



敏捷控股

NIMBLE HOLDINGS

NIMBLE HOLDINGS COMPANY LIMITED

(Incorporated in the Cayman Islands and continued in
Bermuda with limited liability)
(Stock code: 186)

INTERIM REPORT 2024



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Tan Bingzhao
Mr. Deng Xiangping
Mr. Yan Guohao
Ms. Liang Minling
Mr. Hu Desheng

Independent Non-executive Directors

Dr. Lin Jinying
Dr. Lu Zhenghua
Dr. Ye Hengqing

AUDIT COMMITTEE

Dr. Lu Zhenghua (*Chairman*)
Dr. Lin Jinying
Dr. Ye Hengqing

REMUNERATION COMMITTEE

Dr. Lin Jinying (*Chairman*)
Dr. Lu Zhenghua
Dr. Ye Hengqing

NOMINATION COMMITTEE

Mr. Tan Bingzhao (*Chairman*)
Dr. Lin Jinying
Dr. Ye Hengqing

COMPANY SECRETARY

Mr. Hui Chun Yip

ASSISTANT COMPANY SECRETARY

Ms. Linda Longworth
International Managers Bermuda Ltd.

LEGAL ADVISORS

Stephenson Harwood
Johnnie Yam, Jackie Lee & Co.

AUDITOR

ZHONGHUI ANDA CPA Limited
Certified Public Accountants
Registered Public Interest Entity Auditors

REGISTERED OFFICE

Wessex House, 5th Floor
45 Reid Street
Hamilton HM 12, Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Flat C01, 32/F, TML Tower
3 Hoi Shing Road
Tsuen Wan
New Territories
Hong Kong

SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

STOCK CODE

186

COMPANY'S WEBSITE

www.nimbleholding.com

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 September 2024

		(Unaudited) Six months ended	
	Notes	30 September 2024 HK\$ million	30 September 2023 HK\$ million
Revenue	7	1,333	1,076
Cost of sales		(1,201)	(905)
Gross profit		132	171
Other income, gains and losses	8	(2)	65
Selling and distribution costs		(45)	(50)
Administrative expenses		(36)	(34)
Finance costs	9	(1)	—*
Profit before taxation	10	48	152
Income tax expenses	11	(28)	(42)
Profit for the period		20	110
Profit for the period attributable to:			
Owners of the Company		27	105
Non-controlling interests		(7)	5
		20	110
		HK cents	HK cents
Profit per share	13		
Basic and diluted		0.49	1.91

* The amount is less than HK\$1 million.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2024

	(Unaudited)	
	Six months ended	
	30 September 2024 HK\$ million	30 September 2023 HK\$ million
Profit for the period	20	110
Other comprehensive income/(expenses), net of tax:		
– Items that may be subsequently reclassified to profit or loss:		
Exchange differences on translation of financial statements of overseas/PRC subsidiaries	9	(5)
– Items that were reclassified to profit or loss:		
Exchange differences reclassified to profit or loss upon disposal of a subsidiary	(2)	(1)
Other comprehensive income/(expenses) for the period	7	(6)
Total comprehensive income for the period	27	104
Total comprehensive income/(expenses) for the period attributable to:		
Owners of the Company	34	99
Non-controlling interests	(7)	5
	27	104

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2024

	Notes	(Unaudited) As at 30 September 2024 HK\$ million	(Audited) As at 31 March 2024 HK\$ million
Non-current assets			
Plant and equipment		2	2
Right-of-use assets		5	3
Deferred income tax assets		1	1
Brands and trademarks		—	—
Goodwill		—	—
Investment in a joint venture		—	—
Other assets		1	—*
		9	6
Current assets			
Inventories		48	55
Properties under development	14	1,430	2,361
Completed properties held for sale	14	411	392
Accounts receivable	15	39	37
Prepayments, deposits and other receivables		157	154
Amount due from related party	19	—*	—
Short-term bank deposits		126	—
Cash and bank balances	16	786	1,250
		2,997	4,249
Current liabilities			
Accounts payable	17	853	871
Contract liabilities	18	742	1,660
Accrued liabilities and other payables		77	126
Amounts due to related parties	19	624	388
Interest-bearing bank loans	20	222	218
Lease liabilities		2	1
Tax liabilities		82	62
		2,602	3,326
Net current assets		395	923

* The amount is less than HK\$1 million.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

As at 30 September 2024

		(Unaudited) As at 30 September 2024 HK\$ million	(Audited) As at 31 March 2024 HK\$ million
	Notes		
Non-current liabilities			
Amounts due to related parties	19	–	549
Lease liabilities		4	2
Tax liabilities		–	5
		<u>4</u>	<u>556</u>
NET ASSETS		<u>400</u>	<u>373</u>
CAPITAL AND RESERVES			
Share capital	22	55	55
Share premium		386	386
Reserves		(98)	(132)
Equity attributable to the owners of the Company		<u>343</u>	<u>309</u>
Non-controlling interests		<u>57</u>	<u>64</u>
TOTAL EQUITY		<u>400</u>	<u>373</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2024

	Share capital HK\$ million	Share premium HK\$ million	Contributed reserve** HK\$ million	Statutory reserve** HK\$ million	Exchange fluctuation reserve/(deficit)** HK\$ million	Other reserve** HK\$ million	Accumulated deficits** HK\$ million	Equity attributable to the owners of the Company HK\$ million	Non controlling interests HK\$ million	Total equity HK\$ million
At 1 April 2024	55	386	193	4	(12)	22	(339)	309	64	373
Profit for the period	-	-	-	-	-	-	27	27	(7)	20
Other comprehensive income/(expenses) for the period:										
– Exchange differences arising on translation of financial statements of overseas/PRC subsidiaries	-	-	-	-	9	-	-	9	-	9
– Exchange differences reclassified to profit or loss upon disposal of a subsidiary	-	-	-	-	(2)	-	-	(2)	-	(2)
Total comprehensive income/(expenses) for the period	-	-	-	-	7	-	27	34	(7)	27
At 30 September 2024 (unaudited)	55	386	193	4	(5)	22	(312)	343	57	400
At 1 April 2023	55	386	193	4	(1)	22	(471)	188	57	245
Profit for the period	-	-	-	-	-	-	105	105	5	110
Other comprehensive expenses for the period:										
– Exchange differences arising on translation of financial statements of overseas/PRC subsidiaries	-	-	-	-	(5)	-	-	(5)	-	(5)
– Exchange differences reclassified to profit or loss upon disposal of a subsidiary	-	-	-	-	(1)	-	-	(1)	-	(1)
Total comprehensive (expenses)/ income for the period	-	-	-	-	(6)	-	105	99	5	104
At 30 September 2023 (unaudited)	55	386	193	4	(7)	22	(366)	287	62	349

** These accounts comprise deficit in reserves of approximately HK\$98 million (30 September 2023: approximately HK\$154 million) in the condensed consolidated statement of financial position.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2024

		(Unaudited) Six months ended	
	Notes	30 September 2024 HK\$ million	30 September 2023 HK\$ million
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating cash flows before working capital changes		54	125
Change in properties under development		957	708
Change in completed properties held for sale		(19)	(63)
Change in accounts payable		(36)	99
Change in contract liabilities		(937)	(325)
Other working capital changes		(36)	(52)
Cash (used in)/generated from operations		(17)	492
Income tax paid		(22)	(34)
Net cash (used in)/generated from operating activities		(39)	458
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments to acquire plant and equipment		(1)	(8)
Net cash inflow/(outflows) from the disposal of a subsidiary	21	13	(337)
Change in restricted bank deposits		297	305
Placement of short-term bank deposits		(124)	–
Interest received		9	13
Net cash generated from/(used in) investing activities		194	(27)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

For the six months ended 30 September 2024

		(Unaudited) Six months ended	
	Notes	30 September 2024 HK\$ million	30 September 2023 HK\$ million
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(1)	(2)
Advance from amounts due to related parties		—*	—
Advance from interest-bearing bank loans		—	50
Repayments to amounts due to related parties		(331)	(355)
Repayments of bank loans and interest		(5)	(92)
Net cash used in financing activities		(337)	(399)
Net (decrease)/increase in cash and cash equivalents		(182)	32
Cash and cash equivalents at beginning of the period		295	333
Effect of foreign exchange rate changes, net		1	(7)
Cash and cash equivalents at end of the period		114	358
Analysis of cash and cash equivalents:			
Cash and bank balances		114	200
Short-term deposits with original maturities within three months		—	158
	16	114	358

* The amount is less than HK\$1 million.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 September 2024

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands and continued in Bermuda as an exempted company with limited liability under the Companies Law of Bermuda. The address of its registered office is Wessex House, 5th Floor, 45 Reid Street, Hamilton HM 12, Bermuda. The principal place of business is Flat C01, 32nd Floor, TML Tower, 3 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong. The shares of the Company (the “Shares”) are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Company's immediate holding company is Wealth Warrior Global Limited (the “Wealth Warrior”), a company incorporated in the British Virgin Islands (the “BVI”). The beneficial owner and the sole director of Wealth Warrior is Mr. Tan Bingzhao (“Mr. Tan”). As such, the ultimate controlling shareholder of the Company is Mr. Tan, who is the chairman of the Board, an executive director and the Chief Executive Officer (“CEO”) of the Company.

The Company is an investment holding company. The principal activities of the Company's major subsidiaries are property development in the People's Republic of China (the “PRC”), distribution of houseware products and audio products in the United States of America (the “USA”) and the trading of household appliances in the PRC.

The unaudited condensed consolidated interim financial statements are presented in Hong Kong dollars, the functional currency of the Company, and all values are rounded to the nearest million (HK\$ million) unless otherwise stated.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

2. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and the Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The unaudited condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 March 2024, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

These unaudited condensed consolidated interim financial statements have been prepared in accordance with the accounting policies adopted in the Group’s most recent annual consolidated financial statements for the year ended 31 March 2024.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") that are relevant to its operations and effective for its accounting year beginning on 1 April 2024. HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards ("HKAS"); and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's unaudited condensed consolidated interim financial statements and amounts reported for the current period and prior years.

The Group has not applied the new and revised HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised HKFRSs but is not yet in a position to state whether these new and revised HKFRSs would have a material impact on its results of operations and financial position.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the unaudited condensed consolidated interim financial statements requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the unaudited condensed consolidated interim financial statements, the critical accounting judgments made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those that were applied to the audited consolidated financial statements for the year ended 31 March 2024.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

5. **FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES**

The unaudited condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the audited consolidated financial statements for the year ended 31 March 2024.

There have been no significant changes in the policies on how to mitigate these risks since the year ended 31 March 2024.

6. **SEGMENT REPORTING**

The Group currently organises its operations into the following reportable and operating segments.

Operating segments	Principal activities
PRC Property Development	Property development and operations in the PRC
Emerson	Distribution of houseware products and audio products and licensing business – Comprising a group listed on the New York Stock Exchange (“NYSE”) of the USA
PRC Household Appliances	Trading of household appliances, wires and cables in the PRC

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

6. SEGMENT REPORTING (continued)

(a) Unaudited revenue and results of the Group by operating segment

For the six months ended 30 September 2024

	PRC Property Development HK\$ million	Emerson HK\$ million	PRC Household Appliances HK\$ million	Unallocated HK\$ million	Consolidated HK\$ million
Revenue:					
Sale of properties to external customers	1,287	–	–	–	1,287
Sale of household appliances, wires and cables to external customers	–	–	8	–	8
Sale of houseware and audio products to external customers	–	37	–	–	37
Licensing income from external customers	–	1	–	–	1
	<u>1,287</u>	<u>38</u>	<u>8</u>	<u>–</u>	<u>1,333</u>
Total segment revenue	1,287	38	8	–	1,333
Results:					
Segment results	82	(14)	1	–	69
	<u>82</u>	<u>(14)</u>	<u>1</u>	<u>–</u>	<u>69</u>
Reconciliations:					
Unallocated corporate expenses	–	–	–	(18)	(18)
Expected credit loss (“ECL”) on accounts receivable	–	(1)	–*	–	(1)
Impairment loss recognised in respect of properties under development	(16)	–	–	–	(16)
Impairment loss recognised in respect of completed properties held for sales	(8)	–	–	–	(8)
Interest income	–	–	–	9	9
Gain on disposal of a subsidiary	13	–	–	–	13
					<u>48</u>
Profit before taxation					48

* The amount is less than HK\$1 million.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

6. SEGMENT REPORTING (continued)

(a) Unaudited revenue and results of the Group by operating segments (continued)

For the six months ended 30 September 2023

	PRC Property Development HK\$ million		PRC Household Appliances Unallocated HK\$ million		Consolidated HK\$ million
	Emerson HK\$ million				
Revenue:					
Sale of properties to external customers	1,001	–	–	–	1,001
Sale of household appliances, wires and cables to external customers	–	–	42	–	42
Sale of houseware and audio products to external customers	–	32	–	–	32
Licensing income from external customers	–	1	–	–	1
Total segment revenue	1,001	33	42	–	1,076
Results:					
Segment results	105	(12)	3	–	96
Reconciliations:					
Unallocated corporate expenses	–	–	–	(9)	(9)
Interest income	–	–	–	13	13
Gain on disposal of a subsidiary	28	–	–	–	28
Settlement of litigation	–	24	–	–	24
Profit before taxation					152

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

6. SEGMENT REPORTING (continued)

(b) Assets and liabilities of the Group by operating segments

	PRC Property Development HK\$ million		PRC Household Appliances HK\$ million		Intersegment elimination HK\$ million	Consolidated HK\$ million
	Emerson HK\$ million		Unallocated HK\$ million			

As at 30 September 2024 (unaudited)

Reportable segment assets	2,763	207	39	13	(16)	3,006
Reportable segment liabilities	2,564	17	19	22	(16)	2,606

As at 31 March 2024 (audited)

Reportable segment assets	3,984	227	62	14	(32)	4,255
Reportable segment liabilities	3,834	23	44	13	(32)	3,882

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

6. SEGMENT REPORTING (continued)

(c) Geographical segments

	(Unaudited) Six months ended	
	30 September 2024 HK\$ million	30 September 2023 HK\$ million
Revenue:		
PRC	1,295	1,043
USA	38	33
	<hr/>	<hr/>
Total	1,333	1,076
	<hr/>	<hr/>

7. REVENUE

An analysis of the Group's revenue from contracts with customers, by principal activities, for the Period and the Corresponding Period is as follows:

	(Unaudited) Six months ended	
	30 September 2024 HK\$ million	30 September 2023 HK\$ million
By principal activity:		
Sale of properties	1,287	1,001
Sale of goods	45	74
Licensing income	1	1
	<hr/>	<hr/>
	1,333	1,076
	<hr/>	<hr/>

Revenue from the above mentioned principal activities was recognised on "point in time" basis.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

8. OTHER INCOME, GAINS AND LOSSES

	(Unaudited)	
	Six months ended	
	30 September 2024 HK\$ million	30 September 2023 HK\$ million
Impairment loss recognised in respect of properties under development	(16)	–
Impairment loss recognised in respect of completed properties held for sales	(8)	–
Gain on disposal of a subsidiary	13	28
Changes in ECL on accounts receivables	(1)	–
Interest income	9	13
Settlement of litigation	–	24
Others	1	–
	(2)	65

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

9. FINANCE COSTS

	(Unaudited) Six months ended	
	30 September 2024 HK\$ million	30 September 2023 HK\$ million
Interest on loans from related parties	4	21
Interest on loan from a shareholder	—*	—*
Interest on bank loans	5	5
Interest on lease liabilities	—*	—*
	<hr/>	<hr/>
	9	26
Less: interest expense capitalised into properties under development (note (i))	(8)	(26)
	<hr/>	<hr/>
	1	—*
	<hr/>	<hr/>

Note:

- (i) The finance costs incurred by the Group in both periods arose from funds borrowed specifically for the purpose of obtaining the qualifying assets.

* The amount is less than HK\$1 million.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

10. PROFIT BEFORE TAXATION

The profit before taxation is arrived at after charging/(crediting):

	(Unaudited) Six months ended	
	30 September 2024 HK\$ million	30 September 2023 HK\$ million
(a) Staff costs		
Directors' and Chief Executive Officer's emoluments	2	2
Other staff costs:		
– Salaries and other benefits	18	18
– Retirement benefits costs	2	2
	<u>22</u>	<u>22</u>
Less: amount capitalised in properties under development	(1)	(2)
	<u>21</u>	<u>20</u>
(b) Other items		
Short-term lease expenses	—*	—*
Depreciation of plant and equipment	1	13
Depreciation of right-of-use assets	1	1
Business tax and other levies	2	3
Advertising and promotion expenses**	3	15
Carrying amount of inventories sold	38	64
Cost of properties sold recognised as expense	1,163	841
Changes in ECL on accounts receivable	1	—
	<u>1,163</u>	<u>841</u>

* The amount is less than HK\$1 million.

** Included in selling and distribution costs.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

11. INCOME TAX EXPENSES

No Hong Kong profits tax has been provided in the unaudited condensed consolidated interim financial statements as there are no assessable profits arising in Hong Kong during the Period and the Corresponding Period.

Under the Law of the People's Republic of China on Corporate Income Tax (the "CIT Law") and Implementation Regulation of the CIT Law, the tax rate of the PRC subsidiaries is 25% for both periods.

The provision of land appreciation taxes ("LAT") is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT is charged at ranges of progressive rates of the appreciation value, with certain allowable exemptions and deductions.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the places in which the Group operates, based on existing legislation, interpretations and practises in relevant jurisdictions thereof.

	(Unaudited)	
	Six months ended	
	30 September 2024 HK\$ million	30 September 2023 HK\$ million
Current income tax:		
– PRC corporate income tax	25	32
– PRC LAT	3	9
– Overseas	—*	1
Deferred tax – PRC	—*	—
Income tax expenses	28	42

* The amount is less than HK\$1 million.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

12. DIVIDEND

The Directors do not recommend the payment of an interim dividend for the Period (the Corresponding Period: Nil).

13. PROFIT PER SHARE

(a) Basic profit per share

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

	(Unaudited) Six months ended	
	30 September 2024 HK\$ million	30 September 2023 HK\$ million
Profit for the period for the purpose of calculating basic profit per share	27	105

	30 September 2024 Number of ordinary shares million	30 September 2023 Number of ordinary shares million
Number of shares: Weighted average number of ordinary shares for the purposes of calculating basic profit per share	5,492.2	5,492.2

(b) Diluted profit per share

Diluted profit per share equals basic profit per share as there were no potential ordinary shares outstanding during the Period and the Corresponding Period.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

14. PROPERTIES UNDER DEVELOPMENT AND COMPLETED PROPERTIES HELD FOR SALE

	(Unaudited) 30 September 2024 HK\$ million	(Audited) 31 March 2024 HK\$ million
Properties under development for sale	1,430	2,361
Completed properties held for sale	411	392
	1,841	2,753

The properties under development are located in the PRC. Properties under development that have plans to be developed for sale, and are expected to be realised within the Group's normal operating cycle, are classified as current assets. Included in the amounts are properties under development of HK\$1,240 million (31 March 2024: HK\$1,182 million) which are expected to be completed and available for delivery to the customers more than twelve months from the end of the reporting period.

At 30 September 2024, certain of the Group's properties under development with carrying value of HK\$7 million (31 March 2024: HK\$7 million) were pledged for certain facilities granted to the Group by the banks.

The Group's completed properties held for sale are stated at the lower of cost and net realisable value and situated in the PRC. In the opinion of the Directors, completed properties held for sale as at 30 September 2024 are expected to be sold within twelve months from the end of the reporting period.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

15. ACCOUNTS RECEIVABLE

The Group allows an average credit period of 30 to 90 days to its trade customers.

	(Unaudited) 30 September 2024 HK\$ million	(Audited) 31 March 2024 HK\$ million
Gross amount	45	42
Less: allowance of ECL	(6)	(5)
Net carrying amount	39	37

The following are the movements of allowance of ECL on accounts receivable during the Period/the year ended 31 March 2024 (the “Corresponding Year”):

	(Unaudited) 30 September 2024 HK\$ million	(Audited) 31 March 2024 HK\$ million
At beginning of the Period/the Corresponding Year	5	4
Change in ECL allowance	1	1
At end of the Period/the Corresponding Year	6	5

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

15. ACCOUNTS RECEIVABLE (continued)

The ageing analysis of accounts receivable (net of allowance of ECL), presented based on the invoice date, is as follows:

	(Unaudited) 30 September 2024 HK\$ million	(Audited) 31 March 2024 HK\$ million
0–3 months	33	35
3–6 months	6	2
	<hr/>	<hr/>
	39	37
	<hr/>	<hr/>

16. CASH AND BANK BALANCES

	(Unaudited) 30 September 2024 HK\$ million	(Audited) 31 March 2024 HK\$ million
Bank balances	114	145
Short-term deposits with original maturities within three months	–	150
	<hr/>	<hr/>
Cash and cash equivalents in the condensed consolidated statement of cash flows	114	295
Restricted bank deposits (Note (i))	672	955
	<hr/>	<hr/>
	786	1,250
	<hr/>	<hr/>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

16. CASH AND BANK BALANCES (continued)

Note:

- (i) Restricted bank deposits represented guarantee deposits for construction of pre-sale properties and are denominated in Renminbi ("RMB") and placed in designated bank accounts. In accordance with relevant government requirements, property development companies of the Group are required to place certain amount of pre-sale proceeds in designated bank accounts as guarantee deposits for the construction of the related properties. The deposits can only be used for payments for construction costs of the relevant properties when approval from related government authority is obtained.

17. ACCOUNTS PAYABLE

The Group was allowed an average credit period of 60 to 90 days by its trade suppliers.

The analysis of accounts payable, including ageing analysis of accounts payable arising from purchases of inventories based on the invoice date, is as follows:

	(Unaudited) 30 September 2024 HK\$ million	(Audited) 31 March 2024 HK\$ million
For purchases of inventories		
0–3 months	5	14
3–6 months	7	6
6–12 months	7	19
For construction costs (Note (i))	834	832
	853	871

Note:

- (i) Construction costs payable comprise payables for construction costs and other project related expenses (including unbilled payables) which are based on project progress measured by project management team of the Group. Therefore, no ageing analysis is performed.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

18. CONTRACT LIABILITIES

	(Unaudited) 30 September 2024 HK\$ million	(Audited) 31 March 2024 HK\$ million
Sale of properties (Note (i))	742	1,660
Others	—*	—*
	742	1,660

Note:

- (i) The Group receives 20% to 100% of the contract value from customers when they sign the sale and purchase agreements for pre-sale of properties while construction work of the properties is still ongoing. For the customers who applied mortgage loans to be provided by the banks, the remaining consideration will be paid to the Group from the banks once the mortgage loan application has been completed and release of fund has been approved. Such advance payment schemes result in contract liabilities being recognised through the property construction period until the customer obtains control of the completed property. Same as the properties under development as disclosed in Note 14, these balances are expected to be settled within the Group's normal operating cycle.

* The amount is less than HK\$1 million.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

19. BALANCES WITH RELATED PARTIES

	(Unaudited) 30 September 2024		(Audited) 31 March 2024	
	Effective contractual interest rate (%)	HK\$ million	Effective contractual interest rate (%)	HK\$ million
Amount due from related party				
Guangzhou Nimble New Life Property Management Co., Ltd. [#] (廣州敏捷新生活物業管理有限公司)	–	–*	–	–
Amounts due to related parties				
Current				
Guangzhou Minjie Real Estate Development Co., Ltd. [#] ("GZ Minjie", 廣州敏捷房地產開發有限公司)				
(note (i))	–	397	–	388
Loan from GZ Minjie (note (ii))	2.7%	156	–	–
Interest portion of loan from GZ Minjie (note (ii))	–	51	–	–
Loan from Mr. Tan (note (iii))	5%	18	–	–
Interest portion of loan from Mr. Tan (note (iii))		2		–
		624		388
Non-current				
Loan from GZ Minjie (note (ii))	–	–	2.7%	483
Interest portion of loan from GZ Minjie (note (ii))	–	–	–	47
Loan from Mr. Tan (note (iii))	–	–	5%	18
Interest portion of loan from Mr. Tan (note (iii))		–		1
		–		549
		624		937

All these entities are beneficially owned, directly or indirectly, by family members of Mr. Tan.

[#] For identification purposes only

* The amount is less than HK\$1 million

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

19. BALANCES WITH RELATED PARTIES (continued)

Notes:

- (i) The balance of approximately RMB358 million (31 March 2024: approximately RMB358 million), which is equivalent to approximately HK\$397 million (31 March 2024: approximately HK\$388 million) is non-trade in nature, unsecured, interest-free and has no fixed repayment terms.

GZ Minjie is also a non-controlling interests of Changsha Ningxiang Minjun Real Estate Development Co., Ltd.* (長沙市寧鄉敏駿房地產開發有限公司), a non-wholly owned indirect subsidiary of the Company.

- (ii) The balance of approximately RMB187 million (31 March 2024: approximately RMB489 million), which is equivalent to approximately HK\$207 million (31 March 2024: approximately HK\$530 million), will be repayable in full on 4 May 2025 (31 March 2024: 4 May 2025). The balance is non-trade in nature and unsecured.
- (iii) During the Corresponding Year, a subsidiary of the Company entered into an agreement with Mr. Tan in relation to the loan facility of up to HK\$18 million at the agreed interest rate of 5% per annum, unsecured and with the principal and interest repayable in full on 11 May 2025. In the opinion of the Directors, the purpose of the loan facility is for use in the Group's daily operations.

For identification purposes only

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

20. INTEREST-BEARING BANK LOANS

	(Unaudited) 30 September 2024 HK\$ million	(Audited) 31 March 2024 HK\$ million
Loans from banks – secured	222	218
Less: Amount due within one year or on demand shown under current liabilities	(222)	(218)
Non current liabilities	–	–

At 30 September 2024, a bank loan of the Group bear floating interest rate based on RMB1-year Loan Prime Rate plus a specified margin of 0.75% per annum, carrying interest rate at approximately 4.3%; thus exposing the Group to cash flow interest rate risk. The bank loan was guaranteed by related parties, and secured by the shares in Shantou Ruijing Real Estate Development Co., Ltd* (汕頭市瑞景房地產開發有限公司), a wholly owned indirect subsidiary of the Company, and certain properties under development of the Group of approximately RMB7 million, which are equivalent to approximately HK\$7 million, as set out in Note 14.

* For identification purposes only

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

21. DISPOSAL OF A SUBSIDIARY

- (a) The disposal of entire issued share capital in Guangzhou Ruihua Property Development Company Limited* (廣州市瑞華物業發展有限公司) ("GZ Ruihua"), was completed on 30 May 2024 (the "Completion Date") at a consideration of RMB12,000,000. Upon completion, GZ Ruihua ceased to be a subsidiary of the Company and consolidated results, assets and liabilities of GZ Ruihua ceased to be consolidated with those of the Group.

The net assets of GZ Ruihua as at the date of disposal were as follows:

	HK\$ million
Right-of-use assets	—*
Prepayments, deposits and other receivables	—*
Amount due from a joint venture	2
Cash and bank balances	—*
Accrued liabilities and other payables	—*
Lease liabilities	—*
	<hr/>
Net assets disposed of	2
Reclassification adjustment of exchange reserve on disposal of GZ Ruihua	(2)
Direct cost incurred for the disposal	—*
Gain on disposal of a subsidiary	13
	<hr/>
Total cash consideration received	13
	<hr/>
Net cash outflow arising on disposal	
Cash consideration	13
Cost directly attributable to the disposal	—*
Bank balances and cash disposed of	—*
	<hr/>
Net cash inflow arising on disposal	13
	<hr/>

* The amount is less than HK\$1 million.

For identification purposes only

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

21. DISPOSAL OF A SUBSIDIARY (continued)

- (b) The disposal of entire issued share capital in Ningbo Ruizhi Real Estate Development Co., Ltd[#] (寧波市瑞智房地產開發有限公司) ("Ningbo Ruizhi"), was completed on 26 May 2023 (the "Completion Date") at a consideration of RMB10,000,000. Upon completion, Ningbo Ruizhi ceased to be a subsidiary of the Company and consolidated results, assets and liabilities of Ningbo Ruizhi ceased to be consolidated with those of the Group.

The net assets of Ningbo Ruizhi as at the date of disposal were as follows:

	HK\$ million
Plant and equipment	3
Properties under development	1,396
Prepayments, deposits and other receivables	21
Cash and bank balances	348
Accounts payables	(117)
Contract liabilities	(434)
Accrued liabilities and other payables	(22)
Interest-bearing bank loan	(441)
Amount due to a related company	(770)
Net liabilities disposed of	(16)
Reclassification adjustment of exchange reserve on disposal of Ningbo Ruizhi	(1)
Direct cost incurred for the disposal	1
Gain on disposal of a subsidiary	28
Total cash consideration received	12
Net cash outflow arising on disposal	
Cash consideration	12
Cost directly attributable to the disposal	(1)
Bank balances and cash disposed of	(348)
Net cash outflow arising on disposal	(337)

[#] For identification purpose only

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

22. SHARE CAPITAL

	Number of shares '000	Share capital HK\$ million
Authorised share capital:		
Ordinary shares of HK\$0.01 each at 30 September 2024 and 31 March 2024	20,000,000	200
Issued and fully paid share capital:		
Ordinary shares of HK\$0.01 each at 30 September 2024 and 31 March 2024	5,492,233	55

23. CONTINGENT LIABILITIES

Except for the cases set out below, the Group did not have significant contingent liabilities as of 30 September 2024 and up to the date of this report:

Guarantees

The Group had provided guarantees of approximately HK\$1,519 million as at 30 September 2024 (as at 31 March 2024: HK\$1,914 million) to banks in favour of the purchasers of property units in relation to the Group's properties under development and completed properties sold, up to an amount of 80% of the purchase price of the individual property units, in respect of the mortgage loans provided by the banks to such purchasers. These guarantees provided by the Group to the banks will be released upon receiving the building ownership certificates of the respective properties by the banks from the customers as a pledge for security to the mortgage loans granted.

Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers prior to the releases of the guarantees, the Group is responsible to repay the outstanding mortgage principals together with any accrued interests and penalties owed by the defaulted purchasers to the banks, and the Group is entitled to take over the legal title and possession of the related properties. The guarantees start from the respective dates of grant of the mortgage loans.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

23. CONTINGENT LIABILITIES (continued)

Guarantees (continued)

In the opinion of the Directors, the total fair value of the financial guarantee contracts of the Group is insignificant at initial recognition. The Directors also consider the possibility of default by the parties involved to be remote and in case of default in payments, the net realisable value of the related properties would be able to cover the outstanding principal together with the accrued interest and penalties. Accordingly, no value has been recognised in the unaudited condensed consolidated statement of financial position as at 30 September 2024 (31 March 2024: Nil).

24. LEGAL CASES

(a) *The Company*

In an order made by the High Court of the Hong Kong Special Administrative Region (the “High Court”) on 9 May 2016 in respect of case HCCW 177/2011, the Company is required to:

- (i) indemnify and keep indemnified the former provisional liquidators in the event that the funds paid into the court are insufficient to meet the taxed fees and expenses of the former provisional liquidators; and
- (ii) indemnify and keep indemnified Mr. Fok Hei Yu and FTI Consulting (Hong Kong) Limited in respect of the costs of the defence of proceedings HCA 92/2014 (“the Action”), subject to the final determination of the Action. HCA 92/2014 is a legal case filed in January 2014 in the High Court by Sino Bright Enterprises Co., Ltd., and HCA 1152/2017 is a legal case filed in May 2017 in the High Court by the Company (which was later consolidated with HCA 92/2014), against Mr. Fok Hei Yu and FTI Consulting (Hong Kong) Limited for alleged misrepresentation and the case is ongoing.

As at the date of this report, the Company has received no such requests for the related fees, costs and expenses.

The Directors are of the view that no provision is necessary for any of the matters described above, after having considered their respective merits.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

24. LEGAL CASES (continued)

(b) Emerson Radio Corp.

On 10 October 2023, the US District Court for the District of Delaware (the “Delaware District Court”) granted final judgment in favor of Emerson Radio Corp. (the “Emerson”) in its trademark infringement lawsuit against air conditioning and heating products provider Emerson Quiet Kool Co., Ltd. and wholesaler Home Easy Ltd. (the “Defendants”). Among other things, the Delaware District Court order issues an injunction and directs the US Patent and Trademark Office to cancel the Defendants’ existing and proposed “Emerson Quiet Kool” trademarks and prohibits Defendants from registering or applying to register, or using the same mark or any other mark or name containing the word “Emerson” going forward. The judgment also awards approximately US\$10.4 million (equivalent to approximately HK\$81 million), inclusive of disgorgement of wrongful profits, attorney’s fees and enhanced damages. Like any judgement, there is no guarantee that Emerson will be able to collect the entire judgement or if it is able to collect, how soon it will be able to do so. The Defendants have filed separate bankruptcy petitions in the US Bankruptcy Court for the District of New Jersey.

During the Corresponding Period, based on the judgement affirmation by the U.S. Court of Appeals for the Third Circuit, Emerson recorded income of US\$3.1 million (equivalent to approximately HK\$24 million), which was the remaining balance of the advanced deposits, net of attorney’s fee incurred during the Corresponding Period.

25. TRANSACTION SUBSEQUENT TO THE REPORTING PERIOD

There were no significant events subsequent to the reporting period.

26. CAPITAL COMMITMENTS

	(Unaudited) 30 September 2024 HK\$ million	(Audited) 31 March 2024 HK\$ million
Contracted for but not provided in respect of properties under development	675	1,408

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group recorded a revenue of HK\$1,333 million for the Period as compared to HK\$1,076 million for the Corresponding Period, representing an increase of approximately 24%. The increase in revenue was mainly due to the increase in sales revenue of property development business in the Period. During the Period, according to the construction plan, certain phases of the Ningxiang, Yangjiang, Gongyi, Yongzhou and Shantou projects have been completed and property units were delivered to the ultimate customers. Revenue from recognised sales of property development which amounted to HK\$1,287 million was recorded in the unaudited condensed consolidated statement of profit or loss of the Group for the Period. Due to the unfavourable conditions in the real estate industry in the PRC, progresses of some construction work have slowed down. The needs of household appliances, wires and cables were therefore reduced. Revenue generated from the trading of household appliances, wires and cables in the PRC decreased from HK\$42 million for the Corresponding Period to HK\$8 million for the Period, representing a decrease of approximately 81%. Emerson recorded an increase in revenue from HK\$33 million for the Corresponding Period to HK\$38 million for the Period, representing an increase of approximately 15%. Sales of houseware products of Emerson recorded increases, driven by the increase in demand from customers for new models introduced during the Period. The Group recorded an unaudited profit attributable to the owners of the Company (the "Owners") of HK\$27 million for the Period, comparing to the unaudited profit attributable to the Owners of HK\$105 million for the Corresponding Period, representing a decrease of approximately 74%. Comparing to the Corresponding Period, the major changes in the unaudited condensed consolidated statement of profit or loss items were (i) the gross profit margin for properties delivered during the Period was approximately 10%, which was lower than approximately 16% for the Corresponding Period; (ii) an other income of approximately HK\$24 million from settlement of litigation by Emerson was recorded during the Corresponding Period, no such other income was recorded for the Period; and (iii) the impairment losses recognised in respect of properties under development and completed properties held for sale incurred during the Period.

As at 30 September 2024, the principal business activities of the Group included PRC property development business, Emerson's operation and the PRC household appliances business.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

PRC property development business

Sales of properties

During the Period, completed property units of Ningxiang, Yangjiang, Gongyi, Yongzhou and Shantou projects were delivered to the ultimate customers, the area of properties delivered were decreased to approximately 157,900 sq.m. (Corresponding Period: approximately 169,900 sq.m.). Sales of properties increased by approximately 29% from HK\$1,001 million for the Corresponding Period to HK\$1,287 million for the Period. Due to the increase in cost of properties sold, the PRC property development business contributed a segment profit of HK\$82 million to the Group during the Period, reflecting a decrease from the segment profit of HK\$105 million incurred during the Corresponding Period. The sales of properties revenue by projects are summarised as follows:

Name of the project	Approximate amount (after tax)		Approximate saleable areas delivered	
	Six months ended		Six months ended	
	30 September 2024 (HK\$ million)	30 September 2023 (HK\$ million)	30 September 2024 (sq.m.)	30 September 2023 (sq.m.)
Ningxiang Minjie Ziyun Fu [#] (寧鄉敏捷紫雲府)	4	128	1,900	26,400
Gongyi Minjie Jinxiu Yuanzhu [#] (鞏義敏捷錦綉源築)	320	256	49,300	33,800
Yangjiang Minjie Dongyue Fu [#] (陽江敏捷東樾府)	160	263	28,400	45,300
Yongzhou Minjie Jinyue Fu [#] (永州敏捷金玥府)	34	354	7,000	64,400
Shantou Minjie Jinglong Wan [#] (汕頭敏捷璟瓏灣)	769	–	71,300	–
Total	1,287	1,001	157,900	169,900

[#] For identification purpose only

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Contracted sales

All projects under development have been in pre-sales during the Period. The Group's attributable contracted sales during the Period were approximately RMB376 million with approximately 49,100 sq.m. sold and the average selling price was approximately RMB7,700 per sq.m., whereas the Group's attributable contracted sales during the Corresponding Period were approximately RMB574 million with approximately 70,500 sq.m. sold and the average selling price was approximately RMB8,100 per sq.m. The contracted sales for the two periods are summarised as follows:

Name of the project	Approximate attributable total value Six months ended		Approximate attributable saleable areas sold Six months ended	
	30 September 2024 (RMB million)	30 September 2023 (RMB million)	30 September 2024 (sq.m.)	30 September 2023 (sq.m.)
Ningxiang Minjie Ziyun Fu [#] (寧鄉敏捷紫雲府)	2	12	700	3,100
Gongyi Minjie Jinxiu Yuanzhu [#] (鞏義敏捷錦綉源築)	100	159	17,200	22,500
Yangjiang Minjie Dongyue Fu [#] (陽江敏捷東樾府)	53	72	9,900	13,700
Guangxi Nanning Minjie Huayu Jinxiu Jiangchen ^{#^} (廣西南寧敏捷華宇錦綉江辰)	17	6	2,000	500
Shantou Minjie Jinglong Wan [#] (汕頭敏捷璟瓏灣)	185	236	15,200	18,700
Yongzhou Minjie Jinyue Fu [#] (永州敏捷金玥府)	19	51	4,100	10,000
Ningbo Yunyue Xingzhu Huayuan ^{#*} (寧波雲明星著花園)	–	38	–	2,000
Total	376	574	49,100	70,500

[#] For identification purposes only

^{*} Ningbo project has been disposed in May 2023. The figures in the Corresponding Period represented the contracted sale for April and May of 2023.

[^] Nanning project has been disposed in May 2024. The figures in the Period represented the contracted sale for April and May of 2024.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Projects under development

Projects under development amounted to approximately 326,000 sq.m. attributable gross floor area ("GFA") as at 30 September 2024 (as at 31 March 2024: approximately 617,700 sq.m.), details of which are set out below:

Location	Approximate attributable GFA		Approximate attributable saleable area	
	30 September 2024 (sq.m.)	31 March 2024 (sq.m.)	30 September 2024 (sq.m.)	31 March 2024 (sq.m.)
Ningxiang, Hunan	24,500	24,500	19,100	19,100
Gongyi, Henan	48,200	89,400	32,400	74,500
Yangjiang, Guangdong	56,700	95,900	47,300	79,700
Nanning, Guangxi	–	115,000	–	93,200
Shantou, Guangdong	147,800	244,100	118,500	198,700
Yongzhou, Hunan	48,800	48,800	38,000	38,000
Total	326,000	617,700	255,300	503,200

* Nanning project has been disposed in May 2024.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Properties held for sale

During the Period, properties with a saleable area of approximately 155,300 sq.m. from Yangjiang, Gongyi and Shantou projects have been certified as completed. Including the unsold completed properties brought forward from 31 March 2024 of approximately 74,400 sq.m., total saleable area of approximately 229,700 sq.m. of properties held for sale was available for the Period. As approximately 157,900 sq.m. in saleable area has been recognized as sales of property development during the Period, the remaining properties held for sale as recorded in the unaudited condensed consolidated statement of financial position as at 30 September 2024 were approximately 71,800 sq.m. in saleable area.

Land bank

As at 30 September 2024, the Group's attributable land bank was approximately 69,300 sq.m. and approximately 55,400 sq.m. in GFA and saleable area respectively (as at 31 March 2024: approximately 72,400 sq.m. and approximately 55,400 sq.m. respectively), distributed across two cities and regions. Details are as below:

Location	Approximate attributable GFA		Approximate attributable saleable area	
	30 September 2024 (sq.m.)	31 March 2024 (sq.m.)	30 September 2024 (sq.m.)	31 March 2024 (sq.m.)
Gongyi, Henan	–	3,100	–	–
Yongzhou, Hunan	69,300	69,300	55,400	55,400
Total	69,300	72,400	55,400	55,400

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Emerson operations business

Emerson, a 72.4% owned subsidiary, whose shares are listed on the NYSE in the USA, generated revenue of HK\$38 million for the Period as compared to HK\$33 million for the Corresponding Period, representing an increase of approximately 15%. The increase in revenue was mainly resulting from the increased consumer demand for houseware products. Segment loss of Emerson for the Period was HK\$14 million as compared to the segment loss of HK\$12 million for the Corresponding Period. Apart from the above, during the Corresponding Period, Emerson recorded an income from settlement of litigation of approximately US\$3.1 million. The gain was based on a judgement affirmation by the U.S. Court of Appeals for the Third Circuit.

PRC household appliances business

Since the unfavourable operating environment of the real estate industry continued to prevail in the PRC during the Period, trading of household appliances, wires and cables in the PRC recorded a revenue of HK\$8 million for the Period, as compared to HK\$42 million for the Corresponding Period, representing a decrease of approximately 81%. The decrease in revenue was mainly due to the sluggish status of construction work in the PRC and therefore, demand for wires and cables reduced during the Period. Due to the revenue dropped during the Period, the operation has generated a segment profit of HK\$1 million for the Period as compared to the segment profit of HK\$3 million for the Corresponding Period, representing a decrease of approximately 67%.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

BUSINESS PROSPECTS

In the past six months, the overall PRC real estate market has continued its adjustment trend. Central and local governments have intensively introduced housing support policies, focusing on the destocking of existing properties and the optimization of new housing. These measures continue to support both rigid and improvement housing demand, working collaboratively from both supply and demand sides to stabilize the market and promote recovery. This will accelerate the establishment of a new model for real estate development and drive the long-term sustainable development of the industry.

Looking ahead, as various policies to support economic development and optimize real estate gradually take effect, the growth potential and resilience of China's economy will continue to improve. The real estate market is expected to stabilize and rebound more quickly, with significant changes in business models and competitive landscapes. However, market demand and structural opportunities still exist. The Group will actively respond to policies, monitor market dynamics, adjust sales strategies in a timely manner, and continuously fulfil commitments to customers. To this end, the Group will focus on the following key areas to promote stable and sustainable development:

- I. Building a strong foundation for development by focusing on the property development business. The Group will adhere to its customer-centric and market-oriented approach, focus on the development of existing projects, strengthen lean management, accelerate sales returns, make every effort to achieve its annual sales and various operating targets, ensure healthy operating cash flow and financial stability, and achieve a stable and quality sustainable development, thereby creating greater value for our shareholders;
- II. Proactively adapting to changes and actively responding to challenges. As market condition continues to change, the Group will make timely assessments of its project portfolio and make planning adjustments for individual projects whose operating conditions have deteriorated as a result of market factors. The Group will also pay close attention to changes in the land market with a cautious attitude, while at the same time keeping an eye on other opportunities in the property sector to lay the foundation for sustainable and steady development; and

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

- III. Maintaining the stable operation of both the PRC household appliances business and the USA distribution of houseware products and audio products business. With respect to the PRC household appliances business, the Group expects to continue to grow steadily as the property market in the PRC gradually recovers. The sales team will continue to solicit new customers to increase revenue and the management will continue to implement various cost control measures in order to reduce operating costs. With regard to the operation of Emerson, the Group expects to continue with its expansion of the existing and new distribution channels and to develop and promote new products with retailers in the USA. The Group will continue to monitor the trade and political environment and work to mitigate the potential impact of tariffs on its suppliers and customers through pricing and sourcing strategies.

LIQUIDITY AND FINANCIAL RESOURCES

The current ratio of the Group as at 30 September 2024 was approximately 1.15 as compared to approximately 1.28 as at 31 March 2024. The decrease in current ratio was mainly attributable to the increase in the current portion of amounts due to related parties.

During the Period, the Group's working capital requirements were mainly financed by internal resources and external borrowings as the Group continued to generate cash from its Emerson operations business, PRC household appliances business and PRC property development business.

As at 30 September 2024, the Group had cash and bank balances of HK\$786 million (as at 31 March 2024: HK\$1,250 million). Excluding restricted bank deposits of HK\$672 million (as at 31 March 2024: HK\$955 million), the cash and bank balances amounted to HK\$114 million (as at 31 March 2024: HK\$295 million), of which HK\$103 million, HK\$8 million and HK\$3 million (as at 31 March 2024: HK\$126 million, HK\$13 million and HK\$156 million) were denominated in RMB, HK\$ and US\$, respectively. The Group also had short-term bank deposits of HK\$126 million as at 30 September 2024 (as at 31 March 2024: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

The Group had no particular seasonal pattern of interest-bearing bank loans. The committed interest-bearing banking facilities available to the Group but not drawn as at 30 September 2024 amounted to approximately HK\$436 million (as at 31 March 2024: approximately HK\$427 million).

As at 30 September 2024, the Group had outstanding interest-bearing bank loans of HK\$222 million (as at 31 March 2024: HK\$218 million), which was repayable on demand or within one year. The bank loan was secured by certain properties under development of the Group and the shares in Shantou Ruijing Real Estate Development Co., Ltd[#] (汕頭市瑞景房地產開發有限公司) (an indirect wholly-owned subsidiary of the Company) and guaranteed by related parties. The effective interest rate of the bank borrowing as at 30 September 2024 was at approximately 4.3%. The borrowing was in RMB and at floating interest rate bench-marked to rates published by the People's Bank of China. During the Period, the Group considered the RMB interest rate environment relatively stable and with the Group's borrowings substantially in RMB that matched income and assets predominantly in RMB, the Group did not consider it necessary to hedge its interest rate exposure.

NET GEARING RATIO

As at 30 September 2024, the Group has net cash position of HK\$463 million (as at 31 March 2024: net cash position of HK\$483 million), expressed as the difference between cash and bank balances, short term bank deposits and interest-bearing borrowings (including bank loans and amount due to related parties).

CONTINGENT LIABILITIES AND LEGAL CASES

Details of the contingent liabilities and the legal cases of the Group are set out in Notes 23 and 24 respectively.

CAPITAL COMMITMENTS

Details of the capital commitments of the Group are set out in Note 26.

[#] For identification purposes only

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

CHARGES ON GROUP ASSETS

As at 30 September 2024, properties under development with aggregate carrying amount of HK\$7 million were pledged to secure bank borrowing facilities for the Group (as at 31 March 2024: HK\$7 million).

TREASURY POLICIES

The Group's revenues are mainly in US dollars and RMB. Since the Hong Kong dollars is linked with the US dollars, the Group is not exposed to significant currency risks in transactions settled in US dollars. However, for transactions settled in RMB, the Group will be exposed to foreign currency risks. The Group offsets the corresponding risks mainly through natural hedging and has not participated in any speculative trading of derivative financial instruments, but will carefully consider whether to conduct currency swaps at an appropriate time to hedge against corresponding risks. The Group will closely monitor and manage its foreign currency exposure and make use of appropriate measures when required. The Group's objective is to maintain a balance between continuity of funding and flexibility through the effective use of its internal financial resources and bank and other borrowings.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND AFFILIATED COMPANIES

On 29 May 2024, Guangzhou Junrong Real Estate Co., Ltd.[#] (廣州駿榮房地產有限公司) ("GZ Junrong"), an indirect wholly-owned subsidiary of the Company, and GZ Minjun Real Estate Co., Limited[#] (廣州敏駿房地產有限公司) ("GZ Minjun") entered into a sale and purchase agreement, pursuant to which GZ Junrong has conditionally agreed to sell, and GZ Minjun has conditionally agreed to purchase, the entire share capital of GZ Ruihua Property Development Company Limited[#] (廣州市瑞華物業發展有限公司) ("GZ Ruihua"), an indirect wholly-owned subsidiary of the Company, at the Consideration of RMB12,000,000. Guangzhou Ruihua holds 51% equity interest of Nanning Ruihua Real Estate Development Company Limited[#] (南寧市瑞華房地產開發有限公司) ("Nanning Ruihua"), which engaged in the property development and operation in the PRC. On 30 May 2024, the disposal was completed and a disposal gain of approximately HK\$13 million was recorded in the unaudited condensed consolidated statement of profit or loss of the Period. Upon completion, Guangzhou Ruihua and Nanning Ruihua ceased to be a subsidiary and a joint venture of the Company and their results, assets and liabilities ceased to be consolidated with those of the Group. Details of the disposal are set out in the announcement of the Company dated 29 May 2024.

[#] For identification purpose only

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

On 19 January 2023, GZ Ruihua and GZ Minjun entered into a sale and purchase agreement, pursuant to which GZ Ruihua, as the vendor, conditionally agreed to sell, and GZ Minjun, as the purchaser, conditionally agreed to purchase, the entire share capital of Ningbo Ruizhi (an indirect wholly-owned subsidiary of the Company), at a consideration of RMB10,000,000. Ningbo Ruizhi has incurred operating losses in prior years, which turned its net asset value to negative figure before the disposal. On 26 May 2023, the disposal was completed and a disposal gain of approximately HK\$28 million (mainly represented the difference between the disposal consideration and the negative net asset value of Ningbo Ruizhi) was recorded in the unaudited condensed consolidated statement of profit or loss of the Corresponding Period. Upon completion, Ningbo Ruizhi ceased to be a subsidiary of the Company and its results, assets and liabilities ceased to be consolidated with those of the Group. Details of the disposal are set out in the circular of the Company dated 2 May 2023.

Except for the above, the Group had no material acquisition or disposal of subsidiaries nor affiliated companies for the Period.

MATERIAL EVENTS AFTER THE PERIOD

There were no significant events occurred up to the date of this report.

SIGNIFICANT INVESTMENT

The Group did not make any new significant investment during the Period.

FUTURE PLAN FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

The Group does not have any concrete plan for material investments or capital assets for the coming 12 months following the date of this report.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

EMPLOYEES AND REMUNERATION POLICIES

The number of employees of the Group as at 30 September 2024 was 93 (as at 31 March 2024: 101). During the Period, the Group's staff costs (inclusive of Directors' emoluments) were approximately HK\$22 million (the Corresponding Period: approximately HK\$22 million). The Group remunerates its employees mainly based on industry practice, individual performance and experience. Apart from the basic remuneration, a discretionary bonus may be granted to eligible employees by reference to the Group's performance as well as to an individual's performance in the relevant financial year. Other benefits include medical and retirement schemes.

OTHER INFORMATION

PUBLIC FLOAT

Based on information that was publicly available to the Company and to the best knowledge of the Board, as of the date of this report, the Company maintained the public float requirement as prescribed under the Listing Rules of not less than 25%.

DIVIDENDS

The Directors do not recommend the payment of an interim dividend for the Period (the Corresponding Period: Nil).

DIRECTORS' AND CHIEF EXECUTIVE'S INTEREST IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2024, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register kept by the Company under 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") as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

Name of Director	Nature of interests	Number of shares held in the Company				Approximate percentage of total issued share capital
		Corporate interests	Note	Other interests	Note	
Mr. Tan Bingzhao ("Mr. Tan")	Long position	3,616,712,779	(ii)	439,180,000	(iii)	73.85%

Notes:

- (i) As at 30 September 2024, the total number of issued shares of the Company was 5,492,232,889.
- (ii) The 3,616,712,779 shares in which Mr. Tan is deemed to hold interests under the SFO are the shares held by Wealth Warrior Global Limited ("Wealth Warrior"), which is wholly owned by Mr. Tan.

OTHER INFORMATION (continued)

- (iii) The 439,180,000 shares are owned by Merchant Link Holdings Limited and Rise Vision Global Limited, each of which holds 219,590,000 shares and they are indirectly wholly owned by a discretionary trust. Mr. Tan is a director of both Merchant Link Holdings Limited and Rise Vision Global Limited and is the settlor and a beneficiary of the discretionary trust. In this respect, Mr. Tan is deemed to hold interests of these shares under the SFO.

Save as disclosed above, none of the Directors or chief executive of the Company had, or were deemed to hold, any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as at 30 September 2024.

OTHER INFORMATION (continued)

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 30 September 2024, so far as known to the Directors or chief executive of the Company, the following persons (other than the Directors or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

Name of substantial shareholder	Capacity	Number of issued ordinary shares of HK\$0.01 each in the Company held	Approximate percentage of the issued share capital
Wealth Warrior	Beneficial owner	3,616,712,779 (L)	65.85%
Sino Bright Enterprises Co., Ltd. ("Sino Bright")	Beneficial owner and person having a security interest in shares	1,023,463,423 (L) (Note 1)	18.63%
LEHD Pte. Ltd. ("LEHD")	Trustee	1,428,769,939 (L) (Notes 1, 2)	26.01%
Airwave Capital Limited ("Airwave")	Interest of controlled corporation	405,306,516 (L) (Note 3)	7.38%
Barrican Investments Corporation ("Barrican")	Beneficial owner and interest of controlled corporation	405,306,516 (L) (Notes 2, 4)	7.38%
Splendid Brilliance (PTC) Limited ("Splendid Brilliance")	Trustee	439,180,000 (L) (Note 5)	8.00%
He Guichai	Interest of controlled corporation	439,180,000 (L) (Note 5)	8.00%

* The letter "L" denotes a person's "long position" (as defined under Part XV of the SFO) in such shares.

OTHER INFORMATION (continued)

Notes:

- (1) Sino Bright, as beneficial owner, owns 23,463,423 shares representing approximately 0.42% of the total issued share capital of the Company. Sino Bright is deemed to be interested in 1,000,000,000 shares pursuant to the legal charge under the share mortgage dated 26 September 2017 in favour of Sino Bright (as mortgagee) granted by Wealth Warrior (as mortgagor) as security for the deferred consideration under the sale and purchase agreement dated 22 September 2017 between Sino Bright (as vendor) and Wealth Warrior (as purchaser).
- (2) LEHD is deemed to have interests in 1,428,769,939 shares as the trustee to the discretionary trust which owns the entire issued share capital of The Ho Family Trust Limited ("The Ho Family Trust"). The Ho Family Trust is deemed to be interested in the shares held by Barrican, McVitie Capital Limited ("McVitie") and Sino Bright, which are wholly owned subsidiaries of The Ho Family Trust and directly own 335,260,845 shares, 70,045,671 shares and 1,023,463,423 shares, respectively.
- (3) Barrican is a wholly owned subsidiary of Airwave and owns 100% interests in McVitie. Accordingly, Airwave is deemed to be interested in the shares held by Barrican and McVitie.
- (4) McVitie is a wholly owned subsidiary of Barrican. Accordingly, Barrican is deemed to be interested in the shares held by McVitie.
- (5) Splendid Brilliance, being a party acting in concert with Wealth Warrior, is deemed to have interests in 439,180,000 shares as the trustee to the discretionary trust which indirectly owns the entire issued share capital of Merchant Link Holdings Limited and Rise Vision Global Limited, each of which holds 219,590,000 shares. Mr. Tan is a director of both Merchant Link Holdings Limited and Rise Vision Global Limited and is the settlor and beneficiary of the discretionary trust. Ms. He Guichai is the sole director and sole shareholder of Splendid Brilliance.

Save as disclosed above, as at 30 September 2024, none of the Directors nor chief executive of the Company was aware of any other person (other than the Directors or chief executive of the Company) or corporation who had an interest or short position in the shares or underlying shares of the Company which were required to be recorded in the register kept by the Company under section 336 of the SFO.

OTHER INFORMATION (continued)

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Period. The Company and its subsidiaries also did not redeem, purchase or cancel any of their redeemable securities during the Period. There were no sales of treasury shares by the Company during the Period, and the Company did not hold any treasury shares during the Period.

CORPORATE GOVERNANCE CODE

The Company's code on corporate governance practices was adopted by reference to the code provisions of the Corporate Governance Code (the "Code") as set out in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules").

The Board confirmed that the Company had complied with all principles and code provisions in the Code during the Period, except for the code provisions of the Code as noted hereunder.

Code Provision C.2.1

Mr. Tan has been acting as the chairman of the Board (the "Chairman") and the CEO of the Company since his appointment as a Director on 2 December 2017. According to code provision C.2.1, the roles of these two positions should be separate and should not be performed by the same individual.

The Board has considered that the non-segregation would not result in concentration of power in one person and has the advantage of a strong and consistent leadership which is conducive to making and implementing decisions quickly and consistently.

OTHER INFORMATION (continued)

The primary role of the Chairman is to provide leadership for the Board and to ensure that it works effectively in the discharge of its responsibilities. The CEO is responsible for the day-to-day management of the Group's business. Their respective roles and responsibilities are set out in writing and have been approved by the Board. As mentioned above, the roles of the Chairman and the CEO have been performed by Mr. Tan. However, if the Board does find a suitable candidate for the position of CEO, the above roles will be separately discharged by different persons at that time.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules. Specific enquiry has been made to all Directors and each of them has confirmed that they have complied with the Model Code during the Period.

CHANGES IN DIRECTORS' INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in the Directors' information since the date of the annual report 2023/24 of the Company are set out below:

Name of Director	Updated Information
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Dr. Lu Zhenghua	– Dr. Lu, ages 62, was an associate professor of School of Business Administration of South China University of Technology, engaging in educational work in accounting and finance.
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Besides the above, there is no change in other information of Dr. Lu.

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

OTHER INFORMATION (continued)

REVIEW OF INTERIM FINANCIAL REPORT BY THE AUDIT COMMITTEE

The audit committee of the Company has reviewed and confirmed with the management of the Company the unaudited condensed consolidated interim results of the Group for the Period and the Corresponding Period and agreed with all the accounting treatments which have been adopted therein, reviewed and confirmed the accounting principles and practices adopted by the Group, and discussed risk management, internal controls and financial reporting matters.

By order of the Board
Nimble Holdings Company Limited
Tan Bingzhao
Chairman

Hong Kong, 27 November 2024