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## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

### **EXECUTIVE DIRECTORS**

Mr. Huang Shourong (*Chairman*)

Mr. Pan Junfeng

### **INDEPENDENT NON-EXECUTIVE DIRECTORS**

Dr. Leung Hoi Ming

Mr. Mak Ka Wing, Patrick

Mr. Sung Wing Sum

### **COMPANY SECRETARY**

Mr. Wan Oi Ming Kevin

### **AUDITOR**

ZHONGHUI ANDA CPA Limited

Unit 701, 7/F.,

Citicorp Centre,

18 Whitfield Road,

Causeway Bay, Hong Kong

### **PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE**

Royal Bank of

Canada Trust Company (Cayman) Limited,

4th Floor, Royal Bank House,

24 Shedden Road, George Town,

Grand Cayman KY1-1110,

Cayman Islands

### **HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE**

Computershare Hong Kong Investor Services Limited

Shop 1712-1716,

17th Floor, Hopewell Centre,

183 Queen's Road East,

Wan Chai

Hong Kong

### **REGISTERED OFFICE**

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

### **HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG**

Unit D, 12/F.,

Seabright Plaza,

9-23 shell street,

North Point,

Hong Kong

### **PRINCIPAL BANKERS**

Hang Seng Bank

Level B2,

83 Des Voeux Road,

Central,

Hong Kong

### **WEBSITE**

<http://www.fujicateringhk.com>

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **FINANCIAL REVIEW**

For the six months ended 30 September 2014, the turnover of the Group, was approximately RMB247 million (six months ended 30 September 2013: approximately RMB139 million), representing an increase of approximately 77.9% from the six months ended 30 September 2013.

The consolidated profit attributable to equity holders of the Company amounted to approximately RMB15 million for the six month ended 30 September 2014 (six months ended 30 September 2013: approximately RMB805.1 million). Earnings per share was approximately RMB0.04 for the six months ended 30 September 2014 (six months ended 30 September 2013: approximately RMB3.89).

### **RESULTS AND APPROPRIATIONS**

#### **Revenue**

The turnover of the Group was approximately RMB247 million (six months ended 30 September 2013: approximately RMB139 million), representing an increase of approximately 77.9% from the six months ended 30 September 2013. The turnover of the Catering Services business was approximately RMB2 million (six months ended 30 September 2013: approximately RMB34 million), representing a significant decrease of approximately 94.1%. The decrement was mainly due to the termination of several catering sites. The turnover of the Convenience Food business increased from approximately RMB105 million for the six months ended 30 September 2013 to approximately RMB245 million for the six months ended 30 September 2014 due to the expansion on Convenience Food business.

#### **Gross Profit**

Gross profit of the Group decreased slightly from approximately RMB32.8 million for the six months ended 30 September 2013 to approximately RMB26.8 million for the six months ended 30 September 2014 due to the net effect of termination of several catering sites and expansion on Convenience Food business. Whereas, the gross profit margin for the current period decreased from 23.6% to 10.8% as the gross profit margin of convenience food business is thinner than catering services business.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Other operating expenses

Other operating expenses of the Group were approximately RMB1 million (six months ended 30 September 2013: approximately RMB22.9 million), representing a significant decrease of approximately 95.6% from the six months ended 30 September 2013 due to decreased in professional fees of approximately RMB21 million as professional fees occurred for Reorganisation and Restructuring of the Group during the last period.

### Profit for the period attributable to equity holders

The profit for the period attributable to equity holders of the Company amounted to approximately RMB15 million for the six months ended 30 September 2014 (six months ended 30 September 2013: approximately RMB805.1 million). Basic earnings per share were approximately RMB0.04 as compared with basic earnings per share of approximately RMB3.89 for the preceding period. The profit for the period attributable to equity holders of the Company decreased was mainly due to completion of the Group Reorganisation and Restructuring occurred during the last period.

## LIQUIDITY, FINANCIAL RESOURCES AND FUNDING

Bank and cash balances as at 30 September 2014 was approximately RMB19.9 million (31 March 2014: approximately RMB80.7 million). The Group's debt-to-equity ratio measured on the basis of the Group's total liabilities of approximately RMB47.0 million (31 March 2014: approximately RMB55.7 million) to the total equity of positive of approximately RMB90.1 million (31 March 2014: positive of approximately RMB75.2 million) is 1.91 (31 March 2014: 1.35).

## CAPITAL STRUCTURE

During the six months ended 30 September 2013, there were no changes on the capital structure.

## EVENTS AFTER THE REPORTING PERIOD

On 5 November 2014, the Company received a conversion notice from Marvel Light Holdings Limited ("Marvel Light"), being the controlling shareholder of the Company, for converting 135,135,135 preference shares of the Company held by Marvel Light into ordinary shares of HK\$0.01 each in the ordinary share capital of the Company, the ordinary shares were allotted and issued to Marvel Light on 17 November 2014.



## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **PROSPECTS**

There have been no material changes in respect of the future developments in the business of the Group as mentioned in the annual report of FY2013/2014.

### **EMPLOYMENT**

It is the Group's policy that remuneration of the employees is in line with the market and commensurate with the level of pay for similar responsibilities within the industry. Discretionary year-end bonuses are payable to the employees based on individual performance. Other benefits to the employees included medical insurance, retirement schemes, training programs and education subsidies.

### **CHARGES ON GROUP'S ASSETS**

As at 30 September 2014, there were no charges on the Group's assets.

### **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 September 2014.

### **DIRECTORS AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES**

As at the end of the financial period under review, none of the Directors, chief executive or their associates had any personal, family, corporate or other beneficial interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept under section 352 of the SFO, or otherwise as required to be notified to the Company and The Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO or the Model Code for Securities Transactions by Directors of Listed Issuers.

## MANAGEMENT DISCUSSION AND ANALYSIS

### SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

As at 30 September 2014, so far as is known to the Directors and the chief executives of the Company, the interests or short positions of every person, other than the Directors or chief executives of the Company, in the Shares and underlying Shares as recorded in the register required to be kept under section 336 of the SFO were as follows:–

Name of shareholders	Capacity and nature of interest	Number of Shares interested in (Note 1)	Number of Preference Shares interested in (Note 2)	Total number of Shares and underlying Shares interested in	Approximate percentage in the Shares (Note 3)
Marvel Light Holdings Limited (Note 4)	Beneficial owner	177,280,217 (L)	135,135,135 (L)	312,415,352 (L)	93.44% (L)
		177,280,217 (S)	135,135,135 (S)	312,415,352 (S)	93.44% (S)
Bomao Holdings Limited	Interest in controlled corporation (Note 4)	177,280,217 (L)	135,135,135 (L)	312,415,352 (L)	93.44% (L)
		177,280,217 (S)	135,135,135 (S)	312,415,352 (S)	93.44% (S)
Harvest (Overseas) Investment Limited	Interest in controlled corporation (Note 4)	177,280,217 (L)	135,135,135 (L)	312,415,352 (L)	93.44% (L)
		177,280,217 (S)	135,135,135 (S)	312,415,352 (S)	93.44% (S)
安徽豐收投資有限公司 (Anhui Harvest Investment Company Limited*)	Interest in controlled corporation (Note 4)	177,280,217 (L)	135,135,135 (L)	312,415,352 (L)	93.44% (L)
		177,280,217 (S)	135,135,135 (S)	312,415,352 (S)	93.44% (S)
安徽省創業投資有限公司 (Anhui Province Venture Investment Group Co., Ltd.*)	Interest in controlled corporation (Note 4)	177,280,217 (L)	135,135,135 (L)	312,415,352 (L)	93.44% (L)
		177,280,217 (S)	135,135,135 (S)	312,415,352 (S)	93.44% (S)
安徽省投資集團有限責任公司 (Anhui Province Investment Group Co., Ltd.*)	Interest in controlled corporation (Note 4)	177,280,217 (L)	135,135,135 (L)	312,415,352 (L)	93.44% (L)
		177,280,217 (S)	135,135,135 (S)	312,415,352 (S)	93.44% (S)
Three Dragons Limited (Note 5)	Security interest	177,280,217 (L)	135,135,135 (L)	312,415,352 (L)	93.44% (L)
ADM Galleus Fund I Limited	Interest in controlled corporation (Note 5)	177,280,217 (L)	135,135,135 (L)	312,415,352 (L)	93.44% (L)
ADM Galleus Fund II Limited	Interest in controlled corporation (Note 5)	177,280,217 (L)	135,135,135 (L)	312,415,352 (L)	93.44% (L)
ADM Investment Management Limited	Interest in controlled corporation (Note 5)	177,280,217 (L)	135,135,135 (L)	312,415,352 (L)	93.44% (L)
Yiu Chiu Fai	Beneficial owner and family interest (Note 6)	26,910,000 (L)	–	26,910,000 (L)	8.04% (L)

\* English translation/transliteration for identification purpose only

## MANAGEMENT DISCUSSION AND ANALYSIS

### SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES (Continued)

*Notes:*

1. (L) denotes long position and (S) denotes short position.
2. This represents the preference shares in the capital of the Company with a par value of HK\$0.01 each issued and allotted on 28 June 2013 ("Preference Shares"), which entitles the holder to convert into Shares on a one-to-one basis.
3. The percentage is calculated by dividing "the total number of Shares and underlying Shares" by "the Shares in issue as at 30 September 2014, being 334,342,053 Shares".
4. Marvel Light Holdings Limited is wholly owned by Bomao Holdings Limited, which in turn is wholly owned by Harvest (Overseas) Investment Limited, which in turn is wholly owned by 安徽豐收投資有限公司 (Anhui Harvest Investment Company Limited\*), which in turn is owned as to 40% by 安徽省創業投資有限公司 (Anhui Province Venture Investment Group Co., Ltd.\*), which in turn is wholly owned by 安徽省投資集團有限責任公司 (Anhui Province Investment Group Co., Ltd.\*). Their interests in the 312,415,352 Shares and the underlying Shares therefore duplicate each other.
5. Based on the disclosure of interests forms filed, Three Dragons Limited is owned as to 22% by ADM Galleus Fund I Limited and as to 78% by ADM Galleus Fund II Limited. Both ADM Galleus Fund I Limited and ADM Galleus Fund II Limited are wholly owned by ADM Investment Management Limited and their interests in the 312,415,352 Shares and the underlying Shares duplicate each other.
6. Mr. Yiu Chiu Fai personally owns 26,830,000 shares representing 8.02% in the shares, whereas 80,000 shares representing 0.02% in the shares are owned by his child/spouse.

Save as disclosed above, as at 30 September 2014, no person, other than the Directors and chief executives of the Company, had registered an interest or short position in the Shares or underlying Shares that was required to be recorded in the register required to be kept under section 336 of the SFO.



## MANAGEMENT DISCUSSION AND ANALYSIS

### CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the Directors, the Company has complied with the code provisions of the Code on Corporate Governance Practices (the “Code”) as set out in Appendix 14 of the Listing Rules throughout the six months ended 30 September 2014, except for the deviation of A2.1, A.4.1 and F.1.2 of the Code.

Pursuant to A.2.1 of the Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual, with the division of responsibilities between the chairman and chief executive clearly established and set out in writing. On 23 September 2014, Mr. Wang Jianqing retired as an executive director and chairman of the Company. On the same date, Mr. Huang Shourong (“Mr. Huang”) resigned from the position of Chief Executive Officer (“CEO”) of the Company and was appointed chairman of the Company. Mr. Huang, albeit resigned from the position of CEO, has kept on carrying out the responsibilities of CEO. Mr. Huang possesses the essential leadership skills to manage the Board and extensive knowledge in the business of the Group. The Board considers the present structure to be suitable to the Company because it can promote the efficient formulation and implementation of the Company’s strategies. The Board will review the effectiveness of this arrangement from time to time and will consider appointing an individual as CEO when it thinks appropriate.

Pursuant to A.4.1 of the Code, non-executive directors should be appointed for specific terms, subject to re-election. For the period ended 30 September 2014, all the existing independent non-executive Directors were not appointed for a specific term but are subject to retirement and re-election at the forthcoming annual general meeting of the Company (the “AGM”) and retirement by rotation and re-election at least once every three years at the AGM in accordance with the provisions of the Company’s bye-laws.

Pursuant to F.1.2 of the Code, the appointment of the company secretary should be dealt with by a physical board meeting rather than a written resolution. The appointment of the current company secretary was dealt with by a written resolution in September 2013. The Board considers that, prior to the execution of the written resolution to appoint the current company secretary, all Directors were individually consulted on the matter without any dissenting opinion and there was no need to approve the matter by a physical board meeting instead of a written resolution.



## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **REVIEW OF INTERIM REPORT**

The Audit Committee constitutes three independent non-executive Directors. The unaudited results of the Group for the six months ended 30 September 2014 have been reviewed by the Audit Committee.

### **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules. Having made specific enquiry to all Directors, they have confirmed that they complied with the required standards as set out in the Model Code during the six months ended 30 September 2014.

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2014

	Notes	Six months ended	
		2014	2013
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
<b>Turnover</b>	4	247,227	139,001
Cost of materials consumed		(220,440)	(106,209)
<b>Gross profit</b>		26,787	32,792
Other income		1	5
Gain on completion of the Group			
Reorganisation and Restructuring		–	816,247
Staff costs		(2,423)	(10,872)
Operating lease rentals		(747)	(1,891)
Depreciation		(1,294)	(1,589)
Fuel and utility costs		(253)	(677)
Consumable stores		–	(1,814)
Other operating expenses		(928)	(22,933)
Finance cost		(386)	–
<b>Profit before tax</b>	5	20,757	809,268
Income tax	6	(5,739)	(4,003)
<b>Profit for the period</b>		15,018	805,265
<b>Other comprehensive income:</b>			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translating foreign operations		(169)	(3,817)
<b>Total comprehensive income for the period</b>		14,849	801,448

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2014

		<b>Six months ended</b>	
		<b>30 September</b>	
	<i>Notes</i>	<b>2014</b>	2013
		<b>RMB'000</b>	RMB'000
		<b>(Unaudited)</b>	(Unaudited)
<b>Profit for the period attributable to:</b>			
Equity holders of the Company		<b>15,018</b>	805,089
Non-controlling interests		–	176
		<u>15,018</u>	<u>805,265</u>
<b>Total comprehensive income</b>			
<b>for the period attributable to:</b>			
Equity holders of the Company		<b>14,849</b>	801,272
Non-controlling interests		–	176
		<u>14,849</u>	<u>801,448</u>
<b>Earnings per share</b>			
Basic (RMB cents per share)	7	<u>4</u>	<u>389</u>
Diluted (RMB cents per share)		<u>3</u>	<u>389</u>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2014

	<i>Notes</i>	At 30 September 2014 RMB'000 (Unaudited)	At 31 March 2014 RMB'000 (Audited)
<b>Non-current assets</b>			
Property, plant and equipment	9	7,157	8,451
<b>Current assets</b>			
Inventories		39,485	17,006
Trade receivables	10	16,387	16,538
Prepayments, deposits and other receivables	11	54,161	8,221
Bank and cash balances		19,888	80,700
		<b>129,921</b>	122,465
<b>Current liabilities</b>			
Trade payables	12	1,359	30,233
Accruals and other payables		16,589	19,564
Tax payable		11,050	5,888
Bank borrowings	13	18,000	–
		<b>46,998</b>	55,685
<b>Net current assets</b>		<b>82,923</b>	66,780
<b>NET ASSETS</b>		<b>90,080</b>	75,231
<b>Capital and reserves</b>			
Share capital		3,864	3,864
Reserves		85,412	70,563
Equity attributable to equity holders of the Company		89,276	74,427
Non-controlling interests		804	804
<b>TOTAL EQUITY</b>		<b>90,080</b>	75,231

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Company							
	Share capital	Share premium	Statutory reserve	Foreign	Accumulated losses	Total	Non-controlling interests	Total
				currency translation reserve				
RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	
At 1 April 2013	5,665	1,491,807	7,500	(68,935)	(2,409,332)	(973,295)	184	(973,111)
Total comprehensive income/(loss) for the period	-	-	-	(3,817)	805,089	801,272	176	801,448
Contribution from non-controlling shareholders	-	-	-	-	-	-	180	180
Capital restructuring:								
- Capital reduction	(5,099)	-	-	-	5,099	-	-	-
- Share subscription	1,611	117,626	-	-	-	119,237	-	119,237
- Open offer	428	31,216	-	-	-	31,644	-	31,644
- Preference shares	1,074	78,417	-	-	-	79,491	-	79,491
- Issue of Scheme Shares	185	13,487	-	-	-	13,672	-	13,672
At 30 September 2013	<u>3,864</u>	<u>1,732,553</u>	<u>7,500</u>	<u>(72,752)</u>	<u>(1,599,144)</u>	<u>72,021</u>	<u>540</u>	<u>72,561</u>
At 1 April 2014	3,864	1,732,553	7,500	(71,799)	(1,597,691)	74,427	804	75,231
Total comprehensive income/(loss) for the period	-	-	-	(169)	15,018	14,849	-	14,849
At 30 September 2014	<u>3,864</u>	<u>1,732,553</u>	<u>7,500</u>	<u>(71,968)</u>	<u>(1,582,673)</u>	<u>89,276</u>	<u>804</u>	<u>90,080</u>

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended	
	30 September	
	2014	2013
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<b>Net cash used in from operating activities</b>	<b>(78,644)</b>	(2,259)
<b>Net cash generated from investing activities</b>	<b>1</b>	55,005
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	–	230,372
Net cash outflow on scheme of arrangement	–	(189,064)
Advances from deconsolidated subsidiaries	–	62
Bank loans raised	<b>18,000</b>	–
<b>Net cash generated from financing activities</b>	<b>18,000</b>	41,370
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(60,643)</b>	94,116
Effect of foreign exchange rate changes	<b>(169)</b>	880
<b>Cash and cash equivalents at beginning of period</b>	<b>80,700</b>	11,611
<b>Cash and cash equivalents at end of period</b>	<b>19,888</b>	106,607

# NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 1. GENERAL INFORMATION

FU JI Food and Catering Services Holdings Limited was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and principal place of business is Unit D, 12/F, Seabright Plaza, 9-23 Shell Street, North Point, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company. During the period, the Company and its subsidiaries (collectively "the Group") were principally engaged in the provision of catering services and processing and sale of convenience food products.

## 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

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

The Interim Financial Statements do not include all the information and disclosures required in the full set of financial statements prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRSs"), and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2014.

The preparation of an Interim Financial Statements in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

The accounting policies adopted in the preparation of the Interim Financial Statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2014.



## NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current period, the Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting period beginning on 1 April 2014. HKFRSs comprise Hong Kong Financial Reporting Standards; Hong Kong Accounting Standards; and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current period and prior periods.

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

### 4. TURNOVER AND SEGMENT INFORMATION

Turnover represents the sale value of goods supplied and services provided to customers, net of business tax and other government surcharges, less sales returns and discounts during the period. The Group’s reportable segments are strategic business units that offer different products. They are managed separately because each business requires different technology and marketing strategies.

Segment profits or losses do not include gains or losses from investments, interest income, finance costs, income tax, gain on completion of the group reorganisation and restructuring, and other unallocated corporate income and expenses. Segment assets do not include bank and cash balances and other unallocated corporate assets. Segment non-current assets do not include financial instruments, deferred tax assets, post-employment benefit assets and rights arising under insurance contracts.

## NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 4. TURNOVER AND SEGMENT INFORMATION (Continued)

An analysis of the Group's turnover and results by operating segments is as follows:

	Catering Services RMB'000 (Unaudited)	Convenience Food and related business RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<b>For the six months ended</b>			
<b>30 September 2014:</b>			
Revenue from external customers	1,667	245,560	247,227
Segment (loss)/profit	(1,088)	23,671	22,583
Interest income	–	1	1
Depreciation	1,216	78	1,294
Income tax	–	5,739	5,739

#### At 30 September 2014:

Segment assets – unaudited	<u>10,485</u>	<u>105,601</u>	<u>116,086</u>
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	Catering Services RMB\$'000 (Unaudited)	Convenience Food and related business RMB\$'000 (Unaudited)	Total RMB\$'000 (Unaudited)
<b>For the six months ended</b>			
<b>30 September 2013:</b>			
Revenue from external customers	33,970	105,031	139,001
Segment profit	2,935	11,772	14,707
Depreciation	1,525	64	1,589

#### At 31 March 2014:

Segment assets – audited	<u>19,183</u>	<u>30,256</u>	<u>49,439</u>
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## NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 4. TURNOVER AND SEGMENT INFORMATION (Continued)

Reconciliations of reportable segment profit and loss:

	Six months ended 30 September	
	2014 RMB'000 (Unaudited)	2013 RMB'000 (Unaudited)
Total profit from reportable segments	22,583	14,707
Gain on completion of the Group Reorganisation and Restructuring	–	816,247
Corporate and unallocated profit or loss	<u>(1,826)</u>	<u>(21,686)</u>
Consolidated profit from operations	<u><u>20,757</u></u>	<u><u>809,268</u></u>

### 5. PROFIT BEFORE TAX

Profit before tax is arrived at after charging/(crediting)

	Six months ended 30 September	
	2014 RMB'000 (Unaudited)	2013 RMB'000 (Unaudited)
Interest income	(1)	(6)
Cost of materials consumed	220,440	106,209
Depreciation	1,294	1,589
Minimum lease payments under operating leases in respect of land and buildings	747	1,891
Directors' remuneration	<u><u>490</u></u>	<u><u>316</u></u>

## NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 6. INCOME TAX

	Six months ended 30 September	
	2014	2013
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax – Provision for the period		
PRC enterprise income tax	<u>5,739</u>	<u>4,003</u>

No provision for Hong Kong Profits Tax has been made for six months ended 30 September 2014 as the Group did not generate any assessable profits arising in Hong Kong during the period.

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

### 7. EARNINGS PER SHARE

#### (a) Basic earnings per share

The calculation of basic earnings per share attributable to equity holders of the Company is based on the profit for the six months period attributable to equity holders of the Company of approximately RMB15,018,000 (six months ended 30 September 2013: approximately RMB805,089,000) and the weighted average number of 334,342,053 (six months ended 30 September 2013: 207,035,199) ordinary shares in issue during the period.

#### (b) Diluted earnings per share

The calculation of diluted earnings per share attributable to owners of the Company is based on the profit for the year attributable to owners of the Company of approximately HK\$15,018,000 and the weighted average number of ordinary shares of 469,477,188, being the weighted average number of ordinary shares of 334,342,053 in issue during the period used in the basic earnings per share calculation plus the weighted average number of ordinary shares of 135,135,135 assumed to converted of preference shares at the beginning of the period.

No diluted earning per share is presented as the Company did not have any dilutive potential ordinary shares for the six months ended 30 September 2013.

## NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 8. INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the six months ended 30 September 2014 (six months ended 30 September 2013: nil).

### 9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2014, no property, plant and equipment was acquired by the Group.

### 10. TRADE RECEIVABLES

Other than cash and credit card sales, invoices are normally payable within 30 days of issuance, except for certain well-established customers where the terms are extended up to 90 days. An aging analysis of the trade receivables at the end of the reporting period, based on invoice dates, is as follows:

	At 30 September 2014 RMB'000 (Unaudited)	At 31 March 2014 RMB'000 (Audited)
30 days or less	15,559	9,525
31 to 90 days	828	6,298
91 to 180 days	-	715
	<u>16,387</u>	<u>16,538</u>

### 11. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	At 30 September 2014 RMB'000 (Unaudited)	At 31 March 2014 RMB'000 (Audited)
Prepayments	51,194	195
Deposits	2,527	2,527
Other receivables	440	5,499
	<u>54,161</u>	<u>8,221</u>

## NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 12. TRADE PAYABLES

The aging analysis of the trade payables at the end of the reporting period, based on invoice dates, is as follows:

	At 30 September 2014 RMB'000 (Unaudited)	At 31 March 2014 RMB'000 (Audited)
180 days or less	1,359	533
Over 180 days	–	29,700
	<u>1,359</u>	<u>30,233</u>

### 13. BANK BORROWINGS

	At 30 September 2014 RMB'000 (Unaudited)	At 31 March 2014 RMB'000 (Audited)
Bank loans	<u>18,000</u>	<u>–</u>
The borrowings are repayable as follows:		
On demand or within one year	<u>18,000</u>	<u>–</u>

The carrying amounts of the Group's borrowings are denominated in RMB, the average interest rates at 30 September 2014 was 6.4%.

### 14. CONTINGENT LIABILITIES

The Directors were not aware of any significant contingent liabilities of the Group as at 30 September 2014 (31 March 2014: Nil).



## NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 15. EVENTS AFTER THE REPORTING PERIOD

On 5 November 2014, the Company received a conversion notice from Marvel Light Holdings Limited (“Marvel Light”), being the controlling shareholder of the Company, for converting 135,135,135 preference shares of the Company held by Marvel Light into ordinary shares of HK\$0.01 each in the ordinary share capital of the Company, the ordinary shares were allotted and issued to Marvel Light on 17 November 2014.

### 16. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These Interim Financial Statements were approved and authorised for issue by the Board of Directors on 28 November 2014.