



中國農產品交易

CHINA AGRI-PRODUCTS EXCHANGE

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)
Stock Code 股票代號 : 0149



Dedicated to developing Agriculture
Sincere in serving Agriculture

以誠強農 以信惠農



2020

INTERIM REPORT

中期報告

CONTENTS

目錄

	Page 頁次
Corporate Information 公司資料	2
Interim Dividend 中期股息	4
Management Discussion and Analysis 管理層討論及分析	4
Corporate Governance and Other Information 企業管治及其他資料	22
Independent Review Report 獨立審閱報告	28
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income 簡明綜合損益及其他全面收益表	30
Condensed Consolidated Statement of Financial Position 簡明綜合財務狀況表	32
Condensed Consolidated Statement of Changes in Equity 簡明綜合權益變動表	34
Condensed Consolidated Statement of Cash Flows 簡明綜合現金流動表	35
Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註	37

Corporate Information 公司資料

Board of Directors

Executive Directors

Mr. Chan Chun Hong, Thomas
Chairman and Chief Executive Officer
Mr. Leung Sui Wah, Raymond
Mr. Yau Yuk Shing

Independent Non-executive Directors

Mr. Ng Yat Cheung, *JP*
Mr. Lau King Lung
Mr. Wong Ping Yuen

Audit Committee

Mr. Wong Ping Yuen, *Chairman*
Mr. Ng Yat Cheung, *JP*
Mr. Lau King Lung

Remuneration Committee

Mr. Ng Yat Cheung, *JP*, *Chairman*
Mr. Lau King Lung
Mr. Wong Ping Yuen
Mr. Chan Chun Hong, Thomas

Nomination Committee

Mr. Lau King Lung, *Chairman*
Mr. Ng Yat Cheung, *JP*
Mr. Wong Ping Yuen
Mr. Chan Chun Hong, Thomas
Mr. Leung Sui Wah, Raymond

Company Secretary

Mr. Leung Sui Wah, Raymond

Principal Bankers

Bank of Communications Co., Ltd. Hong Kong Branch
The Hongkong and Shanghai Banking Corporation Limited

Legal Advisers

Hong Kong Law: DLA Piper Hong Kong
PRC Law: King & Wood Mallesons

Auditors

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

董事會

執行董事

陳振康先生
主席兼行政總裁
梁瑞華先生
游育城先生

獨立非執行董事

吳日章先生，*太平紳士*
劉經隆先生
王炳源先生

審核委員會

王炳源先生，*主席*
吳日章先生，*太平紳士*
劉經隆先生

薪酬委員會

吳日章先生，*太平紳士*，*主席*
劉經隆先生
王炳源先生
陳振康先生

提名委員會

劉經隆先生，*主席*
吳日章先生，*太平紳士*
王炳源先生
陳振康先生
梁瑞華先生

公司秘書

梁瑞華先生

主要往來銀行

交通銀行股份有限公司香港分行
香港上海滙豐銀行有限公司

法律顧問

香港法律：歐華律師事務所
中國法律：金杜律師事務所

核數師

國衛會計師事務所有限公司
香港執業會計師



Corporate Information 公司資料

Registered Office

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head Office and Principal Place of Business in Hong Kong

Suite 3202, 32/F., Skyline Tower
39 Wang Kwong Road
Kowloon Bay
Kowloon
Hong Kong

Principal Share Registrar and Transfer Agent

MUFG Fund Services (Bermuda) Limited
4th Floor North
Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

Branch Share Registrar and Transfer Office in Hong Kong

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

Listing Information

Shares Listing

The Stock Exchange of Hong Kong Limited
Stock Code: 0149

Notes Listing

The Stock Exchange of Hong Kong Limited
The Company's 1% notes due 2024
Stock Code: 5755

Homepage

<http://www.cnagri-products.com>

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及香港主要營業地點

香港
九龍
九龍灣
宏光道39號
宏天廣場32樓3202室

股份過戶登記總處

MUFG Fund Services (Bermuda) Limited
4th Floor North
Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

上市資料

股份上市

香港聯合交易所有限公司
股份代號：0149

票據上市

香港聯合交易所有限公司
本公司之二零二四年到期1%票據
股份代號：5755

網址

<http://www.cnagri-products.com>



Interim Dividend 中期股息

The board (the “Board”) of directors (the “Director(s)”) of China Agri-Products Exchange Limited (the “Company”) together with its subsidiaries, collectively the “Group”) has resolved not to declare any payment of interim dividend for the six months ended 30 September 2020 (the “Period”) (for the six months ended 30 June 2019 (“2019 Corresponding Period”): Nil).

中國農產品交易所有限公司(「本公司」)連同其附屬公司，統稱「本集團」董事(「董事」)會(「董事會」)已決議不派付截至二零二零年九月三十日止六個月(「本期間」)之中期股息(截至二零一九年六月三十日止六個月(「二零一九對應期間」): 無)。

Management Discussion and Analysis 管理層討論及分析

SUMMARY OF FINANCIAL RESULTS

Turnover, Gross Profit and Segment Result

For the Period, the Group recorded a turnover of approximately HK\$292 million, representing a decrease of approximately HK\$170 million or approximately 37% from approximately HK\$462 million for the six months period ended 30 June 2019 as property sales recognition was lower than that of the 2019 Corresponding Period. The below table summarises the key financial performance of the Group:

財務業績概要

營業額、毛利及分部業績

截至本期間，本集團錄得營業額約292,000,000港元，較截至二零一九年六月三十日止六個月約462,000,000港元減少約170,000,000港元或約37%，此乃由於確認的物業銷售低於二零一九對應期間。本集團之主要財務表現概述如下：

HK\$ million and approximate % 百萬港元及概約百分比	For the six months ended 30 September 2020 截至二零二零年 九月三十日止六個月			For the six months ended 30 June 2019 截至二零一九年 六月三十日止六個月		
	Agricultural Produce Exchange Market Operations 經營農產品 交易市場	Property Sales 物業銷售	Total 總計	Agricultural Produce Exchange Market Operations 經營農產品 交易市場	Property Sales 物業銷售	Total 總計
Turnover 營業額	183	109	292	196	266	462
Gross Profit 毛利	126	25	151	136	83	219
Segment Result 分部業績	72	21	93	91	43	134
Gross Profit to Turnover 毛利佔營業額之百分比	69%	23%	52%	69%	31%	47%
Segment Result to Turnover 分部業績佔營業額之百分比	39%	19%	32%	46%	16%	29%



Management Discussion and Analysis 管理層討論及分析

During the Period, the Group recorded a gross profit and a segment result of approximately HK\$151 million and approximately HK\$93 million, respectively (for the six months ended 30 June 2019: approximately HK\$219 million and approximately HK\$134 million, respectively), representing a decrease of approximately 31% and approximately 31%, respectively, as compared to the 2019 Corresponding Period. The decrease is mainly due to the COVID-19 pandemic which slowed down the properties sales activities during the Period and, therefore, lower the related sales recognition compared to the 2019 Corresponding Period.

General and Administrative Expenses, Selling Expenses and Finance Costs

The Group recorded general and administrative expenses of approximately HK\$79 million in the Period (for the six months ended 30 June 2019: approximately HK\$92 million). The decrease is mainly due to the implementation of cost saving policies during the Period. Selling expenses were approximately HK\$15 million in the Period (for the six months ended 30 June 2019: approximately HK\$39 million), which is mainly due to the effect of COVID-19 pandemic that slowed down the property sales activities. Finance costs were approximately HK\$82 million in the Period (for the six months ended 30 June 2019: approximately HK\$94 million) and such decrease is mainly due to the repayment of interest-bearing debts.

Net Gain in Fair Value of Investment Properties and Written Down of Stock of Properties

The net gain in fair value of investment properties was approximately HK\$39 million (for the six months ended 30 June 2019: net gain of approximately HK\$60 million). Such gain is mainly due to the improvement of income derived from Wuhan Baisazhou Agricultural and By-Product Exchange Market (“**Wuhan Baisazhou Market**”) and Luoyang Hongjin Agricultural and By-Product Exchange Market (“**Luoyang Market**”). Stock of properties value of approximately HK\$2 million was impaired during the Period (no stock of properties value was impaired during the six months ended 30 June 2019). The fair value was arrived at based on the valuations carried out by an independent firm of qualified professional valuers. The professional valuers are professional members of The Hong Kong Institute of Surveyors and the valuations conform to the Valuation Standard of The Hong Kong Institute of Surveyors.

於本期間，本集團錄得毛利及分部業績分別約151,000,000港元及約93,000,000港元(截至二零一九年六月三十日止六個月：分別約219,000,000港元及約134,000,000港元)，較二零一九對應期間分別減少約31%及約31%，主要由於新冠肺炎疫情導致期內物業銷售活動放緩，因此，相關銷售確認較二零一九對應期間有所減少。

一般及行政開支、銷售開支及融資成本

於本期間，本集團錄得一般及行政開支約79,000,000港元(截至二零一九年六月三十日止六個月：約92,000,000港元)。該減幅主要因為於本期間內實施成本控制政策。於本期間，銷售開支約15,000,000港元(截至二零一九年六月三十日止六個月：約39,000,000港元)，主要由於受新冠肺炎疫情影響，物業銷售活動放緩所致。本期間融資成本約82,000,000港元(截至二零一九年六月三十日止六個月：約94,000,000港元)，該減幅主要由於償還計息債務所致。

投資物業公平值淨收益及物業存貨撇減

投資物業公平值之淨收益約39,000,000港元(截至二零一九年六月三十日止六個月：淨收益約60,000,000港元)。該收益主要由於武漢白沙洲農副產品交易市場(「**武漢白沙洲市場**」)及洛陽宏進農副產品交易市場(「**洛陽市場**」)收入改善所致。於本期間內，物業存貨價值減值約2,000,000港元(截至二零一九年六月三十日止六個月並無物業存貨價值減值)。公平值乃基於一間獨立合資格專業估值師事務所進行的估值釐定。專業估值師為香港測量師學會專業成員，且估值符合香港測量師學會估值準則。



Management Discussion and Analysis

管理層討論及分析

Change in Fair Value of Derivative Financial Instruments

During the Period, net loss in fair value of derivative financial instruments was approximately HK\$308,000 (for the six months ended 30 June 2019: net gain of approximately HK\$69,000) due to the closer to the maturity date.

Loss Attributable to Owners of the Company

The loss attributable to owners of the Company for the Period was approximately HK\$23 million as compared with the profit attributable to owners of the Company of approximately HK\$8 million in the 2019 Corresponding Period. The Group recorded profit from operations before fair value change of investment properties and impairment of approximately HK\$67 million and profit from operations of approximately HK\$105 million for the Period (for the six months ended 30 June 2019: approximately HK\$98 million and approximately HK\$158 million, respectively). The loss attributable to owners of the Company are mainly due to the decrease of properties sales recognition and decrease in net gain in fair value of investment properties.

REVIEW OF OPERATIONS

During the Period, the Group was principally engaged in management and sales of properties in agricultural produce exchange markets in the People's Republic of China (the "PRC"). The COVID-19 pandemic affected the properties sale performance and the operating performance of agricultural by-products exchange markets of the Group.

Agricultural Produce Exchange Markets

Hubei Province

Wuhan Baisazhou Market

Located in the provincial capital of Hubei Province, the PRC, Wuhan Baisazhou Market is one of the largest agricultural produce exchange market operators in the PRC. Wuhan Baisazhou Market is situated in the Hongshan District of Wuhan city, the PRC with a site area of approximately 310,000 square metres and a total gross floor area of approximately 190,000 square metres. In 2020, it was awarded top 10 of agricultural produce exchange markets by China Agricultural Wholesale Market Association. The award recognises the effort and contribution of the Group in the agricultural market and it acknowledges the expertise of the Group as an agricultural produce exchange market operator in the PRC. Rental income from properties letting is the major income generated from Wuhan Baisazhou Market.

衍生金融工具之公平值變動

於本期間，衍生金融工具之公平值淨虧損約308,000港元(截至二零一九年六月三十日止六個月：淨收益約69,000港元)，此乃由於靠近到期日所致。

本公司擁有人應佔虧損

於本期間，本公司擁有人應佔虧損約23,000,000港元，而二零一九對應期間則為本公司擁有人應佔溢利約8,000,000港元。於本期間，本集團錄得投資物業公平值變動及減值前經營溢利約67,000,000港元及經營溢利約105,000,000港元(截至二零一九年六月三十日止六個月：分別為約98,000,000港元及約158,000,000港元)。本公司擁有人應佔虧損主要由於物業銷售確認減少及投資物業公平值淨收益減少所致。

業務回顧

於本期間，本集團主要在中華人民共和國(「中國」)從事農產品交易市場之物業管理及銷售。新冠肺炎疫情影響本集團物業銷售表現及農副產品交易市場之營運表現。

農產品交易市場

湖北省

武漢白沙洲市場

武漢白沙洲市場位於中國湖北省省會，乃全中國最大之農產品交易市場營運商之一。武漢白沙洲市場位於中國武漢市洪山區，佔地面積約310,000平方米及總建築面積約190,000平方米。於二零二零年，其榮獲全國城市農貿中心聯合會評為「中國農產品十佳市場」。該獎項肯定本集團於農產品市場的努力及貢獻，並認可本集團作為中國農產品交易市場營運商的專業知識。出租物業之租金收入為武漢白沙洲市場產生之主要收入。



Management Discussion and Analysis 管理層討論及分析

The outbreak of the COVID-19 pandemic significantly affected the market performance in the early 2020 as the Wuhan Baisazhou Market maintained a very limited operation during the period of the COVID-19 pandemic as required by the local government, resulting in a drop in the turnover of the Wuhan Baisazhou Market. However, since the COVID-19 pandemic had been gradually brought under control with the implementation of stringent precautionary control measures in the PRC, Wuhan Baisazhou Market had resumed its full operation and reported a satisfactory result.

Huangshi Market

Huangshi Hongjin Agricultural and By-Product Exchange Market (“**Huangshi Market**”) is one of the Group’s joint venture projects in Hubei Province, the PRC. Huangshi Market occupies approximately 23,000 square metres. Huangshi city is a county level city in Hubei Province and around is 100 kilometres away from Wuhan Baisazhou Market. Huangshi Market, as a second-tier agricultural produce exchange market, created synergy with Wuhan Baisazhou Market to boost vegetables and by-products trading. During the early 2020, the performance of Huangshi Market was significantly affected by the COVID-19 pandemic, but had resumed to its full operation afterwards.

Suizhou Market

In March 2018, the Group formed a joint venture company with an independent third party in Suizhou city, Hubei Province, the PRC, to operate Suizhou Baisazhou Agricultural and By-Product Exchange Market (“**Suizhou Market**”), which is the third project of the Group in Hubei Province, Suizhou Market occupies approximately 240,000 square metres. Phase one of Suizhou Market focused on vegetables and fruits transactions. The Group has pursued asset light business model by taking up the contract management rights to operate this new market in Hubei Province. The COVID-19 pandemic had moderately affected the performance of the market. During the Period, the operating performance of Suizhou Market was satisfactory.

新冠肺炎疫情的爆發嚴重影響二零二零年初的市場表現，乃由於武漢白沙洲市場於新冠肺炎疫情期間按當地政府的要求維持非常有限營運，導致武漢白沙洲市場的營業額下降。然而，由於中國實施嚴格防控措施，新冠肺炎疫情逐漸受控，武漢白沙洲市場全面恢復營運，並錄得令人滿意的業績。

黃石市場

黃石宏進農副產品交易市場(「**黃石市場**」)為本集團於中國湖北省的合營項目之一。黃石市場佔地約23,000平方米。黃石市是湖北省的縣級市，距離武漢白沙洲市場約100公里。作為次級農產品交易市場，黃石市場能夠與武漢白沙洲市場產生協同作用，促進蔬菜及副產品交易。於二零二零年初，黃石市場表現受到新冠肺炎疫情的嚴重影響，但隨後已恢復全面營運。

隨州市場

於二零一八年三月，本集團與一名獨立第三方於中國湖北省隨州市成立一間合營公司，以經營隨州白沙洲農副產品交易市場(「**隨州市場**」)。隨州市場為本集團於湖北省的第三個項目，佔地約240,000平方米。隨州市場一期集中於蔬果交易。本集團採用輕資產營運模式，透過取得合同管理權於湖北省經營該新市場。新冠肺炎疫情中度影響了市場表現。於本期間，隨州市場的經營表現令人滿意。



Management Discussion and Analysis

管理層討論及分析

Henan Province

Luoyang Market

Luoyang Market is the flagship project of the Group in Henan Province, the PRC, with a site area and a gross floor area of approximately 255,000 square metres and approximately 223,000 square metres, respectively. During the Period, the COVID-19 pandemic slowed down the properties sale activities of Luoyang Market. As the outbreak of the COVID-19 pandemic was gradually brought under control, the operation of Luoyang Market had returned to normal. The market performance was satisfactory and contributed a positive cash flow to the Group.

Puyang Market

Puyang Hongjin Agricultural and By-Product Exchange Market (“**Puyang Market**”) was one of our joint venture projects in cooperation with a local partner in Henan Province, the PRC. During the Period, the operating performance of Puyang Market was satisfactory.

Kaifeng Market

Kaifeng Hongjin Agricultural and By-Product Exchange Market (“**Kaifeng Market**”), with a gross floor construction area of approximately 120,000 square metres, was the third point of market operations for facilitating the Group to build an agricultural produce market network in Henan Province, the PRC. The performance of Kaifeng Market had improved during the Period due to the closure of a competitive market.

Guangxi Zhuang Autonomous Region

Yulin Market

Yulin Hongjin Agricultural and By-Product Exchange Market (“**Yulin Market**”) is one of the largest agricultural produce exchange markets in Guangxi Zhuang Autonomous Region (“**Guangxi Region**”), the PRC with a site area of approximately 415,000 square metres and a total gross floor area of approximately 196,000 square metres. It consists of various types of market stalls and multi-storey godown. As an energetic agricultural produce exchange market with continuously remarkable performance, Yulin Market has become one of the key agricultural produce exchange markets in Guangxi Region. Sale of properties is the major income generated from Yulin Market. The performance of Yulin Market was satisfactory during the Period.

河南省

洛陽市場

洛陽市場為本集團於中國河南省之旗艦項目，其佔地面積及建築面積分別為約255,000平方米及約223,000平方米。於本期間，新冠肺炎疫情令洛陽市場的物業銷售活動放緩。隨著新冠肺炎疫情逐漸受控，洛陽市場的營運已恢復正常。市場表現令人滿意，並為本集團帶來正現金流量。

濮陽市場

濮陽宏進農副產品交易市場（「**濮陽市場**」）是我們與中國河南省地方夥伴合作發展的合營項目之一。於本期間，濮陽市場的營運表現令人滿意。

開封市場

開封宏進農副產品交易市場（「**開封市場**」）之建築面積約120,000平方米，為有助本集團於中國河南省建立農產品市場網絡的第三個市場營運據點。由於一個具競爭力的市場關閉，開封市場表現於本期間有所改善。

廣西壯族自治區

玉林市場

玉林宏進農副產品交易市場（「**玉林市場**」）是中國廣西壯族自治區（「**廣西地區**」）最大之農產品交易市場之一，佔地面積約415,000平方米及總建築面積約196,000平方米，設有多種市場舖位及多層貨倉。作為一個持續取得卓越表現之充滿動力的農產品交易市場，玉林市場已成為廣西地區主要的農產品交易市場之一。物業銷售為玉林市場產生之主要收入。於本期間，玉林市場的表現理想。



Management Discussion and Analysis

管理層討論及分析

Qinzhou Market

Qinzhou Hongjin Agricultural and By-Product Exchange Market (“**Qinzhou Market**”), with a gross floor construction area of approximately 180,000 square metres, was the second point of market operations and facilitated the Group to build an agricultural produce market network in the Guangxi Region. During the Period, the performance of Qinzhou Market was satisfactory.

Jiangsu Province

Xuzhou Market

Xuzhou Agricultural and By-Product Exchange Market (“**Xuzhou Market**”) occupies approximately 200,000 square metres and is located in the northern part of Jiangsu Province, the PRC. The market houses various market stalls, godowns and cold storage. Xuzhou Market is a major marketplace for the supply of fruits in the city and the northern part of Jiangsu Province, the PRC. The operating performance of Xuzhou Market was steady during the Period.

Huai’an Market

Huai’an Hongjin Agricultural and By-Product Exchange Market (“**Huai’an Market**”) occupies approximately 100,000 square metres and is located in Huai’an City of Jiangsu Province, the PRC. Phase one of Huai’an Market has begun its operation since October 2015 and it is expected that the performance of Huai’an Market will gradually improve after the market becomes more mature. During the Period, the Company had a legal dispute in respect of Huai’an Market with the joint venture partner, the details of which are disclosed in note 19 to the condensed consolidated financial statements in this interim report.

Liaoning Province

Panjin Market

Panjin Hongjin Agricultural and By-Product Exchange Market (“**Panjin Market**”), with a construction area of around 50,000 square metres, is the first attempt of investment of the Group in Liaoning Province, the PRC. Panjin Market focused on the trading of river crabs. It is expected that the performance of Panjin Market will remain steady.

欽州市場

欽州宏進農副產品交易市場(「**欽州市場**」)之建築面積約180,000平方米，為有助本集團於廣西地區建立農產品市場網絡的第二個市場營運據點。於本期間，欽州市場表現令人滿意。

江蘇省

徐州市場

徐州農副產品交易市場(「**徐州市場**」)佔地面積約200,000平方米，位於中國江蘇省北部。市場設有多種市場舖位、貨倉及冷藏庫。徐州市場為中國江蘇省市內及北部水果供應之主要市集。於本期間，徐州市場的經營表現穩健。

淮安市市場

淮安宏進農副產品交易市場(「**淮安市市場**」)佔地約100,000平方米，位於中國江蘇省淮安市。淮安市場一期已自二零一五年十月起投入營運，預期淮安市場的表現將於市場越趨成熟後逐步改善。於本期間，本公司就淮安市場與合營公司的合作夥伴發生法律糾紛，有關詳情於本中期報告內簡明綜合財務報表附註19披露。

遼寧省

盤錦市場

盤錦宏進農副產品交易市場(「**盤錦市場**」)的建築面積約50,000平方米，為本集團首個嘗試在中國遼寧省投資之項目。盤錦市場集中河蟹買賣。預期盤錦市場的表現將維持穩定。



Management Discussion and Analysis

管理層討論及分析

Food and Agricultural By-products Merchandising

The Group launched the food and agricultural by-products merchandising business. During the COVID-19 pandemic, the company added the delivery service to community. The business returned to normal level and performed steadily afterwards.

E-commerce Development

With the robust mobile network and widespread use of intelligent mobile devices in the PRC, the Group has put limited resources into e-commerce development linking online and offline customers in our agricultural produce exchange markets together. The Group took cautious cost control on e-business operation and will also explore opportunities to cooperate with other business partners in this area.

Cyber Risk and Security

With computer system and internet network playing vital roles in its operation, the Group has designated professionals to monitor and assess potential cyber risk. Both hardware and software are kept track with appropriate company policies. Potential cyber risks and network security is one of the key concerns of the management, thus the Group has formulated policies and procedures to regulate the use of internet, physically safeguard of system power supply and regularly update of internet protection system and firewall to separate the intranet of the Group from outside network. Designated professionals are responsible for the day-to-day monitoring on any abnormal network activities.

Data Fraud or Theft Risk

The Group continuously reviews and updates its internal control system on data and information access. Appropriate policies have been adopted to protect data, and access permissions are only granted to the authorised personnel. The management believes the existing policies and procedures have been effectively in place to avoid data fraud or theft risk.

Environmental and Social Risk

Due to the nature of the business, the Group will face a moderate environmental risk in case there is severe and permanent climate change across the PRC. Such risk may have an adverse impact on agricultural production and affect the turnover of the Group in market operation and property sales.

食品及農副產品採購

本集團已開展食品及農副產品採購業務。於新冠肺炎疫情期間，本公司新增向社區提供送貨服務。業務已回復正常水平，其後表現穩定。

電子商務發展

隨著強大的流動通訊網絡及智能手機在中國備受廣泛使用，本集團於電子商務發展方面有限度地投放資源，以聯繫我們線上和線下的農產品交易市場客戶。本集團謹慎控制於電子業務營運的成本，並將探索在該領域與其他業務夥伴合作的機會。

網絡風險及安全

隨著電腦系統及互聯網網絡在我們的運營中發揮重要作用，本集團已指派專業人士監控及評估潛在的網絡風險。硬件及軟件均跟從適當的公司政策。潛在的網絡風險及網絡安全是管理層關注的主要問題之一，因此本集團已制定政策及程序來規範互聯網的使用、系統供電的實質維護、定期更新互聯網保安系統及防火牆，以將本集團內聯網與外界網絡隔離。指派的專業人士負責對任何異常的網絡活動進行日常監控。

數據欺詐或盜竊風險

本集團不斷審視並更新有關取用數據及資料的內部監控系統。本集團已採納適當政策保護數據，只允許獲授權人士登入。管理層認為，現行政策和程序已有效落實，以避免數據欺詐或盜竊風險。

環境及社會風險

基於業務性質，如中國發生嚴重且永久的氣候變化，本集團將面臨中度的環境風險。該風險可能對農業生產造成不利影響，並影響本集團市場營運及物業銷售的營業額。



Management Discussion and Analysis

管理層討論及分析

Outbreak of COVID-19 Pandemic

During the outbreak of COVID-19 pandemic, the PRC government has imposed various restrictive measures to contain the rapid spread of COVID-19 pandemic across the territory, including limitation on locomotion of people and vehicles and further control on the hygienic condition of public markets. These measures slowed down the market trading activities and hence a reduction on relevant commission income. However, the impact on market is temporary due to nature of the business and with a quick containment to the spread of COVID-19 pandemic in the PRC, the market trading volume and income had gradually resumed to a normal level.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2020, the Group had total cash and cash equivalents amounting to approximately HK\$449 million (31 March 2020: approximately HK\$340 million) whilst total assets and net assets were approximately HK\$5,508 million (31 March 2020: approximately HK\$5,139 million) and approximately HK\$1,562 million (31 March 2020: approximately HK\$1,485 million), respectively. The Group's gearing ratio as at 30 September 2020 was approximately 0.9 (31 March 2020: approximately 1.0), being a ratio of total bank and other borrowings, bonds, convertible bonds and promissory notes of approximately HK\$1,829 million (31 March 2020: approximately HK\$1,811 million), net of cash and cash equivalents of approximately HK\$449 million (31 March 2020: approximately HK\$340 million) to shareholders' funds of approximately HK\$1,562 million (31 March 2020: approximately HK\$1,485 million).

As at 30 September 2020, the ratio of total interest-bearing debts of approximately HK\$1,829 million (31 March 2020: approximately HK\$1,811 million) to total assets of approximately HK\$5,508 million (31 March 2020: approximately HK\$5,139 million) was approximately 33% (31 March 2020: approximately 35%).

爆發新冠肺炎疫情

於爆發新冠肺炎疫情期間，中國政府已採取各種措施以控制新冠肺炎疫情迅速傳播，包括限制人員及車輛活動，以及加強公共市場之衛生管制。該等措施令市場交易活動放緩，導致相關佣金收入減少。然而，由於業務性質及中國新冠肺炎疫情得以迅速受控，對市場之影響屬暫時性，市場交易量及收入已逐漸恢復正常水平。

流動資金及財務資源

於二零二零年九月三十日，本集團之現金及現金等額總額約449,000,000港元(二零二零年三月三十一日：約340,000,000港元)，而總資產及資產淨值分別約5,508,000,000港元(二零二零年三月三十一日：約5,139,000,000港元)及約1,562,000,000港元(二零二零年三月三十一日：約1,485,000,000港元)。於二零二零年九月三十日，本集團之資產負債比率約0.9(二零二零年三月三十一日：約1.0)，即銀行及其他借貸、債券、可換股債券以及承兌票據總額約1,829,000,000港元(二零二零年三月三十一日：約1,811,000,000港元)，扣除現金及現金等額約449,000,000港元(二零二零年三月三十一日：約340,000,000港元)後，再除以股東資金約1,562,000,000港元(二零二零年三月三十一日：約1,485,000,000港元)。

於二零二零年九月三十日，計息債務總額約1,829,000,000港元(二零二零年三月三十一日：約1,811,000,000港元)與總資產約5,508,000,000港元(二零二零年三月三十一日：約5,139,000,000港元)之比率為約33%(二零二零年三月三十一日：約35%)。



Management Discussion and Analysis

管理層討論及分析

CONVERTIBLE NOTES

On 19 October 2016, the Company issued the 7.5% denominated convertible notes with the aggregate principal amount of HK\$500 million which will mature on 18 October 2021 (the “**Convertible Notes**”), which entitle the holders to convert into the ordinary shares of the Company (the “**Shares**”) at a conversion price of HK\$0.4 per Share. During the Period, no Convertible Notes were converted into Shares by the holders of the Convertible Notes. As at 30 September 2020, the Convertible Notes with the outstanding principal amount of HK\$264.8 million was in issue.

LISTED NOTES DUE IN 2024 (“LISTED NOTES”)

In May 2014, the Company established a HK\$1 billion medium term note program. The Listed Notes issued under the program are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) by way of debt issue to professional investors only (stock code: 5755). As at 30 September 2020, the Listed Notes in the principal amount of HK\$290 million remained outstanding.

CAPITAL COMMITMENTS, PLEDGES AND CONTINGENT LIABILITIES

As at 30 September 2020, outstanding capital commitments, contracted but not provided for, amounted to approximately HK\$377 million (31 March 2020: approximately HK\$398 million) in relation to the purchase of property, plant and equipment, construction contracts and operating lease agreements. As at 30 September 2020, the Group had significant contingent liabilities in the amount of approximately HK\$0.2 million in relation to the guarantees provided by wholly-owned subsidiaries of the Company to our customers in favor of a bank for the loans provided by the bank to the customers of our projects (31 March 2020: approximately HK\$0.6 million).

As at 30 September 2020, certain investment properties and stock of properties with carrying amount of approximately HK\$1,714 million (31 March 2020: approximately HK\$1,633 million for land use rights and properties) were pledged to secure certain bank borrowings.

可換股票據

於二零一六年十月十九日，本公司發行本金總額500,000,000港元及將於二零二一年十月十八日到期之7.5厘可換股票據（「可換股票據」），賦予持有人權利按轉換價每股股份0.4港元轉換成本公司普通股（「股份」）。於本期間，概無可換股票據由可換股票據持有人轉換為股份。於二零二零年九月三十日，已發行未償還之可換股票據之本金金額為264,800,000港元。

二零二四年到期的上市票據 （「上市票據」）

於二零一四年五月，本公司設立10億港元的中期票據計劃。根據該計劃發行的上市票據以僅向專業投資者發行債務的方式於香港聯合交易所有限公司（「聯交所」）上市（股份代號：5755）。於二零二零年九月三十日，本金金額為290,000,000港元的上市票據仍未償還。

資本承擔、抵押及或然負債

於二零二零年九月三十日，尚未履行之資本承擔（已訂約但未撥備）約377,000,000港元（二零二零年三月三十一日：約398,000,000港元），乃關於購買物業、廠房及設備、建築合約及經營租賃協議之承擔。於二零二零年九月三十日，本集團有重大或然負債約200,000港元，乃關於本公司的全資附屬公司為我們的客戶提供予銀行之擔保，用於擔保銀行提供予我們的項目客戶之貸款（二零二零年三月三十一日：約600,000港元）。

於二零二零年九月三十日，本集團已抵押賬面值約1,714,000,000港元之若干投資物業及物業存貨（二零二零年三月三十一日：約1,633,000,000港元之土地使用權及物業），為若干銀行借款作擔保。



Management Discussion and Analysis 管理層討論及分析

The Group did not have any outstanding foreign exchange contracts, interest or currency swaps or other financial derivatives as at 30 September 2020. The revenue, operating costs and bank deposits of the Group were mainly denominated in Renminbi and Hong Kong dollars. The activities of the Group are exposed to foreign currency risks mainly arising from its operations in mainland China and certain bank deposits denominated in Renminbi. Currently, the Group does not have a foreign currency hedging policy. During the Period, due to the currency fluctuation of Renminbi against Hong Kong dollars, the Group had been considering, from time to time, alternative risk hedging tools to mitigate Renminbi currency exchange risk.

於二零二零年九月三十日，本集團並無任何未完結之外匯合約、利率或貨幣掉期或其他金融衍生工具。本集團之收益、經營成本及銀行存款主要以人民幣及港元計值。本集團的業務活動面臨外匯風險，主要產生自其於中國內地的營運及以人民幣計值的若干銀行存款。目前，本集團並無外匯對沖政策。於本期間，由於人民幣兌港元匯率波動，本集團不時考慮替代風險對沖工具，以減輕人民幣兌換風險。

DEBT PROFILES AND FINANCIAL PLANNING

債務狀況及財務規劃

As at 30 September 2020 and 31 March 2020, interest-bearing debts of the Group were analysed as follows:

於二零二零年九月三十日及二零二零年三月三十一日，本集團的計息債務分析如下：

	As at 30 September 2020 於二零二零年九月三十日		As at 31 March 2020 於二零二零年三月三十一日	
	Carrying amount 賬面值 HK\$ million 百萬港元	Approximate effective interest rate 概約實際利率 (per annum) (每年)	Carrying amount 賬面值 HK\$ million 百萬港元	Approximate effective interest rate 概約實際利率 (per annum) (每年)
Bonds Issuance 債券發行	186	12%	177	12%
Convertible Notes 可換股票據	252	12%	247	12%
Financial Institution Borrowings 金融機構借貸	415	6%	411	6%
Non-financial Institution Borrowings 非金融機構借貸	600	10%	600	10%
Promissory Notes 承兌票據	376	5%	376	5%
Total 總計	1,829		1,811	

Note:

Save as the financial institution borrowings which were made in Renminbi with floating or fixed interest rates, other items as mentioned in the above table were made in Hong Kong dollars with fixed interest rates.

附註：

除人民幣之金融機構借貸按浮動或固定息率計算外，上表提述的其他項目以港元按固定息率計算。



Management Discussion and Analysis

管理層討論及分析

As at 30 September 2020, the bonds issued by the Company will mature in September 2024; the Convertible Notes will mature in October 2021; the financial institution borrowings of the Company matured during the period from January 2020 to September 2020 and will mature during the period from October 2020 to May 2029; the non-financial institution borrowings of the Company will mature in September 2022; and the holders of the promissory notes gave an undertaking not to indorse, assign, transfer or negotiate the promissory notes and to enforce payment by presentation of the promissory notes until the final determination of a court action or further court order. Under the said undertaking, the promissory notes would no longer fall due for payment by the Company on 5 December 2012. Details of the undertaking and the court case are disclosed in note 19 to the condensed consolidated financial statements in this interim report.

TREASURY POLICY

The Group's treasury policy includes diversification of funding sources. Internally generated cash flow and interest-bearing bank/non-financial institution loans were the general sources of fund to finance the operation of the Group during the Period. The Group regularly reviews its major funding positions so as to ensure that it has adequate financial resources in meeting its financial obligations. In order to meet interest-bearing debts and business capital expenditure, the Group from time to time considers various types of equity and debt financing alternative, including but not limited to placement of new shares, rights issue of new shares, financial institution borrowings, non-financial institution borrowings, bonds issuance, convertible notes issuance, other debt financial instruments issuance, disposal of investment properties and sales of stock properties.

於二零二零年九月三十日，本公司發行之債券將於二零二四年九月到期；可換股票據將於二零二一年十月到期；本公司金融機構借貸已於二零二零年一月至二零二零年九月期間到期及將於二零二零年十月至二零二九年五月期間到期；本公司非金融機構借貸將於二零二二年九月到期；而承兌票據持有人承諾不對承兌票據背書、分配、轉讓或磋商及不會強制要求於出具承兌票據時付款，直至法院訴訟有最終判決或進一步法院命令為止。根據上述承諾，本公司不再須於二零一二年十二月五日承兌票據到期時付款。有關承諾及法院案件之詳情於本中期報告內之簡明綜合財務報表附註19披露。

財務政策

本集團的財務政策包括多元化資金來源。本期間本集團營運的一般資金來源為內部產生現金流量以及計息銀行／非金融機構貸款。本集團定期檢討其主要資金狀況，以確保其將有足夠財政資源履行其財務責任。為滿足計息債務及業務資本支出，本集團不時考慮各種股本及債務融資方案，包括但不限於配售新股份、以供股方式發行新股份、金融機構借貸、非金融機構借貸、發行債券、發行可換股票據、發行其他債務金融工具、出售投資物業及銷售物業存貨。



Management Discussion and Analysis 管理層討論及分析

MATERIAL VALUATION METHOD OF INVESTMENT PROPERTIES AND REVIEW OF AUDIT COMMITTEE

The investment properties of the Group were stated at fair value as at 30 September 2020. The fair value was arrived at based on the valuations carried out by an independent firm of qualified professional valuers. The professional valuers are professional members of The Hong Kong Institute of Surveyors with experience in the location of the properties being valued. The valuations are confirmed to be in accordance with HKIS Valuation Standards 2017, which incorporates the International Valuation Standards (IVS). The professional valuers valued the properties on the basis of capitalisation of the net income derived from the properties rental and made reference to the asking or transaction price of market comparable. For inventory portions of the properties, Direct Comparison Method is adopted based on the principle of substitution, where comparison is made based on prices realised on actual sales and/or asking prices of comparable properties. Comparable properties of similar size, scale, nature, character and location are analysed and carefully weighed against all the respective advantages and disadvantages of each property in order to arrive at a fair comparison of market value.

The material valuation methods of investment properties valuation have been reviewed by the Audit Committee and the Board.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save for the subsidiaries of the Company, there was no significant investments held, nor was there any material acquisition or disposal of subsidiaries during the Period. As at 30 September 2020, the Group did not have a concrete plan for material investments or capital assets nor acquisition or disposal of subsidiaries.

投資物業的重大估值方法及審核委員會的審閱

於二零二零年九月三十日，本集團的投資物業以公平值列賬。公平值乃基於一間獨立合資格專業估值師事務所進行的估值釐定。專業估值師為香港測量師學會專業成員，並具備在估物業當地之估值經驗。估值符合香港測量師學會二零一七年估值準則(包含國際估值準則)。專業估值師以來自物業租金淨收入的資本化為基準並參考可資比較市場的要價或交易價對物業進行估值。就物業的存貨部分而言，則根據替換原則採用直接比較法，據此基於實際銷售實現的價格及／或可資比較物業的要價進行比較。已分析大小、規模、性質、特點及位置類似的可資比較物業，並仔細衡量各物業之優劣，以對市值作出公平比較。

審核委員會及董事會已審閱投資物業估值的重大估值方法。

所持重大投資、重大收購及出售附屬公司以及重大投資或資本資產的未來計劃

於本期間，除本公司的附屬公司外，概無持有重大投資，亦無任何附屬公司的重大收購或出售。於二零二零年九月三十日，本集團並無重大投資、資本資產或收購或出售附屬公司的具體計劃。



Management Discussion and Analysis

管理層討論及分析

RISK FACTORS RELATING TO OUR INDUSTRY AND BUSINESS OPERATIONS

As at 30 September 2020, the Group operated 11 agricultural produce exchange markets across five provinces in the PRC. In view of the ever-changing business environment in the PRC, the following are the principal risks, challenges and uncertainties faced by the Group, including: (1) fluctuation in the exchange rate of Renminbi against Hong Kong dollars, which affects the translation of the PRC assets and liabilities from Renminbi to Hong Kong dollars in the Group's financial reporting, in which the Group periodically monitors the exchange rate fluctuation, and prepares effective hedging mechanism to deal with adverse conditions in forex market, if necessary; (2) difficulty in obtaining adequate financing, in both equity and debt financing, to support our agri-products exchange markets that are capital intensive in nature. The Group regularly reviews the short-term and long-term liquidity level and prepare for the future capital need, as and when appropriate; (3) preserving or enhancing our competitive position in the agri-products exchange markets industry, in which the Group has designated personnel to monitor the market activities of competitors and formulate effective strategies to preserve our competitive position; (4) maintaining or enhancing the level of occupancy in our agri-products exchange markets, in which the Group launches, from time to time, various marketing campaigns to retain existing tenants and to attract new tenants; (5) obtaining all necessary licenses and permits for development, construction, operations and acquisition of agri-products exchange markets. The Group hires sufficient local staffs with professional qualifications to ensure all processes complying with local rules and regulations; and (6) to effect regulatory changes and amendments relating to agri-products exchange markets which affect operation and development of the Group, in both the national and local levels. The Group maintains a relatively flat organization structure and a high autonomous level to enable quick response to any changes in different aspects; (7) the rebound of COVID-19 epidemic will adversely affect the markets operation. The markets continuously carry out various contingency health and hygienic measures for the sake of the health and safety of all of our employees, tenants and visitors.

有關我們行業及業務營運的風險因素

於二零二零年九月三十日，本集團於中國五個省份經營十一個農產品交易市場。由於中國營商環境瞬息萬變，本集團面對以下主要風險、挑戰及不確定因素，包括：(1) 人民幣兌港元匯率波動，於本集團財務報告時影響中國資產及負債由人民幣換算為港元，就此，本集團定期監察匯率波動，並制定有效之對沖機制應對外匯市場之不利狀況(如有必要)；(2) 難以獲得足夠融資(包括股權及債務融資)以支持我們資本密集之農產品交易市場。本集團定期審閱短期及長期流動資金水平，適時為未來資金需要做好準備；(3) 保持或提升我們於農產品交易市場行業之競爭地位，就此，本集團已指定人員監察競爭對手之市場活動，並制定有效之策略維持我們之競爭地位；(4) 保持或提高我們農產品交易市場之出租率，就此，本集團不時推出各種營銷活動，以挽留現有租戶並吸引新租戶；(5) 取得開發、建設、營運及收購農產品交易市場之所有必要牌照及許可。本集團聘用足夠具有專業資格之當地員工，以確保所有過程均符合當地法例及法規；及(6) 作出在國家及地方層面對本集團營運及發展有所影響之有關農產品交易市場之法規變動及修訂。本集團維持相對扁平化之組織架構及高度自主性，以確保迅速對各方面之任何變化作出調整；(7) 新冠肺炎疫情反彈將對市場營運造成不利影響。為了我們所有員工、租戶及訪客之健康及安全著想，市場持續進行各種應變健康及衛生措施。



Management Discussion and Analysis 管理層討論及分析

LITIGATION

References were made to the announcements of the Company dated 11 January 2011, 22 May 2012, 19 June 2014, 4 July 2014, 13 January 2015, 14 January 2015, 28 May 2015, 8 January 2016, 11 January 2016, 24 May 2016, 31 August 2016, 19 April 2017, 11 May 2017, 27 December 2018 and 11 March 2020 in relation to the civil proceedings (the “**Legal Proceedings**”) in the PRC initiated by Ms. Wang Xiu Qun (“**Ms. Wang**”) and Wuhan Tian Jiu Industrial and Commercial Development Co., Ltd (“**Tian Jiu**”) as plaintiffs against the Company as defendant and joined Wuhan Baisazhou Agricultural By-Product Grand Market Company Limited (“**Baisazhou Agricultural**”) as third party.

Ms. Wang and Tian Jiu alleged that the share transfer agreements in relation to the acquisition of an aggregate of 90% interest in Baisazhou Agricultural by the Company from Ms. Wang as to 70% thereof and Tian Jiu as to 20% thereof (the “**Contended Agreements**”) were forged. They sought an order from the Higher People’s Court of Hubei Province, the PRC (the “**Hubei Court**”) that the Contended Agreements were void and invalid from the beginning and should be terminated and claimed against the Company and Baisazhou Agricultural all relevant profits of Baisazhou Agricultural which were attributable to Ms. Wang and Tian Jiu, together with costs of the Legal Proceedings.

The Company received the judgment from the Hubei Court in relation to the Legal Proceedings (the “**Hubei Court Judgment**”) in June 2014. By the Hubei Court Judgment, the Hubei Court dismissed the claims of Ms. Wang and Tian Jiu, and ordered Ms. Wang and Tian Jiu to bear the legal costs of the Legal Proceedings. Ms. Wang and Tian Jiu filed an appeal notice to the Supreme People’s Court of the PRC (the “**Supreme Court**”). On 13 January 2015, the Company received the judgment (the “**Beijing Judgment**”) handed down from the Supreme Court in relation to Ms. Wang and Tian Jiu’s appeal against the Hubei Court Judgment. The Supreme Court ordered that (i) the Hubei Court Judgment be revoked; (ii) the Contended Agreements were void; and (iii) acknowledged that the HK\$1,156 million sale and purchase agreement (the “**SPA**”) shall be the actual agreement being performed by the Company, Ms. Wang and Tian Jiu.

訴訟

茲提述本公司日期為二零一一年一月十一日、二零一二年五月二十二日、二零一四年六月十九日、二零一四年七月四日、二零一五年一月十三日、二零一五年一月十四日、二零一五年五月二十八日、二零一六年一月八日、二零一六年一月十一日、二零一六年五月二十四日、二零一六年八月三十一日、二零一七年四月十九日、二零一七年五月十一日、二零一八年十二月二十七日及二零二零年三月十一日之公佈，內容有關王秀群女士(「王女士」)及武漢天九工貿發展有限公司(「天九」)(作為原告)於中國針對本公司(作為被告)及牽涉第三方即武漢白沙洲農副產品大市場有限公司(「白沙洲農副產品」)提出的民事訴訟(「法律訴訟」)。

王女士及天九聲稱有關本公司收購白沙洲農副產品合共90%股權(向王女士收購70%及向天九收購20%)的股份轉讓協議(「爭議協議」)乃偽造。彼等尋求中國湖北省高級人民法院(「湖北法院」)頒令爭議協議自始無效及應當終止，及向本公司及白沙洲農副產品申索應當屬於王女士及天九的白沙洲農副產品所有相關溢利連同法律訴訟之訟費。

本公司於二零一四年六月收到湖北法院有關法律訴訟的判決(「湖北法院判決」)。依據湖北法院判決，湖北法院駁回王女士及天九的申索，並判令王女士及天九承擔法律訴訟之訟費。王女士及天九向中國最高人民法院(「最高法院」)提交行政上訴狀。於二零一五年一月十三日，本公司收到最高法院作出有關王女士及天九對湖北法院判決上訴的判決(「北京判決」)。最高法院頒令：(i)撤銷湖北法院判決；(ii)爭議協議無效；及(iii)承認1,156,000,000港元之買賣協議(「買賣協議」)須為本公司、王女士及天九履行之實際協議。



Management Discussion and Analysis

管理層討論及分析

In May 2015, Ms. Wang and Tian Jiu jointly commenced legal proceedings against the Ministry of Commerce (“**MOFCOM**”) of the PRC alleging that MOFCOM failed to discharge its statutory duties for handling their application submitted in January 2015 for revoking the certificate of approval and letter of approval in relation to the Contended Agreements (the “**Application**”). The cases were accepted by the Beijing Second Intermediate People’s Court (the “**Beijing Court**”) in May 2015. The Company and Baisazhou Agricultural then made an application to join the cases as third party. On 8 January 2016, the Company received a judgment dated 31 December 2015 issued by the Beijing Court, by which the Beijing Court demanded MOFCOM to handle the Application again within 30 days.

On 23 May 2016, the Company received a decision (the “**Decision**”) issued by MOFCOM dated 19 May 2016 to the effect, among other things, that its approval issued in November 2007 (the “**Approval**”) in relation to the Contended Agreements shall not be revoked and shall remain to be in force. In making the Decision, MOFCOM considered that the revocation of the Approval as requested by Ms. Wang and Tian Jiu may cause serious damage to the public interest.

Upon the making of the Decision by MOFCOM that the Approval shall not be revoked and shall remain in force in August 2016, the Company noted that Ms. Wang and Tian Jiu had brought another administrative proceedings (the “**Administrative Proceedings**”) to the Beijing Court. According to a writ dated 3 August 2016, Ms. Wang and Tian Jiu requested the Beijing Court to revoke the Decision and to order MOFCOM to make a decision to revoke the Approval. According to a notice issued by the Beijing Court dated 26 August 2016 together with the writ which was served to the Company on 30 August 2016, each of the Company and Baisazhou Agricultural has been added as third party by the Beijing Court to the Administrative Proceedings.

On 18 April 2017, the Company received the judgment of the Beijing Court dated 31 March 2017 (the “**31 March Judgment**”) stating that the request made by Ms. Wang and Tian Jiu to revoke the Decision lacked both legal and factual basis and was not supported by the Beijing Court. Accordingly, the Beijing Court dismissed the application of Ms. Wang and Tian Jiu.

On 10 May 2017, the Company received a notice of appeal dated 8 May 2017 (the “**Notice of Appeal**”). By the Notice of Appeal, Ms. Wang and Tian Jiu appealed against the 31 March Judgment and requested for an order that (a) the 31 March Judgment be set aside and (b) MOFCOM to make a decision to revoke the Approval.

於二零一五年五月，王女士及天九共同對中國商務部（「**商務部**」）提出法律訴訟，指稱商務部未能履行其法定職責，處理王女士及天九於二零一五年一月就撤銷有關爭議協議之批准證書及批復提交之申請（「**申請**」）。案件已於二零一五年五月獲北京第二中級人民法院（「**北京法院**」）受理。本公司及白沙洲農副產品其後申請作為第三方加入該等案件。於二零一六年一月八日，本公司收到北京法院發出日期為二零一五年十二月三十一日的判決，據此北京法院要求商務部於30天內再次處理申請。

於二零一六年五月二十三日，本公司收到商務部發出之日期為二零一六年五月十九日之決定（「**決定**」），當中確認（其中包括）其於二零零七年十一月就爭議協議發出之批准（「**批准**」）將不予撤銷並繼續有效。於作出決定時，商務部已考慮到按王女士及天九之要求撤銷批准可能會對公眾利益造成重大損害。

商務部作出決定指批准不得撤銷並應繼續生效後，本公司於二零一六年八月得悉王女士及天九於北京法院提出另一宗行政訴訟（「**行政訴訟**」）。根據日期為二零一六年八月三日的令狀，王女士及天九要求北京法院撤銷決定，及頒令商務部作出決定以撤銷批准。根據北京法院發出日期為二零一六年八月二十六日的通知，連同本公司於二零一六年八月三十日接獲的令狀，本公司與白沙洲農副產品各自已被北京法院加入作為行政訴訟的第三方。

於二零一七年四月十八日，本公司收到北京法院日期為二零一七年三月三十一日的判決（「**三月三十一日判決**」），當中指出王女士及天九請求撤銷決定缺乏法律及事實依據，不獲北京法院支持。因此，北京法院駁回王女士及天九之申請。

於二零一七年五月十日，本公司收到一份日期為二零一七年五月八日的行政上訴狀（「**行政上訴狀**」）。依據行政上訴狀，王女士及天九就三月三十一日判決提出上訴，請求頒令(a)撤銷三月三十一日判決，及(b)商務部作出決定以撤回批准。



Management Discussion and Analysis

管理層討論及分析

On 30 August 2017, the hearing for the appeal against the 31 March Judgment took place. On 24 December 2018, the Company received the judgment of the Beijing High People's Court dated 20 December 2018 (the **"20 December Judgment"**). By the 20 December Judgment, the Beijing High People's Court dismissed the appeal of Ms. Wang and Tian Jiu and upheld the ruling of the Beijing Court as set out in the 31 March Judgment.

On 4 March 2020, the Company noted the judgment of the Supreme Court dated 31 December 2019 (the **"31 December Judgment"**). By the 31 December Judgment, the Supreme Court dismissed the application of Ms. Wang and Tian Jiu for retrial and for dismissal of the 31 March Judgment and the 20 December Judgment.

In other words, the approval issued by MOFCOM in November 2007 in relation to the Contended Agreements shall not be revoked and remain to be in force, and the Company continues to be the legal and beneficial owner of Baisazhou Agricultural under the PRC Laws.

Separately, in May 2015, in view of the Beijing Judgment, the Company issued a writ against Ms. Wang and Tian Jiu which was accepted by the Hubei Court. The Company sought an order from the Hubei Court that Ms. Wang and Tian Jiu shall assist Baisazhou Agricultural to discharge its contractual duties under the SPA to make the necessary filing with MOFCOM.

On 10 May 2017, Ms. Wang and Tian Jiu applied to the Hubei Court for a freezing order in respect of the Company's 70% interest in Baisazhou Agricultural. According to the order of the Hubei Court dated 26 May 2017 (the **"26 May Order"**), the Hubei Court granted a freezing order as against the Company's 70% interest in Baisazhou Agricultural. The Company then applied for review of the 26 May Order which was dismissed by the Hubei Court on 12 June 2017.

On 26 May 2017, Ms. Wang and Tian Jiu applied to add a counterclaim for return of the Company's 90% interest in Baisazhou Agricultural (70% for Ms. Wang and 20% for Tian Jiu). On 10 April 2019, in light of the outcome of the legal proceedings against MOFCOM by Ms. Wang and Tian Jiu, the Company applied to the Hubei Court for withdrawal of the Company's claim. On 11 April 2019, the application of the Company was granted. According to the order of the Hubei Court dated 23 December 2019, the counterclaim made by Ms. Wang and Tian Jiu was dismissed by the Hubei Court.

於二零一七年八月三十日，針對三月三十一日判決的上訴進行聆訊。於二零一八年十二月二十四日，本公司收到北京市高級人民法院日期為二零一八年十二月二十日的判決（「**十二月二十日判決**」）。依據十二月二十日判決，北京市高級人民法院駁回王女士及天九的上訴，並維持三月三十一日判決所載北京法院原判。

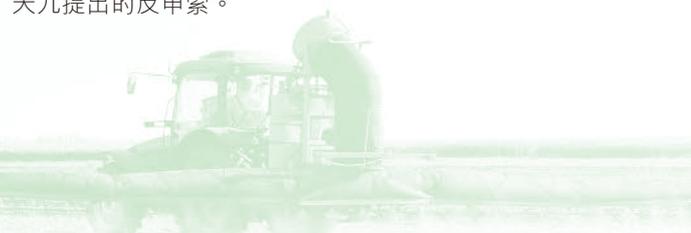
於二零二零年三月四日，本公司注意到最高法院日期為二零一九年十二月三十一日的判決（「**十二月三十一日判決**」）。依據十二月三十一日判決，最高法院駁回王女士及天九關於重審及駁回三月三十一日判決及十二月二十日判決的申請。

換言之，商務部於二零零七年十一月就爭議協議發出之批准將不予撤銷並繼續有效，及根據中國法律本公司繼續為白沙洲農副產品的法定及實益擁有人。

另外，於二零一五年五月，鑒於北京判決，本公司向王女士及天九發出令狀，並獲湖北法院受理。本公司向湖北法院尋求頒令王女士及天九須協助白沙洲農副產品履行買賣協議之下其須向商務部報送的義務。

於二零一七年五月十日，王女士及天九就本公司於白沙洲農副產品之70%權益向湖北法院申請凍結令。根據湖北法院日期為二零一七年五月二十六日的命令（「**五月二十六日命令**」），湖北法院批准凍結令，凍結本公司於白沙洲農副產品之70%權益。本公司其後申請覆核五月二十六日命令，申請於二零一七年六月十二日被湖北法院駁回。

於二零一七年五月二十六日，王女士及天九申請增加反申索，要求取回本公司於白沙洲農副產品之90%權益（王女士佔70%及天九佔20%）。於二零一九年四月十日，鑒於王女士及天九針對商務部的法律訴訟結果，本公司向湖北法院申請撤回本公司的申索。於二零一九年四月十一日，本公司的申請獲得批准。根據湖北法院日期為二零一九年十二月二十三日的判決，湖北法院已駁回王女士及天九提出的反申索。



Management Discussion and Analysis

管理層討論及分析

As advised by the PRC legal advisors of the Company, (i) the Supreme Court only ordered the Contended Agreements void, but it did not make any ruling regarding the acquisition; and (ii) the Beijing Judgment will not directly lead to any immediate change of ownership of Baisazhou Agricultural. The Company continues to be the legal owner of Baisazhou Agricultural until and unless the revocation of: (a) the Approval; and (b) the registration of the transfer of shareholding by the Hubei Province Administration for Industry and Commerce. The Company will take all necessary actions in the PRC as advised by its PRC legal advisors in response to the Beijing Judgment.

For other detailed information of the litigation cases, please refer to note 19 to the consolidated financial statements in this interim report.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2020, the Group had 1,193 employees (31 March 2020: 1,171), approximately 98% of whom were located in the PRC. The Group's remuneration policy was reviewed periodically by the remuneration committee of the Company and the Board's remuneration is determined by reference to market terms, company performance, and individual qualifications and performance. The Group aimed to recruit, retain and develop competent individuals who were committed to the Group's long-term success and growth. Remunerations and other benefits of employees were reviewed annually in response to both market conditions and trends, and were based on qualifications, experience, responsibilities and performance. The Company has adopted a share option scheme on 3 May 2012 for the primary purpose of providing incentive to selected eligible persons to take up options for their contribution to the Group.

據本公司中國法律顧問所告知，(i)最高法院只判決爭議協議無效，但並無對收購事項作出任何判決；及(ii)北京判決將不會直接導致白沙洲農副產品擁有權的任何即時變更。本公司繼續為白沙洲農副產品的合法擁有人，直至及除非撤銷：(a)批准；及(b)湖北省工商行政管理局之股權轉讓登記。本公司將根據中國法律顧問的建議，於中國採取一切必要的行動應對北京判決。

有關訴訟案件的其他詳細資料，請參閱本中期報告內之綜合財務報表附註19。

僱員及薪酬政策

於二零二零年九月三十日，本集團共聘用1,193名(二零二零年三月三十一日：1,171名)僱員，其中約98%位於中國。本集團的薪酬政策由本公司薪酬委員會定期檢討，而董事會之薪酬乃依據市場條款、公司表現及個別資歷和表現釐定。本集團的目標為聘用、挽留及發展致力於本集團長遠成功及增長的人才。員工薪酬及其他福利乃回應市場狀況及趨勢，並根據資歷、經驗、職責及表現每年進行檢討。本公司已於二零一二年五月三日採納一項購股權計劃，主要目的是讓經甄選合資格人士取得購股權，以獎勵彼等對本集團之貢獻。



Management Discussion and Analysis 管理層討論及分析

PROSPECTS

During the Period, although the trade debate between the PRC and the United States of America has slowed down the global economic growth, such debate has temporary impact on the Group's operation which is mainly focus on domestic market. Looking ahead, the Group will continue to build up a nationwide agricultural produce exchange network by leveraging on its leading position in the industry, readily replicable business model, well-advanced management system, information technology infrastructure and quality customer services.

Since the outbreak of the COVID-19 pandemic, most of our agricultural produce exchange markets have continued to operate by taking various contingency health and hygienic measures for the sake of the health and safety of all of our employees, tenants and customers. The outbreak of COVID-19 pandemic inevitably has caused an adverse effect to the performance of our markets. Due to the nature of our operation, the outbreak only has a short-term effect to our operation and the performance of the markets will resume to normal levels when the outbreak ended.

Once again, agricultural development is the PRC central government's first priority policy for the next consecutive years. In 2020, the Central Committee of Communist Party of China and the State Council of China released the "No. 1 Central Document of 2020". The document vows to promote investments in agricultural produce markets, expand agricultural produce network, build logistic infrastructure and storage facilities of agriculture products and improve regional cold storage infrastructure. On the other hand, it is expected that the "Belt and Road Initiative" policy will drive the overall growth of the PRC economy and provide a sustainable way for the PRC's continuing development.

In order to capture new business opportunities, the Group has taken further steps to expand its operations in the PRC by cooperating with different partners with "asset light" strategy. Taking the advantage of its leading position in the industry, the Group is confident that this strategy and business model will deliver long-term benefits to the Company and its shareholders as a whole.

前景

於本期間，儘管中美貿易糾紛令全球經濟增長放緩，有關糾紛對本集團主要集中於國內市場之業務營運造成短暫影響。展望將來，本集團將繼續憑藉其於行業之領先地位、輕易可複製之業務模式、完善之管理系統以及資訊科技基礎設施和優質客戶服務，打造一個全國農產品交易市場網絡。

自新冠肺炎疫情爆發以來，我們大部份的農產品交易市場均繼續營運，而為了我們所有員工、租戶及顧客之健康及安全著想，我們已採取各種應變健康及衛生措施。新冠肺炎疫情爆發無可避免對我們之市場表現造成不利影響。基於我們營運之性質，疫情爆發對我們之營運僅造成短期影響，而市場表現將於疫情結束時回復至正常水平。

農業發展仍然是中國中央政府未來連續數年之首要政策。於二零二零年，中國共產黨中央委員會及中國國務院發佈「二零二零年中央一號文件」。文件承諾推動農產品市場投資，擴展農產品網絡，建設物流基礎設施及農產品儲存設施，並完善區域性冷藏基礎設施。另一方面，預期「一帶一路」政策將推動中國經濟整體增長，為中國提供一種可持續方式持續發展。

為抓緊新商機，本集團已採取進一步措施，透過以「輕資產」策略與不同夥伴合作，以擴充其於中國之營運。憑藉在行業之領先地位優勢，本集團有信心該策略及業務模式將為本公司及其股東整體帶來長遠裨益。



Corporate Governance and Other Information 企業管治及其他資料

CORPORATE GOVERNANCE PRACTICES

The Company complied with the code provisions set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) during the Period, with the exception of code provision A.2.1.

According to code provision A.2.1, the roles of chairman and chief executive should be separate and should not be performed by the same person. The Company deviates from this code provision because Mr. Chan Chun Hong, Thomas (“Mr. Chan”) currently takes up the roles of both the chairman of the Board and the chief executive officer. Mr. Chan has extensive executive and financial management experience and is responsible for overall corporate planning, strategic policy making and management of operations of the Group which is of great value in enhancing the efficiency to cope with the dynamic business environment. The daily business operation of the Group is delegated to various experienced individuals under the supervision of Mr. Chan. Furthermore, the Board believes that a balance of power and authority is adequately ensured by the operations of the Board which comprises three executive Directors and three independent non-executive Directors with a balance of skills and experience appropriate for the Group’s further development. The Company will continue to review such deviation to enhance the best interest of the Group as a whole.

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, changes in the information of Directors required to be disclosed are shown as follows:

- Mr. Chan Chun Hong is also an executive director of Easy One Financial Group Limited, the shares of which have been delisted since 9:00 a.m. on 21 October 2020 upon the privatisation becoming effective on 16 October 2020.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company during the Period.

企業管治常規

除守則條文第A.2.1條外，於本期間，本公司已遵守聯交所證券上市規則(「上市規則」)附錄十四所載《企業管治守則》(「《企業管治守則》」)之守則條文。

根據守則條文第A.2.1條，主席與行政總裁之角色應有區分，並不應由一人同時兼任。本公司偏離此守則條文，原因為陳振康先生(「陳先生」)現時兼任董事會主席及行政總裁之職務。陳先生擁有豐富之行政及財務管理經驗，並負責本集團之整體企業規劃、戰略決策及營運管理，此對提升應對瞬息萬變之商業環境之效率具有極大價值。本集團之日常業務營運於陳先生監管下由多名經驗豐富的人員負責。此外，鑒於董事會之三名執行董事及三名獨立非執行董事均具備本集團進一步發展所需之均衡技能及經驗，故董事會相信，董事會之運作足以確保權力與職權之平衡。本公司將繼續檢討此偏離情況，以提升本集團之整體最佳利益。

董事資料變更

根據上市規則第13.51B(1)條，須予披露之董事資料變更載列如下：

- 陳振康先生亦為易易壹金融集團有限公司之執行董事，該公司之股份已於二零二零年十月十六日私有化生效後自二零二零年十月二十一日上午九時正起除牌。

購買、出售或贖回本公司上市證券

於本期間，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。



Corporate Governance and Other Information 企業管治及其他資料

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors’ securities transactions. Having made specific enquiries of all Directors, all Directors confirmed that they had complied with the required standard set out in the Model Code throughout the Period.

AUDIT COMMITTEE

The Company has established the Audit Committee which comprises all the independent non-executive Directors, namely Mr. Wong Ping Yuen, Mr. Ng Yat Cheung and Mr. Lau King Lung, and is chaired by Mr. Wong Ping Yuen. The Audit Committee has reviewed and discussed with the management of the Group and HLB Hodgson Impey Cheng Limited, the Group’s external auditors, the Company’s unaudited condensed consolidated interim results for the Period, including the accounting principles and practices adopted by the Group, and discussed financial related matters.

DISCLOSURE OF INTERESTS

Directors’ and Chief Executive’s Interests and Short Positions in the Shares, Underlying Shares or Debentures of the Company and its Associated Corporations

As at 30 September 2020, none of the Directors or the chief executive of the Company had any interests and/or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “**SFO**”) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載之《上市發行人董事進行證券交易的標準守則》(「《標準守則》」)作為本身規限董事進行證券交易的行為守則。經向全體董事作出特定查詢後，全體董事確認於整個本期間內均已遵守載於《標準守則》之規定標準。

審核委員會

本公司已成立審核委員會，成員包括全體獨立非執行董事，即王炳源先生、吳日章先生及劉經隆先生，並由王炳源先生擔任主席。審核委員會已審閱並與本集團管理層及本集團之外部核數師國衛會計師事務所有限公司商討本公司於本期間之未經審核簡明綜合中期業績，包括本集團所採納之會計原則及慣例，以及商討財務相關事宜。

權益披露

董事及主要行政人員於本公司及其相聯法團之股份、相關股份或債權證之權益及淡倉

於二零二零年九月三十日，概無董事或本公司主要行政人員於本公司或其任何相聯法團(定義見《證券及期貨條例》(「《證券及期貨條例》」)第XV部)之任何股份、相關股份或債權證中，擁有記錄於本公司根據《證券及期貨條例》第352條須存置之登記冊，或已根據《標準守則》須通知本公司及聯交所之任何權益及／或淡倉。



Corporate Governance and Other Information

企業管治及其他資料

Substantial Shareholders' Interests and Short Positions in the Shares or Underlying Shares of the Company

As at 30 September 2020, to the best knowledge of the Directors, the following corporations or persons (other than the Directors or the chief executive of the Company) had interests in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO:

Long positions in the shares and underlying shares of the Company

主要股東於本公司股份或相關股份之權益及淡倉

於二零二零年九月三十日，據董事所深知，下列法團或人士(除董事或本公司主要行政人員外)擁有記錄於本公司根據《證券及期貨條例》第336條須存置之登記冊之本公司股份及相關股份之權益：

本公司股份及相關股份之好倉

Name of shareholder	Capacity	Total number of shares and underlying shares involved	Approximate percentage of the Company's total issued shares
股東名稱	身份	所涉股份及相關股份總數	佔本公司已發行股份總數之概約百分比 (Note a) (附註a) %
Easy One Financial Group Limited ("Easy One") 易易壹金融集團有限公司(「易易壹」)	Interest of controlled corporations 受控制法團之權益	2,265,200,062 (Note b) (附註b)	22.75
Goal Success Investments Limited	Beneficial owner 實益擁有人	5,312,395,685 (Note c) (附註c)	53.37
Biomore Investments Limited	Interest of controlled corporation 受控制法團之權益	5,312,395,685 (Note c) (附註c)	53.37
Total Smart Investments Limited	Interest of controlled corporations 受控制法團之權益	5,312,395,685 (Note c) (附註c)	53.37



Corporate Governance and Other Information
企業管治及其他資料

Name of shareholder	Capacity	Total number of shares and underlying shares involved	Approximate percentage of the Company's total issued shares
股東名稱	身份	所涉股份及相關股份總數	佔本公司已發行股份總數之概約百分比
			(Note a) (附註a) %
Wai Yuen Tong Medicine Holdings Limited 位元堂藥業控股有限公司	Interest of controlled corporations 受控制法團之權益	5,312,395,685 (Note c) (附註c)	53.37
Wang On Group Limited 宏安集團有限公司	Interest of controlled corporations 受控制法團之權益	5,312,395,685 (Note c) (附註c)	53.37
Mr. Tang Ching Ho (“ Mr. Tang ”) 鄧清河先生(「鄧先生」)	Interest of controlled corporations 受控制法團之權益	5,312,395,685 (Note c) (附註c)	53.37
Ms. Yau Yuk Yin (“ Ms. Yau ”) 游育燕女士(「游女士」)	Family interest 家族權益	5,312,395,685 (Note d) (附註d)	53.37



Corporate Governance and Other Information

企業管治及其他資料

Notes:

- (a) The percentages stated represented the number of ordinary shares of the Company involved divided by the number of the Company's issued shares as at 30 September 2020.
- (b) As at 30 September 2020, pursuant to the disclosure of interests form published on the website of the Stock Exchange, Ongler Investments Limited and Peony Finance Limited were wholly owned by Loyal Fame International Limited which was in turn wholly owned by Easy One. By virtue of the SFO, Easy One was deemed to be interested in 2,007,700,062 shares and 257,500,000 underlying shares of the Company which were held by Ongler Investments Limited and Peony Finance Limited, respectively. On 16 October 2020, the entire interests in Easy One were wholly-owned by Mr. Tang upon completion of privatisation of Easy One. On 9 December 2020, the Company partially redeemed the convertible notes due 18 October 2021 held by Peony Finance Limited, in the principal amount of HK\$51,000,000 and the underlying shares of the Company held by Peony Finance Limited decreased to 130,000,000. Easy One was then deemed to be interested in 2,137,700,062 underlying shares of the Company and Mr. Tang and Ms. Yau were deemed to be interested in 7,450,095,747 shares and underlying shares of the Company.
- (c) Pursuant to the disclosure of interests forms published on the website of the Stock Exchange, the 5,312,395,685 shares of the Company were held by Goal Success Investments Limited, which was directly wholly owned by Biomore Investments Limited (a direct wholly-owned subsidiary of Total Smart Investments Limited which was directly wholly owned by Wai Yuen Tong Medicine Holdings Limited). Wai Yuen Tong Medicine Holdings Limited was owned as to 58.08% by Wang On Group Limited which was owned as to 57.39%, as at 30 September 2020, by Mr. Tang, together with his associates. By virtue of the SFO, each of Mr. Tang, Wang On Group Limited, Wai Yuen Tong Medicine Holdings Limited, Total Smart Investments Limited and Biomore Investments Limited were deemed to be interested in those 5,312,395,685 shares of the Company which were held by Goal Success Investments Limited. On 16 October 2020, Mr. Tang is taken to be interested in approximately 44.72% of all the issued shares of Wang On Group Limited upon the privatisation of Easy One.
- (d) Pursuant to the disclosure of interests form published on the website of the Stock Exchange, Ms. Yau was taken to be interested in 5,312,395,685 shares of the Company in which her spouse, Mr. Tang, was deemed to be interested under the SFO.

Save as disclosed above, as at 30 September 2020, there were no other persons (other than the Directors or the chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

附註：

- (a) 所述百分比指所涉本公司普通股數目除以本公司於二零二零年九月三十日之已發行股份數目。
- (b) 於二零二零年九月三十日，根據於聯交所網站刊發之權益披露表格，Ongler Investments Limited及Peony Finance Limited由忠譽國際有限公司全資擁有，忠譽國際有限公司則由易易壹全資擁有。根據《證券及期貨條例》，易易壹被視作於分別由Ongler Investments Limited及Peony Finance Limited持有之本公司2,007,700,062股股份及257,500,000股相關股份中擁有權益。於二零二零年十月十六日易易壹私有化完成後，易易壹之全部權益由鄧先生全資擁有。於二零二零年十二月九日，本公司部分贖回由Peony Finance Limited持有本金額為51,000,000港元於二零二一年十月十八日到期之可換股票據，而Peony Finance Limited持有之本公司相關股份減少至130,000,000股。易易壹當時被視為於本公司2,137,700,062股相關股份中擁有權益，而鄧先生及游女士被視為於本公司7,450,095,747股股份及相關股份中擁有權益。
- (c) 根據於聯交所網站刊發之權益披露表格，5,312,395,685股本公司股份乃由Goal Success Investments Limited持有，而Goal Success Investments Limited由Biomore Investments Limited (Total Smart Investments Limited的直接全資附屬公司，而Total Smart Investments Limited由位元堂藥業控股有限公司直接全資擁有)直接全資擁有。位元堂藥業控股有限公司由宏安集團有限公司擁有58.08%，而宏安集團有限公司於二零二零年九月三十日由鄧先生連同其聯繫人擁有57.39%。根據《證券及期貨條例》，鄧先生、宏安集團有限公司、位元堂藥業控股有限公司、Total Smart Investments Limited及Biomore Investments Limited各自被視為於Goal Success Investments Limited所持該等5,312,395,685股本公司股份中擁有權益。於二零二零年十月十六日易易壹私有化後，鄧先生被視為於宏安集團有限公司全部已發行股份中擁有約44.72%權益。
- (d) 根據於聯交所網站刊發之權益披露表格，游女士被視作於其配偶鄧先生根據《證券及期貨條例》被視為擁有權益的5,312,395,685股本公司股份中擁有權益。

除上文披露者外，於二零二零年九月三十日，概無其他人士(董事或本公司主要行政人員除外)於本公司股份或相關股份中擁有記錄於本公司根據《證券及期貨條例》第336條須存置之登記冊之權益或淡倉。



Corporate Governance and Other Information 企業管治及其他資料

SHARE OPTION SCHEME

On 3 May 2012, the Company adopted a share option scheme (the “**Scheme**”) pursuant to Chapter 17 of the Listing Rules for the primary purpose of providing incentive to selected eligible persons to take up options for their contribution to the Group. Since the adoption of the Scheme and up to 30 September 2020, no share option had been granted under the Scheme.

APPRECIATION

I would like to take this opportunity to thank our customers, business partners and shareholders for their continued support to the Group during the Period. I would also like to thank my fellow members of the Board and all staff for their hard work and contribution to the Group.

By Order of the Board
**CHINA AGRI-PRODUCTS
EXCHANGE LIMITED**
中國農產品交易所有限公司
Chan Chun Hong, Thomas
Chairman and Chief Executive Officer

Hong Kong, 24 November 2020

購股權計劃

於二零一二年五月三日，本公司根據上市規則第17章採納一項購股權計劃(「該計劃」)，主要目的是就選定之合資格人士為本集團所作貢獻而向彼等提供接納購股權之獎勵。自採納該計劃起及直至二零二零年九月三十日，概無根據該計劃授出購股權。

鳴謝

本人藉此機會感謝各位客戶、業務夥伴及股東於本期間對本集團的持續支持。本人亦謹此對董事會成員及全體員工的竭誠工作和對本集團所作貢獻表示謝意。

承董事會命
**CHINA AGRI-PRODUCTS
EXCHANGE LIMITED**
中國農產品交易所有限公司
主席兼行政總裁
陳振康

香港，二零二零年十一月二十四日



Independent Review Report 獨立審閱報告



國衛會計師事務所有限公司
HODGSON IMPEY CHENG LIMITED

**INDEPENDENT REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
CHINA AGRI-PRODUCTS EXCHANGE LIMITED**
(Incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 30 to 68, which comprises the condensed consolidated statement of financial position of China Agri-Products Exchange Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) at 30 September 2020 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Main Board Listing Rules**”) require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“**HKAS 34**”) issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

31/F, Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

香港
中環
畢打街11號
置地廣場
告羅士打大廈31樓

致中國農產品交易有限公司
(於百慕達註冊成立之有限公司)
董事會之獨立審閱報告

前言

本核數師(以下簡稱「我們」)已審閱載於第30至68頁之中期財務資料。此中期財務資料包括中國農產品交易有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)於二零二零年九月三十日之簡明綜合財務狀況表與截至該日止六個月期間之相關簡明綜合損益及其他全面收益表、簡明綜合權益變動表及簡明綜合現金流動表，以及重要會計政策概要及其他說明附註。香港聯合交易所有限公司主板證券上市規則(「**主板上市規則**」)規定，就中期財務資料編製之報告必須符合當中有關條文以及香港會計師公會頒佈之香港會計準則第34號(「**香港會計準則第34號**」)「中期財務報告」。貴公司董事須對根據香港會計準則第34號編製及呈列的此中期財務資料負責。我們之責任是根據審閱對此中期財務資料作出結論，並按照委聘之協定條款僅向作為實體之閣下報告結論，且並無其他目的。我們不會就本報告之內容向任何其他人士負責或承擔責任。



Independent Review Report 獨立審閱報告

SCOPE OF REVIEW

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

CONCLUSION

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

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Kwok Tsz Chun
Practising Certificate Number: P06901

Hong Kong, 24 November 2020

審閱範圍

我們已根據香港會計師公會頒佈之香港審閱委聘準則第2410號「由實體之獨立核數師審閱中期財務資料」進行審閱。審閱中期財務資料包括向主要負責財務和會計事務之人員作出查詢，並應用分析性和其他審閱程序。審閱範圍遠小於根據香港核數準則進行審核之範圍，故不能令我們保證我們將知悉在審核中可能發現之所有重大事項。因此，我們不會發表審核意見。

結論

根據我們之審閱，我們並無發現任何事項，令我們相信中期財務資料在各重大方面未有根據香港會計準則第34號編製。

國衛會計師事務所有限公司
執業會計師

郭梓俊
執業證書編號：P06901

香港，二零二零年十一月二十四日



Interim Results

中期業績

The Board announces the unaudited condensed consolidated results of the Group for the six months ended 30 September 2020, together with the comparative figures for the six months ended 30 June 2019. These condensed consolidated interim financial statements were not audited, but have been reviewed by HLB Hodgson Impey Cheng Limited, the Group's external auditors, and the Audit Committee.

董事會宣佈本集團截至二零二零年九月三十日止六個月之未經審核簡明綜合業績，連同截至二零一九年六月三十日止六個月之比較數字。該等簡明綜合中期財務報表未經審核，但已經由本集團外部核數師國衛會計師事務所有限公司及審核委員會審閱。

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收益表

For the six months ended 30 September 2020

截至二零二零年九月三十日止六個月

		For the six months ended 截至以下日期止六個月	
		30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
Turnover	營業額	292,413	462,473
Cost of operation	經營成本	(141,780)	(243,214)
Gross profit	毛利	150,633	219,259
Other revenue and other net income	其他收益及其他淨收入	10,592	9,983
General and administrative expenses	一般及行政開支	(79,426)	(92,436)
Selling expenses	銷售開支	(14,608)	(38,823)
Profit from operations before fair value changes and impairment	公平值變動及減值前經營溢利	67,191	97,983
Net gain in fair value of investment properties	投資物業公平值淨收益	39,473	60,242
Change in fair value of derivative financial instruments	衍生金融工具之公平值變動	(308)	69
Written down of stock of properties	物業存貨撇減	(1,689)	-
Profit from operations	經營溢利	104,667	158,294
Finance costs	融資成本	(82,487)	(93,800)
Profit before taxation	除稅前溢利	22,180	64,494
Income tax	所得稅	(40,772)	(49,673)
(Loss)/profit for the period	本期內(虧損)/溢利	(18,592)	14,821



Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
簡明綜合損益及其他全面收益表

For the six months ended 30 September 2020
截至二零二零年九月三十日止六個月

		For the six months ended 截至以下日期止六個月	
		30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
		Notes 附註	
Other comprehensive income/ (loss), net of income tax	其他全面收入／(虧損) (扣除所得稅)		
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可重新分類至損益之項目：</i>		
Exchange differences on translating foreign operations	換算境外業務引致之匯兌差額	130,655	(4,214)
Other comprehensive income/(loss), for the period, net of income tax	本期內其他全面收入／(虧損)(扣除所得稅)	130,655	(4,214)
Total comprehensive income for the period, net of income tax	本期內全面收入總額 (扣除所得稅)	112,063	10,607
(Loss)/profit for the period attributable to:	以下人士應佔本期內 (虧損)／溢利：		
Owners of the Company	本公司擁有人	(22,567)	8,194
Non-controlling interests	非控股權益	3,975	6,627
		(18,592)	14,821
Total comprehensive income for the period attributable to:	以下人士應佔本期內全面收入總額：		
Owners of the Company	本公司擁有人	93,687	4,531
Non-controlling interests	非控股權益	18,376	6,076
		112,063	10,607
(Loss)/earnings per share	每股(虧損)／盈利		
- Basic (HK cents)	- 基本(港仙)	(0.23)	0.08
- Diluted (HK cents)	- 攤薄(港仙)	(0.23)	0.08



Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 September 2020

於二零二零年九月三十日

			As at 30 September 2020 於二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2020 於二零二零年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)
	<i>Notes</i> 附註			
Non-current assets		非流動資產		
Property, plant and equipment	11	物業、廠房及設備	52,776	45,759
Right-of-use assets		使用權資產	21,306	18,802
Investment properties	12	投資物業	3,000,246	2,839,091
			3,074,328	2,903,652
Current assets		流動資產		
Stock of properties		物業存貨	1,650,538	1,611,442
Trade and other receivables	13	貿易及其他應收款項	291,422	233,817
Loan receivables		應收貸款	43,358	49,769
Financial assets at fair value through profit or loss		按公平值列賬及在損益表 處理之金融資產	79	394
Bank and cash balances		銀行及現金結餘	448,796	339,599
			2,434,193	2,235,021
Current liabilities		流動負債		
Deposits and other payables	14	按金及其他應付款項	772,592	683,044
Contract liabilities		合約負債	560,232	464,983
Receipts in advance		預收款項	211,912	160,237
Bank and other borrowings	15	銀行及其他借貸	270,809	231,820
Lease liabilities		租賃負債	4,703	3,590
Promissory notes		承兌票據	376,000	376,000
Income tax payable		應付所得稅	24,806	25,899
			2,221,054	1,945,573
Net current assets		流動資產淨額	213,139	289,448
Total assets less current liabilities		總資產減流動負債	3,287,467	3,193,100



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

As at 30 September 2020
於二零二零年九月三十日

		Notes 附註	As at 30 September 2020 於二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2020 於二零二零年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)
Non-current liabilities	非流動負債			
Bonds	債券		186,080	176,998
Banks and other borrowings	銀行及其他借貸	15	744,193	779,669
Convertible bonds	可換股債券		252,315	246,894
Lease liabilities	租賃負債		22,802	20,653
Deferred tax liabilities	遞延稅項負債		519,752	483,521
			1,725,142	1,707,735
Net assets	淨資產		1,562,325	1,485,365
Capital and reserves	資本及儲備			
Share capital	股本	16	99,531	99,531
Reserves	儲備		1,085,796	992,109
Total equity attributable to owners of the Company	本公司擁有人應佔權益總額		1,185,327	1,091,640
Non-controlling interests	非控股權益		376,998	393,725
Total equity	權益總額		1,562,325	1,485,365



Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the six months ended 30 September 2020
截至二零二零年九月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔												
		Share capital	Share premium	Capital redemption reserve	Contributed surplus	Shareholders' contribution	Other reserve	Exchange reserve	Convertible bonds reserve	Statutory reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		股本	股份溢價	贖回儲備	實繳盈餘	股東出資	其他儲備	匯兌儲備	債券儲備	法定儲備	累計虧損	總額	權益權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
					(note a) (附註a)	(note b) (附註b)			(note c) (附註c)					
At 1 January 2019 (audited)	於二零一九年一月一日(經審核)	99,531	3,923,147	945	2,215,409	664	(15,021)	(199,823)	79,547	-	(4,895,428)	1,208,971	386,393	1,595,364
Exchange differences on translating foreign operations	換算境外業務引致之匯兌差額	-	-	-	-	-	-	(3,663)	-	-	-	(3,663)	(551)	(4,214)
Other comprehensive loss for the period	本期內其他全面虧損	-	-	-	-	-	-	(3,663)	-	-	-	(3,663)	(551)	(4,214)
Profit for the period	本期內溢利	-	-	-	-	-	-	-	-	-	8,194	8,194	6,627	14,821
Total comprehensive income/(loss) for the period	本期內全面收入/(虧損)總額	-	-	-	-	-	-	(3,663)	-	-	8,194	4,531	6,076	10,607
At 30 June 2019 (unaudited)	於二零一九年六月三十日(未經審核)	99,531	3,923,147	945	2,215,409	664	(15,021)	(203,486)	79,547	-	(4,887,234)	1,213,502	392,469	1,605,971
At 1 April 2020 (audited)	於二零二零年四月一日(經審核)	99,531	3,923,147	945	2,215,409	664	(15,021)	(323,034)	79,547	15,094	(4,904,642)	1,091,640	393,725	1,485,365
Exchange differences on translating foreign operations	換算境外業務引致之匯兌差額	-	-	-	-	-	-	116,254	-	-	-	116,254	14,401	130,655
Other comprehensive income/(loss) for the period	本期內其他全面收入/(虧損)	-	-	-	-	-	-	116,254	-	-	-	116,254	14,401	130,655
(Loss)/profit for the period	本期內(虧損)/溢利	-	-	-	-	-	-	-	-	-	(22,567)	(22,567)	3,975	(18,592)
Total comprehensive income/(loss) for the period	本期內全面收入/(虧損)總額	-	-	-	-	-	-	116,254	-	-	(22,567)	93,687	18,376	112,063
Transfer to statutory reserve	轉撥至法定儲備	-	-	-	-	-	-	-	-	486	(486)	-	-	-
Dividend paid to non-controlling interests	已付予非控股權益之股息	-	-	-	-	-	-	-	-	-	-	-	(35,103)	(35,103)
At 30 September 2020 (unaudited)	於二零二零年九月三十日(未經審核)	99,531	3,923,147	945	2,215,409	664	(15,021)	(206,780)	79,547	15,580	(4,927,695)	1,185,327	376,998	1,562,325

Notes:

- (a) The contributed surplus represents (i) the difference between the underlying net asset value of the subsidiaries acquired over the nominal value of the shares of the Company issued pursuant to group reorganisation in 1995, and (ii) contribution arising from capital reorganisation in 2003 and 2009.

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus is available for distribution to shareholders. However, the Company cannot declare or pay a dividend, or make distributions out of contributed surplus if:

- it is, or would after the payment be, unable to pay its liabilities as they become due; or
- the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

- (b) The shareholders' contribution represents imputed interest expense on the non-current interest free loan from ultimate holding company in 2005.

- (c) The convertible bonds reserve represents the conversion option of convertible bonds recognised in the equity until either the bonds are converted or redeemed.

附註:

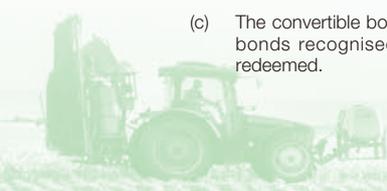
- (a) 實繳盈餘指(i)所收購附屬公司之相關資產淨值高於一九九五年根據集團重組所發行本公司股份的面值之間差額;及(ii)二零零三年及二零零九年股本重組所產生之出資。

根據百慕達一九八一年公司法(經修訂),實繳盈餘可分派予股東。然而,本公司於下列情況下不得宣派或派付股息,或從實繳盈餘作出分派:

- 目前或於作出分派後未能償還到期之債務;或
- 將導致資產可變現價值低於其負債及其已發行股本和股份溢價賬之總和。

- (b) 股東出資指最終控股公司於二零零五年提供非即期免息貸款之估算利息開支。

- (c) 可換股債券儲備指在債券轉換或贖回前於權益確認的可換股債券轉換權。



Condensed Consolidated Statement of Cash Flows 簡明綜合現金流動表

For the six months ended 30 September 2020

截至二零二零年九月三十日止六個月

		For the six months ended 截至以下日期止六個月	
		30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)
Net cash generated from operating activities	經營業務所得之現金淨額	202,737	137,116
Investing activities	投資業務		
Payments for purchase of property, plant and equipment, net	購買物業、廠房及設備之付款淨額	(11,126)	(4,778)
Proceeds from investment properties, net	投資物業之所得款項淨額	(6,068)	(1,461)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	127	29
Bank interest received	已收銀行利息	3,777	3,901
Net cash used in investing activities	投資業務所用之現金淨額	(13,290)	(2,309)
Financing activities	融資業務		
Proceeds from new bank borrowings	新造銀行借貸之所得款項	119,464	96,564
Repayments of bank borrowings	償還銀行借貸	(133,190)	(206,704)
Payment for redemption of bonds	償還債券贖回款	-	(69,597)
Dividend paid to non-controlling interests	支付予非控股權益之股息	(35,103)	-
Repayments of leases	償還租賃	(2,674)	-
Interest paid	已付利息	(54,079)	(48,196)
Net cash used in financing activities	融資業務所用之現金淨額	(105,582)	(228,889)



Condensed Consolidated Statement of Cash Flows

簡明綜合現金流動表

For the six months ended 30 September 2020
截至二零二零年九月三十日止六個月

		For the six months ended 截至以下日期止六個月	
		30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)
Net increase/(decrease) in cash and cash equivalents	現金及現金等額增加/(減少)淨額	83,865	(94,082)
Cash and cash equivalents at 1 March/1 January	於三月一日/一月一日之現金及現金等額	339,599	488,415
Effect of foreign exchange rate changes	外幣匯率變動之影響	25,332	3,107
Cash and cash equivalents at 30 September/30 June	於九月三十日/六月三十日之現金及現金等額	448,796	397,440



Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

1. Basis of Preparation

(a) Statement of compliance

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

The Interim Financial Statements has been prepared in accordance with the same accounting policies adopted in the 2020 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2021 annual financial statements. Details of any changes in accounting policies are set out in note 2.

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

(b) Change of financial year end date

The financial year end date of the Company has been changed from 31 December to 31 March commencing from the financial period ended 31 March 2020. Accordingly, the Interim Financial Statements now presented cover the six months ended period from 1 April 2020 to 30 September 2020, and the comparative figures in the Interim Financial Statements cover the six months period from 1 January 2019 to 30 June 2019.

1. 編製基準

(a) 遵例聲明

未經審核簡明綜合中期財務報表(「**中期財務報表**」)乃根據上市規則附錄16之適用披露規定及香港會計師公會(「**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」而編製。

除預期將在二零二一年年度財務報表反映之會計政策變動外，中期財務報表已按照二零二零年年度財務報表所採納之同一會計政策編製。有關會計政策之任何變動詳情載於附註2。

管理層在編製符合香港會計準則第34號規定之中期財務報表時需作之判斷、估計及假設，會影響政策之應用以及按目前情況為基準計算之資產與負債、收入及支出之呈報金額。實際結果可能與該等估計有異。

(b) 更改財政年度結算日

本公司之財政年度結算日已由十二月三十一日更改為三月三十一日，並自截至二零二零年三月三十一日止財政期間起生效。因此，現時呈列之中期財務報表涵蓋二零二零年四月一日至二零二零年九月三十日止六個月期間，而中期財務報表之比較數字則涵蓋二零一九年一月一日至二零一九年六月三十日止六個月期間。



Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

2. Application of Amendments to HKFRSs

The Interim Financial Statements has been prepared under historical cost basis except for investment properties and certain financial instruments, which are measured at fair values.

In the current interim period, the Group has applied the Amendments to References to the Conceptual Framework in Hong Kong Financial Reporting Standards (“**HKFRSs**”) and the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the annual period beginning on or after 1 April 2020 for the preparation of the Interim Financial Statements:

HKAS 1 and HKS 8 (Amendments)	Definition of Material
HKFRS 3 (Amendments)	Definition of a Business
HKFRS 9, HKAS 39 and HKFRS 7 (Amendments)	Interest Rate Benchmark Reform

The application of the Amendments to References to the Conceptual Framework in HKFRS Standards and the amendments to HKFRSs in the current period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these Interim Financial Statements.

2. 應用經修訂香港財務報告準則

中期財務報表乃按歷史成本基準編製，惟投資物業及若干金融工具按公平值計量除外。

於本中期期間內，本集團於編製其中期財務報表時已首次應用香港會計師公會所頒佈之經修訂香港財務報告準則（「**香港財務報告準則**」）概念框架提述及以下經修訂香港財務報告準則，其乃就二零二零年四月一日或之後開始之年度期間強制生效：

香港會計準則第1號及香港會計準則第8號（修訂本）	重大性之定義
香港財務報告準則第3號（修訂本）	業務之定義
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號（修訂本）	利率基準改革

於本期間應用經修訂香港財務報告準則概念框架提述及經修訂香港財務報告準則對本集團於本期間及過往期間之財務狀況及表現及／或該等財務報表所載之披露並無重大影響。



Notes to the Condensed Consolidated Financial Statements
 簡明綜合財務報表附註

3. Turnover

Turnover represents revenue from (i) property rental income, (ii) property ancillary services, (iii) commission income from agricultural produce exchange market, (iv) property sales, and (v) food and agricultural by-products merchandising. The amount of each significant category of revenue recognised during the period, net of discount and sales related tax, is analysed as follows:

3. 營業額

營業額指(i)物業租金收入；(ii)物業配套服務；(iii)經營農產品交易市場之佣金收入；(iv)物業銷售；及(v)食品及農副產品採購所得之收益。本期間確認之每個重大收益類別之金額(扣除折扣及銷售相關稅)分析如下：

		For the six months ended 截至以下日期止六個月	
		30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)
Revenue from contracts with customers: <i>Recognised at a point in time</i>	客戶合約收益： 於某個時間點確認		
Revenue from property ancillary services	物業配套服務之收益	48,919	49,004
Commission income from agricultural produce exchange market	經營農產品交易市場之 佣金收入	39,286	36,879
Revenue from property sales	物業銷售之收益	109,008	266,222
Food and agricultural by-products merchandising	食品及農副產品採購	10,637	14,602
		207,850	366,707
Revenue from other sources:	其他來源之收益：		
Property rental income	物業租金收入	84,563	95,766
		292,413	462,473



Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

4. Other Revenue and Other Net Income

4. 其他收益及其他淨收入

		For the six months ended 截至以下日期止六個月	
		30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)
Other revenue and other net income	其他收益及其他淨收入		
Bank and other interest income	銀行及其他利息收入	3,777	3,648
Government subsidies (note (a))	政府補貼(附註(a))	5,701	350
Others	其他	1,114	5,985
		10,592	9,983

Note:

- (a) Government subsidies represent various form of subsidies granted to the Group by the local governmental authorities in the PRC for compensation of expenses incurred by the Group. These grants are generally made for business support and awarded to enterprises on a discretionary basis. The Group received these government grants in respect of its investments in the agricultural products exchange market in the PRC. There are no unfulfilled conditions or contingencies relating to these grants.

附註：

- (a) 政府補貼指中國地方政府部門向本集團發放之多種補貼，以補償本集團產生之開支。該等補貼一般為扶持業務發展而提供，並按酌情基準發放予企業。本集團就於中國投資農產品交易市場收取該等政府補貼。有關該等補貼概無未達成條件或或然因素。



Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

5. Segment Reporting

The Group has two reportable segments under HKFRS 8, (i) agricultural produce exchange market operation and (ii) property sales. The segmentations are based on the information about the operation of the Group that management uses to make decisions and regularly review by the chief operating decision maker for the purpose of allocating resources to segments and assessing their performance.

Segment revenue and results

An analysis of the Group's revenues and results by reportable segment for the six months ended 30 September 2020 and 30 June 2019:

5. 分部呈報

根據香港財務報告準則第8號，本集團擁有兩項呈報分部：(i)經營農產品交易市場及(ii)物業銷售。上述分部乃基於管理層用於作出決策，以及由主要營運決策者定期檢討，以就將予分配至分部的資源作出決定並評估其表現之本集團經營資料。

分部收益及業績

截至二零二零年九月三十日及二零一九年六月三十日止六個月之本集團按呈報分部劃分之收益及業績分析如下：

		Agricultural produce exchange market operation 經營農產品交易市場		Property sales 物業銷售		Unallocated 未分配		Consolidated 綜合	
		For the six months end 截至以下日期止六個月		For the six months end 截至以下日期止六個月		For the six months end 截至以下日期止六個月		For the six months end 截至以下日期止六個月	
		30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)						
Turnover	營業額								
External sales	外部銷售	183,405	196,251	109,008	266,222	-	-	292,413	462,473
Result	業績								
Segment result	分部業績	72,132	90,733	20,455	43,716	-	-	92,587	134,449
Other revenue and other net income	其他收益及其他淨收入	7,658	6,256	-	-	2,934	3,727	10,592	9,983
Net gain in fair value of investment properties	投資物業公平值之淨收益	39,473	60,242	-	-	-	-	39,473	60,242
Change in fair value of derivative financial instruments	衍生金融工具之公平值變動	-	-	-	-	(308)	69	(308)	69
Written down of stock of properties	物業存貨撇減	-	-	(1,689)	-	-	-	(1,689)	-
Unallocated corporate expense	未分配企業開支	-	-	-	-	-	-	(35,988)	(46,449)
Profit from operations	經營溢利							104,667	158,294
Finance costs	融資成本	(13,924)	(14,014)	-	-	(68,563)	(79,786)	(82,487)	(93,800)
Profit before taxation	除稅前溢利							22,180	64,494
Income tax	所得稅							(40,772)	(49,673)
(Loss)/profit for the period	本期內(虧損)/溢利							(18,592)	14,821



Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

5. Segment Reporting (Continued)

Segment assets and liabilities

An analysis of the Group's assets and liabilities by reportable segment as at 30 September 2020 and 31 March 2020:

5. 分部呈報(續)

分部資產及負債

於二零二零年九月三十日及二零二零年三月三十一日，本集團按呈報分部劃分之資產及負債分析如下：

		Agricultural produce exchange market operation 經營農產品交易市場		Property sales 物業銷售		Consolidated 綜合	
		As at 30 September 2020 於二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2020 於二零二零年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)	As at 30 September 2020 於二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2020 於二零二零年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)	As at 30 September 2020 於二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2020 於二零二零年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)
Assets	資產						
Segment assets	分部資產	3,511,834	3,334,415	1,650,538	1,611,442	5,162,372	4,945,857
Unallocated corporate assets	未分配企業資產					346,149	192,816
Consolidated total assets	綜合資產總值					5,508,521	5,138,673
Liabilities	負債						
Segment liabilities	分部負債	1,631,180	1,448,318	560,137	475,800	2,191,317	1,924,118
Unallocated corporate liabilities	未分配企業負債					1,754,879	1,729,190
Consolidated total liabilities	綜合負債總值					3,946,196	3,653,308



Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

6. Finance Costs

6. 融資成本

		For the six months ended 截至以下日期止六個月	
		30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)
Interests on bank and other borrowings wholly repayable within five years	須於五年內悉數償還之銀行及其他借貸之利息	41,128	13,984
Interests on bank and other borrowings wholly repayable over five years	須於五年後悉數償還之銀行及其他借貸之利息	2,523	30
Interests on promissory notes	承兌票據之利息	11,750	11,750
Interests on convertible bonds	可換股債券之利息	15,373	14,443
Interests on bonds	債券之利息	10,525	53,070
Interests on leases liabilities	租賃負債之利息	1,188	523
		82,487	93,800



Notes to the Condensed Consolidated Financial Statements
 簡明綜合財務報表附註

7. Profit Before Taxation

7. 除稅前溢利

		For the six months ended 截至以下日期止六個月	
		30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)
Profit before taxation has been arrived at after charging/(crediting) the following items:	除稅前溢利已扣除／(計入) 下列項目：		
Depreciation and amortisation	折舊及攤銷	5,889	9,732
Depreciation of right-of-use assets	使用權資產折舊	2,001	989
Change in fair value of derivative financial instruments	衍生金融工具之公平值變動	308	(69)
Short-term lease expenses	短期租賃開支	146	436
(Reversal of)/allowance for expected credit losses on trade and other receivables and loan receivables	貿易及其他應收款項以及應收貸款之預期信貸虧損(撥回)／撥備	(269)	13
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	147	163



Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

8. Income Tax

8. 所得稅

		For the six months ended 截至以下日期止六個月	
		30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)
Current tax	即期稅項		
- PRC enterprise income tax	- 中國企業所得稅	25,033	49,346
Deferred tax	遞延稅項		
- Origination and reversal of temporary differences	- 暫時差異之產生及撥回	15,739	327
		40,772	49,673

No provision for Hong Kong Profits Tax has been made in the Interim Financial Statements as the Company and its subsidiaries had no assessable profits in both periods. PRC Enterprise Income Tax is computed to the relevant legislation interpretations and practices in respect thereof during the period. PRC Enterprise Income Tax rate is 25% for the six months ended 30 September 2020 and 30 June 2019.

由於本公司及其附屬公司於兩個期間均無產生任何應課稅溢利，因此並無就香港利得稅於中期財務報表內作出撥備。中國企業所得稅乃按期內就相關法律詮釋及慣例計算。截至二零二零年九月三十日及二零一九年六月三十日止六個月之中國企業所得稅稅率為25%。

9. Dividends

The Directors do not propose the payment of any interim dividend in respect of the period under review (six months ended 30 June 2019: Nil).

9. 股息

董事不建議派付回顧期間之任何中期股息 (截至二零一九年六月三十日止六個月：無)。



Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

10. (Loss)/earnings Per Share

The calculation of basic (loss)/earnings per share is based on the loss attributable to owners of the Company of approximately HK\$22,567,000 (six months ended 30 June 2019: profit attributable to owners of the Company of approximately HK\$8,194,000) and weighted average number of approximately 9,953,068,000 ordinary shares (six months ended 30 June 2019: approximately 9,953,068,000 ordinary shares). The diluted (loss)/earnings per share for the six months ended 30 September 2020 and 30 June 2019 were the same as the basic (loss)/earnings per share because the outstanding convertible bonds had an anti-dilutive effect on the basic (loss)/earnings per share.

11. Movement in Property, Plant and Equipment

During the period under review, the Group's acquired property, plant and equipment at cost of approximately HK\$11,126,000 (for the six months ended 30 June 2019: approximately HK\$4,778,000).

12. Investment Properties

During the period under review, the Group's addition of investment properties at cost and exchange realignment of approximately HK\$6,068,000 and HK\$120,092,000 (six months ended 30 June 2019: approximately HK\$4,126,000 and HK\$8,347,000). The Group's investment properties were fair valued by valuers at 30 September 2020.

During the period under review, the Group had no investment properties transferred to stock of properties for the six months ended 30 September 2020 (six months ended 30 June 2019: approximately HK\$373,580,000).

During the period under review, investment properties with carrying amount of approximately HK\$1,367,186,000 (30 June 2019: approximately HK\$1,192,498,000) were pledged to banks for the Group's borrowings.

The investment properties were classified as Level 3 under the fair value hierarchy (31 March 2020: Level 3).

10. 每股(虧損)/盈利

每股基本(虧損)/盈利乃根據本公司擁有人應佔虧損約22,567,000港元(截至二零一九年六月三十日止六個月:本公司擁有人應佔溢利約8,194,000港元)及加權平均數約9,953,068,000股普通股(截至二零一九年六月三十日止六個月:約9,953,068,000股普通股)計算。截至二零二零年九月三十日及二零一九年六月三十日止六個月之每股攤薄(虧損)/盈利與每股基本(虧損)/盈利相同,原因是尚未兌換可換股債券對於每股基本(虧損)/盈利具有反攤薄作用。

11. 物業、廠房及設備之變動

於回顧期內,本集團以成本約11,126,000港元(截至二零一九年六月三十日止六個月:約4,778,000港元)收購物業、廠房及設備。

12. 投資物業

於回顧期內,本集團添置投資物業之成本及匯兌調整約為6,068,000港元及約120,092,000港元(截至二零一九年六月三十日止六個月:約4,126,000港元及約8,347,000港元)。本集團之投資物業由估值師於二零二零年九月三十日進行公平估值。

於回顧期內,本集團於截至二零二零年九月三十日止六個月並無轉撥至物業存貨之投資物業(截至二零一九年六月三十日止六個月:約373,580,000港元)。

於回顧期內,賬面值約為1,367,186,000港元(二零一九年六月三十日:約1,192,498,000港元)之投資物業已就本集團之借貸抵押予銀行。

投資物業分類為公平值等級項下的第三層(二零二零年三月三十一日:第三層)。



Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

13. Trade and Other Receivables

The Group allows an average credit period ranging from 30 days to its trade customers. Included in trade and other receivables are trade receivables of approximately HK\$10,419,000 (31 March 2020: approximately HK\$3,587,000) and their aged analysis, presented based on the payment terms on the tenancy agreement, at each reporting period is as follow:

13. 貿易及其他應收款項

本集團給予其貿易客戶30日之平均信貸期。貿易及其他應收款項包括根據租賃協議付款條款呈列之應收貿易款項約10,419,000港元(二零二零年三月三十一日：約3,587,000港元)，於各報告期之賬齡分析如下：

		As at 30 September 2020 於二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2020 於二零二零年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)
Less than 90 days	90日以內	9,479	2,953
More than 90 days but less than 180 days	超過90日但180日以內	365	369
More than 180 days	180日以上	575	265
Total trade receivables	應收貿易款項總額	10,419	3,587
Deposit for land acquisition	土地收購按金	55,240	53,019
Other deposits	其他按金	7,325	9,866
Prepayments	預付款項	147,108	101,399
Other receivables	其他應收款項	72,419	67,074
		292,511	234,945
Less: allowance for expected credit losses	減：預期信貸虧損撥備	(1,089)	(1,128)
Trade and other receivables, net	貿易及其他應收款項淨額	291,422	233,817



Notes to the Condensed Consolidated Financial Statements
 簡明綜合財務報表附註

14. Deposits and Other Payables

14. 按金及其他應付款項

		As at 30 September 2020 於二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2020 於二零二零年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)
Accrued charges	應計費用	27,239	21,726
Construction payables	應付建築款項	52,671	48,038
Deposit received	已收按金	96,558	99,902
Interest payables	應付利息	311,315	298,598
Other tax payables	其他應付稅項	27,432	18,463
Other payables	其他應付款項	257,377	196,317
		772,592	683,044

15. Bank and Other Borrowings

15. 銀行及其他借貸

		As at 30 September 2020 於二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2020 於二零二零年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)
Secured bank borrowings (note (a))	有抵押銀行借貸(附註(a))	396,798	394,017
Unsecured bank borrowings	無抵押銀行借貸	18,204	17,472
Unsecured other borrowings (note (b))	無抵押其他借貸(附註(b))	600,000	600,000
		1,015,002	1,011,489



Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

15. Bank and Other Borrowings (Continued)

15. 銀行及其他借貸(續)

		As at 30 September 2020 於二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 March 2020 於二零二零年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)
Carrying amount repayable:	須償還賬面值：		
Within one year	一年內	270,809	231,820
More than one year, but within two years	一年以上但不超過兩年	42,933	61,733
More than two year, but within five years	兩年以上但不超過五年	646,648	658,968
More than five years	五年以上	54,612	58,968
		1,015,002	1,011,489
Less: amounts due within one year shown under current liabilities	減：流動負債項下所列 一年內到期款項	(270,809)	(231,820)
		744,193	779,669

Notes:

- (a) Included in the above balances are bank borrowings of variable-rate of approximately HK\$129,328,000 (31 March 2020: approximately HK\$206,706,000) which carry interest adjustable for changes of borrowing rate offered by The People's Bank of China. The average rate charged by the banks during the period ranged from approximately 3.0% to 7.1% (for the six months ended 30 June 2019: approximately 3.0% to 7.1% per annum) per annum. Interest is repriced every 30 days. Bank borrowings of fixed-rate of approximately HK\$235,430,000 (31 March 2020: approximately HK\$204,783,000) carry interest fixed from approximately 3.3% to 7.4% (for the six months ended 30 June 2019: approximately 3.3% to 7.8% per annum) per annum.
- (b) As at 30 September 2020, the Group has unsecured borrowing with carrying amount of approximately HK\$75,000,000 (31 March 2020: HK\$75,000,000) from Double Leads Investments Limited ("Double Leads"), a wholly-owned subsidiary of Wang On Group Limited and unsecured borrowing with carrying amount of approximately HK\$525,000,000 (31 March 2020: HK\$525,000,000) from Winning Rich Investments Limited ("Winning Rich"), a wholly-owned subsidiary of Wai Yuen Tong Medicine Holdings Limited. The unsecured borrowings carry fixed interest rate at 10% per annum.

附註：

- (a) 上述結餘包括浮息銀行借貸約129,328,000港元(二零二零年三月三十一日：約206,706,000港元)，該筆借貸之利息按中國人民銀行提供之借貸利率變動而調整。期內，銀行徵收之平均年利率介乎約3.0%至7.1%(截至二零一九年六月三十日止六個月：每年約3.0%至7.1%)。利息每隔三十日重新定價一次。定息銀行借貸約235,430,000港元(二零二零年三月三十一日：約204,783,000港元)按固定年利率約3.3%至7.4%(截至二零一九年六月三十日止六個月：每年約3.3%至7.8%)計息。
- (b) 於二零二零年九月三十日，本公司已向宏安集團有限公司之全資附屬公司倍利投資有限公司(「倍利」)借取賬面值約為75,000,000港元(二零二零年三月三十一日：75,000,000港元)之無抵押借貸及向位元堂藥業控股有限公司之全資附屬公司凱裕投資有限公司(「凱裕」)借取賬面值約為525,000,000港元(二零二零年三月三十一日：525,000,000港元)之無抵押借貸。無抵押借貸固定年利率為10%。



Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

15. Bank and Other Borrowings (Continued)

- (c) The ranges of effective interest rates (which equal to contracted interest rates) on the Group's borrowings are as follows:

		As at 30 September 2020 於二零二零年 九月三十日 Per annum 每年	As at 31 March 2020 於二零二零年 三月三十一日 Per annum 每年
Effective interest rate:	實際利率：		
Fixed-rate borrowings	定息借貸	3.3% to 10.0% 3.3%至10.0%	3.3% to 10.0% 3.3%至10.0%
Variable-rate borrowings	浮息借貸	3.0% to 7.1% 3.0%至7.1%	3.0% to 7.1% 3.0%至7.1%

- (d) The secured bank borrowings are secured by (i) investment properties; (ii) pledged bank deposit and (iii) stock of properties of the Company with a carrying amount of approximately HK\$1,713,619,000 (31 March 2020: approximately HK\$1,633,382,000).

15. 銀行及其他借貸(續)

- (c) 本集團借貸之實際利率(相等於合約利率)範圍如下：

- (d) 有抵押銀行借貸由本公司賬面值約1,713,619,000港元(二零二零年三月三十一日：約1,633,382,000港元)之(i)投資物業；(ii)已抵押銀行存款；及(iii)物業存貨作擔保。

16. Share Capital

16. 股本

		As at 30 September 2020 於二零二零年九月三十日		As at 31 March 2020 於二零二零年三月三十一日	
		Number of shares 股份數目	Nominal value 面值 HK\$'000 千港元	Number of shares 股份數目	Nominal value 面值 HK\$'000 千港元
Authorised:	法定：				
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股	30,000,000,000	300,000	30,000,000,000	300,000
Ordinary shares, issued and fully paid:	已發行及繳足之普通股：				
At 30 September 2020 (Unaudited) and 31 March 2020 (Audited)	於二零二零年九月三十日(未經審核)及二零二零年三月三十一日(經審核)	9,953,067,822	99,531	9,953,067,822	99,531



Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

17. Fair Value Measurement

The Directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair value.

The fair values of financial assets and financial liabilities are determined as follows:

- i) the fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and
- ii) the fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The carrying amount of other financial assets and liabilities carried at amortised cost, approximate their respective fair values due to the relatively short-term nature of these financial instruments.

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

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable as at 30 September 2020 and 31 March 2020.

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

17. 公平值計量

本公司董事認為，於綜合財務報表按攤銷成本入賬之金融資產及金融負債之賬面值與其公平值相若。

金融資產及金融負債之公平值由以下方式釐定：

- i) 附有標準條款及條件並於活躍並容易套現之市場交易之金融資產及金融負債之公平值參考市場報價釐定；及
- ii) 其他金融資產及金融負債之公平值按照公認定價模型根據折現現金流量分析釐定。

由於該等金融工具之相對短期性質，其他金融資產及負債之賬面值按攤銷成本列賬，約相當於其各自之公平值。

於簡明綜合財務狀況表確認的公平值計量

下表提供於初步確認後按公平值計量之金融工具之分析，並根據於二零二零年九月三十日及二零二零年三月三十一日之公平值之可觀察程度分類為第一至三層。

- 第一層公平值計量是指由活躍市場上相同資產或負債之報價(不作任何調整)得出之公平值計量。
- 第二層公平值計量是指由在第一層內之報價以外之可直接(即價格)或間接(即由價格得出)可觀察之資產或負債相關輸入數據得出之公平值計量。
- 第三層公平值計量是指由包括並非基於可觀察市場數據之資產或負債相關輸入數據(不可觀察輸入數據，即本公司之股價、預期波幅、股息收益率及無風險利率)之估值技術得出之公平值計量。



Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

17. Fair Value Measurement (Continued)

Fair value measurements recognised in the condensed consolidated statement of financial position (Continued)

		Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets	金融資產				
At 30 September 2020 (Unaudited)	於二零二零年九月三十日 (未經審核)				
Financial assets at fair value through profit or loss	按公平值列賬及在損益表處理之金融資產				
- Equity securities listed in Hong Kong	- 於香港上市之股本證券	65	-	-	65
- Derivative financial instruments	- 衍生金融工具	-	-	14	14

		Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 March 2020 (Audited)	於二零二零年三月三十一日 (經審核)				
Financial assets at fair value through profit or loss	按公平值列賬及在損益表處理之金融資產				
- Equity securities listed in Hong Kong	- 於香港上市之股本證券	72	-	-	72
- Derivative financial instruments	- 衍生金融工具	-	-	322	322

There were no transfer between Level 1, 2 and 3 in both years. When a determination is made to classify an asset or liability within Level 3, the determination is base upon the significance of the unobservable inputs to the overall fair value measurement.

17. 公平值計量(續)

於簡明綜合財務狀況表確認的公平值計量(續)

於兩個年度，第一層、第二層及第三層之間並無轉撥。倘決定將資產或負債分類為第三層，該決定乃根據不可觀察輸入數據對整個公平值計量之重要性作出。



Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

17. Fair Value Measurement (Continued)

Fair value measurements recognised in the condensed consolidated statement of financial position (Continued)

Financial assets	Valuation techniques	Unobservable inputs	As at 30 September 2020 於二零二零年九月三十一日 HK\$'000 (Unaudited) (未經審核)	As at 31 March 2020 於二零二零年三月三十一日 HK\$'000 (Audited) (經審核)
金融資產	估值技術	不可觀察輸入數據		
Financial assets at fair value through profit or loss - derivative financial instruments	Binomial model	Discount rate	12.84%	14.73%
按公平值列賬及在損益表處理之 金融資產 - 衍生金融工具	二項式模型	貼現率		

As at 30 September 2020, the discount rate used to compute the fair value is 12.84%. The higher the discount rate, the lower the fair value.

17. 公平值計量(續)

於簡明綜合財務狀況表確認的公平值計量(續)

於二零二零年九月三十日，用於計算公平值之貼現率為12.84%。貼現率越高，公平值越低。

18. Commitments

Capital commitments outstanding at 30 September 2020 not provided for in the Interim Financial Statements were as follows:

		As at 30 September 2020 於二零二零年九月三十日 HK\$'000 (Unaudited) (未經審核)	As at 31 March 2020 於二零二零年三月三十一日 HK\$'000 (Audited) (經審核)
Capital expenditure authorized and contracted for in respect of: - construction cost	已就以下項目授權及訂約之資本開支： - 建築成本	376,844	397,717

18. 承擔

於二零二零年九月三十日，並無於中期財務報表撥備之未履行資本承擔如下：



Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

19. Litigation

(A) Writ issued in the PRC by Ms. Wang Xiu Qun and Wuhan Tian Jiu Industrial and Commercial Development Co., Ltd. against the Company (“PRC Action No.1”)

- On 7 January 2011, the Company received a writ (the “**Writ**”) issued by Ms. Wang Xiu Qun (“**Ms. Wang**”) and Wuhan Tian Jiu Industrial and Commercial Development Co., Ltd. (“**Tian Jiu**”) (as plaintiffs) against the Company (as defendant) and filed with the Higher People’s Court of Hubei Province (the “**Hubei Court**”) of the PRC, together with the related court summons dated 4 January 2011 (the “**Summons**”). The Writ also joined Wuhan Baisazhou Agricultural By-Product Grand Market Company Limited (“**Baisazhou Agricultural**”) as third party to such civil proceeding

Major allegations of Ms. Wang and Tian Jiu as set out in the Writ are as follows:

- it is alleged that Baisazhou Agricultural forged a share transfer agreement (the “**Contended Agreement**”) in relation to the acquisition of Baisazhou Agricultural (the “**Acquisition**”) wherein consideration for the Acquisition was understated and the manner of settlement of the consideration was inaccurately described;
- it is alleged that Baisazhou Agricultural forged the related documentation for filing with the PRC Ministry of Commerce (“**MOFCOM**”) and the Hubei Administration For Industry and Commerce (the “**Hubei AIC**”), and that such documentation and the Contended Agreement involved forged signatures; and
- it is alleged that MOFCOM and the Hubei AIC approved the Acquisition and processed the related filings on the basis of the above documents that are allegedly forged.

19. 訴訟

(A) 王秀群女士及武漢天九工貿發展有限公司於中國向本公司發出之令狀(「中國第一號令狀」)

- 於二零一一年一月七日，本公司收到王秀群女士(「**王女士**」)及武漢天九工貿發展有限公司(「**天九**」)(作為原告)針對本公司(作為被告)向中國湖北省高級人民法院(「**湖北法院**」)提交之令狀(「**令狀**」)，連同日期為二零一一年一月四日之相關法院傳票(「**傳票**」)。令狀亦令武漢白沙洲農副產品大市場有限公司(「**白沙洲農副產品**」)作為第三方牽涉入該等民事法律程序。

王女士及天九於令狀中的主要指稱如下：

- 指控白沙洲農副產品偽造有關收購白沙洲農副產品(「**收購事項**」)之股份轉讓協議(「**爭議協議**」)，此協議內收購事項之代價被低報，且對代價支付方式之描述亦不準確；
- 指控白沙洲農副產品偽造於中國商務部(「**商務部**」)及湖北工商管理(「**湖北工商**」)存檔之相關文件，並指控有關文件及爭議協議涉及偽造簽名；及
- 指控商務部與湖北工商局根據上述偽造文件批准收購事項及處理相關文檔。



Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

19. Litigation (Continued)

(A) Writ issued in the PRC by Ms. Wang Xiu Qun and Wuhan Tian Jiu Industrial and Commercial Development Co., Ltd. against the Company (“PRC Action No.1”) (Continued)

1. (Continued)

At the relevant time of the Acquisition, none of the current Directors or senior management of the Company as at the date of this report were involved in the Acquisition.

According to the Writ, Ms. Wang and Tian Jiu were seeking an order from the court that the Contended Agreement, to which the Company is a party, is void and invalid from the beginning and should therefore be terminated, and claimed against the Company and Baisazhou Agricultural all relevant profits of Baisazhou Agricultural which were attributable to Ms. Wang and Tian Jiu, together with costs of the legal proceedings.

2. On 18 November 2011, the Hubei Court made an interim order that the 8% equity interest held by the Company in Baisazhou Agricultural be subject to a freezing order pending determination of the Writ. The percentage of equity interest held by the Company in Baisazhou Agricultural subject to a freezing order was subsequently reduced from 8% to 1.3%. On 26 May 2015, a decision was issued by the Wuhan Intermediate People’s Court discharging this freezing order. It follows that the freezing order no longer has any effect on the Group.
3. On 18 June 2014, the Company received the judgment (the “**Hubei Court Judgment**”) dated 31 May 2014 from the Hubei Court in relation to PRC Action No. 1. In the Hubei Court Judgment, the Hubei Court dismissed the claims of Ms. Wang and Tian Jiu, and they were ordered to bear the legal costs of the matter.

19. 訴訟(續)

(A) 王秀群女士及武漢天九工貿發展有限公司於中國向本公司發出之令狀(「中國第一號令狀」)(續)

1. (續)

於進行相關收購事項時，本公司於本報告日期的現任董事或高級管理層並無涉足收購事項。

根據令狀，王女士及天九正向法院尋求法令，勒令爭議協議(本公司為訂約方之一)從一開始即失效及無效，且應當終止，並向本公司及白沙洲農副產品索償王女士及天九應佔白沙洲農副產品之所有相關溢利連同法律訴訟費用。

2. 於二零一一年十一月十八日，湖北法院作出臨時命令，本公司所持有白沙洲農副產品的8%股權須凍結，以待確定令狀。本公司於白沙洲農副產品所持有的股權百分比受凍結令所限，其後由8%減至1.3%。於二零一五年五月二十六日，武漢市中級人民法院下達判決解除此凍結令。其後該凍結令不再對本集團有任何效力。
3. 於二零一四年六月十八日，本公司接獲湖北法院於二零一四年五月三十一日作出有關中國第一號令狀的判決(「**湖北法院判決**」)。在湖北法院判決中，湖北法院駁回王女士及天九的索償，且彼等被責令承擔法律訴訟的法律費用。



Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

19. Litigation (Continued)

(A) Writ issued in the PRC by Ms. Wang Xiu Qun and Wuhan Tian Jiu Industrial and Commercial Development Co., Ltd. against the Company (“PRC Action No.1”) (Continued)

4. On 4 July 2014, the Company received the notice of appeal to the Supreme People’s Court of the PRC (the “**Supreme People’s Court**”) from Ms. Wang and Tian Jiu regarding PRC Action No. 1 (the “**Appeal**”). In the Appeal, Ms. Wang and Tian Jiu sought an order from the Supreme People’s Court that the Contended Agreement was void.
5. On 13 January 2015, the Company received the judgment dated 31 December 2014 handed down from the Supreme People’s Court in relation to the Appeal (the “**Beijing Judgment**”). In the Beijing Judgment, the Supreme People’s Court ordered that (a) the Hubei Court Judgment be revoked; (b) the Contended Agreement was void; and (c) acknowledged that the HK\$1,156 million sale and purchase agreement (the “**SPA**”) shall be the actual agreement being performed by the Company, Ms. Wang and Tian Jiu.

As advised by the PRC legal adviser of the Company:

- (a) The Supreme People’s Court only ordered the Contended Agreement void, but it did not make any ruling regarding the Acquisition itself, and/or the approval of the Acquisition issued by MOFCOM in November 2007.
- (b) The Beijing Judgment will not directly lead to any immediate change of ownership of Baisazhou Agricultural. The Company continues to be the legal owner of Baisazhou Agricultural until and unless the revocation of:
 - (i) the approval of the Acquisition from MOFCOM; and
 - (ii) the registration of the transfer of shareholding by the Hubei AIC.

19. 訴訟(續)

(A) 王秀群女士及武漢天九工貿發展有限公司於中國向本公司發出之令狀(「中國第一號令狀」)(續)

4. 於二零一四年七月四日，本公司接獲中國最高人民法院(「**最高人民法院**」)有關王女士及天九就中國第一號令狀的上訴通知(「**上訴**」)。在該上訴中，王女士及天九尋求最高人民法院頒令爭議協議無效。
5. 於二零一五年一月十三日，本公司收到最高人民法院於二零一四年十二月三十一日作出有關上訴的判決(「**北京判決**」)。在北京判決中，最高人民法院頒令：(a)撤銷湖北法院判決；(b)爭議協議無效；及(c)承認1,156,000,000港元之買賣協議(「**買賣協議**」)須為本公司、王女士及天九履行之實際協議。

按本公司中國法律顧問的意見：

- (a) 最高人民法院只判決爭議協議無效，但並無對收購事項本身及／或商務部於二零零七年十一月授出的收購事項之批准作出任何判決。
- (b) 北京判決將不會直接導致白沙洲農副產品擁有權的任何即時變更。本公司將繼續為白沙洲農副產品的合法擁有人，直至及除非撤銷：
 - (i) 商務部對收購事項的批准；及
 - (ii) 湖北工商局處理的股權轉讓登記。



Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

19. Litigation (Continued)

(A) Writ issued in the PRC by Ms. Wang Xiu Qun and Wuhan Tian Jiu Industrial and Commercial Development Co., Ltd. against the Company (“PRC Action No.1”) (Continued)

6. On 23 June 2015, the Company submitted an application to the Supreme People’s Court for a retrial, requesting that the Beijing Judgment be set aside.
7. On 21 July 2015, the Company received the written Notice of Acceptance of the retrial application from the Supreme People’s Court.
8. On 22 December 2015, the Supreme People’s Court dismissed the Company’s petition (the “**December 2015 Judgment**”). The Company received the December 2015 Judgment on 7 January 2016. The December 2015 Judgment is final.
9. The Company is also seeking legal advice as to the possible impacts of the Beijing Judgment on the Group, if any, in view of the development as set out in Paragraph 6 of Section (D) below.

19. 訴訟(續)

(A) 王秀群女士及武漢天九工貿發展有限公司於中國向本公司發出之令狀(「中國第一號令狀」)(續)

6. 於二零一五年六月二十三日，本公司向最高人民法院提出再審申請，要求擱置北京判決。
7. 於二零一五年七月二十一日，本公司接獲最高人民法院之再審申請受理通知書。
8. 於二零一五年十二月二十二日，最高人民法院駁回本公司的申請(「二零一五年十二月判決」)。本公司於二零一六年一月七日收到二零一五年十二月判決。二零一五年十二月判決是最終判決。
9. 鑒於下文(D)部分第6段載列之進展，本公司亦一直在就北京判決對本集團之可能影響(如有)尋求法律意見。



Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

19. Litigation (Continued)

(A) Writ issued in the PRC by Ms. Wang Xiu Qun and Wuhan Tian Jiu Industrial and Commercial Development Co., Ltd. against the Company (“PRC Action No.1”) (Continued)

10. If event 5(b)(i) and/or 5(b)(ii) outlined above do happen, possible impacts on the Group may include, but are not limited to, the following:

- (a) Baisazhou Agricultural ceasing to be a subsidiary of the Company. For the six months ended 30 September 2020, Baisazhou Agricultural contributed approximately the following to the Group: (i) approximately HK\$80 million in revenue; (ii) approximately HK\$43 million in profit attributable to owners of the Company; (iii) approximately HK\$1,901 million in assets; (iv) approximately HK\$813 million in liabilities, and (v) approximately HK\$1,088 million in total equity attributable to owners of the Company;
- (b) the Company cancelling the provision for payment of the two outstanding instruments purportedly described as promissory notes in the respective sale and purchase agreement between the Company and Ms. Wang and Tian Jiu. As at 30 September 2020, the instruments were recorded at book value of approximately HK\$376 million, together with interest payable in the aggregate amount of approximately HK\$654 million; and
- (c) the Company may take all necessary actions to seek (i) the return of the remaining balance of approximately HK\$706 million, being the consideration paid for the Acquisition, and (ii) the investments made by the Company over the years in Baisazhou Agricultural.

However, at this stage it is premature for the Company to provide any definitive view on the possible overall impact on the Group if events 5(b)(i) and/or 5(b)(ii) above occur.

19. 訴訟(續)

(A) 王秀群女士及武漢天九工貿發展有限公司於中國向本公司發出之令狀(「中國第一號令狀」)(續)

10. 倘若上述事項5(b)(i)及／或5(b)(ii)發生，本集團的潛在影響可能包括(但不限於)以下事項：

- (a) 白沙洲農副產品不再為本公司之附屬公司。截至二零二零年九月三十日止六個月，白沙洲農副產品為本集團帶來以下各項金額：(i) 收益約80,000,000港元；(ii) 本公司擁有人應佔溢利約43,000,000港元；(iii) 資產約1,901,000,000港元；(iv) 負債約813,000,000港元；及(v) 本公司擁有人應佔權益總額約1,088,000,000港元；
- (b) 本公司撤回有關本公司與王女士及天九各自訂立買賣協議項下承兌票據所據稱載述兩項尚未償還文據付款的撥備。於二零二零年九月三十日，相關文據的賬面值約為376,000,000港元，連同應付利息合計金額約654,000,000港元；及
- (c) 本公司或會採取一切必要行動尋求(i) 收回餘款約706,000,000港元(即收購事項之已付代價)；及(ii) 本公司於過往年度在白沙洲農副產品作出的投資。

然而，本公司在現階段就發生上述事項5(b)(i)及／或5(b)(ii)情況下對本集團的可能整體影響提出任何明確觀點仍為時尚早。



Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

19. Litigation (Continued)

(B) Writ issued in the PRC by the Company and Baisazhou Agricultural against Ms. Wang, Tian Jiu and others

1. On 28 January 2011, the Company and Baisazhou Agricultural commenced court proceedings at the Hubei Court against, inter alia, Ms. Wang and Tian Jiu for the return of assets and operating profits of Baisazhou Agricultural which were unlawfully misappropriated etc.
2. On 16 October 2014 the Company applied to the Hubei Court to withdraw its claim in the proceedings. The Company's application was granted on 22 October 2014. Baisazhou Agricultural remains as plaintiff of the proceedings.
3. On 12 January 2016, the Hubei Court issued a notice to the parties, informing the parties that the composition of the judges for the proceedings would be changed.
4. On 27 March 2017, the Hubei Court made an order that since the outcome of the legal proceedings against MOFCOM by Ms. Wang and Tian Jiu (see Section (E) below) would affect the trial of these proceedings, these proceedings should be stayed.
5. On 2 July 2020, the Hubei Court issued a notice informing the parties that these proceedings would be resumed on 15 July 2020.
6. On 24 July 2020, Baisazhou Agricultural applied to the Hubei Court to withdraw its claim in the proceedings.
7. On 27 July 2020, the Hubei Court made an order allowing Baisazhou Agricultural to withdraw its claim in the proceedings.
8. The case has now come to an end.

19. 訴訟(續)

(B) 本公司及白沙洲農副產品於中國向王女士、天九及其他發出之令狀

1. 於二零一一年一月二十八日，本公司及白沙洲農副產品已於湖北法院開始法院審理程序，內容有關(其中包括)要求王女士及天九歸還非法佔用的白沙洲農副產品資產及經營溢利。
2. 於二零一四年十月十六日，本公司向湖北法院申請撤銷其訴訟申索。本公司的申請於二零一四年十月二十二日獲受理。白沙洲農副產品仍為訴訟的原告。
3. 於二零一六年一月十二日，湖北法院向各方發出通告，知會訴訟各方訴訟之法官成員將有變更。
4. 於二零一七年三月二十七日，湖北法院作出命令，指由於王女士及天九針對商務部的訴訟結果(見下文(E)節)影響該等審理程序，故該等審理程序應擱置。
5. 於二零二零年七月二日，湖北法院發出通知，知會訴訟各方將於二零二零年七月十五日恢復訟訴。
6. 於二零二零年七月二十四日，白沙洲農副產品向湖北法院申請撤銷其於訴訟之申索。
7. 於二零二零年七月二十七日，湖北法院頒令允許白沙洲農副產品撤回其於訴訟之申索。
8. 該案件現已終結。



Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

19. Litigation (Continued)

(C) Writ issued by the Company against Ms. Wang and Tian Jiu in Hong Kong

1. On or about 24 October 2011, the Company issued a Writ of Summons in the Hong Kong Court of First Instance (the “**Court**”) against Ms. Wang and Tian Jiu. The Company (as purchaser) sought damages from Ms. Wang and Tian Jiu (as vendors) for their breach of various provisions of the SPA for the Acquisition.
2. On 5 October 2012, the Company obtained a court order from the Court to the effect that undertakings (the “**Undertakings**”) were given by Ms. Wang and Tian Jiu not to (i) indorse, assign, transfer or negotiate the two instruments (purportedly described as promissory notes in the SPA) (the “**Instruments**”); and (ii) enforce payment by presentation of the Instruments until the final determination of the court action or further court order. Pursuant to the Undertakings, the Instruments will no longer fall due for payment by the Company on 5 December 2012.
3. On 9 June 2017, upon the parties’ joint application to the Court, the Court varied the Undertakings to the effect that the Undertakings shall stand save that Ms. Wang and Tian Jiu can make a counterclaim under the present action as per the draft attached to the Consent Summons filed by the parties on 2 June 2017.
4. The trial took place in February, March and June 2019 for 23 days. The parties are waiting for the Court to hand down judgment.

19. 訴訟(續)

(C) 本公司於香港對王女士及天九發出之令狀

1. 於二零一一年十月二十四日或前後，本公司於香港原訟法院(「**法院**」)向王女士及天九發出傳票令狀。由於王女士及天九(作為賣方)對收購事項違反買賣協議多項條文，本公司(作為買方)正向彼等尋求損害賠償。
2. 於二零一二年十月五日，本公司接獲法院之法院令狀，令王女士及天九給予之承諾(「**承諾**」)生效，彼等向本公司承諾不會(i)對兩份文據(據稱是買賣協議之承兌票據)(「**文據**」)背書、分配、轉讓或磋商；及(ii)於出具文據時須強制付款，直至法院作出最終判決或進一步發出法院令狀為止。根據承諾，文據將不再到期，而令本公司於二零一二年十二月五日作出支付。
3. 於二零一七年六月九日，訴訟雙方共同向法院提出申請後，法院更改承諾，指承諾須繼續保留，惟王女士及天九可在本訴訟中按照訴訟雙方於二零一七年六月二日提交之同意傳票附帶的草擬稿提出反申索。
4. 審訊於二零一九年二月、三月及六月進行，為期23天。訴訟雙方正等候法院頒佈判決。



Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

19. Litigation (Continued)

(D) Legal proceedings against MOFCOM by Ms. Wang and Tian Jiu

1. On 4 May 2015 and 5 May 2015, Ms. Wang and Tian Jiu had jointly commenced two separate legal proceedings against the MOFCOM alleging that MOFCOM failed to discharge its statutory duties for handling their application submitted in January 2015 for revoking the certificate of approval and letter of approval in relation to the Contended Agreement (the “**Application**”). The cases have been accepted by the Beijing Second Intermediate People’s Court (the “**Beijing Court**”).
2. On 20 May 2015, MOFCOM had filed its defence and each of the Company and Baisazhou Agricultural has then made an application to join the cases as third party.
3. On 25 May 2015, the Beijing Court issued a notice to the Company regarding submission of evidence.
4. On 8 January 2016, the Company received a judgment dated 31 December 2015 issued by the Beijing Court, by which the Court demanded MOFCOM to handle the Application again within 30 days.
5. On 15 February 2016, an inquiry was held by MOFCOM where the relevant parties to the legal proceedings were invited to attend and make submissions.
6. On 23 May 2016, the Company received a decision issued by MOFCOM dated 19 May 2016 (the “**MOFCOM Decision**”) to the effect, inter alia, that its approval issued in November 2007 in relation to the Contended Agreement shall not be revoked and shall remain to be in force.

19. 訴訟(續)

(D) 王女士及天九對商務部提出法律訴訟

1. 於二零一五年五月四日及二零一五年五月五日，王女士及天九已共同對商務部提出兩項獨立的法律訴訟，指稱商務部未能履行其法定職責，處理王女士及天九於二零一五年一月就撤銷有關爭議協議之批准證書及批覆提交之申請(「**申請**」)。案件已獲北京第二中級人民法院(「**北京法院**」)受理。
2. 於二零一五年五月二十日，商務部已提出其抗辯及本公司及白沙洲農副產品各自隨後申請作為第三方加入該等案件。
3. 於二零一五年五月二十五日，北京法院就提交證據向本公司發出通告。
4. 本公司於二零一六年一月八日收到北京法院頒佈之日期為二零一五年十二月三十一日的判決，北京法院要求商務部於30日內重新處理申請。
5. 於二零一六年二月十五日，商務部邀請參與法律訴訟並作出陳詞的相關人士召開聽證會。
6. 於二零一六年五月二十三日，本公司收到由商務部於二零一六年五月十九日作出之決定(「**商務部決定**」)，當中確認(其中包括)其於二零零七年十一月就爭議協議發出之批准將不予撤銷且維持其效力。



Notes to the Condensed Consolidated Financial Statements 簡明綜合財務報表附註

19. Litigation (Continued)

(D) Legal proceedings against MOFCOM by Ms. Wang and Tian Jiu (Continued)

7. According to a writ dated 3 August 2016, Ms. Wang and Tian Jiu requested the Beijing Court to revoke the MOFCOM Decision and to order MOFCOM to make a decision to revoke the approval. According to a notice issued by the Beijing Court together with the writ which was served on the Company, each of the Company and Baisazhou Agricultural has been added as a third party to the proceedings by the Beijing Court. Three hearings have taken place in the Beijing Court so far.
8. On 18 April 2017, the Company received the judgment of the Beijing Court dated 31 March 2017 (the “**31 March Judgment**”) stating that the request made by Ms. Wang and Tian Jiu to revoke the MOFCOM Decision lacked both legal and factual basis and was not supported by the Beijing Court. Accordingly, the Beijing Court dismissed the application of Ms. Wang and Tian Jiu.
9. On 10 May 2017, the Company received a Notice of Appeal dated 8 May 2017. By the Notice of Appeal, Ms. Wang and Tian Jiu appealed against the 31 March Judgment and requested for an order that (a) the 31 March Judgment be set aside and that (b) MOFCOM to make a decision to revoke the approval issued in 2007 in relation to the Contended Agreement.
10. On 24 December 2018, the Company received the judgment of the Beijing High People’s Court dated 20 December 2018 (the “**20 December Judgment**”) dismissing the appeal of Ms. Wang and Tian Jiu and upholding the ruling of the Beijing Court as set out in the 31 March Judgment.

19. 訴訟(續)

(D) 王女士及天九對商務部提出法律訴訟(續)

7. 根據二零一六年八月三日之令狀，王女士及天九要求北京法院撤回商務部決定並要求商務部作出決定撤回批准。根據北京法院發出之通知，連同本公司接獲的令狀，本公司與白沙洲農副產品各自已被北京法院加入作為訴訟的第三方。目前為止，三項聆訊已在北京法院進行。
8. 於二零一七年四月十八日，本公司收到北京法院日期為二零一七年三月三十一日之判決(「**三月三十一日判決**」)，當中指出王女士及天九請求撤銷商務部決定缺乏法律及事實依據，不獲北京法院支持。因此，北京法院駁回王女士及天九之申請。
9. 於二零一七年五月十日，本公司接獲一份日期為二零一七年五月八日的行政上訴狀。依據行政上訴狀，王女士及天九就三月三十一日判決提出上訴，請求頒令(a)撤銷三月三十一日判決，及(b)商務部作出決定以撤回於二零零七年就爭議協議發出之批准。
10. 於二零一八年十二月二十四日，本公司接獲日期為二零一八年十二月二十日的北京高級人民法院之判決(「**十二月二十日判決**」)，駁回王女士及天九之上訴，並維持三月三十一日判決所載的北京法院之判決。



Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

19. Litigation (Continued)

(D) Legal proceedings against MOFCOM by Ms. Wang and Tian Jiu (Continued)

11. On 4 March 2020, the Company noted the judgment of the Supreme Court dated 31 December 2019 (the “**31 December Judgment**”). By the 31 December Judgment, the Supreme Court dismissed the application of Ms. Wang and Tian Jiu for retrial and for dismissal of the 31 March Judgment and the 20 December Judgment. The 31 December Judgment is final.

12. In other words, the approval issued by MOFCOM in November 2007 in relation to the Contended Agreement shall not be revoked and shall remain to be in force.

(E) Writ issued by the Company against Ms. Wang and Tian Jiu in Hubei

1. On 22 May 2015, in view of the Beijing Judgment (as disclosed in Section (A) above), the Company upon being advised by the PRC legal adviser of the Company and out of an abundance of caution, issued a writ against Ms. Wang and Tian Jiu. The Company seeks an order from the Hubei Court that Ms. Wang and Tian Jiu shall assist Baisazhou Agricultural to discharge its contractual duties under the SPA to make the necessary filing with MOFCOM.

2. On 26 May 2015, the writ was accepted by the Hubei Court.

3. On 15 June 2015, Ms. Wang and Tian Jiu brought a jurisdiction objection to the Hubei Court.

4. On 25 August 2015, the Hubei Court dismissed the jurisdiction objection.

5. On 6 September 2015, Ms. Wang and Tian Jiu appealed to the Supreme People’s Court regarding the dismissal of jurisdiction objection.

19. 訴訟(續)

(D) 王女士及天九對商務部提出法律訴訟(續)

11. 於二零二零年三月四日，本公司注意到最高人民法院日期為二零一九年十二月三十一日的判決（「十二月三十一日判決」）。根據十二月三十一日判決，最高人民法院駁回王女士及天九就重審及駁回三月三十一日判決及十二月二十日判決提出的申請。十二月三十一日判決是最終判決。

12. 換言之，商務部於二零零七年十一月發出有關爭議協議的批准將不予撤銷並維持有效。

(E) 本公司於湖北向王女士及天九發出令狀

1. 於二零一五年五月二十二日，鑒於北京判決(如上文(A)節所披露)，本公司按本公司中國法律顧問之意見及出於審慎起見，向王女士及天九發出令狀。本公司尋求湖北法院頒令要求王女士及天九須協助白沙洲農副產品履行買賣協議下其須向商務部報批備案的合約義務。

2. 於二零一五年五月二十六日，湖北法院受理令狀。

3. 於二零一五年六月十五日，王女士及天九對湖北法院提出管轄權異議。

4. 於二零一五年八月二十五日，湖北法院駁回管轄權異議。

5. 於二零一五年九月六日，王女士及天九就駁回管轄權異議向最高人民法院上訴。



Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

19. Litigation (Continued)

(E) Writ issued by the Company against Ms. Wang and Tian Jiu in Hubei (Continued)

6. On 30 October 2015, the Supreme People's Court dismissed the appeal of Ms. Wang and Tian Jiu.
7. On 20 July 2016, the Hubei Court issued a notice to the parties for attendance at the pre-trial review on 11 August 2016.
8. According to the counterclaim filed by Ms. Wang and Tian Jiu dated 6 August 2016, they sought for a declaration from the Hubei Court that the SPA no longer has any force.
9. On 11 August 2016, the Company submitted an application to modify its claims. The modified claims include: (1) to confirm that the SPA has been legally made; (2) to seek an order from the Hubei Court that Ms. Wang and Tian Jiu shall assist the Company and Baisazhou Agricultural to discharge its contractual duties under the SPA to make the necessary filing with MOFCOM; (3) to seek an order from the Hubei Court that if Ms. Wang and Tian Jiu fail to assist as abovementioned then the Company and Baisazhou Agricultural shall have the right to make the necessary filing with MOFCOM on their own; and (4) to seek an order from the Hubei Court that Ms. Wang and Tian Jiu shall bear the costs of the proceedings.
10. On 27 March 2017, the Hubei Court made an order that since the outcome of the legal proceedings against MOFCOM by Ms. Wang and Tian Jiu (see Section (D) above) would affect the trial of these proceedings, these proceedings should be stayed.
11. On 26 April 2017, Ms. Wang and Tian Jiu applied to the Hubei Court for a freezing order in respect of the Company's 70% interest in Baisazhou Agricultural. The Hubei Court refused the application by Ms. Wang and Tian Jiu on that occasion.

19. 訴訟(續)

(E) 本公司於湖北向王女士及天九發出令狀(續)

6. 於二零一五年十月三十日，最高人民法院駁回王女士及天九的上訴。
7. 於二零一六年七月二十日，湖北法院向訴訟各方發出通知出席於二零一六年八月十一日舉行之審訊前覆核。
8. 根據王女士及天九於二零一六年八月六日提出之反申索，彼等尋求湖北法院宣佈買賣協議不再具任何效力。
9. 於二零一六年八月十一日，本公司提交一份申請以修改其索償。已修改索償包括：(1)確認買賣協議已合法簽訂；(2)向湖北法院尋求頒令王女士及天九協助本公司及白沙洲農副產品履行買賣協議下其須向商務部報批備案的合約義務；(3)向湖北法院尋求頒令，倘王女士及天九無法提供上述協助，則本公司及白沙洲農副產品將有權自行向商務部報批備案；及(4)向湖北法院尋求頒令王女士及天九須承擔訴訟的費用。
10. 於二零一七年三月二十七日，湖北法院作出命令，指由於王女士及天九針對商務部的法律訴訟結果(見上文(D)節)將影響該等審理程序，故該等審理程序應押後。
11. 於二零一七年四月二十六日，王女士及天九就本公司於白沙洲農副產品之70%權益向湖北法院申請凍結令。湖北法院當時拒絕王女士及天九的申請。



Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

19. Litigation (Continued)

(E) Writ issued by the Company against Ms. Wang and Tian Jiu in Hubei (Continued)

12. On 10 May 2017, Ms. Wang and Tian Jiu applied to the Hubei Court again for a freezing order in respect of the Company's 70% interest in Baisazhou Agricultural. According to the order of the Hubei Court dated 26 May 2017 (the "**26 May Order**"), the Hubei Court granted the freezing order as against the Company's 70% interest in Baisazhou Agricultural.
13. On 26 May 2017, Ms. Wang and Tian Jiu applied to add a counterclaim for return of the Company's 90% interest in Baisazhou Agricultural (70% for Ms. Wang and 20% for Tian Jiu).
14. On 5 June 2017, the Company applied to the Hubei Court for review of the 26 May Order. According to the order of the Hubei Court dated 12 June 2017, the application by the Company was dismissed.
15. On 10 April 2019, in light of the outcome of the legal proceedings against MOFCOM by Ms. Wang and Tian Jiu (see section (D) above), the Company applied to the Hubei Court for withdrawal of the Company's claim. The application of the Company was granted on 11 April 2019.
16. According to the order of the Hubei Court dated 23 December 2019 (the "**23 December Judgment**"), the counterclaim made by Ms. Wang and Tianjiu was dismissed by the Hubei Court.
17. Pursuant to a notice of appeal dated 19 January 2020, Ms. Wang and Tian Jiu appealed against the 23 December Judgment and requested from the Supreme People's Court for an order that (a) the 23 December Judgment be set aside, (b) the SPA no longer have any force, and (c) the Company's 90% interest in Baisazhou Agricultural be returned (70% for Ms. Wang and 20% for Tian Jiu).
18. As at the date of this report, the case is still ongoing.

19. 訴訟(續)

(E) 本公司於湖北向王女士及天九發出令狀(續)

12. 於二零一七年五月十日，王女士及天九再次就本公司於白沙洲農副產品之70%權益向湖北法院申請凍結令。根據湖北法院於二零一七年五月二十六日的命令(「**五月二十六日命令**」)，湖北法院批准凍結令，凍結本公司於白沙洲農副產品之70%權益。
13. 於二零一七年五月二十六日，王女士及天九申請增加反申索，要求取回本公司於白沙洲農副產品之90%權益(王女士70%、天九20%)。
14. 於二零一七年六月五日，本公司向湖北法院申請複審五月二十六日命令。根據二零一七年六月十二日湖北法院的命令，本公司之申請被駁回。
15. 於二零一九年四月十日，鑒於王女士及天九針對商務部的法律訴訟結果(見上文(D)節)，本公司向湖北法院申請撤回本公司的申索。本公司的申請於二零一九年四月十一日獲得批准。
16. 根據湖北法院日期為二零一九年十二月二十三日的命令(「**十二月二十三日判決**」)，王女士及天九提出的反申索已被湖北法院駁回。
17. 根據日期為二零二零年一月十九日之上訴通知，王女士及天九就十二月二十三日判決提出上訴，請求最高人民法院頒令(a)撤銷十二月二十三日判決，(b)買賣協議不再具有任何效力，及(c)退還本公司於白沙洲農副產品的90%權益(王女士佔70%及天九佔20%)。
18. 於本報告日期，訴訟仍在進行。



Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

19. Litigation (Continued)

(F) Writ issued in the PRC by Jiangsu Shenglong Zhengtai Trade and Commercial Development Co., Ltd against Huai'an Mingyuan Agricultural Development Company Ltd and Mr. Wang Yong Gang

- On 4 November 2018, Jiangsu Shenglong Zhengtai Trade and Commercial Development Co., Ltd (“**Jiangsu Shenglong**”) issued a writ against Huai'an Mingyuan Agricultural Development Company Ltd (“**Huai'an Mingyuan**”) and Mr. Wang Yong Gang (“**Mr Wang**”), seeking an order from the Nanjing Xuanwu District People's Court, inter alia, that (1) the Business Cooperation Agreement and Supplemental Business Cooperation Agreement signed by the parties shall be terminated; (2) Huai'an Mingyuan shall pay Jiangsu Shenglong RMB30,000,000 as compensation for breach of the Business Cooperation Agreement; (3) Huai'an Mingyuan shall pay Jiangsu Shenglong RMB2,029,250 and RMB5,795,000 as compensation for breaches of the Supplemental Business Cooperation Agreement; (4) Mr. Wang shall be held responsible for Huai'an Mingyuan's aforementioned compensations to Jiangsu Shenglong; and (5) the defendants shall be jointly liable for the costs of the proceedings and Huai'an Mingyuan shall be liable for the legal fees of Jiangsu Shenglong.
- On 16 December 2018, Huai'an Mingyuan issued counterclaim against Jiangsu Shenglong, seeking an order from Nanjing Xuanwu District People's Court, inter alia, that (1) the Termination of Cooperation Notice issued by Jiangsu Shenglong dated 17 September 2018 does not have any force against Huai'an Mingyuan; and (2) Jiangsu Shenglong shall be liable for the legal fees of Huai'an Mingyuan.
- As at the date of this report, the case is still ongoing.

Save as disclosed above, as at 30 September 2020, so far as the Directors were aware, (i) the Group was not engaged in any litigation or claims of material importance, and (ii) no litigation or claims of material importance is pending or threatened against the Group.

19. 訴訟(續)

(F) 江蘇盛隆正泰商貿發展有限公司於中國向淮南市明遠農業發展有限公司及王永鋼先生發出之令狀

- 於二零一八年十一月四日，江蘇盛隆正泰商貿發展有限公司（「**江蘇盛隆**」）向淮南市明遠農業發展有限公司（「**淮安明遠**」）及王永鋼先生（「**王先生**」）發出令狀，尋求南京玄武區人民法院頒令，（其中包括）(1)各方簽訂之業務合作協議及補充業務合作協議應予終止；(2)淮安明遠須向江蘇盛隆支付人民幣30,000,000元，作為違反業務合作協議之賠償；(3)淮安明遠須向江蘇盛隆支付人民幣2,029,250元及人民幣5,795,000元作為違反補充業務合作協議之賠償；(4)王先生應對淮安明遠上述對江蘇盛隆之賠償負責；及(5)被告人須共同負責承擔訴訟費用及淮安明遠須負責承擔江蘇盛隆的律師費。
- 於二零一八年十二月十六日，淮安明遠向江蘇盛隆發出民事反訴狀，尋求南京玄武區人民法院頒令，其中包括(1)江蘇盛隆所發出的日期為二零一八年九月十七日的終止合作經營通知對淮安明遠不產生效力；及(2)江蘇盛隆須負責承擔淮安明遠的律師費。
- 於本報告日期，訴訟仍在進行。

除上文披露者外，於二零二零年九月三十日，就董事所知，(i)本集團並無涉及任何重大訴訟或索償，以及(ii)本集團並無尚未了結或面臨的重大訴訟或索償或遭到威脅。



Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

20. Material Related Party Transactions

Save as disclosed elsewhere in the Interim Financial Statements, the Group entered into the following material related party transaction:

(a) Transactions with key management personnel

Remuneration key management personnel of the Group including amount paid to the Company's directors and highest paid employee.

20. 重大關連人士交易

除中期財務報表另有披露者外，本集團已訂立以下重大關連人士交易：

(a) 與主要管理人員的交易

本集團主要管理人員之酬金包括支付予本公司董事及最高薪酬僱員之金額。

For the six months ended

截至以下日期止六個月

		30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)
Short-term employee benefits	短期僱員福利	4,162	6,652
Post-employment benefits	離職後福利	71	53
		4,233	6,705



Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註

20. Material Related Party Transactions (Continued)

20. 重大關連人士交易 (續)

(b) Material related party transaction

(b) 重大關連人士交易

		For the six months ended 截至以下日期止六個月	
		30 September 2020 二零二零年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)
Easy One Financial Group Limited and its subsidiaries	易易壹金融集團有限公司及其附屬公司		
- Interest on convertible bonds	- 可換股債券利息	5,980	5,618
Wai Yuen Tong Medicine Holdings Limited and its subsidiaries	位元堂藥業控股有限公司及其附屬公司		
- Interest on other borrowings	- 其他借款利息	26,322	-
- Interest on bonds	- 債券利息	-	37,455
- Purchase of goods	- 購買貨品	803	2,948
Wang On Group Limited and its subsidiaries	宏安集團有限公司及其附屬公司		
- Management fee	- 管理費	480	480
- Interest on other borrowings	- 其他借款利息	3,760	-
- Interest on bonds	- 債券利息	-	5,365

21. Approval of Interim Financial Statements

21. 中期財務報表之批准

The Interim Financial Statements were approved and authorised to issue by the Board on 24 November 2020.

中期財務報表於二零二零年十一月二十四日獲董事會批准及授權刊發。





中國農產品交易

CHINA AGRI-PRODUCTS EXCHANGE

Suite 3202, 32/F., Skyline Tower,
39 Wang Kwong Road, Kowloon Bay,
Kowloon, Hong Kong

香港九龍
九龍灣宏光道39號
宏天廣場32樓3202室

