



ALCO HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 328)

INTERIM REPORT 2020

The directors of Alco Holdings Limited (the “Company”) announce the unaudited consolidated interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2020, as follows:

CONSOLIDATED INCOME STATEMENT

For the six months ended 30 September 2020

		Unaudited Six months ended 30 September 2020	2019
	<i>Note</i>	HK\$'000	<i>HK\$'000</i>
Revenue	4	589,759	462,113
Cost of goods sold	6	(666,731)	(552,017)
Gross loss		(76,972)	(89,904)
Other income	5	29,467	1,697
Selling expenses	6	(50,812)	(56,034)
Administrative expenses	6	(39,707)	(59,797)
Other operating expenses	6	(2,809)	(4,468)
Provision for impairment of right-of-use assets		(12,065)	–
Operating loss		(152,898)	(208,506)
Finance income		94	857
Finance costs		(5,450)	(8,182)
Loss before income tax		(158,254)	(215,831)
Income tax expense	7	(2)	(1,194)
Loss for the period		(158,256)	(217,025)
Loss for the period attributable to:			
– Equity holders of the Company		(158,031)	(216,786)
– Non-controlling interests		(225)	(239)
		(158,256)	(217,025)
Loss per share attributable to equity holders of the Company			
– Basic	8	(HK21.9 cents)	(HK30.0 cents)
– Diluted	8	(HK21.9 cents)	(HK30.0 cents)
Dividends	9	–	–

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2020

	Unaudited Six months ended 30 September 2020 HK\$'000	2019 HK\$'000
Loss for the period	(158,256)	(217,025)
Other comprehensive income, net of tax:		
<i>Item that may be reclassified subsequently to profit or loss</i>		
Currency translation differences	4,400	12,907
Total comprehensive loss for the period	(153,856)	(204,118)
Total comprehensive loss for the period attributable to:		
– Equity holders of the Company	(153,631)	(203,879)
– Non-controlling interests	(225)	(239)
	(153,856)	(204,118)

CONSOLIDATED BALANCE SHEET

As at 30 September 2020

		Unaudited 30 September 2020 HK\$'000	Audited 31 March 2020 HK\$'000
	Note		
Non-current assets			
Property, plant and equipment		131,990	140,223
Investment properties		82,052	55,800
Right-of-use assets		64,456	65,661
Prepayments, deposits and other receivables	11	45,226	56,817
		<u>323,724</u>	<u>318,501</u>
Current assets			
Inventories		745,090	336,572
Trade and other receivables	11	445,756	442,155
Other current assets		459	459
Current income tax recoverable		13,041	13,856
Cash and cash equivalents		85,509	104,481
		<u>1,289,855</u>	<u>897,523</u>
Current liabilities			
Trade and other payables	12	491,009	128,679
Current income tax liabilities		4,900	4,961
Lease liabilities		29,790	31,050
Bank borrowings	13	266,082	157,370
		<u>791,781</u>	<u>322,060</u>
Net current assets		<u>498,074</u>	<u>575,463</u>
Total assets less current liabilities		<u>821,798</u>	<u>893,964</u>

		Unaudited 30 September 2020 HK\$'000	Audited 31 March 2020 HK\$'000
	<i>Note</i>		
Capital and reserves attributable to equity holders of the Company			
Share capital		72,324	72,324
Reserves		455,619	609,250
		527,943	681,574
Non-controlling interests		(879)	(654)
Total equity		527,064	680,920
Non-current liabilities			
Other payables	12	5,306	4,666
Lease liabilities		45,228	47,178
Loans from shareholders	14	244,200	161,200
		294,734	213,044
Total equity and non-current liabilities		821,798	893,964

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2020

	Unaudited								
	Attributable to equity holders of the Company								Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Capital redemption reserve HK\$'000	Exchange and other reserves HK\$'000	Staff compensation reserve HK\$'000	Revaluation reserve HK\$'000	Retained earnings HK\$'000	Total HK\$'000	
At 1 April 2019 (audited)	72,324	417,679	1,089	(14,794)	11,783	65,423	776,564	1,330,068	(598)
Adjustment on adoption of HKFRS 16	-	-	-	-	-	-	(24,649)	(24,649)	-
At 1 April 2019 (restated)	72,324	417,679	1,089	(14,794)	11,783	65,423	751,915	1,305,419	(598)
Comprehensive income/(loss)									
Loss for the period	-	-	-	-	-	-	(216,786)	(216,786)	(239)
Other comprehensive income									
Currency translation differences	-	-	-	12,907	-	-	-	12,907	-
Total comprehensive income/(loss)	-	-	-	12,907	-	-	(216,786)	(203,879)	(239)
At 30 September 2019	72,324	417,679	1,089	(1,887)	11,783	65,423	535,129	1,101,540	(837)
At 1 April 2020 (audited)	72,324	417,679	1,089	(21,528)	11,783	65,423	176,919	723,689	(654)
Adjustment on adoption of HKFRS 16	-	-	-	-	-	-	(42,115)	(42,115)	-
At 1 April 2020 (restated)	72,324	417,679	1,089	(21,528)	11,783	65,423	134,804	681,574	(654)
Comprehensive income/(loss)									
Loss for the period	-	-	-	-	-	-	(158,031)	(158,031)	(225)
Other comprehensive income									
Currency translation differences	-	-	-	4,400	-	-	-	4,400	-
Total comprehensive income/(loss)	-	-	-	4,400	-	-	(158,031)	(153,631)	(225)
At 30 September 2020	72,324	417,679	1,089	(17,128)	11,783	65,423	(23,227)	527,943	(879)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2020

	Unaudited Six months ended 30 September 2020 <i>HK\$'000</i>	2019 <i>HK\$'000</i>
Net cash used in operating activities	(188,930)	(339,146)
Net cash used in investing activities	(18,544)	(10,627)
Net cash generated from financing activities	188,502	174,754
Net decrease in cash and cash equivalents	(18,972)	(175,019)
Cash and cash equivalents at the beginning of the period	104,481	277,474
Cash and cash equivalents at the end of the period	85,509	102,455
Analysis of balances of cash and cash equivalents		
Bank balances and cash	85,509	102,455

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2020

1. Basis of preparation and accounting policies

These unaudited consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

These consolidated financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2020.

The accounting policies and methods of computation used in the preparation of these condensed consolidated financial statements are consistent with those used in the annual financial statements for the year ended 31 March 2020, except the Group has adopted certain HKASs and Hong Kong Financial Reporting Standards (“HKFRS”) which are mandatory for the financial year beginning 1 April 2020.

2. Changes in accounting policies

The Group has initially adopted the following new and revised HKFRSs for the financial period beginning on or after 1 April 2020:

Amendments to HKFRS 3	Definition of a Business
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform
Amendment to HKFRS 16	COVID-19-Related Rent Concessions
Amendments to HKAS 1 and HKAS 8	Definition of Material

The application of the new and amendments to HKFRSs in the current period has had no material impact on the amounts reported in these unaudited consolidated financial statements and/or disclosures set out in these unaudited consolidated financial statements.

3. Other information

As disclosed in the Group's annual report Note 2.1(c) for the year ended 31 March 2020, the directors have taken certain plans and measures to mitigate the liquidity pressure, to improve its financial position and to deal with the potential impact of COVID-19. The financial results for the six months ended 30 September 2020 shown improvement compared to corresponding period last year.

In managing the Group's liquidity requirement, the Group monitors and maintains a level of cash and cash equivalents and the availability of funding through credit and banking facilities, as well as funding from Mr. LEUNG Wai Sing, Wilson (the Chairman of the Group) under the deed of funding undertaking entered into between the Group and Mr. LEUNG on 15 June 2020.

There are continuous communications with the Group's principal banks on the Group's performance. Based on our latest communications, we believe the existing banking facilities will continuously be available to the Group.

Subsequent to the period end date, the Group entered into the provisional sale and purchase agreement for disposing of property. The transaction is expected to be completed by end of December 2020 and we will receive a net proceeds of approximately HK\$36,480,000 from the disposal. The net proceeds will be used as general working capital for the Group.

To improve the Group's operating performance and alleviate liquidity risk, management will continue to implement measures to improve profitability and cash flow through various initiatives including improving the manufacturing process to reduce production costs, tighten inventory and procurement control to improve working capital requirement, better planning in purchasing to avoid shortage and to negotiate for lower cost of critical components and for better trading terms, and negotiating with its landlord for rental concession to mitigate the impact of COVID-19.

4. Segment information

(a) Segment analysed by products

The Group mainly operates in the People's Republic of China (the "PRC"), Taiwan and Hong Kong and is principally engaged in designing, manufacturing and selling of consumer electronic products including AV products and notebook products.

AV products – Design, manufacture and sale of consumer electronic products, including audio, video and tablet products

Notebook products – Design, manufacture and sale of commercial notebook and personal computers products

The Group's inter-segment transactions mainly consist of sale of assembly parts among subsidiaries. The transactions were entered into under normal commercial terms and conditions that would also be available to unrelated third parties.

	For the six months ended 30 September							
	2020				2019			
	AV products HK\$'000	Notebook products HK\$'000	Elimination HK\$'000	Group HK\$'000	AV products HK\$'000	Notebook products HK\$'000	Elimination HK\$'000	Group HK\$'000
Segment revenue								
External sales	363,321	226,438	-	589,759	367,356	94,757	-	462,113
Inter-segment sales	4,537	435	(4,972)	-	4,881	30,905	(35,786)	-
	<u>367,858</u>	<u>226,873</u>	<u>(4,972)</u>	<u>589,759</u>	<u>372,237</u>	<u>125,662</u>	<u>(35,786)</u>	<u>462,113</u>
Segment results	(74,553)	(78,345)		(152,898)	(105,932)	(102,574)		(208,506)
Finance income				94				857
Finance costs				(5,450)				(8,182)
Loss before income tax				(158,254)				(215,831)
Income tax expense				(2)				(1,194)
Loss for the period				<u>(158,256)</u>				<u>(217,025)</u>
Loss for the period attributable to								
– Equity holders of the Company				(158,031)				(216,786)
– Non-controlling interest				(225)				(239)
				<u>(158,256)</u>				<u>(217,025)</u>

4. Segment information (continued)

(b) Segment analysed by geographical areas

The segment revenue for the six months ended 30 September 2020 and 2019 are as follows:

	Six months ended 30 September	
	2020	2019
	HK\$'000	HK\$'000
North America	347,620	355,319
Asia	213,312	97,919
Europe	28,047	8,334
Others	780	541
	589,759	462,113

The Company is domiciled in the Bermuda. The analysis of revenue by geographical segment is based on the destination to which the shipments are made. Substantially all non-current assets of the Group as at the end of the year are located in Asia.

5. Other income

	Six months ended 30 September	
	2020	2019
	HK\$'000	HK\$'000
Fair value gain on investment properties (Note 10)	26,252	–
Rental income from investment properties	1,014	1,223
Others	2,201	474
	29,467	1,697

6. Expenses by nature

Expenses included in cost of goods sold, selling expenses, administrative expenses and other operating expenses are analysed as follows:

	Six months ended	
	30 September	
	2020	2019
	HK\$'000	HK\$'000
Depreciation of property, plant and equipment	13,938	23,334
Depreciation of right-of-use assets	1,205	13,291
Employee benefit expenses	96,815	109,782
Severance pay	195	8,976

7. Income tax expense

Hong Kong profits tax has been provided at the rate of 16.5% (2019: 16.5%) on the estimated assessable profits for the period. Corporate income tax on profits generated from subsidiaries operating in the PRC has been calculated at 25% in accordance with the relevant PRC tax law and regulations. Taxation on overseas profits has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the countries in which the Group operates.

	Six months ended	
	30 September	
	2020	2019
	HK\$'000	HK\$'000
Current income tax		
– PRC corporate income tax	(2)	(918)
Deferred income tax expense	–	(276)
	<hr/>	<hr/>
Income tax expense	(2)	(1,194)
	<hr/> <hr/>	<hr/> <hr/>

8. Loss per share

Basic

Basic loss per share is calculated by dividing the loss for the period attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 September	
	2020	2019
Loss for the period attributable to equity holders of the Company (<i>HK\$'000</i>)	<u>(158,031)</u>	<u>(216,786)</u>
Weighted average number of ordinary shares in issue	<u>723,244,650</u>	<u>723,244,650</u>
Basic loss per share (<i>HK cents</i>)	<u>(21.9)</u>	<u>(30.0)</u>

Diluted

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. There were no dilutive potential ordinary shares during the six months ended 30 September 2020 and 2019. Therefore, the diluted loss per share is the same as the basic loss per share.

9. Dividends

The Directors do not recommend the payment of interim dividend for the six months ended 30 September 2020 (2019: Nil).

10. Fair value gain

Subsequent to the period end, in November 2020, Advance Packaging Limited, a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with an independent third party for the disposal of a property in Yuen Long with carrying value of HK\$10,627,962 at a consideration of HK\$36,880,000. The transaction is scheduled to be completed on 18 December 2020.

The excess of the fair value over the carrying amount was HK\$26,252,038 and was recorded in other income as fair value gain for the six months ended 30 September 2020.

11. Trade receivables, prepayments, deposits and other receivables

	30 September 2020 HK\$'000	31 March 2020 HK\$'000
Non-current		
Prepayments, deposits and other receivables	47,546	59,932
Less: Loss allowance	(2,320)	(3,115)
	45,226	56,817
Current		
Trade receivables	407,304	394,822
Less: Loss allowance	(7,770)	(7,770)
Trade receivables, net	399,534	387,052
Prepayments, deposits and other receivables	46,222	55,103
	445,756	442,155
Total	490,982	498,972

The credit terms given to customers vary and are generally based on the financial strengths of individual customers. In order to effectively manage the credit risks associated with trade receivables, credit evaluations of customers are performed periodically.

The fair value of the trade and other receivables approximate to their carrying amounts.

11. Trade receivables, prepayments, deposits and other receivables (continued)

The ageing analysis of trade receivables based on shipping terms is as follows:

	30 September 2020 HK\$'000	31 March 2020 HK\$'000
0 – 30 days	263,579	40,999
31 – 60 days	77,941	124,568
61 – 90 days	24,478	94,733
Over 90 days	33,536	126,752
	399,534	387,052

12. Trade and other payables

	30 September 2020 HK\$'000	31 March 2020 HK\$'000
Non-current		
Other payables	5,306	4,666
Current		
Trade payables	379,916	39,637
Other payables and accruals	109,393	87,342
Refund liabilities (Note i)	1,700	1,700
	491,009	128,679
Total	496,315	133,345

The fair value of the trade and other payables approximate to their carrying amounts.

- (i) When a customer has a right to return product within a given period, the Group recognises a refund liability for the amount of consideration received for which the entity does not expect to be entitled. The Group also recognises a right to the returned goods.

12. Trade and other payables (continued)

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

	30 September 2020 HK\$'000	31 March 2020 HK\$'000
0 – 30 days	172,120	23,897
31 – 60 days	41,663	5,225
61 – 90 days	87,216	4,571
Over 90 days	78,917	5,944
	379,916	39,637

13. Bank borrowings

	30 September 2020 HK\$'000	31 March 2020 HK\$'000
Current		
Bank borrowings, secured (Note i)	201,187	111,852
Bank borrowings, unsecured (Note ii)	64,895	45,518
	266,082	157,370

Notes:

- i) The bank borrowing is secured by the Group's land and buildings and right-of-use assets.
- ii) The bank borrowings are unsecured and are supported by corporate guarantees given by the Company (Note 16).

As at 30 September 2020, the bank borrowings were denominated in USD or HKD (31 March 2020: same) and interest bearing at a margin over HIBOR or Lender's Costs of Funds (31 March 2020: same).

14. Loans from shareholders

	30 September 2020 <i>HK'000</i>	31 March 2020 <i>HK'000</i>
Mr. LEUNG Kai Ching, Kimen	78,200	78,200
Mr. LEUNG Wai Sing, Wilson	166,000	83,000
	244,200	161,200

The carrying amounts of the loans from shareholders approximate their fair values.

As at 30 September 2020, the loans from shareholders were interest-bearing at 1.3% over 1-month HIBOR or LIBOR per annum. The balances were repayable on 31 December 2021.

15. Share capital

	Company Ordinary Shares	
	<i>Number of shares</i>	<i>HK\$'000</i>
Authorised:		
Ordinary shares of HK\$0.10 each		
At 1 April 2019, 31 March 2020 and 30 September 2020	800,000,000	80,000
Issued and fully paid:		
Ordinary shares of HK\$0.10 each		
At 1 April 2019, 31 March 2020 and 30 September 2020	723,244,650	72,324

16. Contingent liabilities

The Company provided corporate guarantees in favour of the banks to secure general banking facilities granted to certain of its subsidiaries (*Note 13*).

17. Commitments

(a) Capital commitments

	30 September 2020 HK\$'000	31 March 2020 HK\$'000
Moulds, plant and machinery contracted but not provided for	<u>3,803</u>	<u>2,914</u>

(b) Operating lease commitments (as lessor)

The Group leases various properties under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The future aggregate minimum lease rental receivables under non-cancellable operating leases in respect of land and buildings are as follows:

	30 September 2020 HK\$'000	31 March 2020 HK\$'000
Not later than one year	2,255	2,276
Later than one year and not later than five years	<u>3,768</u>	<u>4,530</u>
	<u>6,023</u>	<u>6,806</u>

The lease terms are from one to five years.

MANAGEMENT DISCUSSION AND ANALYSIS

Group results

For the six months ended 30 September 2020, the Group recorded turnover of HK\$590 million (2019: HK\$462 million) and loss attributable to shareholders of HK\$158 million (2019: loss of HK\$217 million).

For the period under review, the Group recorded 28% increase in turnover compared with the same period of last year. The increase was mainly due to higher demand in notebooks under the coronavirus (COVID-19) pandemic, especially during the months of July to September. In terms of product segment, sales of notebook products increased over 139 % in terms of revenue, while that of AV products remained steady. However, due to well publicized worldwide shortage of many electronics components, especially those for notebooks and tablets, the Group was forced to abandon certain sales orders (and in some cases had to substitute more expensive versions for cheaper versions that could not be supplied due to lack of parts) during the period under review, which affected revenue and profitability.

The Group's administrative expenses decreased by around 34% to HK\$40 million, mainly resulted from costs saving measures that included streamlining of operations, reduction of outside professional expenses, and lowering of travel and exhibition costs. As was the case for many other companies around the world, due to travel restrictions under COVID-19, almost all of the Group's meetings with customers were conducted on-line; at the same time, many exhibitions worldwide were either postponed or cancelled outright. All these resulted in substantial savings in the Group's spending for travel, exhibition, and entertainment. Moreover, wage subsidy provided by The Hong Kong Government under the Anti-epidemic Fund measures also contributed to the decrease in the Group's administrative expenses.

Another factor for the decrease in net loss was the revaluation gain of HK\$26 million from the sales of the Group's land holdings in Kam Tin, even though the positive impact of which was offset somewhat by impairment loss of HK\$12 million due to right-of-use assets.

The directors do not recommend the payment of an interim dividend (2019: Nil) for the six months ended 30 September 2020.

Review of operation

The COVID-19 pandemic has brought unprecedented challenges to the world. In particular, global demand for notebooks and tablets skyrocketed literally overnight, due to consumers shifting to working and studying from home under lockdown. Notebooks and tablets have become essential devices and consumers have been looking for one device per person instead of one device shared among family members. However, due to the surge in demand for notebooks and tablets worldwide rising multiple folds within a matter of weeks, the supply chains for their critical components (and in some cases even supply chains for normally non-critical components) became unable to cope, resulting in dramatic and multiple folds increase of their costs. In order to maintain momentum and market shares in notebooks and tablets, the Group had to secure supply of critical (as well as in some cases even normally non-critical) components by paying highly inflated market costs, deeply impacting the Group's profitability. Even so, the silver lining is that in terms of quantity and market shares, because of much increased demand worldwide, the Group's notebooks and tablets were accepted and sold through to many more consumers as compared to the same period last year. In fact, in certain countries and cities in the Asia Pacific region, the Group's notebooks achieved almost double-digit market penetration.

While the Group's manufacturing facilities, as well as those of many of the Group's partners, in the PRC had to be closed from January to March 2020 due to lockdown measures mandated by Chinese authorities, they started to resume operation gradually from the beginning of April 2020 and were more or less stabilized from June 2020 onwards. As such, the output of the Group from April to June was affected by the lockdown as a result of supplies and logistics disruption.

At the same time, the China-US trade war had created a significant impact to electronics manufacturers and suppliers around the world. To avoid being affected by trade sanctions, certain electronics manufacturers, especially some of the more prominent ones in China, decided to place procurement orders of critical components (and in particular for semiconductor parts) during the months after Chinese New Year holidays that were multiple times in volume more than their usual consumption. While there are only a handful of large-capacity manufacturers for integrated circuit (IC), chipset solution, and CPU in the market, the sudden surge in procurement volume placed by these Chinese brands (and compounded by high demand caused by work-from-home and study-from-home behavior around the world) totally disrupted the global supply balance of IC, chipset, and CPU which are all core components of the Group's notebook products.

MANAGEMENT DISCUSSION AND ANALYSIS *(continued)*

Review of operation *(continued)*

The combined challenges of the COVID-19 pandemic and the China-US trade war created a perfect storm for the supply of components critical to the Group's notebooks and tablets, initially in supply shortages followed by dramatic and exponential rise in prices. Consequently and same as the situation of many notebook and tablet manufacturers around the world, the Group simply could not fulfill all the orders placed in these two quarters; for those orders that could be fulfilled, the Group had to pay much higher market prices for many of the critical components, substantially affecting the Group's bottom line.

While the placement of abnormally large quantity orders for semiconductor parts by some Chinese manufacturers during the last 2 quarters generated tremendous challenges for the Group as a result of broken supply chain for IC, chipset, and CPUs, the literally overnight surge in demand for notebooks and tablets, while created challenges but more importantly also opportunities for the Group.

For example, for the period under review, the sales of the Group's notebooks were particularly strong in some European countries and India, with tens of thousands of consumers choosing AVITA laptops in those markets. Such growth in the popularity of AVITA laptops in these markets resulted in the Group's sales to the USA accounting for 59% of total revenue instead of 77% during the same period last year.

Prospects

The ongoing impact of the coronavirus to the remainder of the financial year is still uncertain. What is certain is that virtually overnight, this once-a-century pandemic changed everything and the life of many people in the world. Furthermore, according to industry opinion, strong demand for notebooks and tablets will persist until the rest of the Group's financial year and well into 2021 or even 2022. After the passing of the pandemic, many companies will need to continue to support and allow employees to work from home, resulting in the consequence that notebooks and tablets will become a necessity rather than a luxury in many homes around the world. It is the intention of the Group to be well prepared to capture any market expansions wherever they may occur.

One of the challenges facing the Group is supply shortages of critical components for notebooks and tablets which resulted in prices for them still remaining high. Consequently, the Group since Oct has started to shift the higher costs to customers by increasing selling prices from on average around 20% to 30%, depending on models and markets.

Prospects *(continued)*

Apart from and in addition to adjusting selling prices, the Group is also spending a lot of research and development efforts in creating new and unique features for notebooks and tablets, not only for enhancing their functionality but also for boosting their value-for-money appeal to consumers. Benefiting from increased demand for study-from-home and distant/virtual learning, the Group has received a lot of enquiry for LTE enabled devices such as tablets, especially for and from countries where WiFi is not prevalent in private homes. For AV category and to be introduced in 2021, the Group is actively developing a portfolio of Smart Furniture products that incorporate audio, visual, as well as wireless communication features. Following the Group's business model for notebooks and tablets in recent years, these Smart Furniture products will be sold under the Group's own proprietary brand.

With a long history of making world-class quality products for brandname OEM/ODM customers, and a reputation for manufacturing excellence and efficiency as substantiated by AVITA laptops since their first introduction in 2017, the Group has started receiving more and more OEM/ODM enquiries for notebook products in recent months. Apart from and in addition to the industry norm that OEM/ODM orders are typically large in quantity and with more stable demand over a longer period of time, which would definitely help the Group to better cushion fluctuation in production volume and components costs changes, such enquiry is also a solid vote of confidence by the industry in general to the Group's quality, reliability and competitiveness in the manufacturing of notebook products. A success in this sector will open up significant opportunity for the Group.

The COVID-19 pandemic has created new patterns of living for billions of people worldwide, with many of them relying more and more on carrying out tasks and managing businesses remotely. Believing in such mega trend, the Group expects strong demand for notebooks and tablets to continue, at least in 2021 or even into 2022. In order to capture and benefit from this trend, the Group will continue to invest in resources for promoting and developing more variety of notebooks and tablets to suit different price points and different markets. As already emphasized above, the second half of this financial year remains uncertain. However, the Group will continue to take decisive measures and make good use of resources to look for new opportunities, new markets, new customers, and new products under its own proprietary brands. Most importantly, it has always been the goal of the management team to enhance the Group's long term business prospects and to create long-term value for shareholders.

Liquidity and financial resources

The Group's total equity and total equity per share as at 30 September 2020 were HK\$527 million (31 March 2020: HK\$681 million) and HK\$0.73 (31 March 2020: HK\$0.94) respectively.

As at 30 September 2020, we had cash and deposits of HK\$86 million. After deducting bank borrowings of HK\$266 million, we had net bank borrowings of HK\$180 million (31 March 2020: net bank borrowings of HK\$53 million). In addition, we had loans from shareholders of HK\$244 million and lease liability of HK\$75 million.

As at 30 September 2020, our inventory was HK\$745 million (31 March 2020: HK\$337 million). We take a cautious approach to monitor the inventory level especially during this environment with uncertainty.

Trade receivables as at 30 September 2020 were HK\$400 million (31 March 2020: HK\$387 million). It is our policy to deal with creditworthy customers and to adopt a prudent credit policy, and we have been closely monitoring credit risk.

Trade payables as at 30 September 2020 were HK\$380 million (31 March 2020: HK\$40 million).

Capital expenditure on fixed assets during the six months ended 30 September 2020 was HK\$2 million (2019: HK\$5 million). As at 30 September 2020, we had capital commitments contracted but not provided for in respect of moulds, plant and machinery amounting to HK\$3,803,000 (31 March 2020: HK\$2,914,000).

Due to peg-rate system, we have limited exposure to trade-related foreign exchange risk as substantially all of our sales, purchases and borrowings are denominated in United States dollars and Hong Kong dollars. Adhering to the policy of not engaging in currency speculation, there were no speculative activities during the reporting period.

Employees

As at 30 September 2020, the Group had approximately 1,070 employees in Hong Kong, the PRC and Taiwan. Remuneration packages are generally structured by reference to market terms and individual qualifications. Salaries and wages are normally reviewed on an annual basis based on performance appraisals and other relevant factors. We also provide other benefits including medical insurance, provident fund and education subsidies to all eligible staff.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

(a) Long positions in ordinary shares of HK\$0.10 each of the Company

As at 30 September 2020, the interests and short positions of each director and chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance ("SFO")), as recorded in the register required to be kept by the Company under Section 352 of Part XV of the SFO or otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

	Number of shares held			Percentage of the issued share capital of the Company
	Personal interest	Corporate interest	Total	
Mr LEUNG Wai Sing, Wilson	68,311,153	–	68,311,153	9.45%

(b) Long positions in underlying shares of the Company

At no time during the period was the Company or any of its subsidiaries a party to any arrangements to enable the directors or the chief executives or their spouses or children under 18 years of age to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

Save as disclosed above, as at 30 September 2020, none of the directors and chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations required to be disclosed pursuant to the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

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

The register of substantial shareholders required to be kept under section 336 of Part XV of the SFO shows that as at 30 September 2020, the Company had been notified of the following substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the directors and chief executives.

Name	Capacity in which shares were held	Number of shares – Long position	Percentage of the issued share capital of the Company
Mr LEUNG Kai Ching, Kimen (deceased)	Beneficial owner	293,000,000 (note i)	40.51%
Shundean Investments Limited	Beneficial owner	267,812,500 (note i)	37.03%
Mr Webb David Michael	Beneficial owner	75,344,884 (note ii)	10.42%
Mr LEUNG Wai Lap, David	Beneficial owner	52,280,631	7.23%
Preferable Situation Assets Limited	Beneficial owner	48,080,841 (note ii)	6.65%

Notes:

- (i) Mr LEUNG Kai Ching, Kimen (deceased) beneficially owned 25,187,500 shares, and in addition he held 267,812,500 shares through Shundean Investments Limited, which was 100% directly owned by him. Mr. LEUNG's interests are now undergoing probate.
- (ii) Mr Webb David Michael beneficially owned 27,264,043 shares, and in addition he held 48,080,841 shares through Preferable Situation Assets Limited, which was 100% directly owned by him.

Save as disclosed above, as at 30 September 2020, according to the register of interests required to be kept by the Company under Section 336 of Part XV of the SFO, there was no person, other than the directors of the Company, whose interests are set out in the section headed "Directors' and chief executives' interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation" above, who had any interest or short position in the shares or underlying shares of the Company.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor its subsidiary companies has purchased or sold any of the Company's shares for the six months ended 30 September 2020 and the Company did not redeem any of its shares during the same period.

CORPORATE GOVERNANCE

The Company has complied with all the applicable code provisions set out in the Corporate Governance Code and Corporate Governance Report contained in Appendix 14 to the Listing Rules for the six months ended 30 September 2020, except with deviation from code provision A.2.1.

Under code provision A.2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. On 15 June 2018, Mr LEUNG Wai Sing, Wilson succeeded the chairman of the Board and since then he has the combined role of Chairman of the Board and Chief Executive Officer of the Company. The Board believes that this arrangement is beneficial to the Company as Mr LEUNG has considerable industry experience.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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 regarding securities transactions by directors of the Company. Having made specific enquiry to the directors, all the directors confirmed that they had complied with the required standards as set out in the Model Code and its code of conduct regarding directors' securities transactions with the Company for the six months ended 30 September 2020.

AUDIT COMMITTEE

The interim results of the Group have not been reviewed by external auditor. The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including the review of the financial statements of the Group for the six months ended 30 September 2020.

The Audit Committee currently comprises three independent non-executive directors of the Company, namely Mr CHEUNG, Johnson, Mr LEE Tak Chi and Mr CHEUNG Ka Wing.

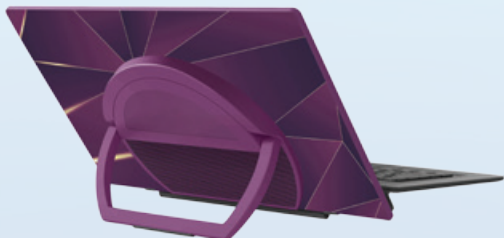
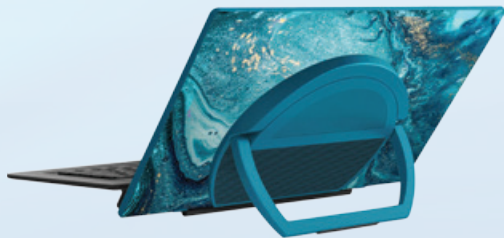
LIST OF DIRECTORS

As at the date of this report, the Board of Directors comprises three executive directors, namely Mr LEUNG Wai Sing, Wilson, Mr LEUNG Kam Fai, Peter and Mr LIU Hoi Keung and three independent non-executive directors, namely Mr LEE Tak Chi, Mr CHEUNG, Johnson and Mr CHEUNG Ka Wing.

By order of the Board
Alco Holdings Limited
LEUNG Wai Sing, Wilson
Chairman and Chief Executive Officer

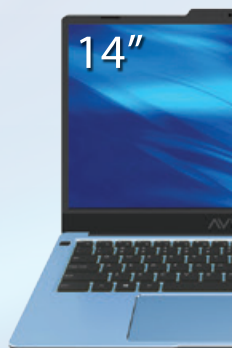
Hong Kong, 25 November 2020

VENTURER



AVITA

LIVE IT UP





V10



COMPAQ



董事名單

於本報告日期，董事會包括三位執行董事梁偉成先生、梁錦輝先生及廖開強先生，以及三位獨立非執行董事李德志先生、張富紳先生及張嘉榮先生。

承董事會命
Alco Holdings Limited
主席兼行政總裁
梁偉成

香港，二零二零年十一月二十五日

購買、出售或贖回股份

本公司及其附屬公司於截至二零二零年九月三十日止六個月概無購買或出售本公司任何股份，而本公司亦無於同一期間內贖回其任何股份。

企業管治

截至二零二零年九月三十日止六個月，除偏離守則條文A.2.1條外，本公司已遵守於上市規則附錄十四所載之企業管治守則及企業管治報告中載列之所有適用守則條文。

根據守則條文A.2.1條，主席及行政總裁之角色應予分離及不應由同一名個人履行。於二零一八年六月十五日，梁偉成先生接替董事會主席之職，自此彼同時擔任本公司董事會主席及行政總裁角色。由於梁先生擁有豐富之行業經驗，故董事會認為該項安排對本公司有利。

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易的標準守則（「標準守則」），作為本公司本身董事進行證券交易時之行為守則。經向董事作出具體查詢後，所有董事確認，彼等於截至二零二零年九月三十日止六個月內已遵守載列於標準守則之規定標準及有關董事與本公司進行證券交易之行為守則。

審核委員會

外聘核數師尚未審閱本集團之中期業績。審核委員會已與管理層一同審閱本集團所採納之會計原則及慣例，並討論有關內部控制及財務申報之事項，包括審閱本集團截至二零二零年九月三十日止六個月之財務報表。

審核委員會目前由本公司三位獨立非執行董事組成，分別為張富紳先生、李德志先生及張嘉榮先生。

主要股東於本公司股份及相關股份之權益及淡倉

根據證券及期貨條例第XV部第336條須予存置之主要股東名冊顯示，於二零二零年九月三十日，本公司已獲知會以下擁有本公司已發行股本5%或以上的主要股東之權益及淡倉。該等權益乃補充上文就董事及最高行政人員披露之權益。

姓名／名稱	持股身份	股份數目－好倉	佔本公司 已發行股本之 百分比
梁劍文先生（已辭世）	實益擁有人	293,000,000 (附註i)	40.51%
Shundean Investments Limited	實益擁有人	267,812,500 (附註i)	37.03%
Webb David Michael先生	實益擁有人	75,344,884 (附註ii)	10.42%
梁偉立先生	實益擁有人	52,280,631	7.23%
Preferable Situation Assets Limited	實益擁有人	48,080,841 (附註ii)	6.65%

附註：

- (i) 梁劍文先生（已辭世）實益擁有25,187,500股股份，此外，彼透過由其直接全資擁有之Shundean Investments Limited持有267,812,500股股份。梁先生之權益現正在遺囑認證程序中。
- (ii) Webb David Michael先生實益擁有27,264,043股股份，此外，彼透過由其直接全資擁有之Preferable Situation Assets Limited持有48,080,841股股份。

除上文所披露者外，按照本公司根據證券及期貨條例第XV部第336條須予存置之權益登記冊，於二零二零年九月三十日，並無任何人士（本公司董事除外，彼等之權益於上文「董事及最高行政人員於本公司或任何相聯法團之股份、相關股份及債券之權益及淡倉」一節載列）於本公司之股份或相關股份中擁有任何權益或淡倉。

董事及最高行政人員於本公司或任何相聯法團之股份、相關股份及債券之權益及淡倉

(a) 於本公司每股面值0.10港元普通股之好倉

於二零二零年九月三十日，本公司各董事及最高行政人員於本公司及其相聯法團（按證券及期貨條例（「證券及期貨條例」）所定義者）之股份、相關股份及債券中擁有記入本公司根據證券及期貨條例第XV部第352條須予存置之登記冊內之權益及淡倉，或根據上市發行人董事進行證券交易的標準守則（「標準守則」）須另行知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉如下：

	持有股份數目			佔本公司 已發行股本 之百分比
	個人權益	法團權益	總計	
梁偉成先生	68,311,153	—	68,311,153	9.45%

(b) 於本公司相關股份之好倉

在本期間內任何時間，本公司或其任何附屬公司概無參與任何安排，致使董事或最高行政人員或其配偶或十八歲以下子女可藉購入本公司或任何其他法人團體之股份或債券而獲益。

除上文所披露者外，於二零二零年九月三十日，本公司董事及最高行政人員概無於本公司及其相聯法團之股份、相關股份或債券中，擁有根據證券及期貨條例須予披露之任何權益或淡倉，或根據標準守則須另行知會本公司及聯交所之任何權益或淡倉。

管理層討論及分析 (續)

流動資金及財務資源

於二零二零年九月三十日，本集團之總權益及每股總權益分別為5億2千7百萬港元（二零二零年三月三十一日：6億8千1百萬港元）及0.73港元（二零二零年三月三十一日：0.94港元）。

於二零二零年九月三十日，本集團擁有之現金及存款為8千6百萬港元。於扣除銀行借貸2億6千6百萬港元後，本集團之銀行借貸淨額為1億8千萬元（二零二零年三月三十一日：銀行借貸淨額5千3百萬港元）。此外，本集團擁有2億4千4百萬港元之股東貸款及7千5百萬港元之租賃負債。

於二零二零年九月三十日，本集團之存貨為7億4千5百萬港元（二零二零年三月三十一日：3億3千7百萬港元）。本集團審慎監察存貨水平，於當前充斥不明朗因素之環境下尤甚。

於二零二零年九月三十日，應收貿易賬款為4億港元（二零二零年三月三十一日：3億8千7百萬港元）。我們的政策為與信譽良好之客戶交易及採取審慎之信貸政策，而我們一直密切監察信貸風險。

於二零二零年九月三十日，應付貿易賬款為3億8千萬元（二零二零年三月三十一日：4千萬港元）。

截至二零二零年九月三十日止六個月，固定資產之資本開支為2百萬港元（二零一九年：5百萬港元）。於二零二零年九月三十日，本集團就模具、廠房及機器已訂約但未撥備之資本承擔為3,803,000港元（二零二零年三月三十一日：2,914,000港元）。

在聯繫匯率制度下，本集團就貿易所承擔之外匯風險有限，原因為本集團絕大部份銷售、採購及借貸均以美元及港元為貨幣單位。本集團遵守不進行貨幣投機活動之政策，於報告期間概無投機活動。

僱員

於二零二零年九月三十日，本集團於香港、中國及台灣聘用約1,070名僱員。薪酬方案一般於參考市場條款及個人資歷後釐定。薪金及工資通常每年根據表現評估及其他相關因素檢討。本集團亦向所有合資格員工提供醫療保險、公積金及教育津貼等其他福利。

前景 (續)

除調整售價外，本集團亦致力研發為筆記型電腦及平板電腦創建新及獨特的功能，從而增強其功能性以及提高其對消費者的物有所值的吸引力。受惠於對在家學習及遠程／虛擬學習的需求增加，本集團已收到許多有關平板電腦等支援LTE的設備的詢價，尤其是在私人家庭中WiFi不普及的國家及地區。在將於二零二一年推出的視聽類產品中，本集團正積極開發一種融合音頻、視頻及無線通信功能的智能家具產品組合。繼本集團近年來的筆記型電腦及平板電腦業務模式之後，該等智能家具產品將以本集團自有品牌出售。

自二零一七年AVITA筆記型電腦首次推出以來，憑藉為品牌OEM/ODM客戶生產世界一流的優質產品的悠久歷史以及AVITA筆記型電腦證實的卓越製造及效率聲譽，本集團最近幾個月已開始收到越來越多有關筆記型電腦產品的OEM/ODM詢價。除OEM/ODM訂單通常數量較大且在較長時間內需求更穩定的行業常態（此無疑將有助於本集團更好地緩解產量波動及零件成本變動）外，有關詢價亦代表業界普遍堅信本集團製造筆記型電腦產品的質量、可靠性及競爭力。在此領域的成功將為本集團帶來巨大的機會。

COVID-19疫情已為全球數十億人創造新的生活方式，其中許多人越來越依賴於遠程執行任務及管理業務。本集團相信此巨大趨勢並預計至少於二零二一年甚至是二零二二年之前，筆記型電腦及平板電腦的強勁需求將持續。為抓住該趨勢並從中受益，本集團將繼續投入資源，以推廣及發展更多種類的筆記型電腦及平板電腦，以適應不同的價位及不同的市場。如上所述，本財政年度下半年仍然充滿變數。然而，本集團將繼續採取果斷措施，並善用資源為自有品牌尋求新機會、新市場、新客戶及新產品。最為重要的是管理團隊的目標始終是提升本集團的長期業務前景並為股東創造長期價值。

管理層討論及分析 (續)

業務回顧 (續)

COVID-19大流行及中美貿易戰的共同挑戰，對本集團筆記型電腦和平板電腦至關重要的組件供應引發了一場極致風暴，最初是供應短缺，然後是價格急劇上升。因此，與全球許多筆記型電腦和平板電腦製造商的情況一樣，本集團根本無法履行這兩個季度下達的所有訂單；而對於可能履行的訂單，本集團必須為許多關鍵組件支付更高的市場價格，從而嚴重影響本集團的盈利。

儘管由於IC、芯片組及CPU的供應鏈中斷，最近兩個季度中國一些製造商對半導體零件的異常大量訂購給本集團帶來了巨大挑戰，但筆記型電腦和平板電腦的需求暴漲雖然也帶來了挑戰，但更重要的是為本集團帶來了機遇。

例如，在回顧期內，本集團筆記型電腦的銷售在某些歐洲國家及印度特別強勁，成千上萬的消費者在這些市場中選擇了AVITA筆記型電腦。AVITA筆記型電腦在這些市場中受歡迎程度的增長導致本集團在美國的銷售額佔總收入降至59%，而去年同期的為77%。

前景

冠狀病毒對本財政年度剩餘時間的持續影響仍然不確定。可以肯定的是，這種百年一遇的大流行幾乎在一夜之間改變了世界上許多人的生活 and 一切。此外，根據業內人士的意見，對筆記型電腦和平板電腦的強勁需求將於本集團本財政年度餘下時間持續，並延續至二零二一年甚至二零二二年。在大流行過後，許多公司將需要繼續支持並允許員工在家辦公，從而導致筆記型電腦和平板電腦將成為全球許多家庭的必需品而不是奢侈品。本集團的目標是準備就緒，把握任何隨時可能出現的擴張市場的機遇。

本集團面臨的挑戰之一是筆記型電腦及平板電腦關鍵零件的供應短缺，導致其價格仍然居高不下。因此，本集團已自十月起開始透過將售價平均提高20%到30%左右（取決於型號及市場），將更高的成本轉移至客戶。

業務回顧

COVID-19疫情給世界帶來前所未有的挑戰。由於消費者因封城而轉向在家工作學習，全球對筆記型電腦及平板電腦的需求在一夜之間飆升。筆記型電腦及平板電腦已成為不可缺少的設備，而消費者一直尋求每人一部設備而非家庭成員之間共享一部設備。然而，由於全球筆記型電腦及平板電腦的需求在短短幾週內以倍數激增，其關鍵零件的供應鏈（有時甚至是非關鍵零件的供應鏈）無法滿足需求，造成成本亦以倍數激增。為保持筆記型電腦及平板電腦的勢頭及市場份額，本集團必須透過支付高昂的市場成本以確保關鍵（有時甚至是非關鍵）零件的供應，深深地影響了本集團的盈利能力。即使如此，就數量及市場佔有率而言，由於全球需求大幅增長，本集團的筆記型電腦及平板電腦已被接受並較去年同期售予更多消費者。實際上，於亞太地區的若干國家及城市中，本集團的筆記型電腦的市場滲透率幾乎達到兩位數。

儘管本集團及其許多合作夥伴位於中國的生產設施由於中國當局的強制性封城措施而於二零二零年一月至三月關閉，惟自二零二零年四月初起開始逐步恢復營運，並自二零二零年六月開始或多或少穩定下來。因此，由於供應及物流中斷，本集團自四月至六月的產量受到封城的影響。

同時，中美貿易戰已對全球電子產品製造商及供應商造成重大影響。為避免受到貿易制裁的影響，若干電子產品製造商，尤其是中國一些較著名的電子產品製造商，決定在農曆新年假期後幾個月內下達關鍵零部件（尤其是半導體零部件）的採購訂單，且訂單量達正常消耗量的數倍。當市場上只有少數幾家產能較大的集成電路(IC)、芯片組解決方案及CPU製造商，但這些中國品牌的採購量突然激增（加上世界各地在家辦公和在家學習帶來的高需求）徹底破壞了IC、芯片組及CPU的全球供應平衡，而這些都是本集團筆記型電腦產品的核心組成部分。

管理層討論及分析

集團業績

截至二零二零年九月三十日止六個月，本集團錄得營業額5億9千萬港元（二零一九年：4億6千2百萬港元）及股東應佔虧損1億5千8百萬港元（二零一九年：虧損2億1千7百萬港元）。

回顧期內，本集團的營業額較去年同期錄得28%的增幅。該增加乃主要由於新型冠狀病毒疫情下，尤其是七月至九月間，筆記型電腦產品需求較高。就產品分類而言，銷售筆記型電腦產品的收益增幅逾139%，而影音產品的收益維持穩定。然而，眾所周知世界範圍內多種電子組件緊缺，尤其是用於筆記型電腦及平板電腦的電子組件，本集團於回顧期內被迫放棄若干銷售訂單（並且於某些情況下，由於缺少零件而不得不以更為昂貴的版型替換較為廉價的斷供版型），此舉對收益及盈利能力構成影響。

本集團的行政開支減少約34%至4千萬港元，主要由於採取包括精簡生產工序、減少外部專業開支以及降低差旅及展覽會開支的節流措施。正如世界上其他國家一樣，由於COVID-19下的出行限制，本集團與客戶的所有會議幾乎都以線上方式進行；與此同時，世界上的諸多展覽會亦已延期或直接取消。本集團藉此節約了絕大部分用於差旅、展覽會及娛樂方面的開支。此外，香港政府根據「防疫抗疫基金」提供之薪資補貼亦令本集團的行政開支有所減少。

淨虧損減少的另一因素為來自銷售本集團於錦田土地股權的重估收益2千6百萬港元，儘管其正面影響已被使用權資產減值虧損1千2百萬港元所部分抵銷。

董事不建議派發截至二零二零年九月三十日止六個月之中期股息（二零一九年：無）。

17. 承擔

(a) 資本承擔

	二零二零年 九月三十日 千港元	二零二零年 三月三十一日 千港元
已訂約但未撥備之模具、廠房及機器	3,803	2,914

(b) 經營租賃承擔 (作為出租人)

本集團根據不可撤銷經營租賃協議租賃數項物業。租約具有不同條款、價格調整條款及續期權利。

就土地及樓宇之不可撤銷經營租賃之未來可收取最低租賃款項總額如下：

	二零二零年 九月三十日 千港元	二零二零年 三月三十一日 千港元
一年內	2,255	2,276
一年後但於五年內	3,768	4,530
	6,023	6,806

租約期限為期一年至五年。

14. 股東貸款

	二零二零年 九月三十日 千港元	二零二零年 三月三十一日 千港元
梁劍文先生	78,200	78,200
梁偉成先生	166,000	83,000
	<u>244,200</u>	<u>161,200</u>

股東貸款之賬面值與其公平值相若。

於二零二零年九月三十日，股東貸款按一個月香港銀行同業拆息或倫敦銀行同業拆息上浮1.3%之年利率計息。結餘應於二零二一年十二月三十一日償還。

15. 股本

	本公司 普通股 股份數目	千港元
法定股本：		
每股面值0.10港元之普通股		
於二零一九年四月一日、二零二零年 三月三十一日及二零二零年九月三十日	<u>800,000,000</u>	<u>80,000</u>
已發行及繳足股本：		
每股面值0.10港元之普通股		
於二零一九年四月一日、 二零二零年三月三十一日及 二零二零年九月三十日	<u>723,244,650</u>	<u>72,324</u>

16. 或然負債

本公司已向銀行提供公司擔保以為其若干附屬公司取得一般銀行信貸（附註13）。

12. 應付貿易及其他賬款 (續)

按照發票日期計算之應付貿易賬款賬齡分析如下：

	二零二零年 九月三十日 千港元	二零二零年 三月三十一日 千港元
0－30日	172,120	23,897
31－60日	41,663	5,225
61－90日	87,216	4,571
超過90日	78,917	5,944
	379,916	39,637

13. 銀行借貸

	二零二零年 九月三十日 千港元	二零二零年 三月三十一日 千港元
流動		
銀行借貸，有抵押 (附註i)	201,187	111,852
銀行借貸，無抵押 (附註ii)	64,895	45,518
	266,082	157,370

附註：

- i) 銀行借貸以本集團的土地、樓宇以及使用權資產作抵押。
- ii) 該等銀行借貸為無抵押並以本公司提供之公司擔保作支持 (附註16)。

於二零二零年九月三十日，銀行借貸以美元或港元 (二零二零年三月三十一日：相同) 為單位，而利息乃按香港銀行同業拆息或放貸人資金成本 (二零二零年三月三十一日：相同) 加若干息差之利率計算。

11. 應收貿易賬款、預付款項、按金及其他應收賬款 (續)

按照付運條款計算之應收貿易賬款賬齡分析如下：

	二零二零年 九月三十日 千港元	二零二零年 三月三十一日 千港元
0－30日	263,579	40,999
31－60日	77,941	124,568
61－90日	24,478	94,733
超過90日	33,536	126,752
	399,534	387,052

12. 應付貿易及其他賬款

	二零二零年 九月三十日 千港元	二零二零年 三月三十一日 千港元
非流動		
其他應付賬款	5,306	4,666
流動		
應付貿易賬款	379,916	39,637
其他應付賬款及應計費用	109,393	87,342
退還負債 (附註i)	1,700	1,700
	491,009	128,679
總計	496,315	133,345

應付貿易及其他賬款之公平值與其賬面值相若。

- (i) 當客戶有權於指定期間內退還貨品，本集團就實體預期無權收取之已收代價金額確認退還負債。本集團亦確認退還貨品權利。

10. 公平值收益

於期末後，於二零二零年十一月，力行包裝有限公司（本公司之全資附屬公司）與一名獨立第三方訂立有關出售於元朗的一處賬面值為10,627,962港元的物業之買賣協議，代價為36,880,000港元。有關交易擬定於二零二零年十二月十八日完成。

公平值超出賬面值的部分為26,252,038港元，已作為截至二零二零年九月三十日止六個月之公平值收益並於其他收入中入賬。

11. 應收貿易賬款、預付款項、按金及其他應收賬款

	二零二零年 九月三十日 千港元	二零二零年 三月三十一日 千港元
非流動		
預付款項、按金及其他應收賬款	47,546	59,932
減：虧損撥備	(2,320)	(3,115)
	<u>45,226</u>	<u>56,817</u>
流動		
應收貿易賬款	407,304	394,822
減：虧損撥備	(7,770)	(7,770)
	<u>399,534</u>	<u>387,052</u>
預付款項、按金及其他應收賬款	46,222	55,103
	<u>445,756</u>	<u>442,155</u>
總計	<u><u>490,982</u></u>	<u><u>498,972</u></u>

向客戶提供之信貸條款一般視乎個別客戶之財務實力而定。為有效管理有關應收貿易賬款之信貸風險，本集團定期對客戶進行信貸評估。

應收貿易及其他賬款之公平值與其賬面值相若。

8. 每股虧損

基本

每股基本虧損乃按照本公司股東應佔期內虧損除以期內已發行普通股之加權平均數計算。

	截至九月三十日止六個月	
	二零二零年	二零一九年
本公司股東應佔期內虧損 (千港元)	(158,031)	(216,786)
已發行普通股之加權平均數	723,244,650	723,244,650
每股基本虧損 (港仙)	(21.9)	(30.0)

攤薄

每股攤薄虧損乃透過調整發行在外普通股之加權平均數至假設轉換所有潛在攤薄普通股計算。截至二零二零年及二零一九年九月三十日止六個月並無潛在攤薄普通股。因此，每股攤薄虧損與每股基本虧損相同。

9. 股息

董事不建議派發截至二零二零年九月三十日止六個月之中期股息（二零一九年：無）。

6. 按性質分類之開支

銷貨成本、銷售開支、行政開支及其他經營開支中所包括之開支分析如下：

	截至九月三十日止六個月	
	二零二零年 千港元	二零一九年 千港元
物業、廠房及設備折舊	13,938	23,334
使用權資產折舊	1,205	13,291
僱員福利開支	96,815	109,782
遣散費用	195	8,976

7. 所得稅開支

香港利得稅乃按照期內之估計應課稅溢利以16.5%（二零一九年：16.5%）之稅率撥備。企業所得稅乃向中國營運之附屬公司產生之利潤徵稅，根據中國相關稅務法律法規以25%之稅率計算。海外溢利之稅款則按照期內之估計應課稅溢利以本集團經營業務所在國家之現行稅率計算。

	截至九月三十日止六個月	
	二零二零年 千港元	二零一九年 千港元
即期所得稅		
— 中國企業所得稅	(2)	(918)
遞延所得稅開支	<u>—</u>	<u>(276)</u>
所得稅開支	<u>(2)</u>	<u>(1,194)</u>

4. 分類資料 (續)

(b) 按地區分析之分類

截至二零二零年及二零一九年九月三十日止六個月之分類營業額如下：

	截至九月三十日止六個月	
	二零二零年 千港元	二零一九年 千港元
北美洲	347,620	355,319
亞洲	213,312	97,919
歐洲	28,047	8,334
其他	780	541
	<u>589,759</u>	<u>462,113</u>

本公司於百慕達註冊。按地區分類作出之營業額分析乃根據付運目的地釐定。於年末，本集團絕大部分非流動資產均位於亞洲。

5. 其他收入

	截至九月三十日止六個月	
	二零二零年 千港元	二零一九年 千港元
投資物業之公平值收益 (附註10)	26,252	—
投資物業之租金收入	1,014	1,223
其他	2,201	474
	<u>29,467</u>	<u>1,697</u>

4. 分類資料

(a) 按產品分析之分類

本集團主要於中華人民共和國（「中國」）、台灣及香港營運，並主要從事設計、製造及銷售消費電子產品（包括影音產品及筆記型電腦產品）。

影音產品 — 設計、製造及銷售消費電子產品，包括音響、影像及平板電腦產品

筆記型電腦產品 — 設計、製造及銷售商業筆記型電腦及個人電腦產品

本集團的分類間交易主要包括附屬公司間的配件銷售。該等交易乃按一般商業條款及條件訂立，有關條款亦適用於概無關聯的第三方。

	截至九月三十日止六個月							
	二零二零年				二零一九年			
	影音產品 千港元	筆記型 電腦產品 千港元	抵銷 千港元	總額 千港元	影音產品 千港元	筆記型 電腦產品 千港元	抵銷 千港元	總額 千港元
分類業績								
外部銷售	363,321	226,438	-	589,759	367,356	94,757	-	462,113
內部分類銷售	4,537	435	(4,972)	-	4,881	30,905	(35,786)	-
	<u>367,858</u>	<u>226,873</u>	<u>(4,972)</u>	<u>589,759</u>	<u>372,237</u>	<u>125,662</u>	<u>(35,786)</u>	<u>462,113</u>
分類業績	(74,553)	(78,345)		(152,898)	(105,932)	(102,574)		(208,506)
財務收入				94				857
財務成本				(5,450)				(8,182)
除所得稅前虧損				(158,254)				(215,831)
所得稅開支				(2)				(1,194)
期內虧損				<u>(158,256)</u>				<u>(217,025)</u>
以下人士應佔期內虧損								
— 本公司股東				(158,031)				(216,786)
— 非控股權益				(225)				(239)
				<u>(158,256)</u>				<u>(217,025)</u>

3. 其他資料

誠如本集團截至二零二零年三月三十一日止年度之年報中附註2.1(c)所披露，董事已採取若干計劃及措施緩解流動資金壓力，改善其財務狀況及應對COVID-19的潛在影響。與去年同期相比，截至二零二零年九月三十日止六個月之財務業績有所改善。

管理本集團之流動資金需求時，本集團監察及維持現金及現金等值水平及透過信貸及銀行融資取得的資金，以及根據本集團與梁偉成先生（本集團主席）於二零二零年六月十五日訂立的出資承諾契據自梁先生獲得的資金。

本集團與本集團之主要銀行就本集團之業績持續進行溝通。根據我們的最近期溝通，我們認為本集團將獲得可持續動用之現有銀行融資。

於期結日之後，本集團就物業出售訂立臨時買賣協議。該交易預計於二零二零年十二月末前達成，我們將從出售事項中收取約36,480,000港元之所得款項淨額，有關所得款項淨額將用作本集團之一般營運資金。

為改善本集團之經營表現及減輕其流動資金風險，管理層將繼續採取措施，通過各種舉措來提高盈利能力及現金流，包括改進生產過程以降低生產成本、加強對存貨及採購的控制以提高營運資金需求、優化採購計劃以避免短缺以及就降低關鍵零件的成本及改善交易條款而展開磋商，並與其業主磋商租金優惠，以減輕COVID-19的影響。

綜合財務報表附註

截至二零二零年九月三十日止六個月

1. 編製基準及會計政策

本未經審核綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港會計準則（「香港會計準則」）第34號「中期財務報告」及香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十六之披露規定編製。

本綜合財務報表應與截至二零二零年三月三十一日止年度之年度財務報表一併參閱。

除本集團已採用若干於二零二零年四月一日開始之財政年度強制生效之香港會計準則及香港財務報告準則（「香港財務報告準則」）外，編製本簡明綜合財務報表所採用之會計政策及計算方法與截至二零二零年三月三十一日止年度之年度財務報表所採用者一致。

2. 會計政策變動

於二零二零年四月一日或之後開始的財政期間，本集團首次採納下列新訂及經修訂香港財務報告準則：

香港財務報告準則第3號（修訂本）	業務的定義
香港財務報告準則第9號，	利率基準改革
香港會計準則第39號及	
香港財務報告準則第7號（修訂本）	
香港財務報告準則第16號（修訂本）	與COVID-19有關的租金優惠
香港會計準則第1號及	重大的定義
香港會計準則第8號（修訂本）	

於本期間應用新訂香港財務報告準則及香港財務報告準則修訂本，對本未經審核綜合財務報表所呈報金額及／或本未經審核綜合財務報表所載的資料披露並無重大影響。

綜合現金流量表

截至二零二零年九月三十日止六個月

	未經審核	
	截至九月三十日止六個月	
	二零二零年 千港元	二零一九年 千港元
經營業務所用之現金淨額	(188,930)	(339,146)
投資業務所用之現金淨額	(18,544)	(10,627)
融資業務產生之現金淨額	<u>188,502</u>	<u>174,754</u>
現金及現金等值減少淨額	(18,972)	(175,019)
於期初之現金及現金等值	<u>104,481</u>	<u>277,474</u>
於期末之現金及現金等值	<u><u>85,509</u></u>	<u><u>102,455</u></u>
現金及現金等值之結餘分析		
銀行結餘及現金	<u><u>85,509</u></u>	<u><u>102,455</u></u>

綜合權益變動表

截至二零二零年九月三十日止六個月

	未經審核									
	本公司股東應佔								非控股權益	總權益
	股本	股份溢價	資本贖回儲備	匯兌及其他儲備	員工補償儲備	重估儲備	保留盈利	總計	權益	總權益
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
於二零一九年四月一日 (經審核)	72,324	417,679	1,089	(14,794)	11,783	65,423	776,564	1,330,068	(598)	1,329,470
採納香港財務報告準則第16號之調整	-	-	-	-	-	-	(24,649)	(24,649)	-	(24,649)
於二零一九年四月一日 (經重列)	72,324	417,679	1,089	(14,794)	11,783	65,423	751,915	1,305,419	(598)	1,304,821
全面收入／(虧損)										
期內虧損	-	-	-	-	-	-	(216,786)	(216,786)	(239)	(217,025)
其他全面收入										
貨幣匯兌差額	-	-	-	12,907	-	-	-	12,907	-	12,907
全面收入／(虧損)總額	-	-	-	12,907	-	-	(216,786)	(203,879)	(239)	(204,118)
於二零一九年九月三十日	72,324	417,679	1,089	(1,887)	11,783	65,423	535,129	1,101,540	(837)	1,100,703
於二零二零年四月一日 (經審核)	72,324	417,679	1,089	(21,528)	11,783	65,423	176,919	723,689	(654)	723,035
採納香港財務報告準則第16號之調整	-	-	-	-	-	-	(42,115)	(42,115)	-	(42,115)
於二零二零年四月一日 (經重列)	72,324	417,679	1,089	(21,528)	11,783	65,423	134,804	681,574	(654)	680,920
全面收入／(虧損)										
期內虧損	-	-	-	-	-	-	(158,031)	(158,031)	(225)	(158,256)
其他全面收入										
貨幣匯兌差額	-	-	-	4,400	-	-	-	4,400	-	4,400
全面收入／(虧損)總額	-	-	-	4,400	-	-	(158,031)	(153,631)	(225)	(153,856)
於二零二零年九月三十日	72,324	417,679	1,089	(17,128)	11,783	65,423	(23,227)	527,943	(879)	527,064

		未經審核 二零二零年 九月三十日 千港元	經審核 二零二零年 三月三十一日 千港元
	附註		
本公司股東應佔資本及儲備			
股本		72,324	72,324
儲備		<u>455,619</u>	<u>609,250</u>
		527,943	681,574
非控股權益		<u>(879)</u>	<u>(654)</u>
總權益		<u>527,064</u>	<u>680,920</u>
非流動負債			
其他應付賬款	12	5,306	4,666
租賃負債		45,228	47,178
股東貸款	14	<u>244,200</u>	<u>161,200</u>
		<u>294,734</u>	<u>213,044</u>
總權益及非流動負債		<u>821,798</u>	<u>893,964</u>

綜合資產負債表

於二零二零年九月三十日

		未經審核 二零二零年 九月三十日 千港元	經審核 二零二零年 三月三十一日 千港元
附註			
非流動資產			
物業、廠房及設備		131,990	140,223
投資物業		82,052	55,800
使用權資產		64,456	65,661
預付款項、按金及其他應收賬款	11	45,226	56,817
		<u>323,724</u>	<u>318,501</u>
流動資產			
存貨		745,090	336,572
應收貿易及其他賬款	11	445,756	442,155
其他流動資產		459	459
可收回即期所得稅		13,041	13,856
現金及現金等值		85,509	104,481
		<u>1,289,855</u>	<u>897,523</u>
流動負債			
應付貿易及其他賬款	12	491,009	128,679
即期所得稅負債		4,900	4,961
租賃負債		29,790	31,050
銀行借貸	13	266,082	157,370
		<u>791,781</u>	<u>322,060</u>
流動資產淨值		<u>498,074</u>	<u>575,463</u>
總資產減流動負債		<u>821,798</u>	<u>893,964</u>

綜合全面收益表

截至二零二零年九月三十日止六個月

	未經審核	
	截至九月三十日止六個月 二零二零年 千港元	二零一九年 千港元
期內虧損	(158,256)	(217,025)
其他全面收入，扣除稅項：		
其後可能重新分類為損益之項目		
貨幣匯兌差額	<u>4,400</u>	<u>12,907</u>
期內全面虧損總額	<u>(153,856)</u>	<u>(204,118)</u>
以下應佔期內全面虧損總額：		
— 本公司股東	(153,631)	(203,879)
— 非控股權益	<u>(225)</u>	<u>(239)</u>
	<u>(153,856)</u>	<u>(204,118)</u>

Alco Holdings Limited (「本公司」) 董事宣佈本公司及其附屬公司 (「本集團」) 截至二零二零年九月三十日止六個月之未經審核綜合中期業績如下：

綜合損益表

截至二零二零年九月三十日止六個月

	附註	未經審核 截至九月三十日止六個月	
		二零二零年 千港元	二零一九年 千港元
營業額	4	589,759	462,113
銷貨成本	6	(666,731)	(552,017)
毛損		(76,972)	(89,904)
其他收入	5	29,467	1,697
銷售開支	6	(50,812)	(56,034)
行政開支	6	(39,707)	(59,797)
其他經營開支	6	(2,809)	(4,468)
就使用權資產減值撥備		(12,065)	-
經營虧損		(152,898)	(208,506)
財務收入		94	857
財務成本		(5,450)	(8,182)
除所得稅前虧損		(158,254)	(215,831)
所得稅開支	7	(2)	(1,194)
期內虧損		(158,256)	(217,025)
以下應佔期內虧損：			
— 本公司股東		(158,031)	(216,786)
— 非控股權益		(225)	(239)
		(158,256)	(217,025)
本公司股東應佔每股虧損			
— 基本	8	(21.9港仙)	(30.0港仙)
— 攤薄	8	(21.9港仙)	(30.0港仙)
股息	9	-	-



ALCO HOLDINGS LIMITED

(於百慕達註冊成立之有限公司)
(股份代號：328)

二零二零年中期報告