FREEMAN FINTECH CORPORATION LIMITED
民眾金融科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)
HK Stock Code 香港股份代號: 279
(Since 1988)（自1988年）

2019 Interim Report
中期報告

FREEMAN FINTECH

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公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Ye Ye *(Chairman)*
Mr. Wong Xiang Hong *(Chief Executive Officer)*
(appointed on 29 April 2019)
Mr. Pun Hong Hai *(Chief Operating Officer)*
Mr. Yang Haoying
Ms. Chow Mun Yee *(retired on 9 September 2019)*
Mr. Zhao Tong *(retired on 9 September 2019)*

Independent Non-Executive Directors

Mr. An Dong
Mr. Fung Tze Wa
Mr. Wu Keli
Mr. Cheung Wing Ping *(retired on 9 September 2019)*

AUDIT COMMITTEE

Mr. An Dong
Mr. Fung Tze Wa#
Mr. Wu Keli
Mr. Cheung Wing Ping *(retired on 9 September 2019)*

REMUNERATION COMMITTEE

Mr. An Dong#
Mr. Fung Tze Wa
Mr. Wu Keli
Mr. Cheung Wing Ping *(retired on 9 September 2019)*

NOMINATION COMMITTEE

Mr. An Dong#
Mr. Fung Tze Wa
Mr. Wu Keli
Mr. Cheung Wing Ping *(retired on 9 September 2019)*

COMPANY SECRETARY

Mr. Chan Yee Yuk *(appointed on 8 October 2019)*
Ms. Chow Mun Yee *(resigned on 8 October 2019)*

AUDITOR

Crowe (HK) CPA Limited
9/F Leighton Centre
77 Leighton Road
Causeway Bay, Hong Kong

Chairman of the relevant Board Committee

董事會

執行董事

叶燁先生*（主席）*
王翔弘先生*（行政總裁）*
（於二零一九年四月二十九日獲委任）
潘康海先生*（營運總監）*
楊浩英先生
鄒敏兒小姐*（於二零一九年九月九日退任）*
趙彤先生*（於二零一九年九月九日退任）*

獨立非執行董事

安東先生
馮子華先生
巫克力先生
張榮平先生*（於二零一九年九月九日退任）*

審核委員會

安東先生
馮子華先生#
巫克力先生
張榮平先生*（於二零一九年九月九日退任）*

薪酬委員會

安東先生#
馮子華先生
巫克力先生
張榮平先生*（於二零一九年九月九日退任）*

提名委員會

安東先生#
馮子華先生
巫克力先生
張榮平先生*（於二零一九年九月九日退任）*

公司秘書

陳貽旭先生*（於二零一九年十月八日獲委任）*
鄒敏兒小姐*（於二零一九年十月八日辭任）*

核數師

國富浩華（香港）會計師事務所有限公司
香港銅鑼灣
禮頓道77號
禮頓中心9樓

相關董事委員會之主席

LEGAL COUNSELS

Hong Kong
Winston & Strawn LLP
42nd Floor
Bank of China Tower
1 Garden Road
Hong Kong

Cayman Islands
Conyers Dill & Pearman
29th Floor, One Exchange Square
8 Connaught Place
Central, Hong Kong

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited

REGISTERED OFFICE

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

PRINCIPAL PLACE OF BUSINESS

38th Floor
Bank of China Tower
1 Garden Road
Hong Kong

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Secretaries Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

WEBSITE

http://www.freeman279.com

TRADING OF SHARES

The Stock Exchange of Hong Kong Limited
(Stock Code: 279)

法律顧問

香港
Winston & Strawn LLP
香港
花園道1號
中銀大廈
42樓

開曼群島
Conyers Dill & Pearman
香港中環
康樂廣場8號
交易廣場第一座29樓

主要往來銀行

香港上海滙豐銀行有限公司

註冊辦事處

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

主要營業地點

香港
花園道1號
中銀大廈
38樓

香港股份過戶登記分處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心54樓

網址

http://www.freeman279.com

股份買賣

香港聯合交易所有限公司
（股份代號：279）

Condensed Consolidated Statement of Profit or Loss
簡明綜合損益表

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

		Notes 附註	For the six months ended 30 September 截至九月三十日止六個月 2019 二零一九年 (Unaudited) (未經審核) HK$'000 港幣千元	2018 二零一八年 (Unaudited) (未經審核) HK$'000 港幣千元
REVENUE	收益	5	71,986	(151,514)
Cost of sales	銷售成本		(13,122)	(12,176)
Gross profit/(loss)	毛利／(損)		58,864	(163,690)
Other income and gains	其他收入及收益	5	7,331	60,626
Fair value losses on investments at fair value through profit or loss	透過損益以公平值列賬之投資之公平值虧損		(9,809)	(22,106)
Fair value loss on other financial assets	其他金融資產之公平值虧損	14	(766,936)	–
General and administrative expenses	一般及行政開支		(66,333)	(171,247)
Provision for impairment loss of loans receivable, net	應收貸款之減值虧損撥備淨額	16	(253,376)	(1,202,060)
Reversal of provision/(provision) for impairment loss of factoring receivables	應收保理款項之減值虧損撥備撥回／(撥備)	17	(243,231)	103
Provision for impairment loss of accounts receivable, net	應收賬款之減值虧損撥備淨額	18	(81)	(37,923)
Impairment loss of goodwill	商譽減值虧損	12	(79,825)	–
Other expenses, net	其他開支淨額		(67,048)	(27,711)
Finance costs	融資成本	6	(385,865)	(171,344)
Share of profits and losses of associates and a joint venture, net	分佔聯營公司及一間合營公司之溢利及虧損淨額		(29,484)	8
LOSS BEFORE TAX	除税前虧損	7	(1,835,793)	(1,735,344)
Income tax expense	所得税開支	8	(1,945)	(4,173)
LOSS FOR THE PERIOD	本期間虧損		(1,837,738)	(1,739,517)
Attributable to:	下列人士應佔：			
Owners of the Company	本公司擁有人		(1,592,305)	(1,758,247)
Non-controlling interests	非控股權益		(245,433)	18,730
			(1,837,738)	(1,739,517)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	本公司普通股權持有人應佔每股虧損	9		
Basic	基本		(港幣HK$0.96元)	(港幣HK$1.12元)
Diluted	攤薄		(港幣HK$0.96元)	(港幣HK$1.12元)

The accompanying notes form an integral part of these condensed consolidated financial statements.

隨附附註構成該等簡明綜合財務報表的一部分。

		For the six months ended 30 September 截至九月三十日止六個月 2019 二零一九年 (Unaudited) (未經審核) HK$'000 港幣千元	2018 二零一八年 (Unaudited) (未經審核) HK$'000 港幣千元
LOSS FOR THE PERIOD	**本期間虧損**	**(1,837,738)**	(1,739,517)
OTHER COMPREHENSIVE INCOME/(LOSS)	**其他全面收入／(虧損)**		
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:	將於隨後期間重新分類至損益之其他全面收入／(虧損)：		
Exchange differences on translation of foreign operations	換算境外業務產生之匯兑差額	**(165,643)**	(231,880)
Share of other comprehensive income of associates, net	分佔聯營公司之其他全面收入淨額	**33,462**	15,545
Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods:	不會於隨後期間重新分類至損益之其他全面收入／(虧損)：		
Equity investments at fair value through other comprehensive income – net movement in investment revaluation reserve (non-recycling)	透過其他全面收入以公平值列賬之股權投資－投資重估儲備變動淨額(不回收)	**(198,053)**	333,109
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX	**本期間其他全面收入／(虧損)(除稅後)**	**(330,234)**	116,774
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	**本期間全面虧損總額**	**(2,167,972)**	(1,622,743)
Attributable to:	下列人士應佔：		
Owners of the Company	本公司擁有人	**(1,876,639)**	(1,578,302)
Non-controlling interests	非控股權益	**(291,333)**	(44,441)
		(2,167,972)	(1,622,743)

The accompanying notes form an integral part of these financial statements.

隨附附註構成該等財務報表的一部分。

Condensed Consolidated Statement of Financial Position
簡明綜合財務狀況報表

At 30 September 2019 於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 (Unaudited) (未經審核) HK$'000 港幣千元	31 March 2019 二零一九年三月三十一日 (Audited) (經審核) HK$'000 港幣千元
NON-CURRENT ASSETS	**非流動資產**			
Property, plant and equipment	物業、廠房及設備	11	22,309	6,133
Goodwill	商譽	12	580,849	660,674
Investments in associates	於聯營公司之投資	13	367,609	365,061
Intangible assets	無形資產		17,145	17,145
Other financial assets	其他金融資產	14	1,404,894	1,602,947
Finance lease receivables	應收融資租賃款項	15	317,585	480,063
Prepayments and deposits	預付款項及按金		6,054	10,220
Total non-current assets	非流動資產總值		2,716,445	3,142,243
CURRENT ASSETS	**流動資產**			
Other financial assets	其他金融資產	14	345,196	1,148,314
Loans receivable	應收貸款	16	175,190	446,555
Factoring receivables	應收保理款項	17	44,837	308,525
Finance lease receivables	應收融資租賃款項	15	459,237	383,263
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		58,545	173,661
Accounts receivable	應收賬款	18	76,565	73,767
Investments at fair value through profit or loss	透過損益以公平值列賬之投資	19	13,722	23,531
Restricted bank deposits	受限制銀行存款	20	120,841	157,312
Cash and bank balances	現金及銀行結餘	21	225,984	222,143
Total current assets	流動資產總值		1,520,117	2,937,071
CURRENT LIABILITIES	**流動負債**			
Accounts payable	應付賬款	22	6,603	17,608
Other payables and accruals	其他應付款項及應計費用		401,130	159,576
Interest-bearing borrowings	計息借貸	23	2,543,772	1,340,756
Convertible instruments	可換股工具	24	207,745	1,347,922
Lease liabilities	租賃負債		11,527	–
Tax payable	應付税項		24,659	25,719
Total current liabilities	流動負債總值		3,195,436	2,891,581
Net current assets/(liabilities)	**流動資產／（負債）淨值**		(1,675,319)	45,490
Total assets less current liabilities	**總資產減流動負債**		1,041,126	3,187,733

		Notes 附註	30 September 2019 二零一九年九月三十日 (Unaudited) (未經審核) HK$'000 港幣千元	31 March 2019 二零一九年三月三十一日 (Audited) (經審核) HK$'000 港幣千元
NON-CURRENT LIABILITIES	**非流動負債**			
Interest-bearing borrowings	計息借貸	23	**30,000**	58,000
Lease liabilities	租賃負債		**7,161**	–
Deferred tax liabilities	遞延稅項負債	25	**3,391**	3,442
Total non-current liabilities	非流動負債總值		**40,552**	61,442
NET ASSETS	**資產淨值**		**1,000,574**	3,126,291
EQUITY	**權益**			
Equity attributable to owners of the Company	**本公司擁有人應佔權益**			
Issued capital	已發行股本	26	**18,682**	15,682
Reserves	儲備		**603,644**	2,441,028
			622,326	2,456,710
Non-controlling interests	**非控股權益**		**378,248**	669,581
TOTAL EQUITY	**權益總值**		**1,000,574**	3,126,291

The accompanying notes form an integral part of these condensed consolidated financial statements.

隨附附註構成該等簡明綜合財務報表的一部分。

Condensed Consolidated Statement of Changes In Equity
簡明綜合權益變動表

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 owners of the Company 本公司擁有人應佔														
		Issued capital 已發行股本 (Unaudited) (未經審核) HK$'000 港幣千元	Share premium account 股份溢價賬 (Unaudited) (未經審核) HK$'000 港幣千元	Convertible instruments equity reserve 可換股工具權益儲備 (Unaudited) (未經審核) HK$'000 港幣千元	Share option reserve 購股權儲備 (Unaudited) (未經審核) HK$'000 港幣千元	Capital redemption reserve 資本贖回儲備 (Unaudited) (未經審核) HK$'000 港幣千元	Distributable reserve 可供分派儲備 (Unaudited) (未經審核) HK$'000 港幣千元	Special reserve 特別儲備 (Unaudited) (未經審核) HK$'000 港幣千元	Statutory reserve 法定儲備 (Unaudited) (未經審核) HK$'000 港幣千元	Available-for-sale investment revaluation reserve 可供出售投資重估儲備 (Unaudited) (未經審核) HK$'000 港幣千元	Investment revaluation reserve (non-recycling) 投資重估儲備（不回收） (Unaudited) (未經審核) HK$'000 港幣千元	Exchange fluctuation reserve 外匯波動儲備 (Unaudited) (未經審核) HK$'000 港幣千元	Retained profits/ (accumulated losses) 保留溢利／（累計虧損） (Unaudited) (未經審核) HK$'000 港幣千元	Total 總額 (Unaudited) (未經審核) HK$'000 港幣千元	Non-controlling interests 非控股權益 (Unaudited) (未經審核) HK$'000 港幣千元	Total equity 權益總值 (Unaudited) (未經審核) HK$'000 港幣千元
At 31 March 2018	於二零一八年三月三十一日	15,663	2,734,327	281,597	23,082	485	(187,164)	35,131	8,405	(2,829)	–	183,368	1,211,676	4,303,741	707,614	5,011,355
Impact on initial application of HKFRS 9	首次應用香港財務報告準則第9號的影響	–	–	–	–	–	–	–	–	2,829	36,460	–	(12,243)	27,046	(898)	26,148
Adjusted balance at 1 April 2018	於二零一八年四月一日之經調整結餘	15,663	2,734,327	281,597	23,082	485	(187,164)	35,131	8,405	–	36,460	183,368	1,199,433	4,330,787	706,716	5,037,503
Profit/(loss) for the period	本期間溢利／(虧損)	–	–	–	–	–	–	–	–	–	–	–	(1,758,247)	(1,758,247)	18,730	(1,739,517)
Other comprehensive income/(loss) for the period:	本期間其他全面收入／(虧損)：															
Equity investments at fair value through other comprehensive income – net movement in investment revaluation reserve (non-recycling)	透過其他全面收入以公平值列賬之股權投資－投資重估儲備變動淨額(不回收)	–	–	–	–	–	–	–	–	–	333,109	–	–	333,109	–	333,109
Exchange difference on translation of foreign operations	換算境外業務產生之匯兑差額	–	–	–	–	–	–	–	–	–	–	(168,709)	–	(168,709)	(63,171)	(231,880)
Share of other comprehensive income of an associate	分佔一間聯營公司之其他全面收入	–	–	–	–	–	–	–	–	–	15,545	–	–	15,545	–	15,545
Total comprehensive income/(loss) for the period	本期間全面收入／(虧損)總額	–	–	–	–	–	–	–	–	–	348,654	(168,709)	(1,758,247)	(1,578,302)	(44,441)	(1,622,743)
Transfer	轉撥	–	–	–	–	–	(31)	–	998	–	–	31	(998)	–	–	–
Issue of equity-settled share options	發行以權益結算購股權	–	–	–	74,268	–	–	–	–	–	–	–	–	74,268	–	74,268
Issue of shares upon conversion of convertible bonds	於可換股債券獲轉換時發行股份	19	8,357	(1,797)	–	–	–	–	–	–	–	–	–	6,579	–	6,579
At 30 September 2018	於二零一八年九月三十日	15,682	2,742,684	279,800	97,350	485	(187,195)	35,131	9,403	–	385,114	14,690	(559,812)	2,833,332	662,275	3,495,607

		Attributable to owners of the Company 本公司擁有人應佔													
		Issued capital 已發行股本 (Unaudited) (未經審核) HK$'000 港幣千元	Share premium account 股份溢價賬 (Unaudited) (未經審核) HK$'000 港幣千元	Convertible instruments equity reserve 可換股工具權益儲備 (Unaudited) (未經審核) HK$'000 港幣千元	Share option reserve 購股權儲備 (Unaudited) (未經審核) HK$'000 港幣千元	Capital redemption reserve 資本贖回儲備 (Unaudited) (未經審核) HK$'000 港幣千元	Distributable reserve 可供分派儲備 (Unaudited) (未經審核) HK$'000 港幣千元	Special reserve 特別儲備 (Unaudited) (未經審核) HK$'000 港幣千元	Statutory reserve 法定儲備 (Unaudited) (未經審核) HK$'000 港幣千元	Investment revaluation reserve (non-recycling) 投資重估儲備（不回收） (Unaudited) (未經審核) HK$'000 港幣千元	Exchange fluctuation reserve 外匯波動儲備 (Unaudited) (未經審核) HK$'000 港幣千元	Accumulated losses 累計虧損 (Unaudited) (未經審核) HK$'000 港幣千元	Total 總額 (Unaudited) (未經審核) HK$'000 港幣千元	Non-controlling interests 非控股權益 (Unaudited) (未經審核) HK$'000 港幣千元	Total equity 權益總值 (Unaudited) (未經審核) HK$'000 港幣千元
At 1 April 2019	於二零一九年四月一日	15,682	2,742,684	297,074	97,350	485	(187,195)	35,131	9,384	346,762	61,149	(961,796)	2,456,710	669,581	3,126,291
Impact on initial application of HKFRS 16	首次應用香港財務報告準則第16號的影響	–	–	–	–	–	–	–	–	–	–	(1,245)	(1,245)	–	(1,245)
Adjusted balance at 1 April 2019	於二零一九年四月一日之經調整結餘	15,682	2,742,684	297,074	97,350	485	(187,195)	35,131	9,384	346,762	61,149	(963,041)	2,455,465	669,581	3,125,046
Loss for the period	本期間虧損	–	–	–	–	–	–	–	–	–	–	(1,592,305)	(1,592,305)	(245,433)	(1,837,738)
Other comprehensive income/(loss) for the period:	本期間其他全面收入╱（虧損）：														
Equity investments at fair value through other comprehensive income – net movement in investment revaluation reserve (non-recycling)	透過其他全面收入以公平值列賬之股權投資－投資重估儲備變動淨額（不回收）	–	–	–	–	–	–	–	–	(198,053)	–	–	(198,053)	–	(198,053)
Exchange differences on translation of foreign operations	換算境外業務產生之匯兌差額	–	–	–	–	–	–	–	–	–	(119,743)	–	(119,743)	(45,900)	(165,643)
Share of other comprehensive income of associates, net	分佔聯營公司之其他全面收入淨額	–	–	–	–	–	–	–	–	33,462	–	–	33,462	–	33,462
Total comprehensive loss for the period	本期間全面虧損總額	–	–	–	–	–	–	–	–	(164,591)	(119,743)	(1,592,305)	(1,876,639)	(291,333)	(2,167,972)
Issue of shares	發行股份	3,000	40,500	–	–	–	–	–	–	–	–	–	43,500	–	43,500
Derecognition of convertible instruments	終止確認可換股工具	–	–	(279,800)	–	–	–	–	–	–	–	279,800	–	–	–
Share options lapsed	已失效購股權	–	–	–	(16,876)	–	–	–	–	–	–	16,876	–	–	–
At 30 September 2019	於二零一九年九月三十日	18,682	2,783,184	17,274	80,474	485	(187,195)	35,131	9,384	182,171	(58,594)	(2,258,670)	622,326	378,248	1,000,574

Condensed Consolidated Statement of Cash Flows
簡明綜合現金流量表

For the six months ended 30 September 2019　截至二零一九年九月三十日止六個月

		Note 附註	For the six months ended 30 September 截至九月三十日止六個月 2019 二零一九年 (Unaudited) (未經審核) HK$'000 港幣千元	2018 二零一八年 (Unaudited) (未經審核) HK$'000 港幣千元
Cash used in operations	營運所動用之現金		(7,884)	(1,318,532)
Interest received	已收利息		7,086	166,012
Interest paid	已付利息		(31,357)	(101,672)
Income tax paid	已付所得稅		(1,585)	(5,658)
Net cash flows used in operating activities	營運活動所動用之現金流量淨額		(33,740)	(1,259,850)
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動之現金流量			
Purchase of wealth management products	購買財富管理產品		–	(173,188)
Proceeds from maturities of wealth management products	財富管理產品到期所得款項		11,324	854,505
Additions to property, plant and equipment	添置物業、廠房及設備		–	(636)
Decrease in restricted bank deposits	受限制銀行存款減少		27,701	–
Acquisition of an associate	收購一間聯營公司		–	(144,500)
Net cash flows generated from investing activities	投資活動所產生之現金流量淨額		39,025	536,181
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES	融資活動所產生／(動用)之現金流量			
Capital element of lease rentals paid	已付租金之本金部分		(5,507)	–
Interest element of lease rentals paid	已付租金之利息部分		(1,556)	–
Repayment of borrowings	償還借貸		(25,299)	(334,895)
Proceeds from issue of new shares of the Company	發行本公司新股份之所得款項	26	43,500	–
Net cash flows generated from/(used in) financing activities	融資活動所產生／(動用)之現金流量淨額		11,138	(334,895)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值物增加／(減少)淨額		16,423	(1,058,564)
Effect of foreign exchange rate changes, net	匯率波動之影響淨額		(12,582)	(16,593)
Cash and cash equivalents at beginning of period	期初之現金及現金等值物		222,143	1,302,157
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末之現金及現金等值物		225,984	227,000
ALALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS	現金及現金等值物之結餘分析			
Cash and bank balances	現金及銀行結餘		225,984	227,000

The accompanying note form an integral part of these condensed consolidated financial statements.

隨附附註構成該等簡明綜合財務報表的一部分。

1. CORPORATE AND GROUP INFORMATION

Freeman FinTech Corporation Limited (the "Company") is a limited liability company incorporated in the Cayman Islands. The principal place of business of the Company is located at 38th Floor, Bank of China Tower, 1 Garden Road, Hong Kong.

During the period, the Company and its subsidiaries (collectively, referred to as the "Group") were principally engaged in the financial services sector, including the provision of securities and futures brokerage services, the provision of placing, underwriting and margin financing services, the provision of factoring, financial guarantee and finance leasing services, the provision of insurance brokerage and financial planning services, the provision of finance, the trading of securities and futures, investment holding as well as the provision of corporate finance advisory services.

1. 公司及集團資料

民眾金融科技控股有限公司(「本公司」)為一間於開曼群島註冊成立之有限公司。本公司之主要營業地點位於香港花園道1號中銀大廈38樓。

本期間內，本公司及其附屬公司(統稱「本集團」)主要從事金融服務業，包括提供證券及期貨經紀服務，提供配售、包銷及孖展融資服務，提供保理、融資擔保及融資租賃服務，提供保險經紀及理財策劃服務，提供融資，買賣證券及期貨投資，投資控股，以及提供企業融資顧問服務。

2. BASIS OF PREPARATION

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

The condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 March 2019.

The accounting policies adopted in the preparation of the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2019, except for the accounting policy changes that are expected to be reflected in the annual consolidated financial statements for the year ending 31 March 2020. Details of any changes in accounting policies are set out in note 3.

The condensed consolidated financial statements of the Company for the six months ended 30 September 2019 have been reviewed by the Company's Audit Committee and have not been reviewed or audited by the Company's auditors.

2. 編製基準

簡明綜合財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈之香港會計準則(「香港會計準則」)第34號*中期財務報告*及香港聯合交易所有限公司(「聯交所」)證券上市規則之適用披露規定編製。

簡明綜合財務報表並不包括須於年度綜合財務報表載列之所有資料及披露，並應與本集團截至二零一九年三月三十一日止年度之年度綜合財務報表一併閱讀。

編製簡明綜合財務報表時所採用之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之年度綜合財務報表所採用者一致，惟預期於截至二零二零年三月三十一日止年度的年度綜合財務報表中反映的會計政策變動除外。會計政策變動的詳情載列於附註3。

本公司截至二零一九年九月三十日止六個月的簡明綜合財務報表已由本公司審核委員會審閱，但未經本公司核數師審閱或審核。

2. BASIS OF PREPARATION *(Continued)*

Going concern basis

As at 30 September 2019, the Group had net current liabilities of approximately HK$1,675,319,000 (31 March 2019: net current assets of approximately HK$45,490,000).

On 12 March 2019 and 10 April 2019, the Company received demand letters from lenders for immediate repayment of borrowings in outstanding principal amounts of approximately HK$784 million and HK$429 million respectively. On 26 April 2019, the Company received a notice of event of default from another lender to reserve its right to demand immediate repayment for borrowings with an outstanding principal amount of approximately HK$777 million. On 10 June 2019, the Company received a notice of event of default and repayment from an additional lender for immediate repayment of borrowings in an outstanding principal, together with accrued interest amount of approximately HK$719 million. In addition, on 10 May 2019, the Company received a petition from one of the above lenders (the "Petition") in the matter of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) from the High Court of the Hong Kong Special Administrative Region (the "High Court") that the Company be wound up by the High Court on the ground that the Company is insolvent and unable to pay its debts. These conditions indicate the existence of material uncertainties which may cast significant doubt about the ability of the Group to continue as a going concern.

The directors of the Company are taking measures to improve the liquidity and solvency position of the Group. These measures include (i) negotiations with potential strategic investors in respect of a possible equity contribution to the Company; (ii) negotiations with the lenders and other creditors to defer or roll over the bank and other borrowings of the Company; (iii) speeding up the collection of receivables process; and (iv) tightening the operating cash outflows through cutting costs and capital expenditures.

2. 編製基準 *(續)*

持續經營基準

於二零一九年九月三十日，本集團的流動負債淨值約港幣1,675,319,000元(二零一九年三月三十一日：流動資產淨值約港幣45,490,000元)。

於二零一九年三月十二日及二零一九年四月十日，本公司收到多名貸方的要求函，要求立即償還未償還本金額分別約港幣784,000,000元及港幣429,000,000元的借貸。於二零一九年四月二十六日，本公司收到另一名貸方的違約事件通知，保留其要求立即償還於未償還本金額約港幣777,000,000元的借貸的權利。於二零一九年六月十日，本公司收到一名額外貸方的違約事件及還款通知，要求立即償還未償還本金額約港幣719,000,000元的借貸連同應計利息。此外，於二零一九年五月十日，本公司收到上述貸方之一就公司(清盤及雜項條文)條例(香港法例第32章)於香港特別行政區高等法院(「高等法院」)提出的呈請(「呈請」)，要求高等法院將本公司清盤，理由是本公司無償債能力且無法償還債務。該等情況表明存在重大不確定性，可能對本集團持續經營的能力產生重大懷疑。

本公司董事正採取措施改善本集團的流動性及償債能力狀況。該等措施包括(i)就可能對本公司的股權注資與潛在戰略投資者磋商；(ii)與貸方及其他債權人磋商將本公司的銀行及其他借貸延期或展期；(iii)加快收回應收款項的程序；及(iv)透過削減成本及資本開支，收緊經營現金流出。

2. BASIS OF PREPARATION *(Continued)*

Going concern basis *(Continued)*

As at the date of approval of these condensed consolidated financial statements, the implementations of these measures are still in progress. The validity of the going concern assumption on which the condensed consolidated financial statements are prepared is dependent on the successful and favourable outcomes of the measures taken by the directors of the Company as described above. The condensed consolidated financial statements have been prepared on the assumption that the Group will continue as a going concern and, therefore, do not include any adjustments relating to the realisation and classification of non-current assets and non-current liabilities that may be necessary if the Group is unable to continue as a going concern. Should the going concern assumption be inappropriate, adjustments may have to be made to reflect the situation that assets may need to be realised at amounts other than those currently recorded in the condensed consolidated statement of financial position. In addition, the Group may have to provide for further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities.

2. 編製基準（續）

持續經營基準（續）

於此等簡明綜合財務報表批准日期，該等措施的實施仍在進行中。編製簡明綜合財務報表所依據的持續經營假設的有效性，取決於本公司董事採取的上述措施獲得成功有利的結果。簡明綜合財務報表乃基於本集團將持續經營的假設編製，因此，未包括有關在本集團無法持續經營的情況下將非流動資產及非流動負債變現及分類的任何調整。如持續經營假設不適當，可能須作出調整，以反映資產可能需要按與現時於簡明綜合財務狀況報表入賬的不同金額變現的情況。此外，本集團可能須就可能產生的其他負債作出撥備，並將非流動資產及非流動負債重新分類為流動資產及流動負債。

3. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a new Hong Kong Financial Reporting Standards ("HKFRSs") and a number of amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group's condensed consolidated financial statements:

HKFRS 16	Leases
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
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments

Other than as explained below regarding the impact of HKFRS 16 *Leases*, the new and revised standards have no material impact to the preparation of the Group's interim condensed consolidated financial statements. The nature and impact of the new and revised HKFRSs are described below:

3. 會計政策變動

香港會計師公會已頒佈於本集團本會計期間首次生效的一項新訂香港財務報告準則（「香港財務報告準則」）及多項香港財務報告準則之修訂。其中，下列進展與本集團的簡明綜合財務報表有關：

香港財務報告準則第16號	租賃
香港財務報告準則第9號之修訂	提早還款特性及負補償
香港會計準則第19號之修訂	計劃修訂、縮減或結算
香港會計準則第28號之修訂	於聯營公司及合營公司的長期權益
香港財務報告準則二零一五年至二零一七年週期之年度改進	香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號之修訂
香港（國際財務報告詮釋委員會）－詮釋第23號	所得税處理的不確定性

除下文所解釋有關香港財務報告準則第16號*租賃*的影響外，新訂及經修訂準則對編製本集團的中期簡明綜合財務報表並無重大影響。新訂及經修訂香港財務報告準則的性質及影響說明如下：

3. CHANGES IN ACCOUNTING POLICIES *(Continued)*

HKFRS 16 Leases

HKFRS 16 replaces HKAS 17 *Leases*, 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*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in HKAS 17. Therefore, HKFRS 16 did not have any financial impact on leases where the Group is the lessor.

The Group adopted HKFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 April 2019. Under this method, the standard is applied retrospectively with cumulative effect on initial adoption as an adjustment to the opening balance of equity at 1 April 2019 and the comparative information was not restated and continues to be reported under HKAS 17.

New definition of 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.

3. 會計政策變動 *（續）*

香港財務報告準則第16號租賃

香港財務報告準則第16號取代香港會計準則第17號*租賃*、香港（國際財務報告詮釋委員會）－詮釋第4號*釐定安排是否包括租賃*、香港（常務詮釋委員會）－詮釋第15號*經營租賃－優惠*及香港（常務詮釋委員會）－詮釋第27號*評估涉及租賃法律形式交易的內容*。該準則載列確認、計量、呈列及披露租賃的原則，並要求承租人就所有租賃根據單一資產負債表模型入賬。香港財務報告準則第16號大致沿用香港會計準則第17號的出租人會計處理方式。出租人將繼續使用與香港會計準則第17號中類似的原則將租賃分類為經營或融資租賃。因此，香港財務報告準則第16號對本集團為出租人的租賃並無任何財務影響。

本集團已使用經修訂追溯採納法採納香港財務報告準則第16號，首次應用日期為二零一九年四月一日。根據該方法，該準則追溯應用，首次採納的累計影響作為對二零一九年四月一日的權益期初結餘的調整，比較資料未重列，繼續根據香港會計準則第17號報告。

租賃的新定義

根據香港財務報告準則第16號，如合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約為租賃或包含租賃。當客戶有權從已識別資產的使用中獲得絕大部分經濟利益，又有權指導已識別資產的使用時，即表示具有控制權。本集團選擇應用過渡性的權益方法，以允許該準則僅適用於先前於首次應用日期已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）－詮釋第4號確定為租賃的合約。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）－詮釋第4號未確定為租賃的合約不會重新評估。因此，香港財務報告準則第16號項下的租賃定義僅適用於二零一九年四月一日或之後訂立或變更的合約。

3. CHANGES IN ACCOUNTING POLICIES *(Continued)*

New definition of lease *(Continued)*

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 standard-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 (e.g. property management services for leases of properties) as a single lease component.

As a lessee – Leases previously classified as operating leases

Nature of the effect of adoption of HKFRS 16

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 two elective exemptions for leases of low value assets (elected on a lease by lease basis) and short-term leases (elected by class of underlying asset). The Group has elected not to recognise right-of-use assets and lease liabilities for (i) leases of low-value assets; and (ii) leases, that at the commencement date, have a lease term of 12 months or less. Instead, the Group recognises the lease payments associated with those 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 payment, discounted using the incremental borrowing rate at 1 April 2019.

The right-of-use assets were measured at the amount of the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the condensed consolidated statement of financial position immediately before 1 April 2019. All these assets were assessed for any impairment based on HKAS 36 on that date. The Group elected to present the right-of-use assets separately in the condensed consolidated statement of financial position.

3. 會計政策變動 *(續)*

租賃的新定義 *(續)*

於包含租賃部分的合約開始或獲重新評估時，本集團根據其獨立價格將合約中的代價分配予各個租賃及非租賃部分。承租人可採用權益方法（本集團已採納該方法），不區分非租賃部分及就租賃及相關非租賃部分（例如物業租賃的物業管理服務）作為單一租賃部分入賬。

作為承租人－先前分類為經營租賃的租賃

採納香港財務報告準則第16號的影響性質

本集團擁有多項物業的租賃合約。作為承租人，本集團先前根據對租賃是否將資產所有權的絕大部分回報及風險轉移至本集團的評估，將租賃分類為融資租賃或經營租賃。根據香港財務報告準則第16號，本集團採用單一方法確認及計量所有租賃的使用權資產及租賃負債，惟低價值資產租賃（按個別租賃基準選擇）及短期租賃（按相關資產類別選擇）的兩項選擇性豁免除外。本集團已選擇不就(i)低價值資產租賃；及(ii)於開始日期時租期為12個月或以下的租賃確認使用權資產及租賃負債。相反，本集團在租期內以直線法確認與該等租賃相關的租賃付款。

過渡影響

於二零一九年四月一日的租賃負債按剩餘租賃付款的現值確認，經使用二零一九年四月一日的增量借貸利率貼現。

使用權資產根據租賃負債金額計量，並按與緊接二零一九年四月一日前於簡明綜合財務狀況表中確認的租賃相關的任何預付或應計租賃付款金額作出調整。所有該等資產於該日均根據香港會計準則第36號就任何減值作出評估。本集團已選擇於簡明綜合財務狀況表中單獨列示使用權資產。

3. CHANGES IN ACCOUNTING POLICIES *(Continued)*

As a lessee – Leases previously classified as operating leases *(Continued)*

The Group has used the following elective practical expedients when applying HKFRS 16 at 1 April 2019:

- Applied the short-term lease exemptions to leases with a lease term that ends within 12 months from the date of initial application
- Used hindsight in determining the lease term where the contract contains options to extend/terminate the lease
- Use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- Excluded the initial direct costs from the measurement of the right of use asset at date of initial application

The impacts arising from the adoption of HKFRS 16 as at 1 April 2019 are as follows:

3. 會計政策變動 *(續)*

作為承租人－先前分類為經營租賃的租賃 *(續)*

於二零一九年四月一日應用香港財務報告準則第16號時，本集團已使用以下選擇性權益方法：

- 對租期於首次應用日期起計12個月內結束的租賃應用短期租賃豁免
- 如合約包含延期／終止租賃的選擇權，則於事後釐定租賃期
- 對具有合理相似特徵的一組租賃使用單一貼現率
- 計量首次應用日期的使用權資產時排除初始直接成本

於二零一九年四月一日採納香港財務報告準則第16號產生的影響如下：

		(Unaudited) （未經審核） HK$'000 港幣千元
Assets	**資產**	
Increase in property, plant and equipment and total assets	物業、廠房及設備與總資產增加	22,853
Liabilities	**負債**	
Increase in lease liabilities and total liabilities	租賃負債及總負債增加	24,098
Increase in accumulated losses	累計虧損增加	1,245

3. CHANGES IN ACCOUNTING POLICIES (Continued)

As a lessee – Leases previously classified as operating leases *(Continued)*

The lease liabilities as at 1 April 2019 reconciled to the operating lease commitments as at 31 March 2019 is as follows:

3. 會計政策變動（續）

作為承租人－先前分類為經營租賃的租賃（續）

於二零一九年四月一日的租賃負債與於二零一九年三月三十一日的經營租賃承擔對賬如下：

		(Unaudited) （未經審核） HK$'000 港幣千元
Operating lease commitments as at 31 March 2019 (audited)	於二零一九年三月三十一日的經營租賃承擔（經審核）	32,296
Less: Commitments relating to leases exempt from capitalisation:	減：有關獲豁免資本化的租賃之承擔：	
– Short-term leases and other leases with remaining lease term ending on or before 31 March 2020	－短期租賃及餘下租期於二零二零年三月三十一日或之前結束之租賃	(3,387)
Operating lease liabilities before discounting	貼現前經營租賃負債	28,909
Weighted average incremental borrowing rate as at 1 April 2019	於二零一九年四月一日的加權平均增量借貸利率	12.91%
Discounted operating lease commitments and lease liabilities as at 1 April 2019	於二零一九年四月一日的貼現經營租賃承擔及租賃負債	24,098

Summary of new accounting policies

The accounting policy for leases as disclosed in the annual financial statements for the year ended 31 March 2019 is replaced with the following new accounting policies upon adoption of HKFRS 16 from 1 April 2019:

Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of the estimated useful life and the lease term.

新會計政策概要

自二零一九年四月一日起採納香港財務報告準則第16號後，截至二零一九年三月三十一日止年度的年度財務報表中披露的有關租賃的會計政策已被以下新會計政策取代：

使用權資產

使用權資產於租賃開始日期確認。使用權資產按成本減任何累計折舊及任何減值虧損計量，並就重新計量租賃負債作出調整。使用權資產的成本包括已確認的租賃負債金額、已產生的初始直接成本，以及於開始日期或之前作出的租賃付款減已收取的任何租賃優惠。除非本集團合理確定在租期結束時取得租賃資產的所有權，否則已確認的使用權資產在估計使用年期及租期（以較短者為準）內按直線法計提折舊。

3. CHANGES IN ACCOUNTING POLICIES *(Continued)*

Summary of new accounting policies *(Continued)*

Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in-substance fixed lease payments or a change in assessment to purchase the underlying asset.

Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. It considers all relevant factors that create an economic incentive for it to exercise the renewal. After the lease commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within the control of the Group and affects its ability to exercise the option to renew.

3. 會計政策變動 *(續)*

新會計政策概要 *(續)*

租賃負債

租賃負債於租賃開始日期按租賃期內將作出的租賃付款之現值予以確認。租賃付款包括固定付款(包括實質固定付款),減任何應收租賃優惠、基於指數或利率的可變租賃付款,以及剩餘價值擔保下的預期應付款項。租賃付款亦包括本集團合理確定行使的購買選擇權的行使價及(如租期反映本集團行使終止租賃選擇權)有關終止租賃而支付的罰款。不取決於指數或利率的可變租賃付款在出現觸發付款的事件或情況的期間內確認為開支。

計算租賃付款的現值時,如租賃內所隱含的利率不易釐定,則本集團使用於租賃開始日期的增量借貸利率計算。於開始日期後,租賃負債的金額增加,反映利息的增加,並就作出的租賃付款而減少。此外,如有修改、租賃付款日後因指數或利率變動出現變動、租賃期限發生變化、實質固定租賃付款變化或購買相關資產的評估變更,租賃負債的賬面價值將重新計量。

釐定有重續選擇權的合約之租期時作出的重大判斷

本集團將租期釐定為不可撤銷租賃期限,連同(如合理確定將行使選擇權)延長租賃的選擇權涵蓋的任何期間或(如合理確定不行使選擇權)終止租賃的選擇權涵蓋的任何期間。

在評估是否合理確定行使續期選擇權時,本集團作出判斷。本集團考慮為其行使續期創造經濟激勵的所有相關因素。租賃開始日期後,如發生本集團控制範圍內且影響本集團行使續期選擇權的能力的重大事件或情況變化,本集團會重新評估租期。

4. OPERATING SEGMENT INFORMATION

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

(a) securities and futures brokerage, placing, underwriting and margin financing segment engages in the provision of securities and futures brokerage, placing, underwriting and margin financing services;

(b) factoring, financial guarantee and finance leasing segment engages in the provision of factoring, financial guarantee and finance leasing services and related activities;

(c) insurance brokerage business segment engages in insurance brokerage business and the provision of financial planning and related services;

(d) provision of finance segment engages in the provision of financing services in Hong Kong;

(e) trading of securities and futures segment engages in the purchase and sale of securities and futures investments;

(f) investment holding segment engages in holding investments for continuing strategic or long-term purposes, primarily for dividend income and capital appreciation; and

(g) corporate finance advisory segment engages in the provision of corporate finance advisory services and related activities.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted loss before tax. The adjusted loss before tax is measured consistently with the Group's loss before tax except that bank and other interest income (excluding interest income from the provision of finance, margin financing, factoring and finance leasing activities), finance costs as well as head office and corporate expenses are excluded from such measurement.

Intersegment transactions are made with reference to the prices used for services made to independent third parties at the then prevailing market prices.

No analysis of the Group's assets and liabilities by operating segments was provided to the management for review during the six months ended 30 September 2019 and 2018 for the purposes of resources allocation and performance assessment.

4. 經營分類資料

本集團將業務單位按其服務劃分，以方便管理，並有下列可報告經營分類：

(a) 證券及期貨經紀、配售、包銷及孖展融資分類之業務為提供證券及期貨經紀、配售、包銷及孖展融資服務；

(b) 保理、融資擔保及融資租賃分類之業務為從事提供保理、融資擔保及融資租賃服務及相關活動；

(c) 保險經紀業務分類之業務為從事保險經紀業務及提供財務策劃及相關服務；

(d) 提供融資分類之業務為在香港提供融資服務；

(e) 證券及期貨買賣分類之業務為買賣證券及期貨投資；

(f) 投資控股分類之業務為就持續策略或長期目的而進行控股投資，主要目的為賺取股息收入及資本增值；及

(g) 企業融資顧問分類之業務為從事提供企業融資顧問服務及相關活動。

管理層在作出資源分配及表現評估之決策時會獨立監察本集團經營分類之業績。分類表現會按照可報告分類溢利／（虧損）評估，而可報告分類溢利／（虧損）乃用作計量經調整除稅前虧損。經調整除稅前虧損之計量方式與本集團除稅前虧損一致，惟有關計量會剔除銀行及其他利息收入（不包括提供融資、孖展融資、保理及融資租賃活動之利息收入）、融資成本以及總辦事處與公司開支。

分類間交易乃參照按當前市場價格向獨立第三方提供服務所用之價格而作出。

截至二零一九年及二零一八年九月三十日止六個月並無就資源分配及表現評估向管理層提供本集團按經營分類劃分的資產及負債分析，以供其審閱。

4. OPERATING SEGMENT INFORMATION *(Continued)*　4. 經營分類資料 *(續)*

For the six months ended 30 September 2019　截至二零一九年九月三十日止六個月

		Securities and futures brokerage, placing, underwriting and margin financing 證券及期貨經紀、配售、包銷及孖展融資 (Unaudited) (未經審核) HK$'000 港幣千元	Factoring, financial guarantee and finance leasing 保理、融資擔保及融資租賃 (Unaudited) (未經審核) HK$'000 港幣千元	Insurance brokerage business 保險經紀業務 (Unaudited) (未經審核) HK$'000 港幣千元	Provision of finance 提供融資 (Unaudited) (未經審核) HK$'000 港幣千元	Trading of securities and futures 證券及期貨買賣 (Unaudited) (未經審核) HK$'000 港幣千元	Investment holding 投資控股 (Unaudited) (未經審核) HK$'000 港幣千元	Corporate finance advisory 企業融資顧問 (Unaudited) (未經審核) HK$'000 港幣千元	Total 總額 (Unaudited) (未經審核) HK$'000 港幣千元
Segment revenue:	**分類收益：**								
Sales to external customers	對外部客戶之銷售	24,553	28,366	4,089	15,011	(33)	–	–	71,986
Intersegment sales	分類間銷售	–	–	–	–	–	–	–	–
		24,553	28,366	4,089	15,011	(33)	–	–	71,986
Reconciliation:	*調整：*								
Elimination of intersegment sales	分類間銷售對銷								–
Total revenue	收益總額								71,986
Segment results:	**分類業績：**	(4,786)	(1,008,229)	523	(238,527)	(37,986)	(52,643)	(1)	(1,341,649)
Reconciliation:	*調整：*								
Bank interest income	銀行利息收入								362
Other interest income	其他利息收入								46
Investment income on other financial assets	其他金融資產之投資收入								4,034
Corporate and other unallocated expenses	公司及其他未分配開支								(112,721)
Finance costs	融資成本								(385,865)
Loss before tax	除稅前虧損								(1,835,793)

4. OPERATING SEGMENT INFORMATION (Continued)

4. 經營分類資料（續）

For the six months ended 30 September 2018

截至二零一八年九月三十日止六個月

		Securities and futures brokerage, placing, underwriting and margin financing 證券及期貨經紀、配售、包銷及孖展融資 (Unaudited) (未經審核) HK$'000 港幣千元	Factoring, financial guarantee and finance leasing 保理、融資擔保及融資租賃 (Unaudited) (未經審核) HK$'000 港幣千元	Insurance brokerage business 保險經紀業務 (Unaudited) (未經審核) HK$'000 港幣千元	Provision of finance 提供融資 (Unaudited) (未經審核) HK$'000 港幣千元	Trading of securities and futures 證券及期貨買賣 (Unaudited) (未經審核) HK$'000 港幣千元	Investment holding 投資控股 (Unaudited) (未經審核) HK$'000 港幣千元	Corporate finance advisory 企業融資顧問 (Unaudited) (未經審核) HK$'000 港幣千元	Total 總額 (Unaudited) (未經審核) HK$'000 港幣千元
Segment revenue:	**分類收益：**								
Sales to external customers	對外部客戶之銷售	50,035	41,838	12,745	27,263	(283,395)	–	–	(151,514)
Intersegment sales	分類間銷售	–	–	–	–	–	–	–	–
		50,035	41,838	12,745	27,263	(283,395)	–	–	(151,514)
Reconciliation:	*調整：*								
Elimination of intersegment sales	分類間銷售對銷								–
Total revenue	收益總額								(151,514)
Segment results:	**分類業績：**	(24,456)	10,175	(2,998)	(1,178,441)	(306,018)	(79,271)	(30)	(1,581,039)
Reconciliation:	*調整：*								
Bank interest income	銀行利息收入								330
Other interest income	其他利息收入								18
Investment income on other financial assets	其他金融資產之投資收入								52,844
Corporate and other unallocated expenses	公司及其他未分配開支								(36,153)
Finance costs	融資成本								(171,344)
Loss before tax	除稅前虧損								(1,735,344)

4. OPERATING SEGMENT INFORMATION (Continued) 4. 經營分類資料（續）

Geographical information 地區資料

(a) Revenue from external customers (a) 來自外部客戶之收益

		For the six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 (Unaudited) （未經審核） HK$'000 港幣千元	2018 二零一八年 (Unaudited) （未經審核） HK$'000 港幣千元
Hong Kong	香港	43,620	(193,352)
The People's Republic of China (the "PRC")	中華人民共和國（「中國」）	28,366	41,838
Total	總計	71,986	(151,514)

The geographic location of revenue from external customers is based on the location of the customers at which the services were rendered.

來自外部客戶之收益之地理位置乃基於提供服務之客戶地點劃分。

(b) Non-current assets (b) 非流動資產

		30 September 2019 二零一九年九月三十日 (Unaudited) （未經審核） HK$'000 港幣千元	31 March 2019 二零一九年三月三十一日 (Audited) （經審核） HK$'000 港幣千元
Hong Kong	香港	391,404	375,378
The PRC	中國	602,562	683,855
Total	總計	993,966	1,059,233

The geographic location of the non-current assets is based on the location of the operations to which they are allocated.

非流動資產之地理位置乃基於獲分配至之經營所在地劃分。

5. REVENUE, OTHER INCOME AND GAINS

Revenue represents commission and brokerage income from securities and futures dealings; commission from placing and underwriting services; interest income on margin financing activities; commissions and fees from financial guarantee services; finance lease interest income; factoring interest income; insurance brokerage income; interest income earned from the provision of finance; net losses from the sale of investments at fair value through profit or loss; and corporate finance advisory fee for the period.

An analysis of revenue, other income and gains is as follows:

5. 收益、其他收入及收益

收益指期內證券及期貨買賣佣金及經紀收入；配售及包銷服務佣金；孖展融資活動之利息收入；融資擔保服務佣金及費用；融資租賃利息收入；保理利息收入；保險經紀收入；提供融資所得之利息收入；出售透過損益以公平值列賬之投資之虧損淨額；以及企業融資顧問費。

收益、其他收入及收益分析如下：

		For the six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 (Unaudited) （未經審核） HK$'000 港幣千元	2018 二零一八年 (Unaudited) （未經審核） HK$'000 港幣千元
Revenue	**收益**		
Commission and brokerage income from securities and futures dealings	證券及期貨買賣佣金及經紀收入	22,544	24,116
Commission from placing and underwriting services	配售及包銷服務佣金	1,126	687
Interest income on margin financing activities	孖展融資活動之利息收入	883	25,232
Commissions and fees from financial guarantee services	融資擔保服務佣金及費用	2,880	6,241
Finance lease interest income	融資租賃利息收入	24,579	30,535
Factoring interest income	保理利息收入	907	5,062
Insurance brokerage income	保險經紀收入	4,089	12,745
Interest income from provision of finance	提供融資所得之利息收入	15,011	27,263
Losses from the sale of investments at fair value through profit or loss, net (note)	出售透過損益以公平值列賬之投資之虧損淨額（附註）	(33)	(283,395)
		71,986	(151,514)

5. REVENUE, OTHER INCOME AND GAINS (Continued)

5. 收益、其他收入及收益（續）

		For the six months ended 30 September 截至九月三十日止六個月 2019 二零一九年 (Unaudited) （未經審核） HK$'000 港幣千元	2018 二零一八年 (Unaudited) （未經審核） HK$'000 港幣千元
Other income and gains	**其他收入及收益**		
Bank interest income	銀行利息收入	362	330
Other interest income	其他利息收入	46	18
Investment income on other financial assets	其他金融資產之投資收入	4,034	52,844
Foreign exchange differences, net	外匯差額淨額	–	463
Others	其他	2,889	6,971
		7,331	60,626

Note:

There is no proceeds from sale of investments at fair value through profit or loss for the six months ended 30 September 2019 (six months ended 30 September 2018: HK$121,403,000).

附註：

截至二零一九年九月三十日止六個月並無出售透過損益以公平值列賬之投資所得款項（截至二零一八年九月三十日止六個月：港幣121,403,000元）。

6. FINANCE COSTS

An analysis of finance costs is as follows:

6. 融資成本

融資成本分析如下：

		For the six months ended 30 September 截至九月三十日止六個月 2019 二零一九年 (Unaudited) （未經審核） HK$'000 港幣千元	2018 二零一八年 (Unaudited) （未經審核） HK$'000 港幣千元
Interests on borrowings	借貸之利息	275,979	67,791
Interests on convertible instruments	可換股工具之利息	97,363	93,929
Interest on lease liabilities	租賃負債之利息	1,556	–
Other finance costs	其他融資成本	10,967	9,624
		385,865	171,344

7. LOSS BEFORE TAX 7. 除稅前虧損

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

本集團之除稅前虧損已扣除／(計入)：

		Notes 附註	For the six months ended 30 September 截至九月三十日止六個月 2019 二零一九年 (Unaudited) (未經審核) HK$'000 港幣千元	2018 二零一八年 (Unaudited) (未經審核) HK$'000 港幣千元
Employee benefit expenses (excluding directors' remuneration):	僱員福利開支(不包括董事酬金)：			
Salaries and allowances	薪金及津貼		20,295	22,150
Retirement benefit scheme contributions (defined contribution scheme)	退休福利計劃供款(定額供款計劃)		531	570
Equity-settled share option expense	以權益結算購股權之開支		–	20,348
			20,826	43,068
Depreciation	折舊	11	6,825	2,324
Equity-settled share option expense (note a)	以權益結算購股權之開支(附註a)		–	74,268
Minimum lease payments under operating leases (note b)	根據經營租約之最低租賃款項(附註b)		1,315	18,232
Provision for impairment loss of loans receivable, net	應收貸款之減值虧損撥備淨額	16	253,376	1,202,060
Provision for impairment loss of finance lease receivables (note c)	應收融資租賃款項之減值虧損撥備(附註c)	15	21,255	22,353
Provision/(reversal of provision) for impairment loss of factoring receivables	應收保理款項之減值虧損撥備／(撥備撥回)	17	243,231	(103)
Provision for impairment loss of accounts receivable, net	應收賬款之減值虧損撥備淨額	18	81	37,923
Provision for impairment loss of prepayments and other receivables (note c)	預付款項及其他應收款項之減值虧損撥備(附註c)		45,792	–
Impairment loss of goodwill	商譽減值虧損	12	79,825	–
Write-off of accounts receivable (note c)	撇銷應收賬款(附註c)		–	5,358
Fair value loss on other financial assets	其他金融資產之公平值虧損	14(d)	766,936	–
Foreign exchange differences, net	匯兑差額淨額		149	(463)

Notes:

(a) Amount included approximately HK$20,348,000 classified as employee benefit expenses and approximately HK$45,296,000 classified as directors' remuneration during the six months ended 30 September 2018.

(b) The Group has initially applied HKFRS 16 at 1 April 2019 using the modified retrospective approach and comparative information is not restated (note 3). During the six months ended 30 September 2019, expenses relating to short-term leases and leases of low-value assets not included in the measurement of lease liabilities are recorded in profit or loss as incurred.

(c) These items are included in "Other expenses, net" in the condensed consolidated statement of profit or loss.

附註：

(a) 截至二零一八年九月三十日止六個月之金額包括分類為僱員福利開支的約港幣20,348,000元及分類為董事酬金的約港幣45,296,000元。

(b) 本集團已於二零一九年四月一日使用經修訂追溯法首次應用香港財務報告準則第16號，未重列比較資料(附註3)。截至二零一九年九月三十日止六個月內，與短期租賃及低價值資產租賃有關的開支未計入租賃負債的計量，而是在產生時計入損益。

(c) 該等項目計入簡明綜合損益表之「其他開支淨額」內。

8. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operates.

Pursuant to the rules and regulations of the British Virgin Islands (the "BVI") and the Cayman Islands, the Group is not subject to any income tax in the BVI and the Cayman Islands respectively.

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the six months ended 30 September 2019 and 2018.

Under the law of the PRC on Enterprise Income Tax (the "EIT Law") and Interpretation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% during the six months ended 30 September 2019 and 2018.

8. 所得稅開支

本集團須按實體就產生自或源自本集團成員公司的住所及經營所在司法權區的溢利繳納所得稅。

根據英屬處女群島(「英屬處女群島」)及開曼群島的規則及法規，本集團毋須在英屬處女群島及開曼群島繳納任何所得稅。

香港利得稅乃按稅率16.5%就截至二零一九年及二零一八年九月三十日止六個月內於香港產生之估計應課稅溢利計提撥備。

截至二零一九年及二零一八年九月三十日止六個月內，根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司的稅率為25%。

		For the six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核) HK$'000 港幣千元	2018 二零一八年 (Unaudited) (未經審核) HK$'000 港幣千元
Current	本期		
Charge for the period	本期間支出		
– Hong Kong	一香港	**–**	911
– the PRC	一中國	**1,996**	3,341
Deferred	遞延	**(51)**	(79)
Total tax expense for the period	本期間稅項開支總額	**1,945**	4,173

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

(a) Basic loss per share

The calculation of the basic loss per share is based on the loss for the period attributable to ordinary equity holders of the Company of HK$1,592,305,000 (six months ended 30 September 2018: HK$1,758,247,000), and the weighted average number of ordinary shares of 1,661,618,811 (six months ended 30 September 2018: 1,567,815,008), calculated as follows:

9. 本公司普通股權持有人應佔每股虧損

(a) 每股基本虧損

每股基本虧損乃按本公司普通股權持有人應佔本期間虧損港幣1,592,305,000元(截至二零一八年九月三十日止六個月:港幣1,758,247,000元)以及普通股之加權平均數1,661,618,811股(截至二零一八年九月三十日止六個月:1,567,815,008股)計算如下:

		For the six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 Number of shares 股份數目 (Unaudited) (未經審核)	2018 二零一八年 Number of shares 股份數目 (Unaudited) (未經審核)
Number of shares	股份數目		
Issued ordinary shares at 1 April	於四月一日之已發行普通股	1,568,176,188	15,663,401,881
Effect of conversion of the Second Convertible Bonds (as define in note 24(b))	轉換第二批可換股債券(定義見附註24(b))之影響	–	14,748,197
Effect of issue of new shares	發行新股份之影響	93,442,623	–
Effect of share consolidation subsequent to the end of the reporting period	報告期末後進行股份合併之影響	–	(14,110,335,070)
Weighted average number of ordinary shares at 30 September	於九月三十日之普通股加權平均數	1,661,618,811	1,567,815,008

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY *(Continued)*

(b) Diluted loss per share

The calculation of diluted loss per share is based on the loss for the period attributable to ordinary equity holders of the Company of HK$1,592,305,000 (six months ended 30 September 2018: HK$1,758,247,000), and the weighted average number of ordinary shares of 1,661,618,811 (six months ended 30 September 2018: 1,567,815,008).

No adjustment has been made to the basic loss per share amount presented for the six months ended 30 September 2019 and 2018 in respect of a dilution as the calculation of diluted loss per share for the six months ended 30 September 2019 and 2018 does not assume (i) the conversion of the Company's outstanding convertible instruments since it would result an anti-dilutive effect on the basic loss per share; and (ii) the exercise of the Company's outstanding share options as it had no dilutive effect on the basic loss per share. The Company had no dilutive potential ordinary shares in issue during the six months ended 30 September 2019 and 2018.

10. INTERIM DIVIDEND

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

9. 本公司普通股權持有人應佔每股虧損 *（續）*

(b) 每股攤薄虧損

每股攤薄虧損乃按本公司普通股權持有人應佔本期間虧損港幣1,592,305,000元（截至二零一八年九月三十日止六個月：港幣1,758,247,000元）及普通股加權平均數1,661,618,811股（截至二零一八年九月三十日止六個月：1,567,815,008股）計算。

並無就攤薄對截至二零一九年及二零一八年九月三十日止六個月呈列的每股基本虧損金額作出調整，原因是計算截至二零一九年及二零一八年九月三十日止六個月之每股攤薄虧損時，並未假設(i)轉換本公司的未償還可換股工具，原因是其對每股基本虧損具有反攤薄影響；及(ii)行使本公司的未行使購股權，原因是其對每股基本虧損並無攤薄影響。截至二零一九年及二零一八年九月三十日止六個月，本公司並無已發行攤薄潛在普通股。

10. 中期股息

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中期股息（截至二零一八年九月三十日止六個月：無）。

11. PROPERTY, PLANT AND EQUIPMENT 11. 物業、廠房及設備

		30 September 2019 二零一九年九月三十日 (Unaudited) （未經審核） HK$'000 港幣千元	31 March 2019 二零一九年三月三十一日 (Audited) （經審核） HK$'000 港幣千元
Carrying amount	**賬面值**		
At beginning of period/year	於期／年初	6,133	14,943
Impact on initial application of HKFRS 16	首次應用香港財務報告準則第16號之影響	22,853	–
Adjusted at beginning of period/year	於期／年初經調整	28,986	14,943
Additions	添置	–	2,104
Depreciation provided during the period/year	期／年內之折舊撥備	(6,825)	(3,985)
Disposals/written off	出售／撤銷	–	(6,755)
Exchange differences	匯兌差額	148	(174)
At end of period/year	於期／年末	22,309	6,133

12. GOODWILL 12. 商譽

		30 September 2019 二零一九年九月三十日 (Unaudited) （未經審核） HK$'000 港幣千元	31 March 2019 二零一九年三月三十一日 (Audited) （經審核） HK$'000 港幣千元
Carrying amount	**賬面值**		
At beginning of period/year	於期／年初	660,674	660,674
Less: Impairment loss for the period	減：期內減值虧損	(79,825)	–
At end of period/year	於期／年末	580,849	660,674

Goodwill brought forward for both periods were allocated to the cash generating units of (i) financial guarantee and finance leasing business in the PRC ("CGU A") with carrying amount of approximately HK$659,169,000 and (ii) insurance and securities brokerage business in Hong Kong ("CGU B") with carrying amount of approximately HK$1,505,000. During the six months ended 30 September 2019, an impairment loss of approximately HK$79,825,000 (31 March 2019: Nil) in relation to CGU A has been recognised as its recoverable amount was lower than its carrying amount based on the impairment test performed by an independent qualified professional valuer.

兩個期間結轉的商譽已分配至(i)中國融資擔保及融資租賃業務賬面值約港幣659,169,000元的現金產生單位（「現金產生單位A」）及(ii)香港保險及證券經紀業務賬面值約港幣1,505,000元的現金產生單位（「現金產生單位B」）。截至二零一九年九月三十日止六個月，已就現金產生單位A確認減值虧損約港幣79,825,000元（二零一九年三月三十一日：無），原因是根據一名獨立合資格專業估值師進行的減值測試，其可收回金額低於其賬面值。

13. INVESTMENTS IN ASSOCIATES 13. 於聯營公司之投資

		30 September 2019 二零一九年九月三十日 (Unaudited) (未經審核) HK$'000 港幣千元	31 March 2019 二零一九年三月三十一日 (Audited) (經審核) HK$'000 港幣千元
Share of equity attributable to owners of the associates	分佔聯營公司擁有人應佔權益	**367,609**	365,061

Particulars of the associates of the Group at 30 September 2019 are as follows:

於二零一九年九月三十日，本集團聯營公司之詳情如下：

Name 名稱	Particulars of issued shares held 所持已發行股份詳情	Place of incorporation and business 註冊成立及營業地點	Percentage of ownership interest attributable to the Group 本集團應佔擁有權權益百分比	Principal activity 主要業務
FreeOpt Holdings Limited ("FreeOpt") FreeOpt Holdings Limited (「FreeOpt」)	Ordinary share without par value 無面值之普通股	Republic of the Marshall Islands/Hong Kong 馬紹爾群島共和國／香港	31.38	Investment holding 投資控股
Huiyue Financial Leasing (Ningbo) Co., Ltd ("Huiyue") 輝月融資租賃(寧波)有限公司(「輝月」)	Ordinary share without par value 無面值之普通股	PRC/PRC 中國／中國	6.78	Inactive 暫無營業
Imagination Holding Limited Imagination Holding Limited	Ordinary share without par value 無面值之普通股	Republic of the Marshall Islands/Hong Kong 馬紹爾群島共和國／香港	36.17	Investment holding 投資控股
Jocasta Ventures Ltd ("Jocasta") Jocasta Ventures Ltd (「Jocasta」)	Ordinary share without par value 無面值之普通股	BVI/Hong Kong 英屬處女群島／香港	36.17	Investment holding 投資控股

The above investments are indirectly held by the Company and their financial results were accounted for using the equity method.

上述投資由本公司間接持有，其財務業績使用權益法入賬。

13. INVESTMENTS IN ASSOCIATES *(Continued)*

As at 30 September 2019 and 31 March 2019, the Group held 15% equity interest in Huiyue of which 6.78% of the total paid-up capital of Huiyue was paid up. The Group is able to exercise significant influence over Huiyue because it has the power to appoint one out of three directors of that company under the Articles of Association of that company. Huiyue has still been in preliminary stage and intended to be engaged in finance leasing business, leasing business, acquisition of assets for leasing both in the PRC and overseas, repair and disposal of leased assets.

As at 30 September 2019, the Group has the outstanding capital commitment to associates amounting Renminbi ("RMB") RMB130,000,000 (equivalent to approximately HK$142,723,000) (31 March 2019: RMB130,000,000 (equivalent to approximately HK$152,009,000)).

13. 於聯營公司之投資 *(續)*

於二零一九年九月三十日及二零一九年三月三十一日，本集團持有輝月的15%股本權益，其中輝月已繳足股本總額的6.78%已繳足。本集團有能力對輝月具有重大影響，原因是根據該公司的組織章程細則，本集團有權力委任該公司三名董事中的一名。輝月仍處於發展初期，擬從事融資租賃業務；租賃業務；向國內外購買租賃財產；租賃財產的殘值處理及維修。

於二零一九年九月三十日，本集團對聯營公司的未履行資本承擔為人民幣（「人民幣」）130,000,000元（相當於約港幣142,723,000元）（二零一九年三月三十一日：人民幣130,000,000元（相當於約港幣152,009,000元））。

14. OTHER FINANCIAL ASSETS

14. 其他金融資產

		30 September 2019 二零一九年九月三十日 (Unaudited) (未經審核) HK$'000 港幣千元	31 March 2019 二零一九年三月三十一日 (Audited) (經審核) HK$'000 港幣千元
Non-current:	**非流動：**		
Investments at fair value through other comprehensive income (non-recycling)	透過其他全面收入以公平值列賬的投資（不回收）		
– Unlisted equity investment in the PRC (note a)	－中國非上市股權投資（附註a）	**686,168**	731,731
– Other unlisted equity investment (note b)	－其他非上市股權投資（附註b）	**691,571**	841,762
– Listed equity investment in the Philippines (note c)	－菲律賓上市股權投資（附註c）	**27,155**	29,454
		1,404,894	1,602,947
Current:	**流動：**		
Investments carried at fair value through profit or loss	透過損益以公平值列賬的投資		
– Unlisted wealth management products (note d)	－非上市財富管理產品（附註d）	**345,196**	1,148,314

14. OTHER FINANCIAL ASSETS *(Continued)*

Notes:

(a) Balance represented 12.17% equity interest in a full-licensed securities company in China (Shanghai) Pilot Free Trade Zone (the "Securities Company") under the framework of the Closer Economic Partnership Arrangement between Mainland China and Hong Kong.

(b) Balance represented approximately 19.06% equity interest in an investment holding company ("Entity A").

(c) The listed equity investment in the Philippines was stated at fair values based on quoted market prices in active markets at the end of each of the reporting periods.

(d) Balance represented the fair value of the Group's investment in wealth management products from financial institutions in the PRC which were not yet due nor early redeemed as at the end of each of the reporting periods. One of the wealth management products held by a subsidiary of Wins Finance Holdings Inc. ("Wins Finance"), an indirect non-wholly owned subsidiary of the Company and whose shares are listed on The NASDAQ Stock Market LLC, with original investments amount of RMB750,000,000 and remaining principal amount of RMB740,000,000 (equivalent to HK$812,424,000) as at 30 September 2019 was due to mature on 23 October 2019, however, an outstanding principal amount of RMB580,000,000 (equivalent to HK$636,765,000) has not been redeemed and no investment portfolio has been returned by the relevant financial institutions. The Company has set up an investigation committee and engaged an external independent law firm in the PRC with Wins Finance to assist in such investigation. Based on the investigation report dated 9 January 2020, it was discovered that the asset manager and certain other parties had executed some additional documents in respect of the investment of RMB750,000,000 in other investments. Wins Finance was not a party to these additional documents and was not aware of these additional documents previously. The Company is taking legal advice as to how to proceed with a view to maximising the interests of the Company and its shareholders. The Company reserves its right to and will exhaust all possible remedies in order to seek for compensation for the loss under the investment including without limitation the institution of legal proceedings against the relevant parties. As the recoverability of the outstanding principal amount and related interest receivable is highly uncertain, a fair value loss of HK$766,936,000 has been recorded for the six months ended 30 September 2019.

Details in relation to the results of the investigation were set out in the announcement of the Company dated 9 January 2020.

14. 其他金融資產 *(續)*

附註：

(a) 結餘指根據《內地與香港關於建立更緊密經貿關係的安排》框架下於中國(上海)自由貿易試驗區持有一家全牌照證券公司(「證券公司」)的12.17%股本權益。

(b) 結餘指於一間投資控股公司(「實體A」)約19.06%股本權益。

(c) 菲律賓上市股權投資按公平值(基於各報告期末活躍市場的市場報價)列賬。

(d) 結餘指本集團於中國金融機構的財富管理產品的投資之公平值，該投資於各報告期末尚未到期或提早贖回。Wins Finance Holdings Inc.(「Wins Finance」，本公司之間接非全資附屬公司，其股份於The NASDAQ Stock Market LLC上市)的一間附屬公司持有的一項財富管理產品原投資額為人民幣750,000,000元，於二零一九年九月三十日的餘下本金額為人民幣740,000,000元(相當於港幣812,424,000元)，定於二零一九年十月二十三日到期。然而，未償還本金額人民幣580,000,000元(相當於港幣636,765,000元)未贖回，且相關金融機構未退還投資組合。本公司已成立一個調查委員會，並已與Wins Finance委聘中國一家外部獨立律師事務所協助該調查。根據日期為二零二零年一月九日的調查報告，發現資產管理人與若干其他人士已就投資人民幣750,000,000元簽署部分額外文件。Wins Finance並非該等額外文件的訂約方，且早前並不知悉該等額外文件。本公司正就如何採取行動令本公司及其股東利益最大化而徵求法律意見。本公司保留權利尋求賠償投資損失，並將採取一切可能的補救措施，包括但不限於對相關人士提出法律訴訟。由於未償還本金額及相關應收利息的可收回性具有很高的不確定性，截至二零一九年九月三十日止六個月已錄得公平值虧損港幣766,936,000元。

調查結果詳情載列於本公司日期為二零二零年一月九日之公佈。

15. FINANCE LEASE RECEIVABLES 15. 應收融資租賃款項

		Minimum lease payments receivable 應收最低租賃付款		Present value of minimum lease payments receivable 應收最低租賃付款之現值	
		30 September 2019 二零一九年九月三十日 (Unaudited) (未經審核) HK$'000 港幣千元 (note) (附註)	31 March 2019 二零一九年三月三十一日 (Audited) (經審核) HK$'000 港幣千元 (note) (附註)	30 September 2019 二零一九年九月三十日 (Unaudited) (未經審核) HK$'000 港幣千元	31 March 2019 二零一九年三月三十一日 (Audited) (經審核) HK$'000 港幣千元
Finance lease receivables comprise:	應收融資租賃款項包括:				
Within one year	一年內	595,567	531,948	568,773	461,560
In more than one year but not more than five years	一年以上但不超過五年	335,495	524,442	321,250	493,712
		931,062	1,056,390	890,023	955,272
Less: Unearned finance lease income	減:未賺取融資租賃收入	(41,039)	(101,118)	–	–
		890,023	955,272	890,023	955,272
Less: Provision for impairment loss	減:減值虧損撥備	(113,201)	(91,946)	(113,201)	(91,946)
Present value of minimum lease payments receivable	應收最低租賃付款之現值	776,822	863,326	776,822	863,326
Analysed as:	分析為:				
Non-current assets	非流動資產			317,585	480,063
Current assets	流動資產			459,237	383,263
				776,822	863,326

Note:

At end of the reporting period, the minimum lease payments receivable was presented using the prevailing rate quoted by the People's Bank of China (the "PBC").

附註:

於報告期末,應收最低租賃付款使用中國人民銀行(「中國人民銀行」)現行利率呈報。

15. FINANCE LEASE RECEIVABLES *(Continued)*

As at 30 September 2019, finance lease receivables with an aggregate carrying value of approximately HK$10,810,000 (31 March 2019: HK$11,513,000) were pledged to secure certain other borrowings provided to the Group.

15. 應收融資租賃款項（續）

於二零一九年九月三十日，總賬面值約港幣10,810,000元（二零一九年三月三十一日：港幣11,513,000元）的應收融資租賃款項已抵押，以擔保提供予本集團的若干其他借貸。

		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
Effective interest rates	實際利率		
Finance lease receivables	應收融資租賃款項	5.70% – 11.00%	5.46% – 11.00%

Interest rate of variable-rate finance lease receivables is reset when there is a change of the prevailing PBC rate.

按浮動利率計息的應收融資租賃款項之利率在中國人民銀行現行利率變化時重新設定。

The movements in the provision for impairment of finance lease receivables are as follows:

應收融資租賃款項之減值虧損撥備之變動如下：

		30 September 2019 二零一九年九月三十日 (Unaudited) （未經審核） HK$'000 港幣千元	31 March 2019 二零一九年三月三十一日 (Audited) （經審核） HK$'000 港幣千元
At beginning of period/year	於期／年初	91,946	–
Effect arising from adoption of HKFRS 9	採納香港財務報告準則第9號的影響	–	2,748
		91,946	2,748
Provision for impairment loss	減值虧損撥備	21,255	89,198
At end of period/year	於期／年末	113,201	91,946

16. LOANS RECEIVABLE 16. 應收貸款

		30 September 2019 二零一九年九月三十日 (Unaudited) (未經審核) HK$'000 港幣千元	31 March 2019 二零一九年三月三十一日 (Audited) (經審核) HK$'000 港幣千元
Loans receivable	應收貸款	2,097,961	2,141,615
Less: Provision for impairment loss	減：減值虧損撥備	(1,922,771)	(1,695,060)
		175,190	446,555

Loans receivable represented receivables arising from the provision of finance business of the Group, and bear interest at 8.5% per annum (31 March 2019: rates ranging from 8% to 18% per annum).

應收貸款指本集團提供融資業務所產生之應收款項，按每年8.5厘之利率（二零一九年三月三十一日：介乎每年8厘至18厘之利率）計息。

All of the loans receivable as at 30 September 2019 and 31 March 2019 were unsecured.

於二零一九年九月三十日及二零一九年三月三十一日的所有應收貸款均無抵押。

An ageing analysis of loans receivable, determined based on the age of the loans receivable since the effective drawn down date of the loans, as at the end of the reporting period is as follows:

於報告期末，按應收貸款自貸款實際提取日期起之賬齡釐定之應收貸款賬齡分析如下：

		30 September 2019 二零一九年九月三十日 (Unaudited) (未經審核) HK$'000 港幣千元	31 March 2019 二零一九年三月三十一日 (Audited) (經審核) HK$'000 港幣千元
Within 90 days	90日內	1,144	10,638
Between 91 to 180 days	91至180日	1,253	3,562
Between 181 days to one year	181日至一年	14,244	794,687
Over one year	一年以上	2,081,320	1,332,728
		2,097,961	2,141,615

16. LOANS RECEIVABLE *(Continued)*

The movements in the provision for impairment of loans receivable are as follows:

16. 應收貸款 *(續)*

應收貸款減值撥備的變動如下：

		30 September 2019 二零一九年九月三十日 (Unaudited) (未經審核) HK$'000 港幣千元	31 March 2019 二零一九年三月三十一日 (Audited) (經審核) HK$'000 港幣千元
At beginning of period/year	於期／年初	1,695,060	320,000
Effect arising from adoption of HKFRS 9	採納香港財務報告準則第9號的影響	–	6,334
		1,695,060	326,334
Provision for impairment loss (note)	減值虧損撥備（附註）	253,376	1,427,502
Reversal of provision for impairment loss (note)	減值虧損撥備撥回（附註）	–	(58,776)
Write-off of provision for impairment loss	撇銷減值虧損撥備	(25,665)	–
At end of period/year	於期／年末	1,922,771	1,695,060

Note: Amounts are included in "Provision for impairment loss of loans receivable, net" in the condensed consolidated statement of profit or loss.

附註：該等款項計入簡明綜合損益表中「應收貸款之減值虧損撥備淨額」內。

Stage analysis on allowance for impairment losses is as follows:

減值虧損撥備階段分析如下：

		12 months expected credit loss ("ECL") 12個月預期信貸虧損（「預期信貸虧損」） HK$'000 港幣千元	Lifetime ECL not credit impaired 未信貸減值的存續期預期信貸虧損 HK$'000 港幣千元	Lifetime ECL credit impaired 已信貸減值的存續期預期信貸虧損 HK$'000 港幣千元	Total 總額 HK$'000 港幣千元
As at 30 September 2019 (unaudited)	**於二零一九年九月三十日（未經審核）**	**880**	**–**	**1,921,891**	**1,922,771**
As at 31 March 2019 (audited)	於二零一九年三月三十一日（經審核）	2,244	107,502	1,585,314	1,695,060

17. FACTORING RECEIVABLES 17. 應收保理款項

		30 September 2019 二零一九年九月三十日 (Unaudited) (未經審核) HK$'000 港幣千元	31 March 2019 二零一九年三月三十一日 (Audited) (經審核) HK$'000 港幣千元
Factoring receivables	應收保理款項	289,618	310,075
Less: Provision for impairment loss	減：減值虧損撥備	(244,781)	(1,550)
		44,837	308,525

An ageing analysis of factoring receivables, determined based on the age of the factoring receivables since the effective drawn down date of the loans, as at the end of the reporting period is as follows:

於報告期末，按應收保理款項自貸款實際提取日期起之賬齡釐定之應收保理款項賬齡分析如下：

		30 September 2019 二零一九年九月三十日 (Unaudited) (未經審核) HK$'000 港幣千元	31 March 2019 二零一九年三月三十一日 (Audited) (經審核) HK$'000 港幣千元
Within 90 days	90日內	–	24,989
Between 91 to 180 days	91至180日	–	–
Between 181 days to one year	181日至一年	–	193,877
Over one year	一年以上	289,618	91,209
		289,618	310,075

17. FACTORING RECEIVABLES *(Continued)*

17. 應收保理款項 *(續)*

The movements in the provision for impairment of factoring receivables are as follows:

應收保理款項之減值撥備的變動如下：

		30 September 2019 二零一九年九月三十日 (Unaudited) （未經審核） HK$'000 港幣千元	31 March 2019 二零一九年三月三十一日 (Audited) （經審核） HK$'000 港幣千元
At beginning of period/year	於期／年初	1,550	–
Effect arising from adoption of HKFRS 9	採納香港財務報告準則第9號的影響	–	1,618
		1,550	1,618
Provision for impairment loss	減值虧損撥備	243,231	–
Reversal of provision for impairment loss	減值虧損撥備撥回	–	(68)
At end of period/year	於期／年末	244,781	1,550

Stage analysis on allowance for impairment losses is as follows:

減值虧損撥備階段分析如下：

		12 months ECL 12個月預期信貸虧損 HK$'000 港幣千元	Lifetime ECL not credit impaired 未信貸減值的存續期預期信貸虧損 HK$'000 港幣千元	Lifetime ECL credit impaired 已信貸減值的存續期預期信貸虧損 HK$'000 港幣千元	Total 總額 HK$'000 港幣千元
As at 30 September 2019 (unaudited)	於二零一九年九月三十日（未經審核）	–	121,864	122,917	244,781
As at 31 March 2019 (audited)	於二零一九年三月三十一日（經審核）	1,550	–	–	1,550

18. ACCOUNTS RECEIVABLE　18. 應收賬款

		30 September 2019 二零一九年九月三十日 (Unaudited) (未經審核) HK$'000 港幣千元	31 March 2019 二零一九年三月三十一日 (Audited) (經審核) HK$'000 港幣千元
Accounts receivable arising from the ordinary course of business of:	於日常業務過程中產生之應收賬款：		
– Dealing in securities:	－證券買賣：		
Margin clients	孖展客戶	195,251	183,684
Clearing houses	結算所	6,201	19,047
– Insurance brokerage business	－保險經紀業務	–	530
– Futures brokerage business	－期貨經紀業務	4,785	4,738
– Financial guarantee business	－融資擔保業務	28,382	23,741
		234,619	231,740
Less: Provision for impairment loss	減：減值虧損撥備	(158,054)	(157,973)
		76,565	73,767

The settlement terms of accounts receivable attributable to the dealing in securities transactions are two days after the trade date except for the balances with margin clients and cash clients which are repayable on demand. The trading terms with customers of the insurance brokerage business are mainly on credit. The credit period for customers of insurance brokerage business is generally 30 days, extending up to 90 days for major customers. The settlement terms of accounts receivable attributable to dealing in futures transactions and financial guarantee business are repayable on demand and generally up to 12 months, respectively.

除孖展客戶及現金客戶之結餘須按要求償還外，證券買賣業務應佔之應收賬款結算期為交易日期後兩日。與保險經紀業務客戶的交易條款主要以記賬形式進行。一般而言，保險經紀業務客戶的信貸期為30日，而主要客戶則可延長至最多90日。期貨買賣業務及融資擔保業務應佔之應收賬款結算期分別為須按要求償還及一般最多12個月。

An ageing analysis of the accounts receivable as at the end of the reporting period, based on the trade date, is as follows:

於報告期末的應收賬款基於交易日期之賬齡分析如下：

		30 September 2019 二零一九年九月三十日 (Unaudited) (未經審核) HK$'000 港幣千元	31 March 2019 二零一九年三月三十一日 (Audited) (經審核) HK$'000 港幣千元
Within 90 days or on demand	90日內或按要求	234,619	231,730
Between 91 to 180 days	91至180日	–	10
		234,619	231,740

18. ACCOUNTS RECEIVABLE *(Continued)*

An ageing analysis of the accounts receivable as at the end of the reporting period based on past due, and net of loss allowance is as follows:

18. 應收賬款 *(續)*

於報告期末，按逾期計算之應收賬款（扣除虧損撥備）之賬齡分析如下：

		30 September 2019 二零一九年九月三十日 (Unaudited) （未經審核） HK$'000 港幣千元	31 March 2019 二零一九年三月三十一日 (Audited) （經審核） HK$'000 港幣千元
Not past due	未逾期	76,565	60,289
Less than 1 month past due	逾期1個月以內	–	–
1 to 3 months past due	逾期1至3個月	–	189
Over 3 months past due	逾期3個月以上	–	13,289
		76,565	73,767

The movements in the provision for impairment of accounts receivable are as follows:

應收賬款減值撥備變動如下：

		30 September 2019 二零一九年九月三十日 (Unaudited) （未經審核） HK$'000 港幣千元	31 March 2019 二零一九年三月三十一日 (Audited) （經審核） HK$'000 港幣千元
At beginning of period/year	於期／年初	157,973	135,417
Effect arising from adoption of HKFRS 9	採納香港財務報告準則第9號的影響	–	2,441
		157,973	137,858
Provision for impairment loss (note)	減值虧損撥備（附註）	81	22,284
Reversal of provision for impairment loss (note)	減值虧損撥備撥回（附註）	–	(2,169)
At end of period/year	於期／年末	158,054	157,973

Note: Amounts are included in "Provision for impairment loss of accounts receivable, net" in the condensed consolidated statement of profit or loss.

附註：該等款項計入簡明綜合損益表中「應收賬款之減值虧損撥備淨額」內。

18. ACCOUNTS RECEIVABLE *(Continued)* 18. 應收賬款（續）

Stage analysis on allowance for impairment losses is as follows:

減值虧損撥備階段分析如下：

		12 months ECL 12個月預期信貸虧損 HK$'000 港幣千元	Lifetime ECL not credit impaired 未信貸減值的存續期預期信貸虧損 HK$'000 港幣千元	Lifetime ECL credit impaired 已信貸減值的存續期預期信貸虧損 HK$'000 港幣千元	Simplified approach 簡化法 HK$'000 港幣千元	Total 總額 HK$'000 港幣千元
As at 30 September 2019 (unaudited)	**於二零一九年九月三十日（未經審核）**	**187**	**–**	**157,701**	**166**	**158,054**
As at 31 March 2019 (audited)	於二零一九年三月三十一日（經審核）	130	–	157,701	142	157,973

No credit loss allowance has been provided for clearing house receivables as the related credit loss allowances were immaterial.

未就應收結算所款項作出信貸虧損撥備，原因是相關信貸虧損撥備不大。

19. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS 19. 透過損益以公平值列賬之投資

		30 September 2019 二零一九年九月三十日 (Unaudited) （未經審核） HK$'000 港幣千元	31 March 2019 二零一九年三月三十一日 (Audited) （經審核） HK$'000 港幣千元
Listed equity investments, at market value	上市股權投資，按市值	**13,722**	23,531

The investments as at 30 September 2019 and 31 March 2019 were classified as held for trading. As at 30 September 2019, the Group's investments at fair value through profit or loss with an aggregate carrying value of approximately HK$13,432,000 were pledged to secure a borrowing provided to the Group. As at 31 March 2019, no investments at fair value through profit or loss were pledged.

於二零一九年九月三十日及二零一九年三月三十一日之投資分類為持作買賣。於二零一九年九月三十日，本集團透過損益以公平值列賬之投資之賬面總值約為港幣13,432,000元，已抵押以擔保提供予本集團的一筆借貸。於二零一九年三月三十一日，並無抵押透過損益以公平值列賬之投資。

20. RESTRICTED BANK DEPOSITS

Balance represented bank deposits in the PRC required by banks or related government regulations for the financial guarantees provided to third parties by the Group, and for the bank loans provided to the Group at the end of the reporting periods.

20. 受限制銀行存款

結餘指於報告期末銀行或相關政府法規就本集團提供予第三方的融資擔保及提供予本集團的銀行貸款要求的中國銀行存款。

21. CASH AND BANK BALANCES

21. 現金及銀行結餘

		30 September 2019 二零一九年 九月三十日 (Unaudited) （未經審核） HK$'000 港幣千元	31 March 2019 二零一九年 三月三十一日 (Audited) （經審核） HK$'000 港幣千元
Cash and bank balances	現金及銀行結餘	225,984	222,143

The Group maintains trust accounts with authorised institutions in respect of clients' monies arising from the course of securities brokerage, futures brokerage and insurance brokerage businesses. As at 30 September 2019, approximately HK$136,043,000 (31 March 2019: HK$155,956,000) was held by the Group on behalf of the clients in the trust accounts. The client monies as at 30 September 2019 and 31 March 2019 were not included in the Group's cash and bank balances.

本集團於獲授權機構設立託管賬戶，存放於證券經紀、期貨經紀及保險經紀業務過程中產生之客戶款項。於二零一九年九月三十日，本集團代表客戶於託管賬戶持有約港幣136,043,000元（二零一九年三月三十一日：港幣155,956,000元）。於二零一九年九月三十日及二零一九年三月三十一日的客戶款項並無計入本集團之現金及銀行結餘。

As at 30 September 2019, there are no bank deposits were pledged to secure certain bank borrowings provided to the Group (31 March 2019: HK$23,387,000).

於二零一九年九月三十日，並無抵押銀行存款以擔保提供予本集團的若干銀行借貸（二零一九年三月三十一日：港幣23,387,000元）。

22. ACCOUNTS PAYABLE

The balances as at 30 September 2019, based on the trade date, were all aged within 30 days (31 March 2019: 90 days).

22. 應付賬款

於二零一九年九月三十日，按交易日計算的結餘之賬齡均為30日（二零一九年三月三十一日：90日）內。

23. INTEREST-BEARING BORROWINGS 23. 計息借貸

		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		
		Effective interest rate (%) p.a. 實際年利率(%)	Maturity 到期日	HK$'000 港幣千元 (Unaudited) (未經審核)	Effective interest rate (%) p.a. 實際年利率(%)	Maturity 到期日	HK$'000 港幣千元 (Audited) (經審核)
Non-current:	非即期：						
Bank borrowings	銀行借貸						
– unsecured (note a)	–無抵押(附註a)	–	–	–	8.66	2021	28,000
Other borrowings	其他借貸						
– unsecured (note b)	–無抵押(附註b)	4.97	2022	10,000	4.97	2022	10,000
– unsecured (note c)	–無抵押(附註c)	4.97	2023	20,000	4.97	2023	20,000
				30,000			58,000
Current:	即期：						
Bank borrowings	銀行借貸						
– secured (note d)	–有抵押(附註d)	5.75	2020	2,554	5.46-5.75	2020	23,813
– unsecured (note a)	–無抵押(附註a)	–	–	–	8.66	2019-2020	15,000
Other borrowings	其他借貸						
– secured (note e)	–有抵押(附註e)	8.20	–	702,000	8.20	–	702,000
– secured (note f)	–有抵押(附註f)	6.00	2019	1,378	6.00	2019	6,500
– secured (note g)	–有抵押(附註g)	7.12	–	593,443	7.12	–	593,443
– secured (note h)	–有抵押(附註h)	18.10	–	772,200	–	–	–
– secured (note i)	–有抵押(附註i)	17.93	–	429,197	–	–	–
– unsecured (note a)	–無抵押(附註a)	8.66	2019-2021	43,000	–	–	–
				2,543,772			1,340,756
Total borrowings	借貸總額			2,573,772			1,398,756

Notes:

(a) In February 2018, the Company obtained an unsecured banking facility of HK$93,000,000 with interest bearing at Hong Kong Dollar Prime Rate plus 3% per annum and repayable by instalments in three years. In August 2019, the bank transferred all rights in respect of the remaining balance of the borrowing of approximately HK$43,000,000 to an independent third party and the borrowing was classified as other borrowing as at 30 September 2019.

(b) In June 2015, the Company issued an unsecured note with a principal amount of HK$10,000,000 to an independent third party, bearing interest at 5% per annum payable annually in arrears. The note is repayable in June 2022.

附註：

(a) 於二零一八年二月，本公司取得一筆無抵押銀行融資港幣93,000,000元，按港幣最優惠利率加每年3厘計息，須於三年內分期償還。於二零一九年八月，銀行將借貸餘額約港幣43,000,000元的所有權利轉讓予一名獨立第三方，借貸於二零一九年九月三十日分類為其他借貸。

(b) 於二零一五年六月，本公司向一名獨立第三方發行本金額為港幣10,000,000元之無抵押票據，按每年5厘計息，利息須於每年期末支付。該票據須於二零二二年六月償還。

23. INTEREST-BEARING BORROWINGS *(Continued)*

Notes: *(Continued)*

(c) In May 2016, the Company issued two unsecured notes with a total principal amount of HK$10,000,000 each to two independent third parties, bearing interest at 5% per annum payable annually in arrears. Both notes are repayable in May 2023.

(d) Bank borrowings of approximately RMB2,327,000 (equivalent to approximately HK$2,554,000) (31 March 2019: RMB20,365,000, equivalent to approximately HK$23,813,000) with interest bearing at rate of 5.75% (31 March 2019: rates ranging from 5.46% to 5.75%) per annum and repayable within three years by instalments were secured by a corporate guarantee given by a third party (31 March 2019: bank deposits of RMB20,000,000 (equivalent to approximately HK$23,387,000) and a corporate guarantee given by a third party).

(e) In March 2017, the Company obtained a loan facility of US$90,000,000 (equivalent to approximately HK$702,000,000) with interest bearing at rates ranging from 7.5% to 8.0% per annum payable annually in arrears, repayable in March 2020, and secured by the shares in the capital of certain wholly-owned subsidiaries of the Company, 20% equity interest Wins Finance held by the Group and personal guarantees given by Mr. Zhang Yongdong ("Mr. Zhang") and his spouse.

During the year ended 31 March 2019, certain covenants of the borrowing were breached. The breach of the covenants constituted events of default under the relevant agreement, which may cause the relevant borrowing becoming immediately repayable. Accordingly, the Group classified the outstanding balance of the borrowing as current liabilities.

(f) Other borrowings of approximately RMB1,255,000 (equivalent to approximately HK$1,378,000) (31 March 2019: RMB5,559,000, equivalent to approximately HK$6,500,000) with interest bearing at 6.0% per annum and repayable by instalments in January and October 2019 were secured by certain finance lease receivables with carrying amount of RMB9,846,000 (equivalent to approximately HK$10,810,000) (31 March 2019: RMB9,846,000, equivalent to approximately HK$11,513,000).

23. 計息借貸 *(續)*

附註：*(續)*

(c) 於二零一六年五月，本公司向兩名獨立第三方發行本金總額各自為港幣10,000,000元之兩批無抵押票據，利率為每年5厘，須於每年期末支付。兩批票據均須於二零二三年五月償還。

(d) 銀行借貸約人民幣2,327,000元（相當於約港幣2,554,000元）（二零一九年三月三十一日：人民幣20,365,000元，相當於約港幣23,813,000元）按介乎每年5.75厘的利率（二零一九年三月三十一日：介乎5.46厘至5.75厘的利率）計息，須於三年內分期償還，以一名第三方作出的公司擔保（二零一九年三月三十一日：銀行存款人民幣20,000,000元（相當於約港幣23,387,000元）及一名第三方作出的公司擔保）抵押。

(e) 於二零一七年三月，本公司取得一筆金額為90,000,000美元（相當於約港幣702,000,000元）的貸款融資，利率介乎每年7.5厘至8.0厘，利息須每年期末支付。該貸款融資須於二零二零年三月償還，以本公司若干全資附屬公司股本中的股份、本集團持有的Wins Finance的20%股本權益及張永東先生（「張先生」）及其配偶作出的個人擔保抵押。

截至二零一九年三月三十一日止年度，借貸的若干契諾被違反。違反契諾構成相關協議下違約事件，可能導致相關借貸須立即償還。因此，本集團將借貸的未償還餘額分類為流動負債。

(f) 其他借貸約人民幣1,255,000元（相當於約港幣1,378,000元）（二零一九年三月三十一日：人民幣5,559,000元，相當於約港幣6,500,000元）按每年6.0厘的利率計息，須於二零一九年一月及十月分期償還，以賬面值人民幣9,846,000元（相當於約港幣10,810,000元）（二零一九年三月三十一日：人民幣9,846,000元，相當於約港幣11,513,000元）的若干應收融資租賃款項抵押。

23. INTEREST-BEARING BORROWINGS *(Continued)*

Notes: *(Continued)*

(g) In March 2018, the Company issued two notes payable with principal amounts of US$30,000,000 (equivalent to approximately HK$234,987,000) ("Note A") and US$70,000,000 (equivalent to approximately HK$548,304,000) ("Note B" and collectively with Note A referred to as the "Notes"). The Notes bear interest at 7% per annum and were secured by certain listed securities held by the Group (31 March 2019: Nil), certain shares in the capital of a wholly-owned subsidiary of the Company, approximately 17.26% (31 March 2019: 7.26%) equity interest of Wins Finance held by the Group, certain shares of the Company held by Mr. Zhang and personal guarantees given by Mr. Zhang and his spouse. Note A was repayable in March 2019 and Note B was repayable in March 2020. Note B with principal amount of approximately US$23,827,000 (equivalent to approximately HK$185,847,000) was repaid during the year ended 31 March 2019.

During the year ended 31 March 2019, certain covenants of the notes payable were breached. The breach of the covenants constituted events of default under the relevant agreements, which may cause the relevant notes payable becoming immediately repayable. Accordingly, the Group classified the outstanding balance of the notes payable as current liabilities.

(h) The remaining principal of the expired convertible bonds issued on 14 June 2017 of US$99,000,000 (equivalent to approximately HK$772,200,000) was classified as other borrowings under current liabilities upon maturity.

The expired convertible bonds bore interest at 4% per annum payable semi-annually in arrears and default interest at 16% per annum. The expired convertible bonds were secured by 30% equity interest of Wins Finance held by the Group to the subscriber, a subsidiary of China Huarong Asset Management Co., Ltd and a guarantee given by an independent third party.

23. 計息借貸*（續）*

附註：*（續）*

(g) 於二零一八年三月，本公司發行兩份應付票據，本金額分別為30,000,000美元（相當於約港幣234,987,000元）（「票據A」）及70,000,000美元（相當於約港幣548,304,000元）（「票據B」，與票據A統稱「票據」）。票據按每年7厘計息，以本集團持有的若干上市證券（二零一九年三月三十一日：無）、本公司一間全資附屬公司股本中若干股份、本集團持有的Wins Finance約17.26%（二零一九年三月三十一日：7.26%）股本權益、張先生持有的若干本公司股份以及張先生及其配偶作出的個人擔保抵押。票據A須於二零一九年三月償還，票據B須於二零二零年三月償還。票據B的本金額約23,827,000美元（相當於約港幣185,847,000元）已於截至二零一九年三月三十一日止年度償還。

截至二零一九年三月三十一日止年度，應付票據的若干契諾被違反。違反契諾構成相關協議下違約事件，可能導致相關應付票據須立即償還。因此，本集團將應付票據的未償還餘額分類為流動負債。

(h) 於二零一七年六月十四日發行的已到期可換股債券之餘下本金額99,000,000美元（相當於約港幣772,200,000元）於到期後分類為流動負債下其他借貸。

已到期可換股債券按每年4厘計息，利息須每半年期後支付，罰息為每年16厘。已到期可換股債券以本集團持有的Wins Finance的30%股本權益及一名獨立第三方作出的擔保抵押予認購人（中國華融資產管理股份有限公司之附屬公司）。

23. INTEREST-BEARING BORROWINGS *(Continued)*

Notes: *(Continued)*

(i) The remaining principal of the expired convertible bonds issued on 12 September 2017 of HK$429,197,000 was classified as other borrowings under current liabilities upon maturity.

The expired convertible bonds bore interest at 7% per annum payable semi-annually in arrears and default interest at compounding 18% per annum. The expired convertible bonds were secured by 12.17% equity interest of the Securities Company, an other financial asset held by the Group to the subscriber, a wholly-owned subsidiary of Huarong Investment Stock Corporation Limited.

24. CONVERTIBLE INSTRUMENTS

As at 30 September 2019, the Company had one (31 March 2019: three) outstanding convertible instrument with details set out as follows:

(a) Convertible bonds issued on 14 June 2017 (the "First Convertible Bonds")

On 6 June 2017, the Company entered into a subscription agreement with a subsidiary of China Huarong Asset Management Co., Ltd. (the "First Subscriber", whose shares are listed on the main board of the Stock Exchange, stock code: 2799), in relation to the issue of the First Convertible Bonds in the principal amount of US$100,000,000 with conversion rights to convert the principal amount thereof into the shares of the Company at the conversion price of HK$4.25 (adjusted for share consolidation on the basis that every ten issued shares consolidated into one share). Upon conversion of the First Convertible Bonds, the principal amount of the First Convertible Bonds shall be exchanged to Hong Kong Dollar based on the fixed exchange rate of US$1:HK$7.8. The conversion period shall begin six months after the issue date and end on the fifth trading day before the maturity date.

23. 計息借貸 *(續)*

附註：*(續)*

(i) 於二零一七年九月十二日發行的已到期可換股債券之餘下本金額港幣429,197,000元於到期後分類為流動負債下其他借貸。

已到期可換股債券按每年7厘計息，利息須每半年期後支付，罰息為每年18厘的複合利率。已到期可換股債券以本集團持有的另一項金融資產（證券公司的12.17%股本權益）抵押予認購人（華融投資股份有限公司之全資附屬公司）。

24. 可換股工具

於二零一九年九月三十日，本公司有一份（二零一九年三月三十一日：三份）未償還可換股工具，詳情載列如下：

(a) 於二零一七年六月十四日發行的可換股債券（「首批可換股債券」）

於二零一七年六月六日，本公司與中國華融資產管理股份有限公司的一間附屬公司（「首名認購人」，其股份於聯交所主板上市，股份代號：2799）就發行本金額為100,000,000美元的首批可換股債券（附帶按轉換價港幣4.25元（已就基準為每十股已發行股份合併為一股股份的股份合併作出調整）將其本金額轉換成本公司股份的轉換權）訂立一份認購協議。於首批可換股債券獲轉換時，首批可換股債券的本金額將按1美元兑港幣7.8元的固定匯率兑換成港幣。轉換期將於發行日期後六個月開始，並於到期日前第五個交易日結束。

24. CONVERTIBLE INSTRUMENTS *(Continued)*

(a) Convertible bonds issued on 14 June 2017 (the "First Convertible Bonds") *(Continued)*

The issue price was 100% of the principal amount of the First Convertible Bonds. The First Convertible Bonds bore interest at 4% per annum payable semi-annually in arrears. The imputed interest on the First Convertible Bonds was calculated using the effective interest rate at 18.10% per annum. The First Convertible Bonds shall mature on the second anniversary of its issue date.

The First Convertible Bonds were secured by 30% equity interest of Wins Finance held by the Group to the First Subscriber.

On 18 October 2018, the Company and the First Subscriber entered into an amendment deed to amend certain terms and conditions of the First Convertible Bonds and pursuant to which the conversion price of the convertible share was revised from HK$4.25 (adjusted for share consolidation on the basis that every ten issued shares consolidated into one share) to HK$0.65 each. Further details were set out in the Company's announcement dated 18 October 2018 and 15 November 2018 and circular dated 13 December 2018 respectively.

On 15 November 2018, the Company entered into a supplemental undertaking with the First Subscriber pursuant to which the Company agreed to further amend certain terms and conditions of the First Convertible Bonds. The modification of the terms of such convertible bonds was approved by the shareholders at the Company's extraordinary general meeting on 13 December 2018.

24. 可換股工具（續）

(a) 於二零一七年六月十四日發行的可換股債券（「首批可換股債券」）（續）

發行價為首批可換股債券本金額的100%。首批可換股債券按每年4厘計息，利息須每半年期後支付。首批可換股債券的估算利息乃使用實際年利率18.10厘計算。首批可換股債券將於發行日期第二週年到期。

首批可換股債券由本集團持有的Wins Finance 30%股本權益抵押予首名認購人。

於二零一八年十月十八日，本公司與首名認購人訂立一份修訂契據，以修訂首批可換股債券的若干條款及條件，據此，可轉換股份的轉換價由每股港幣4.25元（已就基準為每十股已發行股份合併為一股的股份合併作出調整）修訂為港幣0.65元。進一步詳情分別載列於本公司日期為二零一八年十月十八日及二零一八年十一月十五日之公佈以及日期為二零一八年十二月十三日之通函。

於二零一八年十一月十五日，本公司與首名認購人訂立一項補充承諾，據此，本公司同意進一步修訂首批可換股債券的若干條款及條件。於二零一八年十二月十三日，修訂該等可換股債券的條款於本公司股東特別大會上獲股東批准。

24. CONVERTIBLE INSTRUMENTS *(Continued)*

(a) Convertible bonds issued on 14 June 2017 (the "First Convertible Bonds") *(Continued)*

During the year ended 31 March 2019, certain covenants of the convertible bonds were breached. The breach of the covenants constituted events of default under the convertible bonds instrument, which may cause the relevant convertible bonds becoming immediately repayable. Accordingly, the Group classified the outstanding balance of the convertible bonds as current liabilities.

On 5 August 2019, upon the completion of allotment and issue of 300,000,000 of the Company's shares to a subscriber at a subscription price of HK$0.145 per share and in accordance with the terms and conditions of the First Convertible Bonds, the conversion price of the outstanding convertible share was adjusted to HK$0.60 each. Further details were set out in the Company's announcement dated 12 August 2019.

During the six months ended 30 September 2019, no conversion rights attaching to the First Convertible Bonds were exercised and the conversion rights attached to the First Convertible Bonds were lapsed upon maturity. The remaining principal and equity component of the expired First Convertible Bonds of US$99,000,000 (equivalent to approximately HK$772,200,000) and HK$180,966,000 were transferred to other borrowings under current liabilities and accumulated losses respectively.

24. 可換股工具*（續）*

(a) 於二零一七年六月十四日發行的可換股債券（「首批可換股債券」）*（續）*

截至二零一九年三月三十一日止年度，可換股債券的若干契諾被違反。違反契諾構成可換股債券文據下違約事件，可能導致相關可換股債券須立即償還。因此，本集團將可換股債券的未償還餘額分類為流動負債。

於二零一九年八月五日，在按照首批可換股債券的條款及條件以認購價每股港幣0.145元向一名認購人配發及發行300,000,000股本公司股份完成後，未轉換可轉換股份的轉換價調整為每股港幣0.60元。進一步詳情載列於本公司日期為二零一九年八月十二日之公佈。

截至二零一九年九月三十日止六個月，首批可換股債券附帶的轉換權概無獲行使，首批可換股債券附帶的轉換權於到期後失效。已到期首批可換股債券的餘下本金及權益部分99,000,000美元（相當於約港幣772,200,000元）及港幣180,966,000元分別轉入流動負債下其他借貸及累計虧損。

24. CONVERTIBLE INSTRUMENTS *(Continued)*

(b) Convertible bonds issued on 12 September 2017 (the "Second Convertible Bonds")

On 24 August 2017, the Company entered into another subscription agreement with a wholly-owned subsidiary of Huarong Investment Stock Corporation Limited (the "Second Subscriber", whose shares are listed on the main board of the Stock Exchange, stock code: 2277), in relation to the issue of the Second Convertible Bonds in the principal amount of HK$437,000,000 with conversion rights to convert the principal amount thereof into the shares of the Company at the conversion price of HK$0.425 (adjusted for share consolidation on the basis that every ten issued shares consolidated into one share). The conversion period shall begin six months after the issue date and end on the fifth trading day before the maturity date.

The issue price was 100% of the principal amount of the Second Convertible Bonds. The Second Convertible Bonds bore interest at 4% per annum payable semi-annually in arrears. The imputed interest on the Second Convertible Bonds was calculated using the effective interest rate at 17.93% per annum. The Second Convertible Bonds shall mature on the second anniversary of its issue date.

The Second Convertible Bonds were secured by 12.17% equity interest of the Securities Company, an other financial asset held by the Group to the Second Subscriber.

On 7 May 2018, convertible bonds with principal amount of HK$7,803,000 were converted into 18,360,000 ordinary shares.

On 28 September 2018, the Company and the Second Subscriber entered into a deed of undertaking and a supplemental deed to amend the terms of the Second Convertible Bonds and pursuant to which (i) the conversion price of the convertible share was revised from HK$0.425 (adjusted for share consolidation on the basis that every ten issued shares consolidated into one share) to HK$0.65 each and (ii) interest rate revised from 4% to 7% per annum payable semi-annually in arrears. Further details were set out in the Company's announcement dated 18 October 2018 and circular dated 13 December 2018.

24. 可換股工具（續）

(b) 於二零一七年九月十二日發行的可換股債券（「第二批可換股債券」）

於二零一七年八月二十四日，本公司與華融投資股份有限公司的一間全資附屬公司（「第二名認購人」，其股份於聯交所主板上市，股份代號：2277）就發行本金額為港幣437,000,000元的第二批可換股債券（附帶按轉換價港幣0.425元（已就基準為每十股已發行股份合併為一股股份的股份合併作出調整）將其本金額轉換成本公司股份的轉換權）訂立另一份認購協議。轉換期將於發行日期後六個月開始，並於到期日前第五個交易日結束。

發行價為第二批可換股債券本金額的100%。第二批可換股債券按每年4厘計息，利息須每半年期後支付。第二批可換股債券的估算利息乃使用實際年利率17.93厘計算。第二批可換股債券將於發行日期第二週年到期。

第二批可換股債券以本集團持有的一項金融資產（證券公司的12.17%股本權益）抵押予第二名認購人。

於二零一八年五月七日，本金額為港幣7,803,000元的可換股債券獲轉換為18,360,000股普通股。

於二零一八年九月二十八日，本公司與第二名認購人訂立一份承諾契據及一份補充契據，以修訂第二批可換股債券的條款，據此，(i)可轉換股份的轉換價由每股港幣0.425元（已就基準為每十股已發行股份合併為一股的股份合併作出調整）修訂為港幣0.65元，及(ii)利率由每年4厘修訂為7厘，利息須每半年期後支付。進一步詳情載列於本公司日期為二零一八年十月十八日之公佈及日期為二零一八年十二月十三日之通函。

24. CONVERTIBLE INSTRUMENTS *(Continued)*

(b) Convertible bonds issued on 12 September 2017 (the "Second Convertible Bonds") *(Continued)*

On 9 November 2018, the Company entered into a second supplemental deed with the Second Subscriber pursuant to which the Company agreed to further amend certain terms and conditions of the Second Convertible Bonds. The modification of the terms of such convertible bond was approved by the shareholders at the Company's extraordinary general meeting on 13 December 2018.

During the year ended 31 March 2019, certain covenants of the convertible bonds were breached. The breach of the covenants constituted events of default under the convertible bonds instrument, which may cause the relevant convertible bonds becoming immediately repayable. Accordingly, the Group classified the entire outstanding balance of the convertible bonds as current liabilities.

On 5 August 2019, upon the completion of allotment and issue of 300,000,000 of the Company's shares to a subscriber at a subscription price of HK$0.145 per share and in accordance with the terms and conditions of the Second Convertible Bonds, the conversion price of the outstanding convertible share was adjusted to HK$0.59 each. Further details were set out in the Company's announcement dated 12 August 2019.

During the six months ended 30 September 2019, no conversion rights attaching to the Second Convertible Bonds were exercised and the conversion rights attached to the Second Convertible Bonds were lapsed upon maturity. The remaining principal and equity component of the expired Second Convertible Bonds of HK$429,197,000 and HK$98,834,000 were transferred to other borrowings under current liabilities and accumulated losses respectively.

24. 可換股工具 *(續)*

(b) 於二零一七年九月十二日發行的可換股債券(「第二批可換股債券」) *(續)*

於二零一八年十一月九日,本公司與第二名認購人訂立第二份補充契據,據此,本公司同意進一步修訂第二批可換股債券的若干條款及條件。於二零一八年十二月十三日,修訂該等可換股債券的條款於本公司股東特別大會上獲股東批准。

截至二零一九年三月三十一日止年度,可換股債券的若干契諾被違反。違反契諾構成可換股債券文據下違約事件,可能導致相關可換股債券須立即償還。因此,本集團將可換股債券的全部未償還餘額分類為流動負債。

於二零一九年八月五日,在按照第二批可換股債券的條款及條件以認購價每股港幣0.145元向一名認購人配發及發行300,000,000股本公司股份完成後,未轉換可轉換股份的轉換價調整為每股港幣0.59元。進一步詳情載列於本公司日期為二零一九年八月十二日之公佈。

截至二零一九年九月三十日止六個月,第二批可換股債券附帶的轉換權概無獲行使,第二批可換股債券附帶的轉換權於到期後失效。已到期第二批可換股債券的餘下本金及權益部分港幣429,197,000元及港幣98,834,000元分別轉入流動負債下其他借貸及累計虧損。

24. CONVERTIBLE INSTRUMENTS *(Continued)*

(c) Convertible notes issued on 24 October 2018 (the "Convertible Notes")

On 4 September 2018, the Company entered into a note purchase agreement with an indirect wholly-owned special purpose vehicle of CCB International (Holdings) Limited (the "Investor", whose shares are listed on the main board of the Stock Exchange, stock code: 939), in relation to the issue of the Convertible Notes in the principal amount of HK$185,847,419 with conversion rights to convert the principal amount thereof into the shares of the Company at the conversion price of HK$0.88 (adjusted for share consolidation on the basis that every ten issued shares consolidated into one share).

The issue price was 100% of the principal amount of the Convertible Notes. The Convertible Notes bore interest at 7% per annum payable semi-annually. The imputed interest on the Convertible Notes was calculated using the effective interest rate at 14.43% per annum. The Convertible Notes shall mature on 29 March 2020.

The Convertible Notes were secured by certain listed securities held by the Group (31 March 2019: Nil), certain shares in the capital of an indirect wholly-owned subsidiary of the Company, 17.26% (31 March 2019: 7.26%) equity interest of Wins Finance, and certain shares of the Company held by Mr. Zhang and personal guarantee given by Mr. Zhang and his spouse to the Investor.

During the year ended 31 March 2019, certain covenants of the convertible notes were breached. The breach of the covenants constituted events of default under the note purchase agreement, which may cause the relevant convertible notes becoming immediately repayable. Accordingly, the Group classified the outstanding balance of the convertible notes as current liabilities.

On 5 August 2019, upon the completion of allotment and issue of 300,000,000 shares to a subscriber at a subscription price of HK$0.145 per share and in accordance with the terms and conditions of the Convertible Notes, the conversion price was adjusted to HK$0.145 each. Further details were set out in the Company's announcement dated 12 August 2019.

24. 可換股工具 *(續)*

(c) 於二零一八年十月二十四日發行的可換股票據(「可換股票據」)

於二零一八年九月四日,本公司連同建銀國際(控股)有限公司的一間間接全資特殊目的公司(「投資者」,其股份於聯交所主板上市,股份代號:939)訂立一份票據購買協議,內容有關發行本金額為港幣185,847,419元的可換股票據,附帶以轉換價港幣0.88元(已就基準為每十股已發行股份合併為一股的股份合併作出調整)將其本金額轉換成本公司股份的轉換權。

發行價為可換股票據本金額的100%。可換股票據按每年7厘計息,利息須每半年支付。可換股票據的估算利息乃使用實際年利率14.43厘計算。可換股票據將於二零二零年三月二十九日到期。

可換股票據以本集團持有的若干上市證券(二零一九年三月三十一日:無)、本公司一間間接全資附屬公司股本中若干股份、Wins Finance之17.26%(二零一九年三月三十一日:7.26%)股本權益、張先生持有的本公司若干股份以及張先生及其配偶向投資者作出的個人擔保抵押。

截至二零一九年三月三十一日止年度,可換股票據的若干契諾被違反。違反契諾構成票據購買協議下違約事件,可能導致相關可換股票據須立即償還。因此,本集團將可換股票據的未償還餘額分類為流動負債。

於二零一九年八月五日,在按照可換股票據的條款及條件以認購價每股港幣0.145元向一名認購人配發及發行300,000,000股股份完成後,轉換價調整為每股港幣0.145元。進一步詳情載列於本公司日期為二零一九年八月十二日之公佈。

24. CONVERTIBLE INSTRUMENTS *(Continued)*

(c) Convertible notes issued on 24 October 2018 (the "Convertible Notes") *(Continued)*

During the six months ended 30 September 2019, no conversion rights attaching to the Convertible Notes were exercised. The outstanding principal amount of the Convertible Notes as at 30 September 2019 amounted to HK$185,847,419.

The convertible instruments recognised in the condensed consolidated financial statements are calculated as follows:

24. 可換股工具*（續）*

(c) 於二零一八年十月二十四日發行的可換股票據（「可換股票據」）*（續）*

截至二零一九年九月三十日止六個月，概無可換股票據附帶的轉換權獲行使。於二零一九年九月三十日，可換股票據的未償還本金額為港幣185,847,419元。

於簡明綜合財務報表確認的可換股工具按以下方式計算：

		30 September 2019 二零一九年九月三十日			
		First Convertible Bonds 首批可換股債券 HK$'000 港幣千元	Second Convertible Bonds 第二批可換股債券 HK$'000 港幣千元	Convertible Notes 可換股票據 HK$'000 港幣千元	Total 總額 HK$'000 港幣千元
Face value of convertible instruments at the date of issuance	可換股工具於發行日期的面值	778,760	437,000	185,847	1,401,607
Equity component	權益部分	(182,808)	(100,631)	(17,274)	(300,713)
Liability component on initial recognition at the date of issuance	於發行日期初步確認時的負債部分	595,952	336,369	168,573	1,100,894
Accumulated finance costs	累計融資成本	244,481	143,657	44,768	432,906
Accumulated interest paid	累計已付利息	(46,171)	(28,451)	(5,596)	(80,218)
Accumulated conversion options exercised	累計行使的轉換權	(6,660)	(6,579)	–	(13,239)
Accumulated modification gain	累計修訂收益	–	(654)	–	(654)
Transfer to borrowings and interests payable	轉入借貸及應付利息	(787,602)	(444,342)	–	(1,231,944)
Liability component as at 30 September 2019 (unaudited)	於二零一九年九月三十日的負債部分（未經審核）	–	–	207,745	207,745

24. CONVERTIBLE INSTRUMENTS *(Continued)*

The convertible instruments recognised in the condensed consolidated financial statements are calculated as follows: *(Continued)*

24. 可換股工具*（續）*

於簡明綜合財務報表確認的可換股工具按以下方式計算：*（續）*

		31 March 2019 二零一九年三月三十一日			
		First Convertible Bonds 首批可換股債券 HK$'000 港幣千元	Second Convertible Bonds 第二批可換股債券 HK$'000 港幣千元	Convertible Notes 可換股票據 HK$'000 港幣千元	Total 總額 HK$'000 港幣千元
Face value of convertible instruments at the date of issuance	可換股工具於發行日期的面值	778,760	437,000	185,847	1,401,607
Equity component	權益部分	(182,808)	(100,631)	(17,274)	(300,713)
Liability component on initial recognition at the date of issuance	於發行日期初步確認時的負債部分	595,952	336,369	168,573	1,100,894
Accumulated finance costs	累計融資成本	216,439	108,500	10,604	335,543
Accumulated interest paid	累計已付利息	(46,171)	(28,451)	–	(74,622)
Accumulated conversion options exercised	累計行使的轉換權	(6,660)	(6,579)	–	(13,239)
Modification gain	修訂收益	–	(654)	–	(654)
Liability component as at 31 March 2019 (audited)	於二零一九年三月三十一日的負債部分（經審核）	759,560	409,185	179,177	1,347,922

25. DEFERRED TAX LIABILITIES

Under the EIT Law of the PRC, withholding tax is payable for dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the condensed consolidated financial statements in respect of temporary differences attributable to the accumulated taxable profits of the PRC subsidiaries as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

25. 遞延稅項負債

根據中國企業所得稅法，須就中國附屬公司自二零零八年一月一日起賺取的溢利所宣派的股息繳納預扣稅。並無在簡明綜合財務報表中就中國附屬公司之累計應課稅溢利應佔的暫時差額確認遞延稅項，原因是本集團能控制撥回暫時差額的時間，且在可見的將來很可能不會撥回暫時差額。

26. SHARE CAPITAL 26. 股本

		30 September 2019 二零一九年九月三十日 (Unaudited) (未經審核) HK$'000 港幣千元	31 March 2019 二零一九年三月三十一日 (Audited) (經審核) HK$'000 港幣千元
Authorised: 500,000,000,000 (31 March 2019: 500,000,000,000) ordinary shares of HK$0.01 (31 March 2019: HK$0.01) each	法定：500,000,000,000股(二零一九年三月三十一日：500,000,000,000股)每股面值港幣0.01元(二零一九年三月三十一日：港幣0.01元)之普通股	5,000,000	5,000,000
Issued and fully paid: 1,868,176,188 (31 March 2019: 1,568,176,188) ordinary shares of HK$0.01 (31 March 2019: HK$0.01) each	已發行及繳足：1,868,176,188股(二零一九年三月三十一日：1,568,176,188股)每股面值港幣0.01元(二零一九年三月三十一日：港幣0.01元)之普通股	18,682	15,682

A summary of the movements of the Company's issued capital and share premium account is as follows:

本公司已發行股本及股份溢價賬之變動概述如下：

		Number of shares in issue 已發行股份數目	Issued capital 已發行股本 HK$'000 港幣千元	Share premium account 股份溢價賬 HK$'000 港幣千元	Total 總額 HK$'000 港幣千元
At 1 April 2018 (audited)	於二零一八年四月一日(經審核)	15,663,401,881	15,663	2,726,935	2,742,598
Issue of shares upon conversion of convertible bonds	於轉換可換股債券時發行股份	18,360,000	19	8,357	8,376
Effect of share consolidation	股份合併之影響	(14,113,585,693)	–	–	–
At 31 March 2019 (audited) and 1 April 2019 (audited)	於二零一九年三月三十一日(經審核)及二零一九年四月一日(經審核)	1,568,176,188	15,682	2,735,292	2,750,974
Issue of new shares (note)	發行新股份(附註)	300,000,000	3,000	40,500	43,500
At 30 September 2019 (unaudited)	於二零一九年九月三十日(未經審核)	1,868,176,188	18,682	2,775,792	2,794,474

Note:

On 5 August 2019, the Company allotted and issued 300,000,000 ordinary shares of HK$0.01 each to an independent third party at a subscription price of HK$0.145 per share, giving rise to an increase of HK$43,500,000 for both share capital and share premium.

附註：

於二零一九年八月五日，本公司以認購價每股港幣0.145元向一名獨立第三方配發及發行300,000,000股每股面值港幣0.01元的普通股，令股本及股份溢價均增加港幣43,500,000元。

27. SHARE OPTION SCHEME

The Company adopted the share option scheme on 31 August 2012 (the "2012 Scheme") with a term of ten years commencing from 31 August 2012.

The following share options were outstanding under the 2012 Scheme during the reporting periods:

27. 購股權計劃

本公司於二零一二年八月三十一日採納購股權計劃(「二零一二年計劃」),有效期為二零一二年八月三十一日起十年。

報告期間二零一二年計劃項下未行使之購股權如下:

		Number of shares options** 購股權數目**						
		At 1 April 2019 (Audited) 於二零一九年四月一日 (經審核) '000 千股	Granted/exercised/cancelled during the period 期內授出/行使/註銷 '000 千股	Lapsed during the period 期內失效 '000 千股	At 30 September 2019 (Unaudited) 於二零一九年九月三十日 (未經審核) '000 千股	Date of grant of share options* 購股權授出日期*	Exercise period of share options 購股權行使期	Exercise price of share options ** 購股權行使價** HK$ per share 每股港幣
2019	二零一九年							
Directors	董事							
In aggregate	總計	10,000	–	(10,000)	–	23-4-2015 二零一五年四月二十三日	23-4-2015 to 22-4-2025 二零一五年四月二十三日至二零二五年四月二十二日	4.90***
In aggregate	總計	74,000	–	(22,249)	51,751	6-8-2018 二零一八年八月六日	6-8-2018 to 5-8-2028 二零一八年八月六日至二零二八年八月五日	1.02****
Total	總額	84,000	–	(32,249)	51,751			
Weighted average exercise price	加權平均行使價	HK$1.48 港幣1.48元	–	HK$2.22 港幣2.22元	HK$1.02 港幣1.02元			
Employees	僱員							
In aggregate	總計	37,000	–	–	37,000	6-8-2018 二零一八年八月六日	6-8-2018 to 5-8-2028 二零一八年八月六日至二零二八年八月五日	1.02****
Total	總額	37,000	–	–	37,000			
Weighted average exercise price	加權平均行使價	HK$1.02 港幣1.02元	–	–	HK$1.02 港幣1.02元			
Non-employees	非僱員							
In aggregate	總計	58,828	–	–	58,828	23-4-2015 二零一五年四月二十三日	23-4-2015 to 22-4-2025 二零一五年四月二十三日至二零二五年四月二十二日	4.90***
In aggregate	總計	15,681	–	–	15,681	6-8-2018 二零一八年八月六日	6-8-2018 to 5-8-2028 二零一八年八月六日至二零二八年八月五日	1.02****
Total	總額	74,509	–	–	74,509			
Weighted average exercise price	加權平均行使價	HK$4.08 港幣4.08元	–	–	HK$4.08 港幣4.08元			

27. SHARE OPTION SCHEME *(Continued)*

The following share options were outstanding under the 2012 Scheme during the reporting periods: *(Continued)*

27. 購股權計劃（續）

報告期間二零一二年計劃項下未行使之購股權如下：（續）

		Number of shares options** 購股權數目**							
		At 1 April 2018 (Audited) 於二零一八年四月一日（經審核） '000 千股	Granted during the period 期內授出 '000 千股	Cancelled during the period 期內註銷 '000 千股	Exercised during the period 期內行使 '000 千股	At 30 September 2018 (Unaudited) 於二零一八年九月三十日（未經審核） '000 千股	Date of grant of share options* 購股權授出日期*	Exercise period of share options 購股權行使期	Exercise price of share options ** 購股權行使價** HK$ per share 每股港幣
2018	**二零一八年**								
Directors	**董事**								
In aggregate	總計	100,000	–	–	–	100,000	23-4-2015 二零一五年四月二十三日	23-4-2015 to 22-4-2025 二零一五年四月二十三日至二零二五年四月二十二日	0.490
In aggregate	總計	–	739,998	(739,998)	–	–	20-7-2018 二零一八年七月二十日	20-7-2018 to 19-7-2028 二零一八年七月二十日至二零二八年七月十九日	0.101
In aggregate	總計	–	739,998	–	–	739,998	6-8-2018 二零一八年八月六日	6-8-2018 to 5-8-2028 二零一八年八月六日至二零二八年八月五日	0.102
Total	總額	100,000	1,479,996	(739,998)	–	839,998			
Weighted average exercise price	加權平均行使價	HK$0.49 港幣0.49元	HK$0.102 港幣0.102元	HK$0.101 港幣0.101元	– –	HK$0.148 港幣0.148元			
Employees	**僱員**								
In aggregate	總計	–	370,000	(370,000)	–	–	20-7-2018 二零一八年七月二十日	20-7-2018 to 19-7-2028 二零一八年七月二十日至二零二八年七月十九日	0.101
In aggregate	總計	–	370,000	–	–	370,000	6-8-2018 二零一八年八月六日	6-8-2018 to 5-8-2028 二零一八年八月六日至二零二八年八月五日	0.102
Total	總額	–	740,000	(370,000)	–	370,000			
Weighted average exercise price	加權平均行使價	– –	HK$0.102 港幣0.102元	HK$0.101 港幣0.101元	– –	HK$0.102 港幣0.102元			

27. SHARE OPTION SCHEME *(Continued)*

The following share options were outstanding under the 2012 Scheme during the reporting periods: *(Continued)*

27. 購股權計劃 *(續)*

報告期間二零一二年計劃項下未行使之購股權如下：*(續)*

		Number of shares options** 購股權數目**							
		At 1 April 2018 (Audited) 於二零一八年四月一日（經審核） '000 千股	Granted during the period 期內授出 '000 千股	Cancelled during the period 期內註銷 '000 千股	Exercised during the period 期內行使 '000 千股	At 30 September 2018 (Unaudited) 於二零一八年九月三十日（未經審核） '000 千股	Date of grant of share options* 購股權授出日期*	Exercise period of share options 購股權行使期	Exercise price of share options ** 購股權行使價** HK$ per share 每股港幣
(Continued)	*(續)*								
Non-employees	**非僱員**								
In aggregate	總計	588,276	–	–	–	588,276	23-4-2015 二零一五年四月二十三日	23-4-2015 to 22-4-2025 二零一五年四月二十三日至二零二五年四月二十二日	0.490
In aggregate	總計	–	156,817	(156,817)	–	–	20-7-2018 二零一八年七月二十日	20-7-2018 to 19-7-2028 二零一八年七月二十日至二零二八年七月十九日	0.101
In aggregate	總計	–	156,817	–	–	156,817	6-8-2018 二零一八年八月六日	6-8-2018 to 5-8-2028 二零一八年八月六日至二零二八年八月五日	0.102
Total	總額	588,276	313,634	(156,817)	–	745,093			
Weighted average exercise price	加權平均行使價	HK$0.49 港幣0.49元	HK$0.102 港幣0.102元	HK0.101 港幣0.101元	– –	HK$0.408 港幣0.408元			

* The vesting period of the share options was from the date of grant until the commencement of the exercise period.

** The exercise price and the number of the shares options are subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

*** At the date of grant, the exercise price of the share options was HK$0.490 per share. The exercise price was adjusted to HK$4.90 per share following the share consolidation became effective on 12 November 2018.

**** At the date of grant, the exercise price of the share options was HK$0.102 per share. The exercise price was adjusted to HK$1.02 per share following the share consolidation became effective on 12 November 2018.

* 此等購股權之歸屬期為授出日期起計至行使期開始為止。

** 倘進行供股或紅股發行，或本公司股本有其他類似變動，此等購股權之行使價及數目可予調整。

*** 於授出日期，購股權的行使價為每股港幣0.490元。於二零一八年十一月十二日股份合併生效後，行使價調整為每股港幣4.90元。

**** 於授出日期，購股權的行使價為每股港幣0.102元。於二零一八年十一月十二日股份合併生效後，行使價調整為每股港幣1.02元。

27. SHARE OPTION SCHEME *(Continued)*

The following share options were outstanding under the 2012 Scheme during the reporting periods: *(Continued)*

During the six months ended 30 September 2019, no share option was granted, exercised or cancelled and 32,249,000 number of shares options were lapsed under the 2012 Scheme. 2,533,630,268 share options were granted in July and August 2018, 1,266,815,134 share options were cancelled in July 2018 and no share option was exercised or lapsed during the six months ended 30 September 2018.

As at the end of the reporting period, the Company had 163,259,158 (adjusted) (30 September 2018: 1,955,090,954) shares issuable under outstanding options granted under 2012 Scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 163,259,158 (adjusted) (30 September 2018: 1,955,090,954) additional ordinary shares of the Company and additional share capital of approximately HK$1,633,000 (30 September 2018: HK$1,955,000) and share premium of approximately HK$393,143,000 (30 September 2018: HK$464,515,000) (before issue expenses).

27. 購股權計劃 *（續）*

報告期間二零一二年計劃項下未行使之購股權如下：*（續）*

截至二零一九年九月三十日止六個月，概無購股權已授出、行使或註銷，32,249,000份購股權根據二零一二年計劃失效。2,533,630,268份購股權於二零一八年七月及八月授出，1,266,815,134份購股權於二零一八年七月註銷，概無購股權於截至二零一八年九月三十日止六個月內獲行使或失效。

於報告期末，本公司於根據二零一二年計劃授出的未行使購股權項下有163,259,158股（經調整）（二零一八年九月三十日：1,955,090,954股）可發行股份。按照本公司現有資本架構，若未行使之購股權獲全面行使，將導致額外發行163,259,158股（經調整）（二零一八年九月三十日：1,955,090,954股）本公司普通股，新增股本約港幣1,633,000元（二零一八年九月三十日：港幣1,955,000元）及股份溢價約港幣393,143,000元（二零一八年九月三十日：港幣464,515,000元）（未扣除發行開支）。

28. MAJOR NON-CASH TRANSACTIONS

(a) During the six months ended 30 September 2018, the Group acquired 36.17% equity interest in Imagination Holding Limited for a consideration of HK$144,500,000. The consideration was settled by cash of HK$100,000,000 and a promissory note with principal amount of HK$44,500,000, which was repayable upon completion date. Such promissory note was fully repaid on 11 June 2018.

(b) During the six months ended 30 September 2018, the Group entered into an agreement with Entity A, pursuant to which Entity A agreed to allot and issue its consideration shares, representing approximately 19.32% of the total issued share capital of Entity A at a consideration of HK$600,000,000 and the Group agreed to return a promissory note with principal amount of HK$600,000,000 to Entity A for cancellation. The transaction was completed in April 2018.

28. 主要非現金交易

(a) 截至二零一八年九月三十日止六個月，本集團收購Imagination Holding Limited的36.17%股本權益，代價為港幣144,500,000元。代價以現金港幣100,000,000元及本金額為港幣44,500,000元的承兑票據（須於完成日期償還）支付。該承兑票據於二零一八年六月十一日悉數償還。

(b) 截至二零一八年九月三十日止六個月，本集團與實體A訂立一份協議，據此，實體A同意以代價港幣600,000,000元配發及發行其代價股份（相當於實體A的全部已發行股本約19.32%），本集團同意將本金額為港幣600,000,000元的承兑票據退還予實體A註銷。該交易於二零一八年四月完成。

29. FINANCIAL GUARANTEE CONTRACTS

The Group provides loan guarantee services to enterprises and individuals in the PRC. As at 30 September 2019, the Group had contracts in relation to loan guarantee business of approximately HK$270,405,000 (31 March 2019: HK$296,054,000) in which approximately HK$2,704,000 (31 March 2019: HK$2,884,000) was recognised as guarantee compensation provision in the condensed consolidated statement of financial position.

29. 融資擔保合約

本集團向中國企業及個人提供貸款擔保服務。於二零一九年九月三十日，本集團有關貸款擔保業務的合約約港幣270,405,000元（二零一九年三月三十一日：港幣296,054,000元），其中約港幣2,704,000元（二零一九年三月三十一日：港幣2,884,000元）於簡明綜合財務狀況報表中確認為擔保賠償撥備。

30. OPERATING LEASE ARRANGEMENTS

As lessee

The Group leases staff quarters and office premises under operating lease arrangements. The leases for the properties are negotiated for terms of ranging from one to three years (31 March 2019: one to three years).

As at 31 March 2019, the Group had total future minimum lease payments under the non-cancellable operating leases falling due as follows:

30. 經營租約安排

作為承租人

本集團根據經營租約安排租賃員工宿舍及辦公場所。物業租賃之租期經磋商為介乎一至三年（二零一九年三月三十一日：一至三年）。

於二零一九年三月三十一日，本集團根據不可撤銷經營租約之未來最低租賃付款總額之到期情況如下：

		31 March 2019 二零一九年 三月三十一日 (Audited) （經審核） HK$'000 港幣千元
Within one year	一年內	16,001
In the second year to fifth year, inclusive	第二年至第五年（包括首尾兩年）	16,295
		32,296

The Group is the lessee in respect of staff quarters and office premises held under leases which were previously classified as operating leases under HKAS 17. The Group has initially applied HKFRS 16 using the modified retrospective approach. Under this approach, the Group adjusted the opening balances at 1 April 2019 to recognise lease liabilities relating to these leases (see note 3). From 1 April 2019 onwards, future lease payments are recognised as lease liabilities in the condensed consolidated statement of financial position in accordance with the policies set out in note 3.

本集團為早前根據香港會計準則第17號分類為經營租賃的租約下持有的員工宿舍及辦公物業之承租人。本集團已使用經修訂追溯法首次應用香港財務報告準則第16號。根據該方法，本集團已調整於二零一九年四月一日的期初結餘，以確認與該等租約有關的租賃負債（見附註3）。自二零一九年四月一日起，未來租賃付款按照附註3所載政策於簡明綜合財務狀況表中確認為租賃負債。

31. RELATED PARTY TRANSACTIONS

(a) Saved as the transactions and arrangements disclosed elsewhere in these condensed consolidated financial statements, the Group had no other material transactions with related parties during the six months ended 30 September 2019 and 2018.

(b) Compensation of key management personnel of the Group:

31. 關連方交易

(a) 除該等簡明綜合財務報表其他部份所披露之交易及安排外，本集團於截至二零一九年及二零一八年九月三十日止六個月與關連方並無進行其他重大交易。

(b) 本集團主要管理人員之薪酬：

		For the six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 (Unaudited) （未經審核） HK$'000 港幣千元	2018 二零一八年 (Unaudited) （未經審核） HK$'000 港幣千元
Fee	袍金	566	360
Short-term employee benefits	短期僱員福利	9,556	6,025
Post-employment payments	退休福利	51	43
Equity-settled share option expense	以權益結算購股權之開支	–	45,296
Total compensation paid to key management personnel	已向主要管理人員支付之總薪酬	10,173	51,724

32. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 *Fair Value Measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

Level 1 valuations: Fair value measured using only Level 1 inputs, that is, unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 valuations: Fair value measured using Level 2 inputs, that is, observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.

32. 金融工具之公平值及公平值層級

公平值層級

下表呈報於報告期末本集團按持續基準計量的金融工具之公平值（分為香港財務報告準則第13號*公平值計量*界定的三級公平值層級）。公平值計量分類的級別乃參考估值技術使用的輸入數據之可觀察性及重大性，按以下方式釐定：

第一層估值：僅使用第一層輸入數據（即於計量日期活躍市場上相同資產或負債的未調整報價）計量的公平值。

第二層估值：僅使用第二層輸入數據（即不符合第一層計量的可觀察輸入數據），不使用重大不可觀察輸入數據計量的公平值。不可觀察輸入數據指無市場數據的輸入數據。

32. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(Continued)*

Fair value hierarchy *(Continued)*

Level 3 valuations: Fair value measured using significant unobservable inputs.

The Group uses independent valuers to perform valuations of financial instruments which are categorised into Level 3 of the fair value hierarchy. Valuation reports with analysis of changes in fair value measurement are prepared by the independent valuers and are reviewed and approved by the management. Discussion of the valuation process and results with the management is held to coincide with the reporting dates.

Assets measured at fair value:

32. 金融工具之公平值及公平值層級 *(續)*

公平值層級 *(續)*

第三層估值：使用重大不可觀察輸入數據計量的公平值。

本集團利用獨立估值師對分類至公平值層級第三層的金融工具進行估值。含有公平值計量變動分析的估值報告由獨立估值師編製，並由管理層審閱及批准。每年於報告日期與管理層討論估值程序及結果。

按公平值計量的資產：

		Fair value measurement using 使用以下各項之公平值計量			
		Quoted prices in active markets (Level 1) 活躍市場報價 (第一層) HK$'000 港幣千元	Significant observable inputs (Level 2) 重大可觀察輸入數據 (第二層) HK$'000 港幣千元	Significant unobservable inputs (Level 3) 重大不可觀察輸入數據 (第三層) HK$'000 港幣千元	Total 總額 HK$'000 港幣千元
As at 30 September 2019: (unaudited)	於二零一九年九月三十日：(未經審核)				
Other financial assets	其他金融資產	27,155	345,196	1,377,739	1,750,090
Investments at fair value through profit or loss	透過損益以公平值列賬之投資	13,722	–	–	13,722
		40,877	345,196	1,377,739	1,763,812
As at 31 March 2019: (audited)	於二零一九年三月三十一日：(經審核)				
Other financial assets	其他金融資產	29,454	1,148,314	1,573,493	2,751,261
Investments at fair value through profit or loss	透過損益以公平值列賬之投資	23,531	–	–	23,531
		52,985	1,148,314	1,573,493	2,774,792

The Group did not have any financial liabilities measured at fair value as at 30 September 2019 and 31 March 2019.

於二零一九年九月三十日及二零一九年三月三十一日，本集團並無任何按公平值計量的金融負債。

32. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(Continued)*

Fair value hierarchy *(Continued)*

Assets measured at fair value: (Continued)

During the six months ended 30 September 2019, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and liabilities (31 March 2019: Nil). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

Information about Level 3 fair value measurements

Unlisted equity investments are measured using valuation techniques based on inputs that can be observed in the markets in addition to unobservable inputs such as company specific financial information.

The Group uses the key inputs of market comparable companies, which include the valuation multiple and recent transaction price, to determine the fair value of the unlisted equity investments as at 30 September 2019 and 31 March 2019. The unobservable inputs are valuation multiple, marketability discount and minority discount. Valuation multiple represents price-to-book ratio. The higher the valuation multiple, the lower the discounts for lack of marketability or minority, the higher the fair value.

No sensitivity analysis is disclosed for the impact of changes in the relevant unobservable data as the management considers that the exposure is insignificant to the Group.

The movements during the period in the balance of the Level 3 fair value measurement are as follows:

Unlisted equity investments

32. 金融工具之公平值及公平值層級 *（續）*

公平值層級 *（續）*

按公平值計量的資產：（續）

截至二零一九年九月三十日止六個月，金融資產及負債的第一層與第二層之間公平值計量並無轉撥，亦並無轉入或轉出第三層（二零一九年三月三十一日：無）。本集團的政策為將公平值層級之間的轉撥於產生所在的報告期末確認。

第三層公平值計量之資料

非上市股權投資基於市場上可觀察到的輸入數據，以及公司特定財務資料等不可觀察輸入數據，使用估值技術計量。

本集團使用市場可資比較公司的關鍵輸入數據（包括估值倍數及近期交易價格）釐定非上市股權投資於二零一九年九月三十日及二零一九年三月三十一日之公平值。不可觀察輸入數據為估值倍數、市場流通性折讓及少數股權折讓。估值倍數指市賬率。估值倍數越高，缺乏市場流通性或少數股權的折讓越低，公平值越高。

並無就相關不可觀察數據變動的影響披露敏感度分析，原因是管理層認為該風險對本集團而言並不重大。

第三層公平值計量結餘之期內變動如下：

非上市股權投資

		For the six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 (Unaudited) （未經審核） HK$'000 港幣千元	2018 二零一八年 (Unaudited) （未經審核） HK$'000 港幣千元
At the beginning of the period	於期初	**1,573,493**	670,969
Additions	添置	**–**	600,000
Net unrealised gains/(losses) recognised in other comprehensive income/(loss) during the period	期內於其他全面收入／（虧損）確認的未變現收益／（虧損）淨額	**(195,754)**	341,588
At the end of the period	於期末	**1,377,739**	1,612,557

32. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(Continued)*

Fair value hierarchy *(Continued)*

Information about Level 3 fair value measurements (Continued)

Any gains or losses arising from the remeasurement of the Group's unlisted equity investments held for strategic purposes are recognised in the investment revaluation reserve (non-recycling) in other comprehensive income. Upon disposal of the equity investments, the amount accumulated in other comprehensive income/(loss) is transferred directly to accumulated losses.

Fair value of financial assets and financial liabilities that are not measured at fair value

The carrying amounts of other financial assets and financial liabilities recognised at amortised cost in the condensed consolidated financial statements approximate their fair values.

33. CONTINGENT LIABILITIES AND LITIGATION

(a) Wins Finance and certain of its executive officers were named as defendants in two civil securities lawsuits filed in two U.S. District Courts (the "Lawsuit A" and the "Lawsuit B", collectively referred to as the "Lawsuits") in April 2017. Both Lawsuits were putative class action lawsuits where plaintiffs' counsels sought to represent the entire class of shareholders who acquired Wins Finance's securities between 29 October 2015 and 29 March 2017. Both Lawsuits asserted the same statutory violations under the U.S. Securities Exchange Act, alleged, in sum and substance, that the defendants made false and misleading statements, or failed to disclose material facts, in Wins Finance's prospectuses, press releases, and filings with the U.S. Securities and Exchange Commission (the "SEC") in connection with its growth, business prospects and the adequacy of its internal controls. The Lawsuits also alleged that Wins Finance misrepresented the location of its principal executive office in SEC filings. The Lawsuits further alleged that Wins Finance's stock price fell when the alleged misstatements or omissions became known to investors. The plaintiffs sought unspecified monetary damages, including interest, costs and attorney's fees and other relief as the court deemed just.

32. 金融工具之公平值及公平值層級（續）

公平值層級（續）

第三層公平值計量之資料（續）

本集團持作策略用途的非上市股權投資重新計量產生的任何收益或虧損，於其他全面收入中投資重估儲備（不回收）確認。出售股權投資後，於其他全面收入╱（虧損）累計的金額直接轉入累計虧損。

並非按公平值計量之金融資產及金融負債之公平值

於簡明綜合財務報表中按攤銷成本確認的其他金融資產及金融負債之賬面值與其公平值相若。

33. 或然負債及訴訟

(a) 於二零一七年四月，Wins Finance及其若干執行人員在於兩個美國地區法院提出的兩宗民事證券訴訟（「訴訟A」及「訴訟B」，統稱為「該等訴訟」）中被列為被告。該等訴訟均為推定集體訴訟，原告律師尋求代表於二零一五年十月二十九日至二零一七年三月二十九日期間購買了Wins Finance證券的全體股東。該等訴訟均主張《美國證券交易法》項下的相同法定違規行為，總而言之指稱被告在Wins Finance的招股章程、新聞稿及向美國證券交易委員會（「美國證監會」）提交的文件中作出了有關其增長、業務前景及內控充足性的虛假及誤導性陳述，或未能披露相關重大事實。該等訴訟亦指稱，Wins Finance在提交予美國證監會的文件中虛假陳述了其主要執行人員的地點。該等訴訟進一步指稱，當相關錯誤陳述或遺漏被投資者知悉後，Wins Finance的股價下跌。原告尋求金額未定的損害賠償，包括利息、成本、律師費及法院認為正當的其他濟助。

33. CONTINGENT LIABILITIES AND LITIGATION *(Continued)*

(a) *(Continued)*)

In July 2017, the plaintiff of Lawsuit A filed notice to the U.S. District Court that Lawsuit A is voluntarily dismissed, without prejudice and without costs to any party, and the court subsequently terminate Lawsuit A. Accordingly, the directors of Wins Finance considered no further contingent liabilities would arise from Lawsuit A.

In June 2017, the court issued an order appointing lead plaintiffs and lead counsel for Lawsuit B. In August 2017, lead plaintiffs of Lawsuit B filed an amended class action complaint. The amended complaint alleged claims against Wins Finance for securities fraud purportedly arising from alleged misrepresentations concerning its principal executive offices (which alleged misrepresentations resulted in Wins Finance being added to, and then removed from, the Russell 2000 index). In October 2017, Wins Finance moved to dismiss the amended complaint for failure to state a claim as against it. In March 2018, the court issued an order to deny Wins Finance's motion to dismiss. Thus, Lawsuit B will proceed to the fact gathering stage. In June 2018, counsel for the parties appeared before the court for an initial scheduling conference and the court entered an appropriate schedule for discovery and additional motions. In July 2018, the plaintiffs filed with the court proof of summons and amended complaint against certain individual defendants and in August 2018, such individual defendants moved to dismiss the amended complaint for failure to state a claim as against them. In September 2018, the lead plaintiffs filed a motion seeking class certification. In that motion, the lead plaintiffs have not specified the amount of alleged class-wide damages, nor have they provided any methodology for the calculation of same. Wins Finance's opposition to that motion was due in December 2018. In October 2018, the court entered an order dismissing the action against an individual defendant without prejudice, for the lead plaintiffs' failure to timely serve such individual defendant with the summons and amended complaint.

As a result of a private mediation conducted in November 2018, Wins Finance has agreed in principle to settle the class action, on behalf of all remaining defendant parties. The court granted preliminary approval of the settlement by order entered in March 2019, and has rescheduled a final settlement approval hearing for 18 May 2020.

33. 或然負債及訴訟（續）

(a) （續）

於二零一七年七月，訴訟A的原告向美國地區法院提交通知，自願中止訴訟A，任何一方不受影響，亦毋須承擔任何費用，法院隨後終止訴訟A。因此，Wins Finance董事認為，訴訟A不會再產生其他或然負債。

於二零一七年六月，法院頒佈命令，就訴訟B委任首席原告及首席律師。於二零一七年八月，訴訟B的首席原告提交經修訂集體訴訟起訴書。經修訂起訴書指稱有關Wins Finance的主要行政人員的虛假陳述為證券欺詐提出索償（所指稱虛假陳述導致Wins Finance被列入羅素2000指數，後被剔除出該指數）。於二零一七年十月，Wins Finance動議因未能對其説明索償而駁回經修訂起訴書。於二零一八年三月，法院頒佈命令，拒絕Wins Finance的駁回動議。因此，訴訟B將進行收集事實階段。於二零一八年六月，各方律師參加法院的初步時間表規劃會議，法院已就文件披露及額外動議決定適當的時間表。於二零一八年七月，原告針對若干個人被告人向法院提交傳喚證明及經修訂起訴書，於二零一八年八月，該等個人被告人動議因未能對其説明索償而駁回經修訂起訴書。於二零一八年九月，首席原告提交動議，尋求集體認證。在該動議中，首席原告未説明指稱集體損害總金額，亦未提出任何相關計算方法。Wins Finance計劃於二零一八年十二月提出對該動議的異議。於二零一八年十月，法院頒佈一項命令，駁回對一名個人被告人的訴訟，無損權利，理由是首席原告未能及時向該個人被告人送達傳訊令狀及經修訂起訴書。

由於二零一八年十一月進行庭外調解，Wins Finance已代表所有餘下被告人原則上同意和解該集體訴訟。法院已於二零一九年三月頒佈命令，初步批准和解，並重新於二零二零年五月十八日舉行最終和解批准聆訊。

33. CONTINGENT LIABILITIES AND LITIGATION *(Continued)*

(b) On 10 May 2019, the Company received a Petition from an indirect wholly-owned special purpose vehicle of CCB International (Holdings) Limited in the matter of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) from the High Court of the Hong Kong Special Administrative Region (the "High Court") that the Company be wound up by the High Court on the ground that the Company is insolvent and unable to pay its debts of aggregate sum of US$111,629,994, being the alleged outstanding amount under the secured guaranteed notes and convertible notes issued to the him. Further details were set out in the Company's announcements dated 14 May 2019, 16 May 2019, 20 May 2019, 3 June 2019, 6 June 2019, 18 June 2019, 10 July 2019, 24 July 2019, 29 July 2019 and 1 August 2019.

In a winding up by court, any disposition of the property of the company made after the commencement of the winding up, shall unless the court otherwise orders, be void.

The substantive hearing of the Petition was scheduled to be heard on 17 February 2020. At this stage, there is no information to suggest and hence may be premature for the Group to predict the outcome of this hearing as well as the potential loss (if any) that may be caused.

33. 或然負債及訴訟 *(續)*

(b) 於二零一九年五月十日，本公司收到建銀國際（控股）有限公司的一間間接全資特殊目的公司就公司（清盤及雜項條文）條例（香港法例第32章）於香港特別行政區高等法院（「高等法院」）提出的呈請，要求高等法院將本公司清盤，理由是本公司無償債能力並無法償還合共111,629,994美元債務（即向其發行的有抵押有擔保票據及可換股票據的指稱未償還金額）。進一步詳情載列於本公司日期為二零一九年五月十四日、二零一九年五月十六日、二零一九年五月二十日、二零一九年六月三日、二零一九年六月六日、二零一九年六月十八日、二零一九年七月十日、二零一九年七月二十四日、二零一九年七月二十九日及二零一九年八月一日之公佈。

於法院清盤中，清盤開始後本公司財產（包括訴訟中財產）的處置無效，除非法院另有命令。

呈請的實質聆訊計劃於二零二零年二月十七日舉行。現時本集團並無資料（亦可能為時過早）預測本次聆訊的結果及可能導致的潛在損失（如有）。

34. EVENTS AFTER THE REPORTING PERIOD

Saved as disclosed elsewhere in these condensed consolidated financial statements, the following significant events of the Group occurred after the end of the reporting period:

The Group, through Wins Finance, held certain wealth management products (the "Products") managed by certain financial institutions in the PRC (the "Financial Institutions"). One of the Products with original investments amount of RMB750,000,000 and remaining principal amount of RMB740,000,000 (equivalent to HK$812,424,000 as at 30 September 2019) was due to mature on 23 October 2019. As at the date of this report, an outstanding principal amount of RMB580,000,000 (equivalent to approximately HK$637,765,000 as at 30 September 2019) has not been redeemed and no investment portfolio has been returned by the relevant Financial Institutions. The Company has set up an investigation committee and engaged an external independent law firm in the PRC with Wins Finance to assist in such investigation. Based on the investigation report dated 9 January 2020, it was discovered that the asset manager and certain other parties had executed some additional documents in respect of the investment of RMB750,000,000 in other investments. Wins Finance was not a party to these additional documents and was not aware of these additional documents previously. The Company is taking legal advice as to how to proceed with a view to maximising the interests of the Company and its Shareholders. The Company reserves its right to and will exhaust all possible remedies in order to seek for compensation for the loss under the investment including without limitation the institution of legal proceedings against the relevant parties. The Company considered the recoverability of the outstanding principal amount and related interest receivable is highly uncertain, a fair value loss of HK$766,936,000 has been recorded for the six months ended 30 September 2019.

Details in relation to the results of the investigation were set out in the announcement of the Company dated 9 January 2020.

35. COMPARATIVE FIGURES

The Group has initially applied HKFRS 16 at 1 April 2019 using the modified retrospective method. Under this approach, comparative information is not restated. Further details of the changes in accounting policies are disclosed in note 3.

34. 報告期後事件

除該等簡明綜合財務報表中其他地方所披露者外，報告期末後本集團發生以下重大事件：

本集團透過WinsFinance持有中國若干金融機構（「金融機構」）管理的若干財富管理產品（「該等產品」）。其中一項該等產品（原投資額為人民幣750,000,000元，餘下本金額為人民幣740,000,000元（於二零一九年九月三十日相當於港幣812,424,000元））定於二零一九年十月二十三日到期，於本報告日期，未償還本金額為人民幣580,000,000元（於二零一九年九月三十日相當於約港幣637,765,000元）未贖回，且相關金融機構未退還投資組合。本公司已成立一個調查委員會，並已與WinsFinance委聘中國一家外部獨立律師事務所協助該調查。根據日期為二零二零年一月九日的調查報告，發現資產管理人與若干其他人士已就投資人民幣750,000,000元簽署部分額外文件。WinsFinance並非該等額外文件的訂約方，且早前並不知悉該等額外文件。本公司正就如何採取行動令本公司及其股東利益最大化而徵求法律意見。本公司保留權利尋求賠償投資損失，並將採取一切可能的補救措施，包括但不限於對相關人士提出法律訴訟。本公司認為未償還本金額及相關應收利息的可收回性具有很高的不確定性，截至二零一九年九月三十日止六個月已錄得公平值虧損港幣766,936,000元。

調查結果詳情載列於本公司日期為二零二零年一月九日之公佈。

35. 比較數字

本集團已於二零一九年四月一日使用經修訂追溯法首次應用香港財務報告準則第16號。根據該方法，未重列比較資料。會計政策變動的進一步詳情於附註3披露。

INTERIM DIVIDEND

The directors of Freeman FinTech Corporation Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") do not recommend the payment of an interim dividend for the six months ended 30 September 2019 (30 September 2018: Nil).

中期股息

民眾金融科技控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)董事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(二零一八年九月三十日:無)。

BUSINESS REVIEW

BUSINESS OVERVIEW

The Company is a limited liability company incorporated in the Cayman Islands with its principal place of business in Hong Kong. The Group is positioned as an innovative financial service platform, aiming to provide comprehensive financial services to clients.

During the six months ended 30 September 2019 (the "Period"), the Group was principally engaged in (i) the provision of securities and futures brokerage services, placing, underwriting and margin financing services; (ii) the provision of factoring, financial guarantee and finance leasing services; (iii) the provision of insurance brokerage and financial planning services; (iv) the provision of financing services; (v) trading of securities and futures investments; (vi) investment holding; and (vii) the provision of corporate finance advisory services.

MARKET REVIEW

During the Period, against the backdrop of unresolved trade tension between the United States of America (the "US") and the People's Republic of China (the "PRC" or "China") and political frictions in Brexit (the withdrawal of the United Kingdom from the European Union), as well as a slowdown in the growth of China's economy, the visibility of global outlook remained unclear, and the financial markets were volatile. The Hong Kong financial market has been especially challenging facing factors such as continuous social incidents in Hong Kong and the intensification of US-China trade tension, both of which significantly deteriorated the sentiment of the local financial markets. Despite the continuous release of liquidity from the PRC Central Government, the Hang Seng Index has dropped by more than 10% during the Period.

業務回顧

業務概覽

本公司為於開曼群島註冊成立之有限公司,其主要營業地點位於香港。本集團定位為創新金融服務平台,旨在為客戶提供全面的金融服務。

截至二零一九年九月三十日止六個月(「本期間」)內,本集團主要從事(i)提供證券及期貨經紀服務、配售、包銷及孖展融資服務;(ii)提供保理、融資擔保及融資租賃服務;(iii)提供保險經紀及理財策劃服務;(iv)提供融資服務;(v)證券及期貨投資買賣;(vi)投資控股;及(vii)提供企業融資顧問服務。

市場回顧

本期間內,在美利堅合眾國(「美國」)與中華人民共和國(「中國」)之間貿易緊張及英國脱歐(英國退出歐盟)的政治摩擦尚未解決,以及中國經濟增長放緩的背景下,全球前景仍不明朗,金融市場動蕩不定。面臨香港持續社會事件及美中貿易緊張加劇(均嚴重影響了本地金融市場的情緒)等因素,香港金融市場尤其具有挑戰性。儘管中國中央政府持續釋放流動性,本期間內恆生指數下跌逾10%。

BUSINESS REVIEW *(Continued)*

OVERALL OPERATIONAL RESULTS

During the Period, the Group recorded a revenue of HK$72 million (corresponding period in 2018: negative revenue of HK$152 million). The consolidated net loss of the Group for the Period was HK$1,838 million (30 September 2018: HK$1,740 million), representing an increase in loss of 5.6% as compared to the corresponding period in 2018. The consolidated net assets of the Group decreased from HK$3,126 million as at 31 March 2019 to HK$1,001 million as at 30 September 2019. The consolidated net loss was mainly attributable to (i) the provision for impairment loss of loans receivable of HK$253 million as a result of extremely challenging market conditions that affect the repayments from the borrowers; (ii) finance costs of HK$386 million as a result of accrual of additional finance costs subsequent to the alleged events of defaults and cross defaults in relation to the Company's loans facilities and convertible debt instruments since the first half of 2019; (iii) the provision for impairment loss of factoring receivables of HK$243 million as a result of increased credit risks due to the extremely challenging market conditions; (iv) fair value loss on other financial assets of HK$767 million as the recoverability of the outstanding principal amount of a wealth management product and its related interest receivable is considered highly uncertain; and (v) impairment loss recognised on goodwill of HK$80 million.

Net loss attributable to the shareholders of the Company (the "Shareholders") for the Period was HK$1,592 million (corresponding period in 2018: HK$1,758 million). Basic and diluted loss per share was HK$0.96 (30 September 2018: HK$1.12).

MAJOR BUSINESS SEGMENTS

During the Period, the Group recorded a revenue of HK$72 million (corresponding period in 2018: negative revenue of HK$152 million) as there was minimal net loss from the sale of investments at fair value through profit or loss ("FVTPL") during the Period as compared to a net loss from the sales of investments at FVTPL of HK$283 million in the corresponding period in 2018. Revenue from other business segments also experienced shrinkage during the Period due to the extremely challenging market conditions. A summary of revenue from different business segments of the Group is set out below:

(i) The provision of securities and futures brokerage, placing, underwriting and margin financing services

Brokerage

The Group currently provides a diverse range of product offerings in its brokerage services for securities, futures and options traded on exchanges in Hong Kong, Mainland China (via Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect) and across major overseas stock markets including the US. In addition to brokerage services via telephone, the Group offers web-based and mobile stocks and futures trading platforms that enable real-time transactions and investment portfolio monitoring.

業務回顧 *(續)*

整體經營業績

本期間內，本集團錄得收益港幣72,000,000元（二零一八年同期：負收益港幣152,000,000元）。本集團於本期間之綜合虧損淨額為港幣1,838,000,000元（二零一八年九月三十日：港幣1,740,000,000元），虧損較二零一八年同期增加5.6%。本集團之綜合資產淨值由二零一九年三月三十一日之港幣3,126,000,000元減少至二零一九年九月三十日之港幣1,001,000,000元。綜合虧損淨額主要是由於：(i)應收貸款之減值虧損撥備港幣253,000,000元，乃由於極具挑戰性的市況影響了借款人還款；(ii)融資成本港幣386,000,000元，乃由於二零一九年上半年起有關本公司貸款融資及可換股債務工具的指稱違約事件及交叉違約後累計額外融資成本；(iii)應收保理款項之減值虧損撥備港幣243,000,000元，乃由於極具挑戰性的市況令信貸風險增加；(iv)其他金融資產之公平值虧損港幣767,000,000元，原因是一項財富管理產品的未償還本金額及其相關應收利息的收回可能性極不確定；及(v)就商譽確認的減值虧損港幣80,000,000元。

本期間本公司股東（「股東」）應佔虧損淨額為港幣1,592,000,000元（二零一八年同期：港幣1,758,000,000元）。每股基本及攤薄虧損為港幣0.96元（二零一八年九月三十日：港幣1.12元）。

主要業務分類

本期間內，本集團錄得收益港幣72,000,000元（二零一八年同期：負收益港幣152,000,000元），原因是本期間內出售透過損益以公平值列賬（「透過損益以公平值列賬」）之投資錄得的虧損淨額極低，而二零一八年同期出售透過損益以公平值列賬之投資錄得虧損淨額港幣283,000,000元。由於市況極具挑戰性，本期間內其他業務分類產生的收益亦大幅縮減。本集團不同業務分類的收益概要載列如下：

(i) 提供證券及期貨經紀、配售、包銷及孖展融資服務

經紀

本集團現時於香港、中國內地（透過滬股通及深股通）的交易所及海外（包括美國）主要股市買賣的證券、期貨及期權之經紀服務提供各式各樣的產品。除電話經紀服務外，本集團提供網頁及手機股票及期貨交易平台，支持實時交易及投資組合監察。

BUSINESS REVIEW *(Continued)*
MAJOR BUSINESS SEGMENTS *(Continued)*

(i) The provision of securities and futures brokerage, placing, underwriting and margin financing services *(Continued)*

Brokerage *(Continued)*

During the Period, revenue from the brokerage segment decreased by 4.2% to HK$23 million from HK$24 million for the corresponding period in 2018, mainly attributable to a decrease in brokerage revenue from trading of securities due to the unsteady financial markets, but this was partially offset by an increase in the brokerage revenue from trading of futures. In view of the stagnant spot market for brokerage business, the Group has been focusing on developing its institutional and retail futures brokerage business. The Group launched an in-house developed mobile app Freeman AIBS Trader* (民眾期貨王) in February 2019 providing an easy and accessible interface for retail and professional investors to trade futures on the go. During the Period, the total number of futures traded was 9.1 million contracts (corresponding period in 2018: 4.2 million contracts). In particular, the Group recorded a huge surge in the trading of Hong Kong index futures totalled 6.7 million contracts (corresponding period in 2018: 2.2 million contracts) and a significant increase in overseas futures (primarily through Chicago Mercantile Exchange and Eurex Exchange) totalled 2.4 million contracts (corresponding period in 2018: 2.0 million contracts). The Group regards itself as one of the major brokerages in the Hong Kong futures market and will continue to introduce different innovative products and services in support of further growth.

Placing and underwriting

With an experienced team of professionals, the Group offers placing and underwriting services to various Hong Kong and overseas listed companies and initial public offering ("IPO") related transactions.

During the Period, the Group participated in a number of secondary market financing projects. Revenue from the placing and underwriting segment was HK$1 million (corresponding period in 2018: HK$0.7 million).

Margin financing

The Group offers margin and IPO financing to customers. During the Period, the revenue from the Group's interest income on margin financing decreased by 96% to HK$1 million as compared to HK$25 million for the same period in 2018. The decrease was due to a contracted loan book size due to a prudent approach adopted by the management in view of increasing market risks of the local stock market as well as the financial position of the Group.

* *for identification purpose only*

業務回顧*（續）*
主要業務分類*（續）*

(i) 提供證券及期貨經紀、配售、包銷及孖展融資服務*（續）*

經紀*（續）*

本期間內，經紀分類的收益較二零一八年同期的港幣24,000,000元減少4.2%至港幣23,000,000元，主要是由於金融市場不穩定，令買賣證券的經紀收益減少，但這部分被買賣期貨的經紀收益增加所抵銷。鑒於經紀業務現貨市場停滯，本集團一直專注於發展機構及零售期貨經紀業務。本集團於二零一九年二月發佈自主研發的手機應用「民眾期貨王」，為散戶及專業投資者即時買賣期貨提供簡單易用的介面。本期間內，買賣的期貨總數為9,100,000份合約（二零一八年同期：4,200,000份合約）。具體而言，本集團錄得香港指數期貨交易大幅上漲，共6,700,000份合約（二零一八年同期：2,200,000份合約），以及海外期貨大幅增加（主要透過芝加哥商品交易所及歐洲期貨交易所），共2,400,000份合約（二零一八年同期：2,000,000份合約）。本集團將自身視為香港期貨市場主要經紀商之一，並將繼續發佈不同的創新產品及服務，以支持進一步增長。

配售及包銷

本集團擁有資深的專業人士團隊，向多家香港及海外上市公司及首次公開發售（「首次公開發售」）相關交易提供配售及包銷服務。

本期間內，本集團參與多個二級市場融資項目。配售及包銷分類的收益為港幣1,000,000元（二零一八年同期：港幣700,000元）。

孖展融資

本集團向客戶提供孖展及首次公開發售融資。本期間內，來自本集團孖展融資利息收入的收益較二零一八年同期的港幣25,000,000元減少96%至港幣1,000,000元。減少是由於鑒於本地股市的市場風險加劇及本集團的財務狀況，管理層採取審慎方法，令合約貸款規模減少。

BUSINESS REVIEW *(Continued)*
MAJOR BUSINESS SEGMENTS *(Continued)*

(ii) The provision of factoring, financial guarantee and finance leasing services

For factoring services, the Group provides trade finance services to Chinese small and medium enterprises ("SME(s)") in the form of transfer of receivables, management of collection and payment of accounts receivable, sales account management and relating consulting services.

For financial guarantee business, the Group facilitates SMEs financing opportunities by acting as a guarantor to secure credit facilities from lending banks and other financial institutions. The Group believes its guarantee services enable SME customers to obtain financing from banks on better terms, more conveniently, easily and quickly than in the absence of such guarantees.

For finance leasing services, the Group focuses on providing financing to the under-served market of established and qualified SME organisations in China through equipment leasing and equipment-purchase-lease-back services.

During the Period, commission and fees from financial guarantee services, factoring interest income and finance lease interest income decreased by 33.3% to HK$28 million as compared to HK$42 million for the corresponding period in 2018. The decrease is mainly due to (i) reduced lending activities due to the persistently depressed economy in Shanxi Province, where most of our existing clients are located for our financial guarantee services; and (ii) the worsening of China's economy and strict macro-control over the financial policy which led to fewer financing opportunities for our main customers.

(iii) The provision of insurance brokerage and financial planning services

The Group holds licenses from the Professional Insurance Brokers Association to market and sell general and long-term insurance products to corporations and individuals.

During the Period, revenue from insurance brokerage decreased significantly by 69.2% to HK$4 million from HK$13 million for the corresponding period in 2018, mainly due to a sharp drop in demand of Hong Kong insurance products from PRC individuals as a result of deteriorating market conditions and heightened social tension in Hong Kong on top of a more competitive landscape for the insurance brokerage industry. The efforts in sales of higher margin insurance products have compensated decline in business volume, therefore, the gross profit for the segment had recorded a moderate increase during the Period.

業務回顧 *（續）*
主要業務分類 *（續）*

(ii) 提供保理、融資擔保及融資租賃服務

保理服務方面，本集團向中國中小企業（「中小企業」）提供貿易融資服務，形式為轉讓應收款項、應收賬款收付款管理、銷售賬戶管理及相關諮詢服務。

融資擔保業務方面，本集團透過為中小企業從貸款銀行及其他金融機構取得信貸融資擔任擔保人，促進中小企業的融資機會。本集團相信，與在缺少擔保的情況下相比，其擔保服務有助中小企業客戶按更優惠的條款、更加方便、簡單及快捷地從銀行取得融資。

融資租賃服務方面，本集團專注於透過設備租賃及設備售後租回服務，向市場上服務不足的穩定、合資格的中小企業組織提供融資。

本期間內，融資擔保服務的佣金及費用、保理利息收入及融資租賃利息收入較二零一八年同期的港幣42,000,000元減少33.3%至港幣28,000,000元。減少主要是由於(i)山西省（我們融資擔保服務的大部分現有客戶所在地）經濟持續低迷，令貸款活動減少；及(ii)中國經濟惡化及嚴格的財政政策宏觀調控，令我們主要客戶的融資機會減少。

(iii) 提供保險經紀及理財策劃服務

本集團持有專業保險經紀協會的牌照，可向公司及個人銷售普通及長期保險產品。

本期間內，保險經紀的收入較二零一八年同期港幣13,000,000元大幅減少69.2%至港幣4,000,000元，主要是由於香港市況惡化及社會緊張加劇，加上保險經紀行業競爭更加激勵，令中國個人對香港保險產品的需求急劇下降。出售利潤率較高的保險產品補償了業務量的下降，因此本期間內該分類的毛利錄得適度增加。

BUSINESS REVIEW *(Continued)*
MAJOR BUSINESS SEGMENTS *(Continued)*

(iv) The provision of financing services

The segment derives revenue in the form of interest income primarily through providing short-term unsecured loans to individual borrowers residing mainly in the Mainland China and in Hong Kong.

During the Period, this business segment recorded revenue of HK$15 million, representing 44.4% decrease from HK$27 million for the corresponding period in 2018. The decrease was primarily attributed to the decrease in outstanding loan amount as a result of the management's decision to cease providing new loans, given the significant recoverability uncertainties of the existing loan portfolio in recent reporting periods and generally deteriorating market conditions. The focus of the segment during the Period was recovery of loans receivable including initiating legal proceedings against defaulting borrowers and engaging in active negotiations with other borrowers.

(v) Trading of securities and futures investments

During the Period, this business segment recorded a minimal net loss from the sales of investments at FVTPL of HK$33,000, representing a substantial decrease in loss from this segment revenue from HK$283 million for the corresponding period in 2018. The decrease was primarily attributed to an extremely prudent approach adopted by the management in response to the conditions of the market. During the Period, the Group temporarily suspended substantially all of the securities trading activities in the proprietary account. The Group had not recorded dividend income from investments at FVTPL for the Period (corresponding period in 2018: Nil). As at 30 September 2019, the Group held HK$14 million securities trading portfolio mainly represented by Pak Wing Group (Holdings) Limited ("Pak Wing", whose shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), stock code: 8316). Pak Wing and its subsidiaries are principally engaged in the foundation business as a foundation subcontractor in Hong Kong.

(vi) Investment holding

The Group through its subsidiaries engages in the holding of listed and unlisted investments for continuing strategic or long-term purposes primarily for dividend income and capital appreciation.

業務回顧*（續）*
主要業務分類*（續）*

(iv) 提供融資服務

該分類主要透過向主要居住在中國內地及香港的個人借款人提供短期無抵押貸款，以利息收入形式獲得收益。

本期間內，該業務分類錄得收益港幣15,000,000元，較二零一八年同期的港幣27,000,000元減少44.4%。減少主要是由於鑒於最近報告期間現有貸款組合能否收回存在重大不確定性，以及市況全面惡化，管理層決定終止提供新貸款，導致未收回貸款金額減少所致。本期間內該分類的重心是收回應收貸款，包括對違約借款人採取法律程序並與其他借款人積極進行磋商。

(v) 證券及期貨投資買賣

本期間內，該業務分類錄得出售透過損益以公平值列賬之投資的虧損淨額極低，為港幣33,000元，該分類收益的虧損較二零一八年同期的港幣283,000,000元大幅減少。減少主要是由於管理層針對市場狀況，採取極其審慎的方式。本期間內，本集團暫停自營賬戶內絕大部分證券買賣活動。本期間內，本集團未錄得透過損益以公平值列賬之投資的股息收入（二零一八年同期：無）。於二零一九年九月三十日，本集團持有港幣14,000,000元之證券買賣組合，主要為柏榮集團（控股）有限公司（「柏榮」，其股份於香港聯合交易所有限公司（「聯交所」）GEM上市，股份代號：8316）。柏榮及其附屬公司主要於香港作為基礎分包商從事基礎業務。

(vi) 投資控股

本集團透過其附屬公司從事持有上市及非上市投資，主要透過股息收入及資本增值而實現持續戰略或長期目的。

BUSINESS REVIEW *(Continued)*
MAJOR BUSINESS SEGMENTS *(Continued)*

(vi) Investment holding *(Continued)*

A summary of such investments of the Group is listed below:

(a) Shengang Securities Company Limited ("Securities Company")

The Group currently holds 12.17% equity interest in Securities Company, a full-licensed securities company in China (Shanghai) Pilot Free Trade Zone of the Closer Economic Partnership Agreement between Mainland China and Hong Kong. Securities Company is principally engaged in securities broking, securities underwriting and sponsoring, securities trading and securities asset management related businesses in China. Based on the unaudited management accounts of Securities Company for the nine months ended 30 September 2019, Securities Company recorded revenue of Renminbi ("RMB") 583 million (equivalent to HK$666 million), profit for the period of RMB134 million (equivalent to approximately HK$153 million), total assets of RMB10,204 million (equivalent to HK$11,203 million) and net assets of RMB4,135 million (equivalent to HK$4,540 million).

Based on the audited financial statements of Securities Company for the financial year ended 31 December 2018, Securities Company recorded revenue of RMB197 million (equivalent to HK$230 million), loss for the year of RMB375 million (equivalent to HK$439 million), total assets of RMB7,129 million (equivalent to HK$8,337 million) and net assets of RMB4,001 million (equivalent to HK$4,679 million). As at the date of this report, Securities Company did not have material impact on the earnings of the Group.

(b) Entity A

Entity A is a company incorporated in the British Virgin Islands with limited liability with subsidiaries principally engaged in trading of securities, provision of finance and holding of investments in financial services industry. Based on the unaudited management accounts for the nine months ended 30 September 2019, Entity A recorded revenue of HK$30 million, loss for the period of HK$167 million, total assets of HK$4,831 million and net assets of HK$3,628 million. As at the date of this report, Entity A did not have material impact on the earnings of the Group.

業務回顧 *(續)*
主要業務分類 *(續)*

(vi) 投資控股 *(續)*

本集團該投資之概要列示如下：

(a) 申港證券股份有限公司(「證券公司」)

本集團現時持有證券公司(《內地與香港關於建立更緊密經貿關係的安排》下中國(上海)自由貿易試驗區一間全牌照證券公司)的12.17%股本權益。證券公司主要在中國從事證券經紀、證券承銷與保薦、證券交易及證券資產管理相關業務。根據證券公司截至二零一九年九月三十日止九個月的未經審核管理賬目，證券公司錄得營業收入人民幣(「人民幣」)583,000,000元(相當於港幣666,000,000元)、期內溢利人民幣134,000,000元(相當於港幣153,000,000元)、總資產人民幣10,204,000,000元(相當於港幣11,203,000,000元)及資產淨值人民幣4,135,000,000元(相當於港幣4,540,000,000元)。

根據證券公司截至二零一八年十二月三十一日止財政年度的經審核財務報表，證券公司錄得營業收入人民幣197,000,000元(相當於港幣230,000,000元)、年內虧損人民幣375,000,000元(相當於港幣439,000,000元)、總資產人民幣7,129,000,000元(相當於港幣8,337,000,000元)及資產淨值人民幣4,001,000,000元(相當於港幣4,679,000,000元)。於本報告日期，證券公司對本集團的盈利並無重大影響。

(b) 實體A

實體A為於英屬處女群島註冊成立的有限公司，其附屬公司主要從事買賣證券、提供融資及持有金融服務業投資。根據截至二零一九年九月三十日止九個月的未經審核管理賬目，實體A錄得收益港幣30,000,000元、期內虧損港幣167,000,000元、總資產港幣4,831,000,000元及資產淨值港幣3,628,000,000元。於本報告日期，實體A對本集團的盈利並無重大影響。

BUSINESS REVIEW *(Continued)*

MAJOR BUSINESS SEGMENTS *(Continued)*

(vi) Investment holding *(Continued)*

(c) The Philippine Stock Exchange, Inc. ("PSE")

PSE (whose shares are listed on the Philippine Stock Exchange, Inc., symbol: PSE) and its subsidiaries are principally engaged in the provision of trading, clearing, depository and information services for the equity market in the Philippines. The stock price of the listed securities of PSE as at 30 September 2019 amounted to Philippines Peso ("PHP") 179.6 (equivalent to HK$27) (31 March 2019: PHP198.0, equivalent to HK$29) per share. Based on the third quarterly report of PSE for the nine months ended 30 September 2019, PSE and its subsidiaries recorded revenue of PHP909 million (equivalent to HK$139 million), profit for the period of PHP485 million (equivalent to HK$74 million), total assets of PHP6,762 million (equivalent to HK$1,022 million) and net assets of PHP5,347 million (equivalent to HK$808 million).

Based on the annual report of PSE for the financial year ended 31 December 2018, PSE and its subsidiaries recorded revenue of PHP1,596 million (equivalent to HK$238 million), profit for the year of PHP727 million (equivalent to HK$108 million), total assets of PHP6,623 million (equivalent to HK$986 million) and net assets of PHP6,207 million (equivalent to HK$924 million). As at the date of this report, PSE did not have material impact on the earnings of the Group.

業務回顧（續）

主要業務分類（續）

(vi) 投資控股（續）

(c) The Philippine Stock Exchange, Inc.（「PSE」）

PSE（股份於Philippine Stock Exchange, Inc.上市，代號：PSE）及其附屬公司主要從事為菲律賓股票市場提供交易、結算、存託及資訊服務。PSE上市證券於二零一九年九月三十日的股價為每股179.6菲律賓比索（「菲律賓比索」）（相當於港幣27元）（二零一九年三月三十一日：每股198.0菲律賓比索（相當於港幣29元））。根據PSE截至二零一九年九月三十日止九個月的第三季度報告，PSE及其附屬公司錄得收益909,000,000菲律賓比索（相當於港幣139,000,000元）、期內溢利485,000,000菲律賓比索（相當於港幣74,000,000元）、總資產6,762,000,000菲律賓比索（相當於港幣1,022,000,000元）及資產淨值5,347,000,000菲律賓比索（相當於港幣808,000,000元）。

根據PSE截至二零一八年十二月三十一日止財政年度的年報，PSE及其附屬公司錄得收益1,596,000,000菲律賓比索（相當於港幣238,000,000元）、年內溢利727,000,000菲律賓比索（相當於港幣108,000,000元）、總資產6,623,000,000菲律賓比索（相當於港幣986,000,000元）及資產淨值6,207,000,000菲律賓比索（相當於港幣924,000,000元）。於本報告日期，PSE對本集團的盈利並無重大影響。

BUSINESS REVIEW *(Continued)*
MAJOR BUSINESS SEGMENTS *(Continued)*

(vi) Investment holding *(Continued)*

(d) Wealth management products

As at 30 September 2019, the Group also held wealth management products from financial institutions in the PRC which were not yet due nor early redeemed as at the end of the reporting period of HK$345 million (31 March 2019: HK$1,148 million).

This investment represented unlisted and non-marketable asset management products issued by the banks and financial institutions in the PRC with original maturities of one year to five years (31 March 2019: one year to five years) that could be redeemed or were transferrable at any time, and was classified as other financial assets under current assets at 30 September 2019 and 31 March 2019. It was managed by the banks and financial institutions and invested in fixed-income financial products that were permitted by the China Securities Regulatory Commission, such as government bonds, corporate bonds and central bank notes. The investment portfolios of these products were not disclosed to the Group by the banks or financial institutions. If the banks and financial institutions were required to redeem these investments, they would redeem at a price equal to the outstanding principal plus accrued and unpaid interest. Interest from such investment varied from 5% to 9% (31 March 2019: 5% to 9%) annually, with deduction of management fee, and was receivable quarterly, annually or upon maturity. During the Period, the Group recorded investment income from such investment of HK$4 million (corresponding period in 2018: HK$53 million). Details in relation to the default of a wealth management product were disclosed in the events after the reporting period section of this report.

(e) Corporate finance advisory

The Group holds a corporate finance license under the Securities and Futures Ordinance, allowing it to advise conditionally on the Codes on Takeovers and Mergers and Share Buy-backs related transactions in addition to general corporate finance advisory services.

There was no revenue recorded from the provision of corporate finance advisory services for the Period (30 September 2018: Nil) as a result of competitive market of the industry.

業務回顧 *（續）*
主要業務分類 *（續）*

(vi) 投資控股 *（續）*

(d) 財富管理產品

於二零一九年九月三十日，本集團亦持有中國金融機構的財富管理產品（於報告期末尚未到期或提早贖回）港幣345,000,000元（二零一九年三月三十一日：港幣1,148,000,000元）。

該投資指中國境內銀行及金融機構發行的非上市不可出售資產管理產品，初始到期時間為一年至五年（二零一九年三月三十一日：一年至五年），可隨時贖回或轉讓，於二零一九年九月三十日及二零一九年三月三十一日分類為流動資產下其他金融資產。該投資由銀行及金融機構管理，投資中國證券監督管理委員會許可的固定收益金融產品，如政府債券、公司債券及中央銀行票據。銀行或金融機構未向本集團披露該等產品的投資組合。如銀行及金融機構須贖回該等投資，彼等將按等於未償還本金加上應計未付利息的價格贖回。該投資的利息介乎每年5厘至9厘（二零一九年三月三十一日：5厘至9厘）（扣除管理費），須每季度、每年或於到期時收取。本期間內，本集團錄得該投資的投資收入港幣4,000,000元（二零一八年同期：港幣53,000,000元）。財富管理產品違約的詳情披露於本報告的報告期後事件一節。

(e) 企業融資顧問

本集團持有證券及期貨條例下企業融資牌照，可有條件就公司收購、合併及股份購回守則相關交易及一般企業融資顧問服務提供意見。

由於行業市場競爭激烈，本期間內並無錄得提供企業融資顧問服務的收益（二零一八年九月三十日：無）。

PROSPECTS

Looking ahead, in view of recent economic turmoil in the global stock markets and uncertainty of the trade frictions between the US-China during the year, the Group expects the operating environment would continue to be difficult for the remaining of the financial year. The Group will continue to (i) implement solid approach for collections of loans and accounts receivables and maintain attentive but sensible approach towards new investment opportunities in the financial services industry in order to enhance values to the Shareholders; and (ii) work closely with all creditors, including bondholders, and other stakeholders to take appropriate measures to improve the liquidity and solvency position of the Group as well as to achieve the best possible consensual restructuring for all interested parties.

On the other hand, the global stock markets are expected to remain challenging and uncertain, especially in Hong Kong and the PRC. The proprietary team of the Group always takes attentive approach on making diversified investments with various nature, return rate and risk exposure and will continue to closely monitor the investment portfolios of the Group represented by investments in Securities Company, Entity A, listed securities of PSE and wealth management products for potential dividend returns, fixed interest income returns and capital appreciations to enhance values to the Shareholders. The proprietary team of the Group would also closely monitor the Group's investment at FVTPL for potential realisation and for potential dividend returns and capital appreciation to enhance values to the Shareholders.

前景

展望未來，鑒於全球股市近期經濟動蕩及年內美中之間貿易衝突的不確定性，本集團預計本財政年度內餘下期間經營環境將繼續艱難。本集團將繼續(i)採取堅定及果斷的態度收回應收貸款及賬款，並對金融服務業的新投資機會採取關注但審慎的態度，以加強股東的價值；及(ii)與所有債權人（包括債券持有人）及其他利益關係人緊密合作，採取適當措施，以改善本集團的流動性及償債能力，並為所有相關方實現盡可能好的協商一致重組。

另一方面，全球（尤其是香港及中國）股市預計將繼續具有挑戰性及不確定。本集團自營團隊始終審慎進行性質、回報率及風險不同的多元化投資，並將繼續密切監察本集團的投資組合（指於證券公司、實體A、PSE上市證券及財富管理產品之投資），以獲取潛在股息回報、固定利息收入回報及資本增值，從而加強股東的價值。本集團自營團隊亦將密切監察本集團透過損益以公平值列賬之投資，以進行潛在變現與獲得潛在股息回報及資本增值，從而加強股東的價值。

FINANCIAL REVIEW

Investments in associates

As at 30 September 2019, the Group held investments in associates of HK$368 million (31 March 2019: HK$365 million), representing (i) 36.17% shareholding interests in Imagination Holding Limited ("Imagination") with a carrying amount of HK$18 million; (ii) 36.17% shareholding interests in Jocasta Ventures Ltd ("Jocasta") with a carrying amount of HK$142 million; (iii) 31.38% shareholding interests in FreeOpt Holdings Limited ("FreeOpt") with a carrying amount of HK$186 million; and (iv) subscription for 15% equity interest in Huiyue Financial Leasing (Ningbo) Co., Ltd* （輝月融資租賃（寧波）有限公司） ("Huiyue") of which 6.78% of the total paid-up capital of Huiyue was paid up with a carrying amount of HK$22 million.

財務回顧

於聯營公司之投資

於二零一九年九月三十日，本集團持有於聯營公司之投資港幣368,000,000元（二零一九年三月三十一日：港幣365,000,000元），指(i) Imagination Holding Limited（「Imagination」）的36.17%股權，賬面值為港幣18,000,000元；(ii)Jocasta Ventures Ltd（「Jocasta」）的36.17%股權，賬面值為港幣142,000,000元；(iii)FreeOpt Holdings Limited（「FreeOpt」）的31.38%股權，賬面值為港幣186,000,000元；及(iv)認購輝月融資租賃（寧波）有限公司（「輝月」）的15%股本權益（其中輝月全部繳足股本的6.78%已繳足），賬面值為港幣22,000,000元。

* *for identification purpose only*

FINANCIAL REVIEW *(Continued)*

Investments in associates *(Continued)*

Imagination is a company incorporated in the Republic of the Marshall Islands and is an investment holding company. Jocasta is a company incorporated in the British Virgin Islands and is an investment holding company. Its subsidiary is principally engaged in the provision of money lending service. FreeOpt is a company incorporated in the Republic of the Marshall Islands and is an investment holding company. Its subsidiaries are principally engaged in investment holding and money lending business. Huiyue is a company established in the PRC in 2017 and is intended to engage in finance leasing business, leasing business, acquisition of assets for leasing both in the PRC and overseas, and repair and disposal of leased assets. Huiyue remained inactive during the Period.

The Group accounted for the investments in associates using the equity method. During the Period, the Group shared losses of associates in the amount of HK$29 million.

Other financial assets

As at 30 September 2019, the Group recorded non-current other financial assets of HK$1,405 million (31 March 2019: HK$1,603 million), representing (i) an unlisted equity investment with 12.17% (31 March 2019: 12.17%) equity interest in Securities Company, of HK$686 million (31 March 2019: HK$732 million) (with an original investment cost of RMB525 million as at the end of both reporting periods), representing 16.2% (31 March 2019: 12.0%) of the total assets of the Group of HK$4,237 million (31 March 2019: HK$6,079 million); (ii) an unlisted equity investment with 19.06% equity interest in an investment holding company ("Entity A") of HK$692 million (31 March 2019: HK$842 million) (with an original investment cost of HK$600 million as at the end of both reporting periods), representing 16.3% (31 March 2019: 13.9%) of the total assets of the Group; and (iii) listed securities of PSE with a carrying amount of HK$27 million (31 March 2019: HK$29 million) (with an original investment cost of PHP252 million as at the end of both reporting periods), representing 0.6% (31 March 2019: 0.5%) of the total assets of the Group, representing 1.2% (31 March 2019: 1.2%) of PSE's total issued shares.

As at 30 September 2019, the Group also recorded other financial assets (classified under current assets), representing fair value of the wealth management products from financial institutions in the PRC which were not yet due nor early redeemed as at the end of the reporting period of HK$345 million (31 March 2019: HK$1,148 million), representing 8.1% (31 March 2019: 18.9%) of the total assets of the Group. The investment costs of wealth management products held by the Group as at 30 September 2019 amounted to RMB885 million (equivalent to HK$972 million) (31 March 2019: RMB895 million, equivalent to HK$1,047 million).

財務回顧*（續）*

於聯營公司之投資*（續）*

Imagination為於馬紹爾群島共和國註冊成立之司，並為投資控股公司。Jocasta為於英屬處女群島註冊成立之司，並為投資控股公司。其附屬公司主要從事提供借貸服務。FreeOpt為於馬紹爾群島共和國註冊成立之司，並為投資控股公司。其附屬公司主要從事投資控股及借貸業務。輝月為於二零一七年在中國成立之公司，擬從事融資租賃業務；租賃業務；向國內外購買租賃財產；及租賃財產的殘值處理及維修。本期間內輝月仍暫無營業。

本集團使用權益法將於聯營公司之投資入賬。本期間內，本集團應佔聯營公司之虧損港幣29,000,000元。

其他金融資產

於二零一九年九月三十日，本集團錄得非流動其他金融資產港幣1,405,000,000元（二零一九年三月三十一日：港幣1,603,000,000元），指(i)於證券公司12.17%（二零一九年三月三十一日：12.17%）股本權益的非上市股權投資港幣686,000,000元（二零一九年三月三十一日：港幣732,000,000元）（於兩個報告期末的初始投資成本為人民幣525,000,000元），佔本集團總資產港幣4,237,000,000元（二零一九年三月三十一日：港幣6,079,000,000元）的16.2%（二零一九年三月三十一日：12.0%）；(ii)於一間投資控股公司（「實體A」）的19.06%股本權益之非上市股權投資港幣692,000,000元（二零一九年三月三十一日：港幣842,000,000元）（於兩個報告期末的初始投資成本為港幣600,000,000元），佔本集團總資產的16.3%（二零一九年三月三十一日：13.9%）；及(iii)PSE上市證券，賬面值為港幣27,000,000元（二零一九年三月三十一日：港幣29,000,000元）（於兩個報告期末的初始投資成本為252,000,000菲律賓比索），佔本集團總資產的0.6%（二零一九年三月三十一日：0.5%）及PSE已發行股份總數的1.2%（二零一九年三月三十一日：1.2%）。

於二零一九年九月三十日，本集團亦錄得其他金融資產（分類為流動資產）（指中國金融機構的財富管理產品之公平值，有關產品於報告期末尚未到期或提早贖回）港幣345,000,000元（二零一九年三月三十一日：港幣1,148,000,000元），佔本集團總資產的8.1%（二零一九年三月三十一日：18.9%）。於二零一九年九月三十日，本集團持有的財富管理產品的投資成本為人民幣885,000,000元（相當於港幣972,000,000元）（二零一九年三月三十一日：人民幣895,000,000元，相當於港幣1,047,000,000元）。

FINANCIAL REVIEW *(Continued)*

Investments at fair value through profit or loss

As at 30 September 2019, the Group held investments at FVTPL of HK$14 million (31 March 2019: HK$24 million), representing 0.3% (31 March 2019: 0.4%) of the total assets of the Group and 1.4% (31 March 2019: 0.8%) of the net assets of the Group of HK$1,001 million (31 March 2019: HK$3,126 million). The Group held a portfolio of listed investments throughout the Period. As at 30 September 2019 and 31 March 2019, the Group mainly held listed securities of Pak Wing with a carrying value of HK$13 million (31 March 2019: HK$23 million), representing 97.9% (31 March 2019: 97.4%) of the investments at FVTPL held by the Group, 0.3% (31 March 2019: 0.4%) of the total assets of the Group and 1.3% (31 March 2019: 0.7%) of the net assets of the Group and 8.0% (31 March 2019: 8.0%) of Pak Wing's total issued shares. The original investment cost of the listed securities of Pak Wing amounted to HK$80 million (31 March 2019: HK$80 million). The stock price of the listed securities of Pak Wing as at the date of purchase in June 2018 was HK$1.28 per share and the stock price of the listed securities of Pak Wing decreased to HK$0.211 per share as at 30 September 2019. Based on the interim report of Pak Wing for the six months ended 30 September 2019, Pak Wing and its subsidiaries recorded revenue of HK$36 million and loss of HK$3 million for the six months ended 30 September 2019 and net liabilities of HK$10 million as at 30 September 2019. Pak Wing and its subsidiaries are principally engaged in the foundation business as a foundation subcontractor in Hong Kong.

Other listed investments at FVTPL held by the Group are individually carrying at value less than 5% of the Group's total assets and net assets as at 30 September 2019 and 31 March 2019.

The Group recorded unrealised losses of investments at FVTPL of HK$10 million (corresponding period in 2018: HK$22 million) for the Period, of which included unrealised losses of HK$9 million (corresponding period in 2018: HK$19 million) for investments in listed securities of Pak Wing for the Period.

財務回顧 *(續)*

透過損益以公平值列賬之投資

於二零一九年九月三十日，本集團持有透過損益以公平值列賬之投資港幣14,000,000元（二零一九年三月三十一日：港幣24,000,000元），佔本集團總資產的0.3%（二零一九年三月三十一日：0.4%）及本集團資產淨值港幣1,001,000,000元（二零一九年三月三十一日：港幣3,126,000,000元）的1.4%（二零一九年三月三十一日：0.8%）。本集團於整個本期間內持有上市投資組合。於二零一九年九月三十日及二零一九年三月三十一日，本集團主要持有賬面值港幣13,000,000元（二零一九年三月三十一日：港幣23,000,000元）的柏榮上市證券，佔本集團持有的透過損益以公平值列賬之投資的97.9%（二零一九年三月三十一日：97.4%）、本集團總資產的0.3%（二零一九年三月三十一日：0.4%）、本集團資產淨值的1.3%（二零一九年三月三十一日：0.7%）及柏榮已發行股份總數的8.0%（二零一九年三月三十一日：8.0%）。柏榮上市證券的初始投資成本為港幣80,000,000元（二零一九年三月三十一日：港幣80,000,000元）。於二零一八年六月購買之柏榮上市證券的股價為每股港幣1.28元。於二零一九年九月三十日，柏榮上市證券的股價下跌至每股港幣0.211元。根據柏榮截至二零一九年九月三十日止六個月的中期報告，柏榮及其附屬公司於截至二零一九年九月三十日止六個月錄得收益港幣36,000,000元及虧損港幣3,000,000元，於二零一九年九月三十日錄得負債淨額港幣10,000,000元。柏榮及其附屬公司主要於香港作為基礎分包商從事基礎業務。

於二零一九年九月三十日及二零一九年三月三十一日，本集團持有的其他透過損益以公平值列賬之上市投資的個別賬面值均佔本集團之總資產及資產淨值不到5%。

本期間，本集團錄得透過損益以公平值列賬之投資的未變現虧損港幣10,000,000元（二零一八年同期：港幣22,000,000元），其中包括本期間於柏榮之上市證券投資的未變現虧損港幣9,000,000元（二零一八年同期：港幣19,000,000元）。

FINANCIAL REVIEW *(Continued)*

Investments at fair value through profit or loss *(Continued)*

The Group would realise its investment in listed securities with reference to the stock market volatility and general trading sentiment. The proceeds from disposal, if any, would be applied towards expansion of the Group's existing business lines and general working capital purposes. The Group did not acquire or dispose of any listed securities of Pak Wing during the Period. The Group realised its investments in listed securities of China All Access (Holdings) Limited (whose shares are listed on the main board of the Stock Exchange, stock code: 633) with a carrying value of HK$405 million for aggregate gross proceeds of HK$121 million, resulting in net realised losses of investments at FVTPL of HK$283 million during the corresponding period ended 30 September 2018.

Provision for impairment loss of loans receivable and accounts receivable

The Group recorded provision for impairment loss of loans receivable of HK$253 million for the Period (corresponding period in 2018: HK$1,202 million) as the directors of the Company (the "Directors") are of the view that the collection of certain loans receivable was highly uncertain. Such provision amounts were based on the ageing of the overdue balances, borrowers' creditworthiness and historical write-off experience, and represented the allowance provided for the estimated loss arising from the inability of third party borrowers to make required repayments to the Group as at 30 September 2019. In view of the recent economic turmoil in the global stock markets and uncertainty of the trade frictions between the PRC and the US since the second half of 2018, the rate of repayments from these borrowers has been severely affected.

The Group recorded provision for impairment loss of accounts receivable of HK$81,000 for the Period (corresponding period in 2018: HK$38 million) represented the allowance provided for the estimated loss in relation to loans provided to margin customers for our margin financing business.

The money leading team has focused on the credit management of the borrowers in order to minimise the credit risk. In order to reduce the default risk and manage the operating cash flow, the Group has maintained internal policies in relation to making loans to borrowers and granting trading limits to margin customers, which include financial assessments of the borrowers and margin customers, regular review of ageing analysis and tight control on any overdue balances. In addition, follow-up measures including sending reminder letters to borrowers for repayments, and arranging meetings with borrowers to request for immediate repayments are in place and relevant legal proceedings have been taken.

財務回顧 *（續）*

透過損益以公平值列賬之投資 *（續）*

本集團參考股市波動及整體交易氣氛變現於上市證券的投資。出售的所得款項（如有）將用於擴張本集團現有業務線及一般營運資金。本期間內，本集團未收購或出售柏榮的任何上市證券。截至二零一八年九月三十日止同期內，本集團變現其賬面值港幣405,000,000元之中國全通（控股）有限公司（其股份於聯交所主板上市，股份代號：633）上市證券投資，所得款項總額為港幣121,000,000元，錄得透過損益以公平值列賬之投資的已變現虧損淨額港幣283,000,000元。

應收貸款及應收賬款之減值虧損撥備

本期間本集團錄得應收貸款之減值虧損撥備港幣253,000,000元（二零一八年同期：港幣1,202,000,000元），原因是本公司董事（「董事」）認為收回若干應收貸款的收回可能性不確定。該等撥備金額基於已逾期結餘的賬齡、借款人的信譽及過往撇銷經驗，指於二零一九年九月三十日就因第三方借款人無法向本集團作出規定還款而產生的估計虧損作出的撥備。鑒於全球股市近期經濟動蕩及自二零一八年下半年起中國與美國之間貿易衝突的不確定性，該等借款人的還款率受到嚴重影響。

本期間本集團錄得應收賬款之減值虧損撥備約港幣81,000元（二零一八年同期：港幣38,000,000元），指就我們孖展融資業務提供予孖展客戶的貸款的估計虧損作出的撥備。

借貸團隊一直專注於借款人的信貸管理，以盡量降低信貸風險。為減少違約風險及管理營運現金流量，就向借款人提供貸款及向孖展客戶授出交易限額而言，本集團維持內部政策，包括對借款人及孖展客戶進行個人財務評估、定期審閱賬齡分析及嚴格控制任何逾期結餘。此外，設有跟進措施，包括向借款人發出還款提醒函，及安排與借款人會面要求立即還款，並已採取相關法律程序。

FINANCIAL REVIEW *(Continued)*

Provision for factoring receivables and finance lease receivables

The Group recorded provision for impairment loss of factoring receivables of HK$243 million (corresponding period in 2018: reversal of HK$0.1 million) and provision for impairment loss of finance lease receivables of HK$21 million (corresponding period in 2018: HK$22 million) for the Period as a result of increased credit risks from delay of repayments from certain customers due to the extremely challenging market conditions.

Impairment loss of goodwill

The Group acquired Wins Finance Holdings Inc. ("Wins Finance") in mid 2017 (the "Acquisition"). The goodwill generated from the Acquisition was allocated to financial guarantee and finance leasing cash generating unit ("CGU A"). Goodwill is rested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of a cash generating unit is the higher of (i) its fair value less costs of disposal and (ii) its value in use. The Group has engaged an independent qualified professional valuer to perform the impairment testing. The fair value less costs of disposal is determined based on the quoted market price as at 30 September 2019 of Wins Finance's shares listed on The NASDAQ Stock Market LLC ("NASDAQ") and a control premium. Whereas, the value in use calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using an estimated growth rate by reference to the forecasts based on the funds available for the provision of financial guarantee and finance leasing business and does not exceed the forecasts included in industry reports. The growth rates used do not exceed the long-term average growth rates for the business in which the CGU A operates. The cash flows are discounted using the discount rate which are pre-tax and reflect specific risks relating to CGU A. As a result of the impairment testing, a goodwill impairment of HK$80 million (corresponding period in 2018: Nil) has been recognised during the Period.

財務回顧 *（續）*

應收保理款項及應收融資租賃款項之撥備

本期間本集團錄得應收保理款項之減值虧損撥備港幣243,000,000元（二零一八年同期：撥回港幣100,000元）及應收融資租賃款項之減值虧損撥備港幣21,000,000元（二零一八年同期：港幣22,000,000元），乃由於市況極具挑戰性，若干客戶還款延遲，令信貸風險增加。

商譽減值虧損

本集團於二零一七年中收購Wins Finance Holdings Inc.（「Wins Finance」）（「收購事項」）。收購事項產生的商譽分配至融資擔保及融資租賃現金產生單位（「現金產生單位A」）。商譽每年進行減值測試，或在發生事件或情況變化表明賬面值可能減少時更頻繁地進行減值測試。

現金產生單位的可收回金額為(i)公平值減出售成本與(ii)使用價值兩者中的較高者。本集團已委聘一名獨立合資格專業估值師進行減值測試。公平值減出售成本基於Wins Finance於The NASDAQ Stock Market LLC（「納斯達克」）上市的股份於二零一九年九月三十日的市場報價及控制權溢價而釐定，而使用價值計算使用基於管理層批准的涵蓋五年期間的財務預算作出的現金流預測。超過五年期間的現金流使用估計增長率推算，參考基於可用於提供融資擔保及融資租賃業務的資金作出的預測，不超過行業報告中包含的預測。所使用的增長率不超過現金產生單位A經營所在業務的長期平均增長率。現金流量使用反映有關現金產生單位A特定風險的除税前貼現率貼現。由於減值測試，本期間內已確認商譽減值港幣80,000,000元（二零一八年同期：無）。

FINANCIAL REVIEW *(Continued)*

Fair value loss on other financial assets

Balance represented the fair value of the Group's investment in wealth management products from financial institutions in the PRC which were not yet due nor early redeemed as at the end of each of the reporting periods. One of the wealth management products held by a subsidiary of Wins Finance, an indirect non-wholly owned subsidiary of the Company and whose shares are listed on NASDAQ, with an outstanding principal amount of RMB740 million (equivalent to HK$812 million) as at 30 September 2019 was due to mature on 23 October 2019, however, an outstanding principal amount of RMB580 million (equivalent to HK$637 million) has yet to be redeemed and no investment portfolio has been returned by the relevant financial institutions. As the recoverability of the outstanding principal amount and related interest receivable is highly uncertain, a fair value loss of HK$767 million has been recorded for Period.

Other income and gains

Other income and gains decreased to HK$7 million for the Period (corresponding period in 2018: HK$61 million) which was mainly due to the decrease in investment income on other financial assets recognised for the Period.

Share of profits and losses of associates and a joint venture, net

The Group shared losses from associates of HK$29 million for the Period (corresponding period in 2018: profit of HK$2 million) and the Group did not record share of result from a joint venture for the Period (corresponding period in 2018: shared loss of HK$2 million).

財務回顧 *(續)*

其他金融資產之公平值虧損

結餘指本集團於中國金融機構的財富管理產品的投資之公平值，該投資於各報告期末尚未到期或提早贖回。Wins Finance（本公司之間接非全資附屬公司，其股份於納斯達克上市）的一間附屬公司持有的一項財富管理產品於二零一九年九月三十日的未償還本金額為人民幣740,000,000元（相當於港幣812,000,000元），定於二零一九年十月二十三日到期。然而，未償還本金額人民幣580,000,000元（相當於港幣637,000,000元）尚未購回，且相關金融機構未退還投資組合。由於未償還本金額及相關應收利息的可收回性具有很高的不確定性，本期間已錄得公平值虧損港幣767,000,000元。

其他收入及收益

本期間的其他收入及收益減少至港幣7,000,000元（二零一八年同期：港幣61,000,000元），主要是由於本期間確認的其他金融資產的投資收入減少。

分佔聯營公司及一間合營公司之溢利及虧損淨額

本集團於本期間分佔聯營公司之虧損港幣29,000,000元（二零一八年同期：溢利港幣2,000,000元），本集團於本期間並無錄得分佔一間合營公司之業績（二零一八年同期：分佔虧損港幣2,000,000元）。

FINANCIAL REVIEW *(Continued)*

Expenses

Cost saving is a continuous aim in monitoring daily operations by the Group. During the Period, general and administrative expenses amounted to HK$66 million, representing a decrease of 61.4% as compared to HK$171 million for the same period in 2018 which was mainly due to a decrease in staff costs and legal and professional fee. Total employee benefit expenses decreased to HK$31 million as compared to HK$95 million in the corresponding period in 2018 was mainly due to the one-off equity-settled share option expense of HK$66 million included in the total employee benefit for the last corresponding period. Legal and professional fee amounted to HK$9 million (corresponding period in 2018: HK$11 million) incurred for the Period was mainly due to the winding up petition issued against the Company and for the legal proceedings against certain borrowers and a margin customer with overdue balances. Finance costs increased to HK$386 million for the Period as compared to HK$171 million for the same period in 2018, as a result of accrual of additional finance costs subsequent to the alleged events of defaults in relation to the Company's loan facilities and convertible debts instruments since first half of the year. Income tax expense decreased to HK$2 million for the Period (corresponding period in 2018: HK$4 million) was mainly due to the decrease in provision for the PRC tax for financial services business in China for the Period.

CONVERTIBLE INSTRUMENTS AND INTEREST-BEARING BORROWINGS

(i) In June 2017, the Company entered into a subscription agreement with a subsidiary of China Huarong Asset Management Co., Ltd. (the "First Subscriber", whose shares are listed on the main board of the Stock Exchange, stock code: 2799) in relation to the subscription of the convertible bonds of the Company under general mandate for 1,835,294,118 conversion shares at conversion price of HK$0.425 per conversion share (the "First Subscription"). The gross proceeds from the First Subscription amounted to HK$780 million. The convertible bonds in the principal amount of US$100 million, carried interest at 4% per annum and secured by approximately 30% equity interest in Wins Finance held by the Group were issued by the Company to the First Subscriber in June 2017 (the "First Convertible Bonds").

財務回顧 *（續）*

開支

節省成本為本集團監督日常經營之持續目標。於本期間內，一般及行政開支為港幣66,000,000元，較二零一八年同期的港幣171,000,000元減少61.4%，主要是由於員工成本及法律及專業費用減少。僱員福利開支總額較二零一八年同期的港幣95,000,000元減少至港幣31,000,000元，主要是由於去年同期的僱員福利總額包括一次性以權益結算購股權之開支港幣66,000,000元。本期間產生法律及專業費用港幣9,000,000元（二零一八年同期：港幣11,000,000元），主要是由於本公司被發出清盤呈請及對具有逾期結餘的若干借款人及一名孖展客戶提出法律訴訟。本期間融資成本較二零一八年同期的港幣171,000,000元增加至港幣386,000,000元，乃由於本年度上半年起有關本公司貸款融資及可換股債務工具的指稱違約事件後累計額外融資成本所致。本期間的所得税開支減少至港幣2,000,000元（二零一八年同期：港幣4,000,000元），主要是由於本期間中國金融服務業務的中國税項撥備減少所致。

可換股工具及計息借貸

(i) 於二零一七年六月，本公司與中國華融資產管理股份有限公司的一間附屬公司（「首名認購人」，其股份於聯交所主板上市，股份代號：2799）就根據一般授權認購本公司可換股債券（可按轉換價每股轉換股份港幣0.425元轉換成1,835,294,118股轉換股份）訂立一份認購協議（「首次認購事項」）。首次認購事項的所得款項總額為港幣780,000,000元。本金額為100,000,000美元的可換股債券按每年4厘計息，以本集團持有的Wins Finance約30%股本權益作抵押，並由本公司於二零一七年六月發行予首名認購人（「首批可換股債券」）。

CONVERTIBLE INSTRUMENTS AND INTEREST-BEARING BORROWINGS *(Continued)*

(i) *(Continued)*

In August 2017, the Company entered into another subscription agreement with a wholly-owned subsidiary of Huarong Investment Stock Corporation Limited (the "Second Subscriber", whose shares are listed on the main board of the Stock Exchange, stock code: 2277) in relation to the subscription of the convertible bonds of the Company under general mandate for 1,028,235,294 conversion shares at conversion price of HK$0.425 per conversion share (the "Second Subscription"). The gross proceeds from the Second Subscription amounted to HK$437 million. The convertible bonds in the principal amount of HK$437 million, carried interest at 4% per annum and secured by 15% (which has been diluted to 12.17% of the share capital in the Securities Company during the year ended 31 March 2019) equity interest in the Securities Company were issued by the Company to the Second Subscriber in September 2017 (the "Second Convertible Bonds"). The net proceeds of the First Subscription and the Second Subscription of HK$779 million and HK$436 million respectively have been utilised as intended for additional funding to Freeman Securities Limited (an indirect wholly-owned subsidiary of the Company principally engaged in securities brokerage services, the provision of placing, underwriting, margin financing, investment holding and trading of securities) for business expansion, money lending business and other general working capital of the Group.

In March 2018, US$1 million conversion rights attaching to the First Convertible Bonds were exercised and 18,352,941 shares of the Company (the "Share(s)") were issued.

In May 2018, HK$7.8 million conversion rights attaching to the Second Convertible Bonds were exercised and 18,360,000 Shares were issued. As at 31 May 2018, the Company's total issued shares were 15,681,761,881 Shares. As a result of the implementation of a share consolidation on the basis that every ten issued and unissued shares of HK$0.001 each be consolidated into one consolidated share of HK$0.01 each (the "Share Consolidation") became effective on 12 November 2018, the Company's total issued shares have been adjusted to 1,568,176,188 Shares, the conversion price for the First Convertible Bonds and the Second Convertible Bonds has been adjusted to HK$4.25 per Share and the conversion shares attributable to the outstanding First Convertible Bonds and the Second Convertible Bonds have been adjusted to 181,694,117 Shares and 100,987,529 Shares respectively.

可換股工具及計息借貸*（續）*

(i) *（續）*

於二零一七年八月，本公司與華融投資股份有限公司的一間全資附屬公司（「第二名認購人」，其股份於聯交所主板上市，股份代號：2277）就根據一般授權認購本公司可換股債券（可按轉換價每股轉換股份港幣0.425元轉換成1,028,235,294股轉換股份）訂立另一份認購協議（「第二次認購事項」）。第二次認購事項的所得款項總額為港幣437,000,000元。本金額為港幣437,000,000元的可換股債券按每年4厘計息，以證券公司15%（於截至二零一九年三月三十一日止年度內已攤薄至證券公司的股本的12.17%）股本權益作抵押，並由本公司於二零一七年九月發行予第二名認購人（「第二批可換股債券」）。首次認購事項及第二次認購事項的所得款項淨額分別為港幣779,000,000元及港幣436,000,000元，已按計劃用於為民眾證券有限公司（為本公司的間接全資附屬公司，主要從事提供證券經紀服務、提供配售、包銷、孖展融資、投資控股及買賣證券）的業務擴張提供額外資金，借貸業務，並用作本集團的其他一般營運資金。

於二零一八年三月，首批可換股債券附帶的1,000,000美元轉換權獲行使，已發行18,352,941股本公司股份（「股份」）。

於二零一八年五月，第二批可換股債券附帶的港幣7,800,000元轉換權獲行使，已發行18,360,000股股份。於二零一八年五月三十一日，本公司的已發行股份總數為15,681,761,881股股份。由於按基準為將每十股每股面值港幣0.001元之已發行及未發行股份合併為一股每股面值港幣0.01元之合併股份而實施股份合併（「股份合併」）於二零一八年十一月十二日生效，本公司的全部已發行股份已調整為1,568,176,188股股份。首批可換股債券及第二批可換股債券的轉換價已調整為每股股份港幣4.25元，未償還首批可換股債券及第二批可換股債券應佔的轉換股份已分別調整為181,694,117股股份及100,987,529股股份。

CONVERTIBLE INSTRUMENTS AND INTEREST-BEARING BORROWINGS *(Continued)*

(i) *(Continued)*

In September 2018, the Company entered into a deed of undertaking and a supplemental deed (the "Deeds") with the Second Subscriber to amend certain terms and conditions of the Second Convertible Bonds (the "Amendments on the Second Convertible Bonds"). Pursuant to the Deeds, among other things, the conversion price shall be adjusted to HK$0.065 per conversion share (which has been adjusted to HK$0.65 per conversion share as a result of the Share Consolidation became effective on 12 November 2018) and the interest rate of the Second Convertible Bonds shall be adjusted to 7% per annum on and after the date on which the Amendments on the Second Convertible Bonds become effective.

In October 2018, the Company entered into an undertaking and a supplemental instrument (the "Instruments") with the First Subscriber to amend certain terms and conditions of the First Convertible Bonds (the "Amendments on the First Convertible Bonds"). Pursuant to the Instruments, among other things, the conversion price shall be adjusted to HK$0.065 per conversion share (which has been adjusted to HK$0.65 per conversion share as a result of the Share Consolidation became effective on 12 November 2018).

In November 2018, the Company entered into a second supplemental deed with the Second Subscriber and a supplemental undertaking with the First Subscriber pursuant to which the Company agreed to further amend certain terms and conditions of the Second Convertible Bonds and First Convertible Bonds respectively (collectively with the Amendments of the Second Convertible Bonds and the Amendments of the First Convertible Bonds referred to as the "Amendments").

The Amendments were completed on 13 December 2018. The conversion price for the First Convertible Bonds and the Second Convertible Bonds has been adjusted to HK$0.65 per Share and the conversion shares attributable to the outstanding First Convertible Bonds and Second Convertible Bonds as at 31 March 2019 have been adjusted to 1,188,000,000 Shares and 660,303,076 Shares respectively.

可換股工具及計息借貸*（續）*

(i) *（續）*

於二零一八年九月，本公司與第二名認購人訂立一份承諾契據及一份補充契據（「該等契據」），以修訂第二批可換股債券的若干條款及條件（「修訂第二批可換股債券」）。根據該等契據，（其中包括）轉換價將調整為每股轉換股份港幣0.065元（已因股份合併於二零一八年十一月十二日生效而調整為每股轉換股份港幣0.65元），第二批可換股債券的利率將自修訂第二批可換股債券生效日期及之後起調整為每年7厘。

於二零一八年十月，本公司與首名認購人訂立一項承諾及一份補充文據（「該等文據」），以修訂首批可換股債券的若干條款及條件（「修訂首批可換股債券」）。根據該等文據，（其中包括）轉換價將調整為每股轉換股份港幣0.065元（已因股份合併於二零一八年十一月十二日生效而調整為每股轉換股份港幣0.65元）。

於二零一八年十一月，本公司與第二名認購人訂立第二份補充契據，與首名認購人訂立一份補充承諾，據此，本公司同意分別進一步修訂第二批可換股債券及首批可換股債券的若干條款及條件（與修訂第二批可換股債券及修訂首批可換股債券統稱「該等修訂」）。

該等修訂已於二零一八年十二月十三日完成。首批可換股債券及第二批可換股債券的轉換價已調整為每股股份港幣0.65元，且於二零一九年三月三十一日未償還首批可換股債券及第二批可換股債券應佔的轉換股份已分別調整為1,188,000,000股股份及660,303,076股股份。

CONVERTIBLE INSTRUMENTS AND INTEREST-BEARING BORROWINGS *(Continued)*

(i) *(Continued)*

On 10 April 2019, the Company received a demand letter from the Second Subscriber (the "Demand Letter from the Second Subscriber") in relation to the event of default as mentioned in the announcement of the Company dated 12 March 2019 constituted a cross-default event (the "Cross-default Event"). In light of the Cross-default Event, and pursuant to the terms and conditions of the Second Convertible Bonds instrument, the Second Convertible Bonds are and shall immediately become due and repayable together with accrued but unpaid interest (if any), any default interest accrued but unpaid and any other amounts due and payable under the relevant transaction documents accrued but unpaid to the date of payment.

On 26 April 2019, the Company received a notice of event of default from the First Subscriber (the "EOD Notice from the First Subscriber") in relation to the First Convertible Bonds. Pursuant to the EOD Notice from the First Subscriber, the First Subscriber alleged, *inter alia*, the event mentioned in the announcements of the Company dated 12 March 2019 and 11 April 2019 in relation to a demand letter received by the Company on 12 March 2019 and 10 April 2019 and the announcement of the Company dated 23 April 2019 in relation to a notice of event of default received by the Company on 23 April 2019 constituted a cross-default and therefore constituted an event of default under the terms and conditions of the First Convertible Bonds instrument.

The conversion prices of the First Convertible Bonds and the Second Convertible Bonds have been adjusted to HK$0.60 per Share and HK$0.59 per Share, respectively, upon completion of subscription of shares under general mandate on 5 August 2019.

As of the date of this report, the outstanding principal amounts of the First Convertible Bonds and the Second Convertible Bonds are US$99,000,000 (equivalent to HK$776,516,400) and HK$429,197,000, respectively.

The First Convertible Bonds and the Second Convertible Bonds were reclassified as other secured borrowings under current liabilities upon expiry of the conversion options during the Period.

可換股工具及計息借貸*（續）*

(i) *（續）*

於二零一九年四月十日，本公司接獲第二名認購人的要求函（「第二名認購人要求函」），內容有關本公司日期為二零一九年三月十二日的公佈所述違約事件構成一項交叉違約事件（「交叉違約事件」）。鑒於交叉違約事件，根據第二批可換股債券文據的條款及條件，第二批可換股債券屬於並將即時到期及須償還（連同截至支付日期應計但未支付的利息（如有）、任何應計但未支付的罰息及根據相關交易文件到期須支付的任何其他款項）。

於二零一九年四月二十六日，本公司收到首名認購人一份關於首批可換股債券發生違約事件的通知（「首名認購人違約事件通知」）。根據首名認購人違約事件通知，首名認購人指稱，*（其中包括）*本公司日期為二零一九年三月十二日及二零一九年四月十一日有關本公司於二零一九年三月十二日及二零一九年四月十日接獲的要求函之公佈及本公司日期為二零一九年四月二十三日有關本公司於二零一九年四月二十三日接獲的違約事件通知的公佈中所述事件，構成交叉違約，因此根據首批可換股債券文據的條款及條件構成違約事件。

根據一般授權認購股份於二零一九年八月五日完成後，首批可換股債券及第二批可換股債券的轉換價已分別調整為每股股份港幣0.60元及每股股份港幣0.59元。

於本報告日期，首批可換股債券及第二批可換股債券的未償還本金額分別為99,000,000美元（相當於港幣776,516,400元）及港幣429,197,000元。

本期間內，首批可換股債券及第二批可換股債券於轉換權屆滿後重新分類為流動負債下其他有抵押借貸。

CONVERTIBLE INSTRUMENTS AND INTEREST-BEARING BORROWINGS *(Continued)*

(i) *(Continued)*

Details in relation to the issue of the First Convertible Bonds and the Second Convertible Bonds, the Amendments, the Demand Letter from the Second Subscriber, the Cross-default Event and the EOD Notice from the First Subscriber in the above paragraphs were set out in the announcements of the Company dated 6 June 2017, 15 June 2017, 24 August 2017, 12 September 2017, 28 September 2018, 18 October 2018, 9 November 2018, 15 November 2018, 13 December 2018, 11 April 2019 and 29 April 2019 and the circular of the Company dated 27 November 2018.

(ii) On 23 April 2019, the Company received a notice of event of default (the "First EOD Notice from the Lender") from Shinny Solar Limited (the "Lender") regarding a facility agreement dated 14 March 2017 (the "Facility Agreement") entered into between, *inter alia*, the Company as the borrower and the Lender in relation to a US$90,000,000 (equivalent to HK$705,978,000) term loan facility (the "Facility"). As at the date of the Facility Agreement, Mr. Zhang Yongdong ("Mr. Zhang"), a substantial shareholder of the Company who then held approximately 29.28% of the Shares, also as an individual guarantor of the Company under the Facility Agreement. Pursuant to the First EOD Notice from the Lender, the Lender alleged, *inter alia*, (i) a breach of change of control clause under the Facility Agreement has occurred whereby Mr. Zhang ceased to beneficially hold at least 20% of the issued voting share capital of the Company; (ii) the cross-default event and therefore constituted an event of default under the Facility Agreement; and (iii) an event of default has occurred whereby the consolidated total net debt exceeded 60% of the consolidated tangible net worth of the Company with reference to the Company's interim financial statements for the six months ended 30 September 2018.

On 10 June 2019, the Company received a notice of event of default and repayment (the "Second EOD Notice from the Lender") from the Lender regarding the Facility. Pursuant to the Second EOD Notice from the Lender, the Lender declared that all of the loan, together with accrued interest, and all other amounts accrued or outstanding under the Facility shall be immediately due and payable.

As of the date of the Second EOD Notice from the Lender, the outstanding amount payable in relation to the Facility is US$91,640,000 (equivalent to HK$718,842,000), including US$90,000,000 (equivalent to HK$705,978,000) as principal and US$1,640,000 (equivalent to HK$12,864,000) as accrued interest up to the date of the Second EOD Notice from the Lender.

可換股工具及計息借貸*（續）*

(i) *（續）*

有關上述段落中發行首批可換股債券及第二批可換股債券、該等修訂、第二名認購人要求函、交叉違約事件及首名認購人違約事件通知的詳情載列於本公司日期為二零一七年六月六日、二零一七年六月十五日、二零一七年八月二十四日、二零一七年九月十二日、二零一八年九月二十八日、二零一八年十月十八日、二零一八年十一月九日、二零一八年十一月十五日、二零一八年十二月十三日、二零一九年四月十一日及二零一九年四月二十九日之公佈，以及本公司日期為二零一八年十一月二十七日之通函。

(ii) 於二零一九年四月二十三日，本公司收到Shinny Solar Limited（「貸方」）發出的違約事件通知（「貸方首份違約事件通知」），內容有關*（其中包括）*本公司（作為借方）與貸方就90,000,000美元（相當於港幣705,978,000元）之定期貸款融資（「融資」）訂立的日期為二零一七年三月十四日之融資協議（「融資協議」）。於融資協議日期，張永東先生（「張先生」，本公司一名主要股東，當時持有約29.28%股份）亦為融資協議下本公司的個人擔保人。根據貸方首份違約事件通知，貸方指稱*（其中包括）*：(i)張先生不再實益持有本公司至少20%已發行表決權股本，因此根據融資協議已發生違反控制權變更條款；(ii)交叉違約事件，因此構成融資協議項下的違約事件；及(iii)經參考本公司截至二零一八年九月三十日止六個月的中期財務報表，綜合總債務淨值超過本公司綜合有形資產淨值的60%，因此已發生違約事件。

於二零一九年六月十日，本公司收到貸方發出的一份有關融資的違約事件及還款通知（「貸方第二份違約事件通知」）。根據貸方第二份違約事件通知，貸方聲稱，融資下所有貸款連同應計利息以及已產生或未支付的所有其他款項將立即到期及須支付。

於貸方第二份違約事件通知日期，就融資應付的未付金額為91,640,000美元（相當於港幣718,842,000元），包括本金90,000,000美元（相當於港幣705,978,000元）及截至貸方第二份違約事件通知日期的應計利息1,640,000美元（相當於港幣12,864,000元）。

CONVERTIBLE INSTRUMENTS AND INTEREST-BEARING BORROWINGS *(Continued)*

(iii) In September 2018, the Company entered into a note purchase agreement with an indirect wholly-owned special purpose vehicle of CCB International (Holdings) Limited (the "Investor") in relation to the issue of the convertible notes of the Company under general mandate for 2,111,902,494 conversion shares at conversion price of HK$0.088 per conversion share. The convertible notes in the principal amount of HK$185,847,419 carried interest at 7% per annum and were secured by certain shares in the capital of an indirect wholly-owned subsidiary of the Company, approximately 7% equity interest of Wins Finance and certain Shares held by Mr. Zhang and personal guarantee given by Mr. Zhang and his spouse (the "CCBI Convertible Notes"). As a result of the Share Consolidation became effective on 12 November 2018, the conversion price for the CCBI Convertible Notes has been adjusted to HK$0.88 per conversion share and the conversion shares attributable to the outstanding CCBI Convertible Notes as at 31 March 2019 have been adjusted to 211,190,249 Shares.

The net proceeds from the issue of the CCBI Convertible Notes of HK$184,847,419 have been utilised as intended for repayment of part of the principal amount of the secured guaranteed note of principal amount of US$70,000,000 due 2020 issued by the Company to the Investor on 29 March 2018 (the "Promissory Note 2020") in the amount equal to US$23,826,592.

On 12 March 2019, the Company received a demand letter from the Investor (the "Demand Letter from the Investor") in relation to the secured guaranteed note of principal amount of US$30,000,000 due 2019 issued by the Company to the Investor on 29 March 2018 (the "Promissory Note 2019"), the Promissory Note 2020 and the CCBI Convertible Notes (collectively, the "Notes"). It is stated in the Demand Letter from the Investor that, *inter alia*, an event of default has occurred whereby the equity attributable to owners of the Company is less than HK$3,500,000,000 (as determined by reference to the Company's annual or interim financial statements for the period from 1 April 2018 to 30 September 2018) resulting in a breach of covenant under the relevant condition of the respective Notes. The Investor served a statutory demand on the Company on 20 March 2019.

The conversion price of the CCBI Convertible Notes has been adjusted to HK$0.145 per Share upon completion of subscription of shares under general mandate on 5 August 2019.

可換股工具及計息借貸*（續）*

(iii) 於二零一八年九月，本公司與建銀國際（控股）有限公司的一間間接全資特殊目的公司（「投資者」）訂立一份票據購買協議，內容有關根據一般授權發行本公司可換股票據，可按轉換價每股轉換股份港幣0.088元轉換成2,111,902,494股轉換股份。本金額港幣185,847,419元的可換股票據按每年7厘計息，以本公司一間間接全資附屬公司股本中若干股份、Wins Finance約7%股本權益及張先生持有的若干股份及張先生及其配偶作出的個人擔保抵押（「建銀國際可換股票據」）。由於股份合併已於二零一八年十一月十二日生效，建銀國際可換股票據的轉換價已調整為每股轉換股份港幣0.88元，於二零一九年三月三十一日未償還建銀國際可換股票據應佔的轉換股份已調整為211,190,249股股份。

發行建銀國際可換股票據的所得款項淨額為港幣184,847,419元，已按擬定用於償還本公司於二零一八年三月二十九日向投資者發行的二零二零年到期本金額70,000,000美元的有抵押有擔保票據（「二零二零年承兑票據」）中金額等於23,826,592美元的部分。

於二零一九年三月十二日，本公司接獲投資者之要求函（「投資者要求函」），內容有關本公司於二零一八年三月二十九日向投資者發行的本金額30,000,000美元二零一九年到期的有抵押有擔保票據（「二零一九年承兑票據」）、二零二零年承兑票據及建銀國際可換股票據（統稱「該等票據」）。投資者要求函中載述*（其中包括）*已發生違約事件，乃因本公司擁有人應佔權益少於港幣3,500,000,000元（參考本公司於二零一八年四月一日至二零一八年九月三十日期間的年度或中期財務報表釐定），導致違反各該等票據有關條件項下的契諾。投資者於二零一九年三月二十日向本公司發出法定要求償債書。

根據一般授權認購股份於二零一九年八月五日完成後，建銀國際可換股票據的轉換價已調整為每股股份港幣0.145元。

CONVERTIBLE INSTRUMENTS AND INTEREST-BEARING BORROWINGS *(Continued)*

(iii) *(Continued)*

As of the date of this report, no conversion rights attaching to the CCBI Convertible Notes were exercised and the outstanding principal amounts in relation to the Promissory Note 2019, the Promissory Note 2020 and the CCBI Convertible Notes are US$30,000,000 (equivalent to HK$235,476,000), US$46,173,408 (equivalent to HK$362,424,314) and HK$185,847,419 respectively.

Details in relation to the issue of the CCBI Convertible Notes, the relevant event of default were set out in the announcements of the Company dated 4 September 2018, 24 October 2018 and 12 March 2019.

可換股工具及計息借貸*(續)*

(iii) *(續)*

於本報告日期，概無建銀國際可換股票據附帶的轉換權獲行使，有關二零一九年承兑票據、二零二零年承兑票據及建銀國際可換股票據的未償還本金額分別為30,000,000美元（相當於港幣235,476,000元）、46,173,408美元（相當於港幣362,424,314元）及港幣185,847,419元。

有關發行建銀國際可換股票據、相關違約事件的詳情，載列於本公司日期為二零一八年九月四日、二零一八年十月二十四日及二零一九年三月十二日之公佈。

WINDING UP PETITIONS AND APPOINTMENT OF MONITORING ACCOUNTANTS

On 10 May 2019, the Company received a petition from the Investor (the "Petition") in the matter of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) from the High Court of the Hong Kong Special Administrative Region (the "High Court") that the Company be wound up by the High Court on the ground that the Company is insolvent and unable to pay its debts of aggregate sum of US$111,629,994, being the alleged outstanding amount under the Notes issued to the Investor. In a winding up by the court, any disposition of the property of the Company, including things in action, any transfer of shares, or alteration in the status of the members of the Company, made after the commencement of the winding up shall, unless the court otherwise order, be void.

On 15 May 2019, the Company received a summons (the "Summons") for the appointment of the joint and several provisional liquidators of the Company. The Summons indicated that it was fixed for hearing before the High Court on 3 June 2019. The hearing of the Summons has been subsequently adjourned to 18 June 2019 for substantive argument. On 18 June 2019, the Investor withdrew the Summons upon the Company's undertakings to, among other things, appoint external monitoring accountants to review the financial status, business and proposed restructuring of the Company pending the disposal of the Petition. The substantive hearing on the Petition is scheduled to be heard on 17 February 2020 with one day reserved before the Companies Judge.

清盤呈請及委任監督會計師

於二零一九年五月十日，本公司收到投資者就公司（清盤及雜項條文）條例（香港法例第32章）於香港特別行政區高等法院（「高等法院」）提出的呈請（「呈請」），要求高等法院將本公司清盤，理由是本公司無償債能力並無法償還合共111,629,994美元債務（即向投資者發行的該等票據的指稱未償還金額）。於法院清盤中，清盤開始後本公司財產（包括訴訟中財產）的處置、股份轉讓或本公司股東地位變更無效，除非法院另有命令。

於二零一九年五月十五日，本公司接獲一份有關委任本公司的共同及個別臨時清盤人之傳票（「傳票」）。傳票顯示，定於二零一九年六月三日在高等法院舉行聆訊。傳票的聆訊隨後已延期至二零一九年六月十八日以作實質性論據。於二零一九年六月十八日，在本公司承諾（其中包括）待呈請獲處置前委聘外部監督會計師審閱本公司的財務狀況、業務及建議重組後，投資者已撤回傳票。呈請的實質性聆訊計劃於二零二零年二月十七日進行，預留一日由公司案件法官審理。

WINDING UP PETITIONS AND APPOINTMENT OF MONITORING ACCOUNTANTS *(Continued)*

On 6 June 2019, the Court of Hong Kong granted a validation order, among other things, to the Company on the transfer of the shares (the "Validation Order"). Upon the grant of the Validation Order, notwithstanding the presentation of the Petition dated 10 May 2019, unless otherwise ordered by the Court, any transfer of shares or alteration in the status of the members of the Company made on or after 10 May 2019 shall not be void by virtue of Section 182 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong).

Details in relation to the Petition were set out in the announcements of the Company dated 14 May 2019, 16 May 2019, 20 May 2019, 3 June 2019, 6 June 2019, 18 June 2019, 10 July 2019, 24 July 2019, 29 July 2019 and 1 August 2019.

清盤呈請及委任監督會計師*（續）*

於二零一九年六月六日，香港法院就（其中包括）轉讓股份向本公司授出認可令（「認可令」）。授出認可令後，儘管於二零一九年五月十日提出呈請，但除非法院另有命令，於二零一九年五月十日或之後作出的本公司股份轉讓或本公司股東地位變更，不會因公司（清盤及雜項條文）條例（香港法例第32章）第182條而無效。

呈請的詳情載列於本公司日期為二零一九年五月十四日、二零一九年五月十六日、二零一九年五月二十日、二零一九年六月三日、二零一九年六月六日、二零一九年六月十八日、二零一九年七月十日、二零一九年七月二十四日、二零一九年七月二十九日及二零一九年八月一日之公佈。

RESTRUCTURING AND MEMORANDUM OF UNDERSTANDING

(a) On 20 May 2019, taking into consideration the financial situation of the Company, the board of Directors (the "Board") adopted the restructuring strategies (the "Restructuring Strategies") with a view to facilitating a settlement with its creditors and promoting the growth and development of the Group's businesses. The Restructuring Strategies are subject to negotiations with the creditors of the Company and other relevant stakeholders. As at the date of this report, save for the MOU (as defined below), the Company has not entered into any agreement or arrangement with any party with respect to the restructuring of the debts of the Company.

(b) On 20 May 2019, the Company and an independent third party ("Individual A") entered into a memorandum of understanding (the "MOU"), pursuant to which, subject to entering into a formal agreement, the Company will allot and issue and Individual A and/or his designees will subscribe for the subscription shares at a consideration of not more than HK$300,000,000, subject to the terms and conditions of the formal agreement (the "Possible Subscription"). Upon completion of the Possible Subscription, Individual A and/or his designees will hold not more than 30% of the issued share capital of the Company as enlarged by the subscription shares. As at the date of this report, the Company has not entered into any formal agreement with Individual A in relation to the Possible Subscription.

Details in relation to the Restructuring Strategies and MOU were set out in the announcement of the Company dated 20 May 2019.

重組及諒解備忘錄

(a) 於二零一九年五月二十日，經考慮本公司財務狀況，董事會（「董事會」）採納重組策略（「重組策略」），以促進與債權人和解並推動本集團的業務增長及發展。重組策略須待與本公司債權人及其他相關利益關係人磋商後，方可作實。於本報告日期，除備忘錄（定義見下文）外，本公司尚未就本公司債務重組與任何人士訂立任何協議或安排。

(b) 於二零一九年五月二十日，本公司與一名獨立第三方（「個人A」）訂立一份諒解備忘錄（「備忘錄」），據此，受限於正式協議的訂立，本公司將按照正式協議的條款及條件配發及發行而個人A及／或其指定人士將認購認購股份，代價將不超過港幣300,000,000元（「擬議認購事項」）。擬議認購事項完成後，個人A及／或其指定人士將持有經認購股份擴大的本公司已發行股本不超過30%。於本報告日期，本公司尚未就擬議認購事項與個人A訂立任何正式協議。

重組策略及備忘錄的詳情載列於本公司日期為二零一九年五月二十日之公佈。

SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

On 9 June 2019, the Company and another independent third party (the "Subscriber") entered into an agreement (the "Agreement"), pursuant to which, subject to the fulfillment of certain conditions, the Company agreed to allot and issue and the Subscriber agreed to subscribe 300,000,000 new Shares at the subscription Price of HK$0.145 per Share under general mandate. The 300,000,000 new Shares represent 19.13% of the issued share capital of the Company as at the date of the Agreement and 16.06% of the issued share capital of the Company as enlarged by the allotment and issue of the subscription shares. The conditions to completion of the subscription have been satisfied or waived by the Subscriber and completion took place on 5 August 2019. An aggregate of 300,000,000 Shares were allotted and issued to the Subscriber at the subscription price of HK$0.145 per Share for a gross cash consideration totalling HK$43,500,000. Subsequent to the completion this subscription of new shares, the issued capital increased from HK$15,682,000 as at 31 March 2019 to HK$18,682,000 as at 30 September 2019. Up to the date of this report, approximately 63.2% of the proceeds has been utilised as intended for repayment of interest while approximately 0.8% of the proceeds has been used for general working capital of the Group. The remaining 36% of the proceeds is intended to be used for future general working capital of the Group.

Details in relation to the Agreement and completion of the subscription were set out in the announcements of the Company dated 9 June 2019 and 5 August 2019.

根據一般授權認購新股份

於二零一九年六月九日，本公司與另一名獨立第三方（「認購人」）訂立一份協議（「該協議」），據此，待若干條件達成後，本公司同意根據一般授權配發及發行而認購人同意認購300,000,000股新股份，認購價為每股股份港幣0.145元。該300,000,000股新股份相當於該協議日期本公司已發行股本的19.13%及經配發及發行認購股份而擴大的本公司已發行股本的16.06%。完成認購事項的條件已達成或獲認購人豁免，完成已於二零一九年八月五日落實。合共300,000,000股股份已按認購價每股股份港幣0.145元配發及發行予認購人，總現金代價共港幣43,500,000元。完成該認購新股份後，已發行股本由二零一九年三月三十一日的港幣15,682,000元增加至二零一九年九月三十日的港幣18,682,000元。截至本報告日期，所得款項約63.2%已按擬定用於償還利息，而所得款項約0.8%已用作本集團之一般營運資金。所得款項的餘下36%擬用作本集團未來的一般營運資金。

該協議及認購事項完成的詳情載列於本公司日期為二零一九年六月九日及二零一九年八月五日之公佈。

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 30 September 2019, net current liabilities of the Group amounted to HK$1,675 million (31 March 2019: net current assets of HK$45 million) with cash and bank balances of HK$226 million (31 March 2019: HK$222 million) and the current ratio (current assets/current liabilities) was 0.48 (31 March 2019: 1.02). The Group had secured borrowings of HK$2,501 million (31 March 2019: HK$1,326 million), unsecured borrowings of HK$73 million (31 March 2019: HK$73 million) and convertible instruments of HK$208 million (31 March 2019: HK$1,348 million). Gearing ratio, calculated on the basis of the Group's interest-bearing borrowings and convertible instruments divided by the equity attributable to owners of the Company was 447.0% (31 March 2019: 111.8%). The borrowings of the Group carried floating interest rates calculated by reference to the Hong Kong Dollar Prime Rate or lender's costs of funds were made in Hong Kong dollar and US dollar. The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Hong Kong dollar and US dollar. As Hong Kong Dollar is pegged to US dollar, the foreign exchange risk exposures are considered limited. The Group did not have any financial instruments used for hedging purpose.

流動資金、財務資源及資本架構

於二零一九年九月三十日，本集團的流動負債淨值達港幣1,675,000,000元（二零一九年三月三十一日：流動資產淨值港幣45,000,000元），現金及銀行結餘為港幣226,000,000元（二零一九年三月三十一日：港幣222,000,000元），流動比率（流動資產╱流動負債）為0.48（二零一九年三月三十一日：1.02）。本集團之有抵押借貸為港幣2,501,000,000元（二零一九年三月三十一日：港幣1,326,000,000元），無抵押借貸為港幣73,000,000元（二零一九年三月三十一日：港幣73,000,000元）及可換股工具為港幣208,000,000元（二零一九年三月三十一日：港幣1,348,000,000元）。借貸比率（按本集團的計息借貸及可換股工具除以本公司擁有人應佔權益計算）為447.0%（二零一九年三月三十一日：111.8%）。本集團之借貸參考港幣最優惠利率或貸款人的資金成本，按浮動利率計息，並以港幣及美元借入。本集團面臨因各種貨幣產生的外匯風險，主要與港幣及美元有關。由於港幣與美元掛鈎，外匯風險被認為有限。本集團並無任何用於對沖目的之金融工具。

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE *(Continued)*

As at 30 September 2019, the Group had capital commitments of RMB130 million (equivalent to HK$143 million) (31 March 2019: RMB130 million, equivalent to HK$152 million) contracted but not provided for the capital contribution to an associate. The Directors have always closely monitored the amount of liquid assets on hand and banking facilities available to ensure the Group has sufficient financial resources to meet its ongoing operational requirements. The Group's assets portfolio is mainly financed by its shareholders' funds. As at 30 September 2019, the Group had shareholders' funds of HK$622 million (31 March 2019: HK$2,457 million).

流動資金、財務資源及資本架構 *（續）*

於二零一九年九月三十日，本集團就向一間聯營公司注資的已訂約但未作出撥備的資本承擔為人民幣130,000,000元（相當於港幣143,000,000元）（二零一九年三月三十一日：人民幣130,000,000元，相當於港幣152,000,000元）。董事始終密切監察手頭上的流動資產金額及可動用銀行融資額，以確保本集團擁有足夠財政資源以應付其持續營運需求。本集團之資產組合主要透過股東資金融資。於二零一九年九月三十日，本集團有股東資金港幣622,000,000元（二零一九年三月三十一日：港幣2,457,000,000元）。

PLEDGE OF ASSETS

As at 30 September 2019, bank borrowings of HK$3 million (equivalent to RMB2 million) (31 March 2019: HK$24 million, equivalent to RMB20 million) were secured by a corporate guarantee given by an independent third party (31 March 2019: secured by bank deposits of HK$23 million with a corporate guarantee given by an independent third party). HK$702 million (equivalent to US$90 million) (31 March 2019: HK$702 million, equivalent to US$90 million) of other borrowings were secured by the shares in the capital of certain wholly-owned subsidiaries of the Company, 20% (31 March 2019: 20%) equity interest of Wins Finance held by the Group, and personal guarantees given by Mr. Zhang and his spouse. Other borrowings of HK$1 million (equivalent to RMB1 million) (31 March 2019: HK$7 million, equivalent to RMB6 million) were secured by certain finance lease receivables with carrying amount of HK$11 million (equivalent to RMB10 million) (31 March 2019: HK$12 million, equivalent to RMB10 million).

As at 30 September 2019, the Notes were secured by certain listed securities held by the Group (31 March 2019: Nil), certain shares in the capital of a wholly-owned subsidiary of the Company, approximately 17% (31 March 2019: approximately 7%) equity interest of Wins Finance held by the Group, certain shares held by Mr. Zhang and personal guarantees given by Mr. Zhang and his spouse.

資產抵押

於二零一九年九月三十日，銀行借貸港幣3,000,000元（相當於人民幣2,000,000元）（二零一九年三月三十一日：港幣24,000,000元，相當於人民幣20,000,000元）以一名獨立第三方作出的公司擔保抵押（二零一九年三月三十一日：以銀行存款港幣23,000,000元及一名獨立第三方作出的公司擔保抵押）。其他借貸港幣702,000,000元（相當於90,000,000美元）（二零一九年三月三十一日：港幣702,000,000元，相當於90,000,000美元）以本公司若干全資附屬公司股本中的股份、本集團持有的Wins Finance之20%（二零一九年三月三十一日：20%）股本權益以及張先生及其配偶作出的個人擔保抵押。其他借貸港幣1,000,000元（相當於人民幣1,000,000元）（二零一九年三月三十一日：港幣7,000,000元，相當於人民幣6,000,000元）以賬面值港幣11,000,000元（相當於人民幣10,000,000元）（二零一九年三月三十一日：港幣12,000,000元，相當於人民幣10,000,000元）的若干應收融資租賃款項抵押。

於二零一九年九月三十日，該等票據以本集團持有的若干上市證券（二零一九年三月三十一日：無）、本公司一間全資附屬公司股本中若干股份、本集團持有的Wins Finance約17%（二零一九年三月三十一日：約7%）股本權益、張先生持有的若干股份以及張先生及其配偶作出的個人擔保抵押。

PLEDGE OF ASSETS *(Continued)*

As at 30 September 2019, the other secured borrowings (31 March 2019: First Convertible Bonds) of HK$772 million (equivalent to US$99 million) (31 March 2019: HK$772 million, equivalent to US$99 million) were secured by approximately 30% (31 March 2019: approximately 30%) equity interest of Wins Finance held by the Group. As at 30 September 2019, the other secured borrowings (31 March 2019: Second Convertible Bonds) of HK$429 million (31 March 2019: HK$429 million) were secured by 12.17% (31 March 2019: 12.17%) equity interest of the Securities Company held by the Group.

資產抵押 *(續)*

於二零一九年九月三十日，其他有抵押借貸(二零一九年三月三十一日：首批可換股債券)港幣772,000,000元(相當於99,000,000美元)(二零一九年三月三十一日：港幣772,000,000元，相當於99,000,000美元)以本集團持有的Wins Finance約30%(二零一九年三月三十一日：約30%)股本權益抵押。於二零一九年九月三十日，其他有抵押借貸(二零一九年三月三十一日：第二批可換股債券)港幣429,000,000元(二零一九年三月三十一日：港幣429,000,000元)以本集團持有的證券公司之12.17%(二零一九年三月三十一日：12.17%)股本權益抵押。

EVENTS AFTER THE REPORTING PERIOD

The Group, through Wins Finance, held certain wealth management products (the "Products") managed by certain financial institutions in the PRC (the "Financial Institutions"). One of the Products with original investments amount of RMB750 million and remaining principal amount of RMB740 million (equivalent to HK$812 million as at 30 September 2019) was due to mature on 23 October 2019. As at the date of this report, an outstanding principal amount of RMB580 million (equivalent to HK$637 million as at 30 September 2019) has not been redeemed and no investment portfolio has been returned by the relevant Financial Institutions. The Company has set up an investigation committee and engaged an external independent law firm in the PRC with Wins Finance to assist in such investigation. Based on the investigation report dated 9 January 2020, it was discovered that the asset manager and certain other parties had executed some additional documents in respect of the investment of RMB750 million in other investments. Wins Finance was not a party to these additional documents and was not aware of these additional documents previously. The Company is taking legal advice as to how to proceed with a view to maximising the interests of the Company and its Shareholders. The Company reserves its right to and will exhaust all possible remedies in order to seek for compensation for the loss under the investment including without limitation the institution of legal proceedings against the relevant parties. The Company considered the recoverability of the outstanding principal amount and related interest receivable is highly uncertain, a fair value loss of HK$767 million has been recorded for the Period.

Except as disclosed elsewhere in this report, the Group had no other significant events after the reporting period. Details in relation to the results of the investigation were set out in the announcement of the Company dated 9 January 2020.

報告期後事件

本集團透過Wins Finance持有中國若干金融機構(「金融機構」)管理的若干財富管理產品(「該等產品」)。其中一項該等產品(原投資額為人民幣750,000,000元，餘下本金額為人民幣740,000,000元(於二零一九年九月三十日相當於港幣812,000,000元))定於二零一九年十月二十三日到期，於本報告日期，未償還本金額為人民幣580,000,000元(於二零一九年九月三十日相當於港幣637,000,000元)未贖回，且相關金融機構未退還投資組合。本公司已成立一個調查委員會，並已與Wins Finance委聘中國一家外部獨立律師事務所協助該調查。根據日期為二零二零年一月九日的調查報告，發現資產管理人與若干其他人士已就投資人民幣750,000,000元簽署部分額外文件。Wins Finance並非該等額外文件的訂約方，且早前並不知悉該等額外文件。本公司正就如何採取行動令本公司及其股東利益最大化而徵求法律意見。本公司保留權利尋求賠償投資損失，並將採取一切可能的補救措施，包括但不限於對相關人士提出法律訴訟。本公司認為未償還本金額及相關應收利息的可收回性具有很高的不確定性，本期間已錄得公平值虧損港幣767,000,000元。

除本報告其他地方所披露者外，本集團於報告期後並無其他重大事件。調查結果詳情載列於本公司日期為二零二零年一月九日之公佈。

CONTINGENT LIABILITIES

Wins Finance and certain of its executive officers were named as defendants in two civil securities lawsuits recently filed in two U.S. District Courts (the "Lawsuit A" and the "Lawsuit B", collectively referred to as the "Lawsuits") in April 2017. Both Lawsuits were putative class action lawsuits where plaintiffs' counsels sought to represent the entire class of shareholders who acquired Wins Finance's securities between 29 October 2015 and 29 March 2017. Both Lawsuits asserted the same statutory violations under the U.S. Securities Exchange Act, alleged, in sum and substance, that the defendants made false and misleading statements, or failed to disclose material facts, in Wins Finance's prospectuses, press releases, and filings with the U.S. Securities and Exchange Commission (the "SEC") in connection with its growth, business prospects and the adequacy of its internal controls. The Lawsuits also alleged that Wins Finance misrepresented the location of its principal executive office in the SEC filings. The Lawsuits further alleged that Wins Finance's stock price fell when the alleged misstatements or omissions became known to investors. The plaintiffs sought unspecified monetary damages, including interest, costs and attorney's fees and other relief as the court deemed just.

In July 2017, the plaintiff of Lawsuit A filed notice to the U.S. District Court that Lawsuit A is voluntarily dismissed, without prejudice and without costs to any party, and the court subsequently terminate Lawsuit A. Accordingly, the directors of Wins Finance considered no further contingent liabilities would arise from Lawsuit A.

In June 2017, the court issued an order appointing lead plaintiffs and lead counsel for Lawsuit B. In August 2017, lead plaintiffs of Lawsuit B filed an amended class action complaint. The amended complaint alleged claims against Wins Finance for securities fraud purportedly arising from alleged misrepresentations concerning its principal executive offices (which alleged misrepresentations resulted in Wins Finance being added to, and then removed from, the Russell 2000 index). In October 2017, Wins Finance moved to dismiss the amended complaint for failure to state a claim as against it. In March 2018, the court issued an order to deny Wins Finance's motion to dismiss. Thus, Lawsuit B will proceed to the fact gathering stage. In June 2018, counsel for the parties appeared before the court for an initial scheduling conference and the court entered an appropriate schedule for discovery and additional motions. In July 2018, the plaintiffs filed with the court proof of summons and amended complaint against certain individual defendants and in August 2018, such individual defendants moved to dismiss the amended complaint for failure to state a claim as against them. In September 2018, the lead plaintiffs filed a motion seeking class certification. In that motion, the lead plaintiffs have not specified the amount of alleged class-wide damages, nor have they provided any methodology for the calculation of same. Wins Finance's opposition to that motion was due in December 2018. In October 2018, the court entered an order dismissing the action against an individual defendant without prejudice, for the lead plaintiffs' failure to timely serve such individual defendant with the summons and amended complaint.

或然負債

於二零一七年四月，Wins Finance及其若干執行人員在近期於兩個美國地區法院提出的兩宗民事證券訴訟(「訴訟A」及「訴訟B」，統稱為「該等訴訟」)中被列為被告。該等訴訟均為推定集體訴訟，原告律師尋求代表於二零一五年十月二十九日至二零一七年三月二十九日期間購買了Wins Finance證券的全體股東。該等訴訟均主張《美國證券交易法》項下的相同法定違規行為，總而言之指稱被告在Wins Finance的招股章程、新聞稿及向美國證券交易委員會(「美國證監會」)提交的文件中作出了有關其增長、業務前景及內控充足性的虛假及誤導性陳述，或未能披露相關重大事實。該等訴訟亦指稱，Wins Finance在提交予美國證監會的文件中虛假陳述了其主要執行人員的地點。該等訴訟進一步指稱，當相關錯誤陳述或遺漏被投資者知悉後，Wins Finance的股價下跌。原告尋求金額未定的損害賠償，包括利息、成本、律師費及法院認為正當的其他濟助。

於二零一七年七月，訴訟A的原告向美國地區法院提交通知，自願中止訴訟A，任何一方不受影響，亦毋須承擔任何費用，法院隨後終止訴訟A。因此，Wins Finance董事認為，訴訟A不會再產生其他或然負債。

於二零一七年六月，法院頒佈命令，就訴訟B委任首席原告及首席律師。於二零一七年八月，訴訟B的首席原告提交經修訂集體訴訟起訴書。經修訂起訴書指稱有關Wins Finance的主要行政人員的虛假陳述為證券欺詐提出索償(所指稱虛假陳述導致Wins Finance被列入羅素2000指數，後被剔除出該指數)。於二零一七年十月，Wins Finance動議因未能對其說明索償而駁回經修訂起訴書。於二零一八年三月，法院頒佈命令，拒絕Wins Finance的駁回動議。因此，訴訟B將進行收集事實階段。於二零一八年六月，各方律師參加法院的初步時間表規劃會議，法院已就文件披露及額外動議決定適當的時間表。於二零一八年七月，原告針對若干個人被告人向法院提交傳喚證明及經修訂起訴書，於二零一八年八月，該等個人被告人動議因未能對其說明索償而駁回經修訂起訴書。於二零一八年九月，首席原告提交動議，尋求集體認證。在該動議中，首席原告未說明指稱集體損害總金額，亦未提出任何相關計算方法。Wins Finance於二零一八年十二月提出對該動議的異議。於二零一八年十月，法院頒佈一項命令，駁回對一名個人被告人的訴訟，無損權利，理由是首席原告未能及時向該個人被告人送達傳訊令狀及經修訂起訴書。

CONTINGENT LIABILITIES *(Continued)*

As a result of a private mediation conducted in November 2018, Wins Finance has agreed in principle to settle the class action, on behalf of all remaining defendant parties. The Court granted preliminary approval of the settlement by order entered in March 2019 and has rescheduled a final settlement approval hearing for 18 May 2020.

Save as disclosed above, the Group had no other material contingent liabilities as at 30 September 2019 and 31 March 2019.

EMPLOYEES AND REMUNERATION POLICY

As at 30 September 2019, the Group employed 109 staff members (30 September 2018: 125 staff members) including directors of the Company. Staff costs incurred for the Period, including directors' remuneration, was HK$31 million (30 September 2018: HK$95 million).

It is the remuneration policy of the Group to reward its employees with reference to their qualifications, experience and work performance as well as to market benchmarks. Remuneration packages, including the grant of share options, are structured to motivate individual performance and contributions to the Group. The Company has adopted a share option scheme and the Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance for its employees.

或然負債 *（續）*

由於二零一八年十一月進行庭外調解，Wins Finance已代表所有餘下被告人原則上同意和解該集體訴訟。法院已於二零一九年三月頒佈命令，初步批准和解，並重新計劃於二零二零年五月十八日舉行最終和解批准聆訊。

除上文所披露者外，於二零一九年九月三十日及二零一九年三月三十一日，本集團並無其他重大或然負債。

僱員及薪酬政策

於二零一九年九月三十日，本集團僱用109名員工（二零一八年九月三十日：125名員工）（包括本公司董事）。本期間產生的員工成本（包括董事酬金）為港幣31,000,000元（二零一八年九月三十日：港幣95,000,000元）。

本集團之薪酬政策乃根據僱員之資歷、經驗及工作表現以及市場標準回報僱員。薪酬待遇（包括授予購股權）旨在激勵僱員個人表現及對本集團之貢獻。本公司已採納一項購股權計劃，而本集團已根據強制性公積金計劃條例為僱員設立一項定額供款強制性公積金退休福利計劃。

SHARE OPTION SCHEME

The share option scheme was adopted by Freeman FinTech Corporation Limited (the "Company") on 31 August 2012 (the "2012 Scheme") with a term of ten years.

Movements on the number of share options outstanding during the period are as follows:

購股權計劃

購股權計劃由民眾金融科技控股有限公司(「本公司」)於二零一二年八月三十一日採納(「二零一二年計劃」),有效期為十年。

期內未行使購股權數目之變動如下:

Date of grant	授出日期	Balance as at 01-04-2019 於二零一九年四月一日之餘額	Forfeited/ lapsed during the period 期內沒收/失效	Balance as at 30-09-2019 於二零一九年九月三十日之餘額	Approximate percentage of the issued share capital (Note 1) 佔已發行股本之概約百分比(附註1)
23-04-2015	二零一五年四月二十三日	68,827,582	(10,000,000)	58,827,582	3.15%
06-08-2018	二零一八年八月六日	126,681,513	(22,249,937)	104,431,576	5.59%
Total	總計	195,509,095	(32,249,937)	163,259,158	8.74%

Note 1: The percentage is calculated based on the total number of issued shares of the Company as at 30 September 2019 (i.e. 1,868,176,188 shares).

附註1: 該百分比基於本公司於二零一九年九月三十日之已發行股份總數(即1,868,176,188股)計算。

During the six months ended 30 September 2019, no share options were exercised. As at 30 September 2019, there were 163,259,158 share options outstanding under the 2012 Scheme (30 September 2018: 1,955,090,954 (which was then adjusted to 195,509,095 share options as a result of the implementation of a share consolidation on the basis that every ten issued and unissued shares of HK$0.001 each be consolidated into one consolidated share of HK$0.01 each (the "Share Consolidation") became effective on 12 November 2018)).

截至二零一九年九月三十日止六個月,並無購股權獲行使。於二零一九年九月三十日,二零一二年計劃項下163,259,158份購股權(二零一八年九月三十日:1,955,090,954份購股權(隨後已因實施股份合併(基準為將每十股每股面值港幣0.001元之已發行及未發行股份,合併為一股每股面值港幣0.01元之合併股份)(「股份合併」)於二零一八年十一月十二日生效而調整為195,509,095份購股權))尚未行使。

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 September 2019, based on the register kept by the Company, the interests of the Directors and chief executives of the Company and their associates in the shares, underlying shares and debentures of the Company or any of its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance (the "SFO") or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

董事於股份及相關股份之權益及淡倉

於二零一九年九月三十日,據本公司存置之登記冊所載列,董事及本公司主要行政人員以及彼等之聯繫人於本公司或其任何相聯法團之股份、相關股份及債權證中,擁有須記入本公司根據證券及期貨條例(「證券及期貨條例」)第352條須存置之登記冊內,或根據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」)須知會本公司及聯交所之權益如下:

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES *(Continued)*

董事於股份及相關股份之權益及淡倉（續）

Long positions in ordinary shares of the Company:

於本公司普通股之好倉：

Name of Directors 董事姓名	Capacity 身份	Deemed interests in number of shares and underlying shares 視作於股份及相關股份數目中擁有權益	Approximate percentage of the issued share capital 佔已發行股本概約百分比
Mr. Ye Ye 叶燁先生	Beneficial owner 實益擁有人	15,681,761 (L) (Note 1) （附註1）	0.83% (L)
Mr. Yang Haoying 楊浩英先生	Beneficial owner 實益擁有人	15,681,761 (L) (Note 1) （附註1）	0.83% (L)
Mr. Pun Hong Hai 潘康海先生	Beneficial owner 實益擁有人	15,681,761 (L) (Note 1) （附註1）	0.83% (L)
Mr. An Dong 安東先生	Beneficial owner 實益擁有人	1,568,176 (L) (Note 1) （附註1）	0.08% (L)
Mr. Fung Tze Wa 馮子華先生	Beneficial owner 實益擁有人	1,568,176 (L) (Note 1) （附註1）	0.08% (L)
Mr. Wu Keli 巫克力先生	Beneficial owner 實益擁有人	1,568,176 (L) (Note 1) （附註1）	0.08% (L)

Note 1: These share options were granted on 6 August 2018 by the Company under the 2012 Scheme.

(L): Long position

附註1： 該等購股權由本公司於二零一八年八月六日根據二零一二年計劃授出。

(L)：好倉

The interests stated above represent the Directors' interests in the shares of the Company (the "Shares"). Save as disclosed above and based on the register kept by the Company, as at 30 September 2019, none of the Directors, chief executives nor their associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations as recorded in the register required to be kept under Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Listing Rules.

上文所述之權益指董事於本公司股份（「股份」）之權益。除上文所披露者外及據本公司存置之登記冊所載列，於二零一九年九月三十日，概無董事、主要行政人員或彼等之聯繫人於本公司或其任何相聯法團之股份、相關股份及債權證中，擁有須記入根據證券及期貨條例第352條須存置之登記冊內，或根據上市規則須知會本公司及聯交所之任何權益或淡倉。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the above section headed "DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES" and note 27 to the condensed consolidated financial statements headed "Share Option Scheme", at no time during the six months ended 30 September 2019 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age of eighteen, had any right to subscribe for the securities of the Company, or had exercised any such rights during the Period.

董事購買股份或債權證之權利

除上文「董事於股份及相關股份之權益及淡倉」一節及簡明綜合財務報表附註27「購股權計劃」所披露者外，於截至二零一九年九月三十日止六個月期間任何時間，本公司或其任何附屬公司並無訂立任何安排，使董事可藉購買本公司或任何其他法人團體之股份或債務證券（包括債權證）而獲得利益，且並無任何董事或其配偶或未滿十八歲子女擁有任何認購本公司證券之權利，或已於本期間行使任何該等權利。

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 September 2019, based on the register kept by the Company, the following persons have interests or short position in the shares and underlying shares of the Company, being 5% or more of the Company's issued share capital, as known to the Company or recorded in the register maintained by the Company pursuant to Section 336 of the SFO:

主要股東及其他人士於股份及相關股份之權益

於二零一九年九月三十日，據本公司存置之登記冊所載列，就本公司所知，或本公司根據證券及期貨條例第336條存置之登記冊所記錄，以下人士持有於本公司股份及相關股份之權益或淡倉，為本公司已發行股本5%或以上：

Name of substantial shareholders 主要股東名稱	Capacity 身份	Total 總計	Approximate percentage of the issued share capital 佔已發行股本概約百分比
Mr. Zhang Yongdong (Note 1) 張永東先生（附註1）	Beneficial owner 實益擁有人	100,076,600 (L) 159,574,600 (S)	5.35% (L) 8.54% (S)
Central Huijin Investment Ltd. (Note 2) 中央匯金投資有限責任公司（附註2）	Interest in controlled corporation 於受控制法團的權益	211,190,249 (L)	11.30% (L)
InterGlobal Trust Limited (Note 3) 平盛信託有限公司（附註3）	Interest in controlled corporation 於受控制法團的權益	300,000,000 (L)	16.05% (L)

(L): Long position
(S): Short position

(L): 好倉
(S): 淡倉

Note 1: These Shares were held by Galaxy Strategic Investment Co. Ltd., a company wholly-owned by Mr. Zhang Yongdong.

附註1： 該等股份由Galaxy Strategic Investment Co. Ltd.（張永東先生全資擁有之公司）持有。

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES *(Continued)*

Note 2: Subsequent to the adjustment of conversion price of the CCBI Convertible Notes (as defined below) in August 2019, the number of conversion shares to be allotted and issued upon full exercise of the conversion rights would be 1,281,706,337 Shares. The conversion shares will be allotted and issued pursuant to the general mandate approved by the shareholders of the Company at the annual general meeting of the Company held on 5 September 2017 (the "2017 General Mandate") and the Company is still entitled to allot and issue a maximum of 211,190,249 Shares pursuant to such general mandate. Pursuant to the terms of the CCBI Convertible Notes, if the Company is served with a conversion notice but the number of conversion shares to be allotted and issued exceeds such number of unissued Shares for which the Board has been authorised under the 2017 General Mandate, the Company (as the issuer of this convertible note) shall be obliged to firstly, allot and issue the maximum number of conversion shares that it is allowed to allot and issue under the 2017 General Mandate (i.e. 211,190,249 Shares) and, thereafter, redeem such remaining balance of the principal of the convertible note purported to be converted under the relevant conversion notice in cash.

These Shares were held by Prosper Talent Limited which is wholly-owned by CCBI Investments Limited which is wholly-owned by CCB International (Holdings) Limited which is wholly-owned by CCB Financial Holdings Limited which is wholly-owned by CCB International Group Holdings Limited which is wholly-owned by China Construction Bank Corporation which is controlled by Central Huijin Investment Ltd. as to approximately 57.11%.

Note 3: InterGlobal Trust Limited is the sole trustee for Win Faith Trust whose sole beneficiary is Mr. Liang Yahong.

Save as disclosed above and based on the register kept by the Company, the Company had not been notified by any persons who had interests or short positions in the shares and underlying shares of the Company at 30 September 2019 as recorded in the register of the Company required to be kept under Section 336 of the SFO.

主要股東及其他人士於股份及相關股份之權益 *(續)*

附註2： 建銀國際可換股票據(定義見下文)的轉換價於二零一九年八月調整後，於轉換權獲悉數行使時將予配發及發行的轉換股份數目將為1,281,706,337股股份。轉換股份將根據本公司股東於二零一七年九月五日舉行的本公司股東週年大會上批准的一般授權(「二零一七年一般授權」)配發及發行，本公司根據該一般授權仍有權配發及發行最多211,190,249股股份。根據建銀國際可換股票據的條款，如本公司獲送達轉換通知，但將予配發及發行的轉換股份數目超過董事會根據二零一七年一般授權獲授權的未發行股份數目，則本公司(作為該可換股票據的發行人)須首先配發及發行其根據二零一七年一般授權獲準配發及發行的最高數目的轉換股份(即211,190,249股股份)，然後以現金贖回根據相關轉換通知聲稱轉換的可換股票據本金額的該餘額。

該等股份由Prosper Talent Limited持有，該公司由CCBI Investments Limited全資擁有，CCBI Investments Limited由建銀國際(控股)有限公司全資擁有，建銀國際(控股)有限公司由建行金融控股有限公司全資擁有，建行金融控股有限公司由建行國際集團控股有限公司全資擁有，建行國際集團控股有限公司由中國建設銀行股份有限公司全資擁有，中國建設銀行股份有限公司由中央匯金投資有限責任公司控制約57.11%。

附註3： InterGlobal Trust Limited為Win Faith Trust的唯一受託人，Win Faith Trust的唯一受益人為梁亞宏先生。

除上文所披露者外以及據本公司存置之登記冊所載列，於二零一九年九月三十日，本公司並未獲任何人士知會，其於本公司股份及相關股份中擁有須記入根據證券及期貨條例第336條存置之本公司登記冊之權益或淡倉。

SHARE CAPITAL, SHARE OPTIONS AND CONVERTIBLE INSTRUMENTS

Details of the movements in the share capital and share options of the Company during the period are set out in notes 26 and 27 to the condensed consolidated financial statements respectively.

On 5 August 2019, an aggregate of 300,000,000 Shares were allotted and issued to a subscriber at the subscription price of HK$0.145 per Share. As at 30 September 2019, the Company's total issued shares were 1,868,176,188 Shares.

As at 30 September 2019, the convertible bonds in the principal amounts of US$100 million and HK$437 million issued by the Company to China Huarong Asset Management Co., Ltd. and Huarong Investment Stock Corporation Limited respectively were expired.

In September 2018, the Company issued convertible notes under general mandate for 2,111,902,494 conversion shares at conversion price of HK$0.088 per conversion share in the principal amount of HK$185,847,419 to CCB International (Holdings) Limited (the "CCBI Convertible Notes").

As a result of the Share Consolidation became effective on 12 November 2018, the conversion price for the CCBI Convertible Notes has been adjusted to HK$0.88 per conversion share and the conversion shares attributable to the outstanding CCBI Convertible Notes as at 31 March 2019 have been adjusted to 211,190,249 Shares.

Upon the completion of subscription of new shares under general mandate on 5 August 2019, the conversion price for the CCBI Convertible Notes has been adjusted to HK$0.145 per conversion share and the conversion shares attributable to the outstanding CCBI Convertible Notes as at 30 September 2019 have been adjusted to 1,281,706,337 Shares (of which 211,190,249 Shares can be allotted and issued pursuant to the 2017 General Mandate and 1,070,516,088 Shares will have to be settled by cash). As at 30 September 2019, no conversion rights attaching to the CCBI Convertible Notes were exercised.

Further details of the issue of convertible notes were disclosed in the Financial Review under the paragraph headed "CONVERTIBLE INSTRUMENTS AND INTEREST-BEARING BORROWINGS" of the "Management Discussion and Analysis" section and note 24 to the condensed consolidated financial statements.

股本、購股權及可換股工具

期內本公司股本及購股權變動之詳情分別載於簡明綜合財務報表附註26及27。

於二零一九年八月五日，合共300,000,000股股份按認購價每股股份港幣0.145元配發及發行予一名認購人。於二零一九年九月三十日，本公司的已發行股份總數為1,868,176,188股股份。

於二零一九年九月三十日，本公司向中國華融資產管理股份有限公司及華融投資股份有限公司發行的本金額分別為100,000,000美元及港幣437,000,000元之可換股債券已到期。

於二零一八年九月，本公司根據一般授權向建銀國際（控股）有限公司發行本金額為港幣185,847,419元的可換股票據，可按轉換價每股轉換股份港幣0.088元轉換成2,111,902,494股轉換股份（「建銀國際可換股票據」）。

由於股份合併於二零一八年十一月十二日生效，建銀國際可換股票據的轉換價已調整為每股轉換股份港幣0.88元，於二零一九年三月三十一日未償還建銀國際可換股票據應佔的轉換股份已調整為211,190,249股股份。

二零一九年八月五日根據一般授權認購新股份完成後，建銀國際可換股票據的轉換價已調整為每股轉換股份港幣0.145元，於二零一九年九月三十日未償還建銀國際可換股票據應佔的轉換股份已調整為1,281,706,337股股份（其中211,190,249股股份可根據二零一七年一般授權配發及發行，1,070,516,088股股份將須以現金結算）。於二零一九年九月三十日，概無建銀國際可換股票據附帶的轉換權已獲行使。

發行可換股票據的進一步詳情披露於「管理層討論及分析」一節「可換股工具及計息借貸」一段財務回顧及簡明綜合財務報表附註24。

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

During the six months ended 30 September 2019, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the listed securities of the Company.

CHANGES IN DIRECTORS' INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in Directors' information since the date of 2018/2019 Annual Report of the Company are set out below:

1. Mr. Yang Haoying, Executive Director of the Company, resigned as Chief Executive Officer of the Company with effect from 29 April 2019 and remains as an Executive Director.

2. With effect from the conclusion of the annual general meeting held on 9 September 2019, Ms. Chow Mun Yee and Mr. Zhao Tong retired as Executive Directors of the Company.

3. With effect from the conclusion of the annual general meeting held on 9 September 2019, Mr. Cheung Wing Ping retired as an Independent Non-executive Director of the Company and ceased to be the chairman of the Audit Committee, Remuneration Committee and Nomination Committee of the Company.

4. With effect from the conclusion of the annual general meeting held on 9 September 2019, Mr. An Dong, Independent Non-executive Director of the Company, has been appointed as the chairman of the Nomination Committee and Remuneration Committee of the Company.

5. With effect from the conclusion of the annual general meeting held on 9 September 2019, Mr. Fung Tze Wa, Independent Non-executive Director of the Company, has been appointed as the chairman of the Audit Committee of the Company.

6. Mr. An Dong, Independent Non-executive Director of the Company, has been appointed as an independent non-executive director of Sheng Yuan Holdings Limited (whose shares are listed on the main board of the Stock Exchange, stock code: 851) with effect from 11 November 2019.

AUDIT COMMITTEE

The condensed consolidated financial statements of the Company for the six months ended 30 September 2019 have been reviewed by the Audit Committee and have not been reviewed or audited by the Company's auditor. The Audit Committee comprises three Independent Non-executive Directors. The primary duties of the Audit Committee are, amongst other matters, to communicate with the management of the Company; and to review the accounting principles and practices, risk management and internal control systems, interim and annual results of the Group.

購買、出售或贖回本公司之上市證券

於截至二零一九年九月三十日止六個月內，本公司及其任何附屬公司概無購買、贖回或出售任何本公司之上市證券。

董事資料變動

根據上市規則第13.51B(1)條，自本公司二零一八／二零一九年年報日期起，董事資料變動載列如下：

1. 本公司執行董事楊浩英先生自二零一九年四月二十九日起辭任本公司行政總裁，並繼續擔任執行董事。

2. 自於二零一九年九月九日舉行的股東週年大會結束起，鄒敏兒小姐及趙彤先生退任本公司執行董事。

3. 自於二零一九年九月九日舉行的股東週年大會結束起，張榮平先生退任本公司獨立非執行董事，並不再擔任本公司審核委員會、薪酬委員會及提名委員會主席。

4. 自於二零一九年九月九日舉行的股東週年大會結束起，本公司獨立非執行董事安東先生已獲委任為本公司提名委員會及薪酬委員會之主席。

5. 自於二零一九年九月九日舉行的股東週年大會結束起，本公司獨立非執行董事馮子華先生已獲委任為本公司審核委員會之主席。

6. 本公司獨立非執行董事安東先生已獲委任為盛源控股有限公司（其股份於聯交所主板上市，股份代號：851）之獨立非執行董事，自二零一九年十一月十一日起生效。

審核委員會

本公司截至二零一九年九月三十日止六個月之簡明綜合財務報表已由審核委員會審閱及未經本公司核數師審閱或審核。審核委員會由三名獨立非執行董事組成。審核委員會主要職責為（其中包括）與本公司管理層溝通，以及審閱本集團之會計原則及慣例、風險管理及內部監控系統、中期及年度業績。

REMUNERATION COMMITTEE

The Remuneration Committee comprises three Independent Non-executive Directors. The primary duties of the Remuneration Committee are to make recommendations to the board of Directors (the "Board") on the Group's policy and structure for the remuneration of the Directors and senior management; to review and recommend the remuneration package of all Executive Directors for approval by the Board; and to review and approve compensation payable to Directors in connection with loss of their offices or compensation arrangement relating to dismissal or removal of Director.

薪酬委員會

薪酬委員會由三名獨立非執行董事組成。薪酬委員會的主要職能為就本集團董事及高級管理層薪酬政策及架構向董事會(「董事會」)作出推薦建議;檢討及建議所有執行董事之薪酬方案以供董事會批准;及檢討及批准董事之離職補償或與董事罷免或撤職有關之賠償安排。

NOMINATION COMMITTEE

The Nomination Committee comprises three Independent Non-executive Directors. The primary duties of the Nomination Committee are to review the structure, size and composition of the Board and make recommendations for appointment of directors/chairman/chief executives and to assess the independence of the Independent Non-executive Directors.

提名委員會

提名委員會由三名獨立非執行董事組成。提名委員會的主要職能為檢討董事會的架構、人數及組成,及就董事/主席/行政總裁的委任提出建議以及評核獨立非執行董事的獨立性。

CORPORATE GOVERNANCE

The Company has adopted the code provisions of the Corporate Governance Code (the "CG Code") contained in Appendix 14 of the Listing Rules as its own code on corporate governance practices. Save as disclosed below, in the opinion of the Directors, the Company has complied with the code provisions as set out in the CG Code and there have been no material deviations from the CG Code during the six months ended 30 September 2019:

Code Provision A.6.7 – Two Independent Non-executive Directors were unable to attend the annual general meeting held on 9 September 2019 as they had other engagements.

企業管治

本公司已採納上市規則附錄十四所載企業管治守則(「企管守則」)內之守則條文,作為本身之企業管治常規守則。除下文所披露者外,董事認為,本公司於截至二零一九年九月三十日止六個月內已遵守企管守則內之守則條文,並無任何重大偏離企管守則的情況:

守則條文第A.6.7條–兩名獨立非執行董事未能出席於二零一九年九月九日舉行的股東週年大會,原因是彼等須處理其他事務。

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Having made specific enquiry of all Directors, the Company confirmed that in respect of the six months ended 30 September 2019, all Directors have complied with the required standard set out in the Model Code.

董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載之標準守則,作為自身董事進行證券交易之行為守則。經向所有董事作出特定查詢,本公司確認於截至二零一九年九月三十日止六個月,全體董事已遵守標準守則所規定之標準。

By Order of the Board

Freeman FinTech Corporation Limited
Ye Ye
Chairman
Hong Kong, 10 January 2020

承董事會命

民眾金融科技控股有限公司
主席
叶燁
香港,二零二零年一月十日

FREEMAN FINTECH
民眾金融科技

www.freeman279.com