敏捷控股
NIMBLE HOLDINGS

NIMBLE HOLDINGS COMPANY LIMITED
敏捷控股有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 186)

FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2020

The board (the "Board") of directors (the "Directors") of Nimble Holdings Company Limited (the "Company") is pleased to announce the consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2020 (the "Year"), together with the comparative figures for the year ended 31 March 2019 (the "Corresponding Year") and selected explanatory notes are stated as follows:

CONSOLIDATED INCOME STATEMENT

Year ended 31 March 2020

	Notes	**2020** **HK$ million**	2019 HK$ million
REVENUE	*5*	**240**	123
Cost of sales		**(152)**	(54)
Gross profit		**88**	69
Other income		**7**	36
Distribution costs		**(6)**	(5)
Administrative expenses		**(89)**	(76)
Finance costs	*6*	**–***	–
Change in fair value of financial assets at fair value through profit or loss ("FVTPL")		**(1)**	(1)
Impairment loss recognised in respect of brands and trademarks, net	*11*	**(97)**	(94)
Write back of accrued liabilities with Deconsolidated Subsidiaries	*7(b)*	**–**	127

CONSOLIDATED INCOME STATEMENT (CONTINUED)

Year ended 31 March 2020

	Notes	**2020** **HK$ million**	2019 HK$ million
(LOSS)/PROFIT BEFORE TAXATION	7	**(98)**	56
Income tax (charge)/credit	8	**(10)**	17
(LOSS)/PROFIT FOR THE YEAR		**(108)**	73
(LOSS)/PROFIT FOR THE YEAR ATTRIBUTABLE TO:			
Shareholders of the Company		**(87)**	91
Non-controlling interests		**(21)**	(18)
		(108)	73
(LOSS)/EARNINGS PER SHARE	10	***HK cents***	*HK cents*
Basic		**(1.58)**	1.66
Diluted		**(1.58)**	1.66

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 March 2020

	2020	2019
	HK$ million	*HK$ million*
(LOSS)/PROFIT FOR THE YEAR	**(108)**	73
OTHER COMPREHENSIVE LOSS, NET OF TAX:		
Items that may be subsequently reclassified to profit or loss:		
Exchange differences on translation of financial statements of overseas/PRC subsidiaries	**(6)**	–
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR	**(114)**	73
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR ATTRIBUTABLE TO:		
Shareholders of the Company	**(93)**	91
Non-controlling interests	**(21)**	(18)
	(114)	73

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 March 2020

	Notes	**2020** **HK$ million**	2019 HK$ million
NON-CURRENT ASSETS			
Plant and equipment		**1**	1
Right-of-use assets		**5**	–
Financial assets at FVTPL		**6**	7
Deferred tax assets		**1**	4
Brands and trademarks	*11*	**68**	166
Goodwill	*11*	**–**	–
Other assets		**1**	1
		82	179
CURRENT ASSETS			
Inventories		**15**	28
Properties under development	*12*	**266**	–
Accounts receivable	*13*	**46**	5
Prepayments, deposits and other receivables		**10**	7
Tax recoverable		**1**	1
Cash and bank balances		**447**	424
		785	465
CURRENT LIABILITIES			
Accounts payable	*14*	**81**	2
Contract liabilities		**28**	2
Accrued liabilities and other payables		**12**	11
Lease liabilities		**3**	–
Tax liabilities		**19**	14
		143	29
NET CURRENT ASSETS		**642**	436

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

31 March 2020

	Notes	2020 HK$ million	2019 HK$ million
NON-CURRENT LIABILITIES			
Amounts due to non-controlling shareholders	*15*	**213**	–
Lease liabilities		**2**	–
Tax liabilities		**15**	17
		230	17
NET ASSETS		**494**	598
CAPITAL AND RESERVES			
Share capital	*16*	**55**	55
Share premium	*16*	**386**	386
Reserves		**16**	109
EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY		**457**	550
NON-CONTROLLING INTERESTS		**37**	48
TOTAL EQUITY		**494**	598

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 March 2020

1. GENERAL

The Company was incorporated in the Cayman Islands and continued in Bermuda as an exempted company with limited liability under the Companies Law of Bermuda. The address of its registered office is Wessex House, 5th Floor, 45 Reid Street, Hamilton HM12, Bermuda. The principal place of business is Flat C01, 32nd Floor, TML Tower, 3 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong. The shares of the Company (the "Shares") are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company's immediate holding company is Wealth Warrior Global Limited ("Wealth Warrior"), a company incorporated in the British Virgin Islands. The beneficial owner and sole director of Wealth Warrior is Mr. Tan Bingzhao ("Mr. Tan"). As such, the ultimate controlling shareholder of the Company is Mr. Tan.

The Company is an investment holding company. The principal activities of the Company's major subsidiaries are holding and licensing of brands and trademarks on a worldwide basis, distribution of houseware products and audio products in the United States of America (the "USA"), and the trading of household appliances, provision of information technology ("IT") services and property development in the People's Republic of China (the "PRC").

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

New and amended standards adopted by the Group

During the Year, the Group has adopted the following new and revised Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") that are relevant to the operations to the Group and are effective for accounting periods beginning on or after 1 January 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

Except for HKFRS 16 "*Leases*", the application of the new and revised HKFRSs, HKASs and interpretations in the current year has had no material impact on the Group's financial performance and position for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

HKFRS 16 replaced HKAS 17 "*Leases*" and the related interpretations, HK(IFRIC)-Int 4 "*Determining whether an Arrangement contains a Lease*", HK(SIC)-Int 15 "*Operating Leases – Incentives*", and HK(SIC)-Int 27 "*Evaluating the Substance of Transactions Involving the Legal Form of a Lease*". It introduces a single accounting model for lessees, which requires a lessee to recognise a right-of-use asset and a lease liability for all leases, except for leases that have a lease term of 12 months or less ("short-term leases") and leases of low value assets. The lessor accounting requirements are brought forward from HKAS 17 substantially unchanged.

The Group has initially applied HKFRS 16 as from 1 April 2019. The Group has elected to use the modified retrospective approach and has therefore recognised the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 April 2019. Comparative information has not been restated and continues to be reported under HKAS 17.

Further details of the nature and effect of the changes to previous accounting policies and the transition options applied are set out below:

(i) New 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. Control is conveyed where the customer has both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 at the date of initial application. 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.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their stand-alone prices. A practical expedient is available to a lessee, which the Group has adopted, not to separate non-lease components and to account for the lease and the associated non-lease components as a single lease component.

(ii) As a lessee

The Group has lease contracts for various items of properties. As a lessee, the Group previously classified leases as either finance leases or operating leases based on the assessment of whether the lease transferred substantially all the rewards and risks of ownership of assets to the Group. Under HKFRS 16, the Group applies a single approach to recognise and measure right-of-use assets and lease liabilities for all leases, except for the exemption of the short-term lease. The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases, i.e. leases that at the commencement date have a lease term of 12 months or less. Instead, the Group recognises the lease payments associated with the short-term leases as an expense on a straight-line basis over the lease term.

Impacts on transition

Lease liabilities at 1 April 2019 were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at 1 April 2019.

The right-of-use assets were measured at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the consolidated statement of financial position immediately before 1 April 2019. The Group elected to present the right-of-use assets separately in the consolidated statement of financial position.

The Group applied the following practical expedients on transition to HKFRS 16 for those leases which were previously classified as operating leases under HKAS 17:

– Applied the recognition exemption for leases for which the lease term ends within 12 months of the date of initial application of HKFRS 16, i.e. where the lease term ending on or before 31 March 2020

– When measuring the right-of-use assets at the date of initial application of HKFRS 16, the Group relied on the previous assessment for onerous contract provisions as at 31 March 2019 as an alternative to performing an impairment review

– Applied a single discount rate to a portfolio of leases with a similar remaining terms for similar class of underlying assets in similar economic environment. Specifically, discount rate for certain leases of properties in the PRC were determined on a portfolio basis *(iii)* ***Impacts on consolidated financial statements***

The table below explains the difference between operating lease commitments disclosed at 31 March 2019 by applying HKAS 17 and lease liabilities recognised at 1 April 2019 by applying HKFRS 16:

	HK$ million
Operating lease commitment at 31 March 2019	7
Less:	
Leases end within 12 months from the date of initial application	(1)
Recognition exemption-short-term leases	–*
Operating lease liabilities before discounting at 31 March 2019	6
Effect from discounting at incremental borrowing rate at 1 April 2019#	(1)
Lease liabilities recognised as at 1 April 2019	5
Analysed as:	
– Current lease liabilities	2
– Non-current lease liabilities	3
	5

The weighted average incremental borrowing rate was 4.42%.

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

Under the transition methods chosen, the Group has adopted the modified retrospective approach to recognise cumulative effect of the initial application of HKFRS 16 as an adjustment to the opening balance at 1 April 2019. Comparative information has not been restated. Line items that were not affected by the changes have not been included in the following table. As a result, the sub-totals and totals disclosed cannot be recalculated from the numbers provided. The following table gives a summary of the opening balance adjustments recognised for the line items in the consolidated statement of financial position that have been impacted by HKFRS 16:

	At 31 March 2019, in accordance with HKAS 17	**Impact of initial application of HKFRS 16**	**At 1 April 2019, in accordance with HKFRS 16**
	HK$ million	*HK$ million*	*HK$ million*
Right-of-use assets	–	5	5
Total non-current assets	**179**	**5**	**184**
Lease liabilities	–	2	2
Total current liabilities	**29**	**2**	**31**
Lease liabilities	–	3	3
Total non-current liabilities	**17**	**3**	**20**

During the Year, the Group recognised the depreciation charges of approximately HK$2.1 million and interest costs of approximately HK$0.4 million in relation to those leases under HKFRS 16.

New standards and amendments to standards not yet adopted

The Group has not applied the following new and revised HKFRSs, HKASs and interpretations, which have been issued but are not yet effective, in the consolidated financial statements:

Amendments to HKFRS 3[(1)]	Definition of a Business
Amendments to HKAS 1 and HKAS 8[(1)]	Definition of Material
Amendments to HKFRS 9, HKAS 39 and HKFRS 7[(1)]	Interest Rate Benchmark Reform
Conceptual Framework for Financial Reporting 2018[(1)]	Revised Conceptual Framework for Financial Reporting
Amendments to HKFRS 16[(2)]	COVID-19-Related Rent Concessions
HKFRS 17[(3)]	Insurance Contracts
Amendments to HKFRS 10 and HKAS 28[(4)]	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

(1) *Effective for annual periods beginning on or after 1 January 2020*

(2) *Effective for annual periods beginning on or after 1 June 2020*

(3) *Effective for annual periods beginning on or after 1 January 2021*

(4) *Effective date to be determined*

The Group has already commenced an assessment of the related impact of adopting the above new and revised HKFRSs, HKASs and interpretations. So far, it has concluded that the above new and revised HKFRSs, HKASs and interpretations will be adopted at the respective effective dates and the adoption of them is unlikely to have a significant impact on the consolidated financial statements of the Group.

3. STATEMENT OF PREPARATION

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with all applicable HKFRSs, which collective term includes all applicable individual HKFRSs, HKASs and Interpretations issued by HKICPA, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

(b) Basis of preparation of the financial statements

The consolidated financial statements for the Year comprise the financial statements of the Company and its subsidiaries.

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). Hong Kong dollar is the Company's functional and the Group's presentation currency.

The consolidated financial statements have been prepared under the historical cost basis except for the use of fair value basis for financial assets at FVTPL.

The preparation of consolidated financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4. SEGMENT INFORMATION

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

Operating segments	Principal activities
PRC's Property Development	Property development and operation in the PRC*
Emerson	Distribution of houseware products and audio products and licensing business – Comprising a group listed on the NYSE American of the USA
Licensing	Licensing business on a worldwide basis – Comprising the brands and trademarks of Akai, Sansui and Nakamichi
PRC's Household Appliances	Trading of household appliances, wires and cables in the PRC
PRC's IT Services	IT system development and related services in the PRC*

* *In order to diversify the businesses and markets of the Group, management of the Group commenced these new operating segments during the Year.*

	PRC's Property Development *HK$ million*	Emerson *HK$ million*	Licensing *HK$ million*	PRC's Household Appliances *HK$ million*	PRC's IT Services *HK$ million*	Unallocated *HK$ million*	Inter–segment elimination *HK$ million*	Consolidated *HK$ million*
Year ended 31 March 2020								
Revenue:								
Sale of household appliances, wires and cables to external customers	–	–	–	123	–	–	–	123
Sale of houseware products to external customers	–	18	–	–	–	–	–	18
Sale of audio products to external customers	–	30	–	–	–	–	–	30
Licensing income from external customers	–	2	58	–	–	–	–	60
IT services to external customers	–	–	–	–	9	–	–	9
Total segment revenue	–	50	58	123	9	–	–	240
Results:								
Segment results	(3)	(36)	39	11	4	–	–	15
Reconciliations:								
Unallocated corporate expenses						(18)		(18)
Change in fair value of financial assets at FVTPL						(1)		(1)
ECL on accounts receivable				(4)		–		(4)
Impairment loss recognised in respect of brands and trademarks, net		(24)	(73)			–		(97)
Interest income						7		7
Loss before taxation								(98)
Assets:								
Segment assets	299	474	1,128	55	8	143	(1,240)	867
Liabilities:								
Segment liabilities	283	580	1,473	39	1	36	(2,039)	373
Other information:								
Revenue from customers contributing over 10% of total revenue of the Group:								
– Customer A	–	–	–	36	–	–	–	36
– Customer B	–	–	–	31	–	–	–	31
– Customer C*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
– Customer D*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* *Revenue from these customers contributed less than 10% of total revenue of the Group during the Year.*

	Emerson HK$ million	Licensing HK$ million	PRC's Household Appliances HK$ million	Unallocated HK$ million	Inter-segment elimination HK$ million	Consolidated HK$ million
Year ended 31 March 2019						
Revenue:						
Sale of household appliances, wires and cables to external customers	–	–	1	–	–	1
Sale of houseware products to external customers	28	–	–	–	–	28
Sale of audio products to external customers	39	–	–	–	–	39
Licensing income from external customers	5	50	–	–	–	55
Total segment revenue	72	50	1	–	–	123
Results:						
Segment results	(27)	32	–	–	–	5
Reconciliations:						
Unallocated corporate expenses				(16)		(16)
Change in fair value of financial assets at FVTPL				(1)		(1)
Impairment loss recognised in respect of brands and trademarks, net	(23)	(71)		–		(94)
Write back of accrued liabilities				27		27
Write back of accrued liabilities with Deconsolidated Subsidiaries				127		127
Interest income				8		8
Profit before taxation						56
Assets:						
Segment assets	532	1,186	4	146	(1,224)	644
Liabilities:						
Segment liabilities	583	1,427	2	33	(1,999)	46
Other information:						
Revenue from customers contributing over 10% of total revenue of the Group:						
– Customer A*	N/A	N/A	N/A	N/A	N/A	N/A
– Customer B*	N/A	N/A	N/A	N/A	N/A	N/A
– Customer C	36	–	–	–	–	36
– Customer D	13	–	–	–	–	13

* *Revenue from these customers contributed less than 10% of total revenue of the Group during the Corresponding Year.*

5. REVENUE

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

	2020	2019
	HK$ million	*HK$ million*
By principal activities:		
Sales of goods	**171**	68
Licensing income	**60**	55
IT system development and related services	**9**	–
	240	123

The Group's customers with sales transactions' values exceeded 10% of the Group's revenue during the Year are set out in Note 4.

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

6. FINANCE COSTS

	2020	2019
	HK$ million	*HK$ million*
Interest on loans from non-controlling shareholders	**4**	–
Interest on lease liabilities	**–***	–
Less: interest expense capitalised into properties under development *(Note (i))*	**(4)**	–
	–*	–

Note (i)

The borrowing costs have been capitalised at a rate of 4.75% per annum.

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

7. (LOSS)/PROFIT BEFORE TAXATION

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

		Notes	**2020** **HK$ million**	2019 HK$ million
(a)	**Staff costs**			
	Directors' and Chief Executive Officer's emoluments		**7**	5
	Other staff costs:			
	– Salaries and other benefits		**46**	37
	– Retirement benefits costs		**4**	3
			57	45
(b)	**Other items**			
	Operating lease rentals in respect of land and buildings		**–**	5
	Short-term lease expenses		**1**	–
	Depreciation of plant and equipment		**1**	–
	Depreciation of right-of-use assets		**2**	–
	Auditor's remuneration:			
	– Current year		**2**	2
	Legal and professional fees		**12**	9
	Carrying amount of inventories sold		**152**	54
	Change in fair value of financial assets at FVTPL		**1**	1
	ECL on accounts receivable	*13*	**4**	–
	Write back of accrued liabilities with Deconsolidated Subsidiaries *(Note(i))*		**–**	(127)
	Write back of accrued liabilities#		**–**	(27)
	Interest income#		**(7)**	(8)

\# *Included in other income in the consolidated income statement*

Note (i)

As a result of the restructuring that took place in 2016, the management identified a number of dormant subsidiaries to be liquidated. These dormant subsidiaries and Excluded Companies (as defined in a circular dated 9 March 2016) were grouped together as deconsolidated subsidiaries ("Deconsolidated Subsidiaries"). All liquidations of Deconsolidated Subsidiaries have been completed as of 31 March 2019, which has resulted in HK$127 million being written back and recognised in the consolidated income statement during the Corresponding Year.

8. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

No Hong Kong profits tax has been provided for the Year in the consolidated financial statements as there is no assessable profits arising in Hong Kong during the Year (Corresponding Year: Nil).

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

	2020 ***HK$ million***	2019 *HK$ million*
Current tax		
– PRC	**3**	–
– Overseas	**4**	3
Over provision in prior year		
– Overseas *(Note (ii))*	**–**	(20)
Deferred tax		
– PRC	**(1)**	–
– Overseas	**4**	–
Income tax charge/(credit)	**10**	(17)

Note (i)

Included in tax liabilities as at 31 March 2020 are tax provisions in respect of overseas' current tax recognised to the provision of new tax legislation ("one-time transition tax") enacted by the United States Government in December 2017. In accordance with this legislation, the Group is able to elect to pay such tax liabilities over a period of up to eight years on an interest-free basis. As of 31 March 2020, such provision of one-time transition tax amounting to approximately HK$15 million (2019: HK$17 million) and approximately HK$2 million (2019: HK$2 million) were included in non-current portion and current portion of tax liabilities respectively.

Note (ii)

In relation to the one-time transition tax as described in Note (i) above, there were changes to the legislation during the Corresponding Year and based on the final regulations, the one-time transition tax of the Group was reduced by approximately HK$3 million. The resulting reduction of HK$3 million in the related tax liabilities is recognised in the Corresponding Year as an over-provision in prior year.

In addition, a reversal of tax provision amounting to HK$17 million during the Corresponding Year was mainly attributable to the release of tax provisions upon the strike-off of Sansui Sales Pte. Limited, a former associate corporation of the Company.

9. DIVIDEND

The Directors do not recommend the payment of a final dividend for the Year (Corresponding Year: Nil).

10. (LOSS)/EARNINGS PER SHARE

(a) Basic (loss)/earnings per share:

The calculation of basic (loss)/earnings per share is based on the following data:

	2020	2019
	HK$ million	*HK$ million*
(Loss)/profit:		
(Loss)/profit attributable to shareholders of the Company used in the basic (loss)/earnings per share calculation	**(87)**	91

	2020	2019
	Number of ordinary shares	Number of ordinary shares
	million	*million*
Shares:		
Weighted average number of ordinary shares for the purposes of calculating basic (loss)/earnings per share	**5,492.2**	5,492.2

(b) Diluted (loss)/earnings per share:

Diluted (loss)/earnings per share equals basic (loss)/earnings per share as there were no potential ordinary shares outstanding during the Year and the Corresponding Year.

11. BRANDS AND TRADEMARKS, GOODWILL

	Brands and trademarks		Goodwill	
	2020	2019	**2020**	2019
	HK$ million	*HK$ million*	***HK$ million***	*HK$ million*
Gross amount				
At 1 April	**2,026**	2,026	**13**	13
Foreign currency adjustment	**(25)**	–	**–**	–
At 31 March	**2,001**	2,026	**13**	13
Accumulated amortisation and impairment				
At 1 April	**1,860**	1,766	**13**	13
Foreign currency adjustment	**(24)**	–	**–**	–
Impairment loss recognised	**97**	94	**–**	–
At 31 March	**1,933**	1,860	**13**	13
Carrying amount at 31 March	**68**	166	**–**	–

Prior to 1 January 2005, brands and trademarks were amortised over their estimated useful lives but not more than 20 years and stated at their cost less accumulated amortisation and impairment losses. On 1 January 2005, the Group reassessed the useful lives of the brands and trademarks and concluded that all brands and trademarks have indefinite useful lives.

The various brands and trademarks held by the Group have been legally registered on a worldwide basis for many years and the trademarks registrations are renewable at minimal cost. The management of the Group is of the opinion that the Group will renew these trademarks continuously and has the ability to do so. Various assessments including product life cycle studies, market, competitive and environmental trends, and brand extension opportunities have been performed by the management of the Group, which supports that the brands and trademarks have no foreseeable limit to the period over which the trademarked products are expected to generate net cash flows for the Group.

As a result, the brands and trademarks are considered by the management of the Group as having indefinite useful lives because they are expected to contribute to net cash inflows indefinitely. The trademarks will not be amortised until their useful lives are determined to be finite. Instead they will be tested for impairment annually or more frequently when there are indications of impairment.

The Group recorded a non-cash impairment charge of HK$45 million (2019: HK$66 million) associated with the Akai trademark as at 31 March 2020. This was with reference to the valuation report prepared by an independent professional valuer.

The Group recorded a non-cash impairment charge of HK$28 million (2019: HK$5 million) associated with the Nakamichi trademark as at 31 March 2020. This was with reference to the valuation report prepared by an independent professional valuer.

The Group recorded a non-cash impairment charge of HK$24 million (2019: HK$23 million) associated with the Emerson trademark as at 31 March 2020. This was with reference to the valuation report prepared by an independent professional valuer.

12. PROPERTIES UNDER DEVELOPMENT

	2020	2019
	HK$ million	*HK$ million*
Amounts comprise:		
– Land use right (including direct costs associated with the acquisition)	**192**	–
– Construction costs including depreciation and staff costs capitalised	**70**	–
– Finance costs capitalised	**4**	–
	266	–

13. ACCOUNTS RECEIVABLE

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

	2020	2019
	HK$ million	*HK$ million*
Gross amount	**51**	6
Less: allowance of expected credit loss ("ECL")	**(5)**	(1)
Net amount	**46**	5

The following are the movements of accounts receivables' allowance of ECL during the Year/ Corresponding Year:

	2020	2019
	HK$ million	*HK$ million*
31 March and 1 April	**1**	2
Addition	**4**	–
Written off	**–**	(1)
Net amount	**5**	1

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

	2020	2019
	HK$ million	*HK$ million*
0 – 3 months	**46**	5

14. ACCOUNTS PAYABLE

The ageing analysis of accounts payable based on the invoice date is as follows:

	2020	2019
	HK$ million	*HK$ million*
0 – 3 months	**81**	2

15. AMOUNTS DUE TO NON-CONTROLLING SHAREHOLDERS

The amounts due to non-controlling shareholders are non-trade in nature, unsecured, interest-bearing at 4.75% per annum with the principals and interests repayable in full on 30 November 2022.

16. SHARE CAPITAL AND SHARE PREMIUM

	Number of Shares	Share Capital	Share Premium
		HK$ million	*HK$ million*
Authorised share capital:			
Ordinary shares of HK$0.01 each at 31 March 2020 and 31 March 2019	20,000,000,000	200	
Issued and fully paid share capital:			
Ordinary shares of HK$0.01 each at 31 March 2020 and 31 March 2019	5,492,232,889	55	386

17. ACQUISITION OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF A SUBSIDIARY

During the Year, the Group completed the acquisition of 51% equity interest in Changsha Ningxiang Minjun Real Estate Development Co., Ltd*（長沙市寧鄉敏駿房地產開發有限公司）(“Changsha Minjun”) through a wholly-owned subsidiary making the capital contribution in the sum of RMB10,408,200 in cash to the registered capital of Changsha Minjun (the “Acquisition”). Changsha Minjun was beneficially owned by Mr. Tan Haocheng and Mr. Tan Huichuan, the elder brother and son of Mr. Tan prior to the Acquisition. This transaction has been accounted for as an acquisition of assets and liabilities as the Acquisition does not meet the definition of a business combination. The assets acquired and liabilities assumed do not constitute a business. The transaction was effected for the main purpose of the acquisition of the properties under development, thus enabling the Group to commence implementation of its strategy to engage in property development activities in the PRC.

* *For identification purposes only*

18. EVENTS AFTER BALANCE SHEET DATE

After the outbreak of Coronavirus Disease 2019 (“COVID-19 outbreak”) in early 2020, a series of precautionary and control measures have been implemented across different countries. The Group will pay close attention to the development of the COVID-19 outbreak and evaluate its impact on the financial position and operating results of the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group recorded a revenue of HK$240 million for the year ended 31 March 2020 (the "Year") as compared to HK$123 million for the year ended 31 March 2019 (the "Corresponding Year"), representing an increase of approximately 95%. The increase in revenue was mainly due to the full year's operation of the trading of household appliances, wires and cables in the People's Republic of China (the "PRC"), which the operation commenced since early 2019. The Group recorded an audited loss attributable to shareholders of HK$87 million for the Year, as compared to an audited profit attributable to shareholders of HK$91 million for the Corresponding Year. The turnaround from a profit to a loss was mainly due to no write back of accrued liabilities with deconsolidated subsidiaries and former associated companies in the Year, whereas there was a write back of accrued liabilities with deconsolidated subsidiaries and former associated companies amounting to HK$127 million and HK$27 million respectively in the Corresponding Year.

Since the completion of the capital injection in Changsha Minjun at the end of November 2019, Changsha Minjun has become a 51% owned subsidiary of the Company, after which the Group has commenced its property development business in the PRC. As at the date of this announcement, the current and continuing principal business activities of the Group include Emerson operations business, licensing operations business for Akai, Sansui and Nakamichi brands, PRC's household appliances business, PRC's information technology ("IT") business, and PRC's property development business.

Emerson operations business

Emerson, a 72.4% owned subsidiary whose shares are listed on the NYSE American in the USA, generated revenue from the distribution of houseware products and audio products of HK$48 million for the Year as compared to HK$67 million for the Corresponding Year, representing a decrease of approximately 28%. The decrease in revenue was mainly due to a model discontinuation in microwave ovens by one of Emerson's key customers and the decrease in sales of clock radios. During the Year, Emerson has continued to take active steps to streamline its operations and reduce and control its operating costs. The operating costs of Emerson for the Year were higher than that of the Corresponding Year due to recorded legal fees. As a result, the operating loss of Emerson for the Year was HK$36 million as compared to HK$27 million for the Corresponding Year.

Licensing revenue of Emerson for the Year was HK$2 million as compared to HK$5 million for the Corresponding Year. The year-over-year decrease was due to the non-renewal of one of Emerson's licensees which expired in December 2018.

Due to the uncertainties brought by the trade war between the USA and the PRC, and the outbreak of the 2019 novel coronavirus ("Covid-19 pandemic"), it is expected that the economic environment for the distribution of houseware products and audio products will be worse in the coming year. In this respect, the value of the Emerson trademark, which had already been impaired in previous years, has been further impaired by HK$24 million and reduced to nil in the Group's consolidated financial statements for the Year.

Licensing operations business

The revenue generated from the licensing operations business was HK$58 million for the Year as compared to HK$50 million for the Corresponding Year. The operating profit of these operations for the Year was HK$39 million as compared to HK$32 million for the Corresponding Year which represented the net licensing income received from the licensees. The performance of these operations has remained steady throughout the past few years.

The continuing licensing model is that, Akai, Sansui and Nakamichi will grant licensing rights to individual licensees around the world, authorising them to sell products under the respective trademarks. In return, the licensees will pay a licensing fee ranging from 2% to 6%, depending on the respective brands involved, on the gross value of purchases made during the license period. All licensing agreements are subject to a minimum fee payable by the licensees, which varies with individual contracts and are non-refundable. This minimum fee corresponds to the guaranteed minimum gross purchase that each licensee commits. The licensee will have to pay an additional license fee in the case where the actual gross purchase for a license period exceeds the guaranteed minimum gross purchase.

Although the licensing income generated for the Year is comparably higher than the licensing income generated for the Corresponding Year, the total value of the brands and trademarks owned by the licensing operations has been impaired by HK$73 million for the Year, as compared to the impairment charge of HK$71 million in the value of the brands and trademarks in the Corresponding Year. The impairment provided for the Year was due to (1) the uncertainty over the trade war between the USA and the PRC; (2) the unfavourable global economic outlook due to the global Covid-19 pandemic; (3) the renewal of key customer contracts and negotiation with potential customers during the Year on such terms which were below the expectation of management; and (4) keen competition of the relevant markets.

PRC's household appliances business

A wholly-owned subsidiary of the Group was set up to engage in the trading of a wide variety of household appliances in the PRC at the end of 2018. The management was of the view that, by capitalizing on the Group's experience in the distribution of houseware products in the USA, the engagement in the trading of household appliances in the PRC may broaden the revenue's base of the Group. During the Year, a full year's operation in trading of household appliances, wires and cables in the PRC generated a revenue of HK$123 million, whereas a revenue of HK$1 million was recorded in the Corresponding Year for two months' operations and therefore, the Group achieved a year-over-year revenue growth of approximately 122% in this operation.

PRC's IT business

The Group has also commenced the provision of IT services in the PRC since the second quarter of 2019 through its newly established subsidiary. The principal business scope of this operation is to provide IT system development and related services to enhance customers' competitiveness through big data analysis, online and offline integration development as well as advancement of internetisation. During the Year, this operation has contributed a revenue of HK9 million and an operating profit of HK$4 million to the Group.

PRC's property development business

During the Year, the Group completed the capital injection of RMB10,408,200 in cash in Changsha Minjun through a wholly-owned subsidiary (the "Transaction"). The Transaction completed in November 2019, after which Changsha Minjun has become a 51% owned subsidiary of the Company. Details of the Transaction are set out in the circular of the Company dated 19 September 2019 (the "Circular").

Since the completion of the Transaction, the Group, via Changsha Minjun, has been holding a piece of land (the "Land"), comprising a residential land with a site area of approximately 49,502.99 sq.m. situated at the west of Ningxiang Avenue, north of Tongjie Road, Jingkai District, Ningxiang City, Hunan Province, the PRC. The Land is now under development and pre-sale of certain units has been launched.

As at 31 March 2020, the Group achieved a total contracted sales amount of approximately HK$32 million (equivalent to approximately RMB29 million), with a total contracted sales gross floor area of approximately 6,300 sq.m.. The average selling price is approximately HK$5,100 (equivalent to approximately RMB4,600) per sq.m. It is expected that the delivery of these units will take place in early 2022.

BUSINESS PROSPECTS

Looking ahead, the abrupt and rapid spread of the Covid-19 pandemic is expected to add to the woes, resulting from the lingering China-US trade conflict and uncertain geopolitical risks in different countries, which have put the economic growth of most countries on a slow growth trajectory. Although the agreement of a phase one deal between the PRC and the USA was signed in early 2020, uncertainties remain and warrant caution.

Despite Emerson's efforts to monitor the external environment and to mitigate its repercussion on its business activities, it is not immune from these external risk factors. Notwithstanding, apart from expanding and strengthening its existing distribution channels, Emerson has been developing and promoting new products to regain shelf spaces in these and other retailers in the USA. Persistent efforts have been put in investing in new products and marketing activities to increase its sales through internet and e-commerce channels and in identifying strategic courses of action related to its licensing activities.

The increase in revenue of the PRC's household appliances business has shown our operating strategies to be effective. However, the competition in the household appliance trading industry in the PRC is fierce and we will therefore continue to keep ourselves abreast of this industry development and formulate and implement different business strategies as and when required and appropriate, in order for this business activities to be a steady source of income of the Group.

Due to the global Covid-19 pandemic, most business activities in the major cities in the PRC have been delayed since early 2020. With this, the IT operation has been suffering from searching new customers. The management expects that it would be difficult to maintain the income source in the coming year. In this respect, the management will consider to consolidate the IT team and use these resources to focus on the household appliances business and the property development business.

The Transaction has marked a great milestone in the Group's development and meanwhile demonstrated our determination in entering the PRC's property development business. The Group will then focus on land acquisition with an increase in quality and quantity of the land bank to enhance sustainable growth with the aim of developing the PRC's property development as one of the major businesses of the Group. However, the property market in the PRC is affected by a number of factors, such as changes in social, political, economic and legal environment as well as the PRC government's undertakings of fiscal, economic, monetary, industrial and environmental policies. Changes in macro-economic conditions, consumer confidence, consumption spending, and consumption preferences may also affect the Group's property development business. As such, the management will take precautionary measures in order to mitigate the associated risks in the property development business. In the ensuing days, the Group will continue to strengthen the property development business and will also expand its property development business in potential cities in order to maximize shareholders' value.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2020, the Group had net current assets of HK$642 million as compared to HK$436 million as at 31 March 2019. As at 31 March 2020, the Group had a current ratio of approximately 5.49 (16.03 as at 31 March 2019). The increase in net current assets but decrease in current ratio were mainly attributable to (1) the consolidation of properties under development amounting to HK$266 million up to 31 March 2020 following the completion of the Transaction; and (2) the increase in accounts receivable from the PRC's household appliances business which was partially offset by the increase in accounts payable during the Year.

As at 31 March 2020, the Group had HK$447 million cash and bank balances (HK$424 million as at 31 March 2019). The Group's working capital requirements were mainly financed by internal resources.

The Group had inventories of HK$15 million as at 31 March 2020 (HK$28 million as at 31 March 2019).

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND AFFILIATED COMPANIES

Other than the Transaction (details of the Transaction are set out in the Circular), the Group did not make any other material acquisition and disposal of subsidiaries and affiliated companies during the Year.

SIGNIFICANT INVESTMENT

Other than the Transaction, the Group did not enter into any new significant investment during the Year.

FUTURE PLAN FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

The Group does not have any concrete plan for material investments or capital assets acquisitions for the coming 12 months.

GEARING

As at 31 March 2020, the Group's gearing ratio, expressed as total borrowings over equity attributable to the shareholders of the Company, was approximately 0.47 time (as at 31 March 2019: Nil).

CHARGES ON GROUP ASSETS

As at 31 March 2020, no assets were pledged to secure other borrowing facilities for the Group (as at 31 March 2019: Nil).

TREASURY POLICIES

The Group's revenues are mainly in US dollars and RMB. Since HK dollars is linked with US dollars, the Group is not exposed to significant currency risks in transactions settled in US dollars. However, for transactions settled in RMB, the Group will be exposed to foreign currency risks. Considering the amount of the transactions settled in RMB during the Year, the Group is not engaged in any particular hedge against foreign currency risks at the moment. The Group will closely monitor and manage its foreign currency exposure and to make use of appropriate measures when required.

EMPLOYEES AND REMUNERATION

The numbers of employees of the Group as at 31 March 2020 and 31 March 2019 were 82 and 53 respectively. The Group remunerates its employees mainly based on industry practice, individual performance and experience. Apart from the basic remuneration, a discretionary bonus may be granted to eligible employees by reference to the Group's performance as well as to an individual's performance in the relevant financial year. Other benefits include medical and retirement schemes.

DIVIDEND

The Board does not recommend the payment of final dividend for the Year (2019: Nil).

No dividend has been paid or declared by the Company during the Year (2019: Nil).

CONTINGENT LIABILITIES

Except for the cases set out below, the Group did not have significant contingent liabilities as of 31 March 2020 and up to the date of this announcement:–

(i) Guarantees

The Group had provided guarantees of HK$13 million as at 31 March 2020 (as at 31 March 2019: Nil) to banks in favour of the purchasers of the Group's properties under development up to an amount of 80% of the purchase price of an individual property in respect of the mortgage loans provided by the banks to such purchasers. These guarantees provided by the Group to the banks will be released upon receiving the building ownership certificates of the respective properties by the banks from the customers as a pledge for security to the mortgage loans granted.

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

In the opinion of the Directors, the total fair value of the financial guarantee contracts of the Group is insignificant at initial recognition. The Directors also consider the possibility of default by the parties involved to be remote and in case of default in payments, the net realisable value of the related properties would be able to cover the outstanding principal together with the accrued interest and penalties. Accordingly, no value has been recognised in the consolidated statement of financial position as at 31 March 2020.

(ii) Legal cases

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

(i) indemnify and keep indemnified the former provisional liquidators in the event that the funds paid into court are insufficient to meet the taxed fees and expenses of the former provisional liquidators; and

(ii) indemnify and keep indemnified Mr. Fok Hei Yu and FTI Consulting (Hong Kong) Limited in respect of the costs of the defence of proceedings HCA 92/2014 ("the Action"), subject to the final determination of the Action. HCA 92/2014 is a legal case filed in January 2014 in the High Court by Sino Bright Enterprises Co., Ltd. against Mr. Fok Hei Yu and FTI Consulting (Hong Kong) Limited for alleged misrepresentation and the case is ongoing.

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

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

CAPITAL COMMITMENTS

As at 31 March 2020, the Group had contracted, but not provided for, capital expenditure commitments of HK$499 million (as at 31 March 2019: Nil) in respect of properties under development upon the completion of the Transaction.

EVENTS AFTER BALANCE SHEET DATE

After the COVID-19 pandemic in early 2020, a series of precautionary and control measures have been implemented across different countries. The Group will pay close attention to the development of the COVID-19 pandemic and evaluate its impact on the financial position and operating results of the Group.

ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held on Friday, 28 August 2020. The notice of annual general meeting will be published on the websites of the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and despatched to the shareholders of the Company in due course.

CLOSURE OF REGISTER OF MEMBERS

For the purposes of determining shareholders' eligibility to attend and vote at the 2020 annual general meeting of the Company, the register of members of the Company will be closed. Details of such closure are set out below:

Latest time to lodge transfer documents for registration	4:30 p.m. on Friday, 21 August 2020
Closure of registers of members	Monday, 24 August 2020 to Friday, 28 August 2020 (both days inclusive)
Record date	Friday, 28 August 2020

During the above closure period, no transfer of shares will be registered. To be eligible to attend and vote at the 2020 annual general meeting of the Company, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than the aforementioned latest time.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Year.

CORPORATE GOVERNANCE CODE

The Company's code on corporate governance practices was adopted by reference to the code provisions of the Corporate Governance Code (the "Code") as set out in Appendix 14 to the Listing Rules.

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

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

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

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

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. Specific enquiry has been made to all Directors and each of them has confirmed that they have complied with the Model Code during the Year.

REVIEW BY AUDIT COMMITTEE AND AUDITOR

The Group's consolidated financial statements for the Year have been reviewed by the audit committee of the Company. The figures in respect of the Group's consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position and the related notes thereto for the Year as set out in this preliminary announcement have been agreed by the Company's auditor, Moore Stephens CPA Limited ("Moore Hong Kong"), to the amounts set out in the Group's consolidated financial statements for the Year. The work performed by Moore Hong Kong in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Moore Hong Kong on this preliminary announcement.

PUBLICATION OF FINANCIAL INFORMATION

This results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.nimbleholding.com). The Group's annual report for the Year will be despatched to the shareholders of the Company and available on the above websites in due course.

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

Hong Kong, 30 June 2020

As at the date of this announcement, the Board comprises two executive Directors, namely, Mr. Tan Bingzhao and Mr. Deng Xiangping; and three independent non-executive Directors, namely, Dr. Lin Jinying, Dr. Lu Zhenghua and Dr. Ye Hengqing.