



Silver Base Group Holdings Limited

銀基集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 886

INTERIM REPORT 2019 中期報告



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CORPORATE INFORMATION

EXECUTIVE DIRECTORS

Mr. Liang Guoxing (*Chairman*)
 Mr. Yan Jun (*Chief Executive Officer*)
 Ms. Chen Xiaoxu (*Chief Financial Officer*)

NON-EXECUTIVE DIRECTORS

Mr. Wu Jie Si
 Mr. Chen Sing Hung Johnny
 (*retired on 25 September 2019*)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Hung Sui Kwan
 Mr. Ma Lishan
 Dr. Lee Kwok Keung Edward

COMPANY SECRETARY

Mr. Wong Hing Keung

AUDIT COMMITTEE

Mr. Hung Sui Kwan (*Chairman*)
 Mr. Ma Lishan
 Dr. Lee Kwok Keung Edward

COMPLIANCE COMMITTEE

Mr. Hung Sui Kwan (*Chairman*)
 Mr. Ma Lishan
 Dr. Lee Kwok Keung Edward
 Ms. Chen Xiaoxu

REMUNERATION COMMITTEE

Mr. Hung Sui Kwan (*Chairman*)
 Mr. Ma Lishan
 Dr. Lee Kwok Keung Edward
 Mr. Liang Guoxing
 Ms. Chen Xiaoxu

NOMINATION COMMITTEE

Mr. Hung Sui Kwan (*Chairman*)
 Mr. Ma Lishan
 Dr. Lee Kwok Keung Edward
 Mr. Liang Guoxing

公司資料

執行董事

梁國興先生 (*主席*)
 嚴俊先生 (*行政總裁*)
 陳曉旭女士 (*總財務總監*)

非執行董事

武捷思先生
 陳陸鴻先生
 (*於二零一九年九月二十五日退任*)

獨立非執行董事

洪瑞坤先生
 馬立山先生
 李國強博士

公司秘書

黃興強先生

審核委員會

洪瑞坤先生 (*主席*)
 馬立山先生
 李國強博士

合規委員會

洪瑞坤先生 (*主席*)
 馬立山先生
 李國強博士
 陳曉旭女士

薪酬委員會

洪瑞坤先生 (*主席*)
 馬立山先生
 李國強博士
 梁國興先生
 陳曉旭女士

提名委員會

洪瑞坤先生 (*主席*)
 馬立山先生
 李國強博士
 梁國興先生

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China Minsheng Banking Corporation Ltd.
Hong Kong Branch
China CITIC Bank International Limited
Bank of Communications Co., Limited

STOCK CODE

886

WEBSITE OF THE COMPANY

www.silverbasegroup.com

(Information on the website does not form part of this interim report)

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中國銀行(香港)有限公司
中國民生銀行股份有限公司
香港分行
中信銀行(國際)有限公司
交通銀行股份有限公司

股份代號

886

公司網站

www.silverbasegroup.com

(網站內的資訊並不構成本中期報告一部分)

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of Silver Base Group Holdings Limited (the "Company"), together with its subsidiaries, collectively, (the "Group"), I hereby present the unaudited interim report of the Company for the six months ended 30 September 2019 (the "Period under Review").

In recent years, many changes have taken place in the baijiu industry. The industry has changed from providing a single product to providing comprehensive services; from a single distributor to business integration; the medium of communication has evolved from an era of resources to an era of information; the positioning of the industry has shifted from traditional manufacturing to industrial convergence. Promoting the process of digitalisation and globalisation has become essential to the development of the baijiu industry in the new era.

The diverse transformation of China's liquor industry generated various new demands. Facing the wave of new technologies and new retail trends, distributors are seeking development through transformation. As a well-established national baijiu distributor that has served China's liquor industry over the years, Silver Base is always at the forefront of the market, grasping the trends of growth in the industry and understanding the needs of baijiu manufacturers, business members and end users, as well as sowing the seeds of development with its "Wine Kingdom" online platform in order to better serve the industry.

主席報告書

各位股東：

本人謹代表銀基集團控股有限公司（「本公司」）及其附屬公司（「本集團」）董事（「董事」）會（「董事會」），向各位提呈本公司截至二零一九年九月三十日止六個月（「回顧期」）之未經審核中期報告。

近年，白酒行業發生了諸多變化。行業從提供單一產品，向提供綜合服務轉變；從單一經銷商，向業態融合轉變；資訊媒介從資源時代，向資料時代轉變；行業定位從傳統製造業，向產業融合者轉變。推動中國白酒的數字化和國際化進程已成為新時代白酒行業發展的必由之路。

中國酒業的多重變革催生了各樣新需求。在新技術、新零售的影響下，經銷商均在謀求轉型發展。作為服務中國酒業多年的全國性白酒經銷商，銀基一直站立市場前沿，把握行業發展大勢、瞭解白酒廠商、B端及用戶端的需求，借「品匯壹號」線上平台為行業更好地持續發展默默耕耘。

As the core of Silver Base, “Wine Kingdom” has become a major player of China’s liquor interactive sales platforms. During the Period under Review, “Wine Kingdom” underwent new upgrades. A new smart business ecosystem “Wine Kingdom” 2.0 was built through expanding collaborations with nationally renowned brands, recruiting core members, and developing comprehensive services for S2B2C product display and online transactions. The all-channel new media promotions and entertainment interactions also facilitated the liquor industry to reach new developmental heights. Leveraging its experience of over 20 years in the liquor industry, Silver Base will continue to enhance the functionalities and precise layout of “Wine Kingdom” in order to aggressively expand its market share in the national market and further optimise the linkage between online and offline sales.

In addition, the Group has always adapted to market changes, adjusted its product range and extended to overseas markets as appropriate, so as to further increase its sales and profitability.

Baijiu is a type of liquor that is unique in China, which has a firm status and loyal consumer base. However, in the digitalised new retail era, the consumption pattern of society is ever-changing, and the baijiu industry faced challenge after challenge over a short few years. Leveraging solid market fundamentals, the Group will modernise its operations with opportunities presented by the internet, big data and information technology, and adapt to changes in the baijiu industry with a more advanced and stable corporate structure. At the same time, we will uphold our motto of continuous innovation, strive to improve quality and efficiency, and conduct substantial business exploration so as to maintain our sustainable and orderly development.

作為銀基的核心，「品匯壹號」發展至今已成為中國酒類互動營銷平台的重要一員。回顧期內，「品匯壹號」進行了新升級，通過加大與全國知名品牌商合作、核心會員招募、構建S2B2C產品展示與在線交易的綜合服務等，建立全新的品匯壹號2.0智能商業生態系統，及借助新媒體全渠道宣傳及娛樂互動把酒業推向新發展台階。依托銀基20餘年的專業酒水背景，未來我們將繼續深化「品匯壹號」的功能及精準佈局，以強勢搶佔全國市場及進一步完善線上線下營銷聯動。

另外，本集團亦因應市場的轉變，適當地調整產品品類及適時開拓海外市場以進一步提升銷售及盈利能力。

白酒是中國獨有的酒類品種，地位穩健，消費群體忠誠度高，但在數字化的新零售年代，社會消費模式一直改變，白酒業亦在短短幾年間接二連三的面對不同挑戰。本集團將在穩固的市場基礎上，借助互聯網、大數據及信息化等手段，以更加先進、穩健的企業形態，去適應白酒行業的變化。同時我們將秉承持續創新精神，努力提质增效，進行有質量的業務探索，以保持持久有序的發展步伐。

Last but not least, I would like to express my sincere thanks to the shareholders of the Company, business partners and customers for their long-standing support. We look forward to repaying the trust that you have placed in us with greater performance. On behalf of the Board, I would also like to express my heartfelt gratitude to the Directors, management team and all the employees for their effort and hard work for the Group's business development.

Liang Guoxing

Chairman

21 November 2019

最後，本人謹向本公司股東、業務夥伴及客戶長期以來給予的支援表達摯誠的謝意，我們期望以更理想的業績回饋各位。並代表董事會對為本集團業務發展而不懈努力和辛勤工作的諸位董事、管理層和全體員工致以衷心的感謝。

主席

梁國興

二零一九年十一月二十一日

MANAGEMENT DISCUSSION AND ANALYSIS BUSINESS REVIEW

Overview

For the period ended 30 September 2019 (the “Period under Review”), the Group recorded a total revenue of approximately HK\$1,168.3 million (corresponding period in 2018: HK\$878.0 million), representing an increase of approximately 33.1% compared to the previous year. Excluding the provision for inventories, during the Period under Review, the Group’s gross profit was approximately HK\$259.2 million (corresponding period in 2018: HK\$170.3 million). The gross profit margin before provision for inventories was approximately 22.2% (corresponding period in 2018: 19.4%), while the profit attributable to the ordinary equity holders of the Company was approximately HK\$45.5 million (corresponding period in 2018: loss of HK\$40.0 million). Basic earnings per share was approximately HK2.01 cents (corresponding period in 2018: basic loss per share of approximately HK1.76 cents).

During the Period under Review, the revenue generated from the PRC market and the international market accounted for approximately 90.1% (corresponding period in 2018: 73.9%) and approximately 9.9% (corresponding period in 2018: 26.1%) respectively.

管理層討論及分析 業務回顧

概覽

截至二零一九年九月三十日止期間（「回顧期」），本集團錄得總收益約1,168.3百萬港元（二零一八年同期：878.0百萬港元），較去年增加約33.1%。撇除存貨撥備的因素，於回顧期內，本集團的毛利約259.2百萬港元（二零一八年同期：170.3百萬港元），存貨撥備前的毛利率約22.2%（二零一八年同期：19.4%）。本公司普通權益持有人應佔利潤約45.5百萬港元（二零一八年同期：虧損40.0百萬港元）。每股基本盈利約2.01港仙（二零一八年同期：每股基本虧損約1.76港仙）。

回顧期內，來自中國市場及國際市場的收益佔本集團總收益分別為約90.1%（二零一八年同期：73.9%）及9.9%（二零一八年同期：26.1%）。

Baijiu Business

According to the National Bureau of Statistics of the PRC (國家統計局), from January to August 2019, the accumulated sales revenue performance of sizable baijiu makers of the PRC was RMB360.2 billion, representing an increase of 11.0% compared to the corresponding period of the previous year; while cumulative total profit of sizable baijiu makers of the PRC was RMB88.2 billion, representing an increase of 22.3%⁽¹⁾ compared to the corresponding period of the previous year.

The demand for high-end baijiu has remained favourable throughout the year, and inventory is at a reasonably lower level compared to the corresponding period of the previous year. Household names have increased their allocation of resources in anticipation of peak season, which strengthened the visibility of financial results of liquor companies in 2019. In the meantime, liquor companies have adjusted their product mix and upgraded core products in recent years. Leading baijiu brands have increased their investment in the area of digitalisation to enhance the executive capabilities of their marketing teams and to improve the efficiency of channel management and consumer interaction, which consolidates the foundation for industrial development. As the trends of rejuvenation, fashionisation, globalisation and intellectualisation, it is expected that the Chinese baijiu market will enter a new “golden era.”

白酒業務

根據中國國家統計局，二零一九年一月至八月，中國規模以上白酒企業累計完成銷售收入人民幣3,602.0億元，與上年同期相比增長11.0%；累計實現利潤總額人民幣882.0億元，與上年同期相比增長22.3%⁽¹⁾。

高端白酒今年以來需求持續良好，庫存與去年同期相比在合理較低水平，知名酒企於旺季前增大投放量，使得酒企二零一九年業績確定性進一步增強。同時近年來，酒企紛紛調整產品結構、提升核心產品，領先的白酒品牌紛紛加大在數字化方面的投入，以增強銷售團隊執行能力，提升渠道管理效率以及與消費者互動的效能，為行業的發展鋪墊更堅實基礎。而隨著年輕化、時尚化、國際化、智能化的到來，中國白酒市場將有望迎來新的「黃金時代」。

⁽¹⁾ <http://www.baijiu.com/html/xwpd/xysj/31131.html>

⁽¹⁾ <http://www.baijiu.com/html/xwpd/xysj/31131.html>

Wine and Cigarettes Business

The PRC is currently the world's fifth largest country in wine consumption. The demand for wine has continued to rise as wine has become more popular in the PRC. The Group expects China's wine market will continue to develop steadily and management will pay close attention to the development and changes in the market and make appropriate plans and adjustments. On the other hand, the revenue of the cigarette business during the Period under Review has increased when compared to the corresponding period of the previous year.

Non-alcohol Business

Since the fourth quarter of 2018, the Group has made relevant adjustments to this business after balancing cost, gross profit margin, and contribution to the total sales. The Group will continue to dedicate its resources mainly to its core alcohol business, and will undergo non-alcohol business operations after careful consideration of the best options available.

Wine Kingdom B2B Platform

Since 2016, a new retail concept has swept the business sector. From the initial B2C and B2B, to opening up "new retail" both online and offline with "smart features", the iterative update speed of alcohol e-commerce is continuing to accelerate. Opportunity for the development of new retail in the alcohol industry is indeed enormous. According to China Wine News Network, the total retail sales of alcohol in the PRC is approximately RMB1.5 trillion, however, the total market share of all alcohol e-commerce companies in the PRC is still less than 5% of the entire industry.

葡萄酒及香煙業務

中國目前是世界第五大葡萄酒消費國，隨著葡萄酒在中國普及，葡萄酒的需求亦持續上升。本集團預期中國葡萄酒市場將繼續穩健發展，管理層會密切關注市場發展和變化而作出適當的計劃和調整。另一方面，香煙業務在回顧期內的收益較去年同期上升。

非酒類業務

本集團自二零一八年第四季起，在平衡成本、毛利率以及對整體銷售總額之貢獻後，已作出相應調整，本集團仍然把主要資源投放在核心酒類業務，非酒類業務會在審慎衡量後擇優進行。

品匯壹號B2B平台

自二零一六年開始，新零售概念席捲商業領域。從最開始的B2C及B2B，到講求以「智能化」打通線上線下的「新零售」，酒業電商的迭代更新速度正在持續加快。的確，酒類行業發展新零售的機遇異常大。據中國酒業新聞網統計，中國酒類零售總額約1.5萬億元人民幣，但中國所有酒類電商公司的市場份額總和尚不足整個行業的5%。

During the Period under Review, the Group has further upgraded the systems of its B2B platform to satisfy the demands of the market and our members. Through comprehensive services including increased collaboration with brands, recruitment of core members, and development of S2B2C product display and online transactions, the Group has built a new “Wine Kingdom” 2.0 smart business ecosystem, and will facilitate the alcohol industry to reach new heights by further adopting new media promotion and entertainment interaction.

Furthermore, the baijiu industry is exploring new markets, especially the market of new generations of customers. In order to attract new generations of customers and for them to acquire a taste for Chinese baijiu at an earlier stage, the Group has made a variety of attempts on the platform through utilising channels and means of communication which they are accustomed to, such as building “Wine Kingdom” self-media matrices and collaborating with online influencers.

Outlook and Future Development

After experiencing short-term pain from industry adjustments, market recovery, and a concentrated burst of new power in recent years, the traditional baijiu industry finally embraces positive trends. Since 2018, the rapid growth of the revenue and profit of the Chinese baijiu industry has continued to accelerate, which paints an imaginative picture for the industry.

回顧期內，為滿足市場和會員需要，本集團對B2B平台再次進行了適度的系統升級，通過加大與品牌商合作、核心會員招募、構建S2B2C產品展示與在線交易的綜合服務等建立全新的品匯壹號2.0智能商業生態系統，並進一步借助新媒體宣傳及娛樂互動把酒業推向新發展台階。

另外，白酒行業亦在探索新的市場，特別是培養年輕消費者，為了抓住更加年輕的消費者群，本集團亦在平台進行不同的嘗試，包括建立品匯壹號自媒體矩陣、及與網紅合作等，通過年輕人慣用的渠道和溝通模式，使他們能夠更早接受中國白酒。

展望及未來發展

近年來，傳統白酒行業在經歷了行業調整陣痛、市場復甦、新力量集中爆發後，終於迎來了積極向好的新態勢。二零一八年開始，中國白酒行業收入和利潤增速呈持續加速狀態，給整個行業帶來了豐富的想像力。

Currently, under the background of digital economy, the economy lives in the era of smart city 3.0. The industry is no longer confined to internet interactions, but has expanded to deeper environments, to provide digitalised services for scenarios in real life. In the next three to five years, big data has profound implications and impact on the baijiu industry for developing brand name and increasing sales. As a national baijiu distributor in the PRC, the Group will continue to utilise the more established "Wine Kingdom" B2B platform empowered by big data, in order to create a scenario for baijiu e-commerce which better suits market needs and to increase overall revenue.

In addition, with overseas market becoming a new arena for Chinese baijiu, the Group will also strive to establish its footholds in other Eastern European countries, including the Czech Republic, Hungary, and Slovakia. In terms of management, the Group will continue to optimise organisational structure, increase per capita performance, and respond to ever-changing market conditions in a more flexible and nimble way.

With the optimisation of business composition, the upgrade of the B2B platform and business reputation and impact accumulated over many years, the Group is confident to remain in the leading position of baijiu operations.

當前，經濟正處於數字經濟背景下的智慧城市3.0時代。行業不再只停留在網絡互動，更多的是融入深層的場景中，為現實場景數字化服務。聚焦未來三到五年，大數據對於白酒行業打造品牌、提高銷量都有着重要意義和影響。本集團作為中國全國性白酒經銷商，亦將繼續通過大數據賦能，利用日趨成熟的品匯壹號B2B平台，營造更適合市場需要的白酒電商場景，提高總體收益。

另外，海外市場作為中國白酒的新競技場，本集團未來亦將致力新增東歐國家佈點，包括捷克、匈牙利及斯洛伐克等。在管理方面，本集團將持續優化組織配置，增加人均效能，以更靈活適應多變的市場環境。

本集團有信心，憑藉業務組合的優化、B2B平台的升級及多年建立的業界口碑及影響，繼續保持白酒運營之領先地位。

FINANCIAL REVIEW

Revenue and Gross Profit

The Group generates its revenue primarily from sales of high-end liquors. For the six months ended 30 September 2019, the Group recorded a total revenue of approximately HK\$1,168.3 million, representing an increase of approximately 33.1% compared to a total revenue of approximately HK\$878.0 million for the six months ended 30 September 2018. For the six months ended 30 September 2019, approximately 90.1% of revenue was derived from the PRC market (corresponding period in 2018: 73.9%).

The Group's revenue derived from the distribution of liquors represented approximately 99.7% of the total revenue for the six months ended 30 September 2019 (corresponding period in 2018: 87.0%) while the revenue derived from the distribution of sugar, cigarettes and others represented approximately 0.3% of the total revenue for the six months ended 30 September 2019 (corresponding period in 2018: 13.0%).

The Group's gross profit for the six months ended 30 September 2019 approximately was HK\$257.6 million (corresponding period in 2018: HK\$160.7 million). The increase in gross profit was mainly due to the significant increase in sales volume during the period. Excluding the factor of provision for inventories, the Group's gross profit for the six months ended 30 September 2019 was approximately HK\$259.2 million (corresponding period in 2018: HK\$170.3 million), the gross profit ratio before provision for inventories approximately was 22.2% (corresponding period in 2018: 19.4%).

財務回顧

收益及毛利

本集團的收益主要來自銷售高端酒類。截至二零一九年九月三十日止六個月，本集團錄得總收益約1,168.3百萬港元，對比截至二零一八年九月三十日止六個月的總收益約878.0百萬港元，增加約33.1%。截至二零一九年九月三十日止六個月，約90.1%的收益來自中國市場(二零一八年同期：73.9%)。

本集團來自經銷酒類產品的收益佔截至二零一九年九月三十日止六個月的總收益約99.7%(二零一八年同期：87.0%)，而來自經銷糖、香煙及其他的收益佔截至二零一九年九月三十日止六個月的總收益約0.3%(二零一八年同期：13.0%)。

本集團於截至二零一九年九月三十日止六個月的毛利約257.6百萬港元(二零一八年同期：160.7百萬港元)。毛利增加主要是由於期內銷量顯著上升所致。撇除存貨撥備的因素，本集團於截至二零一九年九月三十日止六個月的毛利約259.2百萬港元(二零一八年同期：170.3百萬港元)，存貨撥備前的毛利率約22.2%(二零一八年同期：19.4%)。

Other Income, Gains And Losses

Other income, gains and losses amounted to approximately HK\$36.2 million for the six months ended 30 September 2019 (corresponding period in 2018: HK\$10.3 million). Such increase was mainly due to dividend income from and changes in fair value of financial assets at fair value through profit or loss.

Selling and Distribution Expenses

Selling and distribution expenses mainly comprised salaries and welfare related to sales and marketing personnel, advertising and promotional expenses, transportation costs, rental expenses and miscellaneous expenses related to sales.

Selling and distribution expenses amounted to approximately HK\$98.6 million (corresponding period in 2018: HK\$124.1 million) accounting for approximately 8.4% (corresponding period in 2018: 14.1%) of the revenue of the Group for the six months ended 30 September 2019. Such decrease was mainly due to reasonable planning of resources allocated for marketing expenses and decrease in storage and transportation costs.

Administrative Expenses

Administrative expenses are mainly comprised of salaries and welfare, office rental expenses, professional fees and other administrative expenses.

Administrative expenses amounted to approximately HK\$49.8 million (corresponding period in 2018: HK\$43.0 million) accounting for approximately 4.3% (corresponding period in 2018: 4.9%) of the revenue of the Group for the six months ended 30 September 2019. Such increase was mainly due to the increase in salaries and wages for administrative personnel.

其他收入、收益及虧損

截至二零一九年九月三十日止六個月的其他收入、收益及虧損約36.2百萬港元(二零一八年同期：10.3百萬港元)。該增加主要得力於經損益按公允價值列賬之金融資產之股息收入及公允價值變動。

銷售及經銷費用

銷售及經銷費用主要包括與銷售及市場推廣人員有關的薪金和福利、廣告及宣傳費用、運輸成本、租賃費用，以及與銷售有關的雜項費用。

截至二零一九年九月三十日止六個月的銷售及經銷費用約98.6百萬港元(二零一八年同期：124.1百萬港元)，佔本集團收益約8.4%(二零一八年同期：14.1%)。該減少主要是由於合理規劃對市場費用的投入及倉儲運輸費用降低所致。

行政費用

行政費用主要包括薪金和福利、辦公室租賃費用、專業費用及其他行政費用。

截至二零一九年九月三十日止六個月的行政費用約49.8百萬港元(二零一八年同期：43.0百萬港元)，佔本集團收益約4.3%(二零一八年同期：4.9%)。該增加主要是由於行政人員之薪金及工資增加所致。

(Loss from Impairment)/Reversal of Impairment, Net

Loss recorded in this account amounted to approximately HK\$35.9 million (corresponding period in 2018: HK\$8.1 million) for the six months ended 30 September 2019. The change was mainly due to the increase in impairment of trade receivables during the period.

Finance Costs

Finance costs amounted to approximately HK\$62.1 million (corresponding period in 2018: HK\$47.5 million) representing approximately 5.3% (corresponding period in 2018: 5.4%) of the Group's revenue for the six months ended 30 September 2019. The finance costs include interest on bank and other loans, interest on bond payables and interest on lease liabilities. Such increase was mainly due to the increase in interest on bond payables and interest on lease liabilities.

Income Tax Expense

During the current period, no provision for Hong Kong profits tax and PRC Enterprise Income Tax was made as the Group had available tax losses brought forward from prior years to offset the assessable profits generated during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries or jurisdictions in which the Group operates.

Profit Attributable to Ordinary Equity Holders of the Company

Taking into account of the aforementioned, the profit attributable to ordinary equity holders of the Company for the six months ended 30 September 2019 amounted to approximately HK\$45.5 million (corresponding period in 2018: loss of HK\$40.0 million).

(減值虧損)／撥回減值(淨額)

截至二零一九年九月三十日止六個月此賬目錄得的虧損約為35.9百萬港元(二零一八年同期：8.1百萬港元)。該變動主要由於本期間的應收貿易款項減值增加所致。

融資成本

截至二零一九年九月三十日止六個月的融資成本約62.1百萬港元(二零一八年同期：47.5百萬港元)，佔本集團收益約5.3%(二零一八年同期：5.4%)。融資成本包括銀行及其他貸款之利息、應付債券之利息以及租賃負債之利息。該增加主要是由於應付債券之利息以及租賃負債之利息增加所致。

所得稅費用

於本期間，由於本集團有承前自以往年度的可動用稅務虧損以抵銷本期間產生的應課稅利潤，因此並無作出香港利得稅及中國企業所得稅撥備。於其他國家或地區的應課稅利潤已按本集團營運所在的國家或司法權區的現行稅率計算稅項。

本公司普通權益持有人應佔利潤

經計及上述各項，截至二零一九年九月三十日止六個月，本公司普通權益持有人應佔利潤約45.5百萬港元(二零一八年同期：虧損40.0百萬港元)。

Dividends

The Company did not pay any interim dividend for the six months ended 30 September 2018 and any final dividend for the year ended 31 March 2019.

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2019.

Inventories

As at 30 September 2019, the Group's inventories was approximately HK\$461.2 million (31 March 2019: HK\$1,028.1 million). The decrease was mainly due to the sharply increase in the sales volume during the period.

Trade Receivables

The Group has adopted stringent credit policy. In prior years, the Group granted a credit period of up to 1 year to some long-term or reliable customers.

The increase in trade receivables was mainly due to the increase in credit sales and credit terms granted by the Group to the customers.

All the Group's distributors have been selected after careful and serious consideration. They generally possess extensive distribution networks, considerable financial strengths and competitive market positions. After careful assessment of the receivable balance's recoverability by taking into account of the current adverse operating environment, financial conditions of the distributors and aging of the balances, total impairment allowance in aggregate of approximately HK\$215.9 million (31 March 2019: HK\$188.9 million) had been made by the Group as at 30 September 2019.

股息

本公司並無派付截至二零一八年九月三十日止六個月之任何中期股息及截至二零一九年三月三十一日止年度之任何末期股息。

董事會不建議派發截至二零一九年九月三十日止六個月之中期股息。

存貨

於二零一九年九月三十日，本集團的存貨約461.2百萬港元（二零一九年三月三十一日：1,028.1百萬港元）。該減少主要是由於期內的銷量急升所致。

應收貿易款項

本集團採納一貫嚴格的信貸政策。於以前年度，本集團向若干長期客戶或可信賴客戶授出不多於一年的信貸期。

應收貿易款項增加，主要是除賬銷售增加及本集團向客戶批出信貸期增加。

本集團所有經銷商，均是經過認真斟選而定，普遍具有銷售網絡廣泛、資金實力相當和具競爭力的市場地位的優勢。本集團考慮了當前艱難經營環境、各經銷商財務狀況及應收貿易款項賬齡等因素而對應收貿易款項之回收性作出謹慎之評估後，於二零一九年九月三十日本集團已作出合共約215.9百萬港元（二零一九年三月三十一日：188.9百萬港元）的減值撥備。

As at 30 September 2019, the trade receivables, net of provision were approximately HK\$202.7 million (31 March 2019: HK\$137.5 million). Approximately 5.0% of the net trade receivables were aged within two months as at 30 September 2019 (31 March 2019: 32.4%).

The Group will continue to adopt stringent credit control policy and will apply the following measures to manage and enhance the recoverability of the Group's trade receivables:

- (i) close and continuous communication and cooperation between the distributors and our sales managers in strengthening the sales channels and marketing strategies of the Group, which enables clearance of their accumulated inventories and settlements to the Group; and
- (ii) actively pursue cash-transaction business such as e-commerce and TV shopping and B2B business.

Up to the date of this report, the Group's subsequent settlement of the trade receivables was approximately HK\$103.5 million.

Trade and Bills Payables

As at 30 September 2019, the trade and bills payables was approximately HK\$4.2 million (as at 31 March 2019: HK\$519.0 million). The decrease in trade and bills payables was due to the outstanding bills payables were settled during the Period under Review.

於二零一九年九月三十日，應收貿易款項（減值撥備後）約202.7百萬港元（二零一九年三月三十一日：137.5百萬港元）。於二零一九年九月三十日，約5.0%的應收貿易款項淨額之賬齡均在兩個月內（二零一九年三月三十一日：32.4%）。

本集團將繼續採取嚴謹的信貸控制政策，並將採取下列措施來管理及提升本集團收回應收貿易款項的能力：

- (i) 經銷商與銷售經理繼續緊密溝通及合作，加強本集團的銷售渠道及市場推廣策略，以使經銷商能清除積累的存貨及清償應向本集團支付的款項；及
- (ii) 大力發展電子商務、電視購物及B2B業務等現款交易業務。

直至本報告日期為止，本集團應收貿易款項的期後收款約103.5百萬港元。

應付貿易款項及應付票據

於二零一九年九月三十日，應付貿易款項及應付票據約4.2百萬港元（於二零一九年三月三十一日：519.0百萬港元）。應付貿易款項及應付票據減少是因為未償還應付票據已於回顧期內結清所致。

Liquidity and Financial Resources

As at 30 September 2019, the Group had bank balances and cash of approximately HK\$483.1 million (31 March 2019: HK\$598.1 million), approximately 90.7% (31 March 2019: 78.8%) of which was denominated in RMB, approximately 5.7% (31 March 2019: 17.1%) of which was denominated in Hong Kong dollars and approximately 3.6% (31 March 2019: 4.1%) of which was denominated in other currencies. The decrease in cash and cash equivalents was mainly due to the increase in cash in used operating activities. As at 30 September 2019, the Group's net current assets were approximately HK\$672.8 million (31 March 2019: HK\$946.2 million).

Capital Structure of the Group

Total interest-bearing bank and other borrowings as at 30 September 2019 was approximately HK\$125.7 million (31 March 2019: HK\$647.0 million) which were bank loan and other loan. All (31 March 2019: 100%) of which were denominated in RMB.

The Group's bank loan in the amount of HK\$21.1 million (31 March 2019: HK\$64.1 million) containing a repayment on demand clause and therefore included within current liabilities.

Based on the maturity terms of the bank loan, the amount is repayable in full within one year (31 March 2019: HK\$64.1 million).

The Group's other loan was denominated in RMB. The amount is repayable in full within one year.

流動資產及財務資源

於二零一九年九月三十日，本集團的銀行結餘及現金約483.1百萬港元（二零一九年三月三十一日：598.1百萬港元），約90.7%（二零一九年三月三十一日：78.8%）以人民幣計值，約5.7%（二零一九年三月三十一日：17.1%）以港元計值及約3.6%（二零一九年三月三十一日：4.1%）以其他貨幣計值。現金及現金等值物減少主要是由於經營活動所用現金增加所致。於二零一九年九月三十日，本集團的流動資產淨值約672.8百萬港元（二零一九年三月三十一日：946.2百萬港元）。

本集團的資本結構

於二零一九年九月三十日的計息銀行及其他借貸總額約125.7百萬港元（二零一九年三月三十一日：647.0百萬港元）為銀行貸款及其他貸款。全部（二零一九年三月三十一日：100.0%）以人民幣計值。

本集團為數21.1百萬港元（二零一九年三月三十一日：64.1百萬港元）之銀行貸款包含須應要求償還的條款及因此計入流動負債。

根據銀行貸款之到期條款，該金額須於一年內悉數償還（二零一九年三月三十一日：64.1百萬港元）。

本集團的其他貸款以人民幣計值。該金額須於一年內悉數償還。

During the Period under Review, the Group issued bonds with an aggregate principal amount of HK\$27.0 million before related expenses of HK\$4.7 million, to certain independent individuals. The 2019 Bonds bear interest at rates 7% per annum and will mature in the period from June 2022 to September 2022. The interest will be repayable by the Group semi-annually from the issue dates of the respective bonds and up to the maturity date.

No particular seasonality trend for the borrowing requirements of the Group observed for the period under review.

The Group's monetary assets, liabilities and transactions are principally denominated in Hong Kong dollars and RMB. Revenue derived and operating expenses incurred by the Group's subsidiaries in the PRC are mainly denominated in RMB. The Directors consider that a reasonably possible annual change of 5% in the exchange rate between Hong Kong dollars and RMB would have no material impact on the Group's results and therefore hedging through the use of derivative instruments is considered unnecessary.

The funding and treasury policies of the Group are centrally managed and controlled by the senior management in Hong Kong. The Group's financing activities are managed centrally by maintaining an adequate level of cash and cash equivalents to finance the Group's operations. The Group also ensures the availability of the bank credit facilities to address any short term funding requirements. The Group's cash and bank balances are placed with reputable financial institutions.

於回顧期間內，本集團向若干獨立人士發行總本金額為27.0百萬港元（未扣除相關費用4.7百萬港元）之債券。二零一九年債券按7%之年利率計息並將於二零二二年六月至二零二二年九月之期間內到期。本集團將於相關債券發行日期起每半年償付利息，直至到期日為止。

於回顧期間內，並無觀察到本集團之借貸需求有特定的季度變化趨勢。

本集團的貨幣資產、負債及交易主要以港元及人民幣計值。本集團於中國之附屬公司所取得的收益及所產生的經營費用主要以人民幣計值。董事認為港元與人民幣匯率的合理可能變化為每年5%，而此並無對本集團的業績有顯著影響，故認為並無必要採用衍生工具對沖。

本集團的融資及財政政策主要由香港的高級管理層集中管理及控制。本集團集中管理融資活動及透過保持足夠水平的現金及現金等值物從而為本集團的營運提供資金。本集團亦確保銀行信貸工具的供應足以應付任何短期資金需求。本集團的現金及銀行結餘均存放於信譽良好的金融機構。

The Group monitors its capital using the gearing ratio, which is net debt divided by the total capital plus net debt. Net debt includes interest-bearing bank and other borrowings, trade and bills payables, contract liabilities, other payables and accruals, amount due to a director, bond payables and lease liabilities less bank balances and cash. Total capital represents equity attributable to the ordinary equity holders of the Company. As at 30 September 2019, the gearing ratio was approximately 60.6% (31 March 2019: 76.1%).

Employment and Remuneration Policy

The Group had a total work force of 260 employees in Hong Kong and the PRC as at 30 September 2019 (31 March 2019: 293 employees). The total salaries and related costs (including Directors' fee) amounted to approximately HK\$55.4 million for the six month ended 30 September 2019 (31 March 2019: HK\$114.9 million). The Group has implemented the remuneration policy, bonus and share option scheme based on the achievements and performance of employees. The Group has also participated in the mandatory provident fund scheme in Hong Kong and the state managed retirement benefit scheme in the PRC. The Group continues to provide training courses for its staff to enable them to achieve self-improvement and to enhance their skill and knowledge.

Share Option Schemes

On 20 February 2009, the Company approved and adopted a share option scheme (the "2009 Share Option Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the growth of the Group. Eligible participants of the 2009 Share Option Scheme include, but not limited to, employees, Directors and any other eligible persons.

本集團使用槓桿比率監控資本，即債務淨額除以總資本加債務淨額。債務淨額包括計息銀行及其他借貸、應付貿易款項及應付票據、合同負債、其他應付款項及應計負債、應付董事款項、應付債券及租賃負債的總和，減銀行結餘及現金計算。總資本指本公司普通權益持有人應佔的權益。於二零一九年九月三十日，槓桿比率為約60.6%（二零一九年三月三十一日：76.1%）。

僱員及薪酬政策

於二零一九年九月三十日，本集團於香港及中國共有260名僱員（二零一九年三月三十一日：293名僱員）。截至二零一九年九月三十日止六個月的總薪金及相關成本（包括董事袍金）約55.4百萬港元（二零一九年三月三十一日：114.9百萬港元）。本集團根據僱員的成就及表現實施薪酬政策、花紅及購股權計劃。本集團亦參加香港的強制性公積金計劃及在中國參加國家管理的退休福利計劃。本集團繼續向員工提供培訓課程以讓彼等可不斷自我提升以及提高彼等的專業技能和知識。

購股權計劃

於二零零九年二月二十日，本公司批准及採納一項購股權計劃（「二零零九年購股權計劃」），以獎勵及獎賞對本集團發展作出貢獻的合資格參與者。二零零九年購股權計劃的合資格參與者包括但不限於僱員、董事及任何其他合資格人士。

The 2009 Share Option Scheme had expired on 19 February 2019. On 23 August 2019, the shareholders of the Company approved a new share option scheme (the “2019 Share Option Scheme”). Details of the 2019 Share Option Scheme are set out in the mandate circular of the Company dated 19 July 2019. As at 30 September 2019, the maximum number of share which may be issued upon exercise of all outstanding options granted under the 2009 Share Option Scheme and 2019 Share Option Scheme are 217,950,000 shares and nil respectively.

EVENTS AFTER THE PERIOD UNDER REVIEW

The Group has no significant subsequent events occurred after the Period under Review.

二零零九年購股權計劃已於二零一九年二月十九日屆滿。於二零一九年八月二十三日，本公司股東批准一項新購股權計劃（「二零一九年購股權計劃」）。二零一九年購股權計劃的詳情載於本公司日期為二零一九年七月十九日的授權通函。於二零一九年九月三十日，於根據二零零九年購股權計劃及二零一九年購股權計劃授出之所有尚未行使購股權予以行使時可發行的最高股份數目分別為217,950,000股及無。

回顧期後事項

本集團於回顧期後並無發生重大其後事項。

CORPORATE GOVERNANCE CODE AND OTHER INFORMATION

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has applied the principles and complied with the code provisions in the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) throughout the six months ended 30 September 2019.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules as the code of conduct regarding the securities transactions of the directors of the Company (the “Directors”). Having made specific enquires, all Directors confirmed that they have complied with the standards set out in the Model Code during the six months ended 30 September 2019.

The Company has adopted written guideline, “Code for Securities Transactions by Relevant Employees”, on no less exacting terms than the Model Code for securities transactions by relevant employees who are likely to be in possession of unpublished price-sensitive information of the Company.

LITIGATION

In December 2013, one distributor of the Group (the “Plaintiff”) filed a claim to a District People’s Court in the PRC (the “PRC District People’s Court”) against one of the Group’s subsidiaries in the PRC in relation to the Group’s obligation to buy back certain inventories from the Plaintiff (the “Claim”). The Plaintiff demanded the purchase consideration and related compensation from the Group of approximately RMB20.1 million (equivalent to approximately HK\$22.3 million) in total.

企業管治守則及其他資料

遵守企業管治守則

本公司於截至二零一九年九月三十日止六個月內一直採用香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四所載的企業管治守則之原則及遵守守則條文。

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易的標準守則(「標準守則」)作為本公司董事(「董事」)進行證券交易的行為準則。經向全體董事作出具體查詢後，全體董事已確認，彼等於截至二零一九年九月三十日止六個月均一直遵守標準守則所載的準則。

本公司已確立「相關僱員進行證券交易之守則」的書面指引，此守則之條款與標準守則就有機會掌握本公司未刊發之股價敏感消息之相關僱員進行證券交易的條款同樣嚴謹。

訴訟

於二零一三年十二月，本集團一名經銷商(「原告人」)就本集團向原告人回購若干存貨的責任在中國地區人民法院(「中國地區人民法院」)對本集團於中國的其中一間附屬公司提出申索(「該申索」)。原告人要求本集團支付合共約人民幣20.1百萬元(相當於約22.3百萬港元)的購貨代價及相關賠償。

According to a judgement dated 25 August 2015 issued by the PRC District People's Court, the Group was liable to buy back certain inventories from the Plaintiff with a total consideration of approximately RMB18.9 million (equivalent to approximately HK\$21.0 million). The Group has filed an appeal for such judgement to the PRC District People's Court in September 2015. According to a judgement dated 7 January 2016 issued by the PRC District People's Court, the appeal from the Group was dismissed and the original judgement dated 25 August 2015 was sustained.

At the date of approval of the interim condensed consolidated financial information, the Group and the Plaintiff are under the negotiation for the buy back arrangement of the inventories and the Group has not bought back any inventories from the Plaintiff. The Directors are in the opinion that adequate provision has been made in the financial statements to cover any potential liabilities arising from the Claim.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") currently comprises three members, all of whom are independent non-executive Directors, namely Mr. Hung Sui Kwan who possesses professional accounting qualifications, Mr. Ma Lishan and Dr. Lee Kwok Keung Edward. Mr. Hung Sui Kwan is the chairman of the Audit Committee. The Audit Committee has adopted the terms of reference in line with the Corporate Governance Code issued by the Stock Exchange. The principal duties of the Audit Committee include the review and supervision of the Group's financial reporting and internal control process.

The Audit Committee along with the management of the Company has reviewed the unaudited interim financial statements for the six months ended 30 September 2019 including the accounting principles and practices adopted by the Group.

The interim condensed consolidated financial statements of the Company for the six months ended 30 September 2019 had not been audited but had been reviewed by the independent auditors of the Company.

根據中國地區人民法院所頒佈日期為二零一五年八月二十五日的判決，本集團須向原告人回購若干存貨，總代價約人民幣18.9百萬元（相當於約21.0百萬港元）。本集團已於二零一五年九月就該判決向中國地區人民法院提出上訴。根據中國地區人民法院所頒佈日期為二零一六年一月七日的判決，本集團提出的上訴被駁回並維持日期為二零一五年八月二十五日的原判。

於中期簡明合併財務資料獲批准日期，本集團與原告人正就購回有關存貨進行磋商，而本集團尚未向原告人購回任何存貨。董事認為已於此等財務報表中就該申索可能產生的任何潛在負債作出足夠撥備。

審核委員會

本公司審核委員會（「審核委員會」）目前由三名委員組成，全體均為獨立非執行董事，即洪瑞坤先生（彼具有專業會計資格）、馬立山先生及李國強博士。洪瑞坤先生為審核委員會主席。審核委員會已採納符合聯交所頒佈企業管治守則的職權範圍。審核委員會的主要職責為審閱及監督本集團的財務申報及內部監控程序。

審核委員會已聯同本公司管理層審閱截至二零一九年九月三十日止六個月的未經審核中期財務報表，當中包括本集團採納的會計原則及慣例。

本公司截至二零一九年九月三十日止六個月之中期簡明合併財務報表並無經審核惟已由本公司獨立核數師審閱。

COMPLIANCE COMMITTEE

The compliance committee of the Company (the "Compliance Committee") currently comprises four members, including all independent non-executive Directors, namely Mr. Hung Sui Kwan, Mr. Ma Lishan, Dr. Lee Kwok Keung Edward and one executive Director, Ms. Chen Xiaoxu. Mr. Hung Sui Kwan is the chairman of the Compliance Committee.

INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 30 September 2019 (corresponding period in 2018: Nil).

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

Reference is made to the announcements of the Company dated 26 April 2018 and 9 August 2019. On 26 April 2018, the Group entered into an agreement (the "Acquisition Agreement") with Mr. Chen Xiaolong ("Mr. Chen"), an independent third party, pursuant to which Mr. Chen conditionally agreed to sell and the Group conditionally agreed to acquire 51% of the issued shares of the target company and its subsidiary at a maximum total consideration of RMB18,000,000, which will be satisfied by the issue of up to 12,000,000 consideration Shares.

However, as the Company and Mr. Chen could not reach a consensus on the adjustment of the adjustment of the consideration Shares for Performance Period I, the parties agreed to mutually terminate the Acquisition Agreement. Accordingly, on 9 August 2019, Mr. Chen and the Group entered into a termination agreement to terminate the Acquisition Agreement. As a result, all the antecedent obligations and liabilities of the parties were absolutely discharged. The Company is of the view that the termination of the Acquisition Agreement will have no material adverse impact on the financial position and business operation of the Company.

Save as disclosed above, there was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company's listed securities during the six months ended 30 September 2019.

合規委員會

本公司合規委員會(「合規委員會」)目前由四名委員組成，包括全體獨立非執行董事，即洪瑞坤先生、馬立山先生及李國強博士以及一名執行董事陳曉旭女士。洪瑞坤先生為合規委員會主席。

中期股息

董事會不建議派付截至二零一九年九月三十日止六個月之任何中期股息(二零一八年同期：無)。

購買、出售或贖回本公司之上市證券

謹此提述本公司日期為二零一八年四月二十六日及二零一九年八月九日之公告。於二零一八年四月二十六日，本集團與陳小龍先生(「陳先生」，為一名獨立第三方)訂立一項協議(「收購協議」)，據此，陳先生有條件同意出售而本集團有條件同意收購目標公司及其附屬公司已發行股份之51%，總代價最高為人民幣18,000,000元並將以發行最多12,000,000股代價股份之方式支付。

然而，由於本公司與陳先生未能就業績期I之代價股份之調整達成共識，訂約雙方同意相互終止收購協議。因此，於二零一九年八月九日，陳先生與本集團訂立終止協議以終止收購協議。訂約方根據收購協議所承擔的所有先前義務及責任已隨之絕對地予以解除。本公司認為，終止收購協議並無對本公司之財務狀況及業務營運產生重大不利影響。

除上文披露者外，本公司或任何其附屬公司概無於截至二零一九年九月三十日止六個月期間內購買、出售或贖回本公司之上市證券。

BOARD OF DIRECTORS

The Directors during the period and up to the date of this report are as follows:

Executive Directors

Mr. Liang Guoxing (*Chairman*)
Mr. Yan Jun (*Chief Executive Officer*)
Ms. Chen Xiaoxu (*Chief Financial Officer*)

Non-executive Directors

Mr. Wu Jie Si
Mr. Chen Sing Hung Johnny
(retired on 25 September 2019)

Independent Non-executive Directors

Mr. Hung Sui Kwan
Mr. Ma Lishan
Dr. Lee Kwok Keung Edward

CHANGE IN INFORMATION OF DIRECTORS

Upon specific enquiry by the Company and following respective confirmations from the Directors, there is no change in the information of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the publication of the Company's annual report for the year ended 31 March 2019.

董事會

於本期內及截至本報告日期為止的在任董事如下：

執行董事

梁國興先生(主席)
嚴俊先生(行政總裁)
陳曉旭女士(總財務總監)

非執行董事

武捷思先生
陳陞鴻先生
(於二零一九年九月二十五日退任)

獨立非執行董事

洪瑞坤先生
馬立山先生
李國強博士

有關董事資料的變動

經本公司作出具體查詢以及獲董事各自的確認後，自本公司截至二零一九年三月三十一日止年度之年報刊發以來，有關董事之資料並無根據上市規則第13.51B(1)條須予披露之變動。

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

As at 30 September 2019, the interests and short positions of the Directors and chief executive of the Company 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 (the "SFO")) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have been taken under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Listing Rules, were as follows:

(i) Shares of the Company

Name of Director	Number or attributable number of shares held or short positions	Position	Nature of interests	Approximate percentage or attributable percentage of shareholding of the Company 於本公司股權概約持股百分比或應佔百分比
董事姓名	所持或應佔股份數目或淡倉數目	倉盤	權益性質	
Liang Guoxing	277,290,000 (Note 1)	Long	Interest in controlled corporation	12.27%
梁國興	277,290,000 (附註1)	好倉	於受控法團之權益	
	726,756,750 (Note 2)	Long	Founder and beneficial object of a discretionary trust	32.16%
	726,756,750 (附註2)	好倉	全權信託之創辦人及受益人	
	2,050,000 (Note 3)	Long	Family interest	0.09%
	2,050,000 (附註3)	好倉	家族權益	

董事及最高行政人員於股份、相關股份及債券的權益

於二零一九年九月三十日，董事及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（「證券及期貨條例」）第XV部）的股份、相關股份及債券中擁有權益及淡倉而須(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所（包括根據證券及期貨條例上述規定被當作或視為擁有的權益及淡倉）；或(ii)根據證券及期貨條例第352條須登記於該條所述登記冊；或(iii)根據上市規則所載的上市公司董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所如下：

(i) 本公司股份

(ii) Share Options

(ii) 購股權

Name of Directors 董事姓名	Underlying shares pursuant to the share options as at 30 September 2019 於二零一九年九月 三十日購股權所涉 及之相關權份數目	Approximate percentage or attributable percentage of shareholding of the Company 於本公司股權 概約持股百分比 或應佔百分比
Yan Jun (Note 4) 嚴俊 (附註4)	20,000,000	0.88%
Chen Xiaoxu (Note 4) 陳曉旭 (附註4)	1,500,000	0.06%
Wu Jie Si (Note 4) 武捷思 (附註4)	1,500,000	0.06%
Hung Sui Kwan (Note 4) 洪瑞坤 (附註4)	1,500,000	0.06%
Ma Lishan (Note 4) 馬立山 (附註4)	750,000	0.03%
Lee Kwok Keung Edward (Note 4) 李國強 (附註4)	750,000	0.03%

Notes:

- (1) These shares were held by Keen Pearl Limited, a company incorporated in the British Virgin Islands and the entire issued share capital of which is owned by Mr. Liang Guoxing, an executive Director and the chairman of the Company.

附註：

- (1) 該等股份由Keen Pearl Limited (一間於英屬維爾京群島註冊成立之公司) 持有，而其全部已發行股本則由本公司執行董事兼主席梁國興先生擁有。

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| <p>(2) These shares were held by Yinji Investments Limited. The entire issued share capital of Yinji Investments Limited is beneficially owned by Grand Base Holdings Limited, a company incorporated in the British Virgin Islands and indirectly owned by a discretionary trust, the beneficiaries of which are Mr. Liang Guoxing, Ms. Luo Li, the spouse of Mr. Liang Guoxing, and Miss Liang Gia Li Melody, the daughter of Mr. Liang Guoxing. HSBC International Trustee Limited was deemed to be interested in the shares in the capacity of a trustee of the discretionary trust as aforementioned.</p> <p>(3) These interests represent the share options granted to Ms. Luo Li, the spouse of Mr. Liang Guoxing under the share option scheme of the Company.</p> <p>(4) These interests represent the share options granted to the Directors under the share option scheme of the Company.</p> | <p>(2) 該等股份由Yinji Investments Limited 持有。Yinji Investments Limited之全部已發行股本由Grand Base Holdings Limited (一間於英屬維爾京群島註冊成立之公司) 實益擁有，並由一個全權信託間接擁有，該信託之受益人為梁國興先生、梁國興先生的配偶羅俐女士，以及梁國興先生的女兒梁嘉麗小姐。滙豐國際信託有限公司為上述全權信託之受託人，故被視為於該等股份中擁有權益。</p> <p>(3) 此等權益代表根據本公司購股權計劃下授予梁國興先生的配偶羅俐女士之購股權。</p> <p>(4) 此等權益代表根據本公司購股權計劃下授予董事之購股權。</p> |
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Save as disclosed above, as at 30 September 2019 none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in any shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) 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 which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code contained in the Listing Rules.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

So far as is known to the Directors and the chief executive of the Company, as at 30 September 2019, the following persons (not being Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange 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 by the Company under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange:

除上文所披露者外，於二零一九年九月三十日，概無董事或本公司最高行政人員於本公司及其相聯法團(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或被視為擁有任何權益或淡倉而須(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所(包括根據證券及期貨條例上述規定被當作或視為擁有的權益或淡倉)；或(ii)根據證券及期貨條例第352條須登記於該條所述登記冊；或(iii)根據上市規則所載的標準守則須知會本公司及聯交所。

主要股東於股份及相關股份之權益

就董事及本公司最高行政人員所知，於二零一九年九月三十日，下列人士(非董事或本公司最高行政人員)於本公司的股份或相關股份中擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司及聯交所披露之權益或淡倉，或須記錄於本公司根據證券及期貨條例第336條存置之登記冊的權益或淡倉，又或須通知本公司及聯交所之權益或淡倉：

Name of shareholders	Number or attributable number of shares held or short positions	Position	Nature of interests	Approximate percentage or attributable percentage of shareholding of the Company 於本公司股權概約持股百分比或應佔百分比
股東名稱	所持或應佔股份數目或淡倉數目	倉盤	權益性質	
Keen Pearl Limited	277,290,000 (Note 1)	Long	Beneficial owner	12.27%
Keen Pearl Limited	277,290,000 (附註1)	好倉	實益擁有人	
Yinji Investments Limited	726,756,750 (Note 2)	Long	Beneficial owner	32.16%
Yinji Investments Limited	726,756,750 (附註2)	好倉	實益擁有人	
Grand Base Holdings Limited	726,756,750 (Note 2)	Long	Interest in controlled corporation	32.16%
Grand Base Holdings Limited	726,756,750 (附註2)	好倉	於受控法團之權益	
HSBC International Trustee Limited	726,756,750 (Note 2)	Long	Trustee of discretionary trust	32.16%
滙豐國際信託有限公司	726,756,750 (附註2)	好倉	全權信託之受託人	
Luo Li	728,806,750 (Notes 2&3)	Long	Beneficial object of a discretionary trust, beneficial owner	32.24%
羅俐	728,806,750 (附註2及3)	好倉	全權信託之受益人、實益擁有人	
Liang Gia Li Melody	726,756,750 (Note 2)	Long	Beneficial object of a discretionary trust	32.16%
梁嘉麗	726,756,750 (附註2)	好倉	全權信託之受益人	
Liu Yang	341,999,000 (Notes 4&5)	Long	Interest in controlled corporation, beneficial owner	15.05%
劉央	341,999,000 (附註4及5)	好倉	於受控法團之權益、實益擁有人	

Name of shareholders	Number or attributable number of shares held or short positions	Position	Nature of interests	Approximate percentage or attributable percentage of shareholding of the Company 於本公司股權概約持股百分比或應佔百分比
股東名稱	所持或應佔股份數目或淡倉數目	倉盤	權益性質	
Atlantis Capital Holdings Limited ("Atlantis Capital")	341,999,000 (Note 4)	Long	Interest in controlled corporation	15.05%
西京資本控股有限公司 (「西京資本」)	341,999,000 (附註4)	好倉	於受控法團之權益	
Riverwood Asset Management (Cayman) Ltd	228,092,000 (Note 4)	Long	Interest in controlled corporation	10.04%
Riverwood Asset Management (Cayman) Ltd	228,092,000 (附註4)	好倉	於受控法團之權益	
Easy Fame Investment (HK) Limited	846,213,750 (Note 5)	Long	Interest in controlled corporation	37.41%
Easy Fame Investment (HK) Limited	846,213,750 (附註5)	好倉	於受控法團之權益	
Fully Chance Group Development Limited	846,213,750 (Note 5)	Long	Interest in controlled corporation	37.41%
Fully Chance Group Development Limited	846,213,750 (附註5)	好倉	於受控法團之權益	
Guandong Finance Limited	846,213,750 (Note 5)	Long	Interest in controlled corporation	37.41%
Guandong Finance Limited	846,213,750 (附註5)	好倉	於受控法團之權益	
Lin Ho Man	846,213,750 (Note 5)	Long	Interest in controlled corporation	37.41%
連浩文	846,213,750 (附註5)	好倉	於受控法團之權益	
UBS Group AG	168,106,341 (Note 6)	Long	Security interest in shares and interest in controlled corporation	7.44%
UBS Group AG	168,106,341 (附註6)	好倉	持有股份的保證權益及於受控法團之權益	

Notes:

- (1) These shares were held by Keen Pearl Limited, a company incorporated in the British Virgin Islands and the entire issued share capital of which is owned by Mr. Liang Guoxing, an executive Director and the chairman of the Company.
- (2) These shares were held by Yinji Investments Limited. The entire issued share capital of Yinji Investments Limited was beneficially owned by Grand Base Holdings Limited, a company incorporated in the British Virgin Islands and indirectly owned by a discretionary trust, the beneficiaries of which are Mr. Liang Guoxing, Ms. Luo Li, the spouse of Mr. Liang Guoxing, and Miss Liang Gia Li Melody, the daughter of Mr. Liang Guoxing. HSBC International Trustee Limited was deemed to be interested in the shares in the capacity of a trustee of the discretionary trust as aforementioned.
- (3) These interests included interest in 2,050,000 share options granted to Ms. Luo Li, the spouse of Mr. Liang Guoxing under the share option scheme of the Company.
- (4) Based on the disclosure of interests notice filed by each of Ms. Liu Yang and Atlantis Capital on 17 May 2018, Ms. Liu Yang is deemed to be interest in totally 341,999,000 Shares through Atlantis Capital and Riverwood Asset Management (Cayman) Limited, in the capacity of investment manager by virtue of Divisions 2 and 3 of Part XV of the SFO. The entire issued share capital of Atlantis Capital and Riverwood Asset Management (Cayman) Limited is owned by Ms. Liu Yang.
- (5) Based on the disclosure of interests notice filed by Lin Ho Man on 28 December 2018, he is deemed to be interested in 846,213,750 Shares through Fully Chance Group Development Limited, Easy Fame Investment (HK) Limited and Guangdong Finance Limited. The 846,213,750 Shares were charged as security for a loan.
- (6) Based on the disclosure of interests notice filed by UBS Group AG on 20 August 2018, it is deemed to be interested in 1,541,341 Shares through UBS AG. UBS Group AG has security interest in 166,565,000 Shares.

附註：

- (1) 該等股份由Keen Pearl Limited (一間於英屬維爾京群島註冊成立之公司) 持有，而其全部已發行股本由本公司執行董事兼主席梁國興先生擁有。
- (2) 該等股份由Yinji Investments Limited持有。Yinji Investments Limited之全部已發行股本由Grand Base Holdings Limited (一間於英屬維爾京群島註冊成立之公司) 實益擁有，並由一個全權信託間接擁有，該信託之受益人為梁國興先生、梁國興先生的配偶羅俐女士，以及梁國興先生的女兒梁嘉麗小姐。滙豐國際信託有限公司為上述全權信託之受託人，故被視為於該等股份中擁有權益。
- (3) 此等權益包括根據本公司購股權計劃下授予梁國興先生的配偶羅俐女士之2,050,000股購股權。
- (4) 根據劉央女士及Atlantis Capital於二零一八年五月十七日分別存檔的披露權益通知，按照證券及期貨條例第XV部第2及3分部，劉央女士被視為以投資經理之身份透過Atlantis Capital及Riverwood Asset Management (Cayman) Limited於合共341,999,000股股份中擁有權益。Atlantis Capital及Riverwood Asset Management (Cayman) Limited的全部已發行股本由劉央女士擁有。
- (5) 根據連浩民於二零一八年十二月二十八日存檔的披露權益通知，彼被視為透過Fully Chance Group Development Limited、順榮投資(香港)有限公司及廣東信貸有限公司於846,213,750股股份中擁有權益。該846,213,750股股份乃作為一筆貸款之抵押品而抵押。
- (6) 根據UBS Group AG於二零一八年八月二十日存檔的披露權益通知，彼視為透過UBS AG於1,541,341股股份中擁有權益。UBS Group AG持有166,565,000股股份的保證權益。

Save as disclosed above, as at 30 September 2019, the Directors and the chief executive of the Company were not aware of any other person (other than Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange 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 by the Company under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

SHARE OPTION SCHEME

On 20 February 2009, the Company approved and adopted a share option scheme (the “2009 Share Option Scheme”) for the purpose of providing incentives and rewards to eligible participants who contribute to the growth of the Group. Eligible participants of the Share Option Scheme include, but not limited to, employees, Directors and any other eligible persons.

除上文所披露者外，於二零一九年九月三十日，董事及本公司最高行政人員並不知悉有任何其他人士（董事及本公司最高行政人員除外）於本公司股份或相關股份中擁有或被視為擁有權益或淡倉而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及聯交所披露，或須記錄於本公司根據證券及期貨條例第336條存置之登記冊的權益或淡倉，又或須通知本公司及聯交所之權益或淡倉。

購股權計劃

於二零零九年二月二十日，本公司批准及採納一項購股權計劃（「二零零九年購股權計劃」），以獎勵及獎賞對本集團發展作出貢獻的合資格參與者。購股權計劃的合資格參與者包括但不限於僱員、董事及任何其他合資格人士。

The 2009 Share Option Scheme had expired on 19 February 2019. On 23 August 2019, the shareholders of the Company approved a new share option scheme (the "2019 Share Option Scheme"). Details of the 2019 Share Option Scheme are set out in the mandate circular of the Company dated 19 July 2019.

二零零九年購股權計劃已於二零一九年二月十九日屆滿。於二零一九年八月二十三日，本公司股東批准一項新購股權計劃（「二零一九年購股權計劃」）。二零一九年購股權計劃的詳情載於本公司日期為二零一九年七月十九日的授權通函。

Details of the share options outstanding as at 30 September 2019 under the Share Option Scheme are as follows:

於二零一九年九月三十日，購股權計劃下之未行使購股權之詳情如下：

Grantees	Exercisable period	Exercise price per share under the share options	Options held as at 1 April 2019	No. of shares involved in options granted during the period	No. of shares involved in options exercised during the period	No. of shares involved in options lapsed during the period	No. of shares involved in options cancelled during the period	No. of shares involved in options held as at 30 September 2019
承授人	行使期	每股購股權之行使價 HK\$ 港元	於二零一九年四月一日持有之購股權	於期內授出之購股權所涉及之股份數目	於期內行使之購股權所涉及之股份數目	於期內失效之購股權所涉及之股份數目	於期內註銷之購股權所涉及之股份數目	於二零一九年九月三十日持有之購股權所涉及之股份數目
Directors:								
董事：								
Yan Jun 嚴俊	5 May 2018 to 4 May 2024 二零一八年五月五日至 二零二四年五月四日	0.50	20,000,000	-	-	-	-	20,000,000
Chen Xiaoxu 陳曉旭	22 Apr 2016 to 21 Apr 2021 二零一六年四月二十二日至 二零二一年四月二十一日	0.73	1,500,000	-	-	-	-	1,500,000
Wu Jie Si 武捷思	22 Apr 2016 to 21 Apr 2021 二零一六年四月二十二日至 二零二一年四月二十一日	0.73	1,500,000	-	-	-	-	1,500,000
Chen Sing Hung Johnny (Note 2) 陳陞鴻 (附註2)	22 Apr 2016 to 21 Apr 2021 二零一六年四月二十二日至 二零二一年四月二十一日	0.73	750,000	-	-	(750,000)	-	-

Grantees	Exercisable period	Exercise price per share under the share options	Options held as at 1 April 2019	No. of shares involved in options granted during the period	No. of shares involved in options exercised during the period	No. of shares involved in options lapsed during the period	No. of shares involved in options cancelled during the period	No. of shares involved in options held as at 30 September 2019
承授人	行使期	每股購股權之行使價 HK\$ 港元	於二零一九年四月一日持有之購股權	於期內授出之購股權所涉及之股份數目	於期內行使之購股權所涉及之股份數目	於期內失效之購股權所涉及之股份數目	於期內註銷之購股權所涉及之股份數目	於二零一九年九月三十日持有之購股權所涉及之股份數目
Hung Sui Kwan 洪瑞坤	22 Apr 2016 to 21 Apr 2021 二零一六年四月二十二日至 二零二一年四月二十一日	0.73	1,500,000	-	-	-	-	1,500,000
Ma Lishan 馬立山	22 Apr 2016 to 21 Apr 2021 二零一六年四月二十二日至 二零二一年四月二十一日	0.73	750,000	-	-	-	-	750,000
Lee Kwok Keung Edward 李國強	22 Apr 2016 to 21 Apr 2021 二零一六年四月二十二日至 二零二一年四月二十一日	0.73	750,000	-	-	-	-	750,000
Substantial Shareholder of the Company:								
本公司主要股東：								
Luo Li (Note 1) 羅俐 (附註1)	22 Apr 2016 to 21 Apr 2021 二零一六年四月二十二日至 二零二一年四月二十一日	0.73	1,050,000	-	-	-	-	1,050,000
	28 Sep 2017 to 27 Sep 2022 二零一七年九月二十八日至 二零二二年九月二十七日	0.64	1,000,000	-	-	-	-	1,000,000
								2,050,000

Grantees	Exercisable period	Exercise price per share under the share options	Options held as at 1 April 2019	No. of shares involved in options granted during the period	No. of shares involved in options exercised during the period	No. of shares involved in options lapsed during the period	No. of shares involved in options cancelled during the period	No. of shares involved in options held as at 30 September 2019
承授人	行使期	每股購股權之行使價 HK\$ 港元	於二零一九年四月一日持有之購股權	於期內授出之購股權所涉及之股份數目	於期內行使之購股權所涉及之股份數目	於期內失效之購股權所涉及之股份數目	於期內註銷之購股權所涉及之股份數目	於二零一九年九月三十日持有之購股權所涉及之股份數目
Others:								
其他：								
Other employees of the Group 本集團其他僱員	22 Apr 2016 to 21 Apr 2021 二零一六年四月二十二日至 二零二一年四月二十一日	0.73	124,500,000	-	-	(300,000)	-	124,200,000
	28 Sep 2017 to 27 Sep 2022 二零一七年九月二十八日至 二零二二年九月二十七日	0.64	53,500,000	-	-	(1,800,000)	-	51,700,000
	6 Jul 2018 to 5 Jul 2023 二零一八年七月六日至 二零二三年七月五日	0.52	14,000,000	-	-	-	-	14,000,000
Total 總計			220,800,000	-	-	(2,850,000)	-	217,950,000

Notes:

- (1) As at 30 September 2019, Yinji Investments Limited held 726,756,750 Shares representing approximately 32.16% of the issued share capital of the Company. The entire issued share capital of Yinji Investments Limited is directly wholly owned by Grand Base Holdings Limited, a company incorporated in the British Virgin Islands and indirectly wholly owned by a discretionary trust, the beneficiaries of which are Mr. Liang Guoxing, Ms. Luo Li, the spouse of Mr. Liang Guoxing, and Miss Liang Gia Li Melody, the daughter of Mr. Liang Guoxing. Mr. Liang Guoxing is the chairman, an executive Director and a substantial shareholder of the Company.
- (2) Mr. Chen Sing Hung Johnny retired as non-executive Director on 25 September 2019.

附註：

- (1) 於二零一九年九月三十日，Yinji Investments Limited 持有 726,756,750 股股份，相當於本公司已發行股本約 32.16%。Yinji Investments Limited 之全部已發行股本均由 Grand Base Holdings Limited（一間於英屬維爾京群島註冊成立之公司）直接全資擁有，並由一個全權酌情信託間接全資擁有，該信託之受益人為梁國興先生、梁國興先生的配偶羅俐女士，以及梁國興先生的女兒梁嘉麗小姐。梁國興先生為本公司的主席、執行董事兼主要股東。
- (2) 陳陞鴻先生已於二零一九年九月二十五日退任非執行董事。

REPORT ON REVIEW OF INTERIM
CONDENSED CONSOLIDATED FINANCIAL
INFORMATION

中期簡明合併財務資料審閱報告



SHINEWING (HK) CPA Limited
43/F, Lee Garden One
33 Hysan Avenue
Causeway Bay, Hong Kong

**TO THE BOARD OF DIRECTORS OF SILVER BASE
GROUP HOLDINGS LIMITED**

(incorporated in the Cayman Islands with limited liability)

致銀基集團控股有限公司

董事會

(於開曼群島註冊成立的有限公司)

INTRODUCTION

We have reviewed the interim condensed consolidated financial information of Silver Base Group Holdings Limited (the "Company") and its subsidiaries set out on pages 39 to 84, which comprise the condensed consolidated statement of financial position as at 30 September 2019 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with

緒言

吾等已審閱列載於第39至第84頁的銀基集團控股有限公司(「貴公司」)及其附屬公司的中期簡明合併財務資料，包括於二零一九年九月三十日的簡明合併財務狀況表以及截至該日止六個月期間的相關簡明合併損益表、簡明合併損益及其他全面收入表、簡明合併權益變動表及簡明合併現金流量表以及其他說明附註。根據香港聯合交易所有限公司(「聯交所」)證券上市規則，中期財務資料報告的編製必須符合上市規則的相關規定及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」(「香港會計準則第34號」)。貴公司董事須負責根據香港會計準則第34號編製及呈報此中期簡明合併財務資料。吾等的責任是根據吾等的審閱工作，對此中期簡明合併財務資料作出結論，並按照雙方所協定的委

HKAS 34. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

CONCLUSION

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

聘書條款僅向閣下(作為整體)報告吾等之結論，除此之外本報告別無其他目的。吾等不會就本報告的內容向任何其他人士負上或承擔任何責任。

審閱範圍

吾等乃根據香港會計師公會頒佈的香港審閱準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱工作。中期簡明合併財務資料的審閱包括主要向負責財務及會計事宜的人員作出查詢，並運用分析及其他審閱程序。由於審閱的範圍遠較根據香港審核準則進行的審核為小，因此不能保證吾等會知悉在審核中可能會發現的所有重大事宜。因此，吾等不發表審核意見。

結論

根據吾等的審閱工作，吾等並無發現任何事宜使吾等相信，中期簡明合併財務資料在各重大方面並無根據香港會計準則第34號的規定編製。

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 2.1 to the interim condensed consolidated financial information, as at 30 September 2019, the Group recorded outstanding bond payables of approximately HK\$458,387,000 and bank and other borrowings of approximately HK\$125,701,000 which are due for repayment within the next twelve months after 30 September 2019. The Group's ability to continue as going concern is dependent on the ongoing availability of external finance to the Group and results of other measures as disclosed in note 2.1 to the interim condensed consolidated financial information. The above conditions indicated that a material uncertainty exists that may cast significant doubt on the Group's abilities to continue as a going concern. Our conclusion is not modified in respect of this matter.

SHINEWING (HK) CPA Limited

Certified Public Accountants

Lee Shun Ming

Practising Certificate Number: P07068

Hong Kong

21 November 2019

有關持續經營之重大不確定性

吾等謹請閣下垂注中期簡明合併財務資料附註2.1，於二零一九年九月三十日，貴集團將於二零一九年九月三十日後未來十二個月內到期償還的未償還應付債券約458,387,000港元以及銀行及其他借貸約125,701,000港元。貴集團持續經營之能力取決於貴集團持續獲得外部融資以及中期簡明合併財務資料附註2.1所披露之其他措施之成果。上述情況顯示存在可對貴集團的持續經營能力產生重大疑慮的重大不明朗因素。吾等就此事而言並無作出保留結論。

信永中和(香港)會計師事務所有限公司

執業會計師

李順明

執業證書編號：P07068

香港

二零一九年十一月二十一日

CONDENSED CONSOLIDATED STATEMENT
OF PROFIT OR LOSS

For the six months ended 30 September 2019

簡明合併損益表

截至二零一九年九月三十日止六個月

				Six months ended	
				30 September	
				截至九月三十日止六個月	
				2019	2018
				二零一九年	二零一八年
				HK\$'000	HK\$'000
				千港元	千港元
				(Unaudited)	(Unaudited)
				(未經審核)	(未經審核)
REVENUE	收益	5		1,168,321	877,994
Cost of sales	銷售成本			(910,718)	(717,269)
Gross profit	毛利			257,603	160,725
Other income, gains and losses	其他收入、收益及虧損	5		36,194	10,328
Selling and distribution expenses	銷售及經銷費用			(98,567)	(124,063)
Administrative expenses	行政費用			(49,827)	(42,991)
Other expenses	其他費用			-	(4,601)
(Loss from impairment)/reversal of impairment, net	(減值虧損)/撥回減值(淨額)			(35,886)	8,135
Finance costs	融資成本	6		(62,088)	(47,473)
PROFIT/(LOSS) BEFORE TAX	除稅前利潤/(虧損)	7		47,429	(39,940)
Income tax expense	所得稅費用	8		-	-
PROFIT/(LOSS) FOR THE PERIOD	期內利潤/(虧損)			47,429	(39,940)
ATTRIBUTABLE TO:	應佔：				
Ordinary equity holders of the Company	本公司普通權益持有人			45,497	(40,046)
Non-controlling interests	非控制性權益			1,932	106
				47,429	(39,940)
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	本公司普通權益持有人應佔每股盈利/(虧損)				
Basic (HK cents)	基本(港仙)	10		2.01	(1.76)
Diluted (HK cents)	攤薄(港仙)	10		2.01	(1.76)

CONDENSED CONSOLIDATED STATEMENT
OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME

For the six months ended 30 September 2019

簡明合併損益及其他全面收入表

截至二零一九年九月三十日止六個月

		Six months ended	
		30 September	
		截至九月三十日止六個月	
		2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
PROFIT/(LOSS) FOR THE PERIOD	期內利潤／(虧損)	47,429	(39,940)
OTHER COMPREHENSIVE EXPENSE	其他全面費用		
Item that may be reclassified to profit or loss in subsequent periods:	於往後期間可能重新分類至損益之項目：		
Exchange differences on translation of foreign operations	換算海外業務所產生的匯兌差額	(69,569)	(131,077)
OTHER COMPREHENSIVE EXPENSE FOR THE PERIOD, NET OF TAX	期內其他全面費用，扣除稅項	(69,569)	(131,077)
TOTAL COMPREHENSIVE EXPENSE FOR THE PERIOD	期內全面費用總額	(22,140)	(171,017)
ATTRIBUTABLE TO:	應佔：		
Ordinary equity holders of the Company	本公司普通權益持有人	(24,072)	(171,123)
Non-controlling interests	非控制性權益	1,932	106
		(22,140)	(171,017)

CONDENSED CONSOLIDATED STATEMENT
OF FINANCIAL POSITION

As at 30 September 2019

簡明合併財務狀況表

二零一九年九月三十日

		Notes 附註	30 September 2019 二零一九年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備		24,674	29,517
Right-of-use assets	使用權資產	11	122,700	-
Intangible asset	無形資產		8,300	8,300
Financial assets at fair value through profit or loss ("FVTPL")	經損益按公允價值列賬 之金融資產		122,324	94,820
Deposits	按金		10,339	8,290
Deferred tax assets	遞延稅項資產		4,000	4,000
Total non-current assets	非流動資產總額		292,337	144,927
CURRENT ASSETS	流動資產			
Inventories	存貨	12	461,160	1,028,129
Trade receivables	應收貿易款項	13	202,697	137,489
Prepayments, deposits and other receivables	預付款項、按金及 其他應收款項	14	434,543	981,827
Pledged deposits	已抵押存款		-	58,466
Bank balances and cash	銀行結餘及現金		483,088	598,087
Total current assets	流動資產總額		1,581,488	2,803,998
CURRENT LIABILITIES	流動負債			
Trade and bills payables	應付貿易款項及票據	15	4,218	518,994
Contract liabilities	合同負債	5	41,508	236,822
Other payables and accruals	其他應付款項及應計負債		191,780	126,534
Interest-bearing bank and other borrowings	計息銀行借貸及其他借貸	16	125,701	646,962
Lease liabilities	租賃負債	11	30,766	-
Bond payables	應付債券	17	458,387	266,972
Amount due to a director	應付董事款項		1	1
Tax payable	應付稅項		56,303	61,472
Total current liabilities	流動負債總額		908,664	1,857,757
NET CURRENT ASSETS	流動資產淨值		672,824	946,241

			30 September 2019 二零一九年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		965,161	1,091,168
NON-CURRENT LIABILITIES	非流動負債			
Bond payables	應付債券	17	342,727	542,417
Lease liabilities	租賃負債	11	93,281	–
Deferred tax liabilities	遞延稅項負債		5,000	5,000
Total non-current liabilities	非流動負債總額		441,008	547,417
NET ASSETS	資產淨值		524,153	543,751
EQUITY	權益			
Equity attributable to ordinary equity holders of the Company	本公司普通權益持有人應佔權益			
Issued capital	已發行股本	18	226,010	226,010
Reserves	儲備		298,200	319,730
Non-controlling interests	非控制性權益		524,210 (57)	545,740 (1,989)
TOTAL EQUITY	權益總額		524,153	543,751

CONDENSED CONSOLIDATED STATEMENT
OF CHANGES IN EQUITY

簡明合併權益變動表

For the six months ended 30 September 2019

截至二零一九年九月三十日止六個月

		Attributable to ordinary equity holders of the Company 本公司普通股益持有人應佔											
		Share Issued capital	Share premium account	Capital redemption reserve	Capital redemption reserve	Share option reserve	Statutory surplus reserve	Exchange fluctuation reserve	Accumulated losses	Total	Non- controlling interests	Total equity	
		已發行股本	股份溢價賬	資本儲備	贖回儲備	購股權儲備	公積金	波動儲備	累計虧損	總計	權益 非控制性	權益總額	
Note		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
附註		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
	At 1 April 2018 (Audited)	於二零一八年四月一日 (經審核)	227,281	599,747	(380)	1,554	50,176	71,462	163,564	(327,688)	785,716	(1,116)	784,600
	(Loss)/profit for the period	期內(虧損)/利潤	-	-	-	-	-	-	-	(40,046)	(40,046)	106	(39,940)
	Other comprehensive expense for the period:	期內其他全面費用:											
	Exchange differences on translation of foreign operations	換算海外業務所產生的匯兌差額	-	-	-	-	-	(131,077)	-	(131,077)	-	(131,077)	
	Total comprehensive (expense)/income for the period	期內全面(費用)/收入總額	-	-	-	-	-	(131,077)	(40,046)	(171,123)	106	(171,017)	
	Equity-settled share option arrangements	以權益結算之購股權安排	19	-	-	-	2,776	-	-	-	2,776	-	2,776
	Share repurchases	股份購回	(539)	(2,499)	-	539	-	-	(539)	(3,038)	-	(3,038)	
	Share options lapsed and cancelled	購股權已失效及註銷	-	-	-	(2,413)	-	-	2,413	-	-	-	
	At 30 September 2018 (Unaudited)	於二零一八年九月三十日 (未經審核)	226,742	597,248	(380)	2,093	50,539	71,462	32,487	(365,860)	614,331	(1,010)	613,321
	At 1 April 2019 (Audited)	於二零一九年四月一日 (經審核)	226,010	594,226	(380)	2,825	51,562	71,462	70,954	(470,919)	545,740	(1,989)	543,751
	Profit for the period	期內利潤	-	-	-	-	-	-	-	45,497	45,497	1,932	47,429
	Other comprehensive expense for the period:	期內其他全面費用:											
	Exchange differences on translation of foreign operations	換算海外業務所產生的匯兌差額	-	-	-	-	-	(69,569)	-	(69,569)	-	(69,569)	
	Total comprehensive (expense)/income for the period	期內全面(費用)/收入總額	-	-	-	-	-	(69,569)	45,497	(24,072)	1,932	(22,140)	
	Equity-settled share option arrangements	以權益結算之購股權安排	19	-	-	-	2,542	-	-	-	2,542	-	2,542
	Share options lapsed	購股權已失效	-	-	-	(398)	-	-	398	-	-	-	
	At 30 September 2019 (Unaudited)	於二零一九年九月三十日 (未經審核)	226,010	594,226	(380)	2,825	53,706	71,462	1,385	(425,024)	524,210	(57)	524,153

CONDENSED CONSOLIDATED STATEMENT
OF CASH FLOWS

For the six months ended 30 September 2019

簡明合併現金流量表

截至二零一九年九月三十日止六個月

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元 (Unaudited and restated) (未經審核 及經重列)
		(Unaudited) (未經審核)	
Note 附註			
CASH FLOWS FROM OPERATING ACTIVITIES 營運活動的現金流量			
	Cash used in operations 營運所用現金	442,915	(440,356)
	Interest received 已收利息	1,225	85
	Interest paid 已付利息	(35,483)	(24,698)
	Net cash flows from/(used in) operating activities 營運活動所得/(所用)的現金流量淨額	408,657	(464,969)
CASH FLOWS FROM INVESTING ACTIVITIES 投資活動的現金流量			
	Dividend received 已收股息	2,144	2,358
	Purchases of items of property, plant and equipment 購買物業、廠房及設備項目	(1,020)	(8,600)
	Proceeds from disposal of items of property, plant and equipment 出售物業、廠房及設備項目之所得款項	221	4
	Withdrawal of pledged deposits 提取已抵押存款	57,032	411,266
	Net cash flows from investing activities 投資活動所得的現金流量淨額	58,377	405,028
CASH FLOWS FROM FINANCING ACTIVITIES 融資活動的現金流量			
	New bank and other borrowings 新增銀行及其他借貸	-	89,128
	Repayment of bank and other borrowings 償還銀行及其他借貸	(507,290)	(124,894)
	Proceeds from issue of bonds, net of related expenses 發行債券的所得款項，扣除相關費用	22,275	129,632
17	Repayment of bonds 償還債券	(53,300)	-
17	Payment of lease liabilities 支付租賃負債	(17,194)	-
	Repurchase of shares 購回股份	-	(3,038)
	Net cash flows (used in)/from financing activities 融資活動(所用)/所得的現金流量淨額	(555,509)	90,828

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited and restated) (未經審核 及經重列)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值物(減少)/增加淨額	(88,475)	30,887
Cash and cash equivalents at beginning of period	期初現金及現金等值物	598,087	418,917
Effect of foreign exchange rate changes, net	匯率變動影響(淨額)	(26,524)	(22,698)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末現金及現金等值物	483,088	427,106
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值物結餘分析		
Bank balances and cash stated in the condensed consolidated statement of financial position	簡明合併財務狀況表所列的銀行結存及現金	483,088	427,106

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 September 2019

1. CORPORATE INFORMATION

Silver Base Group Holdings Limited (the “Company”) was incorporated as an exempted company with limited liability in the Cayman Islands on 12 September 2007. The registered office of the Company is located at the office of Conyers Trust Company (Cayman) Limited, whose address is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company in Hong Kong is located at Room 1802-03, 18th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

The Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in the distribution of Wuliangye (五糧液) liquor series, National Cellar 1573 baijiu with 43% alcohol content, Kweichow Moutai Chiew products, Fen Wine with 55% alcohol content liquor series, Red Fen Shijia liquor series, Yaxi Classic liquor series and Old Vintage liquor series, wine, foreign liquor series, sugar, Chinese cigarettes and daily necessities.

Items included in the financial statement of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The interim condensed consolidated financial statements is presented in Hong Kong dollars (“HK\$”), rounded to the nearest thousand except when otherwise indicated. Hong Kong dollar is the Company’s functional and the Group’s presentation currency.

中期簡明合併財務資料附註

截至二零一九年九月三十日止六個月

1. 公司資料

銀基集團控股有限公司(「本公司»)於二零零七年九月十二日在開曼群島註冊成立為受豁免有限公司。本公司註冊辦事處位於Conyers Trust Company (Cayman) Limited的辦公室，地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。本公司在香港的主要營業地點位於香港夏慤道16號遠東金融中心18樓1802-03室。

本公司及其附屬公司(統稱「本集團»)的主要業務為經銷五糧液酒系列、國窖1573系列43度酒、貴州茅台酒產品、汾酒55度系列、紅汾世家系列、鴨溪典藏系列、老酒系列、葡萄酒、洋酒系列、糖、中國香煙及日用品。

本集團內各實體之財務報表所載項目使用該實體經營所在的主要經濟環境的貨幣(「功能貨幣»)計量。中期簡明合併財務報表乃以港元(「港元»)呈列，除非另有說明，所有金額均湊整至最接近的千位數。港元為本公司之功能貨幣及本集團之呈列貨幣。

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information of the Group for the six months ended 30 September 2019 have been prepared in accordance with the applicable disclosure provisions of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with Hong Kong Accounting Standard 34 (“HKAS 34”) “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). This interim condensed consolidated financial information should be read in conjunction with the Group’s annual financial statements for the year ended 31 March 2019, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA.

Going concern basis

As at 30 September 2019, the Group’s total bond payables and bank and other borrowings amounted to approximately HK\$926,815,000, of which approximately HK\$584,088,000 are classified as current liabilities. These current liabilities include the Group’s bank and other borrowings of approximately HK\$125,701,000 and bond payables of approximately HK\$458,387,000 which are due for repayment within the next twelve months after 30 September 2019.

In view of these circumstances, the directors of the Company have given consideration to the future liquidity and performance of the Group and its available sources of finance in assessing whether the Group will have sufficient financial resources to continue as a going concern.

2.1 編製基準

本集團截至二零一九年九月三十日止六個月的中期簡明合併財務資料乃根據香港聯合交易所有限公司證券上市規則附錄十六的適用披露規定以及香港會計師公會（「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」而編製。本中期簡明合併財務資料應與根據香港會計師公會頒佈的香港財務報告準則編製的本集團截至二零一九年三月三十一日止年度的年度財務報表一併閱讀。

持續經營基準

截至二零一九年九月三十日，本集團之應付債券以及銀行及其他借貸合共約926,815,000港元，當中約584,088,000港元乃分類為流動負債。此等流動負債包括將於二零一九年九月三十日後未來十二個月內到期之本集團銀行及其他借貸約125,701,000港元和應付債券約458,387,000港元。

鑑於上述情況，本公司董事在評估本集團是否有足夠財務資源以持續經營基準繼續經營時已考慮到本集團的未來流動性及表現及其可用資金來源。

2.1 BASIS OF PREPARATION (continued)

Going concern basis (continued)

In order to maintain the Group's liquidity and cash flows to sustain the Group as a going concern, the Group implemented or is in the process of implementing the following measures:

(1) Financing and fund raising activities

The Group will actively negotiate with the banks and other financial institutions in the People's Republic of China ("PRC") to secure new financing arrangement to meet the Group's working capital and financial requirements in the near future. The Group will also actively seek opportunities to carry out fund raising activities including but not limited to issuance of bonds as alternative sources of funding. Subsequent to the end of the reporting period, the Group has issued unlisted bonds with an aggregate principal amount of approximately HK\$25,000,000 for the Group's working capital.

In the event that the Group cannot secure new financing arrangement for the repayment of bond payables and bank and other borrowings which will be due in the next twelve months after 30 September 2019, the Group plans to use its internal financial resources to repay the borrowings.

2.1 編製基準(續)

持續經營基準(續)

為了維持本集團的流動性及現金流量，以維持本集團的持續經營，本集團已實施或正在實施以下措施：

(1) 融資及集資活動

本集團將積極與中華人民共和國（「中國」）的銀行及其他金融機構進行磋商，以取得新融資安排從而應付本集團於短期內的營運資金及財務需求。本集團亦將積極尋求進行集資活動的機會，包括但不限於發行債券作為替代的資金渠道。於報告期末後，本集團發行總本金額約25,000,000港元之非上市債券以撥付本集團之營運資金。

倘若本集團未能取得新融資安排以償還將於二零一九年九月三十日後未來十二個月內到期之應付債券以及銀行及其他借貸，本集團計劃以內部財務資源償還借貸。

2.1 BASIS OF PREPARATION (continued)

Going concern basis (continued)

(2) Maintaining profitable and positive cash flow operations

The Group is taking measures to tighten cost controls over various costs and expenses and to seek new business opportunities with the aim to maintain its profitable and positive cash flow operations.

In order to enhance the Group's online sale and marketing channels for its winery products, the Group has further upgraded its Business-to-Business platform to satisfy the demands of the market and to provide support to business members and for the promotion of the liquor products.

In addition, the Group will actively diversify its product mix for the existing national brand in order to enhance market position in the baijiu industry and diversify its sources of revenue.

After taking into account the above measures, the directors of the Company consider that the Group will have sufficient working capital to finance its operations and financial obligations as and when they fall due, and accordingly, are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

2.1 編製基準(續)

持續經營基準(續)

(2) 維持獲利及正現金流營運

本集團正採取措施以對不同的成本和費用實行嚴控成本，並且尋求新的業務機會，以維持獲利及正現金流營運。

為了提升本集團為旗下酒類產品而設的網上銷售及營銷渠道，本集團已經對其B2B平台進行進一步升級以滿足市場的需求並為業務成員提供支持以及推廣酒類產品。

此外，本集團將積極推動現有全國品牌的產品組合多元化，以提升其在白酒行業的市場地位和實現收入來源多元化。

經考慮上述措施，本公司董事認為，本集團將有足夠營運資金應付到期的營運及財務責任，因此信納按持續經營基準編制財務報表屬恰當。

2.2 PRINCIPAL ACCOUNTING POLICIES

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

The accounting policies used in the interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2019, except as described below.

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA which are effective for the Group's financial year beginning on 1 April 2019.

HKFRS 16	Leases
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015 - 2017 Cycle

The adoption of HKFRS 16 resulted in changes in the Group's accounting policies and adjustments to the amounts recognised in the interim condensed consolidated financial information. The new accounting policies are set out in note 3 below. The application of other new and amendments to HKFRSs in the current interim period has had no material effects on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these interim condensed consolidated financial information.

2.2 主要會計政策

中期簡明合併財務資料已按歷史成本基準編製，惟若干金融工具按公允價值計量。

中期簡明合併財務資料所用的會計政策與編製本集團截至二零一九年三月三十一日止年度的年度合併財務資料所採用的一致，惟下文所述者除外。

於本中期期間，本集團已首次採用由香港會計師公會頒佈並於本集團二零一九年四月一日開始的財政年度生效的下列新訂及經修訂香港財務報告準則。

香港財務報告準則第16號	租賃
香港(國際財務報告詮釋委員會)一詮釋第23號	所得稅處理的不確定性
香港財務報告準則第9號的修訂	具有負補償的提早還款特性
香港會計準則第19號的修訂	計劃修正、縮減或清償
香港會計準則第28號的修訂	於聯營公司及合營企業的長期權益
香港財務報告準則的修訂	香港財務報告準則二零一五年至二零一七年週期的年度改進

採納香港財務報告準則第16號導致本集團會計政策發生變動及對於中期簡明合併財務資料中確認的金額作出調整。新會計政策載於下文附註3。於本中期期間應用其他新訂及經修訂香港財務報告準則對本集團於本期間及過往期間的財務表現及狀況及／或該等中期簡明合併財務資料所載的披露並無重大影響。

2.2 PRINCIPAL ACCOUNTING POLICIES (continued)

2.2.1 Impacts on adoption of HKFRS 16 *Leases*

HKFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to the lessee accounting by removing the distinction between operating lease and finance lease and requiring the recognition of right-of-use asset and a lease liability for all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. Details of these new accounting policies are described in note 3. The Group has applied HKFRS 16 *Leases* using the modified retrospective approach and has not restated comparative information. Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 17 *Leases*.

On transition to HKFRS 16, the Group elected to apply the practical expedient to grandfather the assessment of which arrangements are, or contain, leases. It applied HKFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under HKAS 17 and HK(IFRIC)-Int 4 were not reassessed. Therefore, the definition of a lease under HKFRS 16 has been applied only to contracts entered into or changed on or after 1 April 2019.

2.2 主要會計政策(續)

2.2.1 採納香港財務報告準則 第16號租賃的影響

香港財務報告準則第16號引入有關租賃會計處理的新訂或經修訂規定。有關規定透過消除經營租賃及融資租賃之間的區別，要求確認所有租賃(短期租賃及低價值資產租賃除外)的使用權資產及租賃負債，對承租人會計處理作出重大變更。與承租人會計處理相比，出租人會計處理之規定大致維持不變。該等新訂會計政策詳述於附註3。本集團已經以經修訂追溯法應用香港財務報告準則第16號租賃及並無重列比較資料。因此，若干比較資料可能無法比較，原因在於比較資料乃根據香港會計準則第17號租賃而編製。

過渡至香港財務報告準則第16號時，本集團選擇採用可行權宜處理方法，繼續沿用對有關安排是否為租賃或包含租賃所作的評估。本集團僅對先前識別為租賃的合同應用香港財務報告準則第16號。根據香港會計準則第17號及香港(國際財務報告詮釋委員會)一詮釋第4號未有識別為租賃的合同並未予以重新評估。因此，香港財務報告準則第16號項下的租賃定義僅應用於在二零一九年四月一日或之後訂立或變更的合同。

2.2 PRINCIPAL ACCOUNTING POLICIES (continued)

2.2.1 Impacts on adoption of HKFRS 16 Leases (continued)

The Group as lessee

On adoption of HKFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as “operating leases” under the principles of HKAS 17 Leases (except for lease of low value assets and lease with remaining lease term of twelve months or less). These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate as of 1 April 2019. The lessee’s incremental borrowing rate applied to the lease liabilities on 1 April 2019 ranged from 2.375% to 5.635%.

The Group recognises right-of-use assets and measures them at an amount equal to the lease liability.

The following table summarises the impact of transition to HKFRS 16 at 1 April 2019. Line items that were not affected by the adjustments have not been included.

2.2 主要會計政策(續)

2.2.1 採納香港財務報告準則 第16號租賃的影響(續)

本集團為承租人

於採納香港財務報告準則第16號時，本集團就先前根據香港會計準則第17號租賃的原則分類為「經營租賃」的租賃(低價值資產租賃及剩餘租期為十二個月或以下的租賃除外)確認租賃負債。該等負債按餘下租賃付款的現值計量，並使用承租人截至二零一九年四月一日的增量借款利率進行貼現。於二零一九年四月一日就租賃負債採用的承租人增量借款利率為介乎2.375%至5.635%。

本集團按等同於租賃負債的金額確認及計量使用權資產。

下表概述於二零一九年四月一日過渡至香港財務報告準則第16號的影響。未受調整影響的項目不包括在內。

2.2 PRINCIPAL ACCOUNTING POLICIES
(continued)

2.2.1 Impacts on adoption of HKFRS 16
Leases (continued)

The Group as lessee (continued)

2.2 主要會計政策(續)

2.2.1 採納香港財務報告準則
第16號租賃的影響(續)

本集團為承租人(續)

			Carrying amount previously reported at Note 31 March 2019 於二零一九年 三月三十一日 過往報告的 附註 賬面值 HK\$'000 千港元 (Audited) (經審核)	Impact on adoption of HKFRS 16 採納香港 財務報告準則 第16號的影響 HK\$'000 千港元	Carrying amount as restated at 1 April 2019 於二零一九年 四月一日 重列的賬面值 HK\$'000 千港元 (Unaudited) (未經審核)
Right-of-use assets	使用權資產	(a)	-	155,832	155,832
Lease liabilities	租賃負債	(a)	-	(155,832)	(155,832)

Note:

- (a) As at 1 April 2019, right-of-use assets were measured at an amount equal to the lease liabilities of approximately HK\$155,832,000.

附註：

- (a) 於二零一九年四月一日，使用權資產按等同於租賃負債的金額計量約155,832,000港元。

2.2 PRINCIPAL ACCOUNTING POLICIES (continued)

2.2.2 Practical expedients applied

On the date of initial application of HKFRS 16, the Group has used the following practical expedients permitted by the standard:

- not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date, the Group relied on its assessment made applying HKAS 17 and HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*;
- reliance on previous assessments on whether leases are onerous by applying HKAS 37 as an alternative to performing an impairment review;
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases;
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

2.2 主要會計政策(續)

2.2.2 採用的可行權宜方法

於首次應用香港財務報告準則第16號之日，本集團已採用以下該準則所允許的可行權宜方法：

- 不在首次應用日期重新評估合同是否為租賃或包含租賃。相反，對於在過渡日之前訂立的合同，本集團依賴其應用香港會計準則第17號及香港（國際財務報告詮釋委員會）— 詮釋第4號確定一項安排是否包含租賃所作出的評估；
- 透過應用香港會計準則第37號以替代進行減值審閱，依賴先前對租賃是否繁重所作出的評估；
- 對於二零一九年四月一日剩餘租期不足十二個月的經營租賃的會計處理為短期租賃；
- 於首次應用日期排除初始直接成本以計量使用權資產；及
- 倘合同包含延長或終止租賃的選擇權，則於事後釐定租期。

3. CHANGE IN ACCOUNTING POLICIES

Leases

Definition of a lease

Under HKFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

At the commencement date, the Group measures lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted by using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments).

The lease liability is presented as a separate line in the condensed consolidated statement of financial position.

3. 會計政策變動

租賃

租賃的定義

根據香港財務報告準則第16號，倘合同授予一段期間內控制已識別資產使用的權利以換取代價，則該合同屬租賃或包含租賃。

本集團為承租人

本集團於合同初始評估有關合同是否屬租賃或包含租賃。本集團就其作為承租人的所有租賃安排確認使用權資產及相應租賃負債，除短期租賃（定義為租期為12個月或以下的租賃）及低值資產租賃外。就該等租賃而言，本集團於租期內以直線法確認租賃付款為經營費用，惟倘有另一系統化基準更能體現耗用租賃資產所產生經濟利益的時間模式則除外。

租賃負債

於租賃生效日期，本集團按當日尚未支付租賃付款的現值計量租賃負債。租賃付款乃採用租賃中的內含利率進行貼現。倘該利率不能較容易地釐定，則本集團採用其增量借款利率。

計入租賃負債計量的租賃付款包括固定租賃付款（包括實質固定付款）。

租賃負債於簡明合併財務狀況表中以獨立項目呈列。

3. CHANGE IN ACCOUNTING POLICIES (continued)

Leases (continued)

The Group as lessee (continued)

Lease liabilities (continued)

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Lease liability is remeasured (and with a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

3. 會計政策變動(續)

租賃(續)

本集團為承租人(續)

租賃負債(續)

租賃負債其後按調增賬面值以反映租賃負債利息(採用實際利率法)及按調減賬面值以反映所作出租賃付款的方式計量。

倘出現以下情況，本集團重新計量租賃負債(並就相關使用權資產作出相應調整)：

- 租賃期有所變動或行使購買選擇權的評估發生變化，在此情況，租賃負債透過採用經修訂貼現率貼現經修訂租賃付款而重新計量。
- 租賃付款因指數或利率變動或有擔保剩餘價值下預期付款變動而出現變動，在此情況，租賃負債採用初始貼現率貼現經修訂租賃付款而重新計量(除非租賃付款乃由於浮動利率變動而有所變動，則在此種情況，採用經修訂貼現率)。
- 租賃合同已修改且租賃修改不作為一項單獨租賃入賬，在此情況，租賃負債透過採用經修訂貼現率貼現經修訂租賃付款而重新計量。

3. CHANGE IN ACCOUNTING POLICIES (continued)

Leases (continued)

The Group as lessee (continued)

Right-of-use assets

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs, less lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses. They are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group presents right-of-use assets as a separate line item on the condensed consolidated statement of financial position.

The Group applies HKAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the “Impairment losses on tangible assets and intangible assets” policy as stated in the Group’s annual consolidated financial statements for the year ended 31 March 2019.

3. 會計政策變動(續)

租賃(續)

本集團為承租人(續)

使用權資產

使用權資產包括相應租賃負債、於生效日期或之前作出的租賃付款及任何初始直接成本的初始計量，減去已收租賃獎勵。

使用權資產其後按成本減累計折舊及減值虧損計量。使用權資產乃按租期及相關資產可使用年期的較短者折舊。倘轉讓相關資產所有權或使用權資產成本的租賃反映本集團預期將行使購買選擇權，則相關使用權資產按相關資產的可使用年期折舊。資產於租賃生效日期起開始折舊。

本集團於簡明合併財務狀況表中將使用權資產以獨立項目呈列。

本集團應用香港會計準則第36號以釐定使用權資產有否出現減值，並將本集團截至二零一九年三月三十一日止年度的年度合併財務報表所載「有形資產及無形資產的減值虧損」政策所描述的任何已識別減值虧損入賬。

3. CHANGE IN ACCOUNTING POLICIES (continued)

Lease modification

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on its products and has two reportable operating segments as follows:

- the distribution of Wuliangye liquor series, National Cellar 1573 baijiu with 43% alcohol content, Kweichow Moutai Chiew products, Fen Wine with 55% alcohol content liquor series, Red Fen Shijia liquor series, Yaxi Classic liquor series and Old Vintage liquor series, wine and foreign liquor series (“Liquors”); and
- the distribution of sugar, Chinese cigarettes and others (“Sugar, cigarettes and others”).

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment result, which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group’s profit/(loss) before tax except that interest income, other gains and finance costs are excluded from such measurement.

3. 會計政策變動(續)

租賃修改

倘出現以下情況，本集團將租賃修改作為一項單獨租賃進行入賬：

- 該項修改增加使用一項或多項相關資產的權利並擴大了租賃範圍；及
- 調增租賃的代價，增加的金額相當於擴大範圍對應的單獨價格，加上按照特定合同的實際情況對單獨價格進行任何適當調整。

4. 經營分部資料

就管理而言，本集團基於其產品組成業務單位，並擁有以下兩個可報告經營分部：

- 經銷五糧液酒系列、國窖1573系列43度酒、貴州茅台酒產品、汾酒55度系列、紅汾世家系列、鴨溪典藏系列、老酒系列、葡萄酒及洋酒系列(「酒」)；及
- 經銷糖、中國香煙及其他(「糖、香煙及其他」)。

管理層監察本集團各個經營分部之業績以作出有關資源分配和評估分部表現的決定。分部表現是根據可報告分部業績(即計量經調整的除稅前利潤/(虧損))而評估。經調整的除稅前利潤/(虧損)的計算方式與本集團除稅前利潤/(虧損)的計算方式貫徹一致，惟利息收入、其他收益及融資成本不包括在計算當中。

4. OPERATING SEGMENT INFORMATION
(continued)

Six months ended 30 September 2019 (Unaudited)

4. 經營分部資料(續)

截至二零一九年九月三十日止六個月
(未經審核)

		Liquors	Sugar, cigarettes and others	Total
		酒	糖、香煙 及其他	合計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Segment revenue:	分部收益：			
Sales to external customers	銷售至外部客戶	1,165,391	2,930	1,168,321
Foreign exchange losses, net	外幣滙兌虧損(淨額)	(1,207)	–	(1,207)
Changes in fair value of financial assets at FVTPL	經損益按公允價值列賬之 金融資產之公允價值變動	32,988	–	32,988
Dividend income from financial assets at FVTPL	經損益按公允價值列賬之 金融資產之股息收入	2,144	–	2,144
Total	總計	1,199,316	2,930	1,202,246
Segment results	分部業績	107,161	310	107,471
<i>Reconciliation:</i>	<i>對賬：</i>			
Bank interest income	銀行利息收入			1,225
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益			18
Other gains	其他收益			803
Finance costs	融資成本			(62,088)
Profit before tax	除稅前利潤			47,429
Other segment information:	其他分部資料：			
Depreciation	折舊	4,153	3	4,156
Depreciation of right-of-use assets	使用權資產折舊	14,880	–	14,880
Impairment allowance of trade receivables	應收貿易款項之減值撥備	36,468	–	36,468
Reversal of impairment allowance of prepayments and other receivables	撥回預付款項及其他應收款項 之減值撥備	(582)	–	(582)
Provision for inventories in respect of write-down to net realisable value	有關撇減至可變現淨值之 存貨撥備	1,628	–	1,628
Capital expenditure*	資本支出*	1,020	–	1,020

* Capital expenditure consists of additions to items of property, plant and equipment.

* 資本支出包括物業、廠房及設備項目之添置。

4. OPERATING SEGMENT INFORMATION
(continued)

Six months ended 30 September 2018 (Unaudited)

4. 經營分部資料(續)

截至二零一八年九月三十日止六個月
(未經審核)

		Liquors 酒 HK\$'000 千港元	Sugar, cigarettes and others 糖、香煙 及其他 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Segment revenue:	分部收益：			
Sales to external customers	銷售至外部客戶	764,231	113,763	877,994
Foreign exchange gains, net	外幣匯兌收益(淨額)	364	-	364
Changes in fair value of financial assets at FVTPL	經損益按公允價值列賬之金融資產 之公允價值變動	7,108	-	7,108
Dividend income from financial assets at FVTPL	經損益按公允價值列賬之金融資產 之股息收入	2,358	-	2,358
Total	總計	774,061	113,763	887,824
Segment results	分部業績	21,053	(9,417)	11,636
<i>Reconciliation:</i>	<i>對賬：</i>			
Bank interest income	銀行利息收入			85
Other gains	其他收益			413
Changes in fair value of derivative financial instrument	衍生金融工具之公允價值變動			(4,601)
Finance costs	融資成本			(47,473)
Loss before tax	除稅前虧損			(39,940)

4. OPERATING SEGMENT INFORMATION
(continued)

Six months ended 30 September 2018 (Unaudited)

4. 經營分部資料(續)

截至二零一八年九月三十日止六個月
(未經審核)

		Liquors	Sugar, cigarettes and others	Total
		酒	糖、香煙 及其他	合計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Other segment information:	其他分部資料：			
Depreciation	折舊	3,418	7	3,425
Reversal of impairment allowance of prepayments and other receivables	撥回預付款項及其他應收款項之減值撥備	(8,135)	-	(8,135)
Provision for inventories in respect of write-down to net realisable value	有關撇減至可變現淨值之存貨撥備	9,591	-	9,591
Capital expenditure*	資本支出*	8,600	-	8,600

* Capital expenditure consists of additions to items of property, plant and equipment.

* 資本支出包括物業、廠房及設備項目之添置。

5. REVENUE, OTHER INCOME, GAINS AND LOSSES

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts.

5. 收益、其他收入、收益及虧損

收益指已減去退貨備抵及貿易折扣後的已售貨物發票淨值。

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)
Revenue	收益		
<i>Types of goods</i>	<i>貨品類別</i>		
Sales of liquor products	銷售酒產品	1,165,391	764,231
Sales of sugar, cigarettes and daily necessities	銷售糖、香煙及日用品	2,930	113,763
Total revenue from contracts with customers	客戶合同收益總額	1,168,321	877,994
<i>Geographical location of customers</i>	<i>客戶地理位置</i>		
Mainland China	中國大陸	1,053,197	648,620
Hong Kong and others	香港及其他	115,124	229,374
Total revenue from contracts with customers	客戶合同收益總額	1,168,321	877,994

The significant decrease in contract liabilities as at 30 September 2019 was mainly due to the delivery of liquor products to several customers, who made advance payment to the Group as at 31 March 2019, during the period.

於二零一九年九月三十日的合同負債顯著減少，主要是由於在期內向數名客戶（彼等截至二零一九年三月三十一日已預先向本集團付款）交付酒類產品。

5. REVENUE, OTHER INCOME, GAINS AND LOSSES (continued)

5. 收益、其他收入、收益及虧損 (續)

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)
Other income, gains and losses	其他收入、收益及虧損		
Bank interest income	銀行利息收入	1,225	85
Dividend income from financial assets at FVTPL	經損益按公允價值列賬之金融資產之股息收入	2,144	2,358
Changes in fair value of financial assets at FVTPL	經損益按公允價值列賬之金融資產之公允價值變動	32,988	7,108
Foreign exchange difference, net	外幣滙兌差額(淨額)	(1,207)	364
Gain on termination of a lease contract	終止租賃合同之收益	223	-
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	18	-
Others	其他	803	413
		36,194	10,328

6. FINANCE COSTS

6. 融資成本

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)
Interest on bank and other borrowings	銀行及其他借貸之利息	4,340	1,151
Interest on bond payables	應付債券之利息	53,893	46,322
Interest on lease liabilities	租賃負債之利息	3,855	-
		62,088	47,473

7. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

7. 除稅前利潤／（虧損）

本集團的除稅前利潤／（虧損）已扣除／（計入）：

		Six months ended	
		30 September	
		截至九月三十日止六個月	
		2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Cost of inventories sold**	已售存貨成本**	909,090	707,678
Depreciation	折舊	4,156	3,425
Depreciation of right-of-use assets	使用權資產折舊	14,880	-
Loss from impairment of trade receivables*	應收貿易款項之減值虧損*	36,468	-
Reversal of impairment allowance of prepayments and other receivables*	撥回預付款項及其他應收款項之減值撥備*	(582)	(8,135)
Provision for inventories in respect of write-down to net realisable value**	有關撇減至可變現淨值之存貨撥備**	1,628	9,591
Changes in fair value of financial instrument:	金融工具之公允價值變動：		
Financial assets at FVTPL	經損益按公允價值列賬之金融資產	(32,988)	(7,108)
Derivative financial instrument	衍生金融工具	-	4,601
Foreign exchange differences, net	外幣匯兌差額（淨額）	1,207	(364)

* Included in "(Loss from impairment)/reversal of impairment, net"

** Included in "Cost of sales"

* 計入「（減值虧損）／撥回減值（淨額）」

** 計入「銷售成本」

8. INCOME TAX EXPENSE

During the current period, no provision for Hong Kong profits tax and PRC Enterprise Income Tax was made as the Group had available tax losses brought forward from prior years to offset the assessable profits generated during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries or jurisdictions in which the Group operates.

9. DIVIDENDS

The Company's directors do not recommend the payment of any dividend for the six months ended 30 September 2019 (six months ended 30 September 2018: Nil).

10. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the Company of HK\$45,497,000 (six months ended 30 September 2018: loss of HK\$40,046,000), and the weighted average number of ordinary shares of 2,260,097,946 (six months ended 30 September 2018: 2,270,806,848) in issue during the period.

For the six months ended 30 September 2019 and 2018, the computation of diluted earnings/(loss) per share does not assume the exercise of the share options because the exercise price of those share options was higher than the average market price for the period.

8. 所得稅費用

於本期間，由於本集團有承前自以往年度的可動用稅務虧損以抵銷本期間產生的應課稅利潤，因此並無作出香港利得稅及中國企業所得稅撥備。於其他國家或地區的應課稅利潤已按本集團營運所在的國家或司法權區的現行稅率計算稅項。

9. 股息

本公司董事不建議派發截至二零一九年九月三十日止六個月之任何股息（截至二零一八年九月三十日止期間：無）。

10. 本公司普通權益持有人應佔每股盈利／（虧損）

每股基本盈利金額乃按期內本公司普通權益持有人應佔利潤45,497,000港元（截至二零一八年九月三十日止六個月：虧損40,046,000港元）及期內已發行普通股的加權平均數目2,260,097,946股（截至二零一八年九月三十日止六個月：2,270,806,848股）計算。

截至二零一九年及二零一八年九月三十日止六個月，每股攤薄盈利／（虧損）之計算並不假設購股權獲行使，原因為該等購股權之行使價高於期內股份平均市價。

11. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(i) Right-of-use assets

Upon adoption of HKFRS 16, on 1 April 2019, the Group recognised right-of-use assets of approximately HK\$155,832,000 in respect of the office premises, staff quarters and warehouses (note 2.2). As at 30 September 2019, the aggregate carrying amounts of right-of-use assets were approximately HK\$122,700,000 in respect of the office premises, staff quarters and warehouse.

During the six months ended 30 September 2019, the Group entered into a number of lease agreements for office premises, staff quarters and warehouses. The leases contain minimum lease payment terms during the contract period. On lease commencement, the Group recognised right-of-use assets of approximately HK\$22,792,000, which is a non-cash item in the condensed consolidated statement of cash flows.

During the six months ended 30 September 2019, the Group early terminated a lease agreement for an office. The Group derecognised right-of-use assets of approximately HK\$33,518,000.

11. 使用權資產及租賃負債

(i) 使用權資產

於採納香港財務報告準則第16號後，於二零一九年四月一日，本集團就辦公室場所、員工宿舍及倉庫確認使用權資產約155,832,000港元（附註2.2）。於二零一九年九月三十日，有關辦公室場所、員工宿舍及倉庫的使用權資產之合計賬面值約122,700,000港元。

於截至二零一九年九月三十日止六個月，本集團就辦公室場所、員工宿舍及倉庫訂立多項租賃協議。該等租賃載有合同期間的最低租賃付款條款。於租賃生效後，本集團確認使用權資產約22,792,000港元，此為簡明合併現金流量表內的一項非現金項目。

於截至二零一九年九月三十日止六個月，本集團提前終止一項辦公室租賃協議。本集團終止確認使用權資產約33,518,000港元。

11. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

(ii) Lease liabilities

Upon adoption of HKFRS 16, on 1 April 2019, the Group recognised lease liabilities of approximately HK\$155,832,000 (note 2.2). As at 30 September 2019, the carrying amount of lease liabilities was approximately HK\$124,047,000.

During the six months ended 30 September 2019, the Group entered into a number of new lease agreements for office premises, staff quarters and warehouse and recognised lease liabilities of approximately HK\$22,792,000.

During the six months ended 30 September 2019, the Group early terminated a lease agreement for an office. The Group derecognised lease liabilities of approximately HK\$33,741,000.

11. 使用權資產及租賃負債(續)

(ii) 租賃負債

於採納香港財務報告準則第16號後，於二零一九年四月一日，本集團確認租賃負債約155,832,000港元(附註2.2)。於二零一九年九月三十日，租賃負債的賬面值約124,047,000港元。

於截至二零一九年九月三十日止六個月，本集團就辦公室場所、員工宿舍及倉庫訂立多項新租賃協議，並確認租賃負債約22,792,000港元。

於截至二零一九年九月三十日止六個月，本集團提前終止一項辦公室租賃協議。本集團終止確認租賃負債約33,741,000港元。

11. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

(iii) Amount recognised in profit or loss

Depreciation of right-of-use assets	使用權資產折舊	14,880
Interest expense on lease liabilities	租賃負債的利息費用	3,855
Expense relating to short-term leases	短期租賃的相關費用	7,046

(iv) Others

During the six months ended 30 September 2019, the total cash outflow for leases amount to approximately HK\$24,240,000.

12. INVENTORIES

Merchandise	貨品	460,933	1,027,879
Packaging materials	包裝材料	227	250
		461,160	1,028,129

As at 31 March 2019, the Group's inventories of approximately RMB749,951,000 (equivalent to approximately HK\$874,293,000) (30 September 2019: Nil) were pledged to secure bank and other borrowings granted to the Group (note 16).

11. 使用權資產及租賃負債(續)

(iii) 於損益確認的金額

Six months ended
30 September
2019
截至
二零一九年
九月三十日
止六個月
HK\$'000
千港元
(Unaudited)
(未經審核)

(iv) 其他

於截至二零一九年九月三十日止六個月，租賃之現金流出總額約為24,240,000港元。

12. 存貨

30 September 2019 二零一九年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)
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於二零一九年三月三十一日，為數約人民幣749,951,000元(相當於約874,293,000港元)(二零一九年九月三十日：無)的本集團存貨已用作本集團獲授的銀行及其他借貸(附註16)的抵押品。

13. TRADE RECEIVABLES

		30 September 2019	31 March 2019
		二零一九年 九月三十日	二零一九年 三月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Trade receivables	應收貿易款項	418,641	326,359
Less: impairment allowance	減：減值撥備	(215,944)	(188,870)
Net trade receivables	應收貿易款項淨額	202,697	137,489

The Group normally allows a credit period of not more than 3 months to its customers except for certain identified major customers where longer credit terms may be granted upon approval by management. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. Over 81% (31 March 2019: 61%) of the trade receivables balances as at 30 September 2019 represented receivables from top five customers. The Group does not hold any collateral or other credit enhancement over its trade receivables balances. Trade receivables are non-interest-bearing.

An aging analysis of the trade receivables at the end of the reporting period, based on the invoice date and net of provision, is as follows:

		30 September 2019	31 March 2019
		二零一九年 九月三十日	二零一九年 三月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Within 2 months	兩個月內	10,169	44,548
2 to 6 months	二至六個月	120,787	28,726
6 months to 1 year	六個月至一年	23,468	64,215
Over 1 year	超過一年	48,273	-
		202,697	137,489

The following significant changes in the gross carrying amounts of trade receivables contributed to the increase in the loss allowance during the current period:

- origination of new trade receivables net of those settled resulted in an increase in loss allowance of approximately HK\$2,542,000; and
- increase in debtors aged over 180 days resulted in an increase in loss allowance of approximately HK\$33,450,000.

13. 應收貿易款項

	30 September 2019	31 March 2019
	二零一九年 九月三十日	二零一九年 三月三十一日
	HK\$'000	HK\$'000
	千港元	千港元
	(Unaudited)	(Audited)
	(未經審核)	(經審核)

Trade receivables	418,641	326,359
Less: impairment allowance	(215,944)	(188,870)
Net trade receivables	202,697	137,489

本集團一般向客戶提供不多於三個月的信貸期，惟經管理層批准後，若干已識別的主要客戶可獲授較長的信貸期。本集團致力對未償還的應收款項保持嚴格控制。高級管理層會定期審閱過期結餘。於二零一九年九月三十日之應收貿易款項結餘中，超過81%（二零一九年三月三十一日：61%）是應收前五名客戶的款項結餘。本集團對其應收貿易款項結餘並未持有任何抵押品或其他信貸改善措施。應收貿易款項不帶利息。

於報告期末的應收貿易款項按發票日期及扣除撥備的賬齡分析如下：

	30 September 2019	31 March 2019
	二零一九年 九月三十日	二零一九年 三月三十一日
	HK\$'000	HK\$'000
	千港元	千港元
	(Unaudited)	(Audited)
	(未經審核)	(經審核)

Within 2 months	10,169	44,548
2 to 6 months	120,787	28,726
6 months to 1 year	23,468	64,215
Over 1 year	48,273	-
	202,697	137,489

以下應收貿易款項總賬面值之顯著變動令本期間之虧損撥備增加：

- 產生新應收貿易款項扣除該等已結算者，產生虧損撥備增加約2,542,000港元；及
- 賬齡超過180日的應收款項增加，產生虧損撥備增加約33,450,000港元。

14. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

14. 預付款項、按金及其他應收款項

		30 September 2019 二零一九年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)
Deposits paid to suppliers	向供應商支付之按金	391,686	935,662
Prepayments	預付款項	24,231	21,410
Less: Impairment loss on deposits paid to suppliers and prepayments	減：向供應商支付之按金及預付款項之減值虧損	(7,980)	(8,282)
		407,937	948,790
Other deposits and receivables	其他按金及應收款項	37,387	41,670
Less: Impairment loss on other deposits and receivables	減：其他按金及應收款項之減值虧損	(442)	(343)
		36,945	41,327
		444,882	990,117
Portion classified as non-current deposits	分類為非即期按金之部份	(10,339)	(8,290)
Current portion	即期部份	434,543	981,827

Included in the Group's "Other deposits and receivables" is a refundable rental deposit of HK\$1,400,000 (31 March 2019: HK\$1,400,000) and included in the Group's "Prepayments" is prepaid rent of HK\$2,135,000 (31 March 2019: HK\$2,376,000), placed with Silver Base (Holdings) Limited ("SBH"), a company controlled by Mr. Liang, an executive director and a substantial shareholder of the Company (note 21(c)). The rental deposit to SBH is unsecured, interest-free and is refundable at the end of the lease term.

本集團之「其他按金及應收款項」及本集團之「預付款項」分別包括存放於銀基(集團)有限公司(「銀基(集團)」，一家由本公司執行董事兼主要股東梁先生控制的公司)的可退還租賃按金1,400,000港元(二零一九年三月三十一日：1,400,000港元)及預付租金2,135,000港元(二零一九年三月三十一日：2,376,000港元)(附註21(c))。向銀基(集團)支付之租賃按金為無抵押、免息以及須於租約期限屆滿時退回。

15. TRADE AND BILLS PAYABLES

An aging analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

		30 September 2019 二零一九年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)
Within 1 month	一個月內	11	2,779
1 month to 3 months	一個月至三個月	174	-
Over 3 months	三個月以上	4,033	516,215
		4,218	518,994

The trade payables are non-interest-bearing and are normally settled on 90-day terms.

The bills payable are non-interest-bearing and with 365 days settlement terms.

As at 31 March 2019, the Group's bills payable amounted to approximately HK\$512,952,000 (30 September 2019: Nil) which were secured by the Group's pledged bank deposits of approximately HK\$58,466,000 (30 September 2019: Nil).

15. 應付貿易款項及應付票據

於報告期末按發票日期的應付貿易款項及應付票據的賬齡分析如下：

應付貿易款項為免息及一般以90日為限結算。

應付票據為免息及有365日的結算期。

於二零一九年三月三十一日，本集團為數約512,952,000港元（二零一九年九月三十日：無）的應付票據是以為數約58,466,000港元（二零一九年九月三十日：無）的本集團已抵押銀行存款為抵押。

16. INTEREST-BEARING BANK AND OTHER BORROWINGS

16. 計息銀行及其他借貸

	30 September 2019 二零一九年九月三十日 (Unaudited) (未經審核)			31 March 2019 二零一九年三月三十一日 (Audited) (經審核)		
	Contractual interest rate (%) 合同利率(%)	Maturity 到期日	HK\$'000 千港元	Contractual interest rate (%) 合同利率(%)	Maturity 到期日	HK\$'000 千港元
Current 即期						
Bank loan – secured (note (a)) 銀行貸款 – 已抵押 (附註(a))	145% of PBOC 中國人民銀行利率 之145%	2019	21,063	145% of PBOC 中國人民銀行利率 之145%	2019	64,119
Other loan (note (b)) 其他貸款 (附註(b))	4.35%	2020	104,638	4.35%	2020	582,843
			125,701			646,962

Notes:

- (a) The Group's bank loan was denominated in RMB.

The Group's bank loan in the amount of approximately HK\$21,063,000 (31 March 2019: HK\$64,119,000) containing a repayment on demand clause and therefore included within current liabilities.

Based on the maturity terms of the bank loan, the amount is repayable in full within one year (31 March 2019: HK\$64,119,000).

- (b) The Group's other loan was denominated in RMB. The amount is repayable in full within one year.

As at 31 March 2019, the Group's interest-bearing bank and other borrowings are secured by the Group's inventories with carrying value of approximately RMB749,951,000 (equivalent to approximately HK\$874,293,000) (30 September 2019: Nil) (note 12). As at 30 September 2019 and 31 March 2019, the Group's interest-bearing bank and other borrowings are also supported by corporate guarantees executed by the Company, a director of the Company, subsidiaries of the Company and a related company of the Company.

附註：

- (a) 本集團的銀行貸款以人民幣計值。

本集團為數約21,063,000港元(二零一九年三月三十一日：64,119,000港元)之銀行貸款包含須應要求償還的條款，因此計入流動負債。

根據銀行貸款之到期條款，該金額須於一年內悉數償還(二零一九年三月三十一日：64,119,000港元)。

- (b) 本集團的其他貸款以人民幣計值。該金額須於一年內悉數償還。

於二零一九年三月三十一日，本集團的計息銀行及其他借貸以賬面值約人民幣749,951,000元(相當於約874,293,000港元)(二零一九年九月三十日：無)的存貨(附註12)作抵押。於二零一九年九月三十日及二零一九年三月三十一日，本集團的計息銀行及其他借貸亦由本公司、本公司一名董事、本公司附屬公司及本公司一間關聯公司所簽立的公司擔保作支持。

17. BOND PAYABLES

17. 應付債券

		30 September 2019 二零一九年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)
Current	流動		
Bond payables – unsecured	應付債券 — 無抵押	458,387	266,972
Non-current	非流動		
Bond payables – unsecured	應付債券 — 無抵押	342,727	542,417
		801,114	809,389

During the period ended 30 September 2019, the Group issued bonds (the “2019 Bonds”) with an aggregate principal amount of HK\$27,000,000, before related expenses of HK\$4,725,000, to certain independent individuals. The 2019 Bonds bear interest at rates 7% per annum and will mature in the period from June 2022 to September 2022. The interest will be repayable by the Group semi-annually from the issue dates of the respective bonds and up to the maturity date.

During the period ended 30 September 2019, the Group repaid bonds with principals of HK\$53,300,000.

於截至二零一九年九月三十日止期間，本集團向若干獨立個人發行總本金額為27,000,000港元（未扣除相關費用4,725,000港元）之債券（「二零一九年債券」）。二零一九年債券按7%之年利率計息並將於二零二二年六月至二零二二年九月之期間內到期。本集團將於相關債券發行日期起每半年償付利息，直至到期日為止。

於截至二零一九年九月三十日止期間，本集團償還債券本金53,300,000港元。

18. SHARE CAPITAL

18. 股本

		30 September 2019 二零一九年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 二零一九年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)
Authorised:	法定：		
100,000,000,000 (31 March 2019: 100,000,000,000) ordinary shares of HK\$0.1 each	100,000,000,000股 (二零一九年三月三十一日： 100,000,000,000股) 每股面值0.1港元的普通股	10,000,000	10,000,000
Issued and fully paid:	已發行及繳足：		
2,260,097,946 (31 March 2019: 2,260,097,946) ordinary shares of HK\$0.1 each	2,260,097,946股 (二零一九年三月三十一日： 2,260,097,946股) 每股面值0.1港元的普通股	226,010	226,010

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

本公司附屬公司於本期間概無購買、出售或贖回任何本公司上市證券。

19. SHARE OPTION SCHEME

The Company operated a share option scheme (the "2009 Share Option Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the 2009 Share Option Scheme include the Company's directors, including executive directors, non-executive directors, independent non-executive directors, a substantial shareholder of the Company and other employees of the Group. The 2009 Share Option Scheme became effective on 20 February 2009 and expired on 19 February 2019. On 23 August 2019, the shareholders of the Company approved a new share option scheme (the "2019 Share Option Scheme").

19. 購股權計劃

本公司設有購股權計劃(「二零零九年購股權計劃」)以獎勵及酬謝對本集團營運之成就作出貢獻的合資格參與者。二零零九年購股權計劃的合資格參與者包括本公司董事(包括執行董事、非執行董事、獨立非執行董事)、本公司主要股東及本集團其他僱員。二零零九年購股權計劃於二零零九年二月二十日起生效並已於二零一九年二月十九日屆滿。於二零一九年八月二十三日,本公司股東批准一項新購股權計劃(「二零一九年購股權計劃」)。

19. SHARE OPTION SCHEME (continued)

The maximum number of shares that may be issued upon exercise of all share options under the 2019 Share Option Scheme and any other share option schemes of the Company shall not in aggregate exceed the number of shares as shall represent 10% of the total number of shares in issue on 23 August 2019. The maximum number of shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the 2019 Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the shares in issue from time to time. Unless approved by shareholders of the Company in general meetings, no share option shall be granted, if the acceptance of those share option(s) would result in the total number of shares already issued and to be issued to such grantee on exercise of such grantee's share option(s) during any 12-month period exceeding 1% of the total shares then in issue.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time and with an aggregate value (based on the price of the Company's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 5 business days from the date of offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period.

19. 購股權計劃(續)

二零一九年購股權計劃及本公司任何其他購股權計劃項下之全部購股權獲行使而可能發行之最高股份數目合計不得超過相當於二零一九年八月二十三日已發行股份總數10%之股份數目。因根據二零一九年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全部未行使購股權獲行使而可能發行之最高股份數目不得超過本公司不時已發行股份之30%。除非獲得本公司股東在股東大會上批准，否則若承授人接納有關購股權將導致於任何12個月期間內有關承授人因行使本身之購股權而已獲發行及將獲發行之股份總數超過當時已發行股份之1%，則不得授出有關購股權。

凡向本公司董事、最高行政人員或主要股東或彼等的任何聯繫人士授予購股權，必須事先獲得獨立非執行董事的批准。此外，倘於任何十二個月期間內向本公司的主要股東或獨立非執行董事或彼等的任何聯繫人士授予的購股權，涉及本公司於任何時間的已發行股份超過0.1%及按本公司股份於授出當日的價格計算的總值超逾5百萬港元，則須於股東大會上事先獲股東批准。

授出購股權的要約可於提出該要約當日起五個營業日內予以接納，而承授人須支付總額1港元作為象徵式代價。授出的購股權的行使期由董事釐定，並於若干歸屬期過後開始。

19. SHARE OPTION SCHEME (continued)

The exercise price of the share options is determinable by the directors, but may not be less than the highest of (i) the nominal value of the Company's shares; (ii) the Hong Kong Stock Exchange closing price of the Company's shares on the date of offer of the share options; and (iii) the average Hong Kong Stock Exchange closing price of the Company's shares for the five business days immediately preceding the date of offer.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

The following share options were outstanding under the 2009 Share Option Scheme during the period/year:

19. 購股權計劃(續)

購股權的行使價由董事釐定，惟不可低於(i)本公司股份的面值；(ii)本公司股份於購股權的要約日期在香港聯交所的收市價；及(iii)本公司股份於緊接要約日期前五個營業日在香港聯交所的平均收市價(以最高者為準)。

購股權並不賦予其持有人獲派股息或於股東大會上投票的權利。

期/年內，根據二零零九年購股權計劃尚未行使的購股權如下：

		30 September 2019 二零一九年九月三十日 (Unaudited) (未經審核)		31 March 2019 二零一九年三月三十一日 (Audited) (經審核)	
		Weighted average exercise price 加權平均 行使價 HK\$ per share 每股港元	Number of options 購股權 數目 '000 千股	Weighted average exercise price 加權平均 行使價 HK\$ per share 每股港元	Number of options 購股權 數目 '000 千股
At beginning of the period/year	於期/年初	0.67	220,800	0.66	273,250
Lapsed during the period/year	期/年內失效	0.67	(2,850)	0.62	(52,450)
At end of the period/year	於期/年末	0.67	217,950	0.67	220,800

No share options were granted during the six months ended 30 September 2019 and 2018. The Group recognised share option expense of HK\$2,542,000 (six months ended 30 September 2018: HK\$2,776,000) during the six months ended 30 September 2019.

截至二零一九年及二零一八年九月三十日止六個月內並無授出購股權。本集團於截至二零一九年九月三十日止六個月已確認購股權費用2,542,000港元(截至二零一八年九月三十日止六個月：2,776,000港元)。

20. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

20. 承擔

本集團於報告期末有以下資本承擔：

		30 September	31 March
		2019	2019
		二零一九年	二零一九年
		九月三十日	三月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
Capital commitments	資本承擔	(Unaudited)	(Audited)
		(未經審核)	(經審核)
Contracted, but not provided for:	已訂約但未撥備：		
Capital contribution payable to PRC entities	應付予中國實體之出資	2,079	2,187
Acquisition of items of property, plant and equipment	購置物業、廠房及設備項目	156	921
		2,235	3,108

21. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following material transaction with a related party during the period:

21. 關聯方交易

- (a) 除本財務報表其他部分所詳述的交易外，本集團於本年度與關聯方曾進行以下重大交易：

		Six months ended	
		30 September	
		截至九月三十日止六個月	
<i>Note</i>		2019	2018
<i>附註</i>		二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
SBH:	銀基(集團):		
Rental expenses	租賃費用	4,500	4,500

Note:

- (i) The rental expenses of staff quarter were based on mutually agreed terms with SBH at an effective monthly amount of HK\$750,000 (six months ended 30 September 2018: HK\$750,000). The lease is with remaining term of 12 months from 1 April 2019, the date of initial adoption of HKFRS 16, and therefore accounted for as short-term lease. In the opinion of the directors of the Company, the rental expenses were determined by reference to the prevailing market rental of comparable premises and the appraisal report by an independent valuer on rental payable in respect of comparable properties in Hong Kong. The transactions constitute continuing connected transactions under the Rules Governing the Listing of Securities on the Stock Exchange.

附註:

- (i) 員工宿舍的租賃費用乃根據與銀基(集團)相互同意的條款，按每月實際金額750,000港元(截至二零一八年九月三十日止六個月: 750,000港元)收取。該租賃由二零一九年四月一日(首次採納香港財務報告準則第16號之日期)起計之餘下租期為12個月，因此入賬列作短期租賃。本公司董事認為，租賃費用乃參考可比較物業的當前市場租金以及一名獨立估值師就位於香港之可比較物業的應付租金而作出的評值報告而釐定。有關交易構成聯交所證券上市規則下的持續關連交易。

21. RELATED PARTY TRANSACTIONS (continued)

(b) Other transactions with related parties:

- (i) During the year ended 31 March 2012, the Group formed 17 limited liability partnerships established in the PRC (the “Partnerships”) with certain its employees (the “Employees”) via a trust arrangement. On 1 November 2011, the Company, Silver Base Trading and Development (Shenzhen) Co. Limited (“SBTS”), a wholly-owned subsidiary of the Company, and Mr. Liang Guosheng, the brother of Mr. Liang, an executive director and a substantial shareholder of the Company, and also the director of two subsidiaries of the Company, entered into a trust agreement (the “Trust Agreement”) regarding the investments in the Partnerships. Pursuant to the Trust Agreement, Mr. Liang Guosheng held 2% equity interest in each of the Partnerships on behalf of SBTS as at 31 March 2019 and 30 September 2019.

21. 關聯方交易(續)

(b) 與關聯方的其他交易：

- (i) 於截至二零一二年三月三十一日止年度，本集團透過信託安排與其若干僱員（「該等僱員」）於中國成立17間有限責任合伙企業（「合伙企業」）。於二零一一年十一月一日，本公司、銀基貿易發展（深圳）有限公司（「銀基貿易發展（深圳）」），其為本公司之全資附屬公司，及梁國勝先生（彼為本公司執行董事兼主要股東梁先生的胞弟，並且擔任本公司兩間附屬公司的董事）就投資於合伙企業而訂立信託協議（「信託協議」）。根據信託協議，於二零一九年九月三十日及二零一九年三月三十一日，梁國勝先生代表銀基貿易發展（深圳）持有各合伙企業的2%股本權益。

21. RELATED PARTY TRANSACTIONS (continued)

- (c) Outstanding balances with related parties:
- (i) The amount due to a director included in the Group's current liabilities is unsecured, interest-free and has no fixed terms of repayment.
- (ii) Details of the Group's rental deposit and prepaid rent placed with SBH as at the end of the reporting period are disclosed in note 14.
- (d) Compensation of key management personnel of the Group:

21. 關聯方交易(續)

- (c) 與關聯方尚未償還的結餘：
- (i) 本集團之流動負債包括應付董事款項，該筆款項為無抵押、免息及無固定還款期。
- (ii) 本集團於報告期末存於銀基(集團)的租賃按金及預付租金的詳情於附註14披露。
- (d) 本集團主要管理人員報酬：

		Six months ended	
		30 September	
		截至九月三十日止六個月	
		2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	15,159	16,917
Pension scheme contributions	退休福利計劃供款	246	492
Equity-settled share option expense	以權益結算之購股權費用	741	924
		16,146	18,333

The above amount includes emoluments of Ms. Luo Li, the spouse of Mr. Liang, of HK\$1,585,000 (six months ended 30 September 2018: HK\$1,441,000).

上述金額包括羅俐女士(彼為梁先生的配偶)的薪酬1,585,000港元(截至二零一八年九月三十日止六個月：1,441,000港元)。

22. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value measurement recognised in the condensed consolidated statement of financial position

The following table provides an analysis of financial instruments that are measured at fair value at the end of each reporting period for recurring and non-recurring measurement, grouped into Levels 1 to 3 based on the degree to which the fair value is observable in accordance to the Group's accounting policy. The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

22. 金融工具之公允價值

於簡明合併財務狀況表確認之公允價值計量

下表載列於各報告期末公允價值計量之金融工具有關經常性及非經常性計量之分析，乃基於根據本集團會計政策該公允價值之可觀察程度而劃分入第1至3級。本公司董事認為於簡明合併財務報表按攤銷成本列賬之金融資產及金融負債之賬面值與其公允價值相若。

		31 March 2019 二零一九年三月三十一日			
		Level 1 第1級 HK\$'000 千港元	Level 2 第2級 HK\$'000 千港元	Level 3 第3級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets at FVTPL	經損益按公允價值列賬之 金融資產				
Unlisted investment fund	非上市投資基金	—	—	94,820	94,820

		30 September 2019 二零一九年九月三十日			
		Level 1 第1級 HK\$'000 千港元	Level 2 第2級 HK\$'000 千港元	Level 3 第3級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets at FVTPL	經損益按公允價值列賬之 金融資產				
Unlisted investment fund	非上市投資基金	—	—	122,324	122,324

During the six months ended 30 September 2019, there were no transfers between levels of the fair value hierarchy.

於截至二零一九年九月三十日止六個月，各公允價值層級之間概無轉移。

22. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Fair value measurement recognised in the consolidated statement of financial position

Fair value of financial assets that are measured at fair value on a recurring basis

The valuation techniques and inputs used in the fair value measurements of each financial instrument on a recurring basis are set out below:

22. 金融工具之公允價值(續)

於合併財務狀況表確認之公允價值計量

按經常性基準以公允價值計量之金融資產之公允價值

各金融工具按經常性基準之公允價值計量所用之估值技術及輸入數據載列如下：

Financial instruments	Fair value hierarchy	Fair values as at		Valuation technique and key inputs	Significant unobservable input/Percentage	Relationship of key inputs and significant unobservable inputs to fair value
金融工具	公允價值層級	於以下日期之公允價值		估值技術及主要輸入數據	重大不可觀察輸入數據/百分比	主要輸入數據及重大不可觀察輸入數據與公允價值之關係
		30 September 2019 二零一九年九月三十日	31 March 2019 二零一九年三月三十一日			
		HK\$'000 千港元	HK\$'000 千港元			

Financial assets at FVTPL
經損益按公允價值列賬之
金融資產

Unlisted investment fund	Level 3	122,324	94,820	Market approach – Quoted bid prices in an active market, discount for lack of marketability using Black-Scholes option pricing model	Volatility/42.5% (31 March 2019: Volatility/39%)	The higher the volatility, the lower of the fair value of unlisted investment portfolio.
非上市投資基金	第3級			市場法 – 在活躍市場中的報價，使用柏力克-舒爾斯期權定價模型就缺乏適售性作出折讓 主要輸入數據： 市場報價、波幅	波幅/42.5% (二零一九年三月三十一日：波幅/39%)	波幅越高，則非上市投資基金之公允價值越低。

22. FAIR VALUE OF FINANCIAL INSTRUMENTS
(continued)**Fair value measurement recognised in the consolidated statement of financial position (continued)**

Fair value of financial assets that are measured at fair value on a recurring basis (continued)

Reconciliation of Level 3 fair value measurements of financial assets on recurring basis are as follows:

22. 金融工具之公允價值(續)

於合併財務狀況表確認之公允價值計量(續)

按經常性基準以公允價值計量之金融資產之公允價值(續)

按經常性基準以第3級公允價值計量之金融資產對賬：

		Unlisted investment portfolio 非上市投資組合 HK\$'000 千港元
As 1 April 2019	於二零一九年四月一日	94,820
Fair value gain through profit or loss	在損益確認之公允價值收益	32,988
Exchange realignment	匯兌調整	(5,484)
At 30 September 2019	於二零一九年九月三十日	122,324

23. LITIGATION

In December 2013, one distributor of the Group (the "Plaintiff") filed a claim to a District People's Court in the PRC (the "PRC District People's Court") against one of the Group's subsidiaries in the PRC in relation to the Group's obligation to buy back certain inventories from the Plaintiff (the "Claim"). The Plaintiff demanded the purchase consideration and related compensation from the Group of RMB20.1 million (equivalent to HK\$22.3 million) in total.

According to a judgement dated 25 August 2015 issued by the PRC District People's Court, the Group was liable to buy back certain inventories from the Plaintiff with a total consideration of RMB18.9 million (equivalent to HK\$21.0 million). The Group has filed an appeal for such judgement to the PRC District People's Court in September 2015. According to a judgement dated 7 January 2016 issued by the PRC District People's Court, the appeal from the Group was dismissed and the original judgement dated 25 August 2015 was sustained.

At the date of approval of these financial statements, the Group and the Plaintiff are under the negotiation for the buyback arrangement of the inventories and the Group has not bought back any inventories from the Plaintiff. The directors of the Company are in the opinion that adequate provision has been made in the financial statements to cover any potential liabilities arising from the Claim.

24. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current period's presentation.

23. 訴訟

於二零一三年十二月，本集團一名經銷商（「原告人」）就本集團向原告人回購若干存貨的責任在中國地區人民法院（「中國地區人民法院」）對本集團於中國的其中一間附屬公司提出申索（「該申索」）。原告人要求本集團支付合共人民幣20.1百萬元（相當於22.3百萬港元）的購貨代價及相關賠償。

根據中國地區人民法院所頒佈日期為二零一五年八月二十五日的判決，本集團須向原告人回購若干存貨，總代價為人民幣18.9百萬元（相當於21.0百萬港元）。本集團已於二零一五年九月就該判決向中國地區人民法院提出上訴。根據中國地區人民法院所頒佈日期為二零一六年一月七日的判決，本集團提出的上訴被駁回並維持日期為二零一五年八月二十五日的原判。

於本財務報表獲批准日期，本集團與原告人正就購回有關存貨進行磋商，而本集團尚未向原告人購回任何存貨。本公司董事認為已於財務報表中就該申索可能產生的任何潛在負債作出足夠撥備。

24. 比較數字

若干比較數字已重新分類，以與本期間的呈列一致。



Silver Base