



YEEBO (INTERNATIONAL HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

STOCK CODE: 259

2022/23 INTERIM REPORT

CHAIRMAN STATEMENT

Dear Shareholders,

On behalf of the board of Directors (the “Board”) of Yeebo (International Holdings) Limited (“Yeebo” or the “Company”), I present the results of the Company and its subsidiaries (which are collectively referred to as the “Group”) for the six months ended 30th September 2022 (the “period under review”).

The Group’s turnover increased to HK\$735 million for the period under review from approximately HK\$619 million for the six months ended 30th September 2021 (the “same period of the previous financial year”) while profit attributable to owners of the Company rose to HK\$298 million for the period under review from HK\$122 million for the same period of the previous financial year. The financial results reflected the solid performance of Group’s underlying businesses.

The Group has strategically focused on the higher value, highly customized product segments, which in turn delivered robust growth. Capitalizing on our strong product development capability and extensive experience in display panel manufacturing, we are well positioned for the continued product diversification. We aspire to be one-stop solution provider on a broad portfolio of monochromic and color displays and modules over a wide range of applications. While we continue to service over 300 active customers across different industries, we are equally as driven in identifying emerging opportunities in the new and fast-growing sectors.

Looking ahead, strategic plans are in place for further enhancing our profitability by expanding and upgrading our modules production facilities. We will i) continue the product evolution, extending the range of our offerings from the small modules to medium and large-sized display modules, and ii) strengthen our presence in the fast-growing capacitive touch panel (CTP) market. Our customer portfolio will continue to undergo both robust expansion and transformation, ranging from the traditional markets of medical and health care appliances, industrial monitoring devices, and home and office appliances to the more profitable markets of the technologically demanding industries such as the manufacturing of automotive, internet-of-things appliances and advanced telecommunication equipment.

Nantong Jianghai Capacitor Company Ltd. (“Nantong Jianghai”) has delivered again a stellar performance over the 6-month period. Revenue increased to RMB2,250 million for the period under review from approximately RMB1,835 million for the six months ended 30th September 2021, representing a year-on-year increase of 23%. Nantong Jianghai is the leading provider of capacitors and energy storage in China. Its main products can be categorized into 3 groups: (i) aluminum electrolytic capacitors, (ii) thin film capacitors and (iii) supercapacitors. It has achieved sustainable growth through long term commitment in investing in research and development of new technology in materials, product development and manufacturing processing.

Over the period under review, we have disposed of a total of 10,463,000 shares in Nantong Jianghai for a consideration of RMB210 million. This resulted in a gain of approximately HK\$148 million on the disposal after taxation. Subsequent to the period end, we further disposed of a total of 4,100,000 shares in Nantong Jianghai for a consideration of RMB98 million. Post the share disposal, the Company continues to hold 245,021,000 shares, and remains the single largest shareholder of Nantong Jianghai.

Suzhou QingYue Optoelectronics Technology Co Ltd. ("Suzhou QingYue") also achieved remarkable growth over the period under review. Revenue increased to RMB570 million for the period under review from approximately RMB294 million for the six months ended 30th September 2021, representing a year-on-year increase of 94%. Suzhou QingYue, having built a strong foothold in the passive mode organic light emitting diode ("PMOLED") market, has successfully expanded into the e-paper modules business.

Recently Suzhou QingYue has focused its resources in the micro-OLED business. To fund its business expansion and strengthen its leading position in the micro-OLED field, Suzhou QingYue has submitted its application for its initial public offering in the Science and Technology Innovation Board of the Shanghai Stock Exchange. The registration application was recently approved by the China Securities Regulatory Commission.

On behalf of the board of Directors, I would like to take this opportunity to express our gratitude to our staff for their dedication and to our shareholders for their support.

Fang Yan Tak, Douglas

Chairman

25th November 2022

MANAGEMENT DISCUSSION AND ANALYSIS

Review of Operations

The Group recorded a consolidated turnover of approximately HK\$735 million for the six months ended 30th September, 2022 (2021: HK\$619 million), representing an increase of HK\$116 million or 19% compared with that for the same period of last year. Profit attributable to owners of the Company was HK\$298 million (2021: HK\$122 million), representing an increase of approximately HK\$176 million or 145% year on year.

The flat panel display industry encountered challenging operating conditions amid high inflation in many major economies around the world. In the United States of America, the government has been tightening its monetary policy aggressively in response, at a pace faster than expected. Other advanced economies such as the United Kingdom and the European Union have also been raising interest rates in a bid to rein in the surging cost of living which has been first triggered by the COVID-19 pandemic outbreak and then exacerbated by energy shortages caused by the Russo-Ukrainian War. In China, economic growth has been slowing down amid the protracted COVID-19 pandemic. All this has resulted in a setback for the global economy during the period under review.

Although the overall demand for electronic components has been volatile, the Group registered impressive growth in both sales and earnings in the period under review. This achievement is largely attributable to the Group's strategy of focusing on the high-growth business segment of high-value products. The strict control of the material costs, agile inventory management and improved labour efficiency contributed to an increase in gross profit. Turnover increased by 19% year on year and gross profit edged up to HK\$122 million for the period under review from HK\$99 million for the same period of last year. Gross profit margin improved to approximately 17% in the period under review from the 16% for the same period of last year.

Sales of LCD modules ("LCM") increased by 31% year on year to HK\$516 million on the back of the strong demand from such industries as telecommunications, industrial control devices, medical and health care products and smart home appliances. The ongoing migration from pure LCD panels to LCM continued throughout the period. Sales of the LCD decreased modestly by 14% year on year to HK\$108 million for the period under review. Sales of LCM – other related products such as capacitive touch panel ("CTP") and TFT-CTP modules grew by 11% year on year. The growth was attributable to the Group's successful marketing campaigns targeted at the industries of telecommunications, smart home and smart office appliances.

During the period under review, other income amounted to approximately HK\$19 million (2021: HK\$7 million). Other income mainly comprised such items as interest income from investment in debt instruments at amortised cost and government grant.

The Group registered a gain of HK\$6 million (2021: HK\$1 million) from other gain or losses. This is largely contributed by the net exchange gain.

The Group recorded an allowance for credit loss for debt investments at amortised cost for HK\$32 million (2021: HK\$1 million) for the period under review. The Group has invested in notes issued by Greenland Global Investment Limited (the "Issuer"). In the period under review, the Issuer has requested the extension of the maturity date of one of the notes issued by it from 25th June, 2022 to 25th June, 2023 ("the Extended Notes"), and such request has been approved by the relevant noteholders. As at 30th September, 2022, the Group was holding the Extended Notes and certain notes issued by the Issuer (collectively the "Greenland Notes") to the tune of a total face value of US\$11,657,000, at a carrying cost (after provision of credit loss) of approximately US\$6 million (equivalent to approximately HK\$48 million). It is the intention of the Group to hold the Greenland Notes to maturity. The Group is monitoring the situation closely and will take appropriate actions when necessary.

Selling and distribution expenses amounted to approximately HK\$47 million for the period under review (2021: HK\$38 million) or up by 23% year on year. This was mainly due to the increase in promotion expenses and staff-related costs in line with the increase in turnover.

Administrative expenses rose by 32% year on year to HK\$21 million for the period under review (2021: HK\$16 million) and stemmed from the increase in legal and professional fees and staff-related costs.

Investments in Associates

Investment in Nantong Jianghai Capacitor Company Ltd ("Nantong Jianghai")

Nantong Jianghai, the Group's 29.75%-owned associate, mainly engages in the manufacture and sales of aluminum electrolytic, thin-film and super capacitors, and the production and sales of aluminum foil for high-performance aluminum electrolytic capacitors.

Amid a challenging business environment, Nantong Jianghai continued to deliver remarkable results for the period under review. The Group's share of Nantong Jianghai's profit increased to HK\$128 million in the period under review from HK\$92 million in the same period of last year. Its main products can be categorized into 3 groups: (i) aluminium electrolytic capacitors, (ii) thin film capacitors and (iii) supercapacitors. It has achieved sustainable growth through long term commitment in investing in research and development of new technology in materials, product development and manufacturing processing. In the period under review, Nantong Jianghai was able to achieve key objectives by capitalizing on such burgeoning industries of renewable energy and electric vehicles and continued to consolidate its dominant position in the market of industrial controls industry. Nantong Jianghai continues to streamline its operations and endeavours to make forays into new market segments to improve business performance.

Nantong Jianghai has become one of the top global players in the large aluminium electrolytic capacitors business by strengthening its position in the markets such as inverters, power converters and automotive chargers. To further extend its market reach, Nantong Jianghai is also developing other key products such as solid-state multilayer polymer capacitors and hybrid capacitors. To enhance its production capacity, Nantong Jianghai has also made significant progress in the construction of a production facility for high-performance aluminium electrolytic capacitors in Inner Mongolia.

Thin-film capacitors have been rapidly adopted in the new energy sector and automotive industry and Nantong Jianghai has captured the opportunity. New applications of thin-film capacitors are in the pipeline and they are expected to contribute to Nantong Jianghai's further business development.

Super capacitors are used in a diverse range of sectors, ranging from smart meter manufacturing to power grid operation. Nantong Jianghai continues to cement its footholds in markets such as port machinery, mining equipment, electric vehicles and power grid frequency regulation.

During the period under review, the Group divested a total of 10,463,000 shares in Nantong Jianghai, or approximately 1.3% of the latter's total issued shares for a total consideration of approximately HK\$248 million and realized a post-tax gain of HK\$148 million. The Group started investing in Nantong Jianghai in 2005 and since then the business of Nantong Jianghai has grown substantially. Management believes that realizing part of its gain and using the proceeds from the disposal for developing its own business is in the interests of the Company and its shareholders as a whole. After the disposal, the Group remains the largest shareholder of Nantong Jianghai. Nantong Jianghai continues to be an associate of the Group, and the results of Nantong Jianghai continue to be included through equity accounting in the Group's financial statements.

Investment in Suzhou QingYue Optoelectronics Technology Co. Ltd. ("Suzhou QingYue")

The Group's share of profit from Suzhou QingYue, its 35.1%-owned associate, which engages in the sales of organic light-emitting diodes ("OLED"), e-paper modules and micro-OLED, amounted to approximately HK\$13 million in the period under review, representing an increase of 86% from approximately HK\$7 million recorded in the corresponding period of 2021.

Suzhou QingYue is one of the global leaders in passive-matrix OLED ("PMOLED"). Leveraging its leading and proprietary technology, Suzhou QingYue has increased its investments and focus in areas of e-paper modules and micro-OLED. The e-paper modules business has developed substantially, and contributed to the growth in both sales and profit of Suzhou QingYue for the period. While it was early for micro-OLED, it has continued to be a key theme of Suzhou QingYue. Delivering high performance "near-eye displays", potential applications include eyewear or smart glasses providing functions of augmented reality ("AR") and virtual reality ("VR").

To fund its business expansion, Suzhou QingYue has applied for its initial public offering in the Science and Technology Innovation Board of the Shanghai Stock Exchange and its registration application has recently been approved by the China Securities Regulatory Commission.

Income Tax

Effective tax rate in relation to the Group's business (income tax expenses excluding withheld tax on undistributed profits in associates as a percentage of profit before income tax and excluding share of profits of associates) was 16% (2021: 19%).

Prospects

In the first half of financial year 2023, the overall industrial sector has endured many challenges: the ongoing global pandemic, the Ukraine crisis, high inflation, and rising interest rate etc. While we expect the operating conditions to remain unpredictable in the near foreseeable future, our strong start to financial year 2023 demonstrated our ability to manage through volatility. We are also confident Nantong Jianghai and Suzhou QingYue will continue to prosper – their trusted brands, with strong customer recognition, will drive superior future growth. Leveraging both their leading technologies and infrastructure, they are uniquely positioned to capture the lion share of the large and growing addressable markets.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30th September, 2022, the Group's current ratio was 2.4 (31st March, 2022: 1.9). The gearing ratio, as a ratio of bank borrowings to net worth, was 0.3% (31st March, 2022: 0.5%).

As at 30th September, 2022, the Group had total assets of approximately HK\$2,947 million, which were comprised of liabilities of HK\$483 million and total equity of HK\$2,464 million.

As at 30th September, 2022, the Group's banking facilities amounted to approximately HK\$160 million (31st March, 2022: HK\$160 million) of which approximately HK\$8 million (31st March, 2022: HK\$12 million) were utilized mainly for issuance of letters of credit, short-term loan and bills payable.

Certain subsidiaries of the Group have assets and liabilities in foreign currencies, which expose the Group to foreign currency risk. The management monitors the foreign exchange risk and will consider hedging significant foreign currency exposure should the need arise.

Events after the reporting period

(A) Postponement of repayment of debt investments at amortized cost

On 31st October, 2022, the Issuer of the Greenland Notes announced that, subject to the consent of the holders (which has subsequently been obtained), the maturity of all the notes issued by the Issuer will be extended by one to two years.

As at 30th September, 2022, the Group held a total face value of US\$11,657,000 of Greenland Notes and reflected in the condensed consolidated statement of financial position as debt investments at amortised cost at a carrying value of approximately HK\$47,518,000. It is the intention of the Group to hold the Greenland Notes to maturity. The directors of the Company are monitoring the situation closely and take necessary actions, including making additional provision for expected credit loss, if deemed appropriate.

(B) Disposal of partial equity interest in a significant associate

Subsequent to the reporting period, the Group disposed of a total of 4,100,000 equity shares (representing approximately 0.5% equity interests) of Nantong Jianghai at a consideration of RMB98,400,000 (equivalent to approximately HK\$105,553,000) in total through block trade transactions on the Shenzhen Stock Exchange. Upon completion of the disposal, Nantong Jianghai continues to be an associate of the Group, and the results of Nantong Jianghai continue to be equity accounted for in the Group's consolidated financial statements. The directors of the Company are in the process of assessing the financial impact of the disposal transaction to the Group's consolidated financial statements.

CONTINGENT LIABILITIES AND CHARGES OF ASSETS

The Group did not have any significant contingent liabilities and there were no significant charges or pledges on any of the Group's assets as at 30th September, 2022.

EMPLOYMENT AND REMUNERATION POLICY

The remuneration package for the Group's employees is structured by reference to market terms and industry's practice. Discretionary bonus and other performance reward are based on the financial performance of the Group and the performance of individual staff. Staff benefit plans maintained by the Group include mandatory and voluntary provident fund scheme and medical insurance.

The Company has adopted a restricted share award scheme (the "Scheme") pursuant to which shares of the Company will be purchased by an independent trustee from the market and held in trust for the participants of the Scheme, including employees or consultants engaged by any member of the Group, until such shares are vested with the relevant participants in accordance with the provisions of the Scheme. The purpose of the Scheme is to act as an incentive to retain and encourage the participants for the continual operation and development of the Group.

DIVIDEND

The board of directors (the "Board") has resolved not to recommend the payment of an interim dividend for the six months ended 30th September, 2022. However, the Board has resolved to declare a special dividend of HK20 cents per ordinary share of the Company for the year ending 31st March 2023. The special dividend will be payable on or around Wednesday, 28th December 2022 to the shareholders of the Company whose names appear on the register of members of the Company on Tuesday, 13th December 2022.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to the special dividend, the register of members of the Company will be closed on Monday, 12th December 2022 to Tuesday, 13th December, 2022, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the special dividend, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 9th December, 2022.

INTERESTS OF DIRECTORS AND CHIEF EXECUTIVES IN SECURITIES

At 30th September, 2022, the interests and short positions of the directors and chief executives and their associates in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of part XV of the Securities and Futures Ordinance (“SFO”)), as recorded in the register maintained by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) were as follows:

(A) Long position in the shares of the Company

	Number of shares and nature of interests			Percentage of Company’s issued capital
	Personal interests		Total	
Mr Li Kwok Wai, Frankie	108,504,000		108,504,000	11.00%
Mr Leung Tze Kuen (Note (i))	2,460,000		2,460,000	0.25%

(B) Long position in the shares of associated corporations of the Company

(1) Antrix Investment Limited (“Antrix”) (Note(ii))

	Number of shares and nature of interests			Percentage of issued capital of Antrix
	Personal interests	Through controlled corporations	Total	
Mr. Li Kwok Wai, Frankie	–	1,740	1,740	30.53%
Mr. Chen Shuang	490	–	490	8.59%

(2) Fang Brothers Holdings Limited (“Fang Brothers”) (Note(iii))

	Number of shares and nature of interests			Percentage of issued capital of Fang Brothers
	Personal interests	Spouse interests	Total	
Mr. Fang Yan Tak, Douglas	16,000,000	–	16,000,000	20.00%

Notes:

- (i) The 2,460,000 shares represent shares granted under the share award scheme of the Company. They are subject to the satisfactory fulfilment of vesting conditions and 578,000 shares were vested.
- (ii) As at 30th September, 2022, Antrix held 570,000,000 shares of the Company.
- (iii) As at 30th September, 2022, Fang Brothers beneficially owned 60.88% of the issued share capital of Antrix.

Save as disclosed above, as at 30th September, 2022, none of the directors, the chief executives nor their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS

As at 30th September, 2022, the following interests and short position of 5% or more in the shares and underlying shares of the Company were recorded in register maintained by the Company pursuant to Section 336 of the SFO.

Long position in the shares of the Company

	Capacity and nature of interest	Number of shares held	% of the Company's issued share capital
Antrix <i>(Note)</i>	Directly beneficially owned	570,000,000	57.77%
Esca Investment Limited <i>(Note)</i>	Indirectly beneficially owned	570,000,000	57.77%
Fang Brothers <i>(Note)</i>	Indirectly beneficially owned	570,000,000	57.77%

Note: As at 30th September, 2022, Antrix was held as to 60.88% by Esca Investment Limited (a company wholly-owned by Fang Brothers in which none of its shareholders holds more than 20% of its issued share capital). The shares held by Esca Investment Limited and Fang Brothers represent the same interest held by Antrix.

Save as disclosed above, as at 30th September, 2022, the Company was not notified by any persons who had interests or short positions of 5% or more in the shares and underlying shares of the Company which is required to be recorded under Section 336 of the SFO.

CORPORATE GOVERNANCE

None of the directors of the Company is aware of any information that would reasonably indicate that the Company has not complied with the Corporate Governance Code (the "Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months ended 30th September, 2022.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as its code of conduct regarding securities transactions by the Directors. Having made specific enquiries of all Directors, the Board is not aware of any non-compliance with the required standard as set out in the Model Code throughout the six months ended 30th September, 2022.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The Company repurchased 8,479,171 shares on The Stock Exchange of Hong Kong Limited from 29th June, 2022 to 30th September, 2022, details of which are follows:

Month of repurchase	Number of shares repurchased	Highest price paid (HK\$)	Lowest price paid (HK\$)	Total amount paid (HK\$)
June 2022	680,000	3.09	3.00	2,079,100
July 2022	3,920,000	3.35	2.94	12,351,200
August 2022	1,800,000	3.09	2.98	5,508,940
September 2022	2,079,171	3.07	2.90	6,246,240
Total	8,479,171			26,185,480

Save as disclosed above, no repurchase has been made by the Company or any of its subsidiaries on The Stock Exchange of Hong Kong Limited of any listed securities of the Company for the six months ended 30th September, 2022.

AUDIT COMMITTEE

The Audit Committee comprises all three independent non-executive directors of the Company i.e. Mr. Lau Yuen Sun, Adrian as chairman, Mr. Chu Chi Wai, Allan and Professor Lau Kei May. The Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed financial reporting matters, including a review of the unaudited condensed accounts for the six months ended 30th September, 2022.

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF YEEBO (INTERNATIONAL HOLDINGS) LIMITED

Introduction

We have reviewed the condensed consolidated financial statements of Yeebo (International Holdings) Limited (the "Company") and its subsidiaries set out on pages 12 to 32, which comprise the condensed consolidated statement of financial position as of 30th September, 2022 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-months period then ended, and certain explanatory notes. 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 of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion 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.

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 these condensed consolidated financial statements 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 financial statements are not prepared, in all material respects, in accordance with HKAS 34.



Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
25th November, 2022

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30th September, 2022

		Six months ended	
	<i>Notes</i>	30.9.2022	30.9.2021
		HK\$'000	HK\$'000
		(unaudited)	(unaudited)
Revenue	3	734,965	618,606
Cost of sales		(613,427)	(519,602)
Gross profit		121,538	99,004
Other income	4	19,402	6,969
Other gains and losses	5	5,976	1,060
Allowances for credit losses, net of reversal			
– trade receivables		(3,625)	(4,430)
– debt investments at amortised cost	12	(31,852)	(610)
Selling and distribution expenses		(46,881)	(38,263)
Administrative expenses		(20,800)	(15,796)
Finance costs		(526)	(301)
Gain on disposal of equity interests of an associate	11	169,146	–
Share of results of associates		141,640	98,644
Profit before income tax		354,018	146,277
Income tax expense	6	(42,210)	(14,481)
Profit for the period	7	311,808	131,796
Other comprehensive income:			
Item that will not be reclassified to profit or loss:			
Share of other comprehensive income of associates, net of related income tax		(893)	4,442
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations:			
Subsidiaries		(56,177)	8,976
Associates		(198,866)	26,841
Reclassification of cumulative translation reserve upon disposal of equity interests of an associate		(845)	–
Total comprehensive income for the period		55,027	172,055

		Six months ended	
	<i>Note</i>	30.9.2022 <i>HK\$'000</i> (unaudited)	30.9.2021 <i>HK\$'000</i> (unaudited)
Profit for the period attributable to:			
Owners of the Company		297,869	121,718
Non-controlling interests		13,939	10,078
		311,808	131,796
Total comprehensive income for the period attributable to:			
Owners of the Company		45,776	161,540
Non-controlling interests		9,251	10,515
		55,027	172,055
Earnings per share (HK cents)			
– basic	9	30.6	12.4
– diluted	9	30.4	12.4

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30th September, 2022

	<i>Notes</i>	30.9.2022 HK\$'000 (unaudited)	31.3.2022 <i>HK\$'000</i> (audited)
Non-current assets			
Property, plant and equipment	<i>10</i>	234,120	267,548
Right-of-use assets		4,797	7,111
Investment properties		875	975
Interests in associates	<i>11</i>	1,731,910	1,893,409
Debt investments at amortised cost	<i>12</i>	–	15,160
Intangible assets		1,459	1,459
Other receivables and prepayment	<i>13</i>	11,345	50,068
		1,984,506	2,235,730
Current assets			
Inventories		206,000	276,602
Trade and other receivables	<i>13</i>	363,941	337,662
Debt investments at amortised cost	<i>12</i>	47,518	23,884
Bank balances and cash		344,572	104,334
		962,031	742,482
Current liabilities			
Trade and other payables	<i>14</i>	290,110	319,461
Dividend payables		48,446	–
Contract liabilities		26,325	47,742
Derivative financial instruments		2,791	73
Tax payable		21,529	13,141
Bank borrowings	<i>15</i>	8,040	12,033
Lease liabilities		3,098	4,477
		400,339	396,927
Net current assets		561,692	345,555
Total assets less current liabilities		2,546,198	2,581,285

	<i>Note</i>	30.9.2022 HK\$'000 (unaudited)	31.3.2022 HK\$'000 (audited)
Non-current liabilities			
Deferred tax liabilities		80,093	86,383
Lease liabilities		2,113	2,938
		82,206	89,321
		2,463,992	2,491,964
Capital and reserves			
Share capital	<i>16</i>	197,336	198,616
Reserves		2,194,462	2,225,641
Equity attributable to owners of the Company		2,391,798	2,424,257
Non-controlling interests		72,194	67,707
Total equity		2,463,992	2,491,964

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30th September, 2022

	Attributable to owners of the Company												
	Shares capital	Share premium	Capital reserve (Note 1)	Capital redemption reserve	Translation reserve	Share award reserve	Share held for award scheme	PRC statutory reserve	Other reserve (Note 2)	Retained profits	Total	Non-controlling interests	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1st April, 2021 (audited)	199,928	110,750	2,125	10,132	99,012	11,219	(27,269)	14,966	(6,949)	1,689,471	2,103,385	54,297	2,157,682
Profit for the period	-	-	-	-	-	-	-	-	-	121,718	121,718	10,078	131,796
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of other comprehensive income of associates	-	-	-	-	-	-	-	-	4,442	-	4,442	-	4,442
Exchange differences on translation of foreign operations	-	-	-	-	35,380	-	-	-	-	-	35,380	437	35,817
Total comprehensive income for the period	-	-	-	-	35,380	-	-	-	4,442	121,718	161,540	10,515	172,055
Repurchase and cancellation of ordinary shares (Note 16)	(1,312)	(19,948)	-	1,312	-	-	-	-	-	-	(19,948)	-	(19,948)
Shares purchased for share award scheme	-	-	-	-	-	-	(4,680)	-	-	-	(4,680)	-	(4,680)
Recognition of equity-settled share-based payment expenses under share award scheme	-	-	-	-	-	1,043	-	-	-	-	1,043	-	1,043
Share vested under share award scheme	-	-	-	-	-	(1,908)	4,580	-	-	(2,672)	-	-	-
Dividends payable to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(5,155)	(5,155)
Dividends – declared (Note 8)	-	-	-	-	-	-	-	-	-	(19,517)	(19,517)	-	(19,517)
At 30th September, 2021 (unaudited)	198,616	90,802	2,125	11,444	134,392	10,354	(27,369)	14,966	(2,507)	1,789,000	2,221,823	59,657	2,281,480
At 1st April, 2022 (audited)	198,616	110,750	2,125	11,444	192,898	11,682	(27,712)	17,923	(4,404)	1,910,935	2,424,257	67,707	2,491,964
Profit for the period	-	-	-	-	-	-	-	-	-	297,869	297,869	13,939	311,808
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of other comprehensive income of associates	-	-	-	-	-	-	-	-	(893)	-	(893)	-	(893)
Exchange differences on translation of foreign operations	-	-	-	-	(250,355)	-	-	-	-	-	(250,355)	(4,688)	(255,043)
Reclassification of cumulative translation reserve upon disposal of equity interests of an associate	-	-	-	-	(845)	-	-	-	-	-	(845)	-	(845)
Total comprehensive income for the period	-	-	-	-	(251,200)	-	-	-	(893)	297,869	45,776	9,251	55,027

	Attributable to owners of the Company												
	Shares capital	Share premium	Capital reserve	Capital redemption reserve	Translation reserve	Share award reserve	Share held for award scheme	PRC statutory reserve	Other reserve	Retained profits	Total	Non-controlling interests	Total
	HK\$'000	HK\$'000	(Note 1) HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	(Note 2) HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Repurchase and cancellation of ordinary shares (Note 16)	(1,280)	-	-	1,280	-	-	-	-	-	(26,185)	(26,185)	-	(26,185)
Shares purchased for share award scheme	-	-	-	-	-	-	(4,675)	-	-	-	(4,675)	-	(4,675)
Recognition of equity-settled share-based payment expenses under share award scheme	-	-	-	-	-	1,071	-	-	-	-	1,071	-	1,071
Share vested under share award scheme	-	-	-	-	-	(1,776)	3,408	-	-	(1,632)	-	-	-
Dividends payable to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(4,764)	(4,764)
Dividends – declared (Note 8)	-	-	-	-	-	-	-	-	-	(48,446)	(48,446)	-	(48,446)
At 30th September, 2022 (unaudited)	197,336	110,750	2,125	12,724	(58,302)	10,977	(28,979)	17,923	(5,297)	2,132,541	2,391,798	72,194	2,463,992

Note 1: The capital reserve of the Group represents the difference between the aggregate nominal value of the share capital of acquired subsidiaries and the aggregate nominal value of the Company's shares issued for the acquisition at the time of the group reorganisation prior to the listing of the Company's shares in 1993, and after the reclassification of the amounts related to the share premium arising from issue of shares of a subsidiary prior to the group reorganisation to the capital reserve and after reserve movements at the time of the capital reduction in previous years.

Note 2: The other reserve of the Group represented: (a) the share of other comprehensive income from the interests in associates and (b) the difference between the amount by which the non-controlling interests were adjusted and the consideration paid arising from the acquisition of additional interests in subsidiaries in previous years.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30th September, 2022

	Six months ended	
	30.9.2022 HK\$'000 (unaudited)	30.9.2021 HK\$'000 (unaudited)
Operating activities		
Operating cash flow before movements in working capital	89,915	82,474
Decrease (increase) in inventories	43,162	(67,167)
Increase in trade and other receivables	(19,331)	(103,160)
(Decrease) increase in trade and other payables	(7,974)	77,397
(Decrease) increase in contract liabilities	(21,107)	679
Other operating cash flows	(310)	1,172
Cash generated from (used in) operating activities	84,355	(8,605)
Income tax (paid) refunded	(4,936)	991
Net cash from (used in) operating activities	79,419	(7,614)
Investing activities		
Purchase of property, plant and equipment	(2,428)	(3,244)
Prepayment for acquisition of property, plant and equipment	(8,881)	(22,576)
Purchase of debt investments at amortised cost	(39,320)	(45,671)
Repayment of debt investments at amortised cost	8,656	–
Proceeds on disposal of equity interests of an associate, net of tax	210,965	–
Dividend received from the associates, net of withholding tax	34,511	35,968
Proceeds on disposal of financial assets at FVTPL, net of withholding tax	–	22,606
Interest income received	4,006	1,960
Proceeds on disposals of property, plant and equipment	98	104
Repayment of loan receivables	1,706	1,776
Net cash from (used in) investing activities	209,313	(9,077)

	Six months ended	
	30.9.2022	30.9.2021
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Financing activities		
Repayment of lease liabilities	(2,592)	(2,591)
Interest paid	(526)	(301)
Dividends paid to non-controlling interests	(4,764)	(3,654)
Payment for repurchase of ordinary shares	(26,185)	(19,948)
Payment of purchase of shares for share award scheme	(4,675)	(4,680)
New bank borrowings raised	63,339	3,787
Repayment of bank borrowings	(67,091)	–
Net cash used in financing activities	(42,494)	(27,387)
Net increase (decrease) in cash and cash equivalents	246,238	(44,078)
Cash and cash equivalents at beginning of the period	104,334	142,184
Effect of change in foreign exchange rates	(6,000)	(1,172)
Cash and cash equivalents at end of the period, represented by bank balances and cash	344,572	96,934

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th September, 2022

1. BASIS OF PREPARATION

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

2. PRINCIPAL ACCOUNTING POLICIES

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

Other than additional accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards ("HKFRSs"), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30th September, 2022 are the same as those presented in the Group's annual financial statements for the year ended 31st March, 2022.

Application of amendments to HKFRSs

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual periods beginning on or after 1st April, 2022 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 3	Reference to the Conceptual Framework
Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018 – 2020

The application of the amendments to HKFRSs in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE/SEGMENT INFORMATION

Information reported to the executive directors of the Group, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered. The Group has only one reportable and operating segment as liquid crystal displays ("LCD") and liquid crystal display modules ("LCM") products.

The management of the Group assesses the performance of the reportable segment based on the revenue and segment profit. As the CODM reviews the Group's assets and liabilities for the Group as a whole on a consolidated basis, no assets or liabilities are allocated to the operating segments. Therefore, no analysis of segment assets and liabilities is presented. The accounting policies of the reportable segment are the same as the Group's accounting policies.

3. REVENUE/SEGMENT INFORMATION *(continued)*

The following is an analysis of Group's revenue and results by reportable and operating segment.

	Six months ended	
	30.9.2022 <i>HK\$'000</i>	30.9.2021 <i>HK\$'000</i>
Revenue – LCD & LCM	734,965	618,606
Segment profit – LCD & LCM	59,816	47,221
Net exchange gain (loss)	8,800	(2,504)
Interest income	13,371	2,752
Rental income	607	610
Gain on fair value changes of financial assets at FVTPL	–	2,574
(Loss) gain on fair value changes of derivative financial instruments	(2,718)	1,235
Allowance on credit loss for debt investments at amortised cost	(31,852)	(610)
Gain on disposal of equity interests of an associate	169,146	–
Gain on deemed disposal of an associate	–	120
Unallocated administrative expenses	(4,266)	(3,464)
Finance costs	(526)	(301)
Share of results of associates	141,640	98,644
Profit before income tax	354,018	146,277

Segment profit represents the gross profit generated in operating segment and certain items of other income, other gains and losses, net of selling and distribution expenses and administrative expenses directly attributable to the segment without allocation of net exchange differences, interest income, rental income, fair value changes of financial assets at FVTPL, fair value changes of derivative financial instruments, allowance for credit losses on debt investments at amortised cost, gain on disposal of equity interests of an associate, gain on deemed disposal of an associate, unallocated administrative expenses, finance costs and share of results of associates. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

3. REVENUE/SEGMENT INFORMATION *(continued)*

The following is an analysis of the Group's revenue by type of products:

	Six months ended	
	30.9.2022	30.9.2021
	HK\$'000	HK\$'000
LCD	107,639	125,721
LCM	515,945	393,068
LCM – other related products	110,954	99,760
LCD – related optical products	427	57
	734,965	618,606

The Group operates in two principal geographical areas, including Hong Kong and The People's Republic of China, other than Hong Kong, Macau and Taiwan ("PRC" for the purpose of these condensed consolidated financial statements).

Information about the Group's revenue from external customers by geographical location are detailed below:

	Six months ended	
	30.9.2022	30.9.2021
	HK\$'000	HK\$'000
The PRC	120,930	134,696
Germany	109,812	84,203
United States	90,859	49,251
Switzerland	63,768	33,728
Japan	63,495	52,754
Taiwan	57,868	49,306
Hong Kong	56,104	66,853
Spain	30,574	41,468
Other European countries	85,032	76,254
Other Asian countries	41,367	21,461
Other countries	15,156	8,632
	734,965	618,606

Due to the diversification in customers, the Group has no single customer contributing over 10% of the total revenue of the Group under the periods of review.

4. OTHER INCOME

	Six months ended	
	30.9.2022	30.9.2021
	HK\$'000	HK\$'000
Government grant (<i>Note</i>)	1,723	849
Tooling income	1,068	1,559
Scrap sales	401	569
Rental income	607	610
Interest income		
– debt instruments at amortised cost	11,672	1,938
– others	1,699	814
Compensation income	251	1
Others	1,981	629
	19,402	6,969

Note: It represented cash received from unconditional grants by the respective local governments in the PRC and Hong Kong.

5. OTHER GAINS AND LOSSES

	Six months ended	
	30.9.2022	30.9.2021
	HK\$'000	HK\$'000
Gain on fair value changes of financial assets at FVTPL	–	2,574
(Loss) gain on fair value changes of derivative financial instruments	(2,718)	1,235
Loss on disposal of property, plant and equipment	(106)	(365)
Net exchange gain (loss)	8,800	(2,504)
Gain on deemed disposal of an associate	–	120
	5,976	1,060

6. INCOME TAX EXPENSE

	Six months ended	
	30.9.2022	30.9.2021
	HK\$'000	HK\$'000
The tax charge comprises:		
Current tax		
Hong Kong	1,419	2,223
PRC	34,343	8,799
Other jurisdictions	3,720	953
	39,482	11,975
Deferred taxation	2,728	2,506
	42,210	14,481

Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of the qualifying companies will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of companies not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. The directors of the Company considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the condensed consolidated financial statements.

Current tax in the PRC represented PRC Enterprise Income Tax and PRC Enterprise Withholding Tax. Under the EIT Law and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%. In addition, the EIT Law requires withholding tax to be levied on distribution of profits earned by the PRC entities for profits generated after 1st January, 2008 and at rate of 5% or 10% for Hong Kong and non-Hong Kong resident companies respectively, which are the beneficial owners of the dividend received, and gain on disposal of unlisted equity securities in the PRC by non-resident enterprises at a rate of 10%. During the interim period, PRC Enterprise Withholding Tax of HK\$24,342,000 (2021: nil) was incurred and settled by the Group for the gain on disposal of equity interests of an associate.

Pursuant to the relevant law and regulations in the PRC, one of the Company's PRC subsidiaries was approved as Hi-Tech Enterprise and entitled to 15% PRC Enterprise Income Tax rate. Accordingly, the PRC Enterprise Income Tax of that PRC subsidiary was provided at 15% (2021: 15%) for the six months ended 30th September, 2022.

Taxation arising in other jurisdictions is calculated at the rate prevailing in the relevant jurisdictions.

7. PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging:

	Six months ended	
	30.9.2022 HK\$'000	30.9.2021 HK\$'000
Depreciation of property, plant and equipment	24,874	24,983
Depreciation of right-of-use assets	2,466	2,413
Depreciation of investment properties	100	101
<hr/>		
Total depreciation	27,440	27,497
<hr/>		
Interest expense for lease liabilities	127	223
Interest expense for bank borrowings	399	78
(Reversal) recognition of allowance for inventories	(524)	5,497
Share of tax of associates (included in share of results of associates)	17,777	15,915

8. DIVIDENDS

	Six months ended	
	30.9.2022 HK\$'000	30.9.2021 HK\$'000
Final dividend in respect of the year ended 31st March, 2022 of HK5 cents per share (six months ended 30th September, 2021: HK2 cents per share for the year ended 31st March, 2021)	49,334	19,862

For the six months ended 30th September, 2022, the Company declared to distribute dividends amounting to HK\$49,334,000 (six months ended 30th September, 2021: HK\$19,862,000). The difference between this amount and the amount of dividends recognised as a distribution disclosed in the condensed consolidated statement of changes in equity represented the dividends to be paid to the Group's share award scheme.

Subsequent to the reporting period, the Company declared to distribute a special dividend of HK20 cents per share, totally amounted to HK\$196,273,200 for the year ending 31st March 2023.

9. EARNINGS PER SHARE

The calculation of earnings per share attributable to owners of the Group is based on the following data:

	Six months ended	
	30.9.2022	30.9.2021
	HK\$'000	HK\$'000
<u>Earnings</u>		
Profit for the period attributable to owners of the Company for the purpose of basic and diluted earnings per share	297,869	121,718
	Number of shares '000	Number of shares '000
<u>Number of shares</u>		
Weighted average number of ordinary shares for the purpose of basic earnings per share	973,004	979,792
Effect of dilutive potential ordinary shares in respect of unvested shares awarded under the share award scheme	6,734	5,247
Weighted average number of ordinary shares for the purpose of diluted earnings per share	979,738	985,039

The weighted average number of ordinary shares for the purpose of basic earnings per share shown above have been arrived at after deducting shares held by the share award scheme trust.

10. MOVEMENT IN PROPERTY, PLANT AND EQUIPMENT

The Group spent HK\$18,095,000 (six months ended 30th September, 2021: HK\$27,641,000) on additions to the property, plant and equipment, which are mainly for the production of LCD, LCM and LCD-related optical products in the manufacturing plants in the PRC.

11. INTERESTS IN ASSOCIATES

	30.9.2022 <i>HK\$'000</i>	31.3.2022 <i>HK\$'000</i>
Cost of investments in associates		
Listed in the PRC (<i>Note i</i>)	497,286	518,114
Unlisted	183,052	183,052
Share of post-acquisition results and other comprehensive income, net of dividends received		
Listed in PRC	1,105,900	1,060,888
Unlisted	49,468	35,440
Exchange adjustments	(103,796)	95,915
	1,731,910	1,893,409
Fair value of listed associate (<i>Note ii</i>)	6,665,179	6,879,781

Notes:

- (i) During the current period, the Group disposed of a total of 10,463,000 equity shares (representing approximately 1.3% equity interest) of Nantong Jianghai Capacitor Company Ltd. ("Nantong Jianghai") at a consideration of RMB210,403,000 (equivalent to HK\$248,170,000) through block trade transactions on the Shenzhen Stock Exchange. The transaction was completed in June 2022 and a pre-tax gain on disposal of equity interest of an associate of HK\$169,146,000 was recognised in the condensed consolidated statement of profit or loss.
- (ii) The fair value of the listed investments is determined based on the quoted market bid price multiplied by the quantity of shares held by the Group.

12. DEBT INVESTMENTS AT AMORTISED COST

During the current interim period, the Group purchased debt investments at PRC's real estate entity with purchase costs of US\$5,015,000 (equivalent to HK\$39,320,000) (six months ended 30th September 2021: US\$5,882,000 (equivalent to HK\$45,671,000)), and received repayments of debt investments amounted to US\$1,103,000 (equivalent to HK\$8,656,000) (six months ended 30th September 2021: nil). These notes carry coupon rate ranged from 5.6% to 6.75% per annum (31st March, 2022: 5.6% to 7.25% per annum). The effective interest rate of such bonds ranged from 5.7% to 7.0% (31st March, 2022: 8.3% to 11.8%) per annum. The bonds will be matured during November 2022 to September 2023.

The Group's debt investments at amortised cost mainly comprise listed bonds that are graded in the non-investment grade (31st March, 2022: middle investment grade) as per globally understood definitions and therefore are considered to be high credit risk investments. During the current interim period, the Group recorded an allowance for credit loss on debt investments at amortised cost of HK\$31,852,000 (six months ended 30th September, 2021: HK\$610,000).

Subsequent to the reporting period, the issuer of debt investments at amortised cost announced to postpone the repayment of all of the outstanding bonds for one to two years. Details are set out in Note 21.

13. TRADE AND OTHER RECEIVABLES

The Group has a policy of allowing credit periods ranging from 30 days to 150 days.

The following is an aged analysis by invoice date of trade receivables, net of allowance for credit losses, at the end of the reporting period:

	30.9.2022 <i>HK\$'000</i>	31.3.2022 <i>HK\$'000</i>
1 – 30 days	133,683	142,367
31 – 60 days	81,034	55,079
61 – 90 days	49,657	42,889
91 – 120 days	19,808	14,981
Over 120 days	6,466	8,885
	290,648	264,201

As at 30th September, 2022, included in the Group's trade receivables balance are debtors with carrying amount of HK\$14,127,000 (31st March, 2022: HK\$16,257,000) which has been past due 90 days or more and is not considered as in default as the directors assessed that the balances will be recovered after considering aging, repayment history and/or past due status and forward-looking information of respective trade receivables. The Group does not hold any collateral over these balances.

Other receivables mainly include:

- (i) the principal of the loan to the shareholder of Suzhou QingYue Optoelectronics Technology Co., Limited, an associate of the Group, amounting to RMB24,000,000 (equivalent to HK\$26,578,000) (31st March, 2022: RMB24,000,000 (equivalent to HK\$29,640,000)) which is repayable in August 2023. The loan receivable carries interests at fixed rate of 4.35% (31st March, 2022: 4.35%) per annum.
- (ii) the principal of the loan to the shareholder of Zaozhuang Reinno Electronics Technology Co., Limited, an associate of the Group, amounting to RMB14,000,000 (equivalent to HK\$15,504,000) (31st March, 2022: RMB14,000,000 (equivalent to HK\$17,290,000)) which is repayable on demand. The loan receivable carries interests at fixed rate of 2% (31st March, 2022: 2%) per annum.

14. TRADE AND OTHER PAYABLES

The following is an aged analysis by invoice date of trade payables at the end of the reporting period:

	30.9.2022 <i>HK\$'000</i>	31.3.2022 <i>HK\$'000</i>
1 – 30 days	146,486	115,754
31 – 60 days	17,830	29,969
61 – 90 days	2,934	22,634
91 – 120 days	614	11,856
Over 120 days	7,486	16,338
	175,350	196,551

15. BANK BORROWINGS

During the current interim period, the Group obtained new bank borrowings amounting to HK\$63,339,000 (six months ended 30th September, 2021: HK\$3,787,000) and repaid bank borrowings amounting to HK\$67,091,000 (six months ended 30th September, 2021: nil). The loans carry interest at market rates range from 1.76% to 3.65% (six months ended 30th September, 2021: fixed market rates of 2.66%) per annum and are repayable within 1 year.

16. SHARE CAPITAL

	Number of shares <i>'000</i>	Share capital <i>HK\$ '000</i>
Authorised ordinary shares of HK\$0.2 each	2,000,000	400,000
Issued and fully paid		
At 1st April, 2021	999,641	199,928
Share repurchased and cancelled	(6,560)	(1,312)
At 30th September, 2021 and 1st April, 2022	993,081	198,616
Share repurchased and cancelled	(6,400)	(1,280)
At 30th September, 2022	986,681	197,336

During the current period, the Company repurchased its own ordinary shares through SEHK as follows:

Month of repurchase	Number of ordinary shares of HK\$0.2 each	Price per share		Aggregate consideration paid <i>HK\$ '000</i>
		Highest <i>HK\$</i>	Lowest <i>HK\$</i>	
June 2022	680,000	3.09	3.00	2,079
July 2022	3,920,000	3.35	2.94	12,351
August 2022	1,800,000	3.09	2.98	5,509
September 2022	2,079,171	3.07	2.90	6,246
Total	8,479,171			26,185

6,400,000 out of total repurchased ordinary shares were cancelled during the current interim period, while the remaining 2,079,171 repurchased ordinary shares were subsequently cancelled in November 2022.

None of the Company's subsidiaries purchased, sold or redeemed any the Company's listed securities during the current period.

17. SHARE AWARD SCHEME

The purpose of the share award scheme is to recognise and motivate the contribution of certain qualifying person and to provide incentives and help the Group in retaining its existing qualifying person and recruiting additional qualifying person for the continual operation and development of the Group and to provide them with a direct economic interest in attaining the long-term business objectives of the Company.

The share award scheme of the Company was adopted by the board of directors on 24th October, 2012. Pursuant to the share award scheme, existing shares will be purchased by the trustee from the market out of cash contributed by the Group and be held in trust for the relevant selected participants until such shares are vested with the relevant selected participants in accordance with the provisions of the scheme, whichever is earlier. When the selected participant has satisfied all vesting conditions specified by the board at the time of making the award and become entitled to the shares forming the subject of the award, the trustee shall transfer the relevant vested shares to that qualifying person.

Recognition of equity-settled share-based payment expenses under share award scheme during the period was approximately HK\$1,071,000 (30th September, 2021: HK\$1,043,000).

Movements in the number of unvested awarded shares were as follows:

	2022	2021
	Number	Number
	of shares	of shares
At 1st April	9,292,800	10,930,000
Vested <i>(Note)</i>	(1,058,400)	(1,434,000)
Forfeited	–	(203,200)
	<hr/>	<hr/>
At 30th September	8,234,400	9,292,800

Note: This represents awarded shares vested during the period.

18. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Some of the Group's financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair value of the financial liabilities are determined.

	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	30th September, 2022 HK\$'000	31st March, 2022 HK\$'000		
Derivative financial instruments				
– Foreign currency forward contracts	(2,791)	(73)	Level 2	Future cash flows were estimated based on forward exchange (from observable forward exchange at the end of the reporting period) and contracted forward rates, discounted at rates that reflect the credit risk of various counterparties.

Except as detailed in the above table, the fair value of the Group's financial assets and financial liabilities are not measured at fair value on a recurring basis:

- The fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on a discounted cash flow analysis.
- The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

19. CAPITAL COMMITMENTS

	30.9.2022 HK\$'000	31.3.2022 HK\$'000
Expenditure contracted for but not provided in the condensed consolidated financial statements in respect of:		
– acquisition of property, plant and equipment	12,221	9,367

20. RELATED PARTY TRANSACTIONS

20a. Transactions with related parties

	Six months ended	
	30.9.2022	30.9.2021
	HK\$'000	HK\$'000
Interest income from loans to shareholders of associates	775	687

20b. Compensation of key management personnel

During the current interim period, the Group's remuneration paid to the directors who represent the key management personnel of the Group was as follows:

	Six months ended	
	30.9.2022	30.9.2021
	HK\$'000	HK\$'000
Short-term benefits	5,297	4,247
Share-based payments	239	359
Post-employment benefits	199	139
	5,735	4,745

21. EVENTS AFTER THE REPORTING PERIOD

(A) Postponement of repayment of debt investments at amortised cost

On 31st October, 2022, the issuer of the debt investments at amortised cost (the "Issuer") announced that, subject to the consent of the holders (which has subsequently been obtained in November 2022), the maturity date of all the notes issued by the Issuer will be extended by one to two years. As at 30th September, 2022, the Group held a total face value of US\$11,657,000, of notes issued by the Issuer (collectively the "Notes") and reflected in the condensed consolidated statement of financial position as debt investments at amortised cost at a carrying value of approximately HK\$47,518,000. It is the intention of the Group to hold the Notes to maturity. The directors of the Company are in the process of assessing the financial impact of the postponement of repayment to the Group's condensed consolidated financial statements.

(B) Disposal of partial equity interest in a significant associate

Subsequent to the reporting period, the Group disposed of a total of 4,100,000 equity shares (representing approximately 0.5% equity interests) of Nantong Jianghai at a consideration amounted to RMB98,400,000 (equivalent to HK\$105,553,000) in total through block trade transactions on the Shenzhen Stock Exchange. Upon completion of the disposal, Nantong Jianghai continues to be an associate of the Group, and the results of Nantong Jianghai continue to be equity accounted for in the Group's condensed consolidated financial statements. The directors of the Company are in the process of assessing the financial impact of the disposal transaction to the Group's condensed consolidated financial statements.