

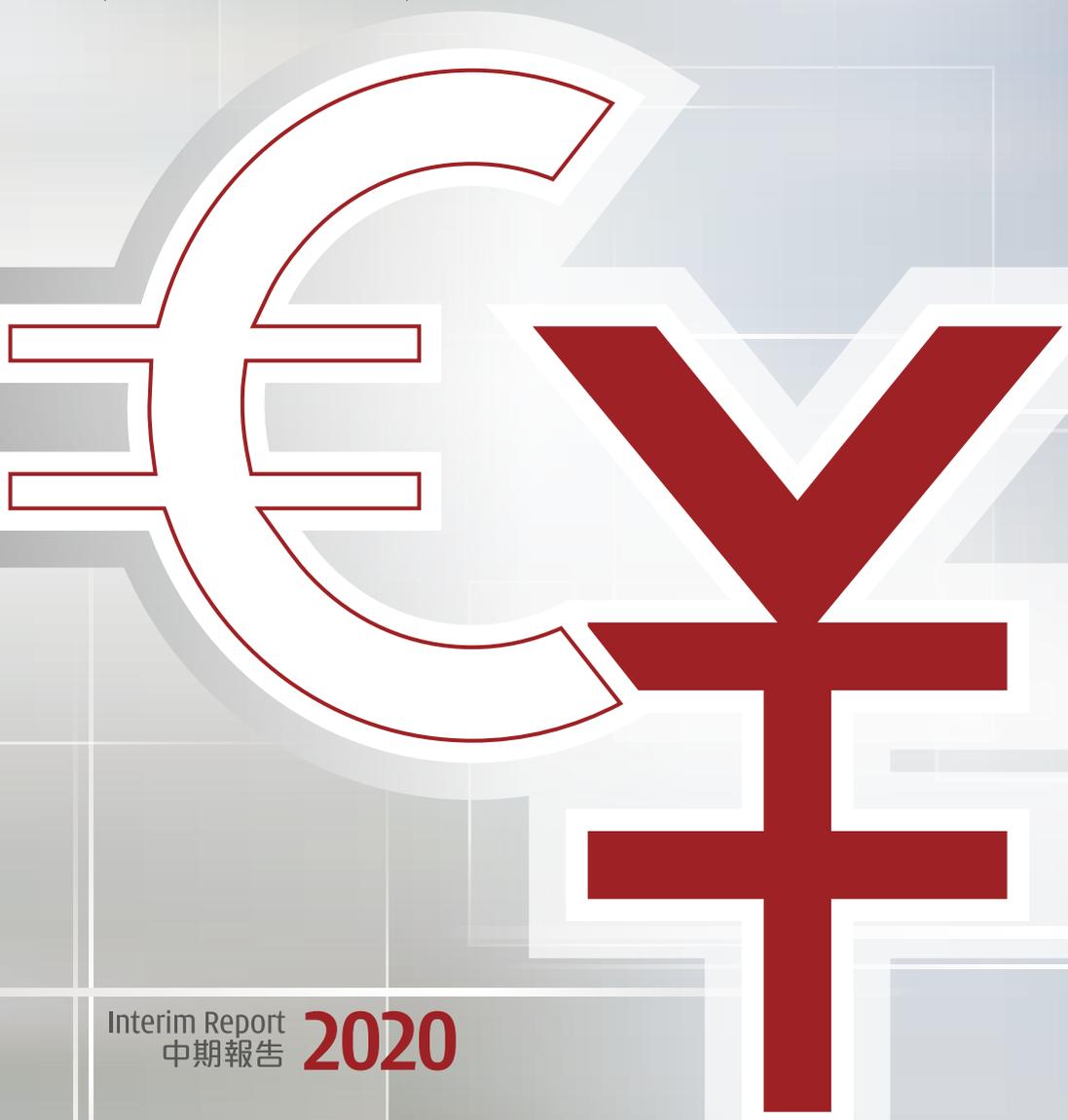
IBS International Business Settlement

International Business Settlement Holdings Limited
國際商業結算控股有限公司

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

(Stock Code: 00147 股份代號 : 00147)

Interim Report
中期報告 **2020**



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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Yuen Leong
Chan Siu Tat

Independent Non-executive Directors

Yap Yung
Wong Kin Ping
Chen Lanran

COMPANY SECRETARY

Chung Yau Tong

AUDITOR

BDO Limited

AUDIT COMMITTEE

Yap Yung (*chairman*)
Wong Kin Ping
Chen Lanran

REMUNERATION COMMITTEE

Wong Kin Ping (*chairman*)
Chan Siu Tat
Yap Yung
Chen Lanran

NOMINATION COMMITTEE

Wong Kin Ping (*chairman*)
Chan Siu Tat
Yap Yung
Chen Lanran

董事會

執行董事

袁亮
陳少達

獨立非執行董事

葉勇
王建平
陳嵐冉

公司秘書

鍾有棠

核數師

香港立信德豪會計師事務所有限公司

審核委員會

葉勇 (*主席*)
王建平
陳嵐冉

薪酬委員會

王建平 (*主席*)
陳少達
葉勇
陳嵐冉

提名委員會

王建平 (*主席*)
陳少達
葉勇
陳嵐冉

Corporate Information

公司資料

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1602, 16/F,
Sino Plaza,
255-257 Gloucester Road,
Causeway Bay,
Hong Kong

PRINCIPAL SHARE REGISTRAR

MUFG Fund Services (Bermuda) Limited
4th Floor North
Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

HONG KONG BRANCH SHARE REGISTRAR

Tricor Secretaries Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

STOCK CODE

00147

COMPANY WEBSITE

www.ibsettlement.com

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及香港主要營業地點

香港
銅鑼灣
告士打道255-257號
信和廣場
16樓1602室

主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
4th Floor North
Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

香港股份過戶登記分處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心54樓

股份代號

00147

公司網址

www.ibsettlement.com

Report on Review of Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表審閱報告



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香港
干諾道中111號
永安中心25樓

To the Shareholders of International Business Settlement Holdings Limited

(國際商業結算控股有限公司)

(incorporated in Bermuda with limited liability)

致國際商業結算控股有限公司列位股東

(於百慕達註冊成立之有限公司)

INTRODUCTION

We have reviewed the condensed consolidated interim financial statements set out on pages 6 to 58, which comprise the condensed consolidated statement of financial position of International Business Settlement Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) as of 30 September 2020 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes (the “condensed consolidated interim financial statements”). The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of the condensed consolidated interim financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on the condensed consolidated interim financial statements based on our review. This report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

引言

本核數師已審閱載於第6至58頁之簡明綜合中期財務報表，其中包括國際商業結算控股有限公司（以下簡稱「貴公司」）及其附屬公司（以下統稱「貴集團」）截至二零二零年九月三十日之簡明綜合財務狀況表與截至該日止六個月期間之相關簡明綜合損益及其他全面收益表、簡明綜合權益變動表及簡明綜合現金流量表，以及重大會計政策之概述與其他說明附註（「簡明綜合中期財務報表」）。香港聯合交易所有限公司證券上市規則規定，就中期財務資料編製之報告須符合當中有關條文及香港會計師公會頒佈之香港會計準則第34號「中期財務報告」（「香港會計準則第34號」）。董事須對根據香港會計準則第34號編製及呈列的簡明綜合中期財務報表負責。本核數師之責任是根據本核數師之審閱結果對簡明綜合中期財務報表作出結論。我們僅向閣下（作為整體）按照委聘之協定條款報告，除此之外本報告別無其他目的。本核數師不會就本報告之內容向任何其他人士負上或承擔任何責任。

Report on Review of Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表審閱報告

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with HKAS 34.

BDO Limited

Certified Public Accountants

Chan Wing Fai

Practising Certificate Number P05443

Hong Kong, 25 November 2020

審閱範圍

本核數師已根據香港會計師公會頒佈之《香港審閱工作準則》第2410號「實體之獨立核數師對中期財務資料之審閱」進行審閱。審閱中期財務資料主要包括向負責財務及會計事務之人士作出查詢，並應用分析性及其他審閱程序。審閱範圍遠小於根據《香港審計準則》進行審計之範圍，故不能令本核數師保證本核數師將知悉在審計中可能發現之所有重大事項。因此，本核數師不會發表審計意見。

結論

根據吾等之審閱，吾等並無發現任何事項，令吾等相信簡明綜合中期財務報表在各大重要方面並未根據香港會計準則第34號編製。

香港立信德豪會計師事務所有限公司

執業會計師

陳永輝

執業證書編號：P05443

香港，二零二零年十一月二十五日

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 2020 截至二零二零年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 | |
|---|-------------------------|---|---|
| | | 2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核) | 2019 二零一九年 HK\$'000 千港元 (Unaudited and re-presented) (未經審核及 經重新呈列) |
| | Notes 附註 | | |
| Revenue | 收入 | 5,341 | 275,466 |
| Cost of sales and services | 銷售及服務成本 | (1,224) | (222,451) |
| Gross profit | 毛利 | 4,117 | 53,015 |
| Other income, gains and losses | 其他收入·收益及虧損 | 4,937 | 4,758 |
| Selling expenses | 銷售費用 | (8,257) | (3,589) |
| Administrative expenses | 行政費用 | (48,774) | (35,713) |
| Other expenses | 其他費用 | (9,649) | (23,634) |
| Finance costs | 融資成本 | (1,674) | (6,159) |
| Loss before taxation | 除稅前虧損 | (59,300) | (11,322) |
| Income tax expenses | 所得稅開支 | (72) | (26,014) |
| Loss for the period from continuing operations | 持續經營業務之期內虧損 | (59,372) | (37,336) |
| Discontinued operation | 已終止經營業務 | | |
| Loss for the period from discontinued operation, after tax | 已終止經營業務之期內虧損 (除稅後) | - | (2,411) |
| Loss for the period | 期內虧損 | (59,372) | (39,747) |
| Other comprehensive income for the period | 期內其他全面收入 | | |
| <i>Item that may be reclassified subsequently to profit or loss:</i> | <i>可能於其後重新分類至損益之項目：</i> | | |
| Exchange differences arising on translation of financial statements of foreign operations | 換算海外業務財務報表產生之匯兌差額 | 20,890 | (7,637) |
| Total comprehensive income for the period | 期內全面收入總額 | (38,482) | (47,384) |

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 2020 截至二零二零年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 | |
|--|------------------|---|---|
| | | 2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核) | 2019 二零一九年 HK\$'000 千港元 (Unaudited and re-presented) (未經審核及 經重新呈列) |
| | | Notes 附註 | |
| Loss for the period attributable to: | 應佔期內虧損： | | |
| Owners of the Company | 本公司擁有人 | | |
| – Continuing operations | – 持續經營業務 | (50,289) | (39,771) |
| – Discontinued operation | – 已終止經營業務 | – | (1,688) |
| | | (50,289) | (41,459) |
| Non-controlling interests | 非控制權益 | | |
| – Continuing operations | – 持續經營業務 | (9,083) | 2,435 |
| – Discontinued operation | – 已終止經營業務 | – | (723) |
| | | (9,083) | 1,712 |
| | | (59,372) | (39,747) |
| Total comprehensive income attributable to: | 應佔全面收入總額： | | |
| – Owners of the Company | – 本公司擁有人 | (32,104) | (47,538) |
| – Non-controlling interests | – 非控制權益 | (6,378) | 154 |
| | | (38,482) | (47,384) |
| Loss per share | 每股虧損 | | |
| – Basic and diluted (HK cents) | – 基本及攤薄 (港仙) | | |
| – Continuing and discontinued operations | – 持續及已終止經營業務 | (0.25) | (0.20) |
| – Continued operations | – 持續經營業務 | (0.25) | (0.20) |

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 September 2020 於二零二零年九月三十日

| | | | 30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核) | 31 March 2020 二零二零年 三月三十一日 HK\$'000 千港元 (audited) (經審核) |
|---|---------------|----|--|--|
| NON-CURRENT ASSETS | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 14 | 319,469 | 293,198 |
| Intangible assets | 無形資產 | 15 | — | — |
| Deposit for acquisition of equipment | 採購設備之按金 | 16 | 227,486 | 213,085 |
| Interests in associates | 於聯營公司之權益 | | — | — |
| Loan receivables | 應收貸款 | 17 | 36,247 | 41,700 |
| Deferred tax assets | 遞延稅項資產 | 18 | 31,776 | 31,350 |
| | | | 614,978 | 579,333 |
| CURRENT ASSETS | 流動資產 | | | |
| Loan receivables | 應收貸款 | 17 | 36,863 | 31,470 |
| Properties held for sale | 待售物業 | 19 | 1,745,045 | 1,595,265 |
| Inventory | 存貨 | | 258 | — |
| Trade and other receivables | 應收貿易賬項及其他應收賬項 | 20 | 31,440 | 56,669 |
| Factoring receivables | 應收保理款項 | 21 | — | — |
| Restricted bank deposits | 受限制銀行存款 | 22 | 344 | 345 |
| Bank balances and cash | 銀行結存及現金 | 22 | 660,348 | 710,845 |
| | | | 2,474,298 | 2,394,594 |
| CURRENT LIABILITIES | 流動負債 | | | |
| Trade and other payables | 應付貿易賬項及其他應付賬項 | 23 | 559,511 | 448,699 |
| Borrowings | 借款 | 24 | 554,047 | 546,412 |
| Amount due to non-controlling interests | 應付非控制權益款項 | | 74,050 | 76,277 |
| Amount due to ultimate holding company | 應付最終控股公司款項 | | 1,674 | 1,675 |
| Tax liabilities | 稅項負債 | | 29,533 | 29,137 |
| Contract liabilities | 合約負債 | 25 | 826,323 | 807,890 |
| Lease liabilities | 租賃負債 | | 4,019 | 4,404 |
| | | | 2,049,157 | 1,914,494 |

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 September 2020 於二零二零年九月三十日

| | | Notes 附註 | 30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核) | 31 March 2020 二零二零年 三月三十一日 HK\$'000 千港元 (audited) (經審核) |
|--|------------|-------------|--|--|
| NET CURRENT ASSETS | 流動資產淨值 | | 425,141 | 480,100 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 總資產減流動負債 | | 1,040,119 | 1,059,433 |
| NON-CURRENT LIABILITIES | 非流動負債 | | | |
| Borrowings | 借款 | 24 | 93,225 | 74,064 |
| Lease liabilities | 租賃負債 | | 6,050 | 6,043 |
| | | | 99,275 | 80,107 |
| NET ASSETS | 資產淨值 | | 940,844 | 979,326 |
| CAPITAL AND RESERVES | 股本及儲備 | | | |
| Share capital | 股本 | 26 | 20,319 | 20,319 |
| Reserves | 儲備 | | 844,072 | 876,176 |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | | 864,391 | 896,495 |
| Non-controlling interests | 非控制權益 | | 76,453 | 82,831 |
| TOTAL EQUITY | 總權益 | | 940,844 | 979,326 |

Condensed Consolidated Statement of Changes In Equity

簡明綜合權益變動表

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

| | | Unaudited 未經審核 | | | | | | | | | |
|--|--------------------|---|--|-------------------------|--|--|-------------------------|-------------------------|-----------------------|----------------------------------|-----------------------|
| | | Attributable to owners of the Company 本公司擁有人應佔 | | | | | | | | | |
| | | Share capital | Statutory reserve | Share premium | Contributed surplus | Capital redemption reserve | Translation reserve | Accumulated losses | Total | Non- controlling interests | Total |
| | | 股本 HK\$'000 千港元 (note 26) (附註26) | 法定儲備 HK\$'000 千港元 (note b) (附註b) | 股份溢價 HK\$'000 千港元 | 實繳盈餘 HK\$'000 千港元 (note 27) (附註27) | 資本贖回 儲備 HK\$'000 千港元 (附註a) | 換算儲備 HK\$'000 千港元 | 累計虧損 HK\$'000 千港元 | 總額 HK\$'000 千港元 | 非控制權益 HK\$'000 千港元 | 總額 HK\$'000 千港元 |
| At 31 March 2019 as originally presented | 於二零一九年三月三十一日 (原列) | 20,319 | 1,245 | 9,009,799 | 51,655 | 3,781 | 21,378 | (8,028,387) | 1,079,790 | 22,512 | 1,102,302 |
| Initial application of HKFRS 16 | 首次應用香港財務報告準則第16號 | - | - | - | - | - | - | (394) | (394) | - | (394) |
| At 1 April 2019 (re-presented) | 於二零一九年四月一日 (經重新呈列) | 20,319 | 1,245 | 9,009,799 | 51,655 | 3,781 | 21,378 | (8,028,781) | 1,079,396 | 22,512 | 1,101,908 |
| Exchange difference arising on translation of financial statements of foreign operations | 換算海外業務財務報表產生之匯兌差額 | - | - | - | - | - | (6,079) | - | (6,079) | (1,558) | (7,637) |
| Loss for the period | 期內虧損 | - | - | - | - | - | - | (41,459) | (41,459) | 1,712 | (39,747) |
| Total comprehensive income for the period | 期內全面收入總額 | - | - | - | - | - | (6,079) | (41,459) | (47,538) | 154 | (47,384) |
| At 30 September 2019 | 於二零一九年九月三十日 | 20,319 | 1,245 | 9,009,799 | 51,655 | 3,781 | 15,299 | (8,070,240) | 1,031,858 | 22,666 | 1,054,524 |
| At 1 April 2020 | 於二零二零年四月一日 | 20,319 | 1,245 | 9,009,799 | 51,655 | 3,781 | 13,968 | (8,204,272) | 896,495 | 82,831 | 979,326 |
| Exchange difference arising on translation of financial statements of foreign operations | 換算海外業務財務報表產生之匯兌差額 | - | - | - | - | - | 18,185 | - | 18,185 | 2,705 | 20,890 |
| Loss for the period | 期內虧損 | - | - | - | - | - | - | (50,289) | (50,289) | (9,003) | (59,372) |
| Total comprehensive income for the period | 期內全面收入總額 | - | - | - | - | - | 18,185 | (50,289) | (32,104) | (6,378) | (38,482) |
| At 30 September 2020 | 於二零二零年九月三十日 | 20,319 | 1,245 | 9,009,799 | 51,655 | 3,781 | 32,153 | (8,254,561) | 864,391 | 76,453 | 940,844 |

Note a: The capital redemption reserve represents amounts transferred from contributed surplus upon the repurchase of the Company's shares.

附註 a: 資本贖回儲備指於購回本公司股份時自實繳盈餘轉撥之款項。

Note b: According to relevant laws and regulation of the PRC, an entity established under the PRC Company Law is required to make an appropriation at 10 percent of the profit for the year as shown in the PRC statutory financial statements, prepared in accordance with the Generally Accepted Accounting Principles in the PRC, to the statutory reserve until the balance reached 50 percent of the registered capital of the entity. The reserve appropriated can only be used to make up losses or to increase the registered capital of the entity and is not distributable.

附註 b: 根據中國相關法律及法規，根據中國公司法成立的實體須按照中國公認會計原則編製之中國法定財務報表所示年度溢利的10%轉撥至法定儲備，直至其結存達到該實體註冊資本的50%為止。公積金撥款僅可用於彌補虧損或用作增加該實體註冊資本，而不可用於分派。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 September 2020 截至二零二零年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 | |
|--|-------------------------|---|---|
| | | 2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核) | 2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核) |
| Cash flows from operating activities | 經營活動所得之現金流量 | | |
| Operating cash flows before movements in working capital | 營運資金變動前之營運現金流量 | (44,985) | 38,237 |
| Decrease in factoring receivables | 應收保理款項減少 | - | 1,406 |
| (Increase)/decrease in loan receivables | 應收貸款(增加)/減少 | (550) | 2,930 |
| (Increase)/decrease in properties held for sale | 待售物業(增加)/減少 | (84,130) | 112,830 |
| Decrease/(increase) in trade and other receivables | 應收貿易賬項及其他應收賬項減少/(增加) | 25,063 | (42,467) |
| Increase in deposit | 按金增加 | - | (392,805) |
| Increase/(decrease) in trade and other payables | 應付貿易賬項及其他應付賬項增加/(減少) | 53,043 | (482,144) |
| Increase in contract liabilities | 合約負債增加 | 6,948 | 284,287 |
| Cash used in operations | 經營所用現金 | (44,611) | (477,726) |
| Income taxes and land appreciation taxes paid | 已付所得稅及土地增值稅 | (48) | (2,465) |
| Government grant received | 已收政府資助 | 726 | 132 |
| Net cash used in operating activities | 經營活動所用之現金淨額 | (43,933) | (480,059) |
| Cash flows from investing activities | 投資活動所得之現金流量 | | |
| Bank interest received | 已收銀行利息 | 2,824 | 4,052 |
| Purchases of property, plant and equipment | 購買物業、廠房及設備 | (20,806) | (7) |
| Deposit paid for purchase of equipment | 購買設備之已付按金 | (11,009) | - |
| Release of restricted bank deposits | 解除受限制銀行存款 | 6 | 2,176 |
| Net cash (used in)/from investing activities | 投資活動(所用)/所得之現金淨額 | (28,985) | 6,221 |

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 September 2020 截至二零二零年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 | |
|--|-------------------------------|---|---|
| | | 2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核) | 2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核) |
| Cash flows from financing activities | 融資活動所得之現金流量 | | |
| Interest paid | 已付利息 | (1,893) | (6,937) |
| New borrowings raised | 新籌集借款 | 17,629 | 2,532 |
| Repayment of borrowings | 償還借款 | – | (2,505) |
| Repayment of amount due to ultimate holding company | 償還應付最終控股公司款項 | (1) | (6) |
| Repayment of amounts due to non-controlling interests | 償還應付非控制權益款項 | (3,203) | – |
| Advance from non-controlling interests | 來自非控制權益之墊款 | 566 | 228 |
| Repayment of principal portion of the lease liabilities | 償還租賃負債的本金部分 | (3,453) | (2,420) |
| Net cash from/(used in) financing activities | 融資活動所得／(所用)之現金淨額 | 9,645 | (9,108) |
| Net decrease in cash and cash equivalents | 現金及現金等價物減少淨額 | (63,273) | (482,946) |
| Cash and cash equivalents at beginning of the period | 期初之現金及現金等價物 | 710,845 | 911,602 |
| Effect of exchange rate changes on cash and cash equivalents | 現金及現金等價物匯率變動之影響 | 12,776 | (9,180) |
| Cash and cash equivalents at end of the period, represented by bank balances and cash | 期末之現金及現金等價物，以銀行結存及現金代表 | 660,348 | 419,476 |

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

1. GENERAL

International Business Settlement Holdings Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The immediate and ultimate holding company is Long Grand Limited, a company incorporated in British Virgin Islands (the “BVI”), which is owned by Mr. Yam Yu and Mr. Yuen Leong (a director of the Company) of 70% and 30%, respectively. Its registered office is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business is at Unit 1602 on 16/F, Sino Plaza, 255-257 Gloucester Road, Causeway Bay, Hong Kong.

2. BASIS OF PREPARATION

These condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 (“HKAS 34”), issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the applicable disclosure provisions of Main Board Listing Rules Governing the Listing of Securities on the Stock Exchange. These condensed consolidated interim financial statements were authorised for issue on 25 November 2020.

These condensed consolidated interim financial statements have been prepared with the same accounting policies adopted in the 2019/2020 consolidated annual financial statements, except for those that relate to new standards or interpretations effective for the first time for periods beginning on or after 1 April 2020. Details of any changes in accounting policies are set out in note 4. The adoption of the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) have no material effect on these condensed consolidated interim financial statements. The Group has not early adopted any new and revised HKFRSs that has been issued but not yet effective in the current accounting period.

1. 一般資料

國際商業結算控股有限公司（「本公司」）乃於百慕達註冊成立之受豁免有限公司，其股份在香港聯合交易所有限公司（「聯交所」）上市。直接及最終控股公司為長鴻有限公司，其為於英屬處女群島（「英屬處女群島」）註冊成立之公司，分別由任宇先生及袁亮先生（本公司一名董事）擁有70%及30%的權益。其註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda及其主要營業地址為香港銅鑼灣告士打道255-257號信和廣場16樓1602室。

2. 編製基準

該等簡明綜合中期財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港會計準則第34號（「香港會計準則第34號」）及聯交所主板證券上市規則之適用披露條文而編製。該等簡明綜合中期財務報表獲授權於二零二零年十一月二十五日刊登。

該等簡明綜合中期財務報表乃根據二零一九／二零二零年綜合年度財務報表採納之相同會計政策編製，惟於二零二零年四月一日或之後開始之期間首次生效的有關新訂準則或詮釋除外。有關會計政策任何變動之詳情載於附註4。採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）對該等簡明綜合中期財務報表並無任何重大影響。本集團並無提早採納任何已頒佈但於當前會計期間尚未生效的新訂及經修訂香港財務報告準則。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

2. BASIS OF PREPARATION (Continued)

The preparation of these condensed consolidated interim financial statements in compliance with HKAS 34 requires the use of certain judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note 5.

These condensed consolidated interim financial statements are presented in Hong Kong Dollars (“HK\$”), unless otherwise stated. These condensed consolidated interim financial statements contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2019/2020 consolidated annual financial statements. These condensed consolidated interim financial statements and notes do not include all of the information required for a complete set of financial statements prepared in accordance with the HKFRSs and should be read in conjunction with the 2019/2020 consolidated annual financial statements.

These condensed consolidated interim financial statements are unaudited, but has been reviewed by BDO Limited in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the HKICPA. BDO Limited’s independent review report to the Board of Directors is included on page 4 to 5.

2. 編製基準 (續)

編製符合香港會計準則第34號的該等簡明綜合中期財務報表須運用會影響政策應用及年內迄今之資產及負債、收入及開支呈報金額的若干判斷、估計及假設。實際結果可能與該等估計有所差異。編製財務報表時已作出重大判斷及估計的範疇以及其影響披露於附註5。

除另有指明外，該等簡明綜合中期財務報表乃以港元（「港元」）呈列。該等簡明綜合中期財務報表載有簡明綜合財務報表及選定說明附註。該等附註包括對理解本集團自二零一九／二零二零年綜合年度財務報表刊發以來財務狀況及績效變動而言屬重大的事件及交易的說明。該等簡明綜合中期財務報表及附註並不包括根據香港財務報告準則編製的整套財務報表所需的所有資料，並應與二零一九／二零二零年綜合年度財務報表一併閱讀。

該等簡明綜合中期財務報表為未經審核，惟已由香港立信德豪會計師事務所有限公司按照香港會計師公會頒佈之《香港審閱工作準則》第2410號「實體之獨立核數師對中期財務資料之審閱」進行審閱。香港立信德豪會計師事務所有限公司致董事會的獨立審閱報告載於第4至5頁。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

3. SIGNIFICANT EVENTS

The significant events and transactions that have occurred since 31 December 2019 relate to the effects of the global COVID-19 pandemic on the Group's condensed consolidated interim financial statements for the six months ended 30 September 2020 and are summarised as follows.

Decrease in sales and cash flows, including impairment of property, plant and equipment

As disclosed in note 6, most revenue streams have experienced significant reductions since the pandemic's effects became widespread. The Group considered the reduced sales and reductions in budgeted revenue as indicators of impairment, and therefore determined the recoverable amount for all of its cash generating units. The recoverable amount is the higher of fair value less costs of disposal and value in use.

Groups of cash generating units that were tested for impairment are summarised as follows:

- Property development
- Hotel business
- International business settlement

The carrying amount of international business settlement cash generating unit ("CGU") exceeded its recoverable amount. In this regard, impairment assessment for the international business settlement CGU are disclosed in note 15.

3. 重大事件

自二零一九年十二月三十一日以來發生的重大事件及交易與全球COVID-19疫情對本集團截至二零二零年九月三十日止六個月的簡明綜合中期財務報表的影響有關，概述如下。

銷售及現金流量減少，包括物業、廠房及設備減值

誠如附註6所披露，自疫情影響蔓延以來，大多數收入來源均大幅減少。本集團認為銷售減少及預算收入減少為減值跡象，因此釐定其所有現金產生單位的可收回金額。可收回金額為公允值減出售成本及使用價值的較高者。

進行減值測試的現金產生單位組別概述如下：

- 物業開發
- 酒店業務
- 國際商業結算

國際商業結算現金產生單位（「現金產生單位」）的賬面值超出其可收回金額。就此，國際商業結算現金產生單位的減值評估於附註15披露。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

4. CHANGES IN HKFRSs

Adoption of new or amended HKFRSs — effective from 1 April 2020

The HKICPA has issued a number of new or amended HKFRSs that are first effective for the current accounting period of the Group:

| | |
|--|--------------------------------|
| Amendments to HKFRS 3 | Definition of a Business |
| Amendments to HKFRS 7, HKFRS 9 and HKAS 39 | Interest Rate Benchmark Reform |
| Amendments to HKAS 1 and HKAS 8 | Definition of material |

The new or amended HKFRSs that are effective from 1 April 2020 did not have any significant impact on the Group's accounting policies.

(i) Amendments to HKFRS 3: Definition of a Business

The amendments clarify that a business must include, as a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs, together with providing extensive guidance on what is meant by a “substantive process”.

Additionally, the amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs, whilst narrowing the definition of “outputs” and a “business” to focus on returns from selling goods and services to customers, rather than on cost reductions.

An optional concentration test has also been added that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

4. 香港財務報告準則之變動

採納新訂或經修訂香港財務報告準則—自二零二零年四月一日起生效

香港會計師公會已頒佈多項於本集團當前會計期間首次生效之新訂或經修訂香港財務報告準則：

| | |
|---|--------|
| 香港財務報告準則第3號(修訂本) | 業務的定義 |
| 香港財務報告準則第7號、香港財務報告準則第9號及香港會計準則第39號(修訂本) | 利率基準改革 |
| 香港會計準則第1號及香港會計準則第8號(修訂本) | 重大性的定義 |

自二零二零年四月一日起生效之新訂或經修訂香港財務報告準則對本集團之會計政策並無任何重大影響。

(i) 香港財務報告準則第3號(修訂本)：業務的定義

有關修訂澄清一項業務必須包括至少一項投入及一個實質過程，其共同對創造產出之能力有重大貢獻，並就「實質過程」之解釋提供廣泛指引。

此外，有關修訂刪除市場參與者是否有能力取代任何缺失之投入或過程及持續產出之評估，同時收窄「產出」及「業務」之定義，將重點放在向客戶銷售貨品及提供服務所得之回報，而非成本縮減。

有關修訂加入選擇性集中測試，允許簡化評估所收購一組活動及資產是否並非一項業務。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

4. CHANGES IN HKFRSS (Continued)

Adoption of new or amended HKFRSS — effective from 1 April 2020 (Continued)

- (ii) Amendments to HKFRS 7, HKFRS 9 and HKAS 39: Interest Rate Benchmark Reform

The amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainties caused by interest rate benchmark reform. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties.

- (iii) Amendments to HKAS 1 and HKAS 8: Definition of Material

The amendments clarify the definition and explanation of “material”, aligning the definition across all HKFRSS and the Conceptual Framework, and incorporating supporting requirements in HKAS 1 into the definition.

5. USE OF JUDGEMENTS AND ESTIMATES

In preparing this condensed consolidated interim financial statements, the significant judgements made by the management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to 2019/2020 annual financial statements.

4. 香港財務報告準則之變動 (續)

採納新訂或經修訂香港財務報告準則—自二零二零年四月一日起生效 (續)

- (ii) 香港財務報告準則第7號、香港財務報告準則第9號及香港會計準則第39號 (修訂本)：利率基準改革

有關修訂修改若干特定對沖會計規定，以減輕利率基準改革所帶來不確定因素之潛在影響。此外，有關修訂要求公司向投資者提供有關直接受該等不確定因素影響之對沖關係之額外資料。

- (iii) 香港會計準則第1號及香港會計準則第8號 (修訂本)：重大性的定義

有關修訂澄清「重大」之定義及解釋，統一所有香港財務報告準則及概念框架之定義，並將香港會計準則第1號之承載規定納入定義。

5. 使用判斷及估計

管理層於編製本簡明綜合中期財務報表過程中，就應用本集團會計政策作出的重大判斷及估計不確定因素的主要來源與二零一九／二零二零年年度財務報表所應用者相同。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

6. REVENUE

Following disposal of its property management business in last financial year, the principal activities of the Group are (1) property development; (2) international business settlement; (3) financing business; (4) hotel business; and (5) contact lens business. Further details regarding the Group's principal activities are disclosed in note 7.

6. 收入

於上個財政年度出售其物業管理業務後，本集團的主要業務為(1)物業開發；(2)國際商業結算；(3)融資業務；(4)酒店業務；及(5)隱形眼鏡業務。有關本集團主要業務的進一步詳情披露於附註7。

| | | Six months ended 30 September 截至九月三十日止六個月 | |
|--|-----------------|---|---|
| | | 2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核) | 2019 二零一九年 HK\$'000 千港元 (unaudited and re-presented) (未經審核及 經重新呈列) |
| Continuing operations: | 持續經營業務： | | |
| Revenue from contracts with customers (note) | 客戶合約收入(附註) | | |
| Sales of properties | 銷售物業 | 990 | 270,830 |
| International business settlement services | 國際商業結算服務 | 3,919 | 1,120 |
| Sales of contact lens | 銷售隱形眼鏡 | 287 | - |
| | | 5,196 | 271,950 |
| Revenue from other sources | 其他收入來源 | | |
| Financing service income | 融資服務收入 | 145 | 3,516 |
| | | 5,341 | 275,466 |
| Discontinued operation: | 已終止經營業務： | | |
| Revenue from contracts with customers (note) | 客戶合約收入(附註) | | |
| Property management services | 物業管理服務 | - | 5,084 |
| | | 5,341 | 280,550 |

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

6. REVENUE (Continued)

Note: Disaggregation of revenue from contracts with customers as follows:

6. 收入 (續)

附註：來自客戶合約收入的細分如下：

| | | Six months ended 30 September 截至九月三十日止六個月 | |
|--------------------------------------|-----------------|---|---|
| | | 2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核) | 2019 二零一九年 HK\$'000 千港元 (unaudited and re-presented) (未經審核及 經重新呈列) |
| Continuing operations: | 持續經營業務： | | |
| Timing of revenue recognition | 確認收入的時間 | | |
| Goods transferred at a point in time | 於貨品轉讓時間點 | 1,277 | 270,830 |
| Services transferred over time | 於轉讓服務的時間內 | 3,919 | 1,120 |
| | | 5,196 | 271,950 |
| Discontinued operation: | 已終止經營業務： | | |
| Timing of revenue recognition | 確認收入的時間 | | |
| Services transferred over time | 於轉讓服務的時間內 | — | 5,084 |
| | | 5,196 | 277,034 |

7. SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by different business lines. In a manner consistent with the way in which information is reported internally to the Group's Executive Directors, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and performance assessment, the Group has identified the following reportable segments.

7. 分類資料

本集團通過業務分類管理其業務，而業務分類由不同業務線組成，方式與向本集團執行董事（即主要營運決策者（「主要營運決策者」）內部呈報資料以用於資源分配及表現評估之方法一致。本集團已確定以下可呈報分類。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

7. SEGMENT REPORTING (Continued)

Continuing reportable segments:

- Property development – Developing and selling of commercial and residential properties, car parking spaces, including undertaking of primary land development activities, in the PRC.
- Hotel business – Hotel development and other hotel related business in the PRC.
- International business settlement – Providing settlement services for commercial and individual customers with the Electronic Money Institution license.
- Financing business – Provision of finance through money lending services, finance leases, leasing, factoring and other related services.
- Contact lens business – Manufacturing and sales of disposable contact lens in the PRC.

Discontinued reportable segment:

- Property management business – Provision of property management service in the PRC.

Following the newly started up contact lens and property management business segment in last financial year, the CODM considered that the property development segment, hotel business segment, property management business segment, international business settlement segment, financing business segment and contact lens business segment are the main businesses lines and reportable operating segments of the Group.

7. 分類資料 (續)

持續經營可呈報分類:

- 物業開發 – 在中國開發及銷售商業及住宅物業、停車場，包括承接一級土地開發業務。
- 酒店業務 – 中國的酒店開發及其他酒店相關業務。
- 國際商業結算 – 持有電子貨幣機構許可證，為商業及個人客戶提供結算服務。
- 融資業務 – 透過放債服務、融資租賃、租賃、保理及其他相關服務提供融資。
- 隱形眼鏡業務 – 在中國製造及銷售一次性隱形眼鏡。

已終止經營可呈報分類:

- 物業管理業務 – 在中國提供物業管理服務。

於上個財政年度新設立隱形眼鏡及物業管理業務分類後，主要營運決策者認為，物業開發分類、酒店業務分類、物業管理業務分類、國際商業結算分類、融資業務分類及隱形眼鏡業務分類為本集團的主要業務線及可呈報經營分類。

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簡明綜合中期財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

7. SEGMENT REPORTING (Continued)

(a) Segment revenue and results

Six months ended 30 September 2020 (unaudited)

| | Property development 物業開發 HK\$'000 千港元 | Hotel business 酒店業務 HK\$'000 千港元 | International business settlement 國際商業結算 HK\$'000 千港元 | Financing business 融資業務 HK\$'000 千港元 | Contact lens business 隱形眼鏡業務 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|---|---|--|---|--|--------------------------------|
| REVENUE External sales and segment revenue 收入 對外銷售及分類收入 | 990 | - | 3,919 | 145 | 287 | 5,341 |
| Segment loss Unallocated corporate expenses Bank interest income (note 8) 分類虧損 未分配公司費用 銀行利息收入(附註8) | (18,754) | - | (21,600) | (3,051) | (11,309) | (54,714) (7,410) 2,824 |
| Loss before taxation 除稅前虧損 | | | | | | (59,300) |

7. 分類資料(續)

(a) 分類收入及業績

截至二零二零年九月三十日止六個月
(未經審核)

Six months ended 30 September 2019 (unaudited and re-presented)

截至二零一九年九月三十日止六個月
(未經審核及經重新呈列)

| | Continuing operations 持續經營業務 | | | | | Discontinued operation 已終止經營業務 | Total 總額 HK\$'000 千港元 |
|---|---|---|--|---|------------------------------------|---|--------------------------------|
| | Property development 物業開發 HK\$'000 千港元 | Hotel business 酒店業務 HK\$'000 千港元 | International business settlement 國際商業結算 HK\$'000 千港元 | Financing business 融資業務 HK\$'000 千港元 | Sub-total 小計 HK\$'000 千港元 | Property management business 物業管理業務 HK\$'000 千港元 | |
| REVENUE External sales and segment revenue 收入 對外銷售及分類收入 | 270,830 | - | 1,120 | 3,516 | 275,466 | 5,084 | 280,550 |
| Segment profit/(loss) Unallocated corporate expenses Bank interest income (note 8) 分類溢利/(虧損) 未分配公司費用 銀行利息收入(附註8) | 38,071 | (5,050) | (12,532) | (24,489) | (4,008) (11,366) 4,052 | (2,411) - | (6,419) (11,366) 4,052 |
| Loss before taxation 除稅前虧損 | | | | | (11,322) | (2,411) | (13,733) |

Segment results represent the results from each segment without allocation of central administration costs including directors' emoluments and bank interest income. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

分類業績指各分類之業績，並未計及分配中央行政費用(包括董事酬金及銀行利息收入)。此為向主要營運決策者呈報資源分配及表現評估情況之方法。

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7. SEGMENT REPORTING (Continued)

7. 分類資料 (續)

(b) Segment assets and liabilities

(b) 分類資產及負債

| | | 30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核) | 31 March 2020 二零二零年 三月三十一日 HK\$'000 千港元 (audited) (經審核) |
|--------------------------------------|----------------|--|--|
| ASSETS | 資產 | | |
| <i>Segment assets</i> | <i>分類資產</i> | | |
| Property development | 物業開發 | 1,786,820 | 1,654,040 |
| Hotel business | 酒店業務 | 204,580 | 201,761 |
| International business settlement | 國際商業結算 | 12,033 | 23,024 |
| Financing business | 融資業務 | 73,604 | 73,758 |
| Contact lens business | 隱形眼鏡業務 | 347,275 | 306,576 |
| Total segment assets | 分類資產總額 | 2,424,312 | 2,259,159 |
| <i>Unallocated assets</i> | <i>未分配資產</i> | | |
| Bank balances and cash | 銀行結存及現金 | 660,348 | 710,845 |
| Other assets | 其他資產 | 4,616 | 3,923 |
| Total unallocated assets | 未分配資產總額 | 664,964 | 714,768 |
| Consolidated total assets | 綜合資產總額 | 3,089,276 | 2,973,927 |

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簡明綜合中期財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

7. SEGMENT REPORTING (Continued)

7. 分類資料 (續)

(b) Segment assets and liabilities (Continued)

(b) 分類資產及負債 (續)

| | | 30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核) | 31 March 2020 二零二零年 三月三十一日 HK\$'000 千港元 (audited) (經審核) |
|---------------------------------------|----------------|--|--|
| LIABILITIES | 負債 | | |
| <i>Segment liabilities</i> | <i>分類負債</i> | | |
| Property development | 物業開發 | (1,831,706) | (1,684,917) |
| Hotel business | 酒店業務 | (131,454) | (129,643) |
| International business settlement | 國際商業結算 | (46,068) | (73,258) |
| Financing business | 融資業務 | (1,364) | (1,472) |
| Contact lens business | 隱形眼鏡業務 | (130,882) | (97,166) |
| Total segment liabilities | 分類負債總額 | (2,141,474) | (1,986,456) |
| <i>Unallocated liabilities</i> | <i>未分配負債</i> | | |
| Other liabilities | 其他負債 | (6,958) | (8,145) |
| Total unallocated liabilities | 未分配負債總額 | (6,958) | (8,145) |
| Consolidated total liabilities | 綜合負債總額 | (2,148,432) | (1,994,601) |

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

- all assets are allocated to operating segments other than bank balances and cash and other assets not attributable to respective segments; and
- all liabilities are allocated to operating segments other than other payables not attributable to respective segments.

就監察分類表現及分類間資源分配而言：

- 所有資產已分配入營運分類（銀行結存及現金以及不屬於各分類之其他資產除外）；及
- 所有負債已分配入營運分類（不屬於各分類之其他應付賬項除外）。

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簡明綜合中期財務報表附註

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7. SEGMENT REPORTING (Continued)

(c) Other segment information

The following table provides an analysis of the Group's revenue from external customers and non-current assets other than financial instruments, deposit for acquisition of equipment and deferred tax assets ("Specified non-current assets").

7. 分類資料 (續)

(c) 其他分類資料

下表載列本集團來自外部客戶的收入及非流動資產(金融工具、採購設備之按金及遞延稅項資產(「指定非流動資產」)除外)分析。

| | | Revenue from external customers (by customer location) 來自外部客戶的收入 (按客戶位置劃分) | | Specified non-current assets (by physical location) 指定非流動資產 (按實際位置劃分) | |
|----------------|---------|---|---|--|---|
| | | Six months ended 30 September 截至九月三十日止六個月 | | As at 30 September 2020 於 二零二零年 九月三十日 | As at 31 March 2020 於 二零二零年 三月三十一日 |
| | | 2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核) | 2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核) | HK\$'000 千港元 (unaudited) (未經審核) | HK\$'000 千港元 (audited) (經審核) |
| Hong Kong | 香港 | - | - | 1,811 | 1,853 |
| PRC (domicile) | 中國(居住地) | 1,422 | 279,430 | 315,117 | 290,475 |
| Others | 其他 | 3,919 | 1,120 | 2,541 | 870 |
| | | 5,341 | 280,550 | 319,469 | 293,198 |

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簡明綜合中期財務報表附註

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8. OTHER INCOME, GAINS AND LOSSES

8. 其他收入、收益及虧損

| | | Six months ended 30 September 截至九月三十日止六個月 | |
|--|---------------------------|---|---|
| | | 2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核) | 2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核) |
| Bank interest income | 銀行利息收入 | 2,824 | 4,052 |
| Government grant | 政府資助 | 726 | 132 |
| Net exchange loss | 匯兌虧損淨額 | (179) | (59) |
| Reversal of impairment loss on trade and other receivables, net | 應收貿易賬項及其他應收 賬項減值虧損撥回淨額 | 966 | 104 |
| Others | 其他 | 600 | 529 |
| | | 4,937 | 4,758 |

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簡明綜合中期財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

9. FINANCE COSTS

9. 融資成本

| | | Six months ended 30 September 截至九月三十日止六個月 | |
|---|-------------|---|---|
| | | 2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核) | 2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核) |
| Interest on | 利息 | | |
| – bank borrowings | – 銀行借款 | 4,914 | 23,674 |
| – other borrowings | – 其他借款 | 43,955 | 5,869 |
| – lease liabilities | – 租賃負債 | 513 | 268 |
| | | 49,382 | 29,811 |
| Less: amount capitalised in properties held for sale | 減：待售物業資本化數額 | (40,112) | (23,652) |
| Less: amount capitalised in construction in progress | 減：在建工程資本化數額 | (7,596) | – |
| | | 1,674 | 6,159 |

Borrowings costs capitalised during both interim periods arose from borrowings specifically for the purpose of obtaining qualifying assets.

兩個中期間資本化借款成本乃於特定用作獲取合資格資產之借款中產生。

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簡明綜合中期財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

10. INCOME TAX EXPENSES

10. 所得稅開支

| | | Six months ended 30 September 截至九月三十日止六個月 | |
|---------------------------------|--------------------|---|---|
| | | 2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核) | 2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核) |
| Current tax in PRC | 中國之即期稅項 | | |
| Enterprise Income Tax ("EIT") | 企業所得稅 (「企業所得稅」) | – | 9,307 |
| Land Appreciation Tax ("LAT") | 土地增值稅 (「土地增值稅」) | 60 | 10,373 |
| | | 60 | 19,680 |
| Deferred tax | 遞延稅項 | | |
| Charge for the period (note 18) | 期內支出 (附註18) | 12 | 6,334 |
| Income tax expenses | 所得稅開支 | 72 | 26,014 |

No provision for Hong Kong Profits Tax has been made for both interim periods as the Group has no assessable profit arising in Hong Kong.

The PRC EIT is calculated based on the applicable tax rate on assessable profits, if applicable. The applicable EIT rate for the Group's PRC subsidiaries during both interim periods is 25%.

由於本集團於香港並無產生應課稅溢利，故於兩個中期期間內並無就香港利得稅作出撥備。

中國企業所得稅按應課稅溢利之適用稅率計算（如適用）。於兩個中期期間，本集團中國附屬公司之適用企業所得稅稅率為25%。

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簡明綜合中期財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

10. INCOME TAX EXPENSES (Continued)

No deferred tax asset has been recognised in respect of certain unused tax losses due to the unpredictability of future profit streams. The deductible temporary differences can be carried forward indefinitely. No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

The Group is required to prepay LAT and EIT in accordance with the relevant PRC tax rules in respect of pre-sale of property development projects. As at 30 September 2020, the amount of prepaid LAT and EIT in respect of contract liabilities amounted to approximately HK\$48,000 (2019: HK\$2,465,000), which has been presented as deduction against the tax liabilities of the respective subsidiary in the condensed consolidated statement of financial position.

10. 所得稅開支 (續)

由於未來溢利來源不可預測，因此並無就若干未動用稅項虧損確認遞延稅項資產。可扣稅暫時差額可無限期結轉。由於不大可能有應課稅溢利可用以抵銷可扣稅暫時差額，故並無就該等可扣稅暫時差額確認遞延稅項資產。

本集團須根據中國相關稅務規則，就預售物業開發項目預付土地增值稅及企業所得稅。於二零二零年九月三十日，有關合約負債的已預付土地增值稅及企業所得稅金額約為48,000港元（二零一九年：2,465,000港元），並扣除各附屬公司於簡明綜合財務狀況表之稅項負債。

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11. LOSS FOR THE PERIOD

(a) *Loss for the period has been arrived at after charging/(crediting):*

11. 期內虧損

(a) 期內虧損已扣除／(計入)：

| | | Six months ended 30 September 截至九月三十日止六個月 | |
|---|----------------|---|---|
| | | 2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核) | 2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核) |
| Directors' emoluments | 董事酬金 | 1,380 | 1,883 |
| Other staff salaries, wages and allowances | 其他員工薪金、工資及津貼 | 15,246 | 14,906 |
| Other staff retirement scheme contributions | 其他員工之退休計劃供款 | 744 | 734 |
| | | 17,370 | 17,523 |
| Less: staff costs capitalised in properties held for sale | 減：待售物業資本化之員工成本 | (279) | (743) |
| Total staff costs | 員工成本總額 | 17,091 | 16,780 |
| Depreciation expense | 折舊費用 | | |
| – Property, plant and equipment | – 物業、廠房及設備 | 774 | 593 |
| – Right-of-use asset | – 使用權資產 | 6,418 | 2,118 |
| | | 7,192 | 2,711 |
| Loss on written off of property, plant of equipment | 物業、廠房及設備撇銷之虧損 | 22 | – |
| Impairment loss on property, plant and equipment | 物業、廠房及設備減值虧損 | 7,902 | – |
| Impairment loss on loan receivables, net | 應收貸款減值虧損淨額 | 1,747 | – |
| Impairment loss on factoring receivables | 應收保理款項減值虧損 | – | 23,634 |
| Short term or low value lease expenses | 短期或低價值租賃開支 | 301 | 3,094 |

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簡明綜合中期財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

11. LOSS FOR THE PERIOD (Continued)

(b) Discontinued operation

During last financial year, the Board resolved to dispose of 柳州正和城商業管理有限公司 (Liuzhou Zhenghe Cheng Business Management Ltd*) and its subsidiaries (together the “Property Management Group”) by disposal of the investment holding company of the Property Management Group (together the “Disposal Group”). The Property Management Group is principally engaged in provision of property management service in PRC.

The disposal was completed in December 2019 and the Disposal Group was classified as discontinued operation.

* The English name is for identification purpose only

11. 期內虧損 (續)

(b) 已終止經營業務

於上個財政年度，董事會議決透過出售柳州正和城商業管理有限公司及其附屬公司（統稱「物業管理集團」）之投資控股公司出售物業管理集團（統稱「出售集團」）。物業管理集團主要從事於中國提供物業管理服務。

出售事項已於二零一九年十二月完成，而出售集團被分類為已終止經營業務。

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For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

11. LOSS FOR THE PERIOD (Continued)

(b) Discontinued operation (Continued)

The revenue, results and cash flows of the Disposal Group were as follows:

11. 期內虧損 (續)

(b) 已終止經營業務 (續)

出售集團的收入、業績及現金流量如下：

| | | HK\$'000 千港元 (Unaudited and re-presented) (未經審核及經重新呈列) |
|--|--------|---|
| For the two months ended from the date of incorporation to 30 September 2019: | | |
| 截至註冊成立日期至二零一九年九月三十日止兩個月： | | |
| Revenue | 收入 | 5,084 |
| Cost of services | 服務成本 | (3,885) |
| Administrative expenses | 行政費用 | (3,610) |
| Loss for the period from discontinued operation | | (2,411) |
| Loss for the period from discontinued operation attributable to: | | |
| 應佔已終止經營業務之期內虧損： | | |
| Owner of the company | 本公司擁有人 | (1,688) |
| Non-controlling interests | 非控制權益 | (723) |
| | | (2,411) |
| | | HK\$'000 千港元 |
| Operating cash outflows | 經營現金流出 | (100) |
| Investing cash outflows | 投資現金流出 | (19) |
| Financing cash inflows | 融資現金流入 | 838 |
| Total cash inflows | 現金流入總額 | 719 |

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簡明綜合中期財務報表附註

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12. DIVIDEND

No dividends were paid, declared or proposed during the reporting period. The directors of the Company resolved not to declare any interim dividend for the period (2019: Nil).

13. LOSS PER SHARE

The calculation of the basic loss per share attributable to the owners of the Company is based on the following data:

12. 股息

於報告期間，並無派付、宣派或擬派任何股息。本公司董事議決期內概不宣派任何中期股息（二零一九年：無）。

13. 每股虧損

本公司擁有人應佔每股基本虧損乃按以下數據為基準計算：

| | | Six months ended 30 September 截至九月三十日止六個月 | |
|---|-------------------------|---|---|
| | | 2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核) | 2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核) |
| Profit or loss | 溢利或虧損 | | |
| Loss for the period attributable to owners of the Company for the purpose of basic loss per share | 用於計算每股基本虧損之本公司擁有人應佔期內虧損 | | |
| – Continuing operations | – 持續經營業務 | (50,289) | (39,771) |
| – Discontinued operation | – 已終止經營業務 | – | (1,688) |
| | | (50,289) | (41,459) |
| | | Six months ended 30 September 截至九月三十日止六個月 | |
| | | 2020 二零二零年 | 2019 二零一九年 |
| Number of shares | 股份數目 | | |
| Weighted average number of shares for the purposes of basic loss per share | 用於計算每股基本虧損之股份加權平均數 | 20,319,072,320 | 20,319,072,320 |

No diluted earnings per share were presented as there were no potential shares in issue for both periods.

由於兩個期間並無潛在已發行股份，故並無呈列每股攤薄盈利。

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簡明綜合中期財務報表附註

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14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

The movements in property, plant and equipment during the current interim period is summarised as follows:

於本中期間，物業、廠房及設備的變動概述如下：

| | Buildings | Furniture and office equipment 傢私及辦公室設備 | Motor vehicles 汽車 | Leasehold improvements 租約物業裝修 | Machinery 機器 | Construction in progress 在建工程 | Right-of-use assets 使用權資產 | Total 總計 |
|----------------------------------|-----------------------|--|----------------------|----------------------------------|-----------------|----------------------------------|------------------------------|-----------------|
| | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| COST | 成本 | | | | | | | |
| At 31 March 2020 (audited) | 於二零二零年三月三十一日 (經審核) | | | | | | | |
| | 18,793 | 30,737 | 2,585 | 4,370 | - | 170,612 | 113,162 | 340,259 |
| Additions | - | 1,073 | 43 | 1,304 | 1,047 | 30,220 | 2,936 | 36,623 |
| Written off | - | (42) | - | - | - | - | - | (42) |
| Disposal | - | - | - | - | - | - | (11,729) | (11,729) |
| Exchange adjustments | 263 | 510 | 47 | 37 | 30 | 3,237 | 1,482 | 5,606 |
| At 30 September 2020 (unaudited) | 於二零二零年九月三十日 (未經審核) | | | | | | | |
| | 19,056 | 32,278 | 2,675 | 5,711 | 1,077 | 204,069 | 105,851 | 370,717 |
| DEPRECIATION AND IMPAIRMENT | 折舊及減值 | | | | | | | |
| At 31 March 2020 (audited) | 於二零二零年三月三十一日 (經審核) | | | | | | | |
| | 928 | 29,503 | 2,125 | 4,370 | - | - | 10,135 | 47,061 |
| Provided for the period | 226 | 389 | 82 | 69 | 8 | - | 6,418 | 7,192 |
| Written off | - | (20) | - | - | - | - | - | (20) |
| Disposal | - | - | - | - | - | - | (11,729) | (11,729) |
| Impairment loss (note) | - | - | - | - | - | - | 7,902 | 7,902 |
| Exchange adjustments | 18 | 420 | 42 | 2 | 1 | - | 359 | 842 |
| At 30 September 2020 (unaudited) | 於二零二零年九月三十日 (未經審核) | | | | | | | |
| | 1,172 | 30,292 | 2,249 | 4,441 | 9 | - | 13,085 | 51,248 |
| CARRYING VALUES | 賬面值 | | | | | | | |
| At 30 September 2020 (unaudited) | 於二零二零年九月三十日 (未經審核) | | | | | | | |
| | 17,884 | 1,986 | 426 | 1,270 | 1,068 | 204,069 | 92,766 | 319,469 |
| At 31 March 2020 (audited) | 於二零二零年三月三十一日 (經審核) | | | | | | | |
| | 17,865 | 1,234 | 460 | - | - | 170,612 | 103,027 | 293,198 |

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14. PROPERTY, PLANT AND EQUIPMENT (Continued)

Note:

The directors considered there were impairment indicators on the property, plant and equipment used in international business settlement segment due to unfavorable future prospect caused by the outbreak of COVID-19 in Lithuania in 2020. Accordingly, the directors conducted a review on impairment assessment on the relevant CGU to which the related property, plant and equipment belong.

For the purpose of impairment assessment, the management considers that the recoverable amount of the relevant CGU is determined on the basis of the value in use calculation which is higher than its fair value less costs to sell. The value in use calculations use cash flow projections based on the latest financial budgets approved by the Company's management covering a period of next 5 years representing the remaining useful life of the property, plant and equipment at a discount rate of 15.3% at a zero growth rate. During the period ended 30 September 2020, impairment loss of HK\$7,902,000 was recognised in the profit or loss.

15. INTANGIBLE ASSETS

The Group entered into an agreement with an independent software company to assist the Group in developing a settlement platform for connecting with the systems of the central banks and commercial banks of the countries along the "Belt and Road Initiative". During prior years, the sums paid and payable by the Group pursuant to the agreement was USD7,600,000 (equivalent to HK\$59,186,000).

During financial year ended 31 March 2019, the Group recognised a full impairment loss in relation to settlement platform due to lack of substantive results arising from memorandums of cooperation and framework agreements, entered into in prior years, signed with a number of potential cooperative banks and financial institutions. Up to the date of this condensed consolidated financial statements, there are no revenue generated from this settlement platform.

14. 物業、廠房及設備 (續)

附註：

董事認為，由於二零二零年立陶宛爆發COVID-19導致未來前景不樂觀，國際商業結算分類所用物業、廠房及設備出現減值跡象。因此，董事已就相關物業、廠房及設備所屬相關現金產生單位進行減值評估檢討。

就減值評估而言，管理層認為相關現金產生單位之可收回金額基於計算使用價值而釐定，使用價值高於其公允值減銷售成本。計算使用價值所用現金流量預測乃根據本公司管理層已批准涵蓋隨後五年期（即物業、廠房及設備之剩餘可使用年期）之最新財務預算，按15.3%之貼現率及零增長率計算。截至二零二零年九月三十日止期間，減值虧損7,902,000港元已於損益中確認。

15. 無形資產

本集團與一家獨立軟件公司訂立協議，以協助本集團開發與「一帶一路」沿線國家央行及商業銀行的系統對接之結算平台。於過往年度，本集團根據該協議已付及應付金額為7,600,000美元（相當於59,186,000港元）。

截至二零一九年三月三十一日止財政年度，由於過往年度與多家潛在合作銀行及金融機構簽訂的合作備忘錄及框架協議缺乏實質性成果，本集團就結算平台確認全面減值虧損。直至本簡明綜合財務報表日期，此結算平台未產生收入。

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簡明綜合中期財務報表附註

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16. DEPOSIT FOR ACQUISITION OF EQUIPMENT

Since from last year till the end of reporting period, the Group, as purchaser, entered into a series of equipment purchase agreements with independent equipment providers, pursuant to which the Group agreed to acquire contact lens production equipments at total considerations amounted to USD48,702,000 and RMB42,600,800 (equivalent to approximately HK\$436,818,000 in total). As at the end of reporting period, the Group has paid deposit of USD25,107,000 and RMB23,471,000 (equivalent to approximately HK\$227,486,000 in total) (31 March 2020: USD25,107,000 and RMB13,380,000 (equivalent to approximately HK\$213,085,000 in total)) and the remaining of HK\$209,332,000 (31 March 2020: HK\$213,788,000) will be payable upon the completion of installation of equipment.

16. 採購設備之按金

自上年度起直至本報告期末止，本集團（作為買方）與獨立設備供應商訂立一系列設備購買協議。據此，本集團同意以總代價48,702,000美元及人民幣42,600,800元（合共相當於約436,818,000港元）採購隱形眼鏡生產設備。於報告期末，本集團已支付25,107,000美元及人民幣23,471,000元（合共相當於約227,486,000港元）（二零二零年三月三十一日：25,107,000美元及人民幣13,380,000元（合共相當於約213,085,000港元））按金，而其餘209,332,000港元（二零二零年三月三十一日：213,788,000港元）將於設備安裝完成時支付。

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For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

17. LOAN RECEIVABLES

17. 應收貸款

| | | 30 September 2020 | 31 March 2020 |
|--|-----------------|------------------------------|------------------|
| | | 二零二零年 九月三十日 | 二零二零年 三月三十一日 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| | | (unaudited) | (audited) |
| | | (未經審核) | (經審核) |
| Loan receivables | 應收貸款 | 133,270 | 130,876 |
| Interest receivables | 應收利息 | 7,026 | 6,782 |
| | | 140,296 | 137,658 |
| Less: Loss allowance (note(b)) | 減：虧損撥備（附註(b)） | | |
| Stage 1 | 一級 | (320) | (131) |
| Stage 2 | 二級 | - | - |
| Stage 3 | 三級 | (66,866) | (64,357) |
| Carrying amount of loan receivables | 應收貸款賬面值 | 73,110 | 73,170 |
| Current portion included under current assets | 計入流動資產之即期部分 | (36,863) | (31,470) |
| Amounts due after one year included under non-current assets | 計入非流動資產之一年後到期款項 | 36,247 | 41,700 |

As at 30 September 2020, loan receivables with the gross amount of HK\$139,163,000 (31 March 2020: HK\$137,658,000) were secured by collaterals.

於二零二零年九月三十日，應收貸款總額為139,163,000港元（二零二零年三月三十一日：137,658,000港元），乃以抵押品擔保。

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簡明綜合中期財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

17. LOAN RECEIVABLES (Continued)

The customers are obliged to settle the amounts according to the terms set out in relevant contracts. Interest rates are offered based on the assessment of a number of factors including the borrowers' creditworthiness and repayment ability, collaterals as well as the general economic trends. The Group's loan principals charged interests at contract rate ranging from approximately 6% to 15% (31 March 2020: 6% to 15%) per annum.

The Group's management considers that the fair values of loan receivables are not materially different from their net carrying amounts.

(a) Ageing analysis

Ageing analysis of loan receivables based on the loan drawdown date and before loss allowance, at the end of reporting period is as follows:

17. 應收貸款 (續)

客戶須根據相關合約載列的條款結算有關款項。利率乃根據對多項因素的評估釐定，包括借款人的信譽及還款能力、抵押品及整體經濟趨勢。本集團的貸款本金按每年介乎約6%至15%（二零二零年三月三十一日：6%至15%）的合約利率收取利息。

本集團管理層認為，應收貸款的公允值與其賬面淨值並無重大差異。

(a) 賬齡分析

於報告期末，基於貸款提取日及虧損撥備前之應收貸款之賬齡分析如下：

| | | 30 September 2020 | 31 March 2020 |
|----------------|---------|------------------------------|------------------|
| | | 二零二零年 九月三十日 | 二零二零年 三月三十一日 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| | | (unaudited) | (audited) |
| | | (未經審核) | (經審核) |
| 91 to 180 days | 91至180日 | 1,133 | – |
| Over 1 year | 超過一年 | 139,163 | 137,658 |
| | | 140,296 | 137,658 |

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17. LOAN RECEIVABLES (Continued)

(a) Ageing analysis (Continued)

Ageing analysis of loan receivables based on the contract due date and before loss allowance, at the end of reporting period is as follows:

17. 應收貸款 (續)

(a) 賬齡分析 (續)

於報告期末，基於合約到期日及虧損撥備前之應收貸款之賬齡分析如下：

| | | 30 September | 31 March |
|--------------|-------|---------------------|-----------|
| | | 2020 | 2020 |
| | | 二零二零年 | 二零二零年 |
| | | 九月三十日 | 三月三十一日 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| | | (unaudited) | (audited) |
| | | (未經審核) | (經審核) |
| Not past due | 未逾期 | 38,643 | 103,803 |
| 0 to 30 days | 0至30日 | 4,799 | 6,274 |
| Over 90 days | 超過90日 | 96,854 | 27,581 |
| | | 140,296 | 137,658 |

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17. LOAN RECEIVABLES (Continued)

(b) Movement in impairment losses

Loss allowance for loan receivables during the period was recognised as follows:

| | | Stage 1 一級 | Stage 2 二級 | Stage 3 三級 | |
|--|-----------------------|-----------------------------------|---|---|-----------------------|
| | | 12-month ECL | Lifetime ECL not credit- impaired 並無信貸 減值的 全期預期 信貸虧損 | Lifetime ECL credit- impaired 有信貸減值 的全期預期 信貸虧損 | Total |
| | | 12個月預期 信貸虧損 HK\$'000 千港元 | 全期預期 信貸虧損 HK\$'000 千港元 | 全期預期 信貸虧損 HK\$'000 千港元 | 總計 HK\$'000 千港元 |
| At 31 March 2020 (audited) | 於二零二零年三月 三十一日(經審核) | 131 | – | 64,357 | 64,488 |
| Impairment loss charged to profit or loss | 於損益中扣除的 減值虧損 | 181 | – | 1,566 | 1,747 |
| Exchange adjustments | 匯兌調整 | 8 | – | 943 | 951 |
| At 30 September 2020 (unaudited) | 於二零二零年九月三十日 (未經審核) | 320 | – | 66,866 | 67,186 |

For the period ended 30 September 2020, an increase of loss allowance of approximately HK\$1,747,000 was charged to profit or loss as an impairment.

Loan receivables bear no credit term. The Group's formal credit policy in place is to monitor the Group's exposure to credit risk through regular reviews of receivables and follow-up actions taken on overdue accounts. Credit evaluations are performed on all customers requiring credit over a certain amount.

17. 應收貸款(續)

(b) 減值虧損變動

期內應收貸款的虧損撥備確認如下：

截至二零二零年九月三十日止期間，虧損撥備增加約1,747,000港元於損益作為減值扣除。

應收貸款無任何信用期。本集團已制定正式信用政策，通過定期審查應收賬項並就逾期賬目採取跟進行動監控本集團的信貸風險敞口。本集團對所有要求一定信用數額的客戶進行信用評估。

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18. DEFERRED TAX ASSETS

Deferred tax assets recognised and movements during the current interim period are as follow:

| | 於二零二零年三月三十一日 (經審核) |
|--------------------------------------|-----------------------|
| At 31 March 2020 (audited) | |
| Credited/(charged) to profit or loss | 計入/(扣除自)損益 |
| Exchange adjustments | 匯兌調整 |
| At 30 September 2020 (unaudited) | 於二零二零年九月三十日 (未經審核) |

Notes:

- (a) Balance represents taxable temporary difference arising from provision of LAT.
- (b) Starting from 2010, 柳州正和樺桂置業集團有限公司 ("Liuzhou Zhenghe Huagui Real Estate Group Company Limited", "Liuzhou Zhenghe") has been engaged in land development project and in previous years before Liuzhou Zhenghe was acquired by the Group, 4 parcels of land developed by Liuzhou Zhenghe were put on public auction and acquired by Liuzhou Zhenghe itself for property development purpose. Liuzhou Zhenghe shared the related profit with joint developer and paid tax on the shared profit. On the Group's consolidation, this shared profit element was included in properties held for sale and eliminated. The related tax paid on this shared profit was treated as deferred tax assets and will be released when the related properties are sold. As at 30 September 2020, the Group's deferred tax assets arising from profit sharing of the primary land development project amounting to approximately HK\$20,327,000 (31 March 2020: HK\$20,062,000).

* The English name is for identification purpose only

18. 遞延稅項資產

於本中期期間已確認之遞延稅項資產及有關變動如下：

| | LAT | Profit sharing from land development expenditure | Total |
|--------------------------------------|------------|---|----------|
| | | 土地開發 支出溢利分成 | 總計 |
| | HK\$'000 | HK\$'000 | HK\$'000 |
| | 千港元 | 千港元 | 千港元 |
| | (note (a)) | (note (b)) | |
| | (附註(a)) | (附註(b)) | |
| At 31 March 2020 (audited) | 11,288 | 20,062 | 31,350 |
| Credited/(charged) to profit or loss | 3 | (15) | (12) |
| Exchange adjustments | 158 | 280 | 438 |
| At 30 September 2020 (unaudited) | 11,449 | 20,327 | 31,776 |

附註：

- (a) 結餘指土地增值稅撥備產生之應課稅暫時差額。
- (b) 自二零一零年起，柳州正和樺桂置業集團有限公司（「柳州正和」）一直從事土地開發項目，在本集團收購柳州正和前數年，柳州正和開發的四幅土地被公開拍賣，並由柳州正和本身投得作物業開發用途。柳州正和與聯合開發商分成相關溢利，並就分成溢利支付稅項。於本集團綜合入賬時，此分成溢利部分計入待售物業且予以抵銷。就此項分成溢利支付之相關稅項被視為遞延稅項資產，將於相關物業售出時解除。於二零二零年九月三十日，本集團之一級土地開發項目溢利分成產生之遞延稅項資產約為20,327,000港元（二零二零年三月三十一日：20,062,000港元）。

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19. PROPERTIES HELD FOR SALE

19. 待售物業

| | | 30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核) | 31 March 2020 二零二零年 三月三十一日 HK\$'000 千港元 (audited) (經審核) |
|--|---------------------|--|--|
| Completed properties held for sale | 已落成待售物業 | 1,056,809 | 1,035,763 |
| Properties under development for sale | 持作出售發展中物業 | 688,236 | 559,502 |
| | | 1,745,045 | 1,595,265 |
| Carrying amount of properties under development for sale expected to be completed: | 預期落成之持作出售發展中物業之賬面值： | | |
| – within one year | — 一年內 | 688,236 | 559,502 |

As at 30 September 2020, certain properties held for sale with carrying amount of approximately HK\$453,699,000 (31 March 2020: HK\$626,787,000) were pledged to secure certain borrowings granted to the Group.

於二零二零年九月三十日，賬面值約453,699,000港元（二零二零年三月三十一日：626,787,000港元）之若干待售物業已予抵押，作為本集團取得若干借款之擔保。

As at the period ended, there is no impairment loss recognised as the net realisable value is higher than the carrying amount.

期內，因可變現淨值高於賬面值，故並無確認減值虧損。

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20. TRADE AND OTHER RECEIVABLES

20. 應收貿易賬項及其他應收賬項

| | | 30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核) | 31 March 2020 二零二零年 三月三十一日 HK\$'000 千港元 (audited) (經審核) |
|------------------------------------|-----------------|--|--|
| Trade receivables | 應收貿易賬項 | – | 4,310 |
| Less: Loss allowance | 減：虧損撥備 | – | (206) |
| | | – | 4,104 |
| Other receivables and prepayments: | 其他應收賬項及預付款項： | | |
| Other deposits | 其他按金 | 1,367 | 1,079 |
| Prepayments for construction works | 建築工程之預付款項 | 13,006 | 22,065 |
| Other tax prepayment | 其他稅項預付款項 | – | 12,210 |
| Other receivables | 其他應收賬項 | 6,707 | 12,977 |
| Other prepayments | 其他預付款項 | 10,360 | 4,234 |
| Total trade and other receivables | 應收貿易賬項及其他應收賬項總額 | 31,440 | 56,669 |

Trade receivables for property sales, debts are due on the dates of delivery of properties but settlements are made by agreements on time allowed for collections. The Group's formal credit policy in place is to monitor the Group's exposure to credit risk through regular reviews of receivables and follow-up actions taken on overdue accounts. Credit evaluations are performed on all customers requiring credit over a certain amount.

物業銷售、債務之應收貿易賬項於物業交付日期到期，但根據協議及時結算，並可通過託收完成。本集團已制定正式信用政策，通過定期審查應收賬項並就逾期賬目採取跟進行動監控本集團的信貸風險敞口。本集團將對所有要求一定信用數額的客戶進行信用評估。

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20. TRADE AND OTHER RECEIVABLES (Continued)

The following is an ageing analysis of trade receivables after loss allowance of the Group presented based on the date of delivery of properties to the customers, at the end of the reporting period:

| | | 30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核) | 31 March 2020 二零二零年 三月三十一日 HK\$'000 千港元 (audited) (經審核) |
|-----------------|----------|--|--|
| 91 to 180 days | 91至180日 | – | 1,690 |
| 181 to 360 days | 181至360日 | – | 2,414 |
| | | – | 4,104 |

Movement in loss allowance of trade and other receivables of the Group during the periods are as follows:

| | | 30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核) | 31 March 2020 二零二零年 三月三十一日 HK\$'000 千港元 (audited) (經審核) |
|---|-------------|--|--|
| At the beginning of the period | 於期初 | 2,045 | 232 |
| Impairment loss charged to profit or loss | 於損益中扣除的減值虧損 | 17 | 1,870 |
| Reversal of impairment loss previously recognised | 撥回過往確認的減值虧損 | (983) | (33) |
| Exchange adjustments | 匯兌調整 | (207) | (24) |
| At the end of the period | 於期末 | 872 | 2,045 |

20. 應收貿易賬項及其他應收賬項 (續)

於報告期末，本集團虧損撥備後之應收貿易賬項之賬齡分析（按向客戶交付物業日期）呈列如下：

期內本集團應收貿易賬項及其他應收賬項之虧損撥備變動如下：

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20. TRADE AND OTHER RECEIVABLES (Continued)

The balances of other deposits and other receivables are not past due. The Group's management considers that the credit risk associated with these receivables is minimal but a general provision for impairment loss is provided for as in the aforesaid.

21. FACTORING RECEIVABLES

| | | | |
|---|---------------|-----------------|-----------|
| Factoring receivables | 應收保理款項 | | |
| Interest receivables | 應收利息 | | |
| | | 89,994 | 124,479 |
| | | 3,127 | 4,370 |
| | | 93,121 | 128,849 |
| Less: Loss allowance (note(b)) | 減：虧損撥備（附註(b)） | | |
| Stage 1 | 一級 | - | - |
| Stage 2 | 二級 | - | - |
| Stage 3 | 三級 | (93,121) | (128,849) |
| Current portion included under current assets | 計入流動資產之即期部分 | - | - |

As at 30 September 2020 and 31 March 2020, all factoring receivables were secured by accounts receivables of the debtors with interest rate of 6.5% (31 March 2020: 6.5%). The Group has recourse right on the debts in the event of default. However, the collaterals are not permitted to sell or re-pledge by the Group.

20. 應收貿易賬項及其他應收賬項（續）

其他按金及其他應收賬項之結餘並未逾期。本集團管理層認為，有關此等應收賬項之信貸風險不大，但已如上文所述就減值虧損計提一般撥備。

21. 應收保理款項

| 30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核) | 31 March 2020 二零二零年 三月三十一日 HK\$'000 千港元 (audited) (經審核) |
|--|--|
| 89,994 | 124,479 |
| 3,127 | 4,370 |
| 93,121 | 128,849 |
| | |
| - | - |
| - | - |
| (93,121) | (128,849) |
| - | - |

於二零二零年九月三十日及二零二零年三月三十一日，所有應收保理款項均以債務人之應收賬款作抵押，利率為6.5%（二零二零年三月三十一日：6.5%）。倘出現違約，本集團對債務擁有追索權。然而，抵押品不得由本集團出售或重新抵押。

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21. FACTORING RECEIVABLES (Continued)

(a) Ageing analysis

Ageing analysis of factoring receivables based on the loan drawdown date and before loss allowance at the end of reporting period is as follows:

| | | 30 September 2020 | 31 March 2020 |
|---------------|--------|------------------------------|------------------|
| | | 二零二零年 九月三十日 | 二零二零年 三月三十一日 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| | | (unaudited) | (audited) |
| | | (未經審核) | (經審核) |
| Over 360 days | 超過360日 | 93,121 | 128,849 |

Ageing analysis of factoring receivables based on the contract due date and before loss allowance at the end of reporting period is as follows:

| | | 30 September 2020 | 31 March 2020 |
|---------------|--------|------------------------------|------------------|
| | | 二零二零年 九月三十日 | 二零二零年 三月三十一日 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| | | (unaudited) | (audited) |
| | | (未經審核) | (經審核) |
| Over 360 days | 超過360日 | 93,121 | 128,849 |

21. 應收保理款項 (續)

(a) 賬齡分析

於報告期末，基於貸款提取日及虧損撥備前之應收保理款項之賬齡分析如下：

於報告期末，基於合約到期日及虧損撥備前之應收保理款項之賬齡分析如下：

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21. FACTORING RECEIVABLES (Continued)

(b) Movement in impairment losses

Loss allowance for factoring receivables during the period was recognised as follows:

21. 應收保理款項 (續)

(b) 減值虧損變動

期內應收保理款項之虧損撥備確認如下:

| | | Stage 1 12-month ECL | Stage 2 Lifetime ECL not credit- impaired 二級 並無信貸 減值的全期 預期信貸虧損 | Stage 3 Lifetime ECL credit- impaired 三級 有信貸減值的 全期預期 信貸虧損 | Total 總計 |
|----------------------------------|------------------------|----------------------------|---|--|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| At 31 March 2020 (audited) | 於二零二零年三月 三十一日 (經審核) | – | – | 128,849 | 128,849 |
| Derecognised | 已終止確認 | – | – | (36,498) | (36,498) |
| Exchange adjustments | 匯兌調整 | – | – | 770 | 770 |
| At 30 September 2020 (unaudited) | 於二零二零年九月 三十日 (未經審核) | – | – | 93,121 | 93,121 |

Factoring receivables bear no credit term. The Group's formal credit policy in place is to monitor the Group's exposure to credit risk through regular reviews of receivables and follow-up actions taken on overdue accounts. Credit evaluations are performed on all customers requiring credit over a certain amount.

應收保理款項無任何信用期。本集團已制定正式信用政策，通過定期審查應收賬項並就逾期賬目採取跟進行動監控本集團的信貸風險敞口。本集團對所有要求一定信用數額的客戶進行信用評估。

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22. RESTRICTED BANK DEPOSITS/BANK BALANCES AND CASH

Restricted bank deposits

Restricted bank deposits amounting to approximately HK\$344,000 as at 30 September 2020 (31 March 2020: HK\$345,000) mainly represent the proceeds from pre-sale of properties with the restriction of use for settlement of construction costs for relevant property project, which will be released upon the completion of the relevant project.

The Group's restricted bank deposits carry interest at prevailing market rates which range from 0.3% to 0.35% per annum as at 30 September 2020 (31 March 2020: 0.3% to 0.35% per annum).

Bank balances and cash

As at 30 September 2020, bank balances and cash comprise cash held by the Group and short-term bank deposits which carry variable interest rates ranging from 0.01% to 0.97% (31 March 2020: 0.01% to 2.09%) per annum with an original maturity of three months or less.

At the end of the reporting period, included in the bank balances and cash are following amount denominated in currency other than the functional currency of the respective group entity:

22. 受限制銀行存款／銀行結存及現金

受限制銀行存款

於二零二零年九月三十日，受限制銀行存款約344,000港元（二零二零年三月三十一日：345,000港元），主要指預售物業的所得款項，只限用於支付有關物業項目的建築成本，存款將於有關項目竣工後解除。

於二零二零年九月三十日，本集團受限制銀行存款按介乎0.3%至0.35%（二零二零年三月三十一日：年利率0.3%至0.35%）之現行市場年利率計息。

銀行結存及現金

於二零二零年九月三十日，銀行結存及現金包括本集團所持有之現金及原定到期日為三個月或以下，浮動年利率介乎0.01%至0.97%（二零二零年三月三十一日：0.01%至2.09%）之短期銀行存款。

於報告期末，銀行結存及現金包括下列以各集團實體之功能貨幣以外之貨幣計值之款項：

| | | 30 September 2020 | 31 March 2020 |
|-------------------------------|----------|------------------------------|------------------|
| | | 二零二零年 九月三十日 | 二零二零年 三月三十一日 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| | | (unaudited) | (audited) |
| | | (未經審核) | (經審核) |
| HK\$ | 港元 | 181,349 | 196,511 |
| United States Dollars ("USD") | 美元（「美元」） | 407,593 | 409,958 |
| Euro ("EUR") | 歐元（「歐元」） | 8,251 | 7,504 |
| | | 597,193 | 613,973 |

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23. TRADE AND OTHER PAYABLES

23. 應付貿易賬項及其他應付賬項

| | | 30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核) | 31 March 2020 二零二零年 三月三十一日 HK\$'000 千港元 (audited) (經審核) |
|---|--------------|--|--|
| Trade payables (note) | 應付貿易賬項(附註) | 302 | 417 |
| Accrued construction costs to contractors | 應付承包商之應計建築成本 | 264,378 | 197,408 |
| Interest payable | 應付利息 | 122,885 | 73,178 |
| Amount due to third parties | 應付第三方款項 | 755 | 745 |
| Other payables | 其他應付賬項 | 57,363 | 68,957 |
| Other tax payables | 其他應付稅項 | 113,828 | 107,994 |
| | | 559,511 | 448,699 |

Note:

The following is an ageing analysis of the Group's trade payables, presented based on the date of materials received, at the end of the reporting period:

附註:

於報告期末，基於已收取材料日期之本集團應付貿易賬項之賬齡分析呈列如下：

| | | 30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核) | 31 March 2020 二零二零年 三月三十一日 HK\$'000 千港元 (audited) (經審核) |
|--------------|-------|--|--|
| 0 to 90 days | 0至90日 | 302 | 417 |

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24. BORROWINGS

24. 借款

| | | 30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核) | 31 March 2020 二零二零年 三月三十一日 HK\$'000 千港元 (audited) (經審核) |
|--|--------------------------------|--|--|
| Bank borrowings, secured (note (a)) | 有抵押銀行借款(附註(a)) | 156,505 | 136,471 |
| Other borrowings, secured (note (a)(i)(ii)(iii)) | 有抵押其他借款 (附註(a)(i)(ii)(iii)) | 482,957 | 476,302 |
| Other borrowings, unsecured (note (b)) | 無抵押其他借款(附註(b)) | 7,810 | 7,703 |
| | | 647,272 | 620,476 |
| Carrying amount of borrowings repayable: | 按下列情況償還的借款 賬面值: | | |
| Within one year | 一年內 | 554,047 | 546,412 |
| More than one year, but not exceeding two years | 超過一年·但不超過兩年 | 1,132 | 1,166 |
| More than two years, but not exceeding five years | 超過兩年·但不超過五年 | 92,093 | 72,898 |
| | | 647,272 | 620,476 |
| Less: amount shown under current liabilities | 減: 流動負債項下所示之款項 | (554,047) | (546,412) |
| Amounts shown under non-current liabilities | 非流動負債項下所示之款項 | 93,225 | 74,064 |

All borrowings were denominated in RMB during both periods.

於兩個期間內，所有借款均以人民幣計值。

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24. BORROWINGS (Continued)

The ranges of effective interest rates on the Group's borrowings are as follows:

| | 30 September 2020 | 31 March 2020 |
|-------------------------------|------------------------------|------------------|
| | 二零二零年 九月三十日 | 二零二零年 三月三十一日 |
| | HK\$'000 | HK\$'000 |
| | 千港元 | 千港元 |
| | (unaudited) | (audited) |
| | (未經審核) | (經審核) |
| Effective interest rates 實際利率 | 5% – 18% | 5% – 18% |

24. 借款(續)

有關本集團借款之實際利率之範圍如下：

(a) The followings show the carrying amounts of certain assets pledged to secure the bank and other borrowings provided to the Group:

(a) 為本集團之銀行及其他借款作擔保之若干已抵押資產的賬面值載列如下：

| | | Carrying amounts of assets pledged for 就下列項目已抵押資產的賬面值 | | |
|--|-----------------------|--|-----------------------------|---------------------|
| | | Bank borrowings | Other borrowings | Total 總計 |
| | | 銀行借款 | 其他借款 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 |
| | | (note(i),(ii),(iii)) (附註(i)、 (ii)、(iii)) | | |
| At 30 September 2020 (unaudited) | 於二零二零年九月三十日 (未經審核) | | | |
| Property, plant and equipment (note 14) | 物業、廠房及設備 (附註14) | 116,508 | 42,290 | 158,798 |
| Properties held for sale (note 19) | 待售物業(附註19) | - | 453,699 | 453,699 |
| | | 116,508 | 495,989 | 612,497 |
| At 31 March 2020 (audited) | 於二零二零年三月 三十一日(經審核) | | | |
| Property, plant and equipment (note 14) | 物業、廠房及設備 (附註14) | 92,833 | 41,707 | 134,540 |
| Properties held for sale (note 19) | 待售物業(附註19) | - | 626,787 | 626,787 |
| | | 92,833 | 668,494 | 761,327 |

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24. BORROWINGS (Continued)

(a) (Continued)

(i) As at 30 September 2020, hotel rooms with carrying amount of HK\$42,290,000 (31 March 2020: HK\$41,707,000) are pledged as security for one of the Group's other borrowings of HK\$131,454,000 (31 March 2020: HK\$129,642,000) at a fixed rate of 8% per annum.

(ii) As at 30 September 2020, properties held for sale of HK\$453,699,000 (31 March 2020: HK\$626,787,000) are pledged as security for one of the Group's other borrowings of HK\$34,322,000 (31 March 2020: HK\$346,660,000) at a fixed rate of 12% per annum.

(iii) As at 30 September 2020, the shares of Liuzhou Zhenghe, a subsidiary of the Group, are pledged as security for one of the Group's other borrowings of HK\$317,181,000 from 廣西正和實業集團有限公司 (Guangxi Zhenghe Industrial Co., Ltd)*, the related party of the former shareholder of Liuzhou Zhenghe at a fixed rate of 12% per annum.

(b) As at 30 September 2020, one of the Group's other borrowings represent an unsecured borrowings of HK\$7,810,000 (31 March 2020: HK\$7,703,000) provided by a third party with interest at a fixed rate of 18% per annum and repayable in January 2021.

* The English name is for identification purpose only

24. 借款 (續)

(a) (續)

(i) 於二零二零年九月三十日，賬面值為42,290,000港元(二零二零年三月三十一日：41,707,000港元)之酒店客房已抵押作為本集團其中一筆按8%固定年利率計息的其他借款131,454,000港元(二零二零年三月三十一日：129,642,000港元)的擔保。

(ii) 於二零二零年九月三十日，待售物業453,699,000港元(二零二零年三月三十一日：626,787,000港元)已抵押作為本集團其中一筆按12%固定年利率計息的其他借款34,322,000港元(二零二零年三月三十一日：346,660,000港元)的擔保。

(iii) 於二零二零年九月三十日，本集團一間附屬公司柳州正和的股份已抵押作為廣西正和實業集團有限公司(柳州正和前股東之關聯人士)向本集團提供的一筆按12%固定年利率計息的其他借款317,181,000港元的擔保。

(b) 於二零二零年九月三十日，本集團的其中一筆其他借款為一名第三方提供的無抵押借款7,810,000港元(二零二零年三月三十一日：7,703,000港元)，固定年利率為18%，須於二零二一年一月償還。

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25. CONTRACT LIABILITIES

Considerations in respect of properties sold are received in accordance with the terms of the related sales and purchase agreements, certain portion are received on or before the date of delivery of the properties to customers which is recorded as contract liabilities.

25. 合約負債

已售物業之代價根據相關買賣協議之條款收取，若干部分於向客戶交付物業日期或之前收取，入賬列作合約負債。

| | 30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核) | 31 March 2020 二零二零年 三月三十一日 HK\$'000 千港元 (audited) (經審核) |
|---|--|--|
| Contract liabilities arising from property development business 物業開發業務產生之合約負債 | 826,323 | 807,890 |

| | HK\$'000 千港元 |
|--|-----------------|
| At 31 March 2020 (audited) 於二零二零年三月三十一日(經審核) | 807,890 |
| Revenue recognised for the balances included in the contract liabilities at the beginning of the period 就計入期初合約負債之結餘確認的收入 | (74) |
| Increase for the cash received for the balances where revenue is not yet recognised during the period 就期內尚未確認收入之結餘已收取的現金增加 | 7,022 |
| Exchange adjustments 匯兌調整 | 11,485 |
| At 30 September 2020 (unaudited) 於二零二零年九月三十日(未經審核) | 826,323 |

As at 30 September 2020, the amount of sales deposits received expected to be recognised as revenue after one year is nil (31 March 2020: Nil).

於二零二零年九月三十日，預期將於一年後確認為收入的已收取銷售按金為零(二零二零年三月三十一日：零)。

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26. SHARE CAPITAL

26. 股本

| | | Number of shares 股份數目 | Amount 金額 HK\$'000 千港元 |
|---|---|--------------------------|---------------------------------|
| Authorised: | 法定： | | |
| Ordinary shares of HK\$0.001 each At 1 April 2020 and 30 September 2020 | 每股面值0.001港元之普通股 於二零二零年四月一日及 二零二零年九月三十日 | 498,000,000,000 | 498,000 |
| Non-voting convertible preference shares of HK\$0.001 each At 1 April 2020 and 30 September 2020 | 每股面值0.001港元之無投票權 可換股優先股 於二零二零年四月一日及 二零二零年九月三十日 | 2,000,000,000 | 2,000 |
| | | 500,000,000,000 | 500,000 |
| Issued and fully paid: | 已發行及繳足： | | |
| Ordinary shares of HK\$0.001 each At 1 April 2020 and 30 September 2020 | 每股面值0.001港元之普通股 於二零二零年四月一日及 二零二零年九月三十日 | 20,319,072,320 | 20,319 |

27. CONTRIBUTED SURPLUS

27. 實繳盈餘

The contributed surplus of the Group represents the difference between the nominal value of the shares and share premium of the then holding company and the nominal value of the Company's shares issued for the group reorganisation on 25 May 1993, together with the amounts transferred from share capital and share premium account as a result of the capital reduction taken place in August 2001, less dividends paid, amounts utilised on redemption of shares and amount eliminated against accumulated losses.

本集團之實繳盈餘為當時控股公司之股份面值及股份溢價與本公司因於一九九三年五月二十五日集團重組而發行之股份面值之差額，連同因於二零零一年八月削減股本由股本及股份溢價賬轉撥之款項，減已派付股息、贖回股份所用款項與抵銷累計虧損之款項。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

28. COMMITMENTS

28. 承擔

| | | 30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核) | 31 March 2020 二零二零年 三月三十一日 HK\$'000 千港元 (audited) (經審核) |
|--|--------------|--|--|
| Commitments contracted for: | 已訂約承擔： | | |
| – construction for properties held for sale | – 建造待售物業 | 78,097 | 157,283 |
| – acquisition of property, plant and equipment | – 添置物業、廠房及設備 | 209,332 | 213,788 |
| | | 287,429 | 371,071 |

29. CONTINGENT LIABILITIES

29. 或然負債

| | | 30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核) | 31 March 2020 二零二零年 三月三十一日 HK\$'000 千港元 (audited) (經審核) |
|---|-------------------------|--|--|
| Guarantees given to banks for mortgage facilities granted to purchasers of the Group's properties | 就授予本集團物業買方之按揭融資向銀行提供之擔保 | 954,699 | 1,074,002 |

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

29. CONTINGENT LIABILITIES (Continued)

Note:

The Group had provided guarantees in respect of mortgage facilities granted by certain banks in connection with the mortgage loans entered into by purchasers of the Group's properties. Pursuant to the terms of the guarantees, if there is default of the mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage loans together with accrued interests thereon and any penalty owed by the defaulted purchaser to banks, the Group is then entitled to take over the legal title of the related properties. The guarantee period commences from the dates of grant of the relevant mortgage loans and ends after the buyer obtained the individual property ownership certificate.

The Group's management, with its assessment of the current and outlook of the market, perceives that the possibility of default in mortgage loans by home buyers is remote and, in the event of default, the liabilities caused to the Group will be minimal as the loss will be adequately mitigated by the proceeds recovered from the sales of the repossessed properties. Accordingly, no provision is made in the accounts for the guarantees.

30. SHARE OPTION SCHEME

On 5 September 2014, pursuant to an ordinary resolution passed by the shareholders of the Company at the general meeting, the Company announced a share option scheme (the "Scheme") for the purpose of providing incentive to the employee or other individuals of the Group (the "Participants") and the Scheme will expire on 4 September 2024. Under the Scheme, the Directors is authorised to grant options at a consideration of HK\$1 per option to the Participants the Directors may determine in its absolute discretion, has made valuable contribution to the Group, to subscribe for shares in the Company.

The maximum number of shares which may be issuable under the Scheme cannot exceed 30% of the issued share capital of the Company.

29. 或然負債 (續)

附註：

本集團就若干銀行授出之按揭融資提供擔保，該等按揭融資涉及及由本集團物業買方所訂立之按揭貸款。根據擔保之條款，倘該等買方拖欠按揭款項，本集團須負責向銀行償還買方結欠之按揭貸款連同其應計利息及任何罰款，而本集團屆時有權接管有關物業之法定所有權。擔保期限由相關按揭貸款授出日期起計，並於買方取得個別房產證後結束。

根據對當前市場及市場前景的評估，本集團管理層認為，購房者拖欠按揭貸款的可能性極低，倘若出現違約，由於出售重置物業所收回的所得款項將充分減輕虧損，因此對本集團造成的負債將會微乎其微。因此，擔保賬目中並無計提撥備。

30. 購股權計劃

於二零一四年九月五日，根據本公司股東於股東大會上通過之普通決議案，本公司宣佈一項購股權計劃（「計劃」），以向本集團的僱員或其他個人（「參與者」）提供獎勵，計劃將於二零二四年九月四日屆滿。根據計劃，董事獲授權按每份購股權1港元之代價向董事可全權酌情釐定、已對本集團作出重大貢獻的參與者授出購股權，以認購本公司股份。

根據計劃可予發行之最高股份數目不得超過本公司已發行股本之30%。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

30. SHARE OPTION SCHEME (Continued)

The total number of shares issued and to be issued to each eligible Participants (including both exercised and outstanding options under the Scheme), within 12-month period cannot exceed 1% of the issued share capital of the Company as at the proposed date on which the option is being granted unless prior shareholders approval obtained.

The offer of a grant of share options may be accepted within 30 days from the date the offer together with the payment of nominal consideration of HK\$1 per option by the grantee.

The exercisable period of the option is determinable by the Directors at their discretion. The expiry date of the option may be determined by the Directors which shall not be later than the last day of the ten year period from the grant date.

The exercise price shall be determined by the Directors and shall be at least the highest of: (a) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the grant date; (b) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the grant date; and (c) the nominal value of a share of the Company.

No option has been granted since the adoption of the Scheme.

30. 購股權計劃(續)

除非取得股東事先批准，於12個月期間內已發行及將向各合資格參與者發行之股份總數目（包括計劃項下之已行使及尚未行使購股權），不得超過本公司於建議授出購股權當日已發行股本之1%。

授出購股權要約可於提呈日期起計30日內由承授人接納，並支付每份購股權1港元之名義代價。

購股權行使期由董事酌情釐定。購股權屆滿日期由董事釐定，最遲為自授出日期起計十年期間之最後一日。

行使價由董事釐定及不得低於以下最高者：(a)於授出日期聯交所每日報價單所報之股份收市價；(b)於緊接授出日期前五個營業日聯交所每日報價單所報之平均股份收市價；及(c)本公司股份面值。

自採納計劃起，概無授出購股權。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

31. RETIREMENT BENEFIT SCHEMES

The Group operates a Mandatory Provident Fund Scheme (“MPF Scheme”) for all qualifying employees in Hong Kong. The assets of the MPF Scheme are held separately from those of the Group, in funds under control of a trustee. The Group contributes lower of 5% of relevant payroll costs or HK\$1,500 per month per person to the MPF Scheme, which is matched by employees.

The employees of the Group in the PRC are members of state-managed retirement benefit schemes operated by the PRC Government. The PRC subsidiaries are required to contribute a certain percentage of payroll to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the schemes is to make the required contributions under the schemes.

31. 退休福利計劃

本集團為所有香港合資格僱員設立強制性公積金計劃（「強積金計劃」）。強積金計劃之資產與本集團之資產分開持有，並由受託人管理之基金保管。本集團按有關薪金成本之5%或每人每月1,500港元之較低者向強積金計劃作出供款，而僱員亦須作出同等金額之供款。

本集團之中國僱員為中國政府設立之國家管理退休福利計劃之成員。中國附屬公司須向退休福利計劃作出佔薪金若干百分比之供款，作為提供福利之基金。根據計劃作出規定供款為本集團對此項計劃之唯一責任。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

32. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial information, the Group has the following transactions with related parties during the period:

Compensation of key management personnel

The remuneration of directors of the Company and other members of key management of the Group during the period were as follows:

32. 關聯人士交易

除該等財務資料其他章節所披露的交易及結餘外，本集團於期內與關聯人士進行下列交易：

主要管理人員之報酬

本公司董事及本集團主要管理人員之其他成員期內之薪酬如下：

| | | Six months ended 30 September 截至九月三十日止六個月 | |
|---|----------|---|---|
| | | 2020 二零二零年 HK\$'000 千港元 (unaudited) (未經審核) | 2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核) |
| Short-term benefits | 短期福利 | 3,000 | 2,963 |
| Retirement benefits scheme contribution | 退休福利計劃供款 | 36 | 36 |
| | | 3,036 | 2,999 |

The remuneration of key management is determined having regard to the performance of individuals and market trends.

主要管理人員之薪酬乃參考個別人士之績效及市場趨勢釐定。

33. FAIR VALUE MEASUREMENT

The directors of the Company consider the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated interim financial statements approximate their fair values.

33. 公允值計量

本公司董事認為，於簡明綜合中期財務報表內按攤銷成本列賬之金融資產及金融負債之賬面值與其公允值相若。

34. SUBSEQUENT EVENTS

There are no material subsequent events undertaken by the Group after the reporting period.

34. 期後事項

於報告期後，本集團並無進行任何重大期後事項。

Management Discussion and Analysis

管理層討論及分析

Overall results

Key performance indicator (Financial Ratio)

整體業績

主要業績指標 (財務比率)

| | | Six months ended 30 September 截至九月三十日止六個月 | |
|--------------------------------------|-------------|--|----------------------------|
| | | 2020 二零二零年 | 2019 二零一九年 |
| | | 30 September 2020 九月三十日 | 31 March 2020 三月三十一日 |
| NOTES 附註 | | | |
| Revenue (HK\$'000) | 收入 (千港元) | 5,341 | 280,550 |
| Gross Profit margin (%) | 毛利率(%) | 77.08% | 19.32% |
| Loss for the period (HK\$'000) | 期內虧損 (千港元) | (59,372) | (39,747) |
| Loss per share (HK cents) | 每股虧損 (港仙) | (0.25) | (0.20) |
| Net asset value per share (HK cents) | 每股資產淨值 (港仙) | 4.63 | 4.82 |

Notes:

- (i) Gross profit margin is calculated as gross profit divided by revenue and multiplying the resulting value by 100%.
- (ii) Net asset value per share is calculated based on the number of 20,319,072,320 ordinary shares issued as at 30 September 2020 (31 March 2020: 20,319,072,320 ordinary shares).

附註:

- (i) 毛利率按毛利除以收入再將所得值乘以100%計算。
- (ii) 每股資產淨值乃根據於二零二零年九月三十日已發行20,319,072,320股普通股(二零二零年三月三十一日: 20,319,072,320股普通股)計算。

For the reporting period, the Group recorded a revenue of approximately HK\$5,341,000, representing a significant drop over 90% when compared with the same period in 2019. The revenue for the same period in 2019 is mainly generated from the property development segment in 正和城 ("Zhenghe City") of 柳州正和樺桂置業集團有限公司 (Liuzhou Zhenghe Huagui Real Estate Group Company Limited*) ("Liuzhou Zhenghe"). In 2020, due to the worldwide outbreak of the COVID-19, the construction works in Zhenghe City were temporary suspend until April 2020 and therefore delay completion of building. As a result, the revenue of the Group for the reporting period decreased significantly as no building were completed and delivered to customers. The revenue for the reporting period is mainly generated from international business settlement segment.

本集團於報告期間錄得收入約5,341,000港元，較二零一九年同期顯著減少超過90%。二零一九年同期，收入主要來自柳州正和樺桂置業集團有限公司(「柳州正和」)正和城(「正和城」)的物業開發分類。於二零二零年，由於全球爆發COVID-19疫情，正和城的建築工程已暫停至二零二零年四月，因而推遲樓宇竣工。由於並無樓宇竣工並交付予客戶，本集團於報告期間的收入因此大幅減少。於報告期內，收入主要來自國際商業結算分類。

Management Discussion and Analysis

管理層討論及分析

Overall results (Continued)

Key performance indicator (Financial Ratio) (Continued)

An overall gross profit of approximately HK\$4,117,000 (2019: HK\$54,214,000) and gross profit margin of 77.08% (2019: 19.32%) were recorded in the reporting period. The significant increase in gross profit margin was due to gross profit gained from international business settlement is higher than property development.

The Group continued to incur losses of approximately HK\$59,372,000 for the current period (2019: HK\$39,747,000). Such loss was mainly attributed to no newly completed buildings being delivered to the market during the period to generate adequate profit to cover the operating costs of the Group. The basic and diluted loss per share was approximately HK\$0.25 cents for the reporting period.

Review of operations and prospect

International Business Settlement

During the period, with the electronic money institution license (“EMI License”) obtained in Lithuania, the Group connected a number of commercial and individual customers in both European market and China and provided fund settlement services for commercial and individual customers in a small scale. As of September 2020, nearly 220 European customers opened digital banking accounts through the Group’s digital banking set up via network in Lithuania, which provided credit, remittance and settlement services to them, with transaction amount in aggregate reaching EUR440 million. The average payment size has also increased due to company’s strategy to focus on profitable corporate clients. As of 30 September 2020, the funds placed by customers in the Group’s electronic money institution set up in Lithuania amounted to almost EUR11 million. This shows the customers of IBS Lithuania trust IBS Lithuania as an established financial institution and demonstrates that the customers are satisfactory with the Group’s activities in Europe.

整體業績 (續)

主要業績指標 (財務比率) (續)

報告期間錄得整體毛利約4,117,000港元(二零一九年: 54,214,000港元)及毛利率77.08%(二零一九年: 19.32%)。毛利率大幅增加乃由於國際商業結算所得毛利高於物業開發所致。

本期間本集團持續產生虧損約59,372,000港元(二零一九年: 39,747,000港元)。該虧損主要由於期內未能向市場交付新竣工的樓宇而產生充足溢利以抵付本集團的營運成本。報告期間的每股基本及攤薄虧損約為0.25港仙。

經營業務回顧及前景

國際商業結算

期內，憑藉於立陶宛取得的電子貨幣機構許可證(「EMI許可證」)，本集團於歐洲市場及中國均聯繫到了不少商業及個人客戶，並小範圍地為商業及個人客戶提供資金清結算服務。截至二零二零年九月，本集團的電子銀行藉由立陶宛的網絡已經為近二百二十家歐洲客戶開立電子銀行戶口並提供了存款、匯款及清算服務，累計交易處理量已達到4.4億歐元。平均支付規模亦有所增加，此乃由於公司策略為專注於可產生盈利的企業客戶所致。截至二零二零年九月三十日，客戶存放在本集團於立陶宛的電子貨幣機構內的資金接近11,000,000歐元。這代表著IBS立陶宛客戶信任其為成熟的金融機構，且表明客戶對本集團於歐洲的業務十分滿意。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

International Business Settlement (Continued)

IBS Lithuania has always been striving for the improvement of operational efficiency via human capital and the achievement of automation through advanced IT systems. This will not only enable the Company to provide services to more customers and process more transactions, but will also expand the product offerings to attract large-scale corporate customers with tailor-made product offerings. It has been negotiating with multiple banks so as to establish a mutually beneficial relationship with them and further expand the coverage of its settlement network, while broadening the services it can offer.

Since the development of electronic money institution is not yet fully matured and currently only basic services are available thereunder, its contribution to the Group is thus relatively low. Despite the global pandemic, the past six months have been positive for IBS Lithuania. For the period ended 30 September 2020, the revenue of this segment was approximately HK\$3,919,000 (2019: HK\$1,120,000), and the total loss for the period was HK\$21,600,000 (2019: HK\$12,532,000). The major expenses in this segment for the period were staff costs, rental expenses and impairment loss made for right-of-use assets arise from lease building.

In respect of the self-developed Next Generation Settlement Network (the “NGSN”), full impairment was made by the Group for the NGSN platform during the financial year ended 31 March 2019 under the impact arising from the world trade environment, changes in financial regulatory trend and changes in political environment. The Company acknowledges that the development of NGSN faces is challenging and will continue to work through the challenges.

經營業務回顧及前景 (續)

國際商業結算 (續)

IBS立陶宛一直致力於通過人力資本提高運營效率，並通過先進的IT系統實現自動化。這不僅將使本公司能夠為更多的客戶提供服務並處理更多的交易，亦將擴大產品種類，以量身定制的產品種類吸引大型企業客戶。IBS立陶宛一直在與多家銀行進行商談，以建立互惠互利的關係，並進一步擴大其結算網絡的覆蓋範圍，同時增加可提供的服務。

由於電子貨幣機構的發展並未完全成熟，現時只提供基本的服務，因此對本集團的貢獻相對較低。儘管全球疫情爆發，IBS立陶宛於過往六個月的表現仍屬正面。截至二零二零年九月三十日止期間，此分類的收入約3,919,000港元（二零一九年：1,120,000港元），而期內總虧損為21,600,000港元（二零一九年：12,532,000港元）。期內此分類的主要開支為員工成本、租金開支及就樓宇租賃產生的使用權資產計提之減值虧損。

就自主開發的下一代清結算網絡（Next Generation Settlement Network「NGSN」）而言，截至二零一九年三月三十一日止財政年度，在世界貿易環境、金融監管的趨勢變化及政治環境的變化影響下，本集團將NGSN平台悉數減值。本公司確認NGSN所面臨的發展局勢充滿挑戰，但將繼續迎難而上克服重重挑戰。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

International Business Settlement (Continued)

The NGSN platform is designed to build speedy financial clearing channels for countries along the “Belt and Road” in Asia, Europe, Africa and other regions, while providing convenient financial services for multilateral trade. By connecting to NGSN, remittance channels between the target regions and the global financial institutions can be developed to provide financial services for public and private customers in a more efficient manner, which in turn can assist the target customers in integrating resources and accessing to other friendly cooperative banks so as to achieve fast and safe transfer of funds. Moreover, leveraging on the joint efforts with the target customers, it can also promote the safe and rapid development of its financial infrastructures involving payment, clearing and settlement, enhance the financial service capabilities of the target regions, achieve stable economic and trade growth through multiple currencies as well as build financial infrastructures with stronger fund clearing and settlement capabilities.

The platform aims to overcome the restriction of time and space and target to achieve quick onshore and offshore fund transfer in a fast and convenient way and at low costs. As a result, its entire payment process is more convenient and efficient than traditional cross-border fund transfer options. The platform is able to record transaction information including fund sources, use of funds, payment route, etc and the recorded information can be retrieved by relevant users online.

經營業務回顧及前景 (續)

國際商業結算 (續)

NGSN平台致力於為亞洲、歐洲、非洲等地區內「一帶一路」的沿線國家建設快捷的金融清算通道，同時為多邊貿易提供便捷的金融服務。通過接入NGSN可以打通目標地區與全球金融機構匯劃渠道，為公、私客戶提供更具效率的金融服務；協助目標客戶整合資源，接入其他友好合作銀行，實現資金的快速、安全劃撥。亦可與目標客戶共同促進其包括支付、清結算等金融基礎設施安全快速發展，增強目標地區的金融服務能力，通過多種貨幣實現經濟貿易穩定增長，建設具有穩健資金清結算能力的金融基礎設施。

平台旨在擺脫時間和空間的限制，能夠快捷方便且低成本的實現境內外資金的快速轉移，整個支付過程較傳統的跨境資金轉移更加便捷有效。平台可以記錄包含資金來源、資金用途、支付路徑等交易信息，且相關用戶可在線檢索所記錄的信息。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

International Business Settlement (Continued)

The Group has reorganized the management team with a view to developing NGSN, and employed experts and technical staff to support the development, seeking alternative model to develop the platform. The global business and economic activities have been severely attacked by the novel coronavirus epidemic, directly hindering the development of NGSN. During the period, the Company continues to maintain communication with all our existing partners, aiming to reach more in-depth and comprehensive cooperation agreements with potential cooperative banks and financial institutions, and continues to be committed to attracting more banks and enterprises to join NGSN, so as to bring its advantages into full play, accelerate monetary circulation and improve economic circulation efficiency, with a view to accelerate market liquidity, boost market confidence and enable sustainable development. The Company successively initiated communication and cooperation with countries in Asia, Europe, Africa and other regions to seek further development, thus laying a foundation upon which NGSN can be deployed globally.

Liuzhou Zhenghe (property development and hotel business segment)

Zhenghe City is a mix-used complex project located at No. 102, Xinliu Avenue, Liudong New District, Liuzhou, Guangxi Zhuang Autonomous Region, the PRC, which offers a wide range of properties, including villas, townhouses, commercial buildings, office buildings, hotels and high-rise apartments developed by Liuzhou Zhenghe.

Zhenghe City comprises two phases with Phase I providing a stack of residential and commercial properties with gross floor area of approximately 480,000 square meters. Phase II will provide another stack of residential and commercial properties with a total gross floor area of approximately 511,000 square meters. Both Phase I and Phase II have commenced construction and are under development. The Group owned 100% interest in properties held for development and properties held for sale in both Phase I and Phase II.

經營業務回顧及前景 (續)

國際商業結算 (續)

本集團已重組管理團隊以發展NGSN，並聘用專業人士及技術員工以支持該發展，尋求替代模式以發展該平台。全球業務及經濟活動受到新冠病毒疫情的嚴重衝擊，直接阻礙NGSN的發展。本期間本公司繼續與現有合作方保持溝通，希望能夠與潛在合作銀行及金融機構達成更加深入及全面的合作協議，並繼續致力於吸引更多的銀行和企業加入NGSN，發揮其優勢，加速貨幣流通和經濟流動效率，加快市場流動性，提振市場信心，使之得以持續發展，並陸續與亞洲、歐洲、非洲等地區的國家溝通合作，謀求進一步的發展，為NGSN的全球部署奠定基礎。

柳州正和 (物業發展及酒店業務分類)

正和城為混合多功能綜合項目，位於中國廣西壯族自治區柳州市柳東新區新柳大道102號，提供多種不同類型物業，包括由柳州正和所開發的別墅、聯排屋、商業大樓、辦公大樓、酒店及高層公寓。

正和城由兩期構成，一期提供多種建築面積約480,000平方米之住宅及商業物業。二期將另外提供多種住宅及商業物業，總建築面積約為511,000平方米。一期與二期均已開始施工及在開發中。本集團全資擁有一期及二期持作發展物業及待售物業。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

Liuzhou Zhenghe (property development and hotel business segment) (Continued)

(a) Detail area of the properties under development and completed properties are as follows:

經營業務回顧及前景 (續)

柳州正和(物業發展及酒店業務分類)(續)

(a) 發展中物業及已竣工物業的面積詳情如下:

| | Site area | Approximate gross floor area | Saleable area remaining unsold | Completed area of properties held for self-operating/ own use |
|---------------|-----------------|------------------------------|--------------------------------------|---|
| | 地盤面積 | 概約建築面積 | 尚未出售的可出售面積 | 持作自營/自用的已竣工物業面積 |
| | (sq.m) (平方米) | (sq.m) (平方米) | (note 2) (附註2) (sq.m) (平方米) | (sq.m) (平方米) |
| Phase I: 一期: | | | | |
| Zone A A區 | 76,000 | 97,000 | 21,000 | 8,000 |
| Zone B B區 | 94,000 | 128,000 | 26,000 | — |
| Zone C C區 | 61,000 | 255,000 | 125,000 | — |
| | 231,000 | 480,000 | 172,000 | 8,000 |
| Phase II: 二期: | | | | |
| Zone D D區 | 71,000 | 191,000 | 44,000 | — |
| Zone E E區 | 30,000 | 142,000 | 87,000 | 31,000 |
| Zone F F區 | 41,000 | 178,000 | 108,000 | — |
| | 142,000 | 511,000 | 239,000 | 31,000 |
| Total: 總計: | 373,000 | 991,000 | 411,000 | 39,000 |

Note 1: The number of square meters ("sq.m") are rounded to nearest thousand for illustrative purpose only.

Note 2: Representing the gross floor area under development and saleable gross floor area of completed properties that were unsold as at 30 September 2020.

附註1: 平方米(「平方米」)數字乃約整至最接近的千位數,僅作說明用途。

附註2: 即於二零二零年九月三十日發展中建築面積及已竣工但尚未出售的物業的可出售建築面積。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

經營業務回顧及前景 (續)

Liuzhou Zhenghe (property development and hotel business segment) (Continued)

柳州正和(物業發展及酒店業務分類)(續)

(b) The progress of each phase in Zhenghe City are shown as follows:

(b) 正和城各期項目進程呈列如下：

| | Property type 物業類型 | Status 狀況 |
|-----------------|--|--|
| Phase I: | | |
| 一期： | | |
| Zone A A區 | Villas and high-rise apartment buildings with retail outlets and car parking spaces 別墅及高層公寓(帶有零售店舖及停車位) | The construction works were completed and most of the residential units were sold in the past financial years. Approximately 8,000 square meters car parking spaces in this zone were held for self-operating to generate stable recurring income. Hence classify as the Group's property, plant and equipment. 建築工程已於過往財政年度竣工且大部分住宅單位已出售。本區約8,000平方米停車位持作自營，以產生穩定的經常性收入。因此分類為本集團物業、廠房及設備。 |
| Zone B B區 | Villas and high-rise apartment buildings with retail outlets and car parking spaces 別墅及高層公寓(帶有零售店舖及停車位) | The construction works were completed and most of the residential units were sold in the past financial years. Car parking spaces with a total saleable area of approximately 17,000 square meters are held for sale. 建築工程已於過往財政年度竣工且大部分住宅單位已出售。總可出售面積約為17,000平方米的停車位乃持作出售。 |
| Zone C C區 | Residential and commercial complexes and studio/office buildings with retail outlets and car parking spaces 住宅及商業綜合樓及工作室／辦公大樓(帶有零售店舖及停車位) | There are 7 blocks of residential and commercial complexes and 3 blocks of studio/office buildings in this zone. 本區有7幢住宅及商業綜合樓以及3幢工作室／辦公大樓。 The construction works of 7 blocks of residential and commercial complexes and 2 of 3 blocks of studio/office buildings in this zone were completed and most of the units were sold in the past financial years. 本區7幢住宅及商業綜合樓以及3幢工作室／辦公大樓中的2幢的建築工程已於過往財政年度竣工且大部分單位已出售。 The construction works of the remaining 1 block of studio/office building is in progress. The pre-sale permits were granted and acceptance certificates of completion are expected to be granted in beginning of 2021. 餘下1幢工作室／辦公大樓的建築工程仍處於建設中。預售許可證已授出而工程竣工驗收證書預計將於二零二一年年初授出。 |

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

經營業務回顧及前景 (續)

Liuzhou Zhenghe (property development and hotel business segment) (Continued)

柳州正和(物業發展及酒店業務分類)(續)

(b) The progress of each phase in Zhenghe City are shown as follows: (Continued)

(b) 正和城各期項目進程呈列如下：(續)

| | Property type 物業類型 | Status 狀況 |
|------------------|--|--|
| Phase II: | | |
| 二期: | | |
| Zone D1 D1區 | Villas 別墅 | The construction works of the villas were completed. 16 villas with a total saleable area of approximately 8,000 square meters were sold to the customers and revenue was recognised in the previously financial year. 別墅的建築工程已竣工。總可出售面積約為8,000平方米的16幢別墅已出售予客戶且收入已於上個財政年度確認。 |
| Zone D1 D1區 | High-rise apartment buildings with retail outlets and car parking spaces 高層公寓(帶有零售店舖及停車位) | There are 5 blocks of high-rise apartment buildings in this zone. The construction works of these 5 blocks of high-rise apartment buildings were completed and most of the units were sold in the past financial years. Car parking spaces with a total saleable area of approximately 43,000 square meters are held for sale. 本區有5棟高層公寓。該等5幢高層公寓的建築工程已竣工且大部分單位已於過往財政年度出售。總可出售面積約為43,000平方米的停車位乃持作出售。 |

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

經營業務回顧及前景 (續)

Liuzhou Zhenghe (property development and hotel business segment) (Continued)

柳州正和(物業發展及酒店業務分類)(續)

(b) The progress of each phase in Zhenghe City are shown as follows: (Continued)

(b) 正和城各期項目進程呈列如下:(續)

| | Property type 物業類型 | Status 狀況 |
|-------------------------|---|--|
| Phase II: 二期: | | |
| Zone D2 D2區 | Villas 別墅 | The construction works of the villas were completed. 8 villas with a total saleable area of approximately 5,000 square meters were sold to the customers and revenue was recognised in the last financial year. 別墅的建築工程已竣工。總可出售面積約為5,000平方米的8幢別墅已出售予客戶且收入已於上個財政年度確認。 |
| Zone E E區 | Hotel and high-rise apartment buildings with retail outlets and car parking spaces 酒店及高層公寓(帶有零售店舖及停車位) | The construction works of high-rise apartment buildings were completed and most of the units were sold in the last financial year. Retail outlets attached to this apartment building with a total saleable area of approximately 33,000 square meters are held for sale. 高層公寓的建築工程已於上個財政年度竣工且大部分單位已出售。本公寓所附總可出售面積約33,000平方米的零售店舖乃持作出售。 The hotel building was under construction and the pre-sale permit was granted. The acceptance certificate of completion is expected to be obtained in first half of 2021. Previously, the Group changed its intention to operate the hotel under franchising arrangement instead of held for sale. Constructing area of approximately 31,000 square meters of the hotel building are included in property, plant and equipment. 酒店樓宇仍處於建設中及預售許可證已授出。工程竣工驗收證書預計將於二零二一年上半年取得。於上個財政年度,本集團改變其計劃以根據特許經營安排經營酒店而非持作出售。酒店樓宇在建面積約31,000平方米已計入物業、廠房及設備。 |

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

經營業務回顧及前景 (續)

Liuzhou Zhenghe (property development and hotel business segment) (Continued)

柳州正和(物業發展及酒店業務分類)(續)

(b) The progress of each phase in Zhenghe City are shown as follows: (Continued)

(b) 正和城各期項目進程呈列如下：(續)

| | Property type 物業類型 | Status 狀況 |
|------------------|---|--|
| Phase II: | | |
| 二期: | | |
| Zone F F區 | Residential and commercial complexes with retail outlets and car parking spaces 住宅及商業綜合樓(帶有零售店舖及停車位) | <p>There are 6 blocks of residential and commercial complexes in this zone. 本區有6幢住宅及商業綜合樓。</p> <p>The construction works of 3 blocks of residential and commercial complexes were completed and most of the units were sold in the past financial years. 3幢住宅及商業綜合樓的建築工程已竣工且大部分單位已於過往財政年度出售。</p> <p>The construction works of the remaining 3 blocks of residential and commercial complexes are in progress and pre-sale permits were granted. The acceptance certificates of completion are expected to be obtained in second half of 2021. 餘下3幢住宅及商業綜合樓的建築工程仍處於建設中且預售許可證已授出。工程竣工驗收證書預計將於二零二一年下半年取得。</p> <p>Retail outlets attached to 3 blocks of building with area of approximately 5,000 square meters was sold to customers and revenue was recognised in the last financial year. 3幢樓宇所附面積約5,000平方米的零售店舖已出售予客戶且收入已於上個財政年度確認。</p> |

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

Liuzhou Zhenghe (property development and hotel business segment) (Continued)

- (i) For property development segment in Liuzhou Zhenghe, an area of approximately 140 square meters (2019: 25,000 square meters) was sold and generated a segment revenue of approximately HK\$990,000 for the reporting period (2019: HK\$270,830,000). A segment loss of approximately HK\$18,754,000 was recorded for the reporting period (2019: profit of HK\$38,071,000). The significant drop in sales figures and segment loss recorded in the reporting period was mainly due to no buildings were completed and delivered to the customers due to temporary suspend of construction works by outbreak of COVID-19 in 2020.

An external expert was engaged to help to assess the fair value of the properties development project as at 30 September 2020. For those properties which had completed the construction work and were held for sale, a market comparison method by making reference to comparable sales transactions as available in the relevant market was used. For those properties still under construction, the value was derived by using a market comparison method with the assumption that the construction works of the properties would have been completed at the date of valuation and have taken into account the construction costs expected and costs that will be expended to complete the development. No impairment loss is required for the period ended 30 September 2020 as the net realisable value is higher than carrying amount.

Liuzhou Zhenghe will continue to develop the Phase II of Zhenghe City and the Group is actively looking for other property development opportunities in Guangxi or other provinces in the PRC.

經營業務回顧及前景 (續)

柳州正和(物業發展及酒店業務分類)(續)

- (i) 柳州正和物業發展分類已售出約140平方米(二零一九年:25,000平方米)的面積,並於報告期間產生分類收入約990,000港元(二零一九年:270,830,000港元)。於報告期間錄得分類虧損約18,754,000港元(二零一九年:溢利38,071,000港元)。報告期間錄得銷售額的大幅下降及分類虧損主要是由於二零二零年爆發的COVID-19疫情致使建築工程暫停,故並無樓宇竣工並交付予客戶。

外部專家已獲委任以協助評估物業開發項目於二零二零年九月三十日的公允值。已就已竣工及待售的物業使用參考相關市場上可得的可比較銷售交易的市場比較法。在建物業的價值乃使用市場比較法得出,當中假設物業的建築工程已於估值日期竣工,並計及預計建築成本及為完成開發將支銷的成本。由於可變現淨值高於賬面值,截至二零二零年九月三十日止期間毋須作出減值虧損。

柳州正和將繼續開發正和城二期且本集團正於廣西或中國其他省份積極尋找其他物業發展機會。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

Liuzhou Zhenghe (property development and hotel business segment) (Continued)

- (ii) The hotel business is located in Zone E1 of Zhenghe City with gross floor area of approximately 31,000 square meters. In 2018, the Group entered into a franchising agreement with a well-known international hotel franchisee to operate the hotel under the franchising requested standards. The construction and renovation works of the hotel building are still in progress and no revenue will be generated until commencement of operation of the hotel in 2021.

Financial services

A wholly foreign owned enterprise (the “WFOE”) in the China (Shanghai) Pilot Free Trade Zone was established by the Group to carry out financing business in China with a total registered capital of USD35 million (approximately RMB225 million). The scope of business of the WFOE includes finance leasing, leasing, purchasing of leased assets in domestic and foreign markets, disposal of residual value and maintenance of leased assets, provision of consultation and guarantees for lease transactions and engaging in commercial factoring business.

經營業務回顧及前景 (續)

柳州正和 (物業發展及酒店業務分類) (續)

- (ii) 酒店業務位於正和城E1區，建築面積約為31,000平方米。於二零一八年，本集團與國際知名酒店特許經營商訂立特許經營協議，根據特許經營規定標準經營酒店。酒店樓宇的建設及裝修工程仍在進行中且並不會產生收入直至酒店於二零二一年開始營運為止。

融資服務

本集團於中國（上海）自由貿易試驗區成立外商獨資企業（「外商獨資企業」），以在中國開展融資業務，註冊資本總額為35,000,000美元（約人民幣225,000,000元）。外商獨資企業經營範圍包括融資租賃、租賃、於國內外市場購買租賃資產、租賃資產之殘值處理及維修、提供租賃交易諮詢和擔保以及從事商業保理業務。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

Financial services (Continued)

Starting from 2018, the financial services business was affected significantly in view of the challenging business environment in China. In the factoring business, our clients experienced a severe adversity in this tough business environment in China and have failed to pay interest payment since 2018, the debts were matured and past due in July 2019 with no progress for recover of any amount in arrears from these receivables. In the last financial year, after assessment of the recoverability of the debt, including the borrowers not responding to our demand notice of repayment, no further updated financial information were provided by the borrowers, and also the Company notice that one of the borrowers was deregistered in 2019 and another borrower is in the process of deregistration through searching corporate status. In light of above indicators, the factoring receivables have been fully impaired by the Company as at 31 March 2020. During the reporting period, there have been no progress on recovery of the debts. Through searching of corporation information, it has also come to the attention of the Company that one more borrower was in the process of deregistration. As such, amounted to HK\$36,498,000 receivables from two borrowers were derecognised during the period.

In respect of the loan receivables (of which a plantation in Shanghai was pledged as security of repayment of the loan amount) from finance leasing of the Group which agreements were entered into in 2017. The borrower started to miss payments since December 2018. In last financial year, according to the PRC independent qualified valuer, Beijing North Asia Asset Assessment Company (“北京北方亞事資產評估事務所”), engaged by the Group, the fair value of the plantation collaterals was approximately RMB134,096,000 as at 31 March 2020. As the Company does not have the expertise in running and operating the plantation, the Company does not plan to take possession of the plantation. At the same time, due to the downturn of the economy, the budget on greenery projects of the potential purchasers was not as large as before when the business was doing well, and so there would be a decline in potential purchasers for plantation. With the outbreak of COVID-19, economy in China (and worldwide) has slowed down further. The Company believes that the recoverability of the pledged assets in connection with the finance leasing business would be adversely impacted. As such, a significant impairment loss of HK\$58,227,000 on loan receivables was made in last financial year.

經營業務回顧及前景 (續)

融資服務 (續)

鑒於中國充滿挑戰的營商環境，自二零一八年開始金融服務業務受到重大影響。就保理業務而言，我們的客戶在中國嚴峻的營商環境下歷經嚴酷險境，且自二零一八年起未能繳付利息付款，債務於二零一九年七月到期及逾期，而收回該等應收賬項之任何欠款並無進展。在上個財政年度，於評估債務的可收回性後，包括借款人未對我們的還款通知要求作出回應、借款人再無提供更新的財務資料，以及本公司亦透過搜尋企業狀況發現其中一名借款人已於二零一九年取消註冊，而另一名借款人亦處於取消註冊過程中。鑒於上述指標，應收保理款項已於二零二零年三月三十一日由本公司全額減值。於報告期內，收回該等債務並無進展。透過搜尋企業資料，本公司亦留意到另有一名借款人處於取消註冊過程中。因此，應收兩名借款人款項36,498,000港元於期內終止確認。

就來自二零一七年所訂立協議之本集團融資租賃的應收貸款（其中上海的一個種植園被抵押作為償還貸款金額的擔保）而言，借款人於二零一八年十二月開始即未能還款。在上個財政年度，根據本集團聘請的中國獨立合資格估值師北京北方亞事資產評估事務所作出的估值，該種植園抵押品於二零二零年三月三十一日的公允值約為人民幣134,096,000元。由於本公司不具備運作和經營種植園的專業知識，本公司不打算接手該種植園。同時，由於下行的經濟態勢，潛在買家的種植物產品預算規模不如以往業務發展暢旺之時，因而種植園的潛在買家會有所下滑。鑒於COVID-19疫情的爆發，中國（乃至全球）經濟已進一步放緩。本公司認為有關融資租賃業務的已抵押資產的可收回性將受到不利影響。因此，已於上個財政年度就應收貸款計提重大減值虧損58,227,000港元。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

Financial services (Continued)

During the reporting period, there had been no progress of repayment from receivable and the adverse impact brought by economic downturn still exist. In order to safeguard the interest of the Company, the Company visit the plantation site and perform stock take for collaterals to make sure the collaterals are in good condition and also keep track of the selling record of the planation. An independent qualified valuer, also engaged by the Group to assess the recoverability of loan receivable. After assessment, further impairment loss of HK\$1,747,000 on loan receivable was made in reporting period after considering the credit risk of the borrowers and realizable value of collaterals.

The Company adopted the model of expected credit loss ("ECL") under HKFRS 9 Financial Instrument ("HKFRS 9") in determining the amount of the impairments of loan receivables ("Impairments"). HKFRS 9 outlines a "three-stage" model for impairment based on changes in credit quality since initial recognition summarized below:

- a. Stage 1: As soon as a financial instrument is originated or purchased, 12-month expected credit losses are recognized in profit or loss and a loss allowance is established. This serves as a proxy for the initial expectations of credit losses. For financial assets, interest revenue is calculated on the gross carrying amount (i.e. without adjustment for expected credit losses).
- a. 一級：一旦產生或購買金融工具，12個月之預期信貸虧損於損益表內確認且作出虧損撥備。其旨在代替信貸虧損的初始預期。就金融資產而言，利息收入按總賬面值計算（即未就預期信貸虧損作出調整）。
- b. Stage 2: If the credit risk increases significantly and the resulting credit quality is not considered to be low credit risk, full lifetime expected credit losses are recognized. Lifetime expected credit losses are only recognized if the credit risk increases significantly from when the entity originates or purchases the financial instrument. The calculation of interest revenue on financial assets remains the same as for stage 1.
- b. 二級：倘信貸風險大幅增加且並由此導致信貸質素不被認為具低信貸風險時，確認全期預期信貸虧損。全期預期信貸虧損僅當自實體產生或購買金融工具以來信貸風險大幅增加時，方予以確認。金融資產產利息收入之計算方法與一級相同。

經營業務回顧及前景 (續)

融資服務 (續)

於報告期內，應收賬項還款並無進展，且經濟下行帶來的不利影響仍舊存在。為保障本公司利益，本公司走訪該種植園並就抵押品進行盤點，以確保抵押品狀況良好，並追蹤種植園的銷售記錄。本集團亦委任獨立合資格估值師以評估應收貸款的可收回性。於評估後，在考量借款人的信貸風險及抵押品可變現價值後，已於報告期就應收貸款計提進一步減值虧損1,747,000港元。

本公司在釐定應收貸款減值（「減值」）金額時採用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」）項下的預期信貸虧損（「預期信貸虧損」）模式。基於自初始確認以來信貸質素的變化，香港財務報告準則第9號勾勒了一個「三級」減值模型，概述如下：

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

經營業務回顧及前景 (續)

Financial services (Continued)

融資服務 (續)

c. Stage 3: If the credit risk of a financial asset increases to the point that it is considered credit-impaired, interest revenue is calculated based on the amortized cost (i.e. the gross carrying amount adjusted for the loss allowance). Financial assets in this stage will generally be individually assessed. Lifetime expected credit losses are still recognized on these financial assets.

c. 三級：當金融資產之信貸風險增加至其被視為信貸減值的點時，利息收入根據攤銷成本（即經虧損撥備調整後的總賬面值）計算。此級內的金融資產一般會分開評估。全期預期信貸虧損仍會就該等金融資產確認。

As the borrowers failed to pay any of the receivables due a year ago and without any future repayment schedule, the ECL was measured on a lifetime basis (Stage 3).

由於借款人一年前已未能支付任何到期應收賬項，且未提供任何未來還款時間表，因此預期信貸虧損乃按全期基準（三級）計量。

The Company has engaged Valtech Valuation Advisory Limited to issue valuation report on the Impairments. The model of ECL under HKFRS 9 was used by the valuer as the valuation methodology. The formula of calculating the ECL is as follows:

本公司已聘用方程評估有限公司就減值出具估值報告。估值師應用香港財務報告準則第9號項下的預期信貸虧損模型作為估值方法。預期信貸虧損的計算公式如下：

$ECL = EAD \times PD \times LGD \times \text{Discount Factor}$

預期信貸虧損 = $EAD \times PD \times LGD \times \text{貼現系數}$

“EAD” being exposure at default;

「EAD」指違約風險敞口；

“PD” being probability of default;

「PD」指違約的概率；

“LGD” being loss given default; and

「LGD」指違約情況下的損失；及

“Discount Factor” being factor to discount the expected credit loss to present value.

「貼現系數」指將預期信貸虧損貼現為現值的系數。

Key assumption applied for the valuation includes categorising the loan receivables as Stage 3. As the borrowers failed to pay any of the receivables as at the valuation date and without any future repayment schedule, PD is set to be 100%. Based on the financial information of the borrowers provided, credit assessment has been performed and general recovery has been applied. As such, LGD of approximately 64% has been assigned. The Discount Factor is ranged from 0.77 to 0.78.

估值所採用的主要假設包括將應收貸款分類為三級。由於借款人截至估值日期未能支付任何應收賬項，且未提供任何未來還款時間表，故PD設定為100%。根據借款人提供的財務資料進行信貸評估並已應用一般收回預期。因此，LGD設定為約64%。貼現系數介乎0.77至0.78。

The Board is of the view that the Impairments are fair and reasonable.

董事會認為減值乃屬公平合理。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

Financial services (Continued)

This segment recorded approximately HK\$145,000 interest income (2019: HK\$3,516,000) as revenue and the segment loss was approximately HK\$3,051,000 (2019: segment loss of HK\$24,489,000) for the reporting period. The substantial segment loss in previously period was mainly due to the impairment loss of HK\$23,634,000 being made for the factoring receivables after credit evaluations.

The carrying amount of loan receivables arising from financing segment were at HK\$73,110,000 after deducting accumulated allowance of impairment loss of HK\$67,186,000 for the reporting period. The carrying amount of factoring receivables were at nil after deducting derecognition of HK\$36,498,000 and accumulated allowance of impairment of HK\$93,121,000 for the reporting period.

The Group did not make any new loan during the reporting period. The Group adhered to a prudent risk management policy, with this segment continuously carrying out rigorous and regular review of credit risk over all the existing and new finance leasing clients. The Group will continue to adopt a careful and prudent credit risk management strategy and closely monitored recoverability to ensure prompt follow-up action is taken to receive any overdue debt.

經營業務回顧及前景 (續)

融資服務 (續)

於報告期內，本分類錄得利息收入約145,000港元（二零一九年：3,516,000港元）作為收入及分類虧損約3,051,000港元（二零一九年：分類虧損24,489,000港元）。過往期間之重大分類虧損乃主要由於經信貸評估後，已就應收保理款項計提減值虧損23,634,000港元。

經扣除報告期內累計減值虧損撥備67,186,000港元後，來自融資分類的應收貸款的賬面值為73,110,000港元。經扣除報告期內已終止確認36,498,000港元及累計減值撥備93,121,000港元後，應收保理款項賬面值為零。

於報告期內，本集團概無提供任何新貸款。本集團堅持審慎的風險管理政策，本分類不斷對所有現有及新融資租賃客戶進行嚴格及定期的信貸風險審查。本集團將繼續採取仔細而審慎的信貸風險管理策略，並密切監察可收回性，以確保採取迅速的跟進行動以收取任何逾期債務。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

Contact lenses business in Fujian

Fujian Unicon Optical Co., Ltd (“Fujian Unicon”), jointly established by the Group and Taiwan Unicon Optical Co., Ltd. (“TW Unicon”, a company incorporated in Taiwan with limited liability and listed on the Emerging Stock Board of Taipei Exchange (台灣興櫃市場) (Stock code: 4150)) acquired a land parcel with a site area of 80 mu in Mawei District, Fuzhou for the construction of the plant in January 2020. The construction works of the plant was commenced in the mid-2020 and the main structure construction of the civil engineering, accounting for approximately 50% of the total construction of the civil engineering, of the comprehensive plant has been completed, which was line with the expected construction progress. The procurement of production equipment has also been commenced and deposit for equipment of approximately HK\$227,486,000 has been paid as at the end of the reporting period. The construction of plant infrastructure (including the construction of GMP clean room) is targeted to be completed by the beginning of 2021 and expect that the plant will be put into production successively in the mid-2021.

During the period, according to the Catalogue for Class III Medical Devices Exempt from Clinical Trials, issued by the China Food and Drug Administration (國家食品藥品監督管理總局), Fujian Unicon is exempt from clinical trials for its soft contact lens by ways of comparison. Fujian Unicon has selected five products in line with the market of Mainland China from the 28 products of TW Unicon which have obtained licenses in the PRC for development and production. The registration of the five products is now under progress and the registration certificates of products are expected to be obtained at the end of next year. In addition, as for new products, Fujian Unicon has obtained the authorization for six major product categories with the latest technologies on the market from TW Unicon, and conducted document verification on the development progress of these six major product categories and the establishment of documentation and experimental data required for future product verification, so as to prepare in advance for the document and data required by the PRC drug administration and examining authority. The registration certificates of products are expected to be obtained in 2023 and the application for invention patents of relevant products is under progress at the same time.

經營業務回顧及前景 (續)

福建隱形眼鏡業務

本集團與台灣優你康光學股份有限公司(「台灣優你康」·一家於台灣註冊成立及在台灣興櫃市場掛牌交易的有限公司(股份代號:4150))合作成立的福建優你康光學有限公司(「福建優你康」)於二零二零年一月福建優你康於福州馬尾區取得一塊面積80畝的土地作為建設廠房基地。廠房建設工程已於2020年中展開並完成綜合廠房土建部分主體結構工程,約占土建部分總體施工量的50%,工程進度與預期進度一致。採購生產設備亦展開,截止報告期末已支付約227,486,000港元的設備訂金款項。目標為二零二一年年初前完成廠房基礎建設(含GMP無塵室建造),希望於二零二一年年中陸續投入生產。

期內,福建優你康依據國家食品藥品監督管理總局發佈之免於進行臨床試驗的第三類醫療器械目錄,軟式接觸鏡(軟式隱形眼鏡),可經由比對免於進行臨床試驗。福建優你康從台灣優你康已取得國內證照28項產品進行篩選出符合中國內地市場的五項產品進行開發生產,現階段進行註冊申報工作,預期在下半年末取得產品註冊證。此外,新產品方面,福建優你康已經取得台灣優你康授權市面上最新技術之六大類產品授權,並且對於六大產品項目展開產品開發進度文件核定及未來產品驗證所需文件及實驗數據之建立,提前佈局中國藥監審查單位所需各項文件及數據,希望於二零二三年取得產品註冊證,產品相關發明專利申報工作也正在同步開展中。

Management Discussion and Analysis

管理層討論及分析

Review of operations and prospect (Continued)

Contact lenses business in Fujian (Continued)

Fujian Unicon has successfully obtained the domestic medical device sales permit in March 2020 and to ensure smooth application, relevant warehouse and quality control personnel have been arranged and relevant software suitable for medical equipment has been developed. The re-export business of contact lenses has commenced during the period, and recorded a relatively low sales revenue of HK\$287,000 as it was still in its initial stage. The sales business may help us to enter the domestic market, establish sales channels and better understand the PRC market, thus laying a solid foundation for the successive release of production capacity in 2021. This segment recorded a loss of HK\$11,309,000 during the period. The major expenses in this segment were staff costs and the sample research and development expenses and registration fees incurred for obtaining the products registration certificates.

Other operations

During the reporting period, no revenue was generated from provision of consultancy services and operation of e-commerce platforms. In order to improve the Group's resources allocation, the Group decided to put its resources to other segments in the future.

The 27% effective equity interest in the gold mine in the Republic of Kyrgyz was fully impaired in previous year. The construction of mining plants and other infrastructure is completed in 2019 and the mining production has commenced. As the mining production just commenced in the second half of 2019, the operation is still loss making. The Company's shareholding in the gold mine had been pledged to secure a bank loan borrowed by the mining company to finance its operation.

經營業務回顧及前景 (續)

福建隱形眼鏡業務 (續)

福建優你康順利在今年三月獲得國內醫療器械銷售許可證，並為達到申請許可佈置相關倉庫、品質負責人員、建立符合醫療器械之相關軟體。於期內隱形眼鏡開始轉口銷售業務，因處於起步階段，錄得較低的銷售收入287,000港元。銷售業務可開通國內市場，建立銷售管道，對於中國市場深入學習開發，為二零二一年產能陸續開出來鋪路。期內逐分類錄得虧損11,309,000港元。主要開支為該分類的員工成本以及為取得產品註冊證的相關樣品研發費用及註冊費用。

其他經營業務

於報告期間，提供顧問服務及營運電子商務平台概無產生收入。為改善本集團的資源分配，本集團決定日後將其資源分配予其他分類。

於位於吉爾吉斯共和國的金礦的27%實際股權在上年悉數減值。採礦場及其他基礎設施的建設工程已於二零一九年竣工，且採礦已開始。由於採礦僅於二零一九年下半年開始，該業務營運現仍錄得虧損。本公司於金礦的股權已獲質押，為礦業公司借入的銀行貸款提供擔保，以為其運營提供資金。

Management Discussion and Analysis

管理層討論及分析

Events after reporting date

There are no material subsequent events undertaken by the Group after the reporting period.

Future plans for material investments

In July 2019, the Group entered into a subscription agreement (the "Subscription Agreement") with independent parties pursuant to which the Group has conditionally agreed to subscribe for 5 new ordinary shares, which represent approximately 5.56% of the enlarged issued share capital of Bronzelink Holding Limited ("Bronzelink") for a subscription price of USD50,000,000 (equivalent to approximately HK\$392,805,000). Bronzelink is an investment holding company which hold 75% of Global-IP Cayman which is principally engaged in providing high capacity Ka-band satellite-enabled internet network services, exclusively dedicated to the emerging markets in Sub-Saharan Africa. After the completion, Bronzelink shall also procure granting an exclusive right to the Group to sell or to sub-license not less than 50Gbps bandwidth which is around 1/3 of the total bandwidth available from the satellite to the Group and, in connection with such sale or sublicense, entitle the Group to a payment in the amount of not less than 5% of the gross selling price payable by each of the customers of such 50Gbps bandwidth.

Due to the COVID-19 outbreak in most part of the world, travel restrictions and social distancing policies resulted in additional time being required for fulfilment of certain conditions precedent to the Subscription Agreement. Parties have agreed to further extend the long stop date of the Subscription Agreement to 31 December 2020. During the reporting period, no progress has been made due to the COVID-19 outbreak remains globally.

Material acquisition and disposals of subsidiaries and associated companies

There was no material acquisitions and disposal of subsidiaries and associated companies during the reporting period.

報告日期後事項

於報告期後，本集團並無進行任何重大期後事件。

重大投資的未來計劃

於二零一九年七月，本集團與獨立第三方訂立認購協議（「認購協議」），據此，本集團已有條件同意按認購價50,000,000美元（相當於約392,805,000港元）認購5股新普通股（佔Bronzelink Holding Limited（「Bronzelink」）經擴大已發行股本約5.56%）。Bronzelink為投資控股公司，持有Global-IP Cayman 75%股權，Global-IP Cayman主要從事提供高功率Ka頻段帶寬衛星互聯網絡服務，供撒哈拉以南非洲的新興市場專用。完成後，Bronzelink亦將促使向本集團授出獨家權利以出售或再許可不低於50Gbps的帶寬（為通過衛星可獲得的總帶寬的約1/3），且就有關出售或再許可而言，賦予本集團權利收取金額不低於該50Gbps帶寬各名客戶應付售價總額5%的付款。

由於全球大部分地區爆發COVID-19疫情，外遊限制和社交隔離政策導致需要額外時間達成認購協議項下之若干先決條件。訂約方已同意再延長認購協議的最後完成日期至二零二零年十二月三十一日。於報告期間，由於COVID-19疫情仍在全球爆發，因此並無取得任何進展。

重大收購以及出售附屬公司及聯營公司

於報告期間並無發生重大收購以及出售附屬公司及聯營公司事項。

Management Discussion and Analysis

管理層討論及分析

Financial Review

Finance position, liquidity and gearing

As at 30 September 2020, the total assets and liabilities of the Group were at approximately HK\$3,089,276,000 (31 March 2020: HK\$2,973,927,000) and approximately HK\$2,148,432,000 (31 March 2020: HK\$1,994,601,000), respectively. The Group recorded a total equity of approximately HK\$940,844,000 as at 30 September 2020 (31 March 2020: HK\$979,326,000).

The Group recorded net current assets of approximately HK\$425,141,000 as at 30 September 2020 (31 March 2020: HK\$480,100,000). The bank balances and cash as at 30 September 2020 was approximately HK\$660,348,000 (31 March 2020: HK\$710,845,000), of which most were denominated in US dollars, Hong Kong dollars and Renminbi.

The Group's current ratio (defined as current assets divided by current liabilities) was 1.21 (31 March 2020: 1.25).

As at 30 September 2020, the Group had total borrowing amounted to approximately HK\$723,751,000 (31 March 2020: HK\$699,173,000) which were denominated in Renminbi. The breakdowns are as follows:

- (i) Secured bank and other borrowings amounted to approximately HK\$639,462,000 (31 March 2020: HK\$612,773,000) with effective interest rates in the ranges of 5% to 12%;
- (ii) Unsecured other borrowings amounted to approximately HK\$7,810,000 (31 March 2020: HK\$7,703,000) with fixed interest rate of 18%;
- (iii) Interest free loan due to third parties, non-controlling interests and ultimate holding company amounted to approximately HK\$755,000 (31 March 2020: HK\$745,000), approximately HK\$51,410,000 (31 March 2020: HK\$53,949,000) and approximately HK\$1,674,000 (31 March 2020: HK\$1,675,000) respectively; and

財務回顧

財務狀況、流動資金及資產負債比率

於二零二零年九月三十日，本集團之資產總值及負債總額分別約為3,089,276,000港元（二零二零年三月三十一日：2,973,927,000港元）及約2,148,432,000港元（二零二零年三月三十一日：1,994,601,000港元）。於二零二零年九月三十日，本集團錄得權益總額約940,844,000港元（二零二零年三月三十一日：979,326,000港元）。

於二零二零年九月三十日，本集團錄得流動資產淨值約425,141,000港元（二零二零年三月三十一日：480,100,000港元）。於二零二零年九月三十日，銀行結存及現金約為660,348,000港元（二零二零年三月三十一日：710,845,000港元），其中大部分以美元、港元及人民幣計值。

本集團的流動比率（界定為流動資產除以流動負債）為1.21（二零二零年三月三十一日：1.25）。

於二零二零年九月三十日，本集團之借款總額約為723,751,000港元（二零二零年三月三十一日：699,173,000港元），均以人民幣計值，明細如下：

- (i) 有抵押銀行及其他借款約為639,462,000港元（二零二零年三月三十一日：612,773,000港元），實際利率介乎5%至12%；
- (ii) 無抵押其他借款約7,810,000港元（二零二零年三月三十一日：7,703,000港元），固定利率為18%；
- (iii) 應付第三方、非控制權益及最終控股公司之免息貸款分別約為755,000港元（二零二零年三月三十一日：745,000港元）、約51,410,000港元（二零二零年三月三十一日：53,949,000港元）及約1,674,000港元（二零二零年三月三十一日：1,675,000港元）；及

Management Discussion and Analysis

管理層討論及分析

Financial Review (Continued)

Finance position, liquidity and gearing (Continued)

(iv) Interest bearing loan from non-controlling interests amounted to approximately HK\$22,640,000 (31 March 2020: HK\$22,328,000) with floating interest rate.

As at 30 September 2020, committed borrowing facilities available to the Group but not drawn amounted to approximately HK\$189,775,000 (31 March 2020: HK\$205,306,000).

The gearing ratio, as a ratio of total borrowings to total equity, as at 30 September 2020 was 0.77 (31 March 2020: 0.71).

Financial resources

During the period, the Group's operations continued to be mainly financed by internal resources, borrowings as well as proceeds raised from equity financing exercise in December 2016. The management believes that the Group will generate its liquidity from business operations and will consider making use of further equity financing when necessary.

Use of proceeds from fund raising activities

In December 2016, the Company placed up to 1,280,000,000 new ordinary shares at a price of HK\$1.25 per ordinary share (the "Placing"). The net proceeds raised were approximately HK\$1,587,200,000 and as at 30 September 2020, the total unutilised net proceeds were approximately HK\$648,600,000.

Due to the development of NGSN is slower than expected, the Group believed it would be in the interests of the Company and its shareholders to re-allocate the intended use of the un-utilised proceeds from the Placing to segments where revenue can be generated sooner.

財務回顧 (續)

財務狀況、流動資金及資產負債比率 (續)

(iv) 來自非控制權益的按浮動利率計息的貸款約為22,640,000港元(二零二零年三月三十一日: 22,328,000港元)。

於二零二零年九月三十日,本集團可獲得但尚未提取的已承諾借款融資約為189,775,000港元(二零二零年三月三十一日: 205,306,000港元)。

於二零二零年九月三十日,資產負債比率(即借款總額與權益總額之比例)為0.77(二零二零年三月三十一日: 0.71)。

財務資源

期內,本集團主要透過內部資源、借款以及於二零一六年十二月進行股本融資所籌集之所得款項繼續為其營運提供資金。管理層認為,本集團將透過其業務營運產生流動資金,並將於必要時考慮利用進一步股本融資。

籌資活動所得款項用途

於二零一六年十二月,本公司以每股普通股1.25港元的價格配售最多1,280,000,000股新普通股(「配售」)。籌集的所得款項淨額約為1,587,200,000港元,於二零二零年九月三十日,尚未動用的所得款項淨額合共約為648,600,000港元。

由於NGSN的發展低於預期,本集團認為,重新分配來自配售的尚未動用所得款項的擬定用途至可儘快產生收入的分類符合本公司及其股東的利益。

Management Discussion and Analysis

管理層討論及分析

Financial Review (Continued)

Use of proceeds from fund raising activities (Continued)

The following table sets forth a breakdown of use of proceeds up to 30 September 2020 and the reallocation of the proceeds:

財務回顧 (續)

籌資活動所得款項用途 (續)

下表載列直至二零二零年九月三十日的有關所得款項用途明細及所得款項的重新分配：

| | Net proceeds from the Placing in December 2016 | Reallocation of the proceeds | Utilised amount 未動用款項 | | Un-utilised proceeds as at 30 September 2020 | Notes | |
|---|--|-----------------------------------|---------------------------------------|-------------------------------|--|--|-----|
| | | | up to 31 March 2020 | up to 30 September 2020 | | | |
| | 於二零一六年十二月配售所得款項淨額 HK\$ million 百萬港元 | 所得款項的重新分配 HK\$ million 百萬港元 | 直至二零二零年三月三十一日 HK\$ million 百萬港元 | 於報告期間 HK\$ million 百萬港元 | 直至二零二零年九月三十日 HK\$ million 百萬港元 | 於二零二零年九月三十日尚未動用的所得款項 HK\$ million 百萬港元 | 附註 |
| Development of the Next Generation Settlement Network: | | | | | | | |
| (i) Hardware and software | 1,111.0 | (952.5) | (49.0) | (6.1) | (55.1) | 103.4 | (a) |
| (ii) Research and development | 317.5 | (284.5) | (9.7) | - | (9.7) | 23.3 | (b) |
| Expand the settlement services through EMI license | - | 30.0 | - | - | - | 30.0 | (c) |
| Set up subsidiaries in Mid-Asia for application of payment licenses | - | 20.0 | - | - | - | 20.0 | (d) |
| General working capital | 158.7 | 134.9 | (202.3) | (22.3) | (224.6) | 69.0 | (e) |
| Potential investment opportunity in the Fintech and other industry | - | 567.6 | (164.7) | - | (164.7) | 402.9 | (f) |
| Use in financing business | - | 117.7 | (117.7) | - | (117.7) | - | |
| Repayment of loan related to the property development business | - | 366.8 | (366.8) | - | (366.8) | - | |
| | 1,587.2 | - | (910.2) | (28.4) | (938.6) | 648.6 | |

The current expected timeframe and detailed breakdown for the un-utilised proceeds is as follows:

有關尚未動用所得款項的現時預期時間表及明細詳情如下：

- | | | | |
|-----|--|-----|---|
| (a) | Approximately HK\$103,400,000 is to be applied to the hardware and software for the NGSN platform by March 2022; | (a) | 約103,400,000港元將於二零二零年三月前用於NGSN平台的硬件及軟件； |
| (b) | Approximately HK\$23,300,000 is to be applied to the research and development on the technical side of the NGSN by March 2022; | (b) | 約23,300,000港元將於二零二零年三月前用於NGSN技術方面的研發； |
| (c) | Approximately HK\$30,000,000 is to be applied to further expand the settlement services for commercial and individual customers through EMI license by March 2022; | (c) | 約30,000,000港元將於二零二零年三月前用於透過EMI許可證進一步拓展商業及個人客戶的結算服務； |

Management Discussion and Analysis

管理層討論及分析

Financial Review (Continued)

Use of proceeds from fund raising activities (Continued)

- (d) Approximately HK\$20,000,000 is to be applied to set up subsidiaries in Mid-Asia for the application of EMI license or payment licenses to provide settlement or payment services for commercial and individual customers by March 2022;
- (e) Approximately HK\$69,000,000 is to be applied to general working capital of the Group for the coming years, approximately HK\$45,000,000 for each financial year; and
- (f) Approximately HK\$392,800,000 had been earmarked for an investment in the Fintech industry for subscription of shares in Bronzelink Holdings Limited, a company engaged in providing high capacity Ka-band satellite-enabled internet network services. The subscription agreement have been extended to 31 December 2020 in view of COVID-19 outbreak in the world.

During the last financial year, the Board has decided to re-allocate approximately HK\$164,700,000 to establishment of contact lenses business. The Group believed that it would be in the interests of the Company and the Shareholders to re-allocate the un-utilised proceeds to segments where revenue can be generated sooner.

Capital structure

As at 30 September 2020, the total issued share capital of the Company was HK\$20,319,072 which is divided into 20,319,072,320 shares of ordinary shares of the Company.

Charges on assets

As at 30 September 2020, certain properties held for sale with carrying amount of approximately HK\$453,699,000 (31 March 2020: HK\$626,787,000) and certain property, plant and equipment with carrying amount of approximately HK\$158,798,000 (31 March 2020: HK\$134,540,000) respectively, were pledged to secure certain bank and other borrowings granted to the Group.

財務回顧 (續)

籌資活動所得款項用途 (續)

- (d) 約20,000,000港元將於二零二二年三月前用於在中亞成立附屬公司以申請EMI許可證或支付牌照，從而為商業及個人客戶提供結算或支付服務；
- (e) 約69,000,000港元將用於本集團未來幾年的一般營運資金，各財政年度為約45,000,000港元；及
- (f) 約392,800,000港元已劃撥作於金融科技產業的投資，以認購Bronzelink Holdings Limited（一家從事提供高功率Ka波段寬帶衛星互聯網網絡服務的公司）股份。鑒於全球的COVID-19疫情，認購協議經已延期至二零二零年十二月三十一日。

於上個財政年度，董事會已決定將約164,700,000港元重新分配至新隱形眼鏡業務的建立。本集團認為，將未動用所得款項重新分配至可較早產生收入的分類符合本公司及股東的利益。

資本結構

於二零二零年九月三十日，本公司之已發行股本總額為20,319,072港元，分為20,319,072,320股本公司普通股。

資產抵押

於二零二零年九月三十日，賬面值約為453,699,000港元（二零二零年三月三十一日：626,787,000港元）之若干待售物業及賬面值分別約為158,798,000港元（二零二零年三月三十一日：134,540,000港元）之若干物業、廠房及設備已予抵押，作為本集團所獲授若干銀行及其他借款之擔保。

Management Discussion and Analysis

管理層討論及分析

Financial Review (Continued)

Contingent liabilities

The Group had provided guarantees in respect of mortgage facilities granted by certain banks in connection with the mortgage loans entered into by purchasers of the Group's properties. Pursuant to the terms of the guarantees, if there is any default of the mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage loans together with accrued interests thereon and any penalty owed by the defaulted purchaser to banks, the Group is then entitled to take over the legal title of the related properties. The guarantee period commences from the dates of granting the relevant mortgage loans and ends after the buyer obtains the individual property ownership certificate. As at 30 September 2020, the guarantee given to banks for the above-mentioned mortgage facilities amounted to approximately HK\$954,699,000 (31 March 2020: HK\$1,074,002,000).

Foreign exchange exposure

As part of the Group's assets and liabilities are denominated in Renminbi, US dollars, Euro and Hong Kong dollars, in order to minimise the foreign exchange risk, the Group aims to utilise the fund for transactions that are denominated in the same currency.

Employment and remuneration policy

As at 30 September 2020, the Group had approximately 110 employees. The employees' salaries are reviewed and adjusted annually based on their performance and experience. The Group's employee benefits include performance bonus, medical insurance, mandatory provident fund scheme, local municipal government retirement scheme and education subsidy to encourage continuous professional development of staff.

財務回顧 (續)

或然負債

本集團就若干銀行授出之按揭融資提供擔保，該等按揭融資涉及由本集團物業買家所訂立之按揭貸款。根據擔保之條款，倘該等買家拖欠任何按揭款項，本集團須負責向銀行償還買家結欠之按揭貸款連同其應計利息及任何罰款，而本集團屆時有權接管有關物業之法定所有權。擔保期限由相關按揭貸款授出日期起計，並於買家取得個別房產證後結束。於二零二零年九月三十日，就上述之按揭融資向銀行提供之擔保約為954,699,000港元（二零二零年三月三十一日：1,074,002,000港元）。

外匯風險

本集團之部分資產與負債乃以人民幣、美元、歐元及港元列值，以將外匯風險降至最低程度，本集團旨在動用以相同貨幣列值之資金進行交易。

僱員及薪酬政策

於二零二零年九月三十日，本集團僱用約110名僱員。僱員薪金乃根據僱員之表現及經驗每年檢討及調整。本集團之僱員福利包括績效花紅、醫療保險、強制性公積金計劃、地方市政府退休計劃，以及為員工提供教育資助以鼓勵持續專業進修。

Additional Information 其他資料

Directors and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and the Associated Corporations

As at 30 September 2020, the interests and short positions of the directors and the chief executive and their associates in the shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) (a) which were required to be notified to the Company and the Stock Exchange of Hong Kong Limited (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 (b) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

Long position in shares and underlying shares of associated corporation

董事及最高行政人員於本公司及相聯法團之股份、相關股份及債券之權益及淡倉

於二零二零年九月三十日，董事及最高行政人員以及彼等之聯繫人於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份中擁有：(a)根據證券及期貨條例第XV部第7及8分部須通知本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉（包括根據證券及期貨條例之該等條文彼等被當作或視作擁有之權益或淡倉）；或(b)根據證券及期貨條例第352條須記入該條所述登記冊之權益及淡倉；或(c)根據上市公司董事進行證券交易之標準守則規定須通知本公司及聯交所之權益及淡倉如下：

於相聯法團股份及相關股份之好倉

| Name of Director 董事姓名 | Name of associated corporation 相聯法團名稱 | Personal interest 個人權益 | Number of ordinary shares (long positions) 普通股數目（好倉） | |
|--------------------------|--|---------------------------|--|--|
| | | | Total number of shares held in associated corporation 持有相聯法團之股份總數 | Approximate percentage of issued share capital of associated corporation 佔相聯法團已發行股本之概約百分比 |
| Yuen Leong 袁亮 | Long Grand Limited (Note 1) 長鴻有限公司（附註1） | Beneficial owner 實益擁有人 | 300 | 30% |

Note:

(1) Long Grand Limited is legally and beneficially owned as to 70% by Mr. Yam Yu and as to 30% by Mr. Yuen Leong. Long Grand Limited holds more than 50% of the issued share capital of the Company. Accordingly, by virtue of the SFO, (i) Long Grand Limited is an associated corporation of the Company and (ii) Mr. Yuen Leong is deemed to be interested in this associated corporation of the Company.

附註：

(1) 長鴻有限公司分別由任宇先生及袁亮先生合法及實益擁有70%及30%權益。長鴻有限公司持有本公司已發行股本逾50%。因此，根據證券及期貨條例，(i)長鴻有限公司為本公司之相聯法團及(ii)袁亮先生被視為於本公司之該相聯法團擁有權益。

Additional Information

其他資料

Directors and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and the Associated Corporations *(Continued)*

Save as disclosed above, as at 30 September 2020, none of the Directors and the chief executive of the Company had any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO), (a) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or (c) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

Share Options

A share option scheme was adopted on 5 September 2014 by the Company. The share option scheme is designed to award employees for their performances and details of the share option scheme are set out in note 30 to the condensed consolidated interim financial statements. No share option has been granted, exercised, cancelled or lapsed under the share option scheme during the reporting period, and there is no outstanding share option as at 30 September 2020.

董事及最高行政人員於本公司及相聯法團之股份、相關股份及債券之權益及淡倉 *(續)*

除上文所披露者外，於二零二零年九月三十日，董事及本公司最高行政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）之股份、相關股份及債券中擁有：(a)根據證券及期貨條例第XV部第7及8分部須通知本公司及聯交所之任何權益或淡倉（包括根據證券及期貨條例之該等條文彼等被當作或視作擁有之權益及淡倉）；或(b)根據證券及期貨條例第352條須記入該條所述登記冊之任何權益或淡倉；或(c)根據上市公司董事進行證券交易之標準守則規定須通知本公司及聯交所之任何權益或淡倉。

購股權

本公司於二零一四年九月五日採納一項購股權計劃。購股權計劃之設立旨在獎勵表現優良之僱員，且購股權計劃之詳情載於簡明綜合中期財務報表附註30。於報告期間概無購股權根據購股權計劃獲授出、行使、註銷或失效，且於二零二零年九月三十日亦無尚未行使購股權。

Additional Information 其他資料

Directors' rights to acquire shares or debentures

Apart from the foregoing and save as disclosed under the heading "Directors and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and the Associated Corporations" above, at no time during the six months ended 30 September 2020 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them or was the Company, or any of its holding companies, its fellow subsidiaries or any of its subsidiaries a party to any arrangement to enable the directors, their respective spouse or minor children to acquire such rights in any other body corporate.

Directors' interests in competing businesses and conflicts of interests

During the period ended 30 September 2020, none of the directors of the Company or any of their respective associates have engaged in any business that compete or may compete with the businesses of the Group or have any other conflict of interests with the Group.

Interests and short positions of substantial shareholders

As at 30 September 2020, the following interest of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO.

董事收購股份或債券之權利

除上述及上文「董事及最高行政人員於本公司及相聯法團之股份、相關股份及債券之權益及淡倉」所披露者外，於截至二零二零年九月三十日止六個月任何時間並無向任何董事或彼等各自之配偶或未成年子女授出可透過收購本公司股份或債券而取得利益之權利，或彼等並無行使任何該等權利，而本公司或其任何控股公司、其同系附屬公司或其任何附屬公司並無訂立任何安排，以致董事、彼等各自之配偶或未成年子女可獲取任何其他法人團體之上述權利。

董事於競爭業務之權益及利益衝突

截至二零二零年九月三十日止期間，本公司董事或任何彼等各自之聯繫人概無從事與本集團業務存在競爭或可能存在競爭之任何業務或與本集團有任何其他利益衝突。

主要股東之權益及淡倉

於二零二零年九月三十日，根據本公司按證券及期貨條例第336條規定存置之權益登記冊所示，下列人士或公司擁有本公司已發行股本5%或以上權益。

Additional Information 其他資料

Interests and short positions of substantial shareholders 主要股東之權益及淡倉 (續) (Continued)

| Name | Capacity in which interests are held | Number of Shares interested | Approximate percentage of the issued share capital of the Company |
|---|---|-----------------------------|---|
| 名稱 | 持有權益之身份 | 擁有權益之股份數目 | 佔本公司已發行股本之概約百分比 |
| Long Grand Limited (Note 1) 長鴻有限公司 (附註1) | Beneficial owner 實益擁有人 | 10,347,283,880 (L) | 50.92% |
| Yam Yu (Note 1) 任宇 (附註1) | Interest in controlled corporation 於受控制法團之權益 | 10,347,283,880 (L) | 50.92% |
| Power Trend Asset Holdings Ltd. (Note 2) Power Trend Asset Holdings Ltd. (附註2) | Beneficial owner 實益擁有人 | 2,540,190,000 (L) | 12.50% |
| Luo Feng (Note 2) 羅峰 (附註2) | Interest in controlled corporation 於受控制法團之權益 | 2,540,190,000 (L) | 12.50% |
| China Cinda Asset Management Co., Ltd. (Note 3) 中國信達資產管理股份有限公司 (附註3) | Interest in controlled corporation 於受控制法團之權益 | 1,280,000,000 (L) | 6.30% |
| | Interest in controlled corporation 於受控制法團之權益 | 640,000,000 (S) | 3.15% |
| China Cinda (HK) Holdings Company Limited (Note 3) 中國信達 (香港) 控股有限公司 (附註3) | Interest in controlled corporation 於受控制法團之權益 | 1,280,000,000 (L) | 6.30% |
| | Interest in controlled corporation 於受控制法團之權益 | 640,000,000 (S) | 3.15% |

Additional Information

其他資料

Interests and short positions of substantial shareholders (Continued)

主要股東之權益及淡倉 (續)

| Name | Capacity in which interests are held | Number of Shares interested | Approximate percentage of the issued share capital of the Company |
|--|--|-----------------------------|---|
| 名稱 | 持有權益之身份 | 擁有權益之股份數目 | 佔本公司已發行股本之概約百分比 |
| China Cinda (HK) Asset Management Co., Limited (Note 3) 中國信達(香港)資產管理股份有限公司(附註3) | Interest in controlled corporation 於受控制法團之權益 | 640,000,000 (L) | 3.15% |
| | Person having a security interest in shares 於股份中擁有證券權益之個人 | 640,000,000 (L) | 3.15% |
| | Interest in controlled corporation 於受控制法團之權益 | 640,000,000 (S) | 3.15% |

(L) denotes long position
(S) denotes short position

(L) 指好倉
(S) 指淡倉

Notes:

附註:

- (1) Long Grand Limited is legally and beneficially owned as to 70% by Mr. Yam Yu and as to 30% by Mr. Yuen Leong. By virtue of Mr. Yam Yu's 70% direct interest in Long Grand Limited, Mr. Yam Yu is deemed or taken to be interested in the 10,347,283,880 shares held by Long Grand Limited for the purposes of the SFO.
- (2) Power Trend Asset Holdings Ltd. is legally and beneficially wholly owned by Mr. Luo Feng. By virtue of Mr. Luo Feng's 100% direct interest in Power Trend Asset Holdings Ltd., Mr. Luo Feng is deemed or taken to be interested in the 2,540,190,000 shares held by Power Trend Asset Holdings Ltd. for the purposes of the SFO.
- (3) China Cinda Asset Management Co., Ltd. has 100% control of China Cinda (HK) Holdings Company Limited, which has 100% control of China Cinda (HK) Asset Management Co., Limited.

- (1) 長鴻有限公司分別由任宇先生及袁亮先生合法及實益全資擁有。基於羅峰先生於Power Trend Asset Holdings Ltd.之70%直接權益，根據證券及期貨條例，任宇先生被視為或當作於長鴻有限公司持有之10,347,283,880股股份中擁有權益。
- (2) Power Trend Asset Holdings Ltd.由羅峰先生合法及實益全資擁有。基於羅峰先生於Power Trend Asset Holdings Ltd.之100%直接權益，根據證券及期貨條例，羅峰先生被視為或當作於Power Trend Asset Holdings Ltd.持有之2,540,190,000股股份中擁有權益。
- (3) 中國信達資產管理股份有限公司擁有中國信達(香港)控股有限公司之全部控制權，而中國信達(香港)控股有限公司擁有中國信達(香港)資產管理股份有限公司之全部控制權。

Additional Information

其他資料

Interests and short positions of substantial shareholders

(Continued)

Save as disclosed above, as at 30 September 2020, no other person, other than the director of the Company, whose interests are disclosed under the heading “Directors and Chief Executives’ Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and the Associated Corporations” above, had registered an interest or short position in the shares, underlying shares and debentures of the Company and its associated corporation that was required to be recorded pursuant to Section 336 of the SFO.

Model Code for Director’s securities transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange. Having made specific enquiry of all Directors, the Company received confirmation from all of the Directors that they had complied with the required standard set out in the Model Code and its code of conduct regarding Directors’ securities transactions throughout the reporting period.

Purchase, sales or redemption of the Company’s shares

There was no purchase, sale or redemption by the Company, any of its subsidiaries, of the Company’s securities during the six months ended 30 September 2020.

主要股東之權益及淡倉 (續)

除上文所披露者外，於二零二零年九月三十日，概無任何其他人士（其權益於上文「董事及最高行政人員於本公司及相聯法團之股份、相關股份及債券之權益及淡倉」一節中披露之本公司董事除外）於本公司及其相聯法團之股份、相關股份及債券中擁有須記錄於按證券及期貨條例第336條規定存置之登記冊內之權益或淡倉。

董事進行證券交易之標準守則

本公司已採納聯交所證券上市規則（「上市規則」）附錄十所載有關上市發行人董事進行證券交易之標準守則（「標準守則」）。經向全體董事作出具體查詢後，本公司接獲全體董事之確認，彼等於整個報告期間已遵守標準守則所載之規定標準及董事進行證券交易之行為守則。

購買、出售或贖回本公司股份

於截至二零二零年九月三十日止六個月，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證券。

Additional Information

其他資料

Compliance with the Code on Corporate Governance Practices

The Company has complied with the code provisions set out in the Code on Corporate Governance Practices (the “CG Code”) contained in Appendix 14 of the Listing Rules throughout the reporting period except for certain deviations as specified and explained below with considered reasons for such deviations.

- (a) In accordance with the code provision A.2.1, the role of Chairman and Chief Executive Officer (“CEO”) should not be performed by the same individual. However, the Company did not officially appoint a Chairman or a CEO during the period. The responsibilities of the Chairman and daily management of the Group’s business is handled by the executive Directors collectively and supported by a team of senior management, which is in turn supported by staff with relevant expertise and experience.

The Board considers that this arrangement allows for contributions from all executive Directors with different expertise and is beneficial to the continuity of the Company’s policies and strategies and the interest of the shareholders of the Company as a whole. Depending on the future development of the business of the Company, the Board will review the existing structure and consider the issue of nominating appropriate candidate to fill up the role of Chairman and CEO.

- (b) Code provision E.1.2 stipulates that the Chairman should attend the annual general meeting. The Company does not at present have any officer with the title Chairman. However, one of the Directors presents at the annual general meeting held on 31 August 2020 was elected as chairman thereof to ensure an effective communication with the shareholders thereat.
- (c) Code provision F.1.3 stipulates that the company secretary should report to the Chairman and/or the CEO. As the Company did not officially appoint a Chairman or a CEO, the company secretary reported to the executive Directors during the period.

遵守企業管治常規守則

於整個報告期間內，本公司一直遵守上市規則附錄十四所載之企業管治常規守則（「企業管治守則」）所載列之守則條文，惟以下指明及解釋偏離原因的若干偏離者除外。

- (a) 根據守則條文第A.2.1條，主席及行政總裁（「行政總裁」）之職務不應由同一人擔任。然而，本公司於期內並無正式委任主席或行政總裁。主席之職責及本集團業務之日常管理由執行董事集體處理，且由高級管理層團隊支持，而高級管理層團隊由兼備相關專業知識及經驗之員工輔助。

董事會認為，此安排使得擁有不同專業知識之全體執行董事均能作出貢獻，且有利於延續本公司之政策及策略，並符合本公司股東之整體利益。鑒於本公司日後業務之發展，董事會將檢討現有架構並考慮提名合適人選填補主席及行政總裁職務空缺之事宜。

- (b) 守則條文第E.1.2條規定，主席應出席股東週年大會。本公司目前主席一職為空缺。然而，於二零二零年八月三十一日舉行之股東週年大會上，其中一名出席的董事獲選為大會主席，以確保於大會上與股東進行有效溝通。
- (c) 守則條文第F.1.3條規定，公司秘書應向主席及／或行政總裁匯報。由於本公司並無正式委任主席或行政總裁，故公司秘書於期內向執行董事匯報。

Additional Information

其他資料

Compliance with the Code on Corporate Governance Practices

(Continued)

Save as those mentioned above, in the opinion of the Directors, the Company complied with the code provisions of the CG Code during the period.

Board of Directors

The Board is responsible for the formulating the business plans and strategies, monitoring the business performance and internal control, approving investment proposals and reviewing the finance performance of the Group. The daily operations of the Group and execution of the business plans are delegated to the management of the Group. Prior to entering into any significant transactions, Board approval should be obtained. In addition, the Board has established Board Committees and has delegated to these Board Committees various responsibilities set out in their terms of reference respectively.

Audit Committee

The Audit Committee currently comprises of three independent non-executive Directors, all of whom possess extensive experience in financial and general management. The primary duties of the Audit Committee are to manage the relationship between the Company and its external auditor and monitor the audit scope and the process, to review and supervise the financial reporting process, internal control system and risk management and to provide advice and comments to the Board.

The Group's interim financial information for the period has not been audited but has been reviewed by the Audit Committee. Based on this review and discussions with the management, the Audit Committee was satisfied that the unaudited interim financial information was prepared in accordance with applicable accounting standards and fairly present the Group's financial position and results for the period.

遵守企業管治常規守則 (續)

除上文所述者外，董事認為，本公司於本期間已遵守企業管治守則之守則條文。

董事會

董事會負責制定業務規劃及策略、監控業務表現及內部控制、審批投資提議以及審閱本集團之財務表現，而本集團管理層則負責本集團之日常營運及執行業務規劃。於訂立任何重大交易前，均須取得董事會批准。此外，董事會已成立董事委員會，並向該等董事委員會轉授其各自職權範圍列明之各項職責。

審核委員會

審核委員會現時由三名獨立非執行董事組成，彼等均具備豐富財務及綜合管理經驗。審核委員會之主要職責是管理本公司與其外聘核數師之關係以及監控審核範圍及流程、檢討及監督財務報告程序、內部控制系統及風險管理以及向董事會提供意見及建議。

本集團於期內之中期財務資料未經審核惟已由審核委員會審閱。根據該審閱及與管理層之討論，審核委員會確信未經審核中期財務資料已按適用之會計準則編製，並公平呈列本集團於期內的財政狀況及業績。

Additional Information

其他資料

Remuneration Committee

The Remuneration Committee currently comprises of three independent non-executive Directors and one executive Director. The principal responsibilities of the Remuneration Committee are to make recommendations to the Board on the overall remuneration policy, remuneration packages for the Directors and members of the senior management and on the establishment of a formal and transparent process for approving such remuneration policy.

Nomination Committee

The Nomination Committee currently comprises of three independent non-executive Directors and one executive Director. The principal responsibilities of the Nomination Committee are to lead the process for the appointments of the member of the Board, and to identify and nominate suitable candidates for appointment to the Board and make recommendations to the Board.

Interim Dividend

The Board resolved not to declare any interim dividend for the period (2019: Nil).

Changes in information of Directors

Pursuant to Rule 13.51B(1) of the Listing Rules, the change of Directors' information since the date of the 2019/2020 annual report and up to the date of this interim report is as follows:

1. With effect from 31 August 2020, Mr. Hu Jianjun has retired as an executive Director.

薪酬委員會

薪酬委員會現時由三名獨立非執行董事及一名執行董事組成。薪酬委員會之主要職責是就整體薪酬政策、董事及高級管理層成員之薪酬待遇以及就批准有關薪酬政策制訂正式及具透明度之程序向董事會作出推薦建議。

提名委員會

提名委員會現時由三名獨立非執行董事及一名執行董事組成。提名委員會之主要職責是領導董事會成員之委任過程，以及物色及提名適當人選加入董事會，並向董事會作出推薦建議。

中期股息

董事會議決不宣派期內之任何中期股息（二零一九年：無）。

董事資料之變動

根據上市規則第13.51B(1)條，自二零一九年／二零二零年年度報告日期起直至本中期報告日期，董事資料之變動如下：

1. 胡建軍先生已退任執行董事，自二零二零年八月三十一日起生效。

Additional Information

其他資料

Changes in information of Directors (Continued)

2. With effect from 1 September 2020, Mr. Chan Siu Tat (“Mr. Chan”) has been re-designated from independent non-executive Director to executive Director. Mr. Chan has ceased to be the chairman of each of the nomination committee and remuneration committee and a member of the audit committee of the Company and he remains as a member of the nomination committee and remuneration committee;
3. With effect from 1 September 2020, Mr. Wong Kin Ping appointed as an independent non-executive Director, chairman of each of the nomination committee and remuneration committee and a member of the audit committee respectively.

On behalf of the Board

International Business Settlement Holdings Limited

Yuen Leong

Executive Director

Hong Kong, 25 November 2020

董事資料之變動 (續)

2. 陳少達先生(「陳先生」)已由獨立非執行董事調任為執行董事，自二零二零年九月一日起生效。陳先生不再擔任本公司提名委員會及薪酬委員會主席以及審核委員會成員，惟彼仍擔任提名委員會及薪酬委員會成員。
3. 王建平先生已分別獲委任為提名委員會及薪酬委員會主席以及審核委員會成員，自二零二零年九月一日起生效。

代表董事會

國際商業結算控股有限公司

執行董事

袁亮

香港，二零二零年十一月二十五日



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