



A.Plus Group Holdings Limited 優越集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)
Stock Code 股份代號: 1841

Interim Report
2019/20 中期報告

Contents

2	CORPORATE INFORMATION
3	MANAGEMENT DISCUSSION AND ANALYSIS
7	OTHER INFORMATION
12	UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
13	UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
14	UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
15	UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
16	NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Lam Kim Wan (*Chairman*)

Mr. Fong Wing Kong

(*Chief Executive Officer*)

Independent Non-executive Directors

Mr. Yue Ming Wai Bonaventure

Ms. Sze Tak On

Mr. Leung Siu Hong

AUTHORISED REPRESENTATIVES

Mr. Lam Kim Wan

Mr. Fong Wing Kong

COMPANY SECRETARY

Mr. Wun Chun Wai (*CPA*)

COMPLIANCE OFFICER

Mr. Fong Wing Kong (*CPA*)

BOARD COMMITTEES

Audit Committee

Mr. Yue Ming Wai Bonaventure

(*Chairman*)

Ms. Sze Tak On

Mr. Leung Siu Hong

Remuneration Committee

Mr. Leung Siu Hong (*Chairman*)

Mr. Yue Ming Wai Bonaventure

Ms. Sze Tak On

Mr. Lam Kim Wan

Nomination Committee

Mr. Lam Kim Wan (*Chairman*)

Mr. Yue Ming Wai Bonaventure

Ms. Sze Tak On

Mr. Leung Siu Hong

AUDITORS

SHINEWING (HK) CPA Limited

43/F, Lee Garden One

33 Hysan Avenue

Causeway Bay

Hong Kong

LEGAL ADVISER

Howse Williams

27/F Alexandra House

18 Chater Road

Central

Hong Kong

REGISTERED OFFICE

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

2/F, 35-45B Bonham Strand

Sheung Wan

Hong Kong

COMPANY'S WEBSITE

www.aplusgp.com

STOCK CODE

1841

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

Level 54, Hopewell Centre

183 Queen's Road East

Hong Kong

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking

Corporation Limited

Industrial and Commercial Bank of China

(Asia) Limited

Management Discussion and Analysis

On behalf of the board (the “Board”) of Directors (the “Directors”) of A.Plus Group Holdings Limited (the “Company”), I present the unaudited interim results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 September 2019 to the shareholders of the Company.

BUSINESS REVIEW

During the six months ended 30 September 2019, the Group’s revenue decreased by approximately 8.9% as compared to the corresponding period in 2018. This decrease was mainly due to the drop in revenue generated from (i) company announcements and shareholder circulars segment of approximately HK\$8.6 million from approximately HK\$27.2 million for the six months ended 30 September 2018 to approximately HK\$18.6 million for the six months ended 30 September 2019, which was hit by the on-going Sino-US trade war and the recent social movement in Hong Kong; and (ii) others segment of approximately HK\$1.5 million from approximately HK\$3.8 million for the six months ended 30 September 2018 to approximately HK\$2.3 million for the six months ended 30 September 2019. Such decrease was partly offset by the increase in revenue generated from debt offering circulars and initial public offering prospectuses segment of approximately HK\$1.4 million from approximately HK\$15.1 million for the six months ended 30 September 2018 to approximately HK\$16.5 million for the six months ended 30 September 2019.

FUTURE PROSPECTS

Looking ahead, the ongoing Sino-US trade war continues to impose uncertainties in the global economy. Meanwhile, the recent social movement in Hong Kong have a negative impact on the territorial financial markets. Notwithstanding volatility in the financial markets, the Group will continue to leveraging on its competitive advantages to further expand our customer base and penetrate the market with a view to maintaining our business momentum and maximising the returns to our shareholders.

DIVIDENDS

The Board recommended the distribution of an interim dividend of HK2.5 cents per share for the six months ended 30 September 2019 (six months ended 30 September 2018: Nil).

FINANCIAL REVIEW

Revenue

The Group’s revenue decreased from approximately HK\$88.3 million for the six months ended 30 September 2018 to approximately HK\$80.4 million for the six months ended 30 September 2019, representing a decrease of approximately 8.9%. Segmentally, revenue generated from company announcements and shareholders circular segment and others segment decreased by approximately HK\$8.6 million and approximately HK\$1.5 million respectively, which was partly offset by the increase in revenue generated from debt offering circulars and initial public offering prospectuses segment by approximately HK\$1.4 million.

Management Discussion and Analysis

Cost of services

The Group's cost of services mainly included staff cost, printing cost and translation cost, which represented approximately 37.9%, 36.0% and 20.5% of the Group's total cost of services for the six months ended 30 September 2019 respectively. The Group's cost of services decreased from approximately HK\$37.9 million for the six months ended 30 September 2018 to approximately HK\$34.9 million for the six months ended 30 September 2019, representing a decrease of approximately 7.9%. The decrease in cost of services was generally in line with the decrease in the Group's revenue during the period.

Gross profit

The Group's gross profit decreased from approximately HK\$50.4 million for the six months ended 30 September 2018 to approximately HK\$45.5 million for the six months ended 30 September 2019, representing a decrease of approximately 9.7%. The decrease was mainly attributable to the decrease in revenue generated from company announcements and shareholder circulars segment and others segment, which was partly offset by the increase in revenue generated from debt offering circulars and initial public offering prospectuses segment.

Other income

The Group's other income was approximately HK\$0.6 million and approximately HK\$1.1 million for the six months ended 30 September 2018 and 2019 respectively, which remained relatively stable.

Selling and distribution expenses

The Group's selling and distribution expenses increased from approximately HK\$6.9 million for the six months ended 30 September 2018 to approximately HK\$7.8 million for the six months ended 30 September 2019. The increase was mainly attributable to the increase in staff cost in relation to sales and marketing staff.

Administrative expenses

The Group's administrative expenses decreased from approximately HK\$16.9 million for the six months ended 30 September 2018 to approximately HK\$16.0 million for the six months ended 30 September 2019. The decreases was mainly attributable to the absence of legal and professional fee and other costs of approximately HK\$2.9 million for the six months ended 30 September 2019 in relation to the proposed transfer of listing from GEM to Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), which was partly offset by the increase in impairment loss of trade receivables of approximately HK\$1.4 million from approximately HK\$0.4 million for the six months ended 30 September 2018 to approximately HK\$1.8 million for the six months ended 30 September 2019.

Income tax expenses

The Group's income tax expenses for the six months ended 30 September 2018 and the six months ended 30 September 2019 are approximately HK\$4.3 million and approximately HK\$3.6 million respectively. The decrease was mainly attributable to the decrease in profit before tax.

Profit for the period

Profit after tax of the Group decreased by approximately 16.0% or approximately HK\$3.6 million from approximately HK\$22.8 million for the six months ended 30 September 2018 to approximately HK\$19.2 million for the six months ended 30 September 2019. The decrease was mainly attributable to the decrease in revenue for the six months ended 30 September 2019.

GEARING RATIO

As at 30 September 2019, the gearing ratio of the Group was 2.9% due to the increase in lease liabilities after the initial application of Hong Kong Financial Reporting Standard 16 on 1 April 2019 (as at 31 March 2019: not applicable).

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31 March 2019 and 30 September 2019, the Group had net current assets of approximately HK\$139.3 million and HK\$120.5 million respectively. As at 31 March 2019 and 30 September 2019, the Group had cash and cash equivalents of approximately HK\$116.8 million and HK\$110.1 million respectively. As at 31 March 2019 and 30 September 2019, the Group did not have any borrowings, bank overdrafts, bank loans and banking facilities. The Group intends to finance its future operations, capital expenditure and other capital requirements with the cash generated from business operations and cash and bank balances available.

EMPLOYEES AND REMUNERATION POLICY

As at 30 September 2019, the Group employed 98 full time employees (as at 30 September 2018: 98) for its activities. Employees' costs (including Directors' emoluments) amounted to approximately HK\$25.6 million for the reporting period (six months ended 30 September 2018: HK\$22.4 million). The Group recognises the importance of retaining talented and professional employees for operations and business, and it continues to provide remuneration packages to employees with reference to the performance of the Group, the performance of individual employees and prevailing market rates.

CAPITAL COMMITMENTS AND FINANCING NEEDS

As at 30 September 2019, the Group had no new implementation plans or financing plans.

SIGNIFICANT INVESTMENTS/MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not make any significant investments or material acquisition and disposal during the six months ended 30 September 2019.

CHARGES ON THE GROUP'S ASSETS

As at 30 September 2019 and 2018, there were no charges on the Group's assets.

Management Discussion and Analysis

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

There was no specific plan for material investments or capital assets as at 30 September 2019.

CONTINGENT LIABILITIES

As at 30 September 2018 and 2019, the Group did not have any significant contingent liabilities.

DIVIDENDS

The Board recommended the distribution of an interim dividend of HK2.5 cents per share for the six months ended 30 September 2019 (six months ended 30 September 2018: Nil) to shareholders of the Company whose names appear on the register of members of the Company on Friday, 20 December 2019, amounting to HK\$10,000,000. The above-mentioned interim dividend is expected to be paid on or before Friday, 17 January 2020.

CLOSURE OF REGISTER OF MEMBERS FOR ENTITLEMENT TO THE PROPOSED INTERIM DIVIDEND

The register of members of the Company will be closed from Tuesday, 17 December 2019 to Friday, 20 December 2019, both days inclusive, for the purposes of determining the entitlements of the shareholders of the Company to the proposed interim dividend. No transfer of shares of the Company will be registered during this period. In order to qualify for the proposed interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Monday, 16 December 2019 for registration.

FOREIGN CURRENCY EXPOSURE

Since the Group's business activities are solely operated in Hong Kong and mainly denominated in Hong Kong dollars, the Directors consider that the Group's risk in foreign exchange is insignificant.

EVENTS AFTER THE BALANCE SHEET DATE

The Group had no significant events after the end of the reporting period of this report.

APPRECIATION

We would like to take this opportunity to express our sincere gratitude to our customers, business partners and shareholders for their continuous support for and trust in the Group. We also wish to express our heartfelt appreciation to all of our staff for their dedication and hard work throughout the period.

Lam Kim Wan

Chairman

Hong Kong, 22 November 2019

Other Information

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 September 2019, the interests or short positions of the Directors or chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)) (the "SFO") which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions in which they are taken or deemed to have under such provisions), or which are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which are required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules, are as follows:

Long position in the shares of the Company

NAME OF DIRECTORS	LONG/SHORT POSITION	CAPACITY	NUMBER OF SHARES HELD	APPROXIMATE PERCENTAGE OF ISSUED SHARE CAPITAL
Mr. Lam Kim Wan	Long position	Interest in a controlled corporation	233,160,000 (Note)	58.3%
Mr. Fong Wing Kong	Long position	Interest in a controlled corporation	233,160,000 (Note)	58.3%
Mr. Yue Ming Wai	Long position	Beneficial interest	580,000	0.1%
	Bonaventure			

Note: These shares are registered in the name of Brilliant Ray Global Limited, the entire issued share capital of which is legally and beneficially owned as to 50.0% by Mr. Lam Kim Wan ("Mr. Lam") and as to 50.0% by Mr. Fong Wing Kong ("Mr. Fong"). Under the SFO, each of Mr. Lam and Mr. Fong is deemed to be interested in 233,160,000 shares in the Company held by Brilliant Ray Global Limited.

Interests in the shares of Brilliant Ray Global Limited (being a holding company of the Company and therefore an associated corporation)

NAME OF DIRECTORS	LONG/SHORT POSITION	CAPACITY	NUMBER OF SHARES HELD	PERCENTAGE OF ISSUED SHARE CAPITAL
Mr. Lam Kim Wan	Long position	Beneficial interest	200	50.0%
Mr. Fong Wing Kong	Long position	Beneficial interest	200	50.0%

As at 30 September 2019, none of the Directors or chief executive of the Company had any interests in the underlying shares in respect of physically settled, cash settled or other equity derivatives of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

Save as disclosed above, as at 30 September 2019, none of the Directors or chief executive of the Company had any interest or short positions in the shares or underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) that was required to be recorded in the register 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.

Other Information

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 September 2019, the following persons/entities (other than the Directors and chief executive of the Company) had an interest or a short position in the shares or the underlying shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under section 336 of the SFO, or who were directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other members of the Group:

Long position in the shares of the Company

NAME	LONG/SHORT POSITION	CAPACITY	NUMBER OF SHARES HELD	APPROXIMATE PERCENTAGE OF ISSUED SHARE CAPITAL
Brilliant Ray Global Limited	Long position	Beneficial owner	233,160,000 (Note 1)	58.3%
Majestic Praise Enterprises Limited	Long position	Beneficial owner	24,000,000 (Note 2)	6.0%
Mr. Lim Boon Yew	Long position	Interest in a controlled corporation	24,000,000 (Note 2)	6.0%
Long Set Investments Limited	Long position	Beneficial owner	20,770,000 (Note 3)	5.2%
SHK Hong Kong Industries Limited	Long position	Interest in a controlled corporation	20,770,000 (Note 3)	5.2%
Allied Group Limited	Long position	Interest in a controlled corporation	20,770,000 (Note 3)	5.2%
Mr. Lee Seng Huang	Long position	Interest in a controlled corporation	20,770,000 (Note 3)	5.2%
Mr. Lee Seng Hui	Long position	Interest in a controlled corporation	20,770,000 (Note 3)	5.2%
Ms. Lee Su Hwei	Long position	Interest in a controlled corporation	20,770,000 (Note 3)	5.2%

Notes:

- Brilliant Ray Global Limited is owned as to 50.0% by Mr. Lam and 50.0% by Mr. Fong. Under the SFO, each of Mr. Lam and Mr. Fong is deemed to be interested in all the 233,160,000 shares in the Company held by Brilliant Ray Global Limited.
- Majestic Praise Enterprises Limited is wholly-owned by Mr. Lim Boon Yew. Under the SFO, Mr. Lim Boon Yew is deemed to be interested in all the 24,000,000 shares in the Company held by Majestic Praise Enterprises Limited.
- According to the Disclosure of Interest filed at the Stock Exchange's website, Long Set Investments Limited is wholly-owned by SHK Hong Kong Industries Limited, which in turn is owned as to 74.97% by Bright Clear Limited. Bright Clear Limited is wholly-owned by Allied Holding Investments Limited, which in turn is wholly-owned by Allied Group Limited. According to the interim report of Allied Group Limited for the six months ended 30 June 2019, the ultimate controlling shareholder of Allied Group Limited (which owned as to 74.95%) is the trustees of Lee and Lee Trust, being Lee Seng Hui, Lee Su Hwei and Lee Seng Huang. Under the SFO, each of SHK Hong Kong Industries Limited, Allied Group Limited, Lee Seng Hui, Lee Su Hwei and Lee Seng Huang is deemed to be interested in all the 20,770,000 shares in the Company held by Long Set Investments Limited.

Save as disclosed above, as at 30 September 2019, none of the substantial shareholders of the Company or other persons, other than the Directors and chief executive of the Company whose interests are set out in the section "Directors' and chief executive's interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations" above, had any interest or a short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

SHARE OPTION SCHEME

The Company has conditionally adopted a share option scheme (the "Scheme") on 23 March 2016 which became unconditional upon the listing of the Company on 19 April 2016 ("Listing Date"). Under the terms of the Scheme, the Board may, at its discretion, grant options to eligible participants to subscribe for shares in the Company.

No share options were granted during the six months ended 30 September 2019, and there was no share option outstanding as at 30 September 2019. As at 30 September 2019, the Company had 40,000,000 shares available for issue under the Scheme, representing 10% of the existing issued share capital of the Company as at the date of this report.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 September 2019.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association of the Company and there is no restriction against such rights under the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro-rata basis to its existing shareholders.

CORPORATE GOVERNANCE

The Company has adopted the code provisions as set out in the Corporate Governance Code (the "CG Code") as contained in Appendix 14 to the Listing Rules as its own code of corporate governance. During the six months ended 30 September 2019, the Company has complied with the code provisions as set out in the CG Code.

Other Information

DIRECTORS AND CONTROLLING SHAREHOLDERS' INTEREST IN COMPETING BUSINESS

None of the Directors and controlling shareholders of the Company or their respective close associates (as defined in the Listing Rules) has any interest in a business that competes or may compete with the business of the Group during the six months ended 30 September 2019.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code") as its own code of conduct governing the securities transactions by the Directors. Having made specific enquiry, all Directors confirmed that they have complied with the required standard set out in the Model Code during the six months ended 30 September 2019.

The Company has adopted the same standard of dealings in securities for its employees and for directors or employees of its subsidiaries who are likely to be in possession of unpublished inside information of the Company or its securities.

UPDATES OF DIRECTORS' INFORMATION

The following is the updated information of Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules:

CHANGE IN OTHER DIRECTORSHIP IN PUBLIC COMPANIES, THE SECURITIES OF WHICH ARE LISTED ON THE STOCK EXCHANGE OR ANY SECURITIES MARKET OVERSEAS

NAME OF DIRECTOR	DETAILS OF CHANGES
Mr. Leung Siu Hong	Appointed as an independent non-executive director of Hong Kong Johnson Holdings Co., Ltd. (Stock code: 1955), a company listed on the Stock Exchange on 16 October 2019 since 3 September 2019.

DEED OF NON-COMPETITION

On 23 March 2016, Brilliant Ray Global Limited, Mr. Lam and Mr. Fong (being controlling shareholders of the Company), entered into a deed of non-competition (“Deed of Non-Competition”) in favour of the Company (for itself and as trustee for each of the subsidiaries), pursuant to which each of Brilliant Ray Global Limited, Mr. Lam and Mr. Fong, jointly and severally, warrants and undertakes with the Company that, from the Listing Date, he/it shall not, and shall procure his/its close associates and any company directly or indirectly controlled by him/it (other than the Group) not to directly or indirectly, whether for profit or not, carry on, participate in, hold, engage in, acquire or operate, or provide any form of assistance to any person, firm or company (except members of the Group) to conduct any business which, directly or indirectly, competes or may compete with the business presently carried on by the Company or any of its subsidiaries or any other business that may be carried on by any of them from time to time during the term of the Deed of Non-Competition, in Hong Kong or such other places as the Company or any of its subsidiaries may conduct or carry on business from time to time, including but not limited to provision of financial printing services and translation services to companies listed on the Stock Exchange and other stock exchanges, financial institutions or intermediaries. For details of the Deed of Non-Competition, please refer to the section headed “Relationship with Controlling Shareholders” in the prospectus of the Company dated 31 March 2016.

Brilliant Ray Global Limited, Mr. Lam and Mr. Fong have all confirmed to the Company of its/his compliance with the Deed of Non-Competition during the six months ended 30 September 2019. The independent non-executive Directors have reviewed the status of compliance and confirmed that all the undertakings under the Deed of Non-Competition have been complied by each of Brilliant Ray Global Limited, Mr. Lam and Mr. Fong and duly enforced during the six months ended 30 September 2019 to the date of this report.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this report, there is a sufficient public float of at least 25% of the Company’s issued shares as required under the Listing Rules throughout the six months ended 30 September 2019.

AUDIT COMMITTEE

The audit committee of the Company (“Audit Committee”) was established on 23 March 2016 with the written terms of reference in compliance with the Listing Rules and the CG Code. The Audit Committee comprises three independent non-executive Directors. The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2019.

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019

	NOTES	SIX MONTHS ENDED 30 SEPTEMBER	
		2019 HK\$'000 (UNAUDITED)	2018 HK\$'000 (UNAUDITED)
Revenue	4	80,374	88,266
Cost of services		(34,912)	(37,896)
Gross profit		45,462	50,370
Other income	6	1,069	613
Selling and distribution expenses		(7,754)	(6,899)
Administrative expenses		(15,898)	(16,926)
Finance costs	7	(107)	-
Profit before tax		22,772	27,158
Income tax expense	8	(3,592)	(4,316)
Profit and total comprehensive income attributable to the owners of the Company	9	19,180	22,842
Earnings per share (HK cents)			
- Basic and diluted	11	4.80	5.71

Unaudited Condensed Consolidated Statement of Financial Position

AS AT 30 SEPTEMBER 2019

	NOTES	AT 30 SEPTEMBER 2019 HK\$'000 (UNAUDITED)	AT 31 MARCH 2019 HK\$'000 (AUDITED)
Non-current assets			
Plant and equipment	12	3,662	5,619
Goodwill		11,423	11,423
Rental deposits		1,204	1,204
Right-of-use assets	13	3,818	-
		20,107	18,246
Current assets			
Contract assets		2,642	20,012
Trade and other receivables	14	38,344	31,174
Income tax recoverable		804	1,255
Bank balances		110,057	116,806
		151,847	169,247
Current liabilities			
Trade and other payables	15	22,704	27,303
Contract liabilities		6,411	1,776
Lease liabilities	13	34	-
Income tax payables		2,222	895
		31,371	29,974
Net current assets		120,476	139,273
		140,583	157,519
Non-current liability			
Deferred tax liabilities		87	87
Lease liabilities	13	3,884	-
		3,971	87
Net assets		136,612	157,432
Capital and reserves			
Share capital	16	4,000	4,000
Reserves		132,612	153,432
		136,612	157,432

Unaudited Condensed Consolidated Statement of Changes in Equity

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019

	ATTRIBUTABLE TO OWNERS OF THE COMPANY				TOTAL HK\$'000
	SHARE CAPITAL HK\$'000	SHARE PREMIUM HK\$'000	OTHER RESERVE HK\$'000 (NOTE (i))	RETAINED PROFITS HK\$'000	
At 1 April 2019 (audited)	4,000	35,954	(1)	117,479	157,432
Profit and total comprehensive income for the period	-	-	-	19,180	19,180
Dividend declared and paid for the year ended 31 March 2019 (note 10)	-	-	-	(40,000)	(40,000)
At 30 September 2019 (unaudited)	4,000	35,954	(1)	96,659	136,612
At 1 April 2018 (audited)	4,000	35,954	(1)	99,745	139,698
Profit and total comprehensive income for the period	-	-	-	22,842	22,842
Dividend declared and paid for the year ended 31 March 2018 (note 10)	-	-	-	(10,000)	(10,000)
At 30 September 2018 (unaudited)	4,000	35,954	(1)	112,587	152,540

Note:

- (i) Other reserve represented the difference between the nominal value of the issued share capital of the Company and share capital of A.Plus Financial Press Limited ("APF") upon the group reorganisation on 23 March 2016.

Unaudited Condensed Consolidated Statement of Cash Flows

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019

	2019 HK\$'000 (UNAUDITED)	2018 HK\$'000 (UNAUDITED)
NET CASH FROM OPERATING ACTIVITIES	32,916	31,410
NET CASH FROM (USED) IN INVESTING ACTIVITIES	442	(128)
NET CASH USED IN FINANCING ACTIVITIES	(40,107)	(10,000)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(6,749)	21,282
CASH AND CASH EQUIVALENTS AT 1 APRIL	116,806	100,728
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER, represented by bank balances	110,057	122,010

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019

1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Law, Chapter 22 (Law 3 of 1961, as combined and revised) of the Cayman Islands as an exempted company with limited liability on 20 April 2015. Its parent and ultimate holding company is Brilliant Ray Global Limited (incorporated in the British Virgin Islands). The address of the registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands, and the address of principal place of business of the Company is located at 2/F, 35-45B Bonham Strand, Sheung Wan, Hong Kong.

The Company is an investment holding company. Its major operating subsidiaries are engaged in the provision of financial printing services.

The unaudited condensed consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the same as the functional currency of the Group.

These condensed consolidated interim financial statements have not been audited.

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared on the historical cost basis.

The condensed consolidated financial statements for the six months ended 30 September 2019 have been prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRSs") which is a collective term that includes all applicable individual HKFRSs, Hong Kong Accounting Standards ("HKAS") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), and accounting principles generally accepted in Hong Kong. In addition, the unaudited condensed consolidated financial statements also comply with the applicable disclosure provisions of the Listing Rules and the Hong Kong Companies Ordinance.

The accounting policies used in the condensed consolidated interim financial statements are consistent with those adopted in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2019.

The condensed consolidated financial statements have not been audited by the Company's independent auditors, but have been reviewed by the Audit Committee.

3. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued the following new and amendments to HKFRSs that are first effective for the current accounting period of the Group and the Company.

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

Except for the new and amendments to HKFRSs mentioned below, the Directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

HKFRS 16 Leases

Impacts and changes in accounting policies of application on HKFRS 16 Leases

The Group has applied HKFRS 16 for the first time in the current interim period. HKFRS 16 superseded HKAS 17 "Leases" ("HKAS 17"), and the related interpretations.

(a) Key changes in accounting policies resulting from application of HKFRS 16

The Group applied the following accounting policies in accordance with the transition provisions of HKFRS 16.

Definition of a lease

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

For contracts entered into or modified on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception or modification date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019

3. CHANGES IN ACCOUNTING POLICIES (Continued)

HKFRS 16 Leases (Continued)

(a) Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Short-term leases

The Group applies the short-term lease recognition exemption to leases of premises that have a lease term of 12 months or less from the date of initial application of HKFRS 16. Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

Right-of-use assets

Except for short-term leases, the Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

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

3. CHANGES IN ACCOUNTING POLICIES (Continued)

HKFRS 16 Leases (Continued)

(a) Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

Lease modifications

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

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

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019

3. CHANGES IN ACCOUNTING POLICIES (Continued)

HKFRS 16 Leases (Continued)

(a) Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Lease modifications (Continued)

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Taxation

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

(b) Transition and summary of effects arising from initial application of HKFRS 16

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease and not apply these standards to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 April 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 April 2019. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated.

3. CHANGES IN ACCOUNTING POLICIES (Continued)

HKFRS 16 Leases (Continued)

(b) Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee (Continued)

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- (i) relied on the assessment of whether leases are onerous by applying HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* as an alternative of impairment review;
- (ii) elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;
- (iii) excluded initial direct costs from measuring the right-of-use assets at the date of initial application;
- (iv) applied a single discount rate to a portfolio of leases with similar remaining terms for similar class of underlying assets in similar economic environment. Specifically, discount rate for certain leases of premises in Hong Kong was determined on a portfolio basis; and
- (v) used hindsight based on facts and circumstances as at date of initial application in determining the lease term for the Group's leases with extension and termination options.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019

3. CHANGES IN ACCOUNTING POLICIES (Continued)

HKFRS 16 Leases (Continued)

(b) Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee (Continued)

On transition, the Group has made the following adjustments upon application of HKFRS 16:

The Group recognised lease liabilities of approximately HK\$6,172,000 and right-of-use assets of approximately HK\$6,172,000 at 1 April 2019.

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application.

	1 APRIL 2019 HK\$'000
Operating lease commitment as at 31 March 2019	6,372
Less: total future interest expenses	(200)
Lease liabilities as at 1 April 2019	6,172
Analysed as:	
- Current	4,538
- Non-current	1,634
	6,172

The carrying amount of right-of-use assets as at 1 April 2019 comprises the following:

	1 APRIL 2019 HK\$'000
Right-of-use assets relating to operating leases recognised upon application of HKFRS 16	6,172

3. CHANGES IN ACCOUNTING POLICIES (Continued)

HKFRS 16 Leases (Continued)

(b) Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee (Continued)

The following adjustments were made to the amounts recognised in the condensed consolidated statement of financial position at 1 April 2019. Line items that were not affected by the changes have not been included.

	CARRYING AMOUNTS PREVIOUSLY REPORTED AT 31 MARCH 2019 HK\$'000	ADJUSTMENTS HK\$'000	CARRYING AMOUNT UNDER HKFRS 16 AT 1 APRIL 2019 HK\$'000
Assets			
Right-of-use assets	–	6,172	6,172
Liabilities			
Lease liabilities			
– Current portion	–	4,538	4,538
– Non-current portion	–	1,634	1,634
	–	6,172	6,172

4. REVENUE

Revenue represents revenue arising from provision of financial printing services in Hong Kong. An analysis of the Group's revenue for the period is as follows:

	SIX MONTHS ENDED 30 SEPTEMBER	
	2019 HK\$'000 (UNAUDITED)	2018 HK\$'000 (UNAUDITED)
Results announcements and financial reports	41,926	41,476
Company announcements and shareholder circulars	18,624	27,186
Debt offering circulars and initial public offering prospectuses	16,467	15,064
Fund documents	1,100	774
Others	2,257	3,766
	80,374	88,266

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019

5. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision makers, for the purposes of resource allocation and assessment of segment performance focuses on types of services delivered. The Group is principally engaged in the provision of financial printing services. Accordingly, the Group's operation is attributable to a single reportable and operating segment under HKFRS 8 and no segment information is presented. In addition, all of the Group's revenue is sourced in Hong Kong and assets and liabilities are located in Hong Kong. Accordingly, no geographical information is presented.

6. OTHER INCOME

	SIX MONTHS ENDED 30 SEPTEMBER	
	2019	2018
	HK\$'000	HK\$'000
	(UNAUDITED)	(UNAUDITED)
Bank interest income	539	2
Others	64	18
Recovery of impairment loss of trade receivables	466	593
	1,069	613

7. FINANCE COSTS

	SIX MONTHS ENDED 30 SEPTEMBER	
	2019	2018
	HK\$'000	HK\$'000
	(UNAUDITED)	(UNAUDITED)
Interest on lease liabilities	107	-

8. INCOME TAX EXPENSE

	SIX MONTHS ENDED 30 SEPTEMBER	
	2019 HK\$'000 (UNAUDITED)	2018 HK\$'000 (UNAUDITED)
Current tax:		
Hong Kong Profits Tax	3,592	4,316
Deferred taxation	-	-
	3,592	4,316

Hong Kong Profits Tax for 2019 is calculated at 8.25% on the first HK\$2,000,000 and 16.5% of the remaining balance (2018: 8.25% on the first HK\$2,000,000 and 16.5% of the remaining balance) of estimated assessable profits for the period.

Deferred tax assets are measured at the tax rates of 16.5% that are expected to apply in the relevant period in which the liability is settled or the asset is realised.

The Company is an exempted company incorporated in the Cayman Islands. As such, there are no taxes on individuals or corporations based upon profits, income, gains or appreciations and there are no other taxes likely to be material to the Company levied by the government of the Cayman Islands save certain stamp duties which may be applicable, from time to time, on certain instruments.

9. PROFIT FOR THE PERIOD

	SIX MONTHS ENDED 30 SEPTEMBER	
	2019 HK\$'000 (UNAUDITED)	2018 HK\$'000 (UNAUDITED)
Profit for the period has been arrived at after charging:		
Salaries, wages and other benefits	22,326	19,875
Contribution to defined contribution retirement benefits scheme	722	625
Total staff costs (excluding directors' remuneration)	23,048	20,500
Directors' emoluments	2,575	1,918
Depreciation of plant and equipment	2,054	2,072
Depreciation of right-of-use assets	2,354	-
Impairment loss of trade receivables (included in administrative expenses)	1,859	411
Operating lease charges in respect of office premises and certain office equipment	-	2,265

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019

10. DIVIDENDS

The Board recommended the distribution of an interim dividend of HK2.5 cents per share for the six months ended 30 September 2019 (six months ended 30 September 2018: Nil). The interim dividend has not been recognised as a liability as at 30 September 2019.

	SIX MONTHS ENDED 30 SEPTEMBER	
	2019	2018
	HK\$'000	HK\$'000
	(UNAUDITED)	(UNAUDITED)
Final dividend paid for the year ended 31 March 2019 of HK2.5 cents per share (2018: 2.5 cents per share)	10,000	10,000
Special dividend paid for the year ended 31 March 2019 of HK7.5 cents per share (2018: Nil)	30,000	-
	40,000	10,000

11. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

	SIX MONTHS ENDED 30 SEPTEMBER	
	2019	2018
	HK\$'000	HK\$'000
	(UNAUDITED)	(UNAUDITED)
Earnings		
Earnings for the purpose of basic earnings per share	19,180	22,842

	SIX MONTHS ENDED 30 SEPTEMBER	
	2019	2018
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	400,000	400,000
Basic and diluted earnings per share (HK cents)	4.80	5.71

The diluted earnings per share is equal to the basic earnings per share as there were no dilutive potential ordinary shares outstanding during the six months ended 30 September 2019 and 2018.

12. PLANT AND EQUIPMENT

During the reporting period, the Group spent approximately HK\$97,000 (six months ended 30 September 2018: approximately HK\$129,000) on acquisition of plant and equipment.

13. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Right-of-use assets

	AT 30 SEPTEMBER 2019 HK\$'000 (UNAUDITED)	AT 31 MARCH 2019 HK\$'000 (AUDITED)
As at 1 April 2019	6,172	-
Depreciation provided during the period	(2,354)	-
As at 30 September 2019	3,818	-

The right-of-use assets represent the Group's rights to use underlying leased premises and equipment under operating lease arrangements over the lease terms, which are stated at cost less accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of the lease liabilities.

Lease liabilities

	AT 30 SEPTEMBER 2019 HK\$'000 (UNAUDITED)	AT 31 MARCH 2019 HK\$'000 (AUDITED)
Analysed as:		
Current	3,884	-
Non-current	34	-
	3,918	-
Minimum lease payments due:		
Within one year	3,978	-
More than one year but not later than two years	34	-
	4,012	-
Less: Future finance charges	(94)	-
Present value of lease liabilities	3,918	-
Maturity analysis:		
Within one year	3,884	-
More than one year but not later than two years	34	-
	3,918	-

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019

14. TRADE AND OTHER RECEIVABLES

	AT 30 SEPTEMBER 2019 HK\$'000 (UNAUDITED)	AT 31 MARCH 2019 HK\$'000 (AUDITED)
Trade receivables	42,330	34,528
Less: Allowance for impairment of trade receivables	(5,872)	(4,479)
	36,458	30,049
Deposits	1,886	1,125
Trade and other receivables	38,344	31,174

The Group allows an average credit period of 30 days to its trade customers. The Group does not hold any collateral over its trade and other receivables. The following is an aged analysis of trade receivables, net of allowance for impairment of trade receivables, presented based on the invoice date, at the end of the reporting period.

	AT 30 SEPTEMBER 2019 HK\$'000 (UNAUDITED)	AT 31 MARCH 2019 HK\$'000 (AUDITED)
Within 30 days	15,253	17,661
31 to 60 days	4,764	4,017
61 to 90 days	4,776	1,954
91 to 180 days	9,549	2,960
181 to 365 days	1,818	3,110
Over 365 days	298	347
Total	36,458	30,049

15. TRADE AND OTHER PAYABLES

	AT 30 SEPTEMBER 2019 HK\$'000 (UNAUDITED)	AT 31 MARCH 2019 HK\$'000 (AUDITED)
Trade payables	14,047	18,263
Accrued bonus and commission	5,217	5,397
Accruals	3,440	3,643
Trade and other payables	22,704	27,303

The following is an aged analysis of trade payables presented based on invoice date at the end of the reporting period.

	AT 30 SEPTEMBER 2019 HK\$'000 (UNAUDITED)	AT 31 MARCH 2019 HK\$'000 (AUDITED)
Within 30 days	10,039	16,897
31 to 60 days	3,352	1,001
61 to 90 days	1	-
Over 90 days	655	365
Trade payables	14,047	18,263

The average credit period granted is ranging from 30 to 90 days. The Group has financial risk management in place to ensure that all payables are settled within the credit timeframe.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019

16. SHARE CAPITAL

	NUMBER OF ORDINARY SHARES	SHARE CAPITAL HK\$
Ordinary share of HK\$0.01 each		
<i>Authorised:</i>		
At 31 March 2019 and 30 September 2019 (unaudited)	8,000,000,000	80,000,000
<i>Issued and fully paid:</i>		
At 31 March 2019 and 30 September 2019 (unaudited)	400,000,000	4,000,000

Notes: All shares issued rank pari passu in all respects with all shares then in issue.

17. RELATED PARTY TRANSACTIONS

Compensation to key management personnel

The remuneration of the Directors and other members of key management personnel during the period was as follows:

	SIX MONTHS ENDED 30 SEPTEMBER	
	2019	2018
	HK\$'000	HK\$'000
	(UNAUDITED)	(UNAUDITED)
Short-term benefits	5,342	4,938
Post employment benefits	63	63
	5,405	5,001

