

HS

衍生集團(國際)控股有限公司

Hin Sang Group (International) Holding Co. Ltd.

(於開曼群島註冊成立之有限公司)
(Incorporated in the Cayman Islands with limited liability)
股份代號 Stock Code : 6893

2018 / 2019 中期業績報告

2018 / 2019 Interim Report

衍生[®]



藥食同源 健康之源

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DEFINITION 釋義

In this interim report, unless the context otherwise requires, the following terms and expressions shall have the meanings set out below.

於本中期報告中，除文義另有所指外，下列詞彙及詞語具以下的涵義。

“Audit Committee”	the audit committee of the Company	「審核委員會」	指	本公司審核委員會
“Board”	the board of Directors	「董事會」	指	董事會
“Company”	Hin Sang Group (International) Holding Co. Ltd. (衍生集團(國際)控股有限公司), an exempted company incorporated with limited liability in the Cayman Islands on 28 October 2010	「本公司」	指	衍生集團(國際)控股有限公司，一間於2010年10月28日在開曼群島註冊成立之獲豁免有限公司
“Director(s)”	the director(s) of the Company	「董事」	指	本公司董事
“Fullshare”	Fullshare Holdings Limited (豐盛控股有限公司), a company incorporated in the Cayman Islands with limited liability whose issued shares are listed on the Stock Exchange (stock code: 607)	「豐盛」	指	豐盛控股有限公司，一間於開曼群島註冊成立之有限公司，其已發行股份於聯交所上市(股份代號：607)
“Genwealth”	Genwealth Group Holding Company Limited (衍富集團控股有限公司), a company incorporated with limited liability on 5 October 2010 in the British Virgin Islands, the issued shares of which are owned as to 90% by Mr. Pang Siu Hin and 10% by his wife, Ms. Kwan Lai Man, both of them are executive Directors, and Controlling Shareholders of the Company under the Listing Rules	「衍富」	指	衍富集團控股有限公司，一間於2010年10月5日在英屬處女群島註冊成立之有限公司，其已發行股份由彭少衍先生及其妻關麗雯女士(彼等均為執行董事)分別擁有90%及10%，並為上市規則定義下之本公司的控股股東
“Group”	the Company and its subsidiaries	「本集團」	指	本公司及其附屬公司
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC	「香港」	指	中國香港特別行政區

DEFINITION 釋義

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong	「港元」	指	香港法定貨幣港元
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange	「上市規則」	指	聯交所證券上市規則
“Macau”	the Macau Special Administrative Region of the PRC	「澳門」	指	中國澳門特別行政區
“Period”	the six months ended 30 September 2018	「本期間」	指	截至2018年9月30日止六個月
“PRC” or “China”	the People’s Republic of China	「中國」	指	中華人民共和國
“Pre-IPO Share Option Scheme”	the pre-IPO share option scheme adopted by the Company on 25 September 2014	「首次公開發售前購股權計劃」	指	本公司於2014年9月25日採納之首次公開發售前購股權計劃
“RMB”	Renminbi, the lawful currency of the PRC	「人民幣」	指	中國法定貨幣人民幣
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)	「證券及期貨條例」	指	證券及期貨條例（香港法例第571章）
“Share(s)”	ordinary share(s) with a nominal value of HK\$0.1 each in the share capital of the Company	「股份」	指	本公司股本中每股面值0.1港元之普通股
“Shareholder(s)”	holders of the Share(s)	「股東」	指	股份之持有人
“Share Option Scheme”	the share option scheme adopted by the Company on 25 September 2014	「購股權計劃」	指	本公司於2014年9月25日採納之購股權計劃
“Stock Exchange”	The Stock Exchange of Hong Kong Limited	「聯交所」	指	香港聯合交易所有限公司

CORPORATE INFORMATION 公司資料

BOARD OF DIRECTORS

Executive Directors

Pang Siu Hin (*Chairman and Chief Executive Officer*)
Kwan Lai Man

Non-executive Directors

Wong Wai Ling
Yuen Chi Ping

Independent non-executive Directors

Lau Chi Kit
Lee Luk Shiu
Tang Sing Hing, Kenny

AUDIT COMMITTEE

Lee Luk Shiu (*Chairman*)
Lau Chi Kit
Tang Sing Hing, Kenny

REMUNERATION COMMITTEE

Lau Chi Kit (*Chairman*)
Kwan Lai Man
Lee Luk Shiu
Tang Sing Hing, Kenny

NOMINATION COMMITTEE

Tang Sing Hing, Kenny (*Chairman*)
Kwan Lai Man
Lau Chi Kit
Lee Luk Shiu

COMPANY SECRETARY

Polien Kho

AUTHORISED REPRESENTATIVES

Pang Siu Hin
Kwan Lai Man

董事會

執行董事

彭少衍 (*主席兼行政總裁*)
關麗雯

非執行董事

黃慧玲
袁志平

獨立非執行董事

劉智傑
李祿兆
鄧聲興

審核委員會

李祿兆 (*主席*)
劉智傑
鄧聲興

薪酬委員會

劉智傑 (*主席*)
關麗雯
李祿兆
鄧聲興

提名委員會

鄧聲興 (*主席*)
關麗雯
劉智傑
李祿兆

公司秘書

郭寶琳

授權代表

彭少衍
關麗雯

CORPORATE INFORMATION 公司資料

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1213-1215, 12/F, Seapower Tower,
Concordia Plaza, 1 Science Museum Road,
Tsim Sha Tsui, Kowloon, Hong Kong

LEGAL ADVISERS

Chak & Associates
Kwok Yih & Chan

AUDITOR

HLB Hodgson Impey Cheng Limited

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Bank of China (Hong Kong) Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE/REGISTERED OFFICE

Estera Trust (Cayman) Limited
Clifton House, 75 Fort Street,
P.O. Box 1350, Grand Cayman,
KY1-1108, Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

COMPANY WEBSITE

www.hinsanggroup.com

STOCK CODE

The Stock Exchange of Hong Kong Limited: 6893

ENQUIRES

Company:

Email: contact@hinsanggroup.com

Public Relations Consultant:

Strategic Financial Relations Limited
Email: HSH_enquiry@sprg.com.hk

總辦事處及香港主要營業 地點

香港九龍尖沙咀
科學館道1號康宏廣場
航天科技大廈12樓1213-1215室

法律顧問

翟氏律師行
郭葉陳律師事務所

核數師

國衛會計師事務所有限公司

主要往來銀行

香港上海滙豐銀行有限公司
中國銀行(香港)有限公司

主要股份過戶登記處／註冊 辦事處

Estera Trust (Cayman) Limited
Clifton House, 75 Fort Street,
P.O. Box 1350, Grand Cayman,
KY1-1108, Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司

公司網站

www.hinsanggroup.com

股份代號

香港聯合交易所有限公司：6893

查詢

本公司：

電郵：contact@hinsanggroup.com

公共關係顧問：

縱橫財經公關顧問有限公司
電郵：HSH_enquiry@sprg.com.hk

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS OVERVIEW

The Group is principally engaged in the marketing, selling and manufacturing of healthcare products for women and children, among which “Hin Sang (衍生)” has been an established and reputable brand – sales ranked first in Hong Kong for eight consecutive years. To align with consumers’ trend, the Group continues to expand its e-commerce business through electronic platforms. To leverage on existing resources to increase profit, the Group also looks for suitable brands as agency. It is also developing its business in mother-infant Chinese medical healthcare as well as diagnosis and treatment services projects.

During the Period, the Group’s revenue was approximately HK\$94.7 million, representing a decrease of approximately 1.7% as compared to approximately HK\$96.3 million for the same period in 2017. The Group has four business segments classified by their ownership, licensing rights and services rendered. During the Period, the Product Development Segment, selling the Group’s own brand products with a relatively higher gross profit margin, was still the largest segment of the Group which contributed approximately 96.4% (2017: 95.3%) to the Group’s revenue. On the other hand, the revenue contribution from the Brand Development and Management Segment decreased from approximately 4.0% of the total revenue for the same period in 2017 to approximately 2.7% of the total revenue for the Period. The Trading of Goods Segment recorded a decrease in revenue and its revenue contribution to the Group decreased from approximately 0.4% for the same period in 2017 to approximately 0.1% for the Period. Healthcare Segment, being in the start-up stage, only accounted for approximately 0.8% of the total revenue for the Period.

Product Development Segment

Under the Product Development Segment, the Group develops and sells healthcare products, personal care products and household products under its own brand names, mainly being “Hin Sang (衍生)”, “Tai Wo Tong (太和堂)”, “Shuang Long (雙龍)” and “King’s Antiseptic (殺菌王)”. The Group started developing the “Hin Sang (衍生)” brand in 2004 mainly for its health supplements. “Tai Wo Tong (太和堂)” was developed in 2012 mainly for the Group’s proprietary Chinese medicine category. With a view to further enhancing brand

業務概覽

本集團主要從事婦女及兒童的保健產品的營銷、銷售及製造，其中「衍生」為長期享有聲譽的知名品牌，以連續8年香港銷售第一。本集團繼續透過電子平台擴展其電子商貿業務，以迎合消費趨勢。為利用現有資源以增加利潤，本集團亦在尋找合適的品牌代理。婦嬰中醫保健以及診斷及治療服務項目亦正在開展。

於本期間，本集團的收入約為94.7百萬元，較2017年同期的約96.3百萬元減少約1.7%。根據其擁有權、特許權及所提供服務，本集團業務分部分為四類。於本期間，產品開發分部(銷售毛利率相對較高的本集團自家品牌產品)仍為本集團最大業務分部，為本集團貢獻約96.4%(2017年：95.3%)之收入。另一方面，來自品牌開發及管理分部之收入貢獻佔比總收入則由2017年同期之約4.0%下降至本期間之約2.7%。貨品買賣分部之收入錄得減少，其向本集團貢獻之收入由2017年同期之約0.4%下降至本期間之約0.1%。處於啟動階段的健康分部僅佔本期間總收入約0.8%。

產品開發分部

於產品開發分部，本集團以自家品牌(主要為「衍生」、「太和堂」、「雙龍」及「殺菌王」)開發及銷售個人保健產品、護理產品及家居產品。本集團於2004年開始主要為其健康補充品開發「衍生」品牌，及於2012年主要為其中藥類別開發「太和堂」。為進一步增強本集團自家品牌的品牌知名度，本集團於2018

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

recognition of the Group's own brands, the Group launched several products in 2018, including "Hin Sang Daily Appetite Probiotic Formula for Kids (Granules) (衍生開胃樂兒童益生菌沖劑)", "Hin Sang Pipa Juhong Honey for Kids (衍生小兒枇杷橘紅蜜)" and "Hin Sang Appetite Support for Kids (Syrup) (衍生小兒開胃樂十味佛手露)".

The revenue of this segment was approximately HK\$91.3 million during the Period, which represented a slight decrease of approximately 0.5% as compared to approximately HK\$91.8 million for the six months ended 30 September 2017. This segment's profit for the Period was approximately HK\$22.6 million, representing an increase of approximately HK\$1.3 million or approximately 6.3% as compared to the same period in 2017, which was mainly due to (i) improvement in profit contribution from products developed by the Group under its own brands with improved profit margin and (ii) the decrease in media advertising expense as compared with the same period in 2017. This segment's profit margin for the Period was approximately 24.8% while the profit margin for the six months ended 30 September 2017 was approximately 23.2%.

Brand Development and Management Segment

The Group has a proven track record of managing and developing a number of brands for its brand proprietors (who are mainly manufacturers and brand proprietors of the products) in respect of their personal care products mainly in the Hong Kong market since 1999. The Group entered into an exclusive distribution agreement with each of the brand proprietors and provided them with one-stop marketing, sales and distribution, logistics and delivery services for their branded products.

Amongst the products managed and developed by the Group for the brand proprietors, the major brands are "Acene (澳雪)", "See Young (滋原)", "Zici (滋采)" and "Vcnic (花世界)". The revenue of this segment was approximately HK\$2.5 million during the Period, which represented a decrease of approximately 34.2% comparing to approximately HK\$3.8 million for the six months ended 30 September 2017. Such decrease was mainly due to the shift of focus by the management of the Group to the Product Development Segment during the Period in order to enhance the brand image of the Group's own-branded products. This segment recorded a profit of approximately HK\$223,000 for the Period while a profit of approximately HK\$317,000 was recorded for the six months ended 30 September 2017.

年推出多項產品，包括「衍生開胃樂兒童益生菌沖劑」、「衍生小兒枇杷橘紅蜜」及「衍生小兒開胃樂十味佛手露」。

於本期間，此分部的收入約為91.3百萬港元，較截至2017年9月30日止六個月的約91.8百萬港元輕微下降約0.5%。於本期間，此分部的溢利約為22.6百萬港元，較2017年同期上升約1.3百萬港元或約6.3%，此乃主要由於(i)本集團以自家品牌開發的產品利潤率改善推動溢利貢獻持續改善，及(ii)媒體廣告開支較2017年同期減少。於本期間，此分部的利潤率約為24.8%，而截至2017年9月30日止六個月的利潤率約為23.2%。

品牌開發及管理分部

本集團自1999年起為品牌擁有人(其主要為產品之製造商及品牌擁有人)就彼等主要於香港市場之個人護理產品管理及開發若干品牌並具認可的實績。本集團與各品牌擁有人訂立獨家分銷協議，並為彼等之品牌產品提供一站式市場推廣、銷售及分銷、物流及交付服務。

本集團為品牌擁有人管理及開發之產品中，主要品牌為「澳雪」、「滋源」、「滋采」及「花世界」。於本期間，此分部之收入約為2.5百萬港元，較截至2017年9月30日止六個月之約3.8百萬港元減少約34.2%。收入減少乃主要由於為增強本集團自家品牌產品的品牌形象，本期間本集團管理層的重心轉移至產品開發分部。於本期間，此分部錄得溢利約223,000港元，而截至2017年9月30日止六個月則錄得溢利約317,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Trading of Goods Segment

The Group has served its trade customers with high quality products sourced from authorized dealers and overseas suppliers. Products within this segment with lower profit margin will be phased out, and more resources will be devoted into Product Development Segment which is expected to yield higher profit margin.

The revenue of this segment was approximately HK\$72,000 during the Period, which represented a decrease of approximately 81.9% comparing to approximately HK\$398,000 for the six months ended 30 September 2017 and it accounted for approximately 0.1% and 0.4% of the Group's revenue for the Period and for the six months ended 30 September 2017 respectively, as the Group placed more emphasis on the Product Development Segment during the Period. This segment's profit for the Period was approximately HK\$12,000 as compared to a loss of approximately HK\$127,000 for the six months ended 30 September 2017.

Healthcare Segment

Healthcare Segment provides different types of healthcare related services and products in Hong Kong and the PRC for mothers and children by establishing of clinics with medical treatment and consultation by experienced Chinese physician who specialized in mother-infant Chinese medical healthcare.

The revenue of this segment was approximately HK\$764,000 during the Period, which represented a significant increase of approximately 197.3% comparing to approximately HK\$257,000 for the same period in 2017. However, as the medical clinics in the PRC are still in their initial phase of operations, this segment's loss for the Period was approximately HK\$14.5 million, comparing a loss of approximately HK\$4.2 million for the same period in 2017.

貨品買賣分部

本集團向其貿易客戶提供自指定經銷商及海外供應商採購的優質產品。此分部中利潤率較低的產品將逐步淘汰，以將更多資源投入預期產生較高利潤率的產品開發分部。

於本期間，此分部的收入約為72,000港元，較截至2017年9月30日止六個月的約398,000港元下降約81.9%，且於本期間及截至2017年9月30日止六個月，其分別佔本集團收入的約0.1%及0.4%，原因是本期間本集團更加重視產品開發分部。本期間此分部溢利約12,000港元，而截至2017年9月30日止六個月虧損約為127,000港元。

健康分部

健康分部透過設立由婦嬰中醫保健專科的資深中醫師提供醫療及會診服務的診所，在香港及中國向婦嬰提供不同類型的保健相關服務及產品。

於本期間，此分部的收入約為764,000港元，較2017年同期約257,000港元大幅增加約197.3%。然而，由於中國的中醫診所仍處於初期運作階段，此分部於本期間的虧損約為14.5百萬港元，而2017年同期為虧損約4.2百萬港元。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

HUMAN RESOURCES

The Group had a total of 207 staff as at 30 September 2018 (31 March 2018: 219). The remuneration of the employees consists of fixed salaries and performance-based sales commissions. The Group has developed a performance appraisal system to assess employees on an annual basis for salary review and making promotion decisions. The appraisal provides the Group with an opportunity to assess each individual staff and provide effective training. The Group considers employees as important assets and key to sustainable business growth.

PROSPECTS

The Group is confident that Hong Kong market can continue to provide a stable platform for its business to grow. The Group will continue its effort in new product development in order to enrich its health supplements portfolio and enhance its the brand image as being a specialist in providing health supplements. The Group ensures that only those products with market potential should be retained in its product portfolio. At the same time, the Group will also focus on China's market development, especially in the health supplement market for children. The Group believes that this market will be greatly benefited by the launch of China's "two-child" policy. To seize this opportunity, the Group will continue to expand its distribution network by recruiting additional distributors and put more resources to promote corporate image in order to expand its customer base.

The Group has outlined the following strategies for its future business development, with an aim to generate value to our Shareholders:

(a) To continue enhancing brand recognition of the Group's own brands

The Group has developed the "Hin Sang (衍生)" brand into a well-recognised brand in Hong Kong through an effective targeted advertising program which is well-positioned and emphasis on product safety and quality.

人力資源

於2018年9月30日，本集團合共有207名員工(2018年3月31日：219名)。僱員之薪酬包括固定薪金及銷售績效佣金。本集團為每年對其僱員進行評估，已制訂一項績效評估系統，據此進行薪金檢討及作出晉升決定。此項評估讓本集團得以評估各個員工並可提供有效培訓。本集團認為僱員乃重要資產及對業務的可持續發展至關重要。

展望

本集團相信香港市場持續為其業務增長提供一個穩健的平台。本集團繼續開發新產品以豐富其健康補充品之組合，增強其作為健康補充品專門提供商的品牌形象。本集團將確保其產品組合僅保留具有市場潛力的產品。與此同時，本集團亦將聚焦中國之市場發展，尤其是兒童健康補充品市場。本集團相信此市場將從中國出台的「二孩」政策中受益匪淺。為把握此機遇，本集團將繼續透過增聘分銷商擴展其分銷網絡並投入更多資源提升企業形象，藉以擴大客戶基礎。

本集團已就其未來業務發展擬訂以下策略，旨在為股東創造價值：

(a) 持續增強本集團自家品牌的品牌知名度

透過有效的針對性廣告計劃，本集團已將「衍生」品牌發展為家喻戶曉的香港品牌，定位良好並強調產品安全和質素。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

The Group will continue to focus on and apply its brand strategies of multichannel marketing and diverse product portfolios. The Group will adopt a market oriented research and product development strategy to meet evolving customer demands and needs while achieving rapid growth. With the Group's strong research and development expertise, the Group is expected to launch about 10 new products during 2019.

(b) To expand the manufacturing arm of the Group

The Group plans to enhance the production efficiency of its own brand products in order to capture future opportunities. The construction of production plant for manufacturing health supplements in Yunfu City of the Guangdong Province, the PRC is under full progress and is expected to be completed by mid-2019. With the growing production capacity of the plant, the Group aims to reduce the production cost by self-production rather than outsourcing to outside supplier, and increasing efficiency and attaining more stringent quality control on its own brand healthcare products.

Furthermore, with reference to the Company's announcement dated 9 October 2018, the Group completed the acquisition of an industrial property with a gross floor area of approximately 29,000 square feet located in Shatin, Hong Kong. The plan to use the industrial property as warehouse is under progress. The Directors believe that such plan will achieve rental saving in the long run. The plan is expected to enhance better cost control and provide more stringent quality control over its own brand healthcare products.

本集團將持續專注於及運用其多渠道市場推廣及多元化產品組合之品牌策略。本集團將採納以市場為導向的研究及產品開發策略，以滿足不斷演變的客戶需求及需要，並實現快速增長。在本集團強大的研究及開發專業知識配合下，本集團預計於2019年推出約10項新產品。

(b) 擴展本集團之製造業務

本集團計劃提高自家品牌產品的生產效率，以把握未來機遇。位於中國廣東省雲浮市的健康補充品生產廠房預計於2019年中落成，興建進度良好。隨著廠房產量不斷提高，本集團擬從外判供應商生產轉為自家生產，以降低生產成本及增加效率，以及對自家保健品牌產品實施更嚴格之質量控制。

此外，誠如本公司日期為2018年10月9日之公告所述，本集團完成收購香港沙田一處工業物業，其建築面積約為29,000平方呎。該工業物業擬用作貨倉的計劃正在進行。董事認為有關計劃長遠而言將達至減省租金。該計劃有望加強成本控制，以及對自家保健品牌產品實施更嚴格之質量控制。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

(c) To expand e-commerce for own-branded products

The Group will continue to enhance its e-commerce platform with the focus on online sales of the products under “Hin Sang (衍生)”, through which customers, particularly those in the PRC, can place orders online and enjoy home delivery services. Due to the increasing popularity of online shopping, especially in the PRC market, revenue from e-commerce platforms accounted for approximately HK\$10.0 million (2017: HK\$7.5 million) of the total revenue of the Group for the Period. The Group will continue to introduce more high quality health supplements on online platforms to expand our product portfolio, market scale and brand recognition.

(c) 擴大自家品牌產品的電子商貿

本集團將繼續增強其專注於在網上銷售「衍生」品牌產品的電子商貿平台，消費者(尤其是中國消費者)可透過該網上平台下達訂單，並享受送貨上門服務。由於網上購物日益普及，尤其是中國市場，本集團於本期間的總收入中來自電子商貿平台的收入約為10.0百萬港元(2017年：7.5百萬港元)。本集團將繼續於網上平台投放更多優質的健康補充品，從而擴大我們的產品組合、市場規模及品牌知名度。

FINANCIAL REVIEW

Revenue

The Group's revenue was approximately HK\$94.7 million for the Period as compared to HK\$96.3 million for the same period in 2017, representing a decrease of approximately 1.7%. Such decrease was mainly due to the decrease in its sales of products under the Brand Development and Management Segment and Trading of Goods Segment.

During the Period, the revenue generated from the Product Development Segment decreased by approximately HK\$473,000, representing a decrease of approximately 0.5% as compared to the same period in 2017. The revenue generated from the Brand Development and Management Segment and the Trading of Goods Segment decreased by approximately HK\$1.3 million and HK\$326,000 respectively, representing a decrease of approximately 34.2% and 81.9% as compared to the same period in 2017. The decrease in revenue in both segments was resulted from the shift in focus of the management of the Group to the Product Development Segment.

財務回顧

收入

本期間本集團之收入約為94.7百萬港元，較2017年同期的96.3百萬港元減少約1.7%。該減少乃主要由於品牌開發及管理分部以及貨品買賣分部之產品銷售額下降。

於本期間，來自產品開發分部的收入較2017年同期減少約473,000港元，減幅約為0.5%。來自品牌開發及管理分部以及貨品買賣分部的收入較2017年同期分別減少約1.3百萬港元及326,000港元，減幅分別約34.2%及81.9%。此兩個分部收入減少乃由於本集團管理層將重心轉移至產品開發分部。

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Cost of sales

The Group's cost of sales increased by 8.9% from approximately HK\$28.1 million for the six months ended 30 September 2017 to approximately HK\$30.6 million for the Period. Such increase was primarily due the increase in the cost of sales under the Healthcare Segment. Since the medical clinics in both Hong Kong and the PRC were under full operation during the Period, costs like clinic rental expenses and direct labour increased significantly over the Period.

Gross profit and gross profit margin

The Group's gross profit decreased by approximately 6.0% from approximately HK\$68.1 million for the six months ended 30 September 2017 to approximately HK\$64.0 million for the Period. The gross profit margin for the Period decreased from approximately 70.8% to 67.7% which was resulted from the increase in the cost of sales of Healthcare Segment as mentioned above.

Other income

The Group's other income decreased from approximately HK\$6.2 million for the six months ended 30 September 2017 to approximately HK\$3.1 million for the Period, which was mainly due to the decrease in interest income from bank deposits of approximately HK\$1.2 million and the incurrance of the following items for the six months ended 30 September 2017: (i) consultancy income of approximately HK\$307,000 and (ii) reversal of sales discounts provision in previous years for approximately HK\$1.3 million.

Other gains and losses

Other gains and losses for the Period recorded a loss of approximately HK\$8.6 million compared to a gain of approximately HK\$3.3 million for the six months ended 30 September 2017. The change was attributable to a loss of approximately HK\$7.4 million for financial assets at fair value through profit or loss for the Period and net exchange loss of approximately HK\$1.0 million for the Period as compared to a net exchange gain of approximately HK\$3.2 million for the six months ended 30 September 2017.

銷售成本

本集團之銷售成本由截至2017年9月30日止六個月的約28.1百萬港元增加8.9%至本期間的約30.6百萬港元。該增加乃主要由於健康分部下的銷售成本增加。由於香港及中國的中醫診所於本期間均完全投入運作，診所租金開支及直接勞動成本等開支於本期間大幅增加。

毛利及毛利率

本集團之毛利由截至2017年9月30日止六個月的約68.1百萬港元減少約6.0%至本期間的約64.0百萬港元。本期間之毛利率由約70.8%下降至67.7%，此乃由於上述健康分部的銷售成本增加所致。

其他收入

本集團之其他收入由截至2017年9月30日止六個月的約6.2百萬港元減少至本期間的約3.1百萬港元，主要由於銀行存款的利息收入減少約1.2百萬港元及於截至2017年9月30日止六個月發生以下事件：(i)顧問收入約307,000港元；及(ii)過往年度銷售折扣撥備撥回約1.3百萬港元所致。

其他收益及虧損

本期間之其他收益及虧損錄得虧損約8.6百萬港元，而截至2017年9月30日止六個月錄得收益約3.3百萬港元。該變動乃由於本期間之按公平值計入損益之金融資產錄得虧損約7.4百萬港元及本期間錄得匯兌虧損淨額約1.0百萬港元，而於截至2017年9月30日止六個月匯兌收益淨額約為3.2百萬港元。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Selling and distribution expenses

The selling and distribution expenses decreased by approximately 36.3% from approximately HK\$17.9 million for the six months ended 30 September 2017 to approximately HK\$11.4 million for the Period. Such change was consistent with the decrease in media advertising expense, especially for the PRC market.

Administrative expenses

The administrative expenses increased by approximately 13.2% from approximately HK\$42.5 million for the six months ended 30 September 2017 to approximately HK\$48.1 million for the Period which was primarily attributable to (i) the increase in depreciation and amortization expenses of approximately HK\$5.6 million; (ii) the increase in staff costs of approximately HK\$0.6 million; and (iii) the increase in office expenses of approximately HK\$0.6 million.

Taxation

The Group's income tax expense decreased by approximately 20.0% from approximately HK\$4.5 million for the six months ended 30 September 2017 to approximately HK\$3.6 million for the Period. The decrease in income tax expense was in line with the decrease in profit before tax from approximately HK\$17.2 million for the six months ended 30 September 2017 to a loss of approximately HK\$1.0 million for the Period.

Loss/Profit for the Period

During the Period, the Group incurred net loss of approximately HK\$4.6 million compared to the net profit of approximately HK\$12.8 million for the six months ended 30 September 2017.

Other comprehensive expense

During the Period, the Group has recorded a loss on equity instruments at fair value through other comprehensive income of approximately HK\$105.0 million and exchange loss on translation of foreign operations of approximately HK\$17.1 million.

銷售及分銷開支

銷售及分銷開支由截至2017年9月30日止六個月的約17.9百萬港元下降約36.3%至本期間的約11.4百萬港元。有關變動與媒體廣告開支(尤其是中國市場)的減少相符。

行政開支

行政開支由截至2017年9月30日止六個月的約42.5百萬港元增加約13.2%至本期間的約48.1百萬港元，主要由於(i)折舊及攤銷開支增加約5.6百萬港元；(ii)員工成本增加約0.6百萬港元；及(iii)辦公開支增加約0.6百萬港元。

稅項

本集團之所得稅開支由截至2017年9月30日止六個月的約4.5百萬港元減少約20.0%至本期間的約3.6百萬港元。所得稅開支減少與除稅前溢利由截至2017年9月30日止六個月的約17.2百萬港元減少至本期間的虧損約1.0百萬港元一致。

本期間虧損／溢利

於本期間，本集團錄得淨虧損約4.6百萬港元，而截至2017年9月30日止六個月則錄得純利約12.8百萬港元。

其他全面開支

於本期間，本集團就按公平值計入其他全面收益之權益工具錄得虧損約105.0百萬港元並錄得換算外國業務之匯兌虧損約17.1百萬港元。

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Equity instruments at fair value through other comprehensive income

The Group holds these equity securities for medium to long term purpose, amongst which is investment in two listed equity securities which are stated at fair value.

The first listed equity security represents 118,765,000 shares in Fullshare, and there was no addition or disposal of the shares during the Period. As at 30 September 2018, the carrying amount of these shares amounted to approximately HK\$446.6 million (31 March 2018: HK\$516.6 million), with the fair value loss of approximately HK\$70.0 million recognized as other comprehensive expense during the Period, and these shares represented approximately 0.6% of the issued ordinary shares of Fullshare as at 30 September 2018. The carrying amount of these shares represented approximately 49.3% of the total assets of the Group as at 30 September 2018.

The Company and Fullshare have already set up a joint venture for the development of mother and child health products, pharmaceutical factory, hospital, medical centre and related services. The Group expects to inject further funds into the joint venture company according to its business development.

The second listed equity security represents 45,411,600 shares in Nanjing Sinolife United Company Limited ("Nanjing Sinolife") (stock code: 3332). There was no addition or disposal of this investment during the Period. As at 30 September 2018, the carrying amount of these shares amounted to approximately HK\$21.8 million, with a fair value loss of approximately HK\$35.0 million recognised for the Period due to a significant decline in the market value and these shares represented approximately 4.8% of the issued ordinary shares of Nanjing Sinolife as at 30 September 2018. The carrying amount of these shares represented approximately 2.4% of the total assets of the Group as at 30 September 2018.

Nanjing Sinolife and the Group are in similar lines of business. Nanjing Sinolife is engaged in manufacturing and sale of nutritional supplements as well as trading of packages health food products while the principal business of the Group is marketing, selling and manufacturing of healthcare products for women and children. The Group is expected to explore future investment and co-operation opportunities with Nanjing Sinolife in the future.

The fair value of these securities as at the date of this report was approximately HK\$374.9 million.

按公平值計入其他全面收益之權益工具

本集團持有該等股本證券作中長期之用，其中包括兩項上市股本證券之投資，以公平值入賬。

首項上市股本證券為118,765,000股豐盛股份，且於本期間並無增加或出售股份。於2018年9月30日，該等股份的賬面值約為446.6百萬港元（於2018年3月31日：516.6百萬港元），並於本期間確認公平值虧損約70.0百萬港元為其他全面開支，該等股份約佔豐盛於2018年9月30日已發行普通股之0.6%。於2018年9月30日，該等股份的賬面值約佔本集團資產總值之49.3%。

本公司與豐盛已成立一間合營企業，以發展婦嬰保健產品、製藥廠、醫院、醫療中心及相關服務。本集團預期將根據其業務發展向合營公司注入更多資金。

次項上市股本證券為45,411,600股南京中生聯合股份有限公司（「南京中生」）（股份代號：3332）股份。於本期間並無增加或出售此投資。於2018年9月30日，該等股份的賬面值約為21.8百萬港元，並確認本期間公平值虧損約35.0百萬港元，原因是其市值顯著下降，該等股份約佔南京中生於2018年9月30日已發行普通股約4.8%。於2018年9月30日，該等股份的賬面值佔本集團資產總值約2.4%。

南京中生與本集團之業務性質相似。南京中生從事營養補充品製造及銷售及買賣保健食品包裝產品，而本集團之主要業務為婦女及兒童保健產品的營銷、銷售及製造。本集團預期未來將與南京中生發掘投資及合作商機。

於本報告日期，該等證券之公平值約為374.9百萬港元。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Inventories

The Group's inventories decreased by approximately 18.8% from approximately HK\$9.6 million as at 31 March 2018 to approximately HK\$7.8 million as at 30 September 2018, which was primarily due to the decrease in finished goods for distribution by approximately 27.4% from approximately HK\$8.4 million as at 31 March 2018 to approximately HK\$6.1 million as at 30 September 2018. The inventory turnover days improved from 58.8 days for the year ended 31 March 2018 to 52.1 days for the Period.

Trade and other receivables

The Group's trade receivables decreased by approximately 22.9% from approximately HK\$21.8 million as at 31 March 2018 to approximately HK\$16.8 million as at 30 September 2018. The trade receivables turnover days increased from 37.2 days for the year ended 31 March 2018 to 37.3 days for the Period.

Trade and other payables

The Group's trade payables decreased by approximately 23.2% from approximately HK\$9.5 million as at 31 March 2018 to approximately HK\$7.3 million as at 30 September 2018. The trade payables turnover days decreased from 60.7 days for the year ended 31 March 2018 to 50.1 days for the period.

Liquidity, gearing ratio and capital structure

The Group's bank balances and cash were mainly denominated in HKD and RMB, the balances decreased by approximately 19.2% from approximately HK\$186.0 million as at 31 March 2018 to approximately HK\$150.2 million as at 30 September 2018. As at 30 September 2018, the Group had HK\$19.1 million bank borrowings; and the amount of unutilized banking facilities was approximately HK\$200.0 million. The gearing ratio (total debts divided by total equity) as at 30 September 2018 was 0.02 (31 March 2018: nil). The current ratio (total current assets divided by total current liabilities) as at 30 September 2018 was 3.6 (31 March 2018: 7.5).

存貨

本集團存貨由2018年3月31日的約9.6百萬港元減少約18.8%至2018年9月30日的約7.8百萬港元，主要由於待分銷成品由2018年3月31日的約8.4百萬港元減少約27.4%至2018年9月30日的約6.1百萬港元。存貨週轉天數由截至2018年3月31日止年度的58.8天改善至本期間的52.1天。

貿易及其他應收款項

本集團之貿易應收款項由2018年3月31日的約21.8百萬港元減少約22.9%至2018年9月30日的約16.8百萬港元。貿易應收款項週轉天數由截至2018年3月31日止年度的37.2天增加至本期間的37.3天。

貿易及其他應付款項

本集團的貿易應付款項由2018年3月31日的約9.5百萬港元減少約23.2%至2018年9月30日的約7.3百萬港元。貿易應付款項週轉天數由截至2018年3月31日止年度的60.7天減少至本期間的50.1天。

流動資金、資產負債比率及資本架構

本集團之銀行結餘及現金主要以港元及人民幣計值，該等結餘由2018年3月31日之約186.0百萬港元減少約19.2%至2018年9月30日之約150.2百萬港元。於2018年9月30日，本集團之未償還銀行借貸約為19.1百萬港元；未動用銀行融資額約為200.0百萬港元。於2018年9月30日，資產負債比率（債務總額除以權益總額）為0.02（2018年3月31日：零）。於2018年9月30日，流動比率（流動資產總額除以流動負債總額）為3.6（2018年3月31日：7.5）。

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Contingent liabilities

As at 30 September 2018, the Directors were not aware of any significant events that would have resulted in material contingent liabilities (31 March 2018: Nil).

Charges on the Group's assets

As at 30 September 2018, certain leasehold land and building held for own use of the Group with aggregate carrying values of approximately HK\$88.5 million (31 March 2018: Nil) were pledged to certain banks to secure banking facilities granted to the Group.

Capital commitments

As at 30 September 2018, the Group had total capital commitments of HK\$38.2 million in respect of construction of production plant (31 March 2018: HK\$6.3 million).

Event after the reporting period

On 8 October 2018, Beautymate Hong Kong Limited, a wholly-owned subsidiary of the Company, completed the sale and purchase agreement with the vendor, Emwell Limited, an independent third party, for acquisition of an industrial property and a car parking space at the consideration of HK\$158,380,000. The Group intends to use the industrial property as a warehouse.

Financial management and policy

The Group continues to adopt prudent financing and treasury policies. The Group's entire financing and treasury activities are centrally managed and controlled. Implementation of the Group's related policies is made under collective but extensive considerations on liquidity risk, financing cost and exchange rate risk. The executive Directors, with the assistance of the Group's chief financial officer, are responsible for identifying, reviewing, evaluating and analyzing the investment opportunities of the Group. The executive Directors also regularly monitor the cash position and funding requirements of the Group.

或然負債

於2018年9月30日，董事概不知悉存在任何重大事項可導致重大或然負債（2018年3月31日：無）。

本集團資產抵押

於2018年9月30日，本集團賬面總值約88.5百萬港元（2018年3月31日：無）之若干持作自用的租賃土地及樓宇已抵押予若干銀行，換取本集團獲授之銀行信貸。

資本承擔

於2018年9月30日，本集團就建設生產廠房擁有資本承擔總額38.2百萬港元（2018年3月31日：6.3百萬港元）。

報告期後事件

於2018年10月8日，本公司全資附屬公司Beautymate Hong Kong Limited與獨立第三方賣方興偉有限公司完成買賣協議，收購一處工業物業及一個車位，代價為158,380,000港元。本集團擬將該工業物業用作貨倉。

財務管理及政策

本集團持續採納審慎的財務及庫務政策。本集團之所有財務及庫務活動皆集中管理及控制。本集團經仔細考慮整體流動資金風險、財務費用及匯率風險後執行相關政策。執行董事在本集團首席財務官的協助下負責識別、審閱、評估及分析本集團的投資機會。執行董事亦定期監測本集團的現金狀況及資金需求。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Strategy for investment

The Group will adopt a prudent approach for its investment strategy and will be cautious in the selection of business partners that will bring synergy after consideration of aspects like finance, nature of business, clientele and expertise in areas complementary to existing business of the Group.

Use of proceeds from fund raising activities

Unless otherwise defined, terms used in this part of interim report shall have the same meanings as those defined in the announcement dated 27 April 2016 and circular dated 3 June 2016 (the "Circular"), which were both issued by the Company. The net proceeds of the Subscriptions were used to invest in a joint venture company established with Fullshare in relation to the development of mother and child health products, pharmaceutical factory, hospital, medical centre and related services.

The JV Company was established in July 2016 and the proceeds from Subscriptions had been injected or will be injected into the joint venture company (as share capital or Shareholder's Loan) according to the working capital need of the business of JV Company as follows:

投資策略

本集團將採取審慎投資策略，於選擇業務夥伴上保持謹慎，並經考慮各方面因素例如財務、業務性質、客戶及專業知識範疇上與本集團現有業務的互補性後，選擇能與本集團發揮協同效應的合作夥伴。

集資活動所得款項用途

除另有定義外，此中期報告部分中之詞彙與本公司發出日期為二零一六年四月二十七日之公告及日期為二零一六年六月三日之通函（「該通函」）所賦予該等詞彙的定義相同。該認購事項之所得款項淨額已投資於一間與豐盛成立之合營公司，以發展婦嬰保健產品、製藥廠、醫院、醫療中心及相關服務。

該合營公司於二零一六年七月成立，認購事項之所得款項已或將注資該合營公司（以股本或股東貸款形式），所根據之合營公司業務營運資金需要如下：

Source of fund	Capital structure	Injected up to 30 September 2018 截至二零一八年九月三十日 注資額	Remaining expected to be injected
資金來源	資本結構 HK\$'000 港幣千元	HK\$'000 港幣千元	預計餘下 注資額 HK\$'000 港幣千元
Subscription of JV Shares by the Company (51% of HK\$60,000,000) (Note)	本公司認購合營公司股份 (60,000,000 港元之 51%) (附註)	30,600	-
Subscription of JV Shares by Fullshare (49% of HK\$60,000,000)	豐盛認購合營公司股份 (60,000,000 港元之 49%)	29,400	-
Shareholder's Loan (Note)	股東貸款 (附註)	69,400	52,400
The loan in the amount of not less than HK\$58,280,000 to be advanced to the JV Company by Genwealth (the "Loan")	衍富將墊付予合營公司之金額不少於 58,280,000 港元之貸款（「貸款」）	58,280	58,280
	187,680	77,000	110,680

Note: The total balance of subscription of JV Shares by the Company and Shareholder's Loan is HK\$100.0 million.

附註：本公司認購合營公司股份及股東貸款之總結餘為 100.0 百萬港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

At the end of the reporting period, the Company has granted Shareholder's Loan amounted to HK\$17.0 million to the JV Company while HK\$52.4 million is expected to be granted to the JV Company in the future depending on the timing and the funding needs of the JV Company. The Company has not changed the use of proceeds of the Subscriptions since July 2016 up to the date of this report and has no intention to do so.

The JV Company has utilized the injected funds to establish three mother and child Chinese medical health centres (two in Nanjing and one in Hong Kong). The total of the utilized funds which amounted to HK\$77.0 million was applied by the JV Company as follows:

於報告期末，本公司已將共17.0百萬港元之股東貸款授予合營公司，而預期合營公司未來將獲授52.4百萬港元，視乎合營公司何時有資金需要。本公司自二零一六年七月截至本報告日期未有改變該認購事項所得款項之用途且不擬改變有關用途。

該合營公司已動用注資額成立三間婦嬰中醫健康中心(兩間位於南京及一間位於香港)。總額達77.0百萬港元之資金用於該合營公司的情况如下：

		Planned use of net proceeds as stated in the Circular	Injected up to 30 September 2018	Actual use of net proceeds up to 30 September 2018	Actual balances of net proceeds up to 30 September 2018
		該通函所述 所得款項淨額 之計劃用途	截至 二零一八年 九月三十日 注資額	截至 二零一八年 九月三十日 所得款項淨額 之實際用途	截至 二零一八年 九月三十日 所得款項淨額 之實際結餘
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Acquisition of pharmaceutical factory(ies)	收購製藥廠	90,000	-	-	-
Development of medical centre(s) and/or hospital (where appropriate) in the PRC	發展於中國之醫療中心及/或醫院(倘適用)	80,000	63,000	41,870	21,130
Development of medical centre(s) in Hong Kong	發展於香港之醫療中心	10,000	10,000	8,701	1,299
Development of medical centre(s) in Singapore	發展於新加坡之醫療中心	3,680	-	-	-
General working capital	一般營運資金	4,000	4,000	4,000	-
		187,680	77,000	54,571	22,429

The funding needs of the JV Company are expected to arise in the future and to be financed by both the Loan and Shareholder's Loan.

該合營公司之資金需要預期會於未來出現，並透過貸款及股東貸款融資。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Interim dividend

The Board has approved to pay an interim dividend of HK\$0.01 per Share for the six months ended 30 September 2018, totaling HK\$10,937,960.

The total interim dividend of HK\$10,937,960 will be paid on or around 2 January 2019 to the Shareholders whose names appeared on the register of members of the Company at the close of business on 11 December 2018.

Closure of register of members

The register of members of the Company will be closed from 7 December 2018 to 11 December 2018, both days inclusive, during which no transfer of Shares will be effected. In order to qualify for the interim 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 Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on 6 December 2018.

中期股息

董事會已批准派付截至2018年9月30日止六個月的中期股息每股0.01港元，合共10,937,960港元。

中期股息合共10,937,960港元將於2019年1月2日或前後派付予在2018年12月11日營業時間結束時名列本公司股東名冊之股東。

暫停辦理股份過戶登記

本公司將於2018年12月7日至2018年12月11日(包括首尾兩日)期間暫停辦理股份過戶登記手續，不會進行股份過戶登記。為符合資格獲派中期股息，所有股份過戶文件連同相關股票證書須不遲於2018年12月6日下午四時三十分送交本公司之香港股份過戶登記分處卓佳證券登記有限公司(地址為香港皇后大道東183號合和中心22樓)進行相關過戶登記。

OTHER INFORMATION 其他資料

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold and redeemed any of the Shares during the Period.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2018, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which had been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions of which they were taken or deemed to have under such provisions of the SFO), or which were required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were required to be disclosed, under the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules were as follows:

買賣或贖回股份

於本期間，本公司或其任何附屬公司概無買賣及贖回任何股份。

董事及最高行政人員於股 份、相關股份及債券的權益 及淡倉

於2018年9月30日，董事及本公司最高行政人員於本公司或其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債券中，擁有已根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例有關條文被當作或視為擁有的權益及淡倉)；或根據證券及期貨條例第352條須記入本公司所備存之登記冊的權益及淡倉；或根據上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)須予披露的權益及淡倉如下：

OTHER INFORMATION 其他資料

(a) Long positions in Shares

(a) 於股份中的好倉

Name of Director 董事姓名	Capacity 身份	Number of Shares Held 所持股份數目	Approximate Percentage of Shareholding (Note 3) 概約持股百分比 (附註3)
Mr. Pang Siu Hin 彭少衍先生	Beneficial owner 實益擁有人	8,385,000	0.77%
	Interest of spouse (Note 1) 配偶權益(附註1)	5,223,000	0.48%
	Interest of a controlled corporation and family interest (Note 2) 受控制法團權益及家族權益(附註2)	554,242,000	50.68%
Ms. Kwan Lai Man 關麗雯女士	Beneficial owner 實益擁有人	5,223,000	0.48%
	Interest of spouse (Note 1) 配偶權益(附註1)	8,385,000	0.77%
	Interest of a controlled corporation and family interest (Note 2) 受控制法團權益及家族權益(附註2)	554,242,000	50.68%

Note 1: Mr. Pang Siu Hin is the spouse of Ms. Kwan Lai Man. Each of Mr. Pang Siu Hin and Ms. Kwan Lai Man is therefore deemed to be interested in the Shares held by each other.

附註1：彭少衍先生為關麗雯女士之配偶。因此，彭少衍先生及關麗雯女士均被視為於對方所持股份中擁有權益。

Note 2: Genwealth is beneficially owned as to 90% by Mr. Pang Siu Hin and 10% by Ms. Kwan Lai Man. Accordingly, Mr. Pang Siu Hin and Ms. Kwan Lai Man are deemed to be interested in the 554,242,000 Shares held by Genwealth under the SFO.

附註2：衍富分別由彭少衍先生及關麗雯女士實益擁有90%及10%權益。因此，根據證券及期貨條例，彭少衍先生及關麗雯女士被視為於衍富持有的554,242,000股股份中擁有權益。

Note 3: This percentage was compiled based on the Shares in issue as at 30 September 2018 (i.e. 1,093,508,000 shares).

附註3：該百分比乃基於2018年9月30日的已發行股份(即1,093,508,000股股份)計算。

OTHER INFORMATION 其他資料

(b) Long positions in the underlying shares of the Company **(b) 於本公司相關股份中的好倉**

Name of Director	Capacity	Number of Options Held	Number of Underlying Shares	Approximate Percentage of Shareholding (Note 2) 概約持股百分比 (附註2)
董事姓名	身份	所持購股權數目	相關股份數目	
Mr. Pang Siu Hin 彭少衍先生	Beneficial owner 實益擁有人	8,125,000	8,125,000	0.74%
	Interest of spouse (Note 1) 配偶權益(附註1)	5,885,000	5,885,000	0.54%
		14,010,000	14,010,000	1.28%
Ms. Kwan Lai Man 關麗雯女士	Beneficial owner 實益擁有人	5,885,000	5,885,000	0.54%
	Interest of spouse (Note 1) 配偶權益(附註1)	8,125,000	8,125,000	0.74%
		14,010,000	14,010,000	1.28%

Note 1: Mr. Pang Siu Hin is the spouse of Ms. Kwan Lai Man. Each of Mr. Pang Siu Hin and Ms. Kwan Lai Man is therefore deemed to be interested in the Shares held by each other.

附註1：彭少衍先生為關麗雯女士之配偶。因此，彭少衍先生及關麗雯女士均被視為於對方所持股份中擁有權益。

Note 2: This percentage was compiled based on the Shares in issue as at 30 September 2018 (i.e. 1,093,508,000 shares).

附註2：該百分比乃基於2018年9月30日的已發行股份(即1,093,508,000股股份)計算。

OTHER INFORMATION 其他資料

(c) Long positions in Genwealth, an associated corporation of the Company

(c) 於本公司相聯法團衍富中的好倉

Name of Director 董事姓名	Capacity 身份	Number of Shares Held 所持股份數目	Approximate Percentage of Shareholding 概約持股百分比
Mr. Pang Siu Hin 彭少衍先生	Beneficial owner 實益擁有人	9,000	90%
Ms. Kwan Lai Man 關麗雯女士	Beneficial owner 實益擁有人	1,000	10%

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

除上文所披露者外，概無董事或本公司最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有須根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所之任何權益或淡倉(包括根據證券及期貨條例有關條文彼等被視為擁有之權益或淡倉)，或根據證券及期貨條例第352條記入本公司須予存置之登記冊內之任何權益或淡倉，或須根據標準守則須知會本公司及聯交所之任何權益或淡倉。

OTHER INFORMATION 其他資料

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN THE SHARES AND UNDERLYING SHARES

As at 30 September 2018, so far as it is known to the Directors, the following persons, not being a Director or chief executive of the Company, had an interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

Long positions in Shares

Name of substantial Shareholder	Capacity	Number of Shares Held	Approximate Percentage of Shareholding (Note 2)
主要股東姓名／名稱	身份	所持股份數目	概約持股百分比 (附註2)
Genwealth 衍富	Beneficial owner 實益擁有人	554,242,000	50.68%
Viewforth Limited	Beneficial owner (Note 1) 實益擁有人(附註1)	250,000,000	22.86%
Fullshare 豐盛	Interest of a controlled corporation (Note 1) 受控制法團權益(附註1)	250,000,000	22.86%
Magnolia Wealth International Limited	Interest of a controlled corporation (Note 1) 受控制法團權益(附註1)	250,000,000	22.86%
Ji Changqun 季昌群	Interest of a controlled corporation (Note 1) 受控制法團權益(附註1)	250,000,000	22.86%

主要股東於股份及相關股份中的權益及淡倉

於2018年9月30日，就董事所知，以下人士(並非董事或本公司最高行政人員)已於本公司股份及相關股份中擁有根據證券及期貨條例第XV部第2及3分部之條文須向本公司披露，或記錄於根據證券及期貨條例第336條須存置之登記冊之權益或淡倉如下：

於股份中的好倉

OTHER INFORMATION 其他資料

Note 1: The 250,000,000 Shares are held by Viewforth Limited, a company which is wholly-owned by Fullshare, which in turn is owned as to approximately 46.58% by Magnolia Wealth International Limited, which in turn is wholly-owned by Ji Changqun. Ji Changqun also directly owns approximately 4.77% of Fullshare.

附註1：該250,000,000股股份由豐盛全資擁有之公司Viewforth Limited持有，而豐盛由Magnolia Wealth International Limited擁有約46.58%的權益，Magnolia Wealth International Limited由季昌群全資擁有。季昌群亦直接持有豐盛約4.77%的權益。

Note 2: This percentage was compiled based on the Shares in issue on 30 September 2018 (i.e. 1,093,508,000 shares).

附註2：該百分比乃基於2018年9月30日的已發行股份(即1,093,508,000股股份)計算。

Save as disclosed above, so far as it is known to the Directors, there was no other person (other than a Director or chief executive of the Company) who had, or were deemed or taken to have interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register of the Company required to be kept under section 336 of the SFO.

除上文所披露者外，就董事所知，概無其他人士(除董事或本公司最高行政人員外)於股份或相關股份中擁有或被視為或被當作擁有根據證券及期貨條例第XV部第2及3分部之條文須向本公司披露，或記錄於本公司根據證券及期貨條例第336條須存置之登記冊之權益或淡倉。

SHARE OPTION SCHEME

The Company adopted two share option schemes on 25 September 2014, namely the Pre-IPO Share Option Scheme and the Share Option Scheme under the written resolutions of the then sole Shareholder.

購股權計劃

本公司已於2014年9月25日採納兩項購股權計劃，即當時唯一股東之書面決議案項下之首次公開發售前購股權計劃及購股權計劃。

(1) Pre-IPO Share Option Scheme

The purpose of Pre-IPO Share Option Scheme is to recognize the contribution of certain employees, executives or officers of the Group made or will make to the growth of the Group and/or the listing of Shares on the Stock Exchange. The Pre-IPO Share Option Scheme is valid and effective for a period from 25 September 2014 to 15 October 2014, after which no further options will be granted. Each option gives the holder the right to subscribe for one Share. The total number of Shares which may be issued upon exercise of all options granted under the Pre-IPO Share Option Scheme shall not in aggregate exceed 24,640,000 Shares, representing 3.1% of total number of Shares in issue as at 30 September 2014. The offer of a grant of share options shall be accepted when the offer letter has been duly signed and a consideration of HK\$1 in total has been paid by the grantee.

(1) 首次公開發售前購股權計劃

首次公開發售前購股權計劃旨在肯定本集團若干僱員、行政人員或高級人員對本集團的發展及/或股份於聯交所上市所作出或將會作出的貢獻。首次公開發售前購股權計劃自2014年9月25日起至2014年10月15日止期間內有效及生效，該期間後將不會進一步授出購股權。每份購股權賦予持有人認購一股股份之權利。根據首次公開發售前購股權計劃授出的所有購股權獲行使後可予發行的股份總數合共不得超過24,640,000股股份，相當於2014年9月30日已發行股份總數的3.1%。授出購股權之要約將於要約函件已獲正式簽署且承授人已支付1港元之總代價後方獲接納。

OTHER INFORMATION 其他資料

The exercise price per option under the Pre-IPO Share Option Scheme is HK\$0.826, being 30% discount of the offering price per Share in the Company's initial public offer on 16 October 2014.

As at 30 September 2018, the total number of share options under the Pre-IPO Share Option Scheme is 9,216,000. During the Period, no options were granted, exercised or forfeited. Details of the Pre-IPO Share Option Scheme has been disclosed in the Company's prospectus dated 30 September 2014.

The following table discloses movements in the Company's share options granted under the Pre-IPO Share Option Scheme during the Period:

首次公開發售前購股權計劃項下每份購股權的行使價為0.826港元，較本公司於2014年10月16日首次公開發售每股股份發售價折讓30%。

於2018年9月30日，首次公開發售前購股權計劃項下的購股權總數為9,216,000份。於本期間，概無購股權獲授出、行使或被沒收。首次公開發售前購股權計劃之詳情已於本公司日期為2014年9月30日之招股章程內披露。

下表披露本期間根據首次公開發售前購股權計劃授出之本公司購股權的變動：

Category or name of participant	Date of grant	Exercise price per Share	Exercise period	As at 1 April 2018	Granted during the period	Forfeited during the period	Exercised during the period	As at 30 September 2018
參與者的類別或姓名	授出日期	每股股份之行使價 (HK\$) (港元)	行使期	於2018年4月1日	期內授出	期內沒收	期內行使	於2018年9月30日
Director								
董事								
Mr. Pang Siu Hin	25/9/2014	0.826	16/10/2018 – 24/9/2024	2,720,000	-	-	-	2,720,000
彭少衍先生	25/9/2014	0.826	16/10/2019 – 24/9/2024	2,720,000	-	-	-	2,720,000
				5,440,000	-	-	-	5,440,000
Ms. Kwan Lai Man	25/9/2014	0.826	16/10/2018 – 24/9/2024	1,600,000	-	-	-	1,600,000
關麗雯女士	25/9/2014	0.826	16/10/2019 – 24/9/2024	1,600,000	-	-	-	1,600,000
				3,200,000	-	-	-	3,200,000
Employees								
僱員								
Employees at aggregate	25/9/2014	0.826	16/10/2018 – 24/9/2024	288,000	-	-	-	288,000
僱員合共	25/9/2014	0.826	16/10/2019 – 24/9/2024	288,000	-	-	-	288,000
				576,000	-	-	-	576,000
Total				9,216,000	-	-	-	9,216,000
總計								

OTHER INFORMATION 其他資料

2) Share Option Scheme

The Share Option Scheme is a share incentive scheme and is established to recognize and acknowledge the contributions that Eligible Participants (as defined below) have made or may make to the Group so as to motivate the Eligible Participants to optimize their performance and efficiency for the benefit of the Group, and to attract, retain or otherwise maintain ongoing business relationship with the Eligible Participants whose contributions are, will or expected to be beneficial to the Group. The Share Option Scheme shall be valid and effective for a period of ten years commencing on 16 October 2014, after which no further options will be issued. Each option gives the holder the right to subscribe for one Share. The total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes shall not in aggregate exceed 80,000,000 Shares (10% of the Shares in issue as at the date of listing of the Shares), unless approved by the Shareholders in general meeting. The maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the total number of Shares in issue from time to time. No option may be granted to any Eligible Participant which, if exercised in full, would result in the total number of Shares issued and to be issued upon exercise of the options already granted or to be granted to such Eligible Participant under the Share Option Scheme (including exercised, cancelled and outstanding share options) in any 12-month period up to and including the date of such grant exceeding 1% in aggregate of the Shares in issue as at the date of such grant. The offer of a grant of share options shall be accepted when the offer letter has been duly signed and a consideration of HK\$1 in total has been paid by the grantee. The exercise period of the share options granted is determinable by the Directors and ends on a date which is not later than ten years from the date of the acceptance of the offer of share options.

(2) 購股權計劃

購股權計劃是為表彰及嘉許合資格參與者(定義見下文)已經或可能對本集團作出的貢獻而成立的股份激勵計劃,以鼓勵合資格參與者盡量發揮才能及提高效率,以令本集團得益,吸引及挽留其貢獻有利於、將會或預期有利於本集團之合資格參與者或以其他方式維持與之持續業務關係。購股權計劃於自2014年10月16日起計十年內之期間有效及生效,此後並無進一步發行購股權。每份購股權賦予持有人認購一股份之權利。根據購股權計劃及任何其他計劃將予授出之所有購股權獲行使後可予發行之股份總數合共不得超過80,000,000股股份(於股份上市日期已發行股份之10%),除非在股東大會獲得股東批准。因行使根據購股權計劃及本公司任何其他購股權計劃已授出而尚未行使之所有購股權而可發行之股份數目,最多不得超過不時已發行股份總數之30%。倘購股權獲悉數行使,將導致在任何12個月期間(直至及包括授出該購股權當日)已發行股份及因行使根據購股權計劃已授予或將授予該合資格參與者之購股權(包括已行使、已註銷及尚未行使之購股權)獲行使而將予發行之股份總數,超過授出該購股權當日已發行股份總數之1%,則不可向任何合資格參與者授出購股權。授出購股權之要約將於要約函件已獲正式簽署且承授人已支付1港元之總代價後方獲接納。已授出購股權之行使期乃由董事釐定,並於不遲於接納購股權要約日期起計十年之日結束。

OTHER INFORMATION 其他資料

Eligible Participants include: (i) any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or a company in which the Group holds an interest or a subsidiary of such company (the "Affiliate"); or (ii) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or an Affiliate; or (iii) a company beneficially owned by any director, employee, consultant, professional, customer, supplier, agent, partner, adviser of or contractor to the Group or an Affiliate.

The exercise price of options shares shall not be less than the highest of: (i) the closing price of the Share as stated in the Stock Exchange's daily quotations sheet on the date of grant of the relevant option, which must be a business day; (ii) an amount equivalent to the average closing price of the Share as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the relevant option; and (iii) the nominal value of the Share on the date of grant.

As at 30 September 2018, the total number of share options under the Share Option Scheme is 6,270,000. During the Period, no options were granted, exercised or forfeited. Details of the Share Option Scheme have been disclosed in the Company's prospectus dated 30 September 2014.

合資格參與者包括：(i) 本集團或本集團持有權益之公司或該公司之附屬公司（「聯屬公司」）之任何董事、僱員、顧問、專家、客戶、供應商、代理、合夥人或諮詢人或承包商；或(ii)任何受益人包括下述人士之信託或任何全權受益人包括下述人士之全權信託之受託人：本集團或一間聯屬公司之任何董事、僱員、顧問、專家、客戶、供應商、代理、合夥人或諮詢人或承包商；或(iii)本集團或一間聯屬公司之任何董事、僱員、顧問、專家、客戶、供應商、代理、合夥人、諮詢人或承包商實益擁有之公司。

購股權股份之行使價應不低於以下所列最高者：(i) 於授出有關購股權當日（該日必須為營業日）聯交所每日報價表所列之股份收市價；(ii) 相等於緊接有關購股權授出日期前五個營業日聯交所每日報價表所列之股份平均收市價之金額；及(iii) 授出日期之股份面值。

於2018年9月30日，購股權計劃項下的購股權總數為6,270,000份。於本期間，概無授出、行使或沒收購股權。購股權計劃之詳情已於本公司日期為2014年9月30日之招股章程內披露。

OTHER INFORMATION 其他資料

The following table discloses movements in the Company's share options granted under the Share Option Scheme during the Period:

下表披露於本期間根據購股權計劃授出之本公司購股權的變動：

Category or name of participant 參與者的類別或姓名	Date of grant 授出日期	Exercise price per Share 每股股份之行使價 (HK\$) (港元)	Exercise period 行使期	As at 1 April 2018 於2018年4月1日	Granted during the period 期內授出	Forfeited during the period 期內沒收	Exercised during the period 期內行使	As at 30 September 2018 於2018年9月30日
Director								
董事								
Mr. Pang Siu Hin 彭少衍先生	28/4/2015	1.460	28/4/2017 – 27/4/2025	225,000	-	-	-	225,000
	28/4/2015	1.460	28/4/2018 – 27/4/2025	300,000	-	-	-	300,000
	3/10/2016	2.144	3/10/2017 – 2/10/2026	324,000	-	-	-	324,000
	3/10/2016	2.144	3/10/2018 – 2/10/2026	324,000	-	-	-	324,000
	3/10/2016	2.144	3/10/2019 – 2/10/2026	432,000	-	-	-	432,000
	21/12/2017	1.412	21/12/2018 – 20/12/2027	324,000	-	-	-	324,000
	21/12/2017	1.412	21/12/2019 – 20/12/2027	324,000	-	-	-	324,000
	21/12/2017	1.412	21/12/2020 – 20/12/2027	432,000	-	-	-	432,000
				2,685,000	-	-	-	2,685,000
Ms. Kwan Lai Man 關麗雯女士	28/4/2015	1.460	28/4/2017 – 27/4/2025	225,000	-	-	-	225,000
	28/4/2015	1.460	28/4/2018 – 27/4/2025	300,000	-	-	-	300,000
	3/10/2016	2.144	3/10/2017 – 2/10/2026	324,000	-	-	-	324,000
	3/10/2016	2.144	3/10/2018 – 2/10/2026	324,000	-	-	-	324,000
	3/10/2016	2.144	3/10/2019 – 2/10/2026	432,000	-	-	-	432,000
	21/12/2017	1.412	21/12/2018 – 20/12/2027	324,000	-	-	-	324,000
	21/12/2017	1.412	21/12/2019 – 20/12/2027	324,000	-	-	-	324,000
	21/12/2017	1.412	21/12/2020 – 20/12/2027	432,000	-	-	-	432,000
				2,685,000	-	-	-	2,685,000
Employees								
僱員								
Employees at aggregate 僱員合共	28/4/2015	1.460	28/4/2017 – 27/4/2025	90,000	-	-	-	90,000
	28/4/2015	1.460	28/4/2018 – 27/4/2025	120,000	-	-	-	120,000
	18/11/2016	2.264	18/11/2017 – 27/11/2026	27,000	-	-	-	27,000
	18/11/2016	2.264	18/11/2018 – 27/11/2026	27,000	-	-	-	27,000
	18/11/2016	2.264	18/11/2019 – 27/11/2026	36,000	-	-	-	36,000
				300,000	-	-	-	300,000
Consultant								
顧問								
Consultant at aggregate 顧問合共	28/4/2015	1.460	28/4/2016 – 27/4/2025	180,000	-	-	-	180,000
	28/4/2015	1.460	28/4/2017 – 27/4/2025	180,000	-	-	-	180,000
	28/4/2015	1.460	28/4/2018 – 27/4/2025	240,000	-	-	-	240,000
				600,000	-	-	-	600,000
Total 總計				6,270,000	-	-	-	6,270,000

OTHER INFORMATION 其他資料

CORPORATE GOVERNANCE

Corporate Governance Practice

The Board and senior management of the Company are committed to maintaining a high standard of corporate governance, formulating good corporate governance practice for improvement of accountability and transparency in operations, and strengthening the internal control system from time to time so as to ensure meeting with the expectations of the Shareholders.

Save for the below deviation, the Company has adopted and complied with all the code provisions of the Corporate Governance Code and Corporate Governance Report (the “CG Code”) as set forth in Appendix 14 to the Listing Rules as its corporate governance code of practices. CG Code provision A.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Pang Siu Hin (“Mr. Pang”) is the chairman and the chief executive officer of the Company. In view that Mr. Pang is one of the co-founders of the Group and has been operating and managing the Group since 1996, the Board believes that it is in the best interest of the Group to have Mr. Pang taking up both roles for effective management and business development. Therefore the Directors consider that the deviation from the CG Code provision A.2.1 is appropriate in such circumstance.

Under the code provision F.1.1 of the CG Code, the Company engages Ms. Polien Kho (“Ms. Kho”) as its company secretary. Ms. Kho is an associate member of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators respectively and in performing her duties as the company secretary of the Company, she reports to the Board and maintains contact with the chief financial officer of the Company.

Model Code of Securities Transactions by Directors

The Company has adopted the Model Code as the code of conduct for securities transactions by the Directors. In response to a specific enquiry by the Company, all Directors confirmed that they complied with the Model Code during the Period.

企業管治

企業管治常規

本公司董事會及高級管理層致力維持高水平企業管治，制定良好企業管治常規以提高問責性及營運之透明度，並不時加強內部監控制度，確保符合股東之期望。

除下文偏離者外，本公司已採納上市規則附錄14所載企業管治守則及企業管治報告(「企管守則」)的所有守則條文作為其企業管治常規守則，並已遵守該等守則。企管守則條文第A.2.1條規定，主席及行政總裁的職責應分離且不應由同一人士擔任。彭少衍先生(「彭先生」)為本公司的主席兼行政總裁。鑒於彭先生為本集團共同創辦人之一及自1996年以來一直經營與管理本集團，故董事會認為由彭先生兼任該兩個職位可以實現有效管理及業務發展，符合本集團的最佳利益。因此，董事認為偏離企管守則條文第A.2.1條就此情況而言屬恰當。

根據企管守則條文第F.1.1條，本公司已委聘郭寶琳女士(「郭女士」)為其公司秘書。郭女士分別為香港特許秘書公會及英國特許秘書及行政人員公會之會員，並履行其作為本公司公司秘書之職責，彼向董事會匯報及與本公司首席財務官保持聯絡。

董事進行證券交易之標準守則

本公司已採納標準守則作為董事進行證券交易之行為守則。作為本公司作出之特定查詢的回應，全體董事均已確認彼等於本期間內已遵守標準守則。

OTHER INFORMATION 其他資料

Board

The Board is responsible for formulating group policies and business directions, and monitoring internal controls and performances. Currently, the Board has a total of seven Directors comprising two executive Directors, namely, Mr. Pang Siu Hin and Ms. Kwan Lai Man; two non-executive Directors, namely, Ms. Wong Wai Ling and Mr. Yuen Chi Ping; and three independent non-executive Directors, namely, Mr. Lau Chi Kit, Mr. Lee Luk Shiu and Dr. Tang Sing Hing, Kenny. Mr. Pang is the chairman of the Board.

Audit Committee

The Company established the Audit Committee pursuant to a resolution of the Directors passed on 5 November 2010 with written terms of reference in compliance with the CG Code. The primary duties of the Audit Committee are, among other things, to review and supervise the financial reporting process, risk management and internal control system of the Group. Currently, the audit committee consists of three members who are the independent non-executive Directors, namely Mr. Lau Chi Kit, Mr. Lee Luk Shiu and Dr. Tang Sing Hing, Kenny. The chairman of the Audit Committee is Mr. Lee Luk Shiu.

Remuneration Committee

The Company established the remuneration committee pursuant to a resolution of the Directors passed on 5 November 2010 with written terms of reference in compliance with the CG Code. The primary duties of the remuneration committee are, among other things, to review and to determine the terms of remuneration packages, bonuses and other compensation payable to the Directors and senior management. Currently, the remuneration committee consists of four members, namely Ms. Kwan Lai Man, Mr. Lau Chi Kit, Mr. Lee Luk Shiu and Dr. Tang Sing Hing, Kenny. The chairman of the remuneration committee is Mr. Lau Chi Kit.

董事會

董事會負責制定集團政策及業務方向，以及監察內部監控及表現。董事會現時由合共七名董事組成，包括兩名執行董事，即彭少衍先生及關麗雯女士；兩名非執行董事，即黃慧玲女士及袁志平先生；及三名獨立非執行董事，即劉智傑先生、李祿兆先生及鄧聲興博士。彭先生為董事會主席。

審核委員會

本公司已根據於2010年11月5日通過之董事決議案成立審核委員會，其書面職權範圍符合企管守則。審核委員會之主要職責為(其中包括)審閱及監督本集團之財務報告程序、風險管理及內部監控制度。審核委員會現時由三名成員(為獨立非執行董事)組成，分別為劉智傑先生、李祿兆先生及鄧聲興博士。李祿兆先生為審核委員會主席。

薪酬委員會

本公司已根據於2010年11月5日通過之董事決議案成立薪酬委員會，其書面職權範圍符合企管守則之規定。薪酬委員會之主要職責為(其中包括)審閱及釐定應付董事及高級管理層之薪酬待遇、花紅及其他報酬之條款。薪酬委員會現時由四名成員組成，分別為關麗雯女士、劉智傑先生、李祿兆先生及鄧聲興博士。劉智傑先生為薪酬委員會主席。

OTHER INFORMATION 其他資料

Nomination Committee

The Company established the nomination committee pursuant to a resolution of the Directors passed on 5 November 2010 with written terms of reference in compliance with the CG Code. The primary function of the nomination committee is to make recommendations to the Board on the appointment or reappointment of Directors and the management of the Board succession. Currently, the nomination committee consists of four members, namely Ms. Kwan Lai Man, Mr. Lau Chi Kit, Mr. Lee Luk Shiu and Dr. Tang Sing Hing, Kenny. The chairman of the nomination committee is Dr. Tang Sing Hing, Kenny.

Risk Management and Internal Control

The Board is responsible for overseeing the Group's risk management and internal control systems and reviewing its effectiveness, particularly in respect of risk management and controls on governance, financial, operational, and compliance, to safeguard stakeholders' interests and the Group's assets. The systems are designed to manage rather than eliminate the risks of failure in achieving the Company's objectives. The systems are designed to provide reasonable, but not absolute, assurance in the following aspects:

- compliance with applicable laws, regulations, contracts, policies and procedures
- effectiveness of risk management process
- reliability and integrity of financial reporting
- effectiveness and efficiency of operations
- prevention and detection of fraud and irregularities

The Board, through the Audit Committee, conducted a review of the effectiveness of the system of risk management and internal control system of the Group, including the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function. The Audit Committee oversees the system of risk management and internal control of the Group and continuously communicates any material issues to the Board.

提名委員會

本公司已根據於2010年11月5日通過之董事決議案成立提名委員會，其書面職權範圍符合企管守則之規定。提名委員會之主要職能為就委任或重新委任董事及管理董事會繼任人選事宜向董事會提出建議。提名委員會現時由四名成員組成，分別為關麗雯女士、劉智傑先生、李祿兆先生及鄧聲興博士。鄧聲興博士為提名委員會主席。

風險管理及內部監控

董事會負責監察本集團的風險管理及內部監控制度，以及檢討其有效性，尤其著重風險管理及管治控制、財務、營運及合規方面以保障持份者權益及本集團資產。該制度旨在管理而非消除未能實現本公司目標的風險。該制度只能就下列各項作出合理但非絕對的保證：

- 遵守適用的法律、法規、合約、政策及程序
- 風險管理程序的成效
- 財務匯報的可靠性及真實性
- 營運的效益及效率
- 防止及查察欺詐及違規事項

董事會已透過審核委員會對本集團風險管理及內部監控制度效用進行檢討，包括本公司在會計及財務匯報職能方面的資源，以及員工資歷及經驗是否足夠。審核委員會監督本集團的風險管理及內部監控制度並且持續就任何重大事項與董事會溝通。

OTHER INFORMATION 其他資料

Risk Management Framework

The Group's risk management framework provides a systematic approach to risk management process, which is inlaid in the system of internal controls as an integral part of corporate governance. The risk management framework helps to sustain business success, creates value for stakeholders and supports the Board in discharging its corporate governance responsibilities by proactively identifying, addressing and managing key risks within the Group. The risk management framework is aligned with the Committee of the Sponsoring Organizations of the Treadway Commission (COSO) Internal Control Integrated Framework, in which the management takes direct risk management responsibilities and reports to the risk management core group as risk owners.

Details of the risk management framework are set out in the Corporate Governance Report on pages 71 to 72 of the Company's 2017/18 Annual Report.

Quality Management System

Since the Group launches its own brands and acts as agency of personal care and health products for international brands, there is strict control in product quality. The scope of this report has adopted ISO 9001 quality management system to assure effective procedures and processes are adopted for production of excellent and safe products. Upon receipt of materials, quality inspection process is clearly defined and implemented according to the relevant regulations. Each batch of products shall only be formally released after it passed the inspection. All food, Chinese medicine products must go through the testing on remained pesticides, heavy metals, and micro-organisms. The Group also regularly monitors the production and quality inspection procedures of the suppliers for verifying and confirming the suppliers' capabilities in provision of compliant and safe products to the Group.

The Group duly received ISO9001:2015 certification and passed the required surveillance audits during September 2018.

風險管理架構

本集團的風險管理架構為風險管理提供系統化的程序，而有關程序內嵌於內部監控制度，是企業管治中不可或缺的重要一環。風險管理架構前瞻性地識別、應對及管理本集團內主要風險來保持業務成功，為持份者創造價值及支援董事會履行其企業管治責任。風險管理架構符合Committee of the Sponsoring Organizations of the Treadway Commission (COSO)的《內部監控綜合架構》(Internal Control Integrated Framework)，在風險管理架構下，管理人員作為風險負責人須直接承擔風險管理責任並向風險管理核心小組匯報。

風險管理架構詳情載於本公司2017/18年報第71至72頁之企業管治報告。

優質管理制度

本集團推出自家品牌及代理銷售國際品牌等個人護理及健康產品，對產品質量有嚴謹的監管。本報告範圍已採用ISO 9001品質管理體系，保證有效程序及流程以製造優良及安全的產品。在收取材料時，品質檢定過程會根據相關法規去明確設定和執行。每一批產品需檢定合格才可以正式發放。所有食品、中成藥產品均有進行農藥殘留物、重金屬、微生物測試。本集團亦定期監察供應商的生產和質量檢查程序，查驗及確認供應商能提供合規及安全的產品給集團。

本集團正式獲頒ISO9001:2015認證，並於2018年9月通過了所需的監督審核。

OTHER INFORMATION 其他資料

The Group is fully committed to quality management, which does not only include maintaining ISO accreditation for the current business units in the headquarters, but also establishing policies and procedures for other key business units in the headquarters whenever business environment has been changed in order to advocate the standard application throughout the organization.

Internal Audit Function

The internal audit department ("IAD") is an independent and objective body, which directly reports to the Audit Committee on a quarterly basis and the manager of IAD has a direct access to the chairman of the Audit Committee.

The IAD has unlimited access to review all Group's activities, internal control, risk management, and corporate governance related issues. One of the functions is to assist the Board to independently assess the effectiveness and adequacy of the internal control systems and risk management process and, more importantly, to seek continuous improvement.

To keep abreast of the company's growth and latest business development, the IAD will always review its adequacy and competency of knowledge and attend corresponding workshops and/or seminars whenever thinks fit.

Internal Audit Activities

The IAD has adopted a risk-management based approach in developing the annual internal audit planning memorandum, which corresponds to the risk management framework. Risk assessment, which is regarded as a major and dynamic process, is performed on a regular basis so as to identifying, prioritizing and scoping business activities and simultaneously to covering business activities with significant risks across the Group. The Audit Committee reviews and approves the annual internal audit planning memorandum. In each individual audit assignment, significant financial, operational, compliance and fraud risk areas are further assessed in order to evaluate control effectiveness and any mitigation efforts raised by the management.

本集團致力推行質量管理並不僅於總辦事處維持當前業務單位的ISO認證，亦將隨業務環境的變化為總辦事處的其他主要業務單位設立政策及程序，以將標準化應用遍及整個組織。

內部審核職能

內部審核部(「內審部」)是一個獨立及客觀的部門，每季直接向審核委員會匯報，而內審部經理亦可直接與審核委員會主席接觸。

內審部可不受約束地審閱本集團所有的活動、內部監控、風險管理及企業管治相關事宜。其職能之一為協助董事會獨立評核內部監控制度及風險管理程序的有效性及充足性，以致力推動持續的改善。

為配合公司的發展及最新業務的發展，內審部將一直審查其知識的充足性及能力，並在適當時候參加相應的講習會及／或研討會。

內部審核活動

內審部已採納風險管理為基礎方法，配合風險管理架構，以制定年度審核計劃大綱。風險評估被視為重要及關鍵的程序，將定期執行以識別、排序及區劃業務活動，同時覆蓋本集團中有重大風險的業務活動。審核委員會審閱及批准年度審核計劃大綱。在個別審核項目中會進一步評估重大財務、營運、合規及欺詐風險等，從而評核監控成效及管理層所採取的任何緩解措施。

OTHER INFORMATION 其他資料

All audit findings and corresponding recommendations on control deficiencies of each audit assignment are well communicated to the management, who needs to establish any remedial actions to correct those control deficiencies within a reasonable period of time. Subsequent reviews are purposefully done to monitor whether those remedial actions have been performed right on time and correctly. Significant deficiencies of individual assignment are reported to and reviewed by the Audit Committee.

Through the on-going review of the adequacy and effectiveness of the management's awareness of some key operational processes, the IAD discharges its duties of performing audit assignment on those areas on an ad hoc basis if necessary.

Review of Risk Management and Internal Control Effectiveness

Through the Audit Committee, the Board has conducted annual review of the effectiveness of the Group's risk management and internal control systems for the Period, covering all significant financial, operational and compliance controls, and it has considered the Group's risk management and internal control system to be effective and adequate. There was no suspected material irregularities found or significant areas of concern identified during the Period that might affect the Shareholders.

CHANGES IN INFORMATION OF DIRECTORS

Below are changes in information of the Director(s) of the Company required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the publication of the last annual report of the Company:

Mr. Yuen Chi Ping (袁志平) was appointed as an Independent Non-executive Director of Sun Cheong Creative Development Holdings Limited (stock code: 1781) on 16 August 2018.

各審核項目所得出有關監控不足的所有審核調查結果及相應建議，均與管理層詳細討論，並由管理層制訂改善計劃，務求於合理時間內改善監控的不足。後續審核工作會有針對進行，以監督該等改正措施已及時正確地進行。個別審核項目的重大不足會向審核委員會匯報及由其審閱。

通過持續檢討管理層對若干關鍵業務流程意識的充分性及有效性，內審部在必要時可臨時按照這些領域履行審核任務的職責。

審閱風險管理及內部監控的成效

於本期間，董事會已透過審核委員會就本集團風險管理及內部監控制度的成效作年度檢討，其涵蓋所有重大財務、營運及合規監控，並認為本集團的風險管理及內部監控制度有效及完善。於本期間內，並無發現可能對股東造成影響的涉嫌重大違規情況或重大關注事項。

董事資料變更

以下為根據上市規則第13.51B(1)條須披露自本公司上一份年報刊發以來的本公司董事資料變動：

袁志平先生已於2018年8月16日獲委任為新昌創展控股有限公司(股份代號：1781)的獨立非執行董事。

OTHER INFORMATION 其他資料

REVIEW OF INTERIM RESULTS

This unaudited condensed consolidated interim financial information of the Group for the Period has been reviewed by the Audit Committee.

By Order of the Board
Pang Siu Hin
Chairman

Hong Kong, 22 November 2018

審閱中期業績

本集團於本期間之未經審核簡明綜合中期財務資料已由審核委員會審閱。

承董事會命
主席
彭少衍

香港，2018年11月22日

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收益表

For the six months ended 30 September 2018 截至2018年9月30日止六個月

		Six months ended 30 September 截至9月30日止六個月		
		Notes 附註	2018 (Unaudited) (未經審核) HK\$'000 港幣千元	2017 (Unaudited) (未經審核) HK\$'000 港幣千元
Revenue	收入	3	94,670	96,275
Cost of sales	銷售成本		(30,622)	(28,126)
Gross profit	毛利		64,048	68,149
Other income	其他收入	5	3,149	6,161
Other gains and losses	其他收益及虧損	6	(8,635)	3,287
Selling and distribution expenses	銷售及分銷開支		(11,361)	(17,871)
Administrative expenses	行政開支		(48,056)	(42,488)
Finance costs	融資成本	7	(145)	-
(Loss)/Profit before tax	除稅前(虧損)/溢利		(1,000)	17,238
Income tax expense	所得稅開支	8	(3,583)	(4,472)
(Loss)/Profit for the period	期內(虧損)/溢利	9	(4,583)	12,766
Other comprehensive expense <i>Item that will not be reclassified to profit or loss:</i>	其他全面開支 將不會重新分類至損益 之項目:			
Fair value loss on equity instruments a fair value through other comprehensive income	就權益工具按公平值 計入其他全面收益 之公平值虧損		(105,038)	-
Gain on revaluation of owner- occupied properties	業主自用物業重估之 收益		2,655	-
Income tax relating to items that will not be reclassified to profit or loss	有關不會重新分類至 損益之項目之所得稅		(664)	-
			(103,047)	-
<i>Item that may be reclassified subsequently to profit or loss:</i>	其後可能重新分類至 損益之項目:			
Exchange differences on translating foreign operations	換算外國業務之匯兌 差額		(17,085)	4,650
Fair value loss on available-for-sale investments	可供出售投資之公平值 虧損		-	(4,751)
			(17,085)	(101)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收益表

For the six months ended 30 September 2018 截至2018年9月30日止六個月

		Six months ended 30 September 截至9月30日止六個月	
		2018 (Unaudited) (未經審核) HK\$'000 港幣千元	2017 (Unaudited) (未經審核) HK\$'000 港幣千元
		Note 附註	
Other comprehensive expense for the period	期內其他全面開支		
		(120,132)	(101)
Total comprehensive (expense)/income for the period	期內全面(開支)/收入總額		
		(124,715)	12,665
Profit/(loss) for the period attributable to:	以下各方應佔期內溢利/ (虧損):		
- Owners of the Company	- 本公司擁有人	3,287	14,602
- Non-controlling interests	- 非控股權益	(7,870)	(1,836)
		(4,583)	12,766
Total comprehensive (expense)/income for the period attributable to:	以下各方應佔期內全面(開支)/收入總額:		
- Owners of the Company	- 本公司擁有人	(113,249)	13,293
- Non-controlling interests	- 非控股權益	(11,466)	(628)
		(124,715)	12,665
Earnings per share	每股盈利	11	
Basic (HK cents)	基本(港仙)		0.30
			1.34
Diluted (HK cents)	攤薄(港仙)		0.30
			1.34

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION 簡明綜合財務狀況表

As at 30 September 2018 於2018年9月30日

		Notes 附註	As at 30 September 2018 於2018年 9月30日 (Unaudited) (未經審核) HK\$'000 港幣千元	As at 31 March 2018 於2018年 3月31日 (Audited) (經審核) HK\$'000 港幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備		144,400	125,584
Prepaid lease payments	預付租賃款項		48,152	53,728
Investment properties	投資物業		7,687	–
Deposits for acquisition of property, plant and equipment	收購物業、廠房及設備之按金		29,325	6,441
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產		5,258	–
Deposit and prepayments for life insurance policies	人壽保單之按金及預付款項		–	5,113
Equity instruments at fair value through other comprehensive income	按公平值計入其他全面收益之權益工具	12	468,354	–
Available-for-sale investments	可供出售投資	12	–	573,392
Deferred tax assets	遞延稅項資產		140	–
			703,316	764,258
Current assets	流動資產			
Inventories	存貨		7,841	9,590
Trade and other receivables	貿易及其他應收款項	13	35,235	48,636
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產		7,899	–
Held for trading investments	持作買賣投資		–	8,986
Tax refundable	可退還稅款		–	14
Bank balances and cash	銀行結餘及現金		150,161	186,030
			201,136	253,256
Total assets	資產總值		904,452	1,017,514

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION 簡明綜合財務狀況表

As at 30 September 2018 於2018年9月30日

		Notes	As at 30 September 2018 於2018年 9月30日 (Unaudited) (未經審核) HK\$'000 港幣千元	As at 31 March 2018 於2018年 3月31日 (Audited) (經審核) HK\$'000 港幣千元
		附註		
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	14	27,449	30,304
Contract liabilities	合約負債		2,315	–
Bank borrowings	銀行借款		19,068	–
Current tax liabilities	即期稅項負債		6,390	3,399
			55,222	33,703
Net current assets	流動資產淨值		145,914	219,553
Total assets less current liabilities	資產總值減流動負債		849,230	983,811
Capital and reserves	資本及儲備			
Share capital	股本	15	109,351	109,351
Reserves	儲備		704,642	828,421
Equity attributable to owners of the Company	本公司擁有人應佔權益		813,993	937,772
Non-controlling interests	非控股權益		34,573	46,039
Total equity	權益總額		848,566	983,811
Non-current Liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債		664	–
			849,230	983,811

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 簡明綜合權益變動表

For the six months ended 30 September 2018 截至2018年9月30日止六個月

		Attributable to owners of the Company 本公司擁有人應佔									
		Share capital	Share premium	Merger reserve	Revaluation reserve	Foreign currency translation reserve	Share options reserve	Retained profits	Total	Non-controlling interests	Total
		股本	股份溢價	合併儲備	重估儲備	外幣匯兌儲備	購股權儲備	保留溢利	總計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
As at 1 April 2017 (audited)	於2017年4月1日(經審核)	109,012	702,293	(71,463)	8,314	(8,528)	6,543	88,414	834,585	35,970	870,555
Profit/(loss) for the period	期內溢利/(虧損)	-	-	-	-	-	-	14,602	14,602	(1,836)	12,766
Other comprehensive (expense)/income for the period	期內其他全面(開支)/收入	-	-	-	-	-	-	-	-	-	-
- Exchange differences on translating foreign operations	- 換算外國業務之匯兌差額	-	-	-	-	3,442	-	-	3,442	1,208	4,650
- Fair value loss on available-for-sale investment	- 可供出售投資之公平值虧損	-	-	-	(4,751)	-	-	-	(4,751)	-	(4,751)
Total comprehensive (expense)/income for the period	期內全面(開支)/收入總額	-	-	-	(4,751)	3,442	-	14,602	13,293	(628)	12,665
Repurchase of shares	股份購回	(134)	(1,656)	-	-	-	-	-	(1,790)	-	(1,790)
Capital contribution from non-controlling interests	非控股權益注資	-	-	-	-	-	-	-	-	14,013	14,013
Dividend recognised as distribution (note 10)	已確認為分派的股息(附註10)	-	-	-	-	-	-	(10,888)	(10,888)	-	(10,888)
Recognition of equity-settled share based payments	確認為權益結算和以股份為基礎的付款	-	-	-	-	-	1,563	-	1,563	-	1,563
As at 30 September 2017 (unaudited)	於2017年9月30日(未經審核)	108,878	700,637	(71,463)	3,563	(5,086)	8,106	92,128	836,763	49,355	886,118
As at 31 March 2018 (audited)	於2018年3月31日(經審核)	109,351	706,727	(71,463)	116,390	3,082	6,564	67,121	937,772	46,039	983,811
Adjustments (note 2)	調整(附註2)	-	-	-	(16,348)	-	-	15,612	(736)	-	(736)
As at 1 April 2018 (restated)	於2018年4月1日(經重列)	109,351	706,727	(71,463)	100,042	3,082	6,564	82,733	937,036	46,039	983,075
Profit/(loss) for the period	期內溢利/(虧損)	-	-	-	-	-	-	3,287	3,287	(7,870)	(4,583)
Other comprehensive (expense)/income for the period	期內其他全面(開支)/收入	-	-	-	-	-	-	-	-	-	-
- Fair value loss on equity instruments at fair value through other comprehensive income	- 就權益工具按公平值計入其他全面收益之公平值虧損	-	-	-	(105,038)	-	-	-	(105,038)	-	(105,038)
- Gain on revaluation of owner-occupied properties	- 業主自用物業重估之收益	-	-	-	2,655	-	-	-	2,655	-	2,655
- Income tax relating to items that will not be reclassified to profit or loss	- 有關不會重新分類至損益之項目之所得稅	-	-	-	(664)	-	-	-	(664)	-	(664)
- Exchange differences on translating foreign operations	- 換算外國業務之匯兌差額	-	-	-	-	(13,489)	-	-	(13,489)	(3,596)	(17,085)
Total comprehensive (expense)/income for the period	期內全面(開支)/收入總額	-	-	-	(103,047)	(13,489)	-	3,287	(113,249)	(11,466)	(124,715)
Dividend recognised as distribution (note 10)	已確認為分派的股息(附註10)	-	-	-	-	-	-	(10,935)	(10,935)	-	(10,935)
Recognition of equity-settled share based payments	確認為權益結算和以股份為基礎的付款	-	-	-	-	-	1,141	-	1,141	-	1,141
As at 30 September 2018 (unaudited)	於2018年9月30日(未經審核)	109,351	706,727	(71,463)	(3,005)	(10,407)	7,705	75,085	813,993	34,573	848,566

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS 簡明綜合現金流量表

For the six months ended 30 September 2018 截至2018年9月30日止六個月

		Six months ended 30 September 截至9月30日止六個月	
		2018 (Unaudited) (未經審核) HK\$'000 港幣千元	2017 (Unaudited) (未經審核) HK\$'000 港幣千元
Net cash generated from operating activities	經營活動所得現金淨額	11,451	14,146
Net cash used in investing activities	投資活動所用現金淨額	(52,233)	(8,962)
Net cash generated from financing activities	融資活動所得現金淨額	7,988	12,223
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨額	(32,794)	17,407
Cash and cash equivalents at the beginning of the period	期初的現金及現金等價物	181,094	266,542
Effect of foreign exchange rate changes	匯率變動的影響	(6,803)	1,311
Cash and cash equivalents at the end of the period	期末的現金及現金等價物	141,497	285,260
Representing:	代表：		
Bank balances and cash	銀行結餘及現金	150,161	312,209
Short-term deposits with maturity over three months	到期日在三個月以上的短期存款	(8,664)	(26,949)
		141,497	285,260

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) as well as with the applicable disclosure requirements of Appendix 16 to the Listing Rules.

2. PRINCIPAL ACCOUNTING POLICIES

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

Other than changes in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2018 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 March 2018.

1. 編製基準

本簡明綜合財務報表乃按照香港會計師公會(「香港會計師公會」)頒佈的香港會計準則第34號「中期財務報告」及根據上市規則附錄16的適用披露規定而編製。

2. 主要會計政策

本簡明綜合財務報表乃按歷史成本基準編製，惟若干物業及金融工具乃按公平值列賬。

除了應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)對會計政策所帶來的變動之外，截至2018年9月30日止六個月之簡明綜合財務報表所採用之會計政策及計算方法與編製本集團截至2018年3月31日止年度之年度財務報表所依循者相同。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Application of new and amendments to HKFRSs

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA that are mandatorily effective for the annual period beginning on 1 April 2018 for the preparation of the Group's condensed consolidated financial statements.

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related Amendments
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014-2016 Cycle
Amendments to HKAS 40	Transfers of Investment Property

The new and amendments to HKFRSs have been applied in accordance with the relevant transition provisions in the respective standards and amendments which results in changes in accounting policies, amounts reported and/or disclosures as described below.

2. 主要會計政策(續)

應用新訂及經修訂香港財務報告準則

於本中期期間，本集團已首次應用下列由香港會計師公會頒佈之新訂及經修訂香港財務報告準則，其對於編製本集團於2018年4月1日開始之年度期間之簡明綜合財務報表為強制生效：

香港財務報告準則第9號	金融工具
香港財務報告準則第15號	客戶合約收入及相關修訂
香港(國際財務報告詮釋委員會)詮釋第22號	外幣交易及墊付代價
香港財務報告準則第2號之修訂本	以股份為基礎付款的交易的分類及計量
香港財務報告準則第4號之修訂本	採用香港財務報告準則第4號保險合約時一併應用香港財務報告準則第9號金融工具
香港會計準則第28號之修訂本	作為香港財務報告準則2014年至2016年週期之年度改進之一部分
香港會計準則第40號之修訂本	轉讓投資物業

根據相關準則及修訂的過渡條文採用新訂及經修訂香港財務報告準則，而導致會計政策、所呈報金額及/或披露的變動如下文所述。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 15 Revenue from Contracts with Customers

The Group has applied HKFRS 15 for the first time in the current interim period. HKFRS 15 superseded HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related interpretations.

The Group recognises revenue from the following major sources:

- Sales of goods
- Provision of healthcare service

The Group has applied HKFRS 15 retrospectively with the cumulative effect of initially applying this standard recognised at the date of initial application, 1 April 2018. Any difference at the date of initial application is recognised in the opening retained profits (or other components of equity, as appropriate) and comparative information has not been restated. Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 18 *Revenue* and HKAS 11 *Construction Contracts* and the related interpretations.

2. 主要會計政策(續)

2.1 香港財務報告準則第15號客戶合約收入的應用所導致會計政策之影響及變動

本集團已於本中期期間首次應用香港財務報告準則第15號。香港財務報告準則第15號取代了香港會計準則第18號收入、香港會計準則第11號建築合約及相關詮釋。

本集團確認從下列主要來源的收入：

- 銷售貨品
- 提供保健服務

本集團已追溯應用香港財務報告準則第15號，而初始應用該準則之累計影響於初始採用日期2018年4月1日確認。初始應用日期之任何差額於期初保留溢利(或其他權益組成部分，如適用)中確認及並無重列比較資料。因此，若干比較資料未必能與根據香港會計準則第18號收入、香港會計準則第11號建築合約及相關詮釋所編製的比較資料作出比較。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 15 Revenue from Contracts with Customers

(Continued)

2.1.1 Key changes in accounting policies resulting from application of HKFRS 15

HKFRS 15 introduces a 5-step approach when recognising revenue:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good and service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

2. 主要會計政策(續)

2.1 香港財務報告準則第15號客戶合約收入的應用所導致會計政策之影響及變動(續)

2.1.1 香港財務報告準則第15號的應用所導致會計政策之主要變動

香港財務報告準則第15號引入確認收入的五個步驟：

- 第一步：識別與客戶訂立的合約
- 第二步：識別合約中的履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至合約中的履約責任
- 第五步：於本集團完成履約責任時(或就此)確認收入

根據香港財務報告準則第15號，本集團於完成履約責任時(或就此)確認收入，即於特定履約責任相關的商品或服務的「控制權」轉讓予客戶時。

履約責任指可區分的單一貨品及服務(或一批貨品或服務)或一系列大致相同的可區分貨品或服務。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 15 Revenue from Contracts with Customers

(Continued)

2.1.1 Key changes in accounting policies resulting from application of HKFRS 15 (Continued)

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

2. 主要會計政策(續)

2.1 香港財務報告準則第15號客戶合約收入的應用所導致會計政策之影響及變動(續)

2.1.1 香港財務報告準則第15號的應用所導致會計政策之主要變動(續)

倘符合下列其中一項標準，控制權在一段時間內轉移，而收入確認會按一段時間內已完成相關履約責任的進度進行：

- 於本集團履約時，客戶同時取得並耗用本集團履約所提供的利益；
- 本集團的履約產生及提升一項資產，而該項資產於本集團履約時由客戶控制；或
- 本集團的履約並未產生對本集團有替代用途的資產，且本集團對迄今已完成履約的付款具有可強制執行的權利。

否則，收入會在客戶獲得可區分的貨品或服務的控制權時在某一時點確認。

合約資產指本集團就本集團已向客戶轉讓的貨品或服務而收取代價的權利(尚未成為無條件)，根據香港財務報告準則第9號評估減值。相反，應收賬款指本集團收取代價的無條件權利，即代價到期付款前僅需時間推移。

合約負債指本集團因已向客戶收取代價(或已到期收取代價)，而須向客戶轉讓貨品或服務的責任。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 15 Revenue from Contracts with Customers

(Continued)

2.1.2 Summary of effects arising from initial application of HKFRS 15

The following adjustments were made to the amounts recognised in the condensed consolidated statement of financial position at 1 April 2018. Line items that were not affected by the changes have not been included.

		Carrying amounts previously reported at 31 March 2018	Reclassification	Carrying amounts under HKFRS 15 at 1 April 2018*
	Note	先前於2018年3月31日呈報的賬面值 HK\$'000 港幣千元	重新分類 HK\$'000 港幣千元	香港財務報告準則第15號下於2018年4月1日的賬面值* HK\$'000 港幣千元
Current liabilities				
流動負債				
Trade and other payables	(a)	30,304	(1,628)	28,676
Contract liabilities	(a)	-	1,628	1,628

* The amounts in this column are before the adjustments from the application of HKFRS 9.

Note:

- (a) As at 1 April 2018, advances from customers of approximately HK\$1,628,000 in respect of sales contracts previously included in trade and other payables were reclassified to contract liabilities.

2. 主要會計政策(續)

2.1 香港財務報告準則第15號客戶合約收入的應用所導致會計政策之影響及變動(續)

2.1.2 初始應用香港財務報告準則第15號所產生之影響之概要

下列為就2018年4月1日之簡明綜合財務狀況表確認金額所作的調整。沒有受變動影響的單列項目不包括在內。

* 此欄所列乃於應用香港財務報告準則第9號而進行調整前的金額。

附註：

- (a) 於2018年4月1日，先前計入貿易及其他應付款項與銷售合約有關的客戶墊款約1,628,000港元，已重新分類為合約負債。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.1 Impacts and changes in accounting policies of application on HKFRS 15 Revenue from Contracts with Customers

(Continued)

2.1.2 Summary of effects arising from initial application of HKFRS 15 (Continued)

The following tables summarise the impacts of applying HKFRS 15 on the Group's condensed consolidated statement of financial position as at 30 September 2018 for each of the line items affected. Line items that were not affected by the changes have not been included.

2. 主要會計政策(續)

2.1 香港財務報告準則第15號客戶合約收入的應用所導致會計政策之影響及變動(續)

2.1.2 初始應用香港財務報告準則第15號所產生之影響之概要(續)

下表概述應用香港財務報告準則第15號對本集團於2018年9月30日之簡明綜合財務狀況表內各項目的影響。沒有受變動影響的單列項目不包括在內。

	As reported	Adjustments	Amounts without application of HKFRS 15
	報告金額	調整	沒有應用香港財務報告準則第15號下的金額
	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元
Current liabilities			
Trade and other payables	27,449	2,315	29,764
Contract liabilities	2,315	(2,315)	-
流動負債			
貿易及其他應付款項	27,449	2,315	29,764
合約負債	2,315	(2,315)	-

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments

In the current period, the Group has applied HKFRS 9 *Financial Instruments* and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for (1) the classification and measurement of financial assets and financial liabilities, (2) expected credit losses (“ECL”) for financial assets and (3) general hedge accounting.

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9. i.e. applied the classification and measurement requirements (including impairment) retrospectively to instruments that have not been derecognised as at 1 April 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 April 2018. The difference between carrying amounts as at 31 March 2018 and the carrying amounts as at 1 April 2018 are recognised in the opening retained profits and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 *Financial Instruments: Recognition and Measurement*.

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具所導致會計政策之影響及變動

於本期間，本集團已應用香港財務報告準則第9號金融工具及其他香港財務報告準則相關的相應修訂。香港財務報告準則第9號就(1)金融資產及金融負債的分類和計量、(2)金融資產的預期信貸虧損(「預期信貸虧損」)及(3)一般對沖會計引入新規定。

本集團已根據香港財務報告準則第9號所載的過渡條文應用香港財務報告準則第9號，即對2018年4月1日(首次應用日期)尚未終止確認的工具追溯應用分類及計量要求(包括減值)，而並無對已於2018年4月1日終止確認的工具應用相關要求。於2018年3月31日之賬面值與於2018年4月1日之賬面值間的差額於期初保留溢利及其他權益組成部分中確認，並無重列比較資料。

因此，若干比較資料未必能與根據香港會計準則第39號金融工具：確認及計量所編製之比較資料作出比較。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments (Continued)

2.2.1 Key changes in accounting policies resulting from application of HKFRS 9

Classification and measurement of financial assets

Trade receivables arising from contracts with customers are initially measured in accordance with HKFRS 15.

All recognised financial assets that are within the scope of HKFRS 9 are subsequently measured at amortised cost or fair value, including unquoted equity investments measured at cost less impairment under HKAS 39.

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具所導致會計政策之影響及變動(續)

2.2.1 應用香港財務報告準則第9號所導致會計政策之主要變動

金融資產分類及計量

與客戶訂立的合約所產生的貿易應收款項應根據香港財務報告準則第15號進行初始計量。

所有已確認的金融資產倘在香港財務報告準則第9號範圍以內，其後按攤銷成本或公平值計量，包括根據香港會計準則第39號按成本減去減值計量的非上市股本投資。

符合下述條件之債務工具其後按攤銷成本計量：

- 金融資產以收取合約現金流量為目的而持有資產之業務模式下持有；及
- 金融資產的合約條款於指定日期產生之現金流量純粹為支付本金及未償還本金之利息。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments (Continued)

2.2.1 Key changes in accounting policies resulting from application of HKFRS 9 (Continued)

Classification and measurement of financial assets (Continued)

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value through profit or loss ("FVTPL"), except that at the date of initial application/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income ("OCI") if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 *Business Combinations* applies.

In addition, the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具所導致會計政策之影響及變動(續)

2.2.1 應用香港財務報告準則第9號所導致會計政策之主要變動(續)

金融資產分類及計量(續)

符合下述條件之債務工具其後按公平值計入其他全面收益(「按公平值計入其他全面收益」):

- 金融資產以收取合約現金流量及出售金融資產之業務模式下持有;及
- 金融資產的合約條款於指定日期產生之現金流量純粹為支付本金及未償還本金之利息。

所有其他金融資產其後按公平值計入損益(「按公平值計入損益」), 惟倘一項股本投資既非持作買賣, 亦非香港財務報告準則第3號業務合併所適用之業務合併收購方確認的或然代價, 於首次應用/初始確認金融資產當日, 本集團可作出不可撤回地選擇將該股本投資的其後公平值變動計入其他全面收益(「其他全面收益」)。

此外, 如可以消除或顯著減少會計錯配, 則本集團能不可撤回地將一項債務投資(其可以滿足按攤銷成本計量或按公平值計入其他全面收益的條件)指定為按公平值計入損益。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments (Continued)

2.2.1 Key changes in accounting policies resulting from application of HKFRS 9 (Continued)

Classification and measurement of financial assets (Continued)

Equity instruments designated as at FVTOCI

At the date of initial application/initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in OCI and accumulated in the revaluation reserve; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and will be transferred to retained profits.

Dividends on these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established in accordance with HKFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "other income" line item in profit or loss.

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具所導致會計政策之影響及變動(續)

2.2.1 應用香港財務報告準則第9號所導致會計政策之主要變動(續)

金融資產分類及計量(續)

指定為按公平值計入其他全面收益之權益工具

於首次應用／初始確認日期，本集團可不可撤回地選擇(按逐項工具)將權益工具投資指定為按公平值計入其他全面收益。

按公平值計入其他全面收益之權益工具投資初始按公平值加交易成本計量。其後，彼等按公平值計量，因公平值變動產生的收益及虧損在其他全面收益內確認，並在重估儲備內累計；毋須進行減值評估。在出售股本投資時，累計收益或虧損將不會重新分類至損益，而會轉撥至保留溢利。

根據香港財務報告準則第9號，當本集團收取股息的權利已經確立時，該等權益工具投資的股息在損益內確認，除非該等股息明確代表了對部分投資成本的收回，則作別論。股息包括在損益內的「其他收入」單列項目。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments (Continued)

2.2.1 Key changes in accounting policies resulting from application of HKFRS 9 (Continued)

Classification and measurement of financial assets (Continued)

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "other gains and losses" line item.

The Directors reviewed and assessed the Group's financial assets as at 1 April 2018 based on the facts and circumstances that existed at that date. Changes in classification and measurement on the Group's financial assets and the impacts thereof are detailed in Note 2.2.2.

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具所導致會計政策之影響及變動(續)

2.2.1 應用香港財務報告準則第9號所導致會計政策之主要變動(續)

金融資產分類及計量(續)

按公平值計入損益之金融資產

不符合按攤銷成本計量或按公平值計入其他全面收益或指定為按公平值計入其他全面收益條件之金融資產，按公平值計入損益。

按公平值計入損益之金融資產，於各報告期末按公平值計量，任何公平值收益或虧損則於損益內確認。於損益中確認的淨收益或虧損不包括就金融資產賺取的任何股息或利息，並計入「其他收益及虧損」單列項目。

董事根據於2018年4月1日存在的事實及情況，檢討及評估本集團於該日的金融資產狀況。本集團金融資產的分類及計量變動以及其影響於附註2.2.2詳述。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments (Continued)

2.2.1 Key changes in accounting policies resulting from application of HKFRS 9 (Continued)

Impairment under ECL model

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including trade receivables, bank balances, other deposits and receivables). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具所導致會計政策之影響及變動(續)

2.2.1 應用香港財務報告準則第9號所導致會計政策之主要變動(續)

預期信貸虧損模式下的減值

本集團就根據香港財務報告準則第9號須予減值的金融資產(包括貿易應收款項、銀行結餘、其他按金及應收款項)的預期信貸虧損確認虧損撥備。預期信貸虧損的金額於各報告日期更新，以反映自初始確認以來的信貸風險變動。

全期預期信貸虧損指於相關工具預計年期內發生的所有可能違約事件所導致的預期信貸虧損，而12個月預期信貸虧損(「12個月預期信貸虧損」)指預期於報告日期後12個月內可能發生的違約事件所導致的部分全期預期信貸虧損。評估根據本集團過往信貸虧損經驗進行，並根據債務人特定因素、整體經濟狀況以及對報告日期當前狀況及未來狀況預測的評估而作出調整。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments (Continued)

2.2.1 Key changes in accounting policies resulting from application of HKFRS 9 (Continued)

Impairment under ECL model (Continued)

The Group always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed individually for debtors with significant balances and/or collectively using a provision matrix with appropriate groupings.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具所導致會計政策之影響及變動(續)

2.2.1 應用香港財務報告準則第9號所導致會計政策之主要變動(續)

預期信貸虧損模式下的減值(續)

本集團一如既往就貿易應收款項確認全期預期信貸虧損。該等資產的預期信貸虧損會個別評估(就結餘重大的債務人)及/或集體評估(使用具有適當分組的提列矩陣進行)。

就所有其他工具而言，本集團計量的虧損撥備等於12個月預期信貸虧損，除非自初始確認後信貸風險顯著增加，則本集團確認全期預期信貸虧損。是否應確認全期預期信貸虧損的評估乃基於自初始確認以來發生違約的可能性或風險是否顯著增加。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments (Continued)

2.2.1 Key changes in accounting policies resulting from application of HKFRS 9 (Continued)

Impairment under ECL model (Continued)

Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具所導致會計政策之影響及變動(續)

2.2.1 應用香港財務報告準則第9號所導致會計政策之主要變動(續)

預期信貸虧損模式下的減值(續)

信貸風險大幅增加

於評估信貸風險自初始確認以來有否大幅增加時，本集團比較金融工具於報告日期發生違約的風險與該金融工具於初始確認日期發生違約的風險。作此評估時，本集團會考慮合理並有證據支持的定量及定性資料，包括過往經驗及毋須花費不必要成本或努力即可獲得的前瞻性資料。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments (Continued)

2.2.1 Key changes in accounting policies resulting from application of HKFRS 9 (Continued)

Impairment under ECL model (Continued)

Significant increase in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具所導致會計政策之影響及變動(續)

2.2.1 應用香港財務報告準則第9號所導致會計政策之主要變動(續)

預期信貸虧損模式下的減值(續)

信貸風險大幅增加(續)

具體而言，評估信貸風險是否有大幅增加時會考慮下列資料：

- 金融工具外部(如有)或內部信貸評級的實際或預期重大惡化；
- 信貸風險的外部市場指標的重大惡化，例如信貸息差大幅增加、債務人的信貸違約掉期價大幅上升；
- 業務、財務或經濟狀況的現有或預測不利變動，預期將導致債務人履行其債務責任的能力大幅下降；
- 債務人經營業績的實際或預期重大惡化；
- 債務人監管、經濟或技術環境的實際或預期重大不利變動，導致債務人履行其債務責任的能力大幅下降。

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For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments (Continued)

2.2.1 Key changes in accounting policies resulting from application of HKFRS 9 (Continued)

Impairment under ECL model (Continued)

Significant increase in credit risk (Continued)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if (i) it has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具所導致會計政策之影響及變動(續)

2.2.1 應用香港財務報告準則第9號所導致會計政策之主要變動(續)

預期信貸虧損模式下的減值(續)

信貸風險大幅增加(續)

不論上述評估結果，本集團假定，倘合約付款逾期超過30日，則信貸風險自初始確認以來已大幅增加，惟本集團擁有合理並有證據支持的資料顯示情況並非如此，則作別論。

儘管存在上述情況，倘債務工具於報告日期被定為具有較低信貸風險，本集團假設該債務工具的信貸風險自初始確認起並無大幅增加。在下列情況下，債務工具會被定為具有較低信貸風險，倘(i)其違約風險較低、(ii)借款人有強大能力於短期滿足其合約現金流量責任及(iii)長遠而言經濟及業務狀況存有不利變動，惟未必會降低借款人達成其合約現金流量責任的能力。

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For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments (Continued)

2.2.1 Key changes in accounting policies resulting from application of HKFRS 9 (Continued)

Impairment under ECL model (Continued)

Significant increase in credit risk (Continued)

The Group considers that default has occurred when the instrument is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

Generally, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具所導致會計政策之影響及變動(續)

2.2.1 應用香港財務報告準則第9號所導致會計政策之主要變動(續)

預期信貸虧損模式下的減值(續)

信貸風險大幅增加(續)

倘該工具已逾期超過90日，則本集團認為已發生違約，除非本集團有合理及有理據支持的資料顯示較寬鬆的違約標準更為適當，則作別論。

預期信貸虧損的計量及確認

預期信貸虧損的計量為違約概率、違約虧損(即出現違約時的虧損程度)及違約時風險的函數。違約概率及違約虧損的評估乃基於歷史數據按前瞻性資料作調整。

一般而言，預期信貸虧損估計為根據合約應付本集團之所有合約現金流量與本集團預期收取的所有現金流量之間的差額，當中已按初始確認時釐定的有效利率貼現。

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For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments (Continued)

2.2.1 Key changes in accounting policies resulting from application of HKFRS 9 (Continued)

Impairment under ECL model (Continued)

Measurement and recognition of ECL (Continued)

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

As at 1 April 2018, the Directors reviewed and assessed the Group's existing financial assets for impairment using reasonable and supportable information that is available without undue cost or effort in accordance with the requirements of HKFRS 9. The results of the assessment and the impact thereof are detailed in Note 2.2.2.

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具所導致會計政策之影響及變動(續)

2.2.1 應用香港財務報告準則第9號所導致會計政策之主要變動(續)

預期信貸虧損模式下的減值(續)

預期信貸虧損的計量及確認(續)

利息收入根據金融資產的賬面總額計算，除非金融資產已經信用受損，在該情況下，利息收入按金融資產的攤銷成本計算。

本集團藉調整所有金融工具的賬面值，於損益確認減值收益或虧損，惟貿易應收款項則透過虧損撥備賬確認相應調整。

於2018年4月1日，董事根據香港財務報告準則第9號之規定利用在毋須花費不必要成本或努力即可獲得之合理並有證據支持的資料審閱及評估本集團現有金融資產之減值情況。評估結果及其影響於附註2.2.2詳述。

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For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments (Continued)

2.2.2 Summary of effects arising from initial application of HKFRS 9

The table below illustrates the classification and measurement (including impairment) of financial assets and other items subject to ECL under HKFRS 9 and HKAS 39 at the date of initial application, 1 April 2018.

2. 主要會計政策 (續)

2.2 應用香港財務報告準則第9號金融工具所導致會計政策之影響及變動 (續)

2.2.2 初始應用香港財務報告準則第9號所產生之影響之概要

下表闡述金融資產以及根據香港財務報告準則第9號及香港會計準則第39號受預期信貸虧損所規限的其他項目於初始應用日期(2018年4月1日)的分類及計量(包括減值)。

		Available-for-sale investments	Equity instruments at FVTOCI	Amortised cost (previously classified as loans and receivables)	Financial assets at FVTPL required by HKAS 39/ HKFRS 9	Revaluation reserve	Deferred tax assets	Retained profits
	Notes 附註	可供出售投資 HK\$'000 港幣千元	按公平值計入其他全面收益之權益工具 HK\$'000 港幣千元	攤銷成本(先前分類為貸款及應收款項) HK\$'000 港幣千元	根據香港會計準則第39號/香港財務報告準則第9號規定按公平值計入損益之金融資產 HK\$'000 港幣千元	重估儲備 HK\$'000 港幣千元	遞延稅項資產 HK\$'000 港幣千元	保留溢利 HK\$'000 港幣千元
Closing balance at 31 March 2018 - HKAS 39	於2018年3月31日的期末結餘 - 香港會計準則第39號	573,392	-	218,534	8,986	116,390	-	67,121
Effect arising from initial application of HKFRS 9:	初始應用香港財務報告準則第9號產生的影響:							
Reclassification	重新分類							
From available-for-sale investments	自可供出售投資	(a) (573,392)	573,392	-	-	(16,348)	-	16,348
From loans and receivables	自貸款及應收款項	(b) -	-	(5,170)	5,170	-	-	-
Remeasurement	重新計量							
Impairment under ECL model	預期信貸虧損模式下的減值	(c) -	-	(876)	-	-	140	(736)
Opening balance at 1 April 2018	於2018年4月1日的期初結餘	-	573,392	212,488	14,156	100,042	140	82,733

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments (Continued)

2.2.2 Summary of effects arising from initial application of HKFRS 9 (Continued)

Notes:

(a) Available-for-sale investments

The Group elected to present in OCI for the fair value changes of all its equity investments previously classified as available-for-sale investments. These investments are not held for trading and not expected to be sold in the foreseeable future. At the date of initial application of HKFRS 9, approximately HK\$573,392,000 were reclassified from available-for-sale investments to equity instruments at FVTOCI. The fair value gains of approximately HK\$116,390,000 relating to those investments previously carried at fair value continued to accumulate in revaluation reserve. In addition, impairment losses previously recognised of approximately HK\$16,348,000 were transferred from retained profits to revaluation reserve as at 1 April 2018.

(b) Loans and receivables

Deposit and prepayments for life insurance policies previously classified as loans and receivables was reclassified to FVTPL upon the application of HKFRS 9 because its cash flows that do not represent solely payments of principal and interest on the principal amount outstanding. As at 1 April 2018, the fair value of this financial asset is approximately HK\$5,170,000.

(c) Impairment under ECL model

The Group applies the HKFRS 9 simplified approach to measure ECL which uses a lifetime ECL for all trade receivables. To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics.

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具所導致會計政策之影響及變動(續)

2.2.2 初始應用香港財務報告準則第9號所產生之影響之概要(續)

附註：

(a) 可供出售投資

本集團選擇於其他全面收益呈列所有先前分類為可供出售投資的股本投資之公平值變動。該等投資並非持作買賣用途，在可見將來不預期會出售。於初始應用香港財務報告準則第9號當日，約573,329,000港元由可供出售投資重新分類為按公平值計入其他全面收益之權益工具。與之前按公平值計量列賬的該等投資相關的公平值收益約116,390,000港元則繼續在重估儲備中累計。此外，先前確認的減值虧損約16,348,000港元於2018年4月1日已由保留溢利轉移至重估儲備。

(b) 貸款及應收款項

應用香港財務報告準則第9號後，先前分類為貸款及應收款項的人壽保單按金及預付款項已重新分類至按公平值計入損益，原因是其現金流量並非純粹為支付本金及未償還本金之利息。於2018年4月1日，該金融資產之公平值約5,170,000港元。

(c) 預期信貸虧損模式下的減值

本集團應用香港財務報告準則第9號的簡化方法計量預期信貸虧損，對所有貿易應收款項採用全期預期信貸虧損。為計量預期信貸虧損，貿易應收款項已按共同信貸風險特點分類。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.2 Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments (Continued)

2.2.2 Summary of effects arising from initial application of HKFRS 9 (Continued)

Notes: (Continued)

(c) Impairment under ECL model (Continued)

Loss allowances for other financial assets at amortised cost mainly comprise of bank balances, other deposits and receivables, are measured on 12m ECL basis and there had been no significant increase in credit risk since initial recognition.

As at 1 April 2018, the additional credit loss allowance (net of deferred tax) of approximately HK\$736,000 has been recognised against retained profits. The additional loss allowance of approximately HK\$876,000 was charged against trade receivables. The related tax effect of approximately HK\$140,000 was recognised in deferred tax assets.

All loss allowances for trade receivables as at 31 March 2018 reconcile to the opening loss allowance as at 1 April 2018 is as follows:

		Trade receivables 貿易應收款項 HK\$'000 港幣千元
At 31 March 2018 – HKAS 39	於2018年3月31日 – 香港會計準則第39號	—
Amounts remeasured through opening retained profits	透過期初保留溢利重新計量的金額	876
At 1 April 2018	於2018年4月1日	876

2. 主要會計政策(續)

2.2 應用香港財務報告準則第9號金融工具所導致會計政策之影響及變動(續)

2.2.2 初始應用香港財務報告準則第9號所產生之影響之概要(續)

附註：(續)

(c) 預期信貸虧損模式下的減值(續)

按攤銷成本計算之其他金融資產的虧損撥備主要包括銀行結餘、其他按金及應收款項，乃按12個月預期信貸虧損基準計量，信貸風險自初始確認以來並無顯著增加。

於2018年4月1日，保留溢利中確認了約736,000港元的額外信貸虧損撥備(已扣除遞延稅項)。該額外虧損撥備約876,000港元已自貿易應收款項中扣除。相關稅務影響約140,000港元於遞延稅項資產確認。

於2018年3月31日貿易應收款項的所有虧損撥備與於2018年4月1日的期初虧損撥備的對賬如下：

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.3 Impacts on opening condensed consolidated statement of financial position arising from the application of all new standards

As a result of the changes in the entity's accounting policies above, the opening condensed consolidated statement of financial position had to be restated. The following table show the adjustments recognised for each individual line item.

2. 主要會計政策(續)

2.3 應用所有新準則對期初簡明綜合財務狀況表之影響

由於上述實體會計政策的變動，期初之簡明綜合財務狀況表須重列。下表呈列就各個別單列項目確認的調整。

		31 March 2018 (Audited) 2018年 3月31日 (經審核) HK\$'000 港幣千元	HKFRS 15 香港財務 報告準則 第15號 HK\$'000 港幣千元	HKFRS 9 香港財務 報告準則 第9號 HK\$'000 港幣千元	1 April 2018 (Restated) 2018年 4月1日 (重列) HK\$'000 港幣千元
Non-current assets	非流動資產				
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	-	-	5,170	5,170
Deposit and prepayments for life insurance policies	人壽保單之按金及預付款項	5,113	-	(5,113)	-
Equity instruments at fair value through other comprehensive income	按公平值計入其他全面收益之權益工具	-	-	573,392	573,392
Available-for-sale investments	可供出售投資	573,392	-	(573,392)	-
Deferred tax assets	遞延稅項資產	-	-	140	140
Other items with no adjustment	沒有調整的其他項目	185,753	-	-	185,753
		764,258	-	197	764,455

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.3 Impacts on opening condensed consolidated statement of financial position arising from the application of all new standards (Continued)

2. 主要會計政策(續)

2.3 應用所有新準則對期初簡明綜合財務狀況表之影響(續)

	31 March 2018 (Audited) 2018年 3月31日 (經審核) HK\$'000 港幣千元	HKFRS 15 香港財務 報告準則 第15號 HK\$'000 港幣千元	HKFRS 9 香港財務 報告準則 第9號 HK\$'000 港幣千元	1 April 2018 (Restated) 2018年 4月1日 (重列) HK\$'000 港幣千元
Current assets				
流動資產				
Trade and other receivables				
貿易及其他應收款項	48,636	-	(933)	47,703
Financial assets at fair value through profit or loss				
按公平值計入損益之金融資產	-	-	8,986	8,986
Held for trading investments	8,986	-	(8,986)	-
持作買賣投資				
Other items with no adjustment	195,634	-	-	195,634
沒有調整的其他項目				
	253,256	-	(933)	252,323
Total assets				
資產總值	1,017,514	-	(736)	1,016,778

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(Continued)

2.3 Impacts on opening condensed consolidated statement of financial position arising from the application of all new standards (Continued)

2. 主要會計政策(續)

2.3 應用所有新準則對期初簡明綜合財務狀況表之影響(續)

		31 March 2018 (Audited) 2018年 3月31日 (經審核) HK\$'000 港幣千元	HKFRS 15 香港財務 報告準則 第15號 HK\$'000 港幣千元	HKFRS 9 香港財務 報告準則 第9號 HK\$'000 港幣千元	1 April 2018 (Restated) 2018年 4月1日 (重列) HK\$'000 港幣千元
Current liabilities	流動負債				
Trade and other payables	貿易及其他應付款項	30,304	(1,628)	–	28,676
Contract liabilities	合約負債	–	1,628	–	1,628
Current tax liabilities	即期稅項負債	3,399	–	–	3,399
		33,703	–	–	33,703
Net current assets	流動資產淨值	219,553	–	(933)	218,620
Total assets less current liabilities	資產總值減流動負債	983,811	–	(736)	938,075
Capital and reserves	資本及儲備				
Share capital	股本	109,351	–	–	109,351
Reserves	儲備	828,421	–	(736)	827,685
Equity attributable to owners of the Company	本公司擁有人應佔權益	937,772	–	(736)	937,036
Non-controlling interests	非控股權益	46,039	–	–	46,039
Total equity	權益總額	983,811	–	(736)	983,075

Except as described above, the application of other new and amendments to HKFRSs in the current interim period has had no material effect on the amounts reported and/or disclosures set out in these condensed consolidated financial statements.

除上文所述者外，應用其他新訂及經修訂香港財務報告準則概不會對本簡明綜合財務狀況表所呈報之金額及／或披露造成重大影響。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

3. REVENUE FROM GOODS AND SERVICES

3. 來自貨品及服務的收入

Disaggregation of revenue

收入分拆

		For the six months ended 30 September 2018 (unaudited) 截至2018年9月30日止六個月(未經審核)				
Segments 分部	Type of goods and service 貨品及服務類別	Product Development Segment 產品開發分部 HK\$'000 港幣千元	Brand Development and Management Segment 品牌開發及管理分部 HK\$'000 港幣千元	Trading of Goods Segment 貨品買賣分部 HK\$'000 港幣千元	Healthcare Segment 健康分部 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
	Sales of healthcare products	89,400	-	-	82	89,482
	Sales of personal care products	1,900	2,534	72	-	4,506
	Healthcare service	-	-	-	682	682
	Total	91,300	2,534	72	764	94,670
	Geographical markets	市場地域				
	Hong Kong	70,423	2,534	72	331	73,360
	PRC	20,877	-	-	433	21,310
	Total	91,300	2,534	72	764	94,670
	Timing of revenue recognition	確認收入的時間				
	A point of time	91,300	2,534	72	82	93,988
	Over time	-	-	-	682	682
	Total	91,300	2,534	72	764	94,670

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

4. SEGMENT INFORMATION

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

Six months ended 30 September 2018 (unaudited)

4. 分部資料

下列為按可報告及經營分部劃分對本集團收入及業績的分析。

截至2018年9月30日止六個月(未經審核)

		Product Development Segment 產品 開發分部 HK\$'000 港幣千元	Brand Development and Management Segment 品牌開發 及管理分部 HK\$'000 港幣千元	Trading of Goods Segment 貨品 買賣分部 HK\$'000 港幣千元	Healthcare Segment 健康分部 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
Revenue	收入					
External sales	對外銷售	91,300	2,534	72	764	94,670
Segment profit/(loss)	分部溢利/ (虧損)	22,615	223	12	(14,490)	8,360
Interest income	利息收入					899
Dividend income	股息收入					2,227
Loss arising on financial assets measured at fair value through profit or loss	按公平值計入 損益之金融 資產所產生 之虧損					(7,420)
Unallocated expenses	未分配開支					(4,921)
Finance costs	融資成本					(145)
Loss before tax	除稅前虧損					(1,000)

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

4. SEGMENT INFORMATION (Continued)

Six months ended 30 September 2017 (unaudited)

4. 分部資料(續)

截至2017年9月30日止六個月(未經審核)

	Product Development Segment 產品 開發分部 HK\$'000 港幣千元	Brand Development and Management Segment 品牌開發 及管理分部 HK\$'000 港幣千元	Trading of Goods Segment 貨品 買賣分部 HK\$'000 港幣千元	Healthcare Segment 健康分部 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元	
Revenue	收入					
External sales	對外銷售	91,773	3,847	398	257	96,275
Segment profit/(loss)	分部溢利/ (虧損)	21,270	317	(127)	(4,226)	17,234
Interest income	利息收入					2,253
Dividend income	股息收入					2,013
Gain on fair value change of held for trading investments	持作買賣投資之 公平值變動的 收益					67
Unallocated expenses	未分配開支					(4,329)
Profit before tax	除稅前溢利					17,238

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

5. OTHER INCOME

5. 其他收入

		Six months ended 30 September 截至9月30日止六個月	
		2018 (Unaudited) (未經審核) HK\$'000 港幣千元	2017 (Unaudited) (未經審核) HK\$'000 港幣千元
Interest income on bank deposits	銀行存款利息收入	899	2,143
Interest income on deposit and prepayments for life insurance policies	人壽保單之按金及預付款項之利息收入	-	110
Consultancy income	顧問收入	-	307
Dividend income	股息收入	2,227	2,013
Forfeiture of customers' deposits	沒收客戶按金	-	246
Others	其他	23	1,342
		3,149	6,161

6. OTHER GAINS AND LOSSES

6. 其他收益及虧損

		Six months ended 30 September 截至9月30日止六個月	
		2018 (Unaudited) (未經審核) HK\$'000 港幣千元	2017 (Unaudited) (未經審核) HK\$'000 港幣千元
Loss arising on financial assets measured at fair value through profit or loss	按公平值計入損益之金融資產所產生之虧損	(7,420)	-
Gain on fair value change of held for trading investments	持作買賣投資之公平值變動的收益	-	67
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的收益	12	-
Loss on deregistration of a subsidiary	註銷一間附屬公司之虧損	(1)	-
Impairment loss recognised in respect of trade receivables	就貿易應收款項確認之減值虧損	(180)	-
Net foreign exchange (loss)/gain	匯兌(虧損)/收益淨額	(1,046)	3,220
		(8,635)	3,287

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

7. FINANCE COSTS

7. 融資成本

		Six months ended 30 September 截至9月30日止六個月	
		2018 (Unaudited) (未經審核) HK\$'000 港幣千元	2017 (Unaudited) (未經審核) HK\$'000 港幣千元
Interest on bank loans	銀行貸款的利息	145	-

8. INCOME TAX EXPENSE

8. 所得稅開支

		Six months ended 30 September 截至9月30日止六個月	
		2018 (Unaudited) (未經審核) HK\$'000 港幣千元	2017 (Unaudited) (未經審核) HK\$'000 港幣千元
Current tax:	即期稅項：		
- Hong Kong Profits Tax	- 香港利得稅	3,005	4,472
- PRC Enterprise Income Tax	- 中國企業所得稅	578	-
		3,583	4,472

Hong Kong Profits Tax is calculated at 16.5% (2017: 16.5%) on the estimated assessable profit for the period.

於本期間，估計應課稅溢利的香港利得稅按16.5% (2017年：16.5%) 的稅率計算。

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

根據中華人民共和國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司於本期間之稅率為25%。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

9. (LOSS)/PROFIT FOR THE PERIOD

(Loss)/Profit for the period has been arrived at after charging:

9. 期內(虧損)/溢利

於本期間，(虧損)/溢利已扣除下列各項：

		Six months ended 30 September 截至9月30日止六個月	
		2018 (Unaudited) (未經審核) HK\$'000 港幣千元	2017 (Unaudited) (未經審核) HK\$'000 港幣千元
Amortisation of prepaid lease payments	預付租賃款項攤銷	766	543
Amortisation of intangible assets	無形資產攤銷	-	966
Depreciation of property, plant and equipment	物業、廠房及設備折舊	9,709	4,353

10. DIVIDENDS

During the current interim period, a final dividend of HK\$0.01 per share in respect of the year ended 31 March 2018 (2017: HK\$0.01) was declared to the Shareholders. The aggregate amount of the final dividend declared in the interim period amounted to HK\$10,935,000 (2017: HK\$10,888,000).

Subsequent to the end of the current interim period, the Directors have determined that an interim dividend of HK\$0.01 (2017: HK\$0.01) per share will be paid to the Shareholders whose names appear in the Register of Members on 11 December 2018.

10. 股息

於本中期期間，本公司就截至2018年3月31日止年度向股東宣派末期股息每股0.01港元(2017年：0.01港元)。本中期期間宣派之末期股息總金額為10,935,000港元(2017年：10,888,000港元)。

於本中期期間結束後，董事決定將派付中期股息每股0.01港元(2017年：0.01港元)予於2018年12月11日名列股東名冊之股東。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

11. EARNINGS PER SHARE

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

11. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃基於下列數據計算得出：

		Six months ended 30 September 截至9月30日止六個月	
		2018 (Unaudited) (未經審核) HK\$'000 港幣千元	2017 (Unaudited) (未經審核) HK\$'000 港幣千元
Earnings	盈利		
Earnings for the purpose of basic and diluted earnings per share (Profit for the period attributable to owners of the Company)	用以計算每股基本及攤薄盈利之盈利 (本公司擁有人應佔期內溢利)	3,287	14,602
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings per share	用以計算每股基本盈利之普通股加權平均數	1,093,508,000	1,089,130,426
Effect of dilutive potential ordinary shares:	普通股之潛在攤薄影響：		
– Share options	– 購股權	1,647,780	4,284,412
Weighted average number of ordinary shares for the purpose of diluted earnings per share	用以計算每股攤薄盈利之普通股加權平均數	1,095,155,780	1,093,414,838

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

12. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME/AVAILABLE-FOR-SALE INVESTMENTS

12. 按公平值計入其他全面收益之權益工具／可供出售投資

		As at 30 September 2018 於2018年 9月30日 (Unaudited) (未經審核) HK\$'000 港幣千元	As at 31 March 2018 於2018年 3月31日 (Audited) (經審核) HK\$'000 港幣千元
Equity instruments at fair value through other comprehensive income	按公平值計入其他全面收益之權益工具		
Equity securities listed in Hong Kong	於香港上市的股本證券	468,354	-
Available-for-sale investments	可供出售投資		
Equity securities listed in Hong Kong	於香港上市的股本證券	-	573,392

Included in equity securities listed in Hong Kong above as at 30 September 2018 is the Group's investment in Fullshare with a carrying amount of approximately HK\$446,556,000. The investment represents approximately 0.60% holding of the ordinary shares of Fullshare and more than 10% of the Group's total assets as at 30 September 2018.

上述於2018年9月30日之香港上市股本證券包括本集團於豐盛之投資，賬面值為約446,556,000港元。該投資相當於持有豐盛約0.60%普通股及超過本集團於2018年9月30日資產總值之10%。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

13. TRADE AND OTHER RECEIVABLES

13. 貿易及其他應收款項

		As at 30 September 2018 於2018年 9月30日 (Unaudited) (未經審核) HK\$'000 港幣千元	As at 31 March 2018 於2018年 3月31日 (Audited) (經審核) HK\$'000 港幣千元
Trade receivables	貿易應收款項	16,827	21,780
Prepayments to suppliers	向供應商預付款項	-	2
Prepaid lease payments	預付租賃款項	1,482	1,623
Prepayments for other expenses	其他開支預付款項	12,515	18,407
Other deposits (mainly including rental and building management fee deposits)	其他按金(主要包括租金及樓宇管理費按金)	3,755	5,133
Other receivables	其他應收款項	656	1,691
		35,235	48,636

The Group's sales to most customers are made on cash on delivery, whilst the Group generally allows an average credit period of 60 days (with 15 days of grace period in certain cases) to certain major trade customers with established trading records.

本集團向大部分客戶的銷售以貨銀兩訖方式進行，而本集團一般授予交易記錄良好的若干主要貿易客戶60天的平均信貸期，若干情況下亦享有15天寬限期。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

13. TRADE AND OTHER RECEIVABLES

(Continued)

The following is an aging analysis of the Group's trade receivables at the end of the reporting period, presented based on invoice date:

		As at 30 September 2018 於2018年 9月30日 (Unaudited) (未經審核) HK\$'000 港幣千元	As at 31 March 2018 於2018年 3月31日 (Audited) (經審核) HK\$'000 港幣千元
0 – 30 days	0至30天	5,691	8,825
31 – 60 days	31至60天	7,166	6,991
61 – 90 days	61至90天	2,931	3,797
Over 90 days	超過90天	1,039	2,167
		16,827	21,780

At the end of the reporting period, the amount due from a company controlled by a relative of a Director included in the Group's trade receivables are:

		As at 30 September 2018 於2018年 9月30日 (Unaudited) (未經審核) HK\$'000 港幣千元	As at 31 March 2018 於2018年 3月31日 (Audited) (經審核) HK\$'000 港幣千元
Brighten Hong Limited ("Brighten Hong")	銘輝行有限公司 (「銘輝行」)	800	293

13. 貿易及其他應收款項(續)

以下為於報告期末本集團的貿易應收款項的賬齡分析(按發票日期呈列)：

於報告期末，計入本集團貿易應收款項中的應收由一位董事之一名親戚控制的公司的款項為：

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

14. TRADE AND OTHER PAYABLES

14. 貿易及其他應付款項

		As at 30 September 2018 於2018年 9月30日 (Unaudited) (未經審核) HK\$'000 港幣千元	As at 31 March 2018 於2018年 3月31日 (Audited) (經審核) HK\$'000 港幣千元
Trade payables	貿易應付款項	7,268	9,504
Receipts in advance	預收款項	-	1,628
Accruals (mainly including salaries and advertising expenses)	應計費用(主要包括薪金及廣告開支)	20,181	19,172
		27,449	30,304

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

以下為於報告期末本集團的貿易應付款項的賬齡分析(按發票日期呈列):

		As at 30 September 2018 於2018年 9月30日 (Unaudited) (未經審核) HK\$'000 港幣千元	As at 31 March 2018 於2018年 3月31日 (Audited) (經審核) HK\$'000 港幣千元
0 – 30 days	0至30天	3,799	8,732
31 – 60 days	31至60天	2,689	681
61 – 90 days	61至90天	417	9
Over 90 days	超過90天	363	82
		7,268	9,504

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

15. SHARE CAPITAL

Ordinary shares of HK\$0.1 each

15. 股本

每股面值0.1港元之普通股

		Number of shares 股份數目	Share capital 股本
		'000 千股	HK\$'000 港幣千元
Authorised:	法定：		
At 1 April 2018 and 30 September 2018 (unaudited)	於2018年4月1日 及2018年9月30日 (未經審核)	2,000,000	200,000
Issued and fully paid:	已發行及繳足：		
At 1 April 2018 and 30 September 2018 (unaudited)	於2018年4月1日 及2018年9月30日 (未經審核)	1,093,508	109,351

16. CAPITAL COMMITMENTS

16. 資本承擔

	As at 30 September 2018 於2018年 9月30日 (Unaudited) (未經審核) HK\$'000 港幣千元	As at 31 March 2018 於2018年 3月31日 (Audited) (經審核) HK\$'000 港幣千元
Capital expenditure contracted for but not provided for in the condensed consolidated financial statements in respect of acquisition of property, plant and equipment	38,200	6,342

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

17. RELATED PARTY DISCLOSURES

(a) Transactions with related parties

During the current interim period, the Group entered into the following significant transactions with related parties:

		Six months ended 30 September 截至9月30日止六個月	
		2018 (Unaudited) (未經審核) HK\$'000 港幣千元	2017 (Unaudited) (未經審核) HK\$'000 港幣千元
Sales of goods to Brighten Hong	向銘輝行銷售貨品	2,598	1,004
Rental expenses to Directors	向董事支付租金開支	960	1,085
Consultancy income from Nanjing Fullshare Industry Group Holdings Company Limited, a company in which Mr. Ji Changqun, a substantial Shareholder of the Company, has significant influence	向南京豐盛產業控股集團有限公司(本公司一名主要股東季昌群先生有重大影響之公司)收取顧問收入	-	307

(b) Outstanding balance with related party

Details of outstanding balance with the related party of the Group at the end of the reporting period are set out in note 13.

17. 關連方披露

(a) 與關連方的交易

於本中期期間，本集團與關連方訂立下列重大交易：

(b) 關連方之未償還結餘

本集團之關連方於報告期末之未償還結餘之詳情載於附註13。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

17. RELATED PARTY DISCLOSURES

(Continued)

(c) Compensation to key management personnel

Compensation to key management personnel of the Group which represents Directors, during the period are as follows:

17. 關連方披露 (續)

(c) 主要管理人員薪酬

本集團主要管理人員(即董事)於本期間的報酬如下:

		Six months ended 30 September 截至9月30日止六個月	
		2018 HK\$'000 港幣千元 (Unaudited) (未經審核)	2017 HK\$'000 港幣千元 (Unaudited) (未經審核)
Short-term benefits	短期福利	2,736	2,766
Post-employment benefits	離職後福利	18	18
Share-based payments	以股份為基礎的付款	1,087	1,474
		3,841	4,258

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

18. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

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

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

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

18. 金融工具之公平值計量

按經常性基準以公平值計量之本集團金融資產之公平值

本集團部分之金融資產於每一個報告期完結時以公平值計量。下表提供該等金融資產的公平值釐定方法(尤其是估值技術及所使用的輸入數據)以及根據公平值計量之輸入數據的可觀察程度而將公平值計量分類歸入公平值等級(第一級至第三級)之資料。

- 第一級公平值計量為由同等資產或負債於活躍市場之報價(未經調整)得出;
- 第二級公平值計量由第一級所載報價以外之可觀察資產或負債輸入數據直接(即價格)或間接(即源自價格)得出;及
- 第三級公平值計量由包括並非以可觀察市場數據為基礎之資產或負債輸入數據(不可觀察輸入數據)之估值技術得出。

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

18. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

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

18. 金融工具之公平值計量 (續)

按經常性基準以公平值計量之本集團金融資產之公平值(續)

Financial assets	Fair value as at	Fair value hierarchy	Valuation technique(s) and key input(s)
金融資產	公平值	公平值等級	估值技術及主要輸入數據
	30 September 2018 於2018年9月30日 HK\$'000 港幣千元 (Unaudited) (未經審核)	31 March 2018 於2018年3月31日 HK\$'000 港幣千元 (Audited) (經審核)	
Equity securities listed in Hong Kong classified as equity instruments at fair value through other comprehensive income/available-for-sale investments in the condensed consolidated statement of financial position 於簡明綜合財務狀況表內分類為按公平值計入其他全面收益之權益工具/可供出售投資的香港上市股本證券	468,354	573,392 Level 1	Quoted bid price in an active market 第一級 活躍市場所報買入價
Equity securities listed in Hong Kong classified as financial assets at fair value through profit or loss/held for trading investments in the condensed consolidated statement of financial position 於簡明綜合財務狀況表內分類為按公平值計入損益之金融資產/持作買賣投資的香港上市股本證券	7,899	8,986 Level 1	Quoted bid price in an active market 第一級 活躍市場所報買入價

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30 September 2018 截至2018年9月30日止六個月

18. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

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

18. 金融工具之公平值計量 (續)

按經常性基準以公平值計
量之本集團金融資產之公
平值(續)

Financial assets	Fair value as at	Fair value hierarchy	Valuation technique(s) and key input(s)
金融資產	公平值	公平值等級	估值技術及主要輸入數據
	30 September 2018 於2018年9月30日 HK\$'000 港幣千元 (Unaudited) (未經審核)	31 March 2018 於2018年3月31日 HK\$'000 港幣千元 (Audited) (經審核)	
Deposit and prepayments for life insurance policies classified as financial assets at fair value through profit or loss in the condensed consolidated statement of financial position	5,258	- Level 2	Cash value of the insurance policies. Cash value is determined by the upfront payments plus accumulated interest earned and minus the accumulated insurance charge and policy expense charge.
於簡明綜合財務狀況表內分類為按公平值計入損益之金融資產的人壽保單之按金及預付款項		第二級	保單現金價值。現金價值按預付款項加累計已賺利息減累計保費及保費開支。

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衍生集團(國際)控股有限公司

Hin Sang Group (International) Holding Co. Ltd.

股份代號 Stock Code : 6893