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ASIA-PAC FINANCIAL INVESTMENT COMPANY LIMITED

亞太金融投資有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8193)

**INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019**

The board (the “**Board**”) of directors (the “**Directors**”) of Asia-Pac Financial Investment Company Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries for the six months ended 30 September 2019. This announcement, containing the full text of the 2019 interim report of the Company (the “**Interim Report**”), complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) in relation to information to accompany preliminary announcement of interim results.

Printed version of the Interim Report containing the information required by the GEM Listing Rules will be despatched to the shareholders of the Company in due course in the manner required by the GEM Listing Rules.

By order of the Board
Asia-Pac Financial Investment Company Limited
Ip Kwok Kwong
Executive Director and Managing Director

Hong Kong, 11 November 2019

As at the date of this announcement, the Board comprises Mr. Ip Kwok Kwong (Managing Director) and Mr. Wu Di as executive Directors; and Mr. Cheung Ka Chun, Mr. So Kwok Yun and Mr. Tang Wai Kee as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Listed Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication and on the website of the Company at www.gca.com.hk.



CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

This report, for which the directors of Asia-Pac Financial Investment Company Limited (the “Company” and the “Directors”, respectively) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

This report, in both English and Chinese versions, is available on the Company’s website at www.gca.com.hk.



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Ip Kwok Kwong (*Managing Director*)

Mr. Wu Di

Independent Non-executive Directors

Mr. Cheung Ka Chun

Mr. So Kwok Yun

Mr. Tang Wai Kee

BOARD COMMITTEES

Audit Committee

Mr. Cheung Ka Chun (*Chairman*)

Mr. So Kwok Yun

Mr. Tang Wai Kee

Remuneration Committee

Mr. So Kwok Yun (*Chairman*)

Mr. Cheung Ka Chun

Mr. Ip Kwok Kwong

Mr. Wu Di

Mr. Tang Wai Kee

Nomination Committee

Mr. Tang Wai Kee (*Chairman*)

Mr. Cheung Ka Chun

Mr. Ip Kwok Kwong

Mr. Wu Di

Mr. So Kwok Yun



COMPANY SECRETARY

Ms. Cheng Lucy

COMPLIANCE OFFICER

Mr. Ip Kwok Kwong

AUTHORISED REPRESENTATIVES

Ms. Cheng Lucy

Mr. Ip Kwok Kwong

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited

OCBC Wing Hang Bank Limited

INDEPENDENT AUDITOR

World Link CPA Limited

REGISTERED OFFICE

Cricket Square

Hutchins Drive

P. O. Box 2681

Grand Cayman, KY1-1111

Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 2703, 27th Floor

Shui On Centre

6-8 Harbour Road

Wanchai

Hong Kong



HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

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

CORPORATE WEBSITE

www.gca.com.hk

STOCK CODE


8193

The board of Directors (the "Board") presents the unaudited condensed consolidated financial statements of the Company and its subsidiaries (together, the "Group") for the three months and six months ended 30 September 2019, together with the relevant unaudited/audited comparative figures, as follows.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months and six months ended 30 September 2019

	Notes	Three months ended 30 September		Six months ended 30 September	
		2019 HK\$'000 (unaudited)	2018 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)	2018 HK\$'000 (unaudited)
Loan interest income		3,189	2,339	6,077	5,676
Other revenue		10,199	15,705	19,447	19,216
Total revenue	4 & 5	13,388	18,044	25,524	24,892
Cost of sales		(4,821)	(8,178)	(9,696)	(10,115)
Gross profit		8,567	9,866	15,828	14,777
Other income	5	411	1,292	1,086	2,394
Fair value loss on financial assets at fair value through profit or loss ("FVTPL")		(13,730)	(17,609)	(22,343)	(10,722)
(Loss)/gain on disposal of financial assets at FVTPL		(203)	–	(3,640)	72
Marketing, administrative and other operating expenses		(12,759)	(11,679)	(31,081)	(21,929)
Gain on disposal of a joint venture		90	–	90	–
Finance costs	6	(1,110)	(442)	(2,266)	(874)
Share of results of associates and a joint venture		(110)	–	234	–
Loss before tax	7	(18,844)	(18,572)	(42,092)	(16,282)
Income tax credit/(expense)	8	72	(314)	(139)	(637)
Loss for the period		(18,772)	(18,886)	(42,231)	(16,919)
Other comprehensive income for the period, net of tax					
<i>Item that may be subsequently reclassified to profit or loss:</i>					
Exchange differences on translating foreign operations		–	(10)	(707)	(1,045)
Loss and total comprehensive income for the period		(18,772)	(18,896)	(42,938)	(17,964)

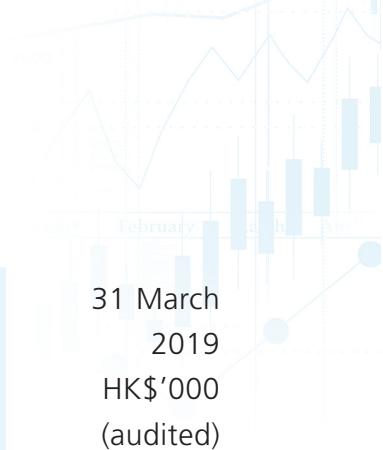


	Notes	Three months ended 30 September		Six months ended 30 September	
		2019 HK\$'000 (unaudited)	2018 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)	2018 HK\$'000 (unaudited)
(Loss)/profit for the period attributable to:					
Owners of the Company		(18,962)	(18,897)	(42,062)	(16,436)
Non-controlling interests		190	11	(169)	(483)
		(18,772)	(18,886)	(42,231)	(16,919)
Loss and total comprehensive income for the period attributable to:					
Owners of the Company		(18,963)	(18,909)	(42,629)	(17,272)
Non-controlling interests		191	13	(309)	(692)
		(18,772)	(18,896)	(42,938)	(17,964)
Loss per share					
Basic and diluted (HK cents)	10	(3.25)	(3.24)	(7.22)	(2.82)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2019

	<i>Notes</i>	30 September 2019 HK\$'000 (unaudited)	31 March 2019 HK\$'000 (audited)
Non-current assets			
Property, plant and equipment	11	1,064	1,274
Right-of-use assets		5,437	–
Intangible assets		12,800	12,800
Goodwill		83,146	83,146
Deposits placed for life insurance policies		2,665	2,665
Investments in associates and a joint venture		–	1,021
Loan receivables	13	144,904	53,818
Other deposit		200	200
Deferred tax assets		1,320	1,320
		251,536	156,244
Current assets			
Right-of-use assets		5,980	–
Trade receivables	12	8,772	10,915
Prepayments, deposits and other receivables		14,876	29,792
Loan receivables	13	35,074	128,328
Financial assets at FVTPL		18,689	45,949
Amounts due from related parties		11,404	–
Bank and cash balances	14	5,325	6,983
Tax recoverable		70	70
		100,190	222,037
Current liabilities			
Trade payables	15	8,011	10,200
Accruals and other payables		34,502	35,475
Amount due to a director		2,336	1,069
Amount due to a related party		–	4,714
Contract liabilities		2,921	2,015
Bank and other borrowings		10,383	10,406
Finance lease payables		118	127
Lease liabilities		5,915	–
Tax payables		229	60
		64,415	64,066
Net current assets		35,775	157,971



	<i>Notes</i>	30 September 2019 HK\$'000 (unaudited)	31 March 2019 HK\$'000 (audited)
Non-current liabilities			
Bank and other borrowings		1,281	–
Promissory notes		55,620	55,620
Finance lease payables		132	186
Lease liabilities		5,866	–
Deferred tax liabilities		2,112	2,112
		65,011	57,918
NET ASSETS		222,300	256,297
Capital and reserves			
Share capital	16	58,296	58,296
Reserves		155,849	189,537
Equity attributable to owners of the Company		214,145	247,833
Non-controlling interests		8,155	8,464
TOTAL EQUITY		222,300	256,297

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2019

	Attributable to owners of the Company								
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Foreign currency translation reserve HK\$'000	Accumulated losses HK\$'000	Share-based payment reserve HK\$'000	Sub-total HK\$'000	Non-controlling interest HK\$'000	Total equity HK\$'000
At 1 April 2019 (audited)	58,296	581,772	5,359	(656)	(407,937)	10,999	247,833	8,464	256,297
Impact of adoption of HKFRS 16 (unaudited)	-	-	-	-	(97)	-	(97)	-	(97)
Adjusted balance at 1 April 2019 (unaudited)	58,296	581,772	5,359	(656)	(408,034)	10,999	247,736	8,464	256,200
Loss and total comprehensive income for the period (unaudited)	-	-	-	(567)	(42,062)	-	(42,629)	(309)	(42,938)
Equity-settled share-based payments (unaudited)	-	-	-	-	-	9,038	9,038	-	9,038
At 30 September 2019 (unaudited)	58,296	581,772	5,359	(1,223)	(450,096)	20,037	214,145	8,155	222,300
At 1 April 2018 (audited)	58,296	581,772	5,359	241	(344,133)	13,545	315,080	9,977	325,057
Impact on initial application of HKFRS15	-	-	-	-	(3,007)	-	(3,007)	(747)	(3,754)
Adjusted balance at 1 April 2018	58,296	581,772	5,359	241	(347,140)	13,545	312,073	9,230	321,303
Loss and total comprehensive income for the period	-	-	-	(836)	(16,436)	-	(17,272)	(692)	(17,964)
Effect of forfeiture of share options granted	-	-	-	-	2,547	(2,547)	-	-	-
At 30 September 2018 (unaudited)	58,296	581,772	5,359	(595)	(361,029)	10,998	294,801	8,538	303,339

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2019

	Six months ended 30 September 2019 HK\$'000 (unaudited)	Six months ended 30 September 2018 HK\$'000 (unaudited)
Net cash used in operating activities:		
Increase in financial asset at FVTPL	22,343	10,722
Other operating cash flows	(30,389)	(10,857)
	(8,046)	(135)
Net cash from/(used in) from investing activities:		
Proceeds from disposal of a joint venture	250	–
Investment in financial assets of FVTPL	4,917	(3,112)
Dividend received from a joint venture	1,095	–
Other investing cash flows	2	37
	6,264	(3,075)
Net cash used in financing activities	(217)	(1,987)
Net decrease in cash and cash equivalents	(1,999)	(5,197)
Cash and cash equivalents at beginning of the period	948	6,315
Effect of foreign exchange rate changes	(761)	(1,022)
Cash and cash equivalents at end of the period	(1,812)	96
Analysis of cash and cash equivalents		
Bank and cash balances	2,283	4,157
Bank overdrafts	(4,095)	(4,061)
	(1,812)	96



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 3 December 2010. The ordinary shares of the Company of HK\$0.1 each (the “Shares”) are listed on GEM. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and the address of its principal place of business in Hong Kong is Room 2703, 27th Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong. The Company is an investment holding company.

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2019 (the “Period”) have been reviewed by the audit committee of the Board (the “Audit Committee”). They have been approved and authorised for issue by the Board on 11 November 2019.

2. BASIS OF PREPARATION

The Group’s unaudited condensed consolidated results for the Period (the “Unaudited Condensed Consolidated Results”) have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations (hereinafter collectively referred to as “HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and accounting principles generally accepted in Hong Kong and the applicable disclosures required by the GEM Listing Rules and the Hong Kong Companies Ordinance, Chapter 622 of the laws of Hong Kong.

The Unaudited Condensed Consolidated Results do not include all the information and disclosures required in the annual financial statements of the Group and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 March 2019 (the “2019 Consolidated Financial Statements”). Except as described in paragraph headed “Application of new and revised HKFRSs for the Period” below, the accounting policies and methods of computation used in the preparation of the Unaudited Condensed Consolidated Results are consistent with those used in the 2019 Consolidated Financial Statements.

Application of new and revised HKFRSs for the Period

The Group has applied the following new and revised HKFRSs that are mandatory for the first time for the Period:

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

The application of the new and revised HKFRSs and Interpretations in the Period has no material impact on the Group's financial performance and positions for the current period and/or on the disclosures set out in these Unaudited Condensed Consolidated Results, except as noted below:

HKFRS 16

HKFRS 16 supersedes HKAS 17 Leases, HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease, HK(SIC)-Int 15 Operating Leases-Incentives and HK(SIC)-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for most leases under a single lessee accounting model.

Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in HKAS 17. Therefore, HKFRS 16 did not have an impact for leases where the Group is the lessor.

The Group adopted HKFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 April 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 at the date of initial application. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ("short-term leases"), and lease contracts for which the underlying asset is of low value ("leases of low-value assets").

The transition effects arising from the adoption of HKFRS 16 are presented below.

The following tables analyse the impact, net of tax, of transition to HKFRS 16 on the condensed consolidated statement of financial position of the Group.

	1 April 2019 HK\$'000 (unaudited)
Right-of-use assets	
Closing balance under HKAS 17 at 31 March 2019	–
– Recognition of right-of-use assets under HKFRS 16	14,679
Opening balance under HKFRS 16 at 1 April 2019	14,679
Lease liabilities	
Closing balance under HKAS 17 at 31 March 2019	–
– Recognition of lease liabilities under HKFRS 16	14,776
Opening balance under HKFRS 16 at 1 April 2019	14,776
Accumulated losses	
Closing balance under HKAS 17 at 31 March 2019	(407,937)
– Recognition of right-of-use assets under HKFRS 16	14,679
– Recognition of lease liabilities under HKFRS 16	(14,776)
Opening balance under HKFRS 16 at 1 April 2019	(408,034)

Consolidated statement of financial position

	31 March 2019	Adoption of HKFRS 16	1 April 2019
	(Audited)	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000	HK\$'000
Assets			
Property, plant and equipment	1,274	–	1,274
Right-of-use assets	–	14,679	14,679
Intangible assets	12,800	–	12,800
Goodwill	83,146	–	83,146
Deposits placed for life insurance policies	2,665	–	2,665
Investments in associates and a joint venture	1,021	–	1,021
Loan receivable	182,146	–	182,146
Other receivables, deposits and prepayments	29,992	–	29,992
Deferred tax assets	1,320	–	1,320
Financial assets at FVTPL	45,949	–	45,949
Trade receivables	10,915	–	10,915
Tax recoverable	70	–	70
Bank balances and cash	6,983	–	6,983
	378,281	14,679	392,960
Liabilities			
Trade payable	10,200	–	10,200
Other payables and accruals	35,475	–	35,475
Amount due to a director	1,069	–	1,069
Amount due to a related party	4,714	–	4,714
Contract liabilities	2,015	–	2,015
Bank and other borrowings	10,406	–	10,406
Tax payables	60	–	60
Deferred tax liabilities	2,112	–	2,112
Lease liabilities	–	14,776	14,776
Finance lease payables	313	–	313
Promissory notes	55,620	–	55,620
	121,984	14,776	136,760
Net assets	256,297	(97)	256,200
Equity			
Share capital	58,296	–	58,296
Reserves	189,537	(97)	189,537
Non-controlling interest	8,464	–	8,464
Total equity	256,297	(97)	256,200



Nature of the effect of adoption of HKFRS 16

The Group has lease contracts for land and buildings. Before the adoption of HKFRS 16, the Group classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Group; otherwise it was classified as an operating lease. Finance leases were capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between interest (recognised as finance costs) and reduction of the lease liability. In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense in profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognised under other assets and other liabilities, respectively.

Upon adoption of HKFRS 16, the Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which have been applied by the Group.

Leases previously classified as operating leases

The Group recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equals to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Group also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Relied on its assessment of whether leases are onerous immediately before the date of initial application.
- Applied the short-term lease recognition exemption to leases with lease term that ends within 12 months at the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use assets at the date of initial application.
- Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

Based on the foregoing, as at 1 April 2019:

- Right-of-use assets of approximately HK\$14,679,000 were recognised and presented condensed separately in the consolidated statement of financial position.
- Additional lease liabilities of approximately HK\$14,776,000 were recognised.
- The net effect of these adjustments had been adjusted to accumulated losses in the amount of approximately HK\$97,000.

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

	HK\$'000
Operating lease commitments as at 31 March 2019	17,600
Incremental borrowing rate as at 1 April 2019	4.625%
Discounted operating lease commitments and lease liabilities as at 1 April 2019	14,776

Summary of new accounting policies

Set out below are the new accounting policies of the Group upon adoption of HKFRS 16, which have been applied from the date of initial application:

Right-of-use assets

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

Lease liabilities

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

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

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered as low value. Lease payments on short term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

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

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

Amounts recognised in the condensed consolidated statement of financial position and profit or loss

Set out below are the carrying amounts of the Group's right-of-use assets and lease liabilities and the movements during the period:

	Right-of-use assets	Lease liabilities
	HK\$'000	HK\$'000
At 1 April 2019 (unaudited)	14,679	(14,776)
Depreciation	(3,262)	–
Interest expenses	–	(312)
Payments	–	3,307
At 30 September 2019 (unaudited)	11,417	(11,781)

3. FAIR VALUE MEASUREMENTS

Fair value estimates are made at a specific point in time and are based on relevant market information and information about the financial instruments. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

The Group's financial assets at FVTPL and derivative financial assets are carried at fair value as at 30 September and 31 March 2019. The following disclosures of fair value measurements use a fair value hierarchy which has three levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability

Disclosures of level in fair value hierarchy as at 30 September 2019:

Description	Fair value measurement using:			Total HK\$'000 (unaudited)
	Level 1	Level 2	Level 3	
	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	
Financial assets at FVTPL:				
– Listed securities in Hong Kong	18,689	–	–	18,689

Disclosures of level in fair value hierarchy as at 31 March 2019:

Description	Fair value measurement using:			Total HK\$'000 (audited)
	Level 1	Level 2	Level 3	
	HK\$'000 (audited)	HK\$'000 (audited)	HK\$'000 (audited)	
Financial assets at FVTPL:				
– Listed securities in Hong Kong	45,949	–	–	45,949



4. SEGMENT INFORMATION

The Group's operating segments are identified on the basis of internal report about the components of the Group that are regularly received by the chief operating decision maker in order to allocate resources to segments and to assess their performance. The chief operating decision maker is the executive Directors.

The Group has four operating and reportable segments as follows:

– Asset advisory and asset appraisal

Provision of asset appraisal and asset advisory services, including real estate and fixed asset appraisal, mineral property appraisal, business and intangible asset valuation, financial instrument and derivative valuation and advisory related to various types of assets in particular properties

– Corporate services and consultancy

Provision of company secretarial services, human resource management and other administrative services, accounting and tax services, corporate communication and marketing services, corporate governance, internal control, enterprise risk management services and management consultancy services

– Media advertising

Provision of media advertising business services through in-elevator poster frames network and liquid-crystal display displays network inside elevators or lift lobbies of middle to high-end residential community

– Financial services

Provision of (i) financial credit services such as personal loans, commercial loans and mortgages to individuals; and (ii) securities broking, placing and underwriting services and trading of securities

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technical requirements and marketing strategies.

Segment profits or losses do not include corporate income and expenses, fair value changes on financial assets at fair value through profit or loss, equity-settled share-based payment and finance costs.

The Group accounts for intersegment revenue and transfers as if the revenue or transfers were to third parties, i.e. at current market prices.

Information about reportable segments for the six months ended 30 September 2019 and 2018 are as follows:

	Asset advisory services and asset appraisal Six months ended		Corporate services and consultancy Six months ended		Media advertising Six months ended		Financial services Six months ended		Total Six months ended	
	30 September 2019 HK\$'000 (unaudited)	30 September 2018 HK\$'000 (unaudited) (Note)	30 September 2019 HK\$'000 (unaudited)	30 September 2018 HK\$'000 (unaudited) (Note)	30 September 2019 HK\$'000 (unaudited)	30 September 2018 HK\$'000 (unaudited) (Note)	30 September 2019 HK\$'000 (unaudited)	30 September 2018 HK\$'000 (unaudited) (Note)	30 September 2019 HK\$'000 (unaudited)	30 September 2018 HK\$'000 (unaudited) (Note)
Disaggregated by timing of revenue recognition										
Point in time	15,709	15,339	-	-	-	-	616	212	16,325	15,551
Over time	-	-	844	984	2,278	2,163	6,077	6,194	9,199	9,341
Revenue from external customers	15,709	15,339	844	984	2,278	2,163	6,693	6,406	25,524	24,892
Intersegment revenue	312	312	1,374	1,374	-	-	-	-	1,686	1,686
Segment (loss)/profit before finance costs and income tax credit/(expense)	(1,369)	(2,054)	(3,505)	(2,878)	(66)	(287)	57	2,260	(4,883)	(2,959)
Fair value loss on financial assets at FVTPL									(22,343)	(10,722)
(Loss)/gain on disposal of financial assets at FVTPL									(3,640)	72
Unallocated corporate expenses, net									(11,226)	(2,673)
Loss before tax									(42,092)	(16,282)

Note: The Group has initially applied HKFRS 15 using cumulative effect method. Under this method, the comparative information is not restated.

Geographical information:

In presenting the geographical information, revenue is based on the locations of the customers.

	Revenue from external customers	
	30 September 2019 HK\$'000 (unaudited)	30 September 2018 HK\$'000 (unaudited)
Hong Kong	23,033	22,379
The People's Republic of China (the "PRC") except Hong Kong	2,491	2,513
	25,524	24,892

There was no revenue from customers contributing 10% or more of total revenue for the six months ended 30 September 2019 and 2018.

5. REVENUE AND OTHER INCOME

The Group's revenue and other income are as follows:

	Three months ended 30 September		Six months ended 30 September	
	2019 HK\$'000 (unaudited)	2018 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)	2018 HK\$'000 (unaudited)
Revenue				
Asset advisory and asset appraisal services income	8,304	13,821	15,709	15,339
Corporate services and consultancy income	208	645	844	984
Media advertising services	1,178	1,129	2,278	2,163
Financial services	3,698	2,449	6,693	6,406
	13,388	18,044	25,524	24,892
Other income				
Bank interest income	1	1	2	1
Sub-leasing income	324	572	648	1,144
Sundry income	86	719	436	1,249
	411	1,292	1,086	2,394

6. FINANCE COSTS

	Three months ended 30 September		Six months ended 30 September	
	2019 HK\$'000 (unaudited)	2018 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)	2018 HK\$'000 (unaudited)
Interest on bank borrowings	552	33	1,136	56
Interest on promissory notes	405	405	810	810
Interest on lease liabilities	152	–	317	–
Others	1	4	3	8
	1,110	442	2,266	874

7. LOSS BEFORE TAX

The Group's loss before tax is stated after charging/(crediting) the following:

	Three months ended 30 September		Six months ended 30 September	
	2019 HK\$'000 (unaudited)	2018 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)	2018 HK\$'000 (unaudited)
Depreciation				
– Owned assets	97	169	198	325
– Right-of-use assets	1,631	–	3,262	–
Fair value loss on financial assets at FVTPL	13,730	17,609	22,343	10,722
(Gain)/loss on disposal of financial assets at FVTPL	203	–	3,640	(72)
Staff costs, including Directors' remuneration and share-based payments	10,872	6,688	16,321	12,206
Operating lease charges	547	2,049	1,080	4,094

8. INCOME TAX (CREDIT)/EXPENSE

	Three months ended 30 September		Six months ended 30 September	
	2019 HK\$'000 (unaudited)	2018 HK\$'000 (unaudited)	2019 HK\$'000 (unaudited)	2018 HK\$'000 (unaudited)
Current tax – Hong Kong Profits Tax				
Provision for the period	-	314	139	637
Over-provision for prior periods	(72)	-	-	-
Total	(72)	314	139	637

The Inland Revenue (Amendment) (No. 3) Ordinance 2018 was enacted on 29 March 2018 introducing the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the first HK\$2 million of assessable profits of a corporation will be taxed at 8.25%, and assessable profits above HK\$2 million will be taxed at 16.5%. For the six months ended 30 September 2019, Hong Kong Profits Tax of the nominated Group company is calculated in accordance with the two tiered profits tax rates regime. The assessable profits of other Group companies in Hong Kong will continue to be taxed at the tax rate of 16.5%.

There was no significant unprovided deferred tax for the relevant periods and at the end of each reporting period.

9. DIVIDEND

The Board has resolved not to declare the payment of an interim dividend for the Period (six months ended 30 September 2018: nil).

10. LOSS PER SHARE

Basic loss per share

The calculation of basic loss per share attributable to owners of the Company is based on the loss for the three months and six months ended 30 September 2019 attributable to owners of the Company of approximately HK\$18,962,000 (2018: loss of approximately HK\$18,897,000) and HK\$42,062,000 (2018: loss of approximately HK\$16,436,000), respectively and the weighted average number of ordinary shares of 582,955,860 (2018: restated: 582,955,860 ordinary shares). For the purpose of calculation of basic and diluted loss per share for the three months and six months ended 30 September 2019 and 2018, the share consolidation of the Company being effective on 15 January 2019 was deemed to be effective throughout the six months ended 30 September 2019. Accordingly, the weighted average number of ordinary shares of the Company in issue during the three months and six months ended 30 September 2019 were adjusted to reflect the share consolidation.

Diluted loss per share

Diluted loss per share for the three months and six months ended 30 September 2019 and 2018 are the same as the respective basic loss per share because there were no potential dilutive ordinary Shares outstanding during the respective periods.

11. PROPERTY, PLANT AND EQUIPMENT

During the Period, the Group has not acquired property, plant and equipment (six months ended 30 September 2018: acquired property, plant and equipment at a cost of approximately HK\$78,000).

12. TRADE RECEIVABLES

The Group's trading terms with customers are mainly on credit. The credit terms generally range from 14 to 365 days. Each customer has a maximum credit limit. For new customers, payment in advance is normally required. The Group seeks to maintain strict control over its outstanding receivables in order to minimise credit risk. Overdue balances are reviewed regularly by the senior management.

The aging analysis of the trade receivables, based on the invoice date, and net of allowance, is as follows:

	As at 30 September 2019 HK\$'000 (unaudited)	As at 31 March 2019 HK\$'000 (audited)
0 to 30 days	4,439	4,873
31 to 90 days	1,589	2,914
91 to 180 days	436	999
181 to 365 days	2,213	1,072
Over 365 days	95	1,057
	8,772	10,915

13. LOAN RECEIVABLES

	As at 30 September 2019 HK\$'000 (unaudited)	As at 31 March 2019 HK\$'000 (audited)
Current portion	144,904	53,818
Non-current portion	35,074	128,328
	179,978	182,146

The aging analysis of the loans receivables is as follows:

	As at 30 September 2019 HK\$'000 (unaudited)	As at 31 March 2019 HK\$'000 (audited)
31 to 90 days	–	6,549
91 to 180 days	12,095	8,838
181 to 365 days	6,957	3,800
Over 365 days	160,926	162,959
	179,978	182,146

14. BANK AND CASH BALANCES

	As at 30 September 2019 HK\$'000 (unaudited)	As at 31 March 2019 HK\$'000 (audited)
Cash on hand	2	15
Cash at bank		
– General accounts	2,281	3,616
– Trust accounts	3,042	3,352
	5,325	6,983

15. TRADE PAYABLES

The aging analysis of the trade payables based on the invoice date is as follows:

	As at 30 September 2019 HK\$'000 (unaudited)	As at 31 March 2019 HK\$'000 (audited)
0 to 90 days	7,875	10,200
91 to 180 days	55	–
Over 365 days	81	–
	8,011	10,200

16. SHARE CAPITAL

	Number of ordinary shares '000		
	at HK\$0.01	at HK\$0.1	HK\$'000
	per share	per share	
Authorised			
As at 1 April 2018 and 30 September 2018	10,000,000	–	100,000
Effects of share consolidation	(10,000,000)	1,000,000	–
At 1 April 2019 and 30 September 2019	–	1,000,000	100,000
Issued			
As at 1 April 2018 and 30 September 2018	5,829,559	–	58,296
Effects of share consolidation	(5,829,559)	582,956	–
At 1 April 2019 and 30 September 2019	–	582,956	58,296

17. RELATED PARTY TRANSACTIONS

The Group had the following transactions with its related party during the six months ended 30 September 2019 and 2018:

Nature	Six months ended	
	2019	2018
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Corporate services and consultancy income from the following related companies		
– Greater China ESG Advisory Limited	26	97
– Greater China Capital Limited		
Joint venture Director having beneficial interest in the transaction	198	198



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group's business can be broadly categorised into four main sectors: (i) asset advisory services and asset appraisal; (ii) corporate services and consultancy; (iii) media advertising; and (iv) financial services.

Asset Advisory Services and Asset Appraisal

Asset advisory services and asset appraisal are the core business of the Group, which typically involve provision of independent valuation services to a number of listed groups to meet market, regulatory and fiduciary requirements, sourcing and identifying potential investment opportunities or investors, undertaking due diligence and evaluation on the underlying assets and provision of procedural and strategic business advices. Asset advisory services income is primarily success-based and project-based nature.

Corporate Services and Consultancy

The corporate services and consultancy segment mainly focuses on provision of advice to corporations in areas such as corporate governance, internal control, enterprise risk management and other operational aspects as well as provision of back office administration.

Media Advertising

Media advertising income is generated mainly through its in-elevator poster frames network and liquid-crystal-display network inside the elevators or lift lobbies of middle to high-end residential community.

Financial Services

The financial services segment mainly represents the provision of services relating to the dealing in securities via a licensed corporation under the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong (the "SFO") via an indirect subsidiary and provision of money lending services.

The provision of services relating to the dealing in securities mainly involves provision of Type 1 (dealing in securities) regulated activity and services under the SFO while the money lending business mainly involves provision of financial credit services such as personal loans and commercial loans to individuals and corporations.



FINANCIAL REVIEW

The Group's revenue for the Period was approximately HK\$25.5 million (six months ended 30 September 2018: HK\$24.9 million), representing a slight increase of approximately 2.4% from that of the corresponding period of 2018 (the "Last Corresponding Period") due to a slight increase in the income from asset advisory and asset appraisal services as well as financial services.

The Group's cost of sales for the Period was approximately HK\$9.7 million (six months ended 30 September 2018: HK\$10.1 million), representing a slight decrease of 4.0% from that of the Last Corresponding Period due to the effective cost control.

The Group's marketing, administrative and other operating expenses for the Period were approximately HK\$31.1 million (six months ended 30 September 2018: HK\$21.9 million), representing an increase of approximately 42.0% from those of the Last Corresponding Period due to the recognition of non-cash expenses for share-based payments of approximately HK\$9.0 million during the Period.

The Group's net fair value loss on financial assets at FVTPL and loss/gain on disposal of financial assets at FVTPL for the Period was approximately HK\$26.0 million (six months ended 30 September 2018: HK\$10.7 million). Details are set out in the section headed "Significant Investments Held".

The Group's finance costs for the Period amounted to approximately HK\$2.3 million (six months ended 30 September 2018: HK\$0.9 million), representing an increase of approximately 155.6% from that of the Last Corresponding Period. The increase was attributable to the interest arising from the new borrowings during the Period to meet the needs of working capital and the interest on lease liabilities due to the adoption of HKFRS 16 during the Period.

Accordingly, the loss attributable to owners of the Company for the Period was approximately HK\$42.1 million (six months ended 30 September 2018: loss of HK\$16.4 million). The substantial increase in the loss was mainly attributable to (1) recognition of non-cash expenses for share-based payments of approximately HK\$9.0 million; and (2) the fair value change on financial assets at FVTPL of approximately HK\$22.3 million and the loss on disposal of financial assets at FVTPL of approximately HK\$3.6 million.



REVIEW ON PROVISION OF FINANCIAL ASSISTANCE

During the Period, none of the financial assistance provided by the Group constituted “discloseable transaction” under Chapter 19 of the GEM Listing Rules, “connected transaction” under Chapter 20 of the GEM Listing Rules and “advances to entity” which requires disclosure pursuant to Chapter 17 of the GEM Listing Rules.

OUTLOOK

Looking ahead, the revenue from each of the sectors of asset advisory and corporate consultancy services remains promising with a steady demand for professional commercial services in the PRC, Taiwan, Hong Kong and Macau (together, the “Greater China”). As companies in the Greater China, especially in the PRC, continue to expand in corporate size, operational complexity and geographical diversification as well as undergo restructuring, listing and mergers and acquisitions, the demand for a leading professional advisor on asset value, procedures and regulations, as well as investment matching is expected to remain high. In view of the Group’s existing competitive advantages and market position in its core business segments, the Group is confident that its experienced professional teams and provision of convenient one-stop professional services will keep it well-positioned to capture the surging business opportunities.

Despite that the revenue from media advertising remained steady when compared to the corresponding period, as there is keen competition in the media advertising industry in the PRC and demand of new advertising channels, the Group will constantly seek new customers.

The financial services segment is expected to be challenging in coming year. The Group will continue its effort to enhance our competitiveness within the ever changing industry and economy. The Group will closely monitor its cash position, and will continue to seek investment and business opportunities, with a view to achieving a sustainable growth, increasing profitability and ultimately maximising the return to the shareholders of the Company.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in this interim report, the Group does not have other plans for material investments and capital assets as of 30 September 2019.

MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

There were no other material acquisitions and disposals of subsidiaries, associates or joint ventures during the Period.

SIGNIFICANT INVESTMENTS HELD

As at 30 September 2019, the Group's financial assets at FVTPL, with a total market value of approximately HK\$18.7 million (31 March 2019: HK\$45.9 million), represented an investment portfolio of seven equity securities listed in Hong Kong (31 March 2019: eight equity securities listed in Hong Kong and one convertible bond issued by a company listed in Hong Kong).

Details of the financial assets at FVTPL are set out as follows:

Name of securities	Investment cost HK\$'000	Number of shares held	As at 30 September 2019			For the six months ended 30 September 2019		As at 31 March 2019	
			Percentage of shareholding interest	Fair value/ carrying value HK\$'000	Percentage to the financial assets at FVTPL	Percentage to the net assets	Realised loss HK\$'000	Unrealised loss HK\$'000	Fair value/ carrying value HK\$'000
WLS Holdings Limited ("WLS") (Stock code: 8021) (Note 1)	21,669	416,000,000	2.9%	7,488	40.1%	3.4%	-	(9,984)	17,472
China e-Wallet Payment Group Limited ("e-Wallet") (Stock code: 802) (Note 2)	6,420	60,000,000	2.19%	7,260	38.8%	3.3%	-	(5,460)	12,720
China 33 Media Group Limited ("China 33") (Stock code: 8087) (Note 3)	27,280	124,000,000	2.15%	2,232	11.9%	1.0%	(202)	(1,932)	5,400
Other investments (Notes 4 and 5)	13,783	32,485,000		1,709	9.2%	0.8%	(3,438)	(4,967)	10,357
	69,152	632,485,000		18,689	100%	8.5%	(3,640)	(22,343)	45,949



Notes:

1. WLS is principally engaged in the provision of scaffolding and fitting-out services, management contracting services, other services for construction and buildings work, money lending business and trading of securities in Hong Kong.
2. e-Wallet is principally engaged in the provision of biometric and radio frequency identification products and solution services, internet and mobile application and related services.
3. China 33 is principally engaged in printed media advertising, outdoor advertising and film and entertainment investment.
4. The carrying value of the investments represented less than 1% of the net assets of the Group as at 30 September 2019.
5. The Group had less than 1% of the shareholding interest in the investments as at 30 September 2019.

During the Period, the Group recorded a realised loss of approximately HK\$3.6 million and an unrealised loss of approximately HK\$22.3 million (six months ended 30 September 2018: realised gain of approximately HK\$0.07 million and unrealised loss of approximately HK\$10.7 million) under the volatile stock market conditions.

The future performance of the equity securities held by the Group may be influenced by the Hong Kong stock market. In this regard, the Group will continue to maintain a diversified investment portfolio and closely monitor the performance of its investments and the market trends to adjust its investment strategies.

Save as disclosed above, there were no other significant investments held by the Group as at 30 September 2019.

CHARGE ON GROUP ASSETS

At 30 September 2019, the carrying amount of a motor vehicle held by the Group amounted to approximately HK\$259,000 (31 March 2019: approximately HK\$326,000) which was pledged to bank to secure the finance leases granted to the Group.

At 30 September 2019, the carrying amount of deposits placed for life insurance policies held by the Group amounted to approximately HK\$2.7 million (31 March 2019: approximately HK\$2.7 million) which was pledged to bank to secure the bank loan and overdrafts granted to the Group.

CAPITAL STRUCTURE

There was no change in the capital structure of the Group as at 30 September 2019 as compared with that as at 31 March 2019.

FOREIGN CURRENCY RISK

The majority of the Group's businesses is operated in Hong Kong and is denominated in Hong Kong dollars ("HK\$"), Renminbi ("RMB") and United States dollars. The Group currently does not have a foreign currency hedging policy. The Group is of the opinion that its exposure to foreign exchange rate risk is limited. However, the management monitors closely foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2019, the Group had bank and cash balances of approximately HK\$5.3 million (31 March 2019: approximately HK\$7.0 million). The cash and cash balances were denominated in HK\$ and RMB. As at 30 September 2019, the Group had net current assets of approximately HK\$35.8 million (31 March 2019: approximately HK\$158.0 million). Current ratio (calculated based on dividing current assets by current liabilities) as at 30 September 2019 was 1.6 (31 March 2019: 3.5).

As at 30 September 2019, the Group had total borrowings (comprising borrowings and promissory notes) of approximately HK\$67.3 million (31 March 2019: approximately HK\$66.0 million) and a net gearing ratio, which is defined as net debt (total borrowings net of bank and cash balances) over total equity of 0.28 (31 March 2019: 0.23). The borrowings represented bank loans of approximately HK\$1.6 million (31 March 2019: approximately HK\$1.7 million) and bank overdrafts of approximately HK\$4.1 million (31 March 2019: HK\$2.7 million) and as at 30 September 2019, the Group had other loan repayable within 1 year of HK\$6.0 million (31 March 2019: HK\$6.0 million). The bank loans were denominated in HK\$ and carried an average annual interest rate of 2.6% (31 March 2019: denominated in HK\$ and carried an average annual interest rate of 2.5%) and the bank overdrafts were denominated in HK\$ and carried a variable average annual interest rate of 4.6% (31 March 2019: 4.6%), while the other loan repayable within 1 year as at 30 September 2019 was denominated in HK\$ and the interest was charged at 36% per annum (31 March 2019: 36%). The promissory notes were denominated in HK\$ and interest-bearing at 3% (31 March 2019: 3%) per annum.



CAPITAL COMMITMENTS

As at 30 September 2019, the Group did not have any significant capital commitments (31 March 2019: nil).

CONTINGENT LIABILITIES

The Group had no material contingent liabilities at 30 September 2019 and 31 March 2019.

HUMAN RESOURCES AND REMUNERATION POLICIES

As at 30 September 2019, the Group employed 54 (31 March 2019: 64) employees. Total staff costs (including Director's emoluments) for the Period were approximately HK\$16.3 million (six months ended 30 September 2018: HK\$12.2 million). Employees' remuneration, promotion and salary increments are assessed based on both individual's and Company's performance and individual's professional and working experience and by reference to prevailing market practice and standards. The Company has adopted a share option scheme for the grant of share options to eligible participants. The Group also provides and arranges on-the-job training for the employees. The Group regards quality staff as one of the key factors to corporate success.

EVENT AFTER THE REPORTING PERIOD

Up to the date of this interim report, there was no significant event relevant to the business or financial performance of the Group that came to the attention of the Directors after the Period.

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 and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which would have: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register as referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

(a) Long positions in the Shares

Name of Director	Capacity/ nature of interest	Number of issued Shares held	Number of underlying Shares held <i>(Note 3)</i>	Total	Approximate percentage to the issued Shares <i>(Note 1)</i>
Mr. Ip Kwok Kwong ("Mr. Ip")	Interest in controlled corporation and beneficial owner/ Corporate interest and personal interest	31,085,000 <i>(Note 2)</i>	5,829,500	36,914,500	6.33%
Mr. Wu Di ("Mr. Wu")	Beneficial owner/ Personal interest	–	5,829,500	5,829,500	1.00%



Notes:

1. The percentage is calculated on the basis of the total number of issued Shares as at 30 September 2019.
2. 31,085,000 Shares were held by Brilliant One Holdings Limited (“Brilliant One”) which was wholly owned by GC Holdings Limited (“GC Holdings”). GC Holdings was wholly owned by Mr. Ip, an executive Director and the Managing Director. By virtue of the SFO, Mr. Ip was deemed to have interests in all the Shares held by Brilliant One.
3. Mr. Ip and Mr. Wu, executive Directors were granted the options under the share option scheme of the Company on 18 April 2019 at an exercise price of HK\$0.279 per Share with the exercisable period from 18 April 2019 to 17 April 2022 (both dates inclusive).

(b) Long positions in the shares of associated corporations

Name of Director	Name of associated corporations	Capacity/nature of interests	Number of issued shares held	Percentage of interest in associated corporations
Mr. Ip ^(Note)	Brilliant One	Interest in a controlled corporation/Corporate interest	200	100%
Mr. Ip ^(Note)	GC Holdings	Beneficial owner/Personal interest	1	100%

Note: The Company was owned as to approximately 5.33% by Brilliant One. Brilliant One was wholly owned by GC Holdings which was in turn wholly owned by Mr. Ip.

Save as disclosed above, as at 30 September 2019, none of the Directors or the chief executive of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which would have: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register as referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

As at 30 September 2019, the following corporations which or persons who (other than a Director or the chief executive of the Company) had interests or short positions in the Shares and the underlying Shares, which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and entered in the register maintained by the Company pursuant to Section 336 of the SFO:

Long positions in the Shares

Name of shareholders	Capacity/nature of interests	Number of issued Shares held	Approximate percentage to the issued Shares ^(Note 1)
Brilliant One ^(Note 2)	Beneficial owner/Personal interest	31,085,000	5.33%
GC Holdings ^(Note 2)	Interest in a controlled corporation/Corporate interest	31,085,000	5.33%
Laberie Holdings Limited ("Laberie") ^(Note 3)	Beneficial owner/Personal interest	140,000,000	24.02%
SEEC Media Group Limited ("SEEC Media") ^(Note 3)	Interest in a controlled corporation/Corporate interest	140,000,000	24.02%

Notes:

1. The percentage is calculated on the basis of the total number of issued Shares as at 30 September 2019.
2. Brilliant One was wholly owned by GC Holdings which was wholly owned by Mr. Ip, an executive Director and the Managing Director. Therefore, under the SFO, GC Holdings was deemed to be interested in all the Shares held by Brilliant One.
3. Laberie was wholly owned by SEEC Media. By virtue of the SFO, SEEC Media was deemed to be interested in all the Shares held by Laberie.

Save as disclosed above, as at 30 September 2019, the Company had not been notified by any parties (other than a Director or the chief executive of the Company) who had interests or short positions in the Shares or underlying Shares, which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register maintained by the Company pursuant to Section 336 of the SFO.

SHARE OPTION SCHEME

To attract and retain the eligible persons, provide additional incentive to them and promote the success of the business of the Group, the Company conditionally approved and adopted a share option scheme (the "Scheme") by a resolution in writing on 18 May 2011 whereby the Board was authorised to grant options (the "Options") to subscribe for the Shares to the eligible participants as defined in the Scheme, including the Directors and employees. The Scheme is valid for a period of ten years commencing on the adoption date as defined in the Scheme, i.e. 18 May 2011.

A summary of the movements of the outstanding Options under the Scheme during the Period is as follows:

Eligible participants	Number of underlying Shares comprised in Options					Outstanding as at 30 September 2019 (Note 1)	Exercise price per Share HK\$	Adjusted exercise price per Share HK\$	Note(s)	Date of grant	Exercisable period
	Outstanding as at 1 April 2019	Granted during the Period	Exercised during the Period	Lapsed during the Period	Cancelled during the Period						
Directors											
Mr. Wu Di	-	5,829,500	-	-	-	5,829,500	0.279	N/A	N/A	18.04.2019	18.04.2019 - 17.4.2022 (both dates inclusive)
Mr. Ip Kwok Kwong	-	5,829,500	-	-	-	5,829,500	0.279	N/A	N/A	18.04.2019	18.04.2019 - 17.4.2022 (both dates inclusive)
Employees	25,830	-	-	-	-	25,830	0.20	1.626	2 and 3	6.1.2012	a) One-third of the Options comprising 258,300 Shares is exercisable from 30.1.2012 to 17.5.2021, one-third of the Options is exercisable from 1.1.2013 to 17.5.2021 and the remaining one-third of the Options is exercisable from 1.1.2014 to 17.5.2021. b) One-half of the Options comprising 98,400 Shares is exercisable from 1.1.2013 to 17.5.2021 and the remaining one-half of the Options is exercisable from 1.1.2014 to 17.5.2021.
	7,380	-	-	-	-	7,380	0.20	1.626	2 and 3	6.1.2012	1.7.2012 - 17.5.2021 (both dates inclusive)
	7,380	-	-	-	-	7,380	0.20	1.626	2 and 3	6.1.2012	30.1.2012 - 17.5.2021 (both dates inclusive)
	55,350	-	-	-	-	55,350	0.20	1.626	2 and 3	6.1.2012	One-third of the Options is exercisable from 1.7.2013 to 17.5.2021, one-third of the Options is exercisable from 1.1.2014 to 17.5.2021 and the remaining one-third of the Options is exercisable from 1.1.2015 to 17.5.2021.
	-	23,318,000	-	-	-	23,318,000	0.279	N/A	N/A	18.4.2019	18.04.2019 - 17.4.2022 (both dates inclusive)
Other eligible participants	48,575,000	-	-	-	-	48,575,000	0.0726	0.726	3	10.11.2017	10.11.2017 - 9.11.2020 (both dates inclusive)
	-	23,318,000	-	-	-	23,318,000	0.279	N/A	N/A	18.4.2019	18.04.2019 - 17.4.2022 (both dates inclusive)
	48,670,940	58,295,000	-	-	-	106,965,940					

Notes:

1. 58,295,000 Options under the Scheme were granted to certain Directors and eligible participants on 18 April 2019. The closing price of the Shares immediately before the date on which the Options were granted was HK\$0.27.
2. Pursuant to the Company's announcement dated 27 August 2014, the exercise price and the number of underlying shares comprised in the outstanding Options have been adjusted as a result of the completion of an open offer of shares with effect from 28 August 2014.
3. Pursuant to the Company's announcement date 15 January 2019, the exercise price and the number of underlying shares comprised in the outstanding Options have been adjusted as a result of the completion of share consolidation with effect from 15 January 2019.
4. Save as disclosed above, no Options were granted or exercised or cancelled or lapsed during the Period.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the rules set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for dealing in the securities of the Company by the Directors (the "Required Standard of Dealings"). The Company had made a specific enquiry with each of the Directors and all the Directors confirmed that they had complied with the Required Standard of Dealings during the Period.

MANAGEMENT CONTRACTS

No contracts, other than a contract of service with any Director or any person under the full-time employment of the Company, concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Period.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors or the substantial shareholders (as defined in the GEM Listing Rules) of the Company or their respective close associates (as defined in the GEM Listing Rules) had any interest in the business that competed or might compete or was likely to compete, either directly or indirectly, with the business of the Group during the Period.

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

The Company did not redeem any of its Shares listed on GEM nor did the Company or any of its subsidiaries purchase or sell any of such Shares during the Period.



CORPORATE GOVERNANCE

The Company has complied with the code provisions as set out in the Corporate Governance Code as contained in Appendix 15 to the GEM Listing Rules (the “CG Code”) during the Period save for code provision A.2.1 of the CG Code, which requires that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing.

The Company currently does not have any officer who carries the title of the chairman of the Board (the “Chairman”) or chief executive officer of the Company (the “CEO”) but instead, the roles of both the Chairman and the CEO are performed by Mr. Ip Kwok Kwong, an executive Director and the Managing Director. The Board believes that vesting the roles of both Chairman and CEO in the same person provides the Company with strong and consistent leadership, and allows for effective and efficient planning and implementation of business decisions and strategies.

CHANGE IN INFORMATION OF DIRECTOR

Subsequent to the date of the 2019 annual report of the Company, the change in Director’s information as required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules is set out below:

- Mr. Cheung Ka Chun was appointed as company secretary of Jinhai International Group Holdings Limited (a company listed on the Main Board of the Stock Exchange) (stock code: 2225) from 28 June 2019 to 31 October 2019.

AUDIT COMMITTEE

The Unaudited Condensed Consolidated Results and this report have been reviewed by the Audit Committee, which was of the opinion that such results had been prepared in compliance with the applicable accounting standards, the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures had been made.

By order of the Board
Asia-Pac Financial Investment Company Limited
Ip Kwok Kwong
Executive Director and Managing Director

Hong Kong, 11 November 2019

As at the date of this report, the Board comprises Mr. Ip Kwok Kwong (Managing Director) and Mr. Wu Di as executive Directors; and Mr. Cheung Ka Chun, Mr. So Kwok Yun and Mr. Tang Wai Kee as independent non-executive Directors.