2018: HK\$520,836,000), accounting for 35% of the Group's total sales.

中期股息

董事會議決宣派截至二零一九年九月三十日止六個月中期股息每股普通股為現金3.0港仙(二零一八年：3.0港仙)，有關股息將於二零二零年一月十七日(星期五)當日派付予於二零一九年十二月十八日(星期三)營業時間結束時名列在本公司股東名冊上之股東。

暫停辦理過戶登記手續

本公司將於二零一九年十二月十六日(星期一)至二零一九年十二月十八日(星期三)止(首尾兩天包括在內)暫停辦理股份過戶登記手續，於此期間將不會辦理任何股份過戶登記。為符合資格享有截至二零一九年九月三十日止六個月之中期股息，所有過戶文件連同有關股票須於二零一九年十二月十三日(星期五)下午四時三十分前，送達本公司在香港之股份過戶登記分處卓佳登捷時有限公司，地址為香港皇后大道東183號合和中心54樓，以辦理登記手續。

管理層討論及分析

業績

本集團截至二零一九年九月三十日止六個月之綜合營業額為1,505,607,000港元(二零一八年：1,488,714,000港元)，較去年同期上升1%。本公司權益所有者應佔溢利為18,885,000港元(二零一八年：23,105,000港元)。香港及國內業務表現平穩，香港地區營業額為976,182,000港元(二零一八年：967,878,000港元)，佔總營業額約65%；國內地區營業額為529,425,000港元(二零一八年：520,836,000港元)，佔總營業額約35%。

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

RESULTS (continued)

With the adoption of HKFRS 16 *Leases* for the first time by the Group in the period under review, lease payments which were used to be recognised as selling and distribution expenses or administrative expenses in previous years were recognised as depreciation of right-of-use assets of HK\$65,149,000 under their respective expense categories and interest on lease liabilities under finance costs of HK\$5,664,000, respectively, during the period under review. The overall negative impact upon the adoption of HKFRS 16 *Leases* on the profit before tax of the Group in the period under review was about HK\$2,700,000. If the effect upon the adoption of HKFRS 16 *Leases* is excluded, the profitability of the Group was more or less maintained as compared with that of the corresponding period of last year, despite the negative external factors mentioned below.

BUSINESS REVIEW

With a sound foundation and benefiting from diversified businesses and marketing strategies, the Group made solid progress throughout the period under review and maintained its leading position. Despite the US-China trade war and the social event in Hong Kong, which increased market uncertainties and affected the general market conditions, the Group could still achieve revenue growth and expansion of the business. The Japanese ice-cream introduced this year had a favourable sales performance and was well-received by consumers. The wholesale business of snacks also saw continued revenue growth.

管理層討論及分析 (續)

業績 (續)

本集團於回顧期內，首次採納香港財務報告準則第16號租賃，根據有關的會計規定，在過往年度，以銷售及分銷費用或行政開支入賬之租賃付款，於回顧期內，改為以使用權資產之折舊而列支於各自的費用類別65,149,000港元及歸類為融資成本之租賃負債利息5,664,000港元入賬，於回顧期內，因採納香港財務報告準則第16號租賃而對本集團除稅前溢利之負面影響大約為2,700,000港元，撇除因採納香港財務報告準則第16號租賃而產生之影響後，即使受下文所述之負面外圍因素影響，本集團仍能保持與去年同期相若的盈利能力。

業務回顧

集團憑紮實根基，以及受惠於多元化的業務和銷售策略，於回顧期內穩步發展，維持市場領導者地位。在回顧期內，雖然中美貿易戰持續，香港受到社會事件影響，市場持續不明朗，因而影響市場狀況，但集團秉持穩中求變的精神，仍能提升集團的銷售金額及積極把握機遇開拓業務，年內推出的日本品牌雪糕深受消費者歡迎，銷情理想，零食批發業務亦持續增長。

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

BUSINESS REVIEW (continued)

Distribution Business

Food distribution, the core business of the Group, has shown steady development. With its effective marketing strategies and sharp procurement vision, the Group sources high-quality food from all over the world, including Japan, Korea, Thailand, Indonesia, Malaysia, Singapore, Britain, France, Germany, the Netherlands, the United States and Mainland China. A wide variety of food items worldwide, including snacks, ice-cream, milk powder, instant noodles, sauce, ham and sausage are sold to customers in Hong Kong and Mainland China through the Group's comprehensive distribution network of department stores, supermarkets, convenience store chains, fast food chains, wholesalers, retailers, restaurants, bars, hotels and airlines.

The Group has actively expanded the Japanese ice-cream business in Hong Kong. The brands distributed by the Group such as "MEIJI", "LOTTE", "GLICO", "IMURAYA", "SEIKA" and "BLUE SEAL" have been well received in the market. The Group will continue to look for more famous brands in order to provide new flavours to consumers and add new revenue channels. The Group's wholesale businesses in both Hong Kong and Mainland China continue to grow steadily, with high demand from consumers resulting in rising sales and revenue.

管理層討論及分析 (續)

業務回顧 (續)

食品代理業務

食品代理業務為集團核心業務之一，一直多元化發展，穩步上揚。憑藉出色的銷售策略及眼光獨到的採購團隊，集團從世界各地，包括日本、韓國、泰國、印尼、馬來西亞、新加坡、英國、法國、德國、荷蘭、美國和內地等地，搜羅品質上乘的食品，而代理的食品亦種類繁多，如零食、雪糕、奶粉、即食麵、醬油、火腿及香腸等，並透過龐大的分銷網絡銷售，包括百貨公司、超級市場、便利店、快餐店、批發商、零售商、酒樓、酒吧、酒店及航空公司等，為中港兩地的消費者提供各式各樣的環球美食。

集團積極開拓日本雪糕在香港的市場，集團所銷售的日本雪糕產品包括「明治」、「樂天」、「固力果」、「井村屋」、「SEIKA」和沖繩獨有的「BLUE SEAL」等著名品牌，大受市場歡迎。集團會繼續物色更多知名牌子，為消費者帶來嶄新口味之餘，更有助增加及推動業務銷售收益。此外，集團食品批發業務於香港及內地均持續增長，消費者需求殷切，銷量節節攀升，為集團帶來盈利貢獻。

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

BUSINESS REVIEW (continued)

Manufacturing Business

The Group's manufacturing business has established a reputation for producing quality food products round the year. With stringent quality controls and modern monitoring systems of production, the Group has strengthened customers' trust by complying with international standards and receiving numerous accreditations, such as "HACCP", "ISO 9001", "ISO 22000", "GMP certificate", "Certification under Hong Kong Q-Mark Product Scheme for over 30 years" and "HKQAA Hong Kong Registration – Cooking Oil Registration Scheme Certification" from the Hong Kong Quality Assurance Agency.

The Group has 18 factory premises in Hong Kong and Mainland China, producing a range of unique food products. Through its one-stop production and sales model, the Group caters for varied market needs, consolidating its leadership in the food industry. The expanded factory premises of Calbee Four Seas in Tseung Kwan O Industrial Estate have greatly improved the efficiency and capacity of food production, allowing the Group to respond to market demand in a more flexible manner.

Retail and Catering Businesses

The Group strives for innovation in its retailing and catering businesses to ensure the delivery of exquisite dining experience. Japanese snack store "Okashi Land" is well known in Hong Kong for bringing delicious and popular Japanese snacks to consumers in this market. This year, ice-cream stores have been added to some of the outlets, providing a wide range of choices to consumers. The Group will add more such stores in the future. In addition, the Group has successfully collaborated with convenience store chains in setting up in-store ice-cream counters, which has prompted positive feedback from consumers and brought revenue growth. Cookie store "YOKU MOKU" and the "Calbee PLUS" concept store, which offer exclusive snacks, continue to prove popular with consumers.

管理層討論及分析 (續)

業務回顧 (續)

食品製造業務

集團製造多元化的食品，品質是信心保證，有口皆碑，符合國際標準，屢獲優質食品認證，全賴嚴謹的質量控制，以及現代化的生產監控系統。集團成功取得「HACCP」、「ISO 9001」、「ISO 22000」和「GMP」系統認證，並獲香港Q唛計劃30年以上認證之「Q唛准用證」及獲「香港品質保證局」頒發的《食油註冊計劃同行者認證》，食品質素深受市場信賴。

集團在香港及內地設有18間廠房，製造一系列各式各樣的特色食品，配合一站式的生產及銷售模式，迎合不同市場的需要，鞏固集團在食品業內的領先地位。卡樂B四洲於將軍澳工業邨擴建廠房後，食品生產效率及產量均大大提高，讓集團更能靈活配合食品市場的需求。

零售及餐飲業務

零售及餐飲業務方面，集團不斷追求創新，務求提供多元化的餐飲體驗。「零食物語」日本零食專門店街知巷聞，為消費者帶來美味的日本潮流小食，今年更開始在部分店舖加設日本雪糕店，以提供不同選擇，刺激消費者味蕾，未來亦會進一步擴大有關業務規模，在更多「零食物語」店推出。此外，集團成功與便利店合作，在其銷售點加設雪糕專櫃，好評如潮，讓消費者能隨時隨地享用日本雪糕，為集團帶來增長。而「YOKU MOKU」曲奇餅店及專門售賣特色零食的「Calbee PLUS」概念零食店亦廣受好評，深受消費者喜愛。

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

BUSINESS REVIEW (continued)

Retail and Catering Businesses (continued)

Regarding the Group's restaurants, Shanghai vegetarian cuisine restaurant "Kung Tak Lam" in Causeway Bay was accredited a Plate Michelin in the Michelin Guide 2019. "Sushiyoshi", a Michelin 2-starred restaurant from Osaka, which was introduced in Hong Kong in 2018, has received rave reviews. A new store of Japanese-style restaurant "Shiki•Etsu" managed by the Group in Hong Kong was opened in Kowloon Bay in the year under review. Also, the "Panxi Restaurant" in Guangzhou and "Sushi Oh" restaurant chain stores in Mainland China continue to provide high standards of dining and outstanding management services, proving popular among consumers.

Murray Catering Company Limited ("Murray Catering"), a company acquired by the Group in 2015, has enriched the Group's food business. Murray Catering is a school lunch box and tuck shop services provider, offering delicious, healthy and nutritious meals and food to students in over 90 primary and secondary schools. With the support of local schools and parents, the business of Murray Catering has been enjoying satisfactory development during the period under review.

BRAND DEVELOPMENT

Established in 1971 and renowned in Hong Kong, Four Seas Group is a famous Hong Kong food brand and is committed to catering for consumer and market needs across age groups. The brand is also widely known in Mainland China, helping maintain its leading market position. Living by its motto, "Eating Safely, Eating Happily", the Group upholds its principles of product safety, quality and taste with stringent quality control. The Group's wide range of businesses with a rich product assortment contributes to the solid foundation of the brand.

Rooted in Hong Kong, the Group has set its sights on Mainland China and the rest of the world. The Group has steadily developed, advancing in its market reach and technology, and aiming to provide new experiences to consumers with innovative and unique snacks so as to lead the snacks market. The Group will continue to expand its Mainland business by playing an active role as a food "ambassador" to introduce overseas food in Mainland China and bring the food in Mainland China to the international market.

管理層討論及分析 (續)

業務回顧 (續)

零售及餐飲業務 (續)

中日食肆方面，「功德林」上海素食銅鑼灣店榮獲米芝蓮指南2019的米芝蓮餐盤榮譽，而於二零一八年引入香港的大阪米芝蓮二星名店「壽司芳Sushiyoshi」亦備受食客青睞，座無虛席。另一方面，集團於香港經營「四季•悅」日本料理於回顧期內在九龍灣開設了分店。於國內廣州市經營的「泮溪」園林酒家和「壽司皇」日本迴轉壽司餐廳，提供卓越餐飲及優質管理服務，深受當地市民歡迎。

集團於二零一五年成功收購美利飲食服務有限公司（「美利」），進一步豐富集團的食品服務。美利是一家學校飯盒及小賣部服務供應商，與九十多家中小學合作，為學生們提供美味、健康及營養豐富的午膳及食品。有賴本地學校及家長的支持，美利的業務於回顧期內得到比較好的發展。

集團品牌發展

四洲集團是香港著名食品品牌，創立於一九七一年，家傳戶曉，一直致力於滿足不同年齡層的客户和市場需求。同時，品牌在內地亦廣受消費者愛戴，在市場上佔一席位。集團多年來恪守安全、優質、美味的原則，秉承對品質嚴謹的態度，以「食得放心、食得開心」為一貫宗旨，業務涵蓋廣泛，產品種類豐富，為品牌建立穩健基礎。

集團扎根香港，面向內地，放眼世界。隨著市場及科技的進步，集團穩步向前發展，為消費者帶來新鮮體驗，在零食種類當中推陳出新，帶領零售潮流。集團於未來繼續拓展內地業務，不單扮演內地與世界的「零食中介人」角色，將優質食品引入內地，為內地消費者提供更多選擇，亦會把內地食品帶到海外，積極拓展國際市場。

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

CORPORATE SOCIAL RESPONSIBILITY

The Group upholds the spirit of “receiving from and giving back to society”. Being a member of the community, the Group has been actively promoting social and community service in Hong Kong and participating enthusiastically in social services with outstanding results. The Group has also sponsored activities organised by bodies such as Junior Police Call, schools, elderly and women’s organisations, and Kaifong welfare organisations, among others, to bring Four Seas products to different segments of the community and contribute to public welfare. In the past year, the Group and its businesses have been highly appreciated.

The Group and its businesses have also received numerous awards during the period. The Group has received the “Most Valuable Service Award in Hong Kong 2019” presented by Mediazone. Calbee Four Seas Company Limited has received the “Most Favourite Brand of Convenience Stores Award” from 7-Eleven Convenience Store. “Sushiyoshi”, one of the Group’s Japanese restaurants, has been selected as one of the best fine-dining restaurants of Hong Kong and Macau by “The MENU 2018”, published by the Hong Kong Economic Times, in which “Sushiyoshi” has been picked as one of the “Appealing Restaurants Debuted in 2018”.

PROSPECTS AND GROWTH

“Based in Hong Kong, Yearning for Mainland and Looking around the World” is the development strategy of the Group. With its foundation in Hong Kong, the Group will continue developing the business in Hong Kong as well as expanding in the Mainland in order to maintain its leadership in the market.

The Group has recently acquired a 15% interest in Miyata Holding Co., Ltd., a renowned snacks and confectionery distributor in Japan. With this transaction, the Group could foster greater cooperation and combine its strength with that of Miyata in capital, resources and technology, generating business synergy. The transaction also benefits the Group’s distribution business, helping its sustained growth.

管理層討論及分析 (續)

企業社會責任

「取之社會、用之社會」為集團對社會的承諾及集團精神。作為香港社會一份子，集團熱心參與各項社會服務，致力推動關愛和諧精神，履行社會責任。集團透過贊助各個團體的活動，包括少年警訊、學校、護老及婦女組織、街坊福利會及社團聯會等，將四洲食品推展至社會各個界別，積極為公益作出貢獻。

期內，集團及旗下業務亦獲獎無數，獲得 Mediazone 頒發《香港最佳價值服務大獎 2019》；卡樂B四洲有限公司榮獲 7-Eleven 便利店頒發《2018 最喜愛便利品牌大獎》；集團旗下之日本料理餐廳「壽司芳 Sushiyoshi」入選香港經濟日報《The MENU 2018》香港及澳門高級食府指南，更獲選為《2018 矚目登場的餐廳》。

展望發展

集團以「立足香港，面向內地，放眼世界」為發展方針。集團以香港業務為基礎，努力擴展香港業務的同時，亦積極拓展充滿潛力的內地市場，穩中求變，維持市場領導者的地位。

集團近期收購了日本著名零食及糖果經銷商宮田控股株式會社的 15% 股份。是次交易不但能加強集團與宮田控股的合作，在資本、資源及技術方面與宮田控股的優勢相互結合，發揮協同效應，更有助集團擴大食品分銷業務，為業務帶來持續增長。

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

PROSPECTS AND GROWTH (continued)

Hong Kong Business

As an industry leader, the Group is committed to bringing all kinds of great food from around the world and offering delicious and high-quality food products. The Group's business activities cover different areas, from food distribution, production, retail and catering services to the establishment of its own brand, with the mission of providing innovative snacks. For its retail business, the Group has been introducing quality brands, of which Japanese snacks have already become the favourites of Hong Kong consumers. This year, various Japanese ice-cream brands have been introduced to Hong Kong, including "MEIJI", "LOTTE", "GLICO", "IMURAYA", "SEIKA" and "BLUE SEAL", which is sold exclusively in Okinawa, as well as other delicious ice-creams from different parts of Japan. Apart from snacks store "Okashi Land", the Group has successfully introduced Japanese ice-cream to convenience store chains. The Group plans to expand its food business, strengthening its leadership in the Hong Kong market. The Group will also develop its wholesale business by expanding its sales network to achieve considerable growth in business.

Mainland China Business

The Group is working to expand in the Mainland market. Apart from import, export and e-commerce of international food products, the Group also leverages the self-owned factory premises in Mainland China to boost its own brand. The own-branded products are well-received by consumers and the sales network is spread widely across Mainland China. As one of the first listed enterprises in the Nansha New District in the Guangdong Free Trade Zone, and with the outline development Plan for Guangdong-Hong-Kong-Macao Greater Bay Area promulgated at the beginning of the year, the Group has been actively growing its import, export and e-commerce activities. The food trading platforms in Mainland China performed steadily. With the growing demand of Mainland customers for quality food, online trading platforms, such as Taobao, Tmall, Tmall Global and Jingdong, it enables consumers to buy their favourite Four Seas snacks anytime, anywhere. The Group will continue promoting its own brand and other distributed brands in Mainland China to expand its wholesale business. Through proactive marketing strategies, the Group aims to increase its market share in the Mainland and create more business opportunities.

管理層討論及分析 (續)

展望發展 (續)

香港業務

集團作為行業領導者，一直致力為消費者帶來環球美食，提供質優味美的高水準食品。集團業務範圍涵蓋不同層面，從食品代理、生產、零售到開設食肆，繼而建立自家品牌，務求為香港美食愛好者帶來驚喜與創新。在銷售食品層面上，集團不斷引進優質品牌，當中日本零食已經成為香港消費者的至愛食品。集團於年內更破天荒引入日本多個雪糕品牌，包括「明治」、「樂天」、「固力果」、「井村屋」、「SEIKA」、沖繩獨有的「BLUE SEAL」以及日本各地的美味雪糕等，除「零食物語」日本零食專門店外，更成功擴展至便利店銷售，使消費者能更方便買到心頭好。集團未來會繼續循這方向，開展食品業務，鞏固其在香港的領導角色。另外，集團亦會進一步向批發業務發展，擴張銷售網絡，爭取佳績。

內地業務

集團積極拓展內地市場，除了國際食品的電子商貿及貿易進出口業務外，更利用自家於內地擁有生產廠房的優勢，擴展自家品牌，產品廣受消費者歡迎，銷售網絡遍布各地。集團作為廣東自貿區南沙片區首批掛牌企業之一，配合國家今年年初推出粵港澳大灣區發展規劃，為國際食品的貿易進口及電商業務加添增長動力。另一方面，集團於內地的食品交易平台表現穩定，內地顧客對優質食品需求持續上升，電子商貿平台如淘寶、天貓、天貓國際及京東等，均能讓內地消費者隨時隨地選購喜愛的四洲零食。集團將會繼續於內地推廣自家及其他代理品牌，拓展批發業務，並通過積極進取的市場策略，增加集團於內地市場的佔有率，創造更多商機。

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations with internally generated cash flows and facilities granted by its principal bankers. As at 30 September 2019, the Group held cash and cash equivalents of HK\$577,567,000. As at 30 September 2019, the Group had banking facilities of HK\$2,327,385,000 of which 31% had been utilised. The Group had a gearing ratio of 53% as at 30 September 2019. This is expressed as the total bank borrowings to equity attributable to equity holders of the Company. Bank borrowings of the Group, denominated in Hong Kong dollars, Japanese yen, Renminbi, mainly comprise trust receipt loans and bank loans (the "Interest-Bearing Bank Borrowings") at prevailing market interest rates. The Interest-Bearing Bank Borrowings which are classified as current liabilities are repayable on demand or within one year and the Interest-Bearing Bank Borrowings which are classified as non-current liabilities are repayable in the second to third year.

KEY FINANCIAL RATIOS

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年	2018 二零一八年
Gross profit margin	毛利率	29.9%	33.1%
Net profit margin	純利率	1.3%	1.6%
		Six months ended 30 September 2019 截至 二零一九年 九月三十日 止六個月	Year ended 31 March 2019 截至 二零一九年 三月三十一日 止年度
		Notes 附註	
Inventory turnover days	存貨周轉天數	2	63
Trade receivables turnover days	應收貿易賬款周轉天數	3	70
Trade payables turnover days	應付貿易賬款周轉天數	2	34

Notes:

- Net profit margin is calculated as profit attributable to equity holders of the Company divided by revenue.
- The calculation of inventory and trade payables turnover days is based on the average of the opening and closing balances divided by cost of sales multiplied by number of days in the relevant period.
- The calculation of trade receivables turnover days is based on the average of the opening and closing balances divided by revenue and multiplied by number of days in the relevant period.

管理層討論及分析 (續)

流動資金及財政資源

本集團一般以內部流動現金及主要往來銀行授出之信貸作為業務之融資。於二零一九年九月三十日，本集團擁有之現金及現金等值項目為577,567,000港元。於二零一九年九月三十日，本集團擁有銀行信貸額共2,327,385,000港元，其中31%經已動用。本集團於二零一九年九月三十日之負債資本比率為53%，亦即銀行借款總額與本公司權益所有者應佔權益之比例。本集團之銀行借款以港元、日圓及人民幣為結算貨幣，並主要為根據當時通行市場息率之信託收據貸款及銀行貸款（「須繳付利息之銀行貸款」）。分類為流動負債之須繳付利息之銀行貸款須按要求或於一年內償還，而分類為非流動負債之須繳付利息之銀行貸款須於第二年至第三年內償還。

主要財務比率

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年	2018 二零一八年
Gross profit margin	毛利率	29.9%	33.1%
Net profit margin	純利率	1.3%	1.6%
		Six months ended 30 September 2019 截至 二零一九年 九月三十日 止六個月	Year ended 31 March 2019 截至 二零一九年 三月三十一日 止年度
		Notes 附註	
Inventory turnover days	存貨周轉天數	2	63
Trade receivables turnover days	應收貿易賬款周轉天數	3	70
Trade payables turnover days	應付貿易賬款周轉天數	2	34

附註：

- 純利率按本公司權益所有者應佔溢利除以收入計算。
- 存貨及應付貿易賬款周轉天數的計算按期初及期末結餘的平均數除以銷售成本再乘以期間天數計算。
- 應收貿易賬款周轉天數的計算按期初及期末結餘的平均數除以收入再乘以期間天數計算。

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

CHARGES ON ASSETS AND CONTINGENT LIABILITIES

As at 30 September 2019, the Group did not pledge any assets and had no significant contingent liabilities.

CAPITAL COMMITMENTS

The Group had capital commitments in respect of property, plant and equipment which were contracted but not provided for in the financial statements of HK\$3,009,000 as at 30 September 2019.

FOREIGN CURRENCY EXPOSURE

The Group has transactional currency exposures mainly from sales and purchases transactions in Japanese yen and Renminbi. The appreciation or devaluation of Japanese yen or Renminbi against Hong Kong dollar may have impact on the Group's operating results.

The Group's foreign exchange position is monitored on an ongoing basis in order to minimise the impact from the unfavourable fluctuation of foreign currencies. The Group currently does not maintain a foreign currency hedging policy.

STAFF EMPLOYMENT AND REMUNERATION POLICIES

The total number of employees of the Group as at 30 September 2019 was approximately 3,300. Remuneration packages are generally structured by reference to market terms and individual qualifications. Salaries and wages are normally reviewed annually based on performance appraisals and other relevant factors.

管理層討論及分析 (續)

資產抵押及或然負債

於二零一九年九月三十日，本集團並無任何資產抵押及重大或然負債。

資本承擔

於二零一九年九月三十日，本集團就物業、廠房及設備之已訂約但未於財務報告撥備之資本承擔為3,009,000港元。

外匯風險

本集團之交易貨幣風險主要來自以日圓及人民幣進行之買賣交易。日圓或人民幣兌港元升值或貶值可能對本集團之經營業績造成影響。

本集團持續監察外匯狀況，以將不利之外幣波動影響降至最低。本集團現時並無維持外幣對沖政策。

員工聘用及薪酬政策

本集團於二零一九年九月三十日之聘用員工總數約3,300人。僱員薪酬一般參考市場條款及個別資歷而釐定。薪金及工資一般按表現及其他相關因素而作每年檢討。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND/OR SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 September 2019, the interests and short positions of the directors and chief executive of the Company in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 of the Listing Rules were as follows:

Long positions in the ordinary shares of the Company:

Name of directors	董事名稱	Notes 附註	Capacity	身份	Number of ordinary shares held/interested	Approximate percentage of the Company's total issued shares 佔本公司已發行 股份總數概約 百分比
Tai Tak Fung, Stephen	戴德豐	(i)	Interest of controlled corporations	控制公司權益	259,478,000	67.52%
Wu Mei Yung, Quinly	胡美容	(ii)	Interest of spouse and interest of controlled corporations	配偶權益及 控制公司權益	259,478,000	67.52%

Notes:

(i) Such shares comprise:

- (a) 70,000,000 shares, representing approximately 18.22% of the Company's total issued shares, are held by Careful Guide Limited ("CGL") which is wholly owned by Mr. Tai Tak Fung, Stephen;

董事及最高行政人員於本公司或任何相聯法團股份及相關股份之權益及／或淡倉

於二零一九年九月三十日，本公司董事及最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份及相關股份中，擁有本公司根據證券及期貨條例第352條規定所存置之登記冊所記錄，或根據上市規則附錄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之權益及淡倉如下：

於本公司普通股股份之好倉：

Name of directors	董事名稱	Notes 附註	Capacity	身份	Number of ordinary shares held/interested	Approximate percentage of the Company's total issued shares 佔本公司已發行 股份總數概約 百分比
Tai Tak Fung, Stephen	戴德豐	(i)	Interest of controlled corporations	控制公司權益	259,478,000	67.52%
Wu Mei Yung, Quinly	胡美容	(ii)	Interest of spouse and interest of controlled corporations	配偶權益及 控制公司權益	259,478,000	67.52%

附註：

(i) 有關股份包括：

- (a) 70,000,000股股份（佔本公司已發行股份總數約18.22%）乃由Careful Guide Limited（「CGL」）持有，該公司由戴德豐先生全資擁有；

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND/OR SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (continued)

Long positions in the ordinary shares of the Company:
(continued)

Notes: (continued)

- (i) Such shares comprise: (continued)
- (b) 74,250,000 shares, representing approximately 19.32% of the Company's total issued shares, are held by Special Access Limited ("SAL") which is wholly owned by Mr. Tai Tak Fung, Stephen, and his spouse, Ms. Wu Mei Yung, Quinly. Accordingly, Mr. Tai Tak Fung, Stephen and Ms. Wu Mei Yung, Quinly are deemed to be interested in the 74,250,000 shares of the Company held by SAL; and
- (c) 115,228,000 shares, representing approximately 29.98% of the Company's total issued shares, are held by Capital Season Investments Limited ("CSI"). CSI is wholly owned by Advance Finance Investments Limited ("AFI") which is a wholly-owned subsidiary of Hong Kong Food Investment Holdings Limited ("HKFH"). Accordingly, HKFH is deemed to be interested in the 115,228,000 shares of the Company. HKFH is owned as to 0.07% by the Company, 2.59% by Mr. Tai Tak Fung, Stephen, 20.38% by SAL, and 11.91% by CGL. As Ms. Wu Mei Yung, Quinly is the spouse of Mr. Tai Tak Fung, Stephen, Ms. Wu Mei Yung, Quinly is deemed to be interested in the shares of Mr. Tai Tak Fung, Stephen and vice versa. Therefore, Mr. Tai Tak Fung, Stephen and his spouse, Ms. Wu Mei Yung, Quinly are considered to have deemed interests in the 115,228,000 shares of the Company by virtue of their interests in HKFH.
- (ii) As mentioned in note (i)(b) above, Ms. Wu Mei Yung, Quinly and her spouse, Mr. Tai Tak Fung, Stephen are deemed to be interested in the 74,250,000 shares of the Company held by SAL. In addition to the deemed interests of 115,228,000 shares in the Company's total issued shares as stated in note (i)(c) above, Ms. Wu Mei Yung, Quinly is also deemed to be interested in the 70,000,000 shares through the interests of her spouse, Mr. Tai Tak Fung, Stephen, in CGL as mentioned in note (i)(a) above.

董事及最高行政人員於本公司或任何相聯法團股份及相關股份之權益及／或淡倉 (續)

於本公司普通股股份之好倉：(續)

附註：(續)

- (i) 有關股份包括：(續)
- (b) 74,250,000股股份(佔本公司已發行股份總數約19.32%)乃由Special Access Limited(「SAL」)持有，該公司由戴德豐先生及其配偶胡美容女士全資擁有。因此，戴德豐先生及胡美容女士均被視為於SAL所持有之74,250,000股本公司股份中擁有權益；及
- (c) 115,228,000股股份(佔本公司已發行股份總數約29.98%)乃由Capital Season Investments Limited(「CSI」)持有。CSI由Advance Finance Investments Limited(「AFI」)全資擁有，而AFI則為香港食品投資控股有限公司(「香港食品」)之全資附屬公司。因此，香港食品被視為擁有本公司股份115,228,000股股份。香港食品分別由本公司擁有0.07%，戴德豐先生擁有2.59%，SAL擁有20.38%，及CGL擁有11.91%。由於胡美容女士為戴德豐先生之配偶，胡美容女士被視為擁有戴德豐先生之股份權益，反之亦然。因此，戴德豐先生及其配偶胡美容女士透過彼等於香港食品之權益被視為持有本公司115,228,000股股份。
- (ii) 誠如上文附註(i)(b)所述，胡美容女士及其配偶戴德豐先生均被視為於SAL所持有之74,250,000股本公司股份中擁有權益。除上文附註(i)(c)所述被視為於本公司已發行股份之115,228,000股股份中擁有權益外，誠如上文附註(i)(a)所述，胡美容女士亦透過其配偶戴德豐先生之權益而被視為於CGL之70,000,000股本公司股份中擁有權益。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND/OR SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY OR ANY ASSOCIATED CORPORATION *(continued)*

Save as disclosed above, as at 30 September 2019, none of the directors and chief executive of the Company had any interests or short positions in the shares and underlying shares of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

During the six months ended 30 September 2019, none of the directors and chief executive of the Company (including their spouses and children under 18 years of age) had been granted or exercised, any rights to subscribe for shares in the Company required to be disclosed pursuant to the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any of the directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

董事及最高行政人員於本公司或任何相聯法團股份及相關股份之權益及／或淡倉 *(續)*

除上述所披露者外，於二零一九年九月三十日，本公司董事及最高行政人員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）之股份及相關股份中，均無擁有本公司根據證券及期貨條例第352條所須存置之登記冊所記錄，或根據標準守則須知會本公司及聯交所之權益或淡倉。

於截至二零一九年九月三十日止六個月內，本公司董事及最高行政人員（包括彼等之配偶及未滿十八歲的子女）均無獲授予或行使任何權利藉以認購本公司股份，而須根據證券及期貨條例予以披露。

董事購買股份或債券之權利

除上文披露者外，期內，本公司並無授予權利給董事或彼等各自之配偶或未成年之子女以透過購買本公司之股份或債券而獲取利益或行使該等權利；本公司、其控股公司或其任何附屬公司或同系附屬公司亦無訂立任何安排以致董事購入任何其他法人團體之該等權利。

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

As at 30 September 2019, the following parties (other than the directors and chief executive of the Company as disclosed above) had interests of 5% or more in the issued shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO:

Long positions in the ordinary shares of the Company:

Name of substantial shareholders	主要股東名稱	Note 附註	Capacity	身份	Number of ordinary shares held /interested 持有／擁有普通股股份數目	Approximate percentage of the Company's total issued shares 估本公司已發行股份總數概約百分比
SAL			Beneficial owner	實益擁有人	74,250,000	19.32%
CGL			Beneficial owner	實益擁有人	70,000,000	18.22%
CSI			Beneficial owner	實益擁有人	115,228,000	29.98%
AFI		(i)	Interest of controlled corporation	控制公司權益	115,228,000	29.98%
HKFH	香港食品	(i)	Interest of controlled corporation	控制公司權益	115,228,000	29.98%

Note:

- (i) The entire issued share capital of CSI is held by AFI which in turn is wholly owned by HKFH. Accordingly, each of AFI and HKFH is deemed to be interested in the same 115,228,000 shares of the Company held by CSI.

Save as disclosed above, to the best knowledge of the directors of the Company, as at 30 September 2019, no persons (other than the directors and chief executive of the Company, whose interests are set out in the above section headed "Directors' and chief executive's interests and/or short positions in the shares and underlying shares of the Company or any associated corporation") had any interests or short positions in the shares and underlying shares of the Company which were recorded in the register required to be kept by the Company under section 336 of the SFO.

主要股東於本公司股份及相關股份之權益及／或淡倉

於二零一九年九月三十日，以下人士（上文所披露之本公司董事及最高行政人員除外）於本公司根據證券及期貨條例第336條之規定所須存置之登記冊所記錄擁有本公司已發行股份5%或以上之權益：

本公司普通股股份之好倉：

Name of substantial shareholders	主要股東名稱	Note 附註	Capacity	身份	Number of ordinary shares held /interested 持有／擁有普通股股份數目	Approximate percentage of the Company's total issued shares 估本公司已發行股份總數概約百分比
SAL			Beneficial owner	實益擁有人	74,250,000	19.32%
CGL			Beneficial owner	實益擁有人	70,000,000	18.22%
CSI			Beneficial owner	實益擁有人	115,228,000	29.98%
AFI		(i)	Interest of controlled corporation	控制公司權益	115,228,000	29.98%
HKFH	香港食品	(i)	Interest of controlled corporation	控制公司權益	115,228,000	29.98%

附註：

- (i) AFI持有CSI全部已發行股本，而AFI則由香港食品全資擁有。因此，AFI及香港食品均被視為於CSI之所持有之本公司之115,228,000股股份中擁有同等權益。

除上述所披露者外，就本公司董事所深知，於二零一九年九月三十日，於本公司根據證券及期貨條例第336條所須設置登記冊之紀錄中，並無人士（本公司董事及最高行政人員除外，彼等之權益載於上文「董事及最高行政人員於本公司或任何相聯法團股份及相關股份之權益及／或淡倉」一節）於本公司股份或相關股份中擁有權益或淡倉。

SHARE OPTION SCHEME

The Company has no outstanding share options at the beginning and at the end of the period under review. During the period under review, no share options have been granted under the share option scheme adopted by the Company on 28 August 2012 (the “Scheme”) and there is no change in any terms of the Scheme. Details of the Scheme were disclosed in the 2019 Annual Report.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the six months ended 30 September 2019.

CORPORATE GOVERNANCE

The Group strives to maintain high standards of corporate governance to enhance shareholders’ value and safeguard shareholders’ interests. The Company’s directors are of the view that the Company has met the code provisions listed in the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Listing Rules for the six months ended 30 September 2019, except for the following deviations:

Code Provision A.4.1

Under the code provision A.4.1, non-executive directors should be appointed for a specific term, subject to re-election.

Currently, all independent non-executive directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company (the “Articles of Association”). As such, the Board considers that sufficient measures have been taken to ensure that the Company’s corporate governance practices are no less exacting than those in the CG Code.

購股權計劃

本公司於回顧期期初及期末並無任何未行使之購股權。於回顧期內，本公司並無根據二零一二年八月二十八日採納之購股權計劃（「計劃」）授出購股權，以及計劃之條款並無任何變更。計劃之詳情載於二零一九年年報內。

本公司上市證券之購買、出售或贖回

本公司及其任何附屬公司於截至二零一九年九月三十日止六個月內，概無購買、出售或贖回本公司任何上市證券。

企業管治

本集團致力維持高水平之企業管治，以提升股東的投資價值及保障股東權益。本公司董事認為，本公司於截至二零一九年九月三十日止六個月內一直遵守上市規則附錄14所載之企業管治守則（「企管守則」）中所列的守則條文，惟以下偏離事項除外：

守則條文第A.4.1條

根據守則條文第A.4.1條，非執行董事應有特定委任期，並須膺選連任。

現時，本公司所有獨立非執行董事之委任並無特定任期，惟須根據本公司的組織章程細則（「組織章程細則」）於本公司股東周年大會上輪席告退及膺選連任。因此，董事會認為已採取足夠措施確保本公司的企業管治常規不低於企管守則之有關規定。

CORPORATE GOVERNANCE (continued)

Code Provision A.4.2

Under the code provision A.4.2, all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointments. Every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

In accordance with the Articles of Association, any director appointed to fill a casual vacancy shall hold office only until the next following annual general meeting and shall then be eligible for re-election. The Board considers that such a deviation is not material as casual vacancy seldom appears and interval between the appointment made to fill casual vacancy and the immediate following annual general meeting is short.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as the Company's code of conduct regarding securities transactions by directors of the Company (the "Code of Conduct"). Having made specific enquiry of all directors of the Company, the directors have confirmed that they have complied with the required standard of dealings as set out in the Code of Conduct throughout the six months ended 30 September 2019.

The Company has also established the Code for Securities Transactions by Relevant Employees (the "Employees Code") on no less exacting terms than the Model Code for securities transactions by the employees who are likely to be in possession of inside information of the Company. No incident of non-compliance of the Employees Code by the employees was noted by the Company throughout the six months ended 30 September 2019.

AUDIT COMMITTEE

The Audit Committee of the Company comprises all the three independent non-executive directors, namely Ms. LEUNG Mei Han (Chairperson of the Audit Committee), Mr. CHAN Yuk Sang, Peter and Mr. Tsunao KIJIMA. The Audit Committee has reviewed the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 September 2019 and discussed with the management on the accounting principles and practices adopted by the Group, risk management, internal controls and financial reporting matters.

企業管治 (續)

守則條文第A.4.2條

根據守則條文第A.4.2條，所有獲委任以填補臨時空缺之董事應由股東於彼等獲委任後首次股東大會上推選。每名董事（包括有特定委任期者）應至少每三年輪值告退一次。

根據組織章程細則，任何獲委任以填補臨時空缺之董事將留任至下屆股東周年大會，其後將合資格膺選連任。董事會認為，由於鮮有出現臨時空缺，加上委任人選填補臨時空缺與緊隨下屆股東周年大會相隔時間甚短，故有關偏離事項不屬重大。

證券交易標準守則

本公司已採納標準守則作為本公司董事進行證券交易之本公司操守守則（「操守守則」）。經向本公司全體董事作出特定查詢後，董事們確認，彼等於截至二零一九年九月三十日止六個月內一直遵守操守守則所規定之買賣標準。

本公司亦已按可能擁有本公司內幕消息之僱員進行不遜於證券交易的標準守則之條款訂定有關僱員進行證券交易守則（「僱員守則」）。於截至二零一九年九月三十日止六個月內，本公司並無獲悉僱員未有遵守僱員守則之情況。

審核委員會

本公司之審核委員會包括全部共三名獨立非執行董事，計為梁美嫻女士（審核委員會主席）、陳玉生先生及木島綱雄先生。審核委員會已審閱本集團截至二零一九年九月三十日止六個月之未經審核簡明綜合中期財務報告，並已與管理層討論有關本集團採納之會計政策及準則、風險管理、內部監控及財務報告之事宜。

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

The Company's 2019 interim results announcement was published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the Company's website at www.fourseasgroup.com.hk. The interim report of the Company for the six months ended 30 September 2019, containing information required by the Listing Rules, will be despatched to shareholders of the Company and published on the above websites in due course.

APPRECIATION

The Board would like to express its sincere appreciation to the Group's shareholders, business partners and staff for giving their continuous support to the Group.

THE BOARD

As at the date of this report, the directors of the Company are Mr. TAI Tak Fung, Stephen, Ms. WU Mei Yung, Quinly, Mr. TAI Chun Kit, Mr. MAN Wing Cheung, Ellis, Mr. WU Wing Biu and Mr. NAM Chi Ming, Gibson as executive directors, Ms. LEUNG Mei Han, Mr. CHAN Yuk Sang, Peter and Mr. Tsunao KIJIMA as independent non-executive directors.

On behalf of the Board

Four Seas Mercantile Holdings Limited
TAI Tak Fung, Stephen, GBM, GBS, SBS, JP
Chairman

Hong Kong, 27 November 2019

中期業績公告及中期報告的公佈

本公司的二零一九年中期業績公告已登載於香港交易及結算所有限公司之網站 www.hkexnews.hk 及本公司之網站 www.fourseasgroup.com.hk 內。本公司截至二零一九年九月三十日止六個月之中期報告(載有上市規則規定之資料)將會寄發予本公司股東,並登載於以上網站。

鳴謝

董事會向一直全力支持本集團的各股東、業務夥伴及員工致以衷心謝意。

董事會

於本公告日期,本公司董事為執行董事戴德豐先生、胡美容女士、戴進傑先生、文永祥先生、胡永標先生及藍志明先生;以及獨立非執行董事梁美嫻女士、陳玉生先生及木島綱雄先生。

代表董事會

四洲集團有限公司
戴德豐 GBM GBS SBS 太平紳士
主席

香港,二零一九年十一月二十七日

