



ALCO HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 328)

INTERIM REPORT 2014

The directors of Alco Holdings Limited (the “Company”) announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30th September 2014, as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30th September 2014

		Unaudited Six months ended 30th September	
	<i>Note</i>	2014 HK\$'000	2013 HK\$'000 (Restated)
Continuing operation			
Revenue	3	1,095,396	1,054,413
Cost of goods sold	4	(1,030,763)	(994,063)
Gross profit		64,633	60,350
Other income		4,214	4,380
Selling expenses	4	(43,333)	(34,956)
Administrative expenses	4	(31,105)	(38,836)
Other operating (expenses)/income	4	(10,066)	1,873
Exchange gain on loans and receivables		–	2,974
Impairment of loans and receivables		–	(8,733)
Impairment of available-for-sale financial assets		–	(15,225)
Operating loss		(15,657)	(28,173)
Finance income		6,670	13,928
Finance costs		(2,281)	(1,888)
Loss before income tax		(11,268)	(16,133)
Income tax credit/(expenses)	5	2,009	(5,982)
Loss for the period from continuing operation		(9,259)	(22,115)
Discontinued operation			
Loss for the period from discontinued operation	6	–	(13,256)
Loss for the period		(9,259)	(35,371)

CONDENSED CONSOLIDATED INCOME STATEMENT *(continued)**For the six months ended 30th September 2014*

		Unaudited	
		Six months ended	
		30th September	
		2014	2013
	<i>Note</i>	HK\$'000	<i>HK\$'000</i>
			(Restated)
Loss for the period attributable to:			
Equity holders of the Company			
– Continuing operation		(9,181)	(21,892)
– Discontinued operation		<u>–</u>	<u>(13,256)</u>
		(9,181)	(35,148)
Non-controlling interests			
– Continuing operation		<u>(78)</u>	<u>(223)</u>
		<u>(9,259)</u>	<u>(35,371)</u>
Loss per share attributable to equity holders of the Company			
Basic loss per share			
– Continuing operation	7	(HK1.6 cents)	(HK3.8 cents)
– Discontinued operation	7	<u>–</u>	<u>(HK2.3 cents)</u>
		<u>(HK1.6 cents)</u>	<u>(HK6.1 cents)</u>
Diluted loss per share			
– Continuing operation	7	(HK1.6 cents)	(HK3.8 cents)
– Discontinued operation	7	<u>–</u>	<u>(HK2.3 cents)</u>
		<u>(HK1.6 cents)</u>	<u>(HK6.1 cents)</u>
Dividends	8	<u>17,381</u>	<u>17,403</u>

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30th September 2014

	Unaudited	
	Six months ended	
	30th September	
	2014	2013
	HK\$'000	HK\$'000
		(Restated)
Loss for the period	<u>(9,259)</u>	<u>(35,371)</u>
Other comprehensive loss, net of tax:		
<i>Item that may be reclassified subsequently to profit or loss</i>		
Currency translation differences	<u>(411)</u>	<u>(141)</u>
Total comprehensive loss for the period	<u><u>(9,670)</u></u>	<u><u>(35,512)</u></u>
Total comprehensive loss for the period attributable to:		
Equity holders of the Company		
– Continuing operation	(9,592)	(22,033)
– Discontinued operation	<u>–</u>	<u>(13,256)</u>
	(9,592)	(35,289)
Non-controlling interests		
– Continuing operation	<u>(78)</u>	<u>(223)</u>
	<u><u>(9,670)</u></u>	<u><u>(35,512)</u></u>

CONDENSED CONSOLIDATED BALANCE SHEET

As at 30th September 2014

		Unaudited 30th September 2014 HK\$'000	Audited 31st March 2014 HK\$'000
	Note		
Non-current assets			
Property, plant and equipment		213,795	212,385
Investment properties		305,210	305,210
Leasehold land and land use rights		6,981	7,150
Intangible assets		25,350	29,250
Deferred income tax assets		40,346	36,692
Other receivables	11	43,374	58,414
		635,056	649,101
Current assets			
Inventories		1,011,647	353,439
Loans and receivables	9	–	1,562
Trade and other receivables	11	923,143	632,824
Current income tax assets		–	692
Cash and cash equivalents		722,458	924,146
		2,657,248	1,912,663
Current liabilities			
Trade and other payables	12	802,562	575,843
Trust receipt loan		576,763	–
Current income tax liabilities		953	–
Borrowings	13	80,000	80,000
		1,460,278	655,843
Net current assets		1,196,970	1,256,820
Total assets less current liabilities		1,832,026	1,905,921
Capital and reserves attributable to equity holders of the Company			
Share capital	14	57,937	58,009
Reserves		1,764,519	1,798,264
		1,822,456	1,856,273
Non-controlling interests		(430)	(352)
Total equity		1,822,026	1,855,921
Non-current liabilities			
Borrowings	13	10,000	50,000
Total equity and non-current liabilities		1,832,026	1,905,921

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30th September 2014

	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 reserve HK\$'000	Staff compensation reserve HK\$'000	Revaluation surplus HK\$'000	Retained earnings HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000
At 1st April 2013	58,009	310,651	940	(618)	11,783	58,074	1,488,167	1,927,006	-
Comprehensive loss									
Loss for the period	-	-	-	-	-	-	(35,148)	(35,148)	(223)
Others comprehensive loss									
Currency translation differences	-	-	-	(141)	-	-	-	(141)	-
Total comprehensive loss	-	-	-	(141)	-	-	(35,148)	(35,289)	(223)
Transactions with owners									
2013 final dividend	-	-	-	-	-	-	(34,806)	(34,806)	-
Non-controlling interests arising on business combination	-	-	-	-	-	-	-	-	28
Total transactions with owners	-	-	-	-	-	-	(34,806)	(34,806)	28
At 30th September 2013	58,009	310,651	940	(759)	11,783	58,074	1,418,213	1,856,911	(195)
At 1st April 2014	58,009	310,651	940	(43)	11,783	58,074	1,416,859	1,856,273	(352)
Comprehensive loss									
Loss for the period	-	-	-	-	-	-	(9,181)	(9,181)	(78)
Others comprehensive loss									
Currency translation differences	-	-	-	(411)	-	-	-	(411)	-
Total comprehensive loss	-	-	-	(411)	-	-	(9,181)	(9,592)	(78)
Transactions with owners									
Repurchase of shares	(72)	(978)	72	-	-	-	(72)	(1,050)	-
2014 final dividend	-	-	-	-	-	-	(23,175)	(23,175)	-
Total transactions with owners	(72)	(978)	72	-	-	-	(23,247)	(24,225)	-
At 30th September 2014	57,937	309,673	1,012	(454)	11,783	58,074	1,384,431	1,822,456	(430)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30th September 2014

	Unaudited	
	Six months ended	
	30th September	
	2014	2013
	HK\$'000	HK\$'000
Net cash used in operating activities	(720,174)	(550,517)
Net cash generated from/(used in) investing activities	5,948	(70,629)
Net cash generated from financing activities	512,538	35,194
Net decrease in cash and cash equivalents	(201,688)	(585,952)
Cash and cash equivalents at the beginning of the period	924,146	1,231,776
Cash and cash equivalents at the end of the period	722,458	645,824
Analysis of balances of cash and cash equivalents		
Bank balances and cash	722,458	645,824

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th September 2014

1. Basis of preparation and accounting policies

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

These condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended 31st March 2014.

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 31st March 2014, except the Group has adopted certain HKASs and Hong Kong Financial Reporting Standards (“HKFRS”) which are mandatory for the financial year beginning 1st April 2014.

2. Changes in accounting policies

The following new standards, amendments to standards and interpretation are relevant to the Group and are mandatory for the financial year beginning 1st April 2014.

HKAS 32 (Amendment)	Offsetting Financial Assets and Financial Liabilities
HKAS 36 (Amendment)	Recoverable Amount Disclosures for Non-Financial Assets
HKAS 39 (Amendment)	Novation of Derivatives and Continuation of Hedge Accounting
HK(IFRIC) – Int 21	Levies
Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011)	Investment Entities

The adoption of the above new standards, amendments to standards and interpretation did not have significant impact to the Group’s financial statements and has not led to any changes in the Group’s accounting policies.

2. Changes in accounting policies (continued)

The following new standards, amendments to standards and interpretation have been published but are not yet effective for the financial year beginning 1st April 2014 and have not been early adopted by the Group:

HKFRS 9	Financial Instruments ⁴
HKFRS 11 (Amendment)	Accounting for Acquisition of Interest in Joint Operation ²
HKFRS 14	Regulatory Deferral Accounts ²
HKFRS 15	Revenue from Contracts with Customers ³
HKFRS (Amendment)	Annual Improvement 2010-2012 Cycle ¹
HKFRS (Amendment)	Annual Improvement 2011-2013 Cycle ¹
HKAS 16 and 38 (Amendment)	Classification of Acceptable Methods of Depreciation and Amortisation ²
HKAS 19 (Amendment)	Employee Benefits: Defined Benefit Plans – Employee Contributions ¹

¹ Effective for annual periods beginning on or after 1st July 2014

² Effective for annual periods beginning on or after 1st January 2016

³ Effective for annual periods beginning on or after 1st January 2017

⁴ Changes effective date to be determined

The Group has already commenced an assessment of the impact of the above new standards, amendments to standards and interpretation, but is not yet in a position to state whether these new standards, amendments to standards and interpretation would have a significant impact to its results of operations and financial position.

3. Segment information

(a) Segment analysed by products

The Group mainly operates in the People's Republic of China (the "PRC") and Hong Kong and is principally engaged in designing, manufacturing and selling consumer electronic products and plastic products. During the year ended 31st March 2014, the Group disposed of the plastics products operation and the results of such operation have been presented as discontinued operation in the condensed consolidated income statement for the six months ended 30th September 2013 (Note 6).

Consumer electronic products	–	Design, manufacture and sale of consumer electronic products
Plastic products	–	Manufacture and sale of plastic and packaging products (ceased after February 2014)

3. Segment information (continued)

(a) Segment analysed by products (continued)

	Six months ended 30th September					
	2014			2013 (Restated)		
	Continuing operation	Discontinued operation		Continuing operation	Discontinued operation	
	Consumer electronic products	Plastic products	Total	Consumer electronic products	Plastic products	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue	1,095,396	-	1,095,396	1,054,413	54,712	1,109,125
Inter-segment sales	-	-	-	-	(43,690)	(43,690)
External sales	1,095,396	-	1,095,396	1,054,413	11,022	1,065,435
Segment results	(15,657)	-	(15,657)	(28,173)	(14,440)	(42,613)

(b) Segment analysed by geographical areas

	Revenue	
	Six months ended	
	30th September	
	2014	2013
	HK\$'000	HK\$'000
Continuing operation		(Restated)
North America	1,053,067	930,397
Europe	2,465	78,366
Asia	32,956	43,287
Others	6,908	2,363
	1,095,396	1,054,413

The analysis of revenue by geographical areas is based on the destination to which the shipments are made.

Primarily all of the assets and capital expenditure for the six months ended 30th September 2014 and 2013 were located or utilised in the PRC or Hong Kong.

4. Expenses by nature

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

	Six months ended 30th September	
	2014	2013
	HK\$'000	HK\$'000
<i>Continuing operation</i>		(Restated)
Amortisation of intangible assets	3,900	4,442
Depreciation	16,716	15,839
Termination benefits	16,394	424
Employee benefit expenses	112,754	132,388

5. Income tax credit/expenses

Hong Kong profits tax has been provided at the rate of 16.5% (2013: 16.5%) on the estimated assessable profits for the period. 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.

The amount of taxation credited/(charged) to the condensed consolidated income statement represents:

	Six months ended 30th September	
	2014	2013
	HK\$'000	HK\$'000
<i>Continuing operation</i>		(Restated)
Current income tax		
– Hong Kong profits tax	(40)	(4,147)
– Under provision in prior years	–	(27)
– PRC enterprise income tax	(1,605)	–
Deferred income tax credit/(expenses)	3,654	(1,808)
Income tax credit/(expenses)	2,009	(5,982)

6. Discontinued operation

During the year ended 31st March 2014, the Group completed its disposal of the entire interest in Alco Plastic Products Limited (“APPL”), a wholly owned subsidiary of the Company, to one of the APPL’s directors at a cash consideration of HK\$3,000,000. Full consideration was received in February 2014. The principal activity of APPL was the manufacturing and selling of plastic products. Accordingly, the results of plastic products business have been presented as a discontinued operation in the condensed consolidated financial statements for the six months ended 30th September 2013.

(a) *Analysis of the results of discontinued operation is as follows:*

	Six months ended 30th September 2013 HK\$'000
Revenue	54,712
Cost of goods sold	(65,871)
	<hr/>
Gross loss	(11,159)
Selling expenses	(3)
Administrative expenses	(1,044)
Other operating expenses	(2,234)
	<hr/>
Loss before income tax	(14,440)
Income tax credit	1,184
	<hr/>
Loss for the period from discontinued operation attributable to equity holders of the Company	(13,256)

(b) *Analysis of the expenses of discontinued operation is as follows:*

	Six months ended 30th September 2013 HK\$'000
Depreciation	1,536
Termination benefits	3,112
Employee benefit expenses	9,317
Deferred income tax credit	(1,184)

6. Discontinued operation *(continued)*

(c) Analysis of the cash flows of discontinued operation is as follows:

	Six months ended 30th September 2013 <i>HK\$'000</i>
Net cash inflow from operating activities	45,791
Net cash inflow from investing activities	5,135
Net cash outflow from financing activities	(50,100)
	<hr/>
Net cash inflow from discontinued operation	826
	<hr/> <hr/>

7. 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 30th September 2014	2013 (Restated)
Loss attributable to equity holders of the Company (<i>HK\$'000</i>)		
– Continuing operation	(9,181)	(21,892)
– Discontinued operation	<u>–</u>	<u>(13,256)</u>
	<u>(9,181)</u>	<u>(35,148)</u>
Weighted average number of ordinary shares in issue	<u>579,715,327</u>	<u>580,093,720</u>
Basic loss per share (<i>HK cents</i>)		
– Continuing operation	(1.6)	(3.8)
– Discontinued operation	<u>–</u>	<u>(2.3)</u>
	<u>(1.6)</u>	<u>(6.1)</u>

7. Loss per share (continued)

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. The Company had only one category of dilutive potential ordinary shares for the six months ended 30th September 2013: share options. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options. For the six months ended 30th September 2014, the Company did not have dilutive potential ordinary shares.

	Six months ended 30th September	
	2014	2013 (Restated)
Loss attributable to equity holders of the Company (<i>HK\$'000</i>)		
– Continuing operation	(9,181)	(21,892)
– Discontinued operation	–	(13,256)
	(9,181)	(35,148)
Weighted average number of ordinary shares in issue	579,715,327	580,093,720
Dilutive effect on share options	–	–
Weighted average number of ordinary shares for the calculation of diluted loss per share	579,715,327	580,093,720
Diluted loss per share (<i>HK cents</i>)		
– Continuing operation	(1.6)	(3.8)
– Discontinued operation	–	(2.3)
	(1.6)	(6.1)

8. Dividends

	Six months ended 30th September	
	2014	2013
	HK\$'000	HK\$'000
Interim dividend, declared, of HK3 cents (2013: HK3 cents) per ordinary share	17,381	17,403

At a meeting held on 26th November 2014, the directors declared an interim dividend of HK3 cents (2013: HK3 cents) per share for the six months ended 30th September 2014.

9. Loans and receivables

	30th September 2014 HK\$'000	31st March 2014 HK\$'000
Government bonds (<i>Note</i>)	-	1,562
Carrying amount as at the end of the period	-	1,562
Carrying amount as at the beginning of the period	1,562	102,379
Redemption	(1,562)	(21,302)
Disposal	-	(85,701)
Exchange gain	-	6,186
Carrying amount as at the end of the period	-	1,562

Note:

The government bonds were issued by the Ministry of Finance PRC and were denominated in RMB.

The carrying amount of the loans and receivables approximates to their fair value.

The maximum exposure to credit risk at the reporting date is the carrying value of the loans and receivables.

10. Available-for-sale financial assets

	30th September 2014 HK\$'000	31st March 2014 HK\$'000
Fair value of unlisted equity securities outside Hong Kong as at the beginning of the period	-	36,953
Disposal	-	(36,953)
	<hr/>	<hr/>
Fair value of unlisted equity securities outside Hong Kong as at the end of the period	-	-
	<hr/>	<hr/>

The available-for-sale financial assets represented the Group's long-term investment in the shares of Hydys Technologies Company Limited ("Hydis"). They were denominated in KRW.

11. Trade and other receivables

	30th September 2014 HK\$'000	31st March 2014 HK\$'000
Non-current		
Other receivables (Note)	43,374	58,414
	<hr/>	<hr/>
Current		
Trade receivables	885,907	590,215
Prepayments, deposits and other receivables (Note)	37,236	42,609
	<hr/>	<hr/>
	923,143	632,824
	<hr/>	<hr/>
Total	966,517	691,238
	<hr/>	<hr/>

Note:

As at 30th September 2014, other receivables included approximately HK\$58,414,000 (31st March 2014: HK\$73,755,000) consideration receivable from PVI Global Corporation (a subsidiary of E Ink Holdings Inc. ("E Ink")) for the disposal of the corporate bond of Hydys. A guarantee was granted by E Ink to cover the entire receivable amount as at 30th September 2014.

11. Trade and other receivables *(continued)*

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

	30th September 2014 HK\$'000	31st March 2014 HK\$'000
0 – 30 days	499,392	242,495
31 – 60 days	150,718	68,062
61 – 90 days	194,124	130,335
Over 90 days	41,673	149,323
	885,907	590,215

As at 30th September 2014, no trade receivables (31st March 2014: HK\$50,755,000) were considered past due if measured strictly against the credit terms offered.

12. Trade and other payables

	30th September 2014 HK\$'000	31st March 2014 HK\$'000
Trade payables	732,943	522,787
Other payables and accruals	69,619	53,056
	802,562	575,843

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

	30th September 2014 HK\$'000	31st March 2014 HK\$'000
0 – 30 days	668,091	486,240
31 – 60 days	48,804	23,517
61 – 90 days	11,230	10,087
Over 90 days	4,818	2,943
	732,943	522,787

13. Borrowings

	30th September 2014 HK\$'000	31st March 2014 HK\$'000
Non-current		
Bank borrowings, unsecured (<i>Note</i>)	10,000	50,000
Current		
Bank borrowings, unsecured (<i>Note</i>)	80,000	80,000
Total borrowings	90,000	130,000

Note:

The bank borrowings are unsecured and are supported by corporate guarantees given by the Company (*Note 15*). The borrowings were denominated in HKD and interest bearing at a margin over Hong Kong Inter-bank Offer Rate.

The maturity of bank borrowings is as follows:

	30th September 2014 HK\$'000	31st March 2014 HK\$'000
Within one year	80,000	80,000
In the second year	10,000	50,000
	90,000	130,000

The carrying amounts of the borrowings approximated to their fair values.

14. Share capital

	Company Ordinary Shares	
	<i>Number of shares</i>	<i>HK\$'000</i>
Authorised:		
Ordinary shares of HK\$0.10 each		
At 1st April 2013, 31st March 2014 and 30th September 2014	800,000,000	80,000
Issued and fully paid:		
Ordinary shares of HK\$0.10 each		
At 1st April 2013 and 31st March 2014	580,093,720	58,009
At 1st April 2014	580,093,720	58,009
Cancellation of shares repurchased	(726,000)	(72)
At 30th September 2014	579,367,720	57,937

15. Contingent liabilities

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

16. Commitments

(a) Capital commitments

	30th September 2014 HK\$'000	31st March 2014 HK\$'000
Moulds, plant and machinery contracted but not provided for	1,012	2,377

(b) Operating lease commitments (as lessee)

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

	30th September 2014 HK\$'000	31st March 2014 HK\$'000
Not later than one year	34,979	35,613
Later than one year and not later than five years	138,475	139,574
Later than five years	346,186	366,381
	519,640	541,568

(c) 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:

	30th September 2014 HK\$'000	31st March 2014 HK\$'000
Not later than one year	7,847	7,680
Later than one year and not later than five years	2,545	5,264
	10,392	12,944

DIVIDEND

The directors have resolved to declare an interim dividend of HK3 cents (2013: HK3 cents) per share for the six months ended 30th September 2014 to the shareholders whose names are on the register of members of the Company on 12th December 2014. The dividend warrants are expected to be despatched on 23rd December 2014.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 11th December 2014 to Friday, 12th December 2014, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the interim dividend, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's share registrars in Hong Kong, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Wednesday, 10th December 2014.

MANAGEMENT DISCUSSION AND ANALYSIS

Group results

For the six months ended 30th September 2014, the Group reported turnover of HK\$1.1 billion (2013: HK\$1.05 billion), while loss attributable to shareholders was reduced to HK\$9 million. The rise in turnover was principally driven by healthy demand for the Group's new range of tablets. Performance has improved following the discontinuation of the plastics operation and the disposal of all its interests in Hydix Technologies, both of which were completed last year. However, with the objective of increasing efficiency and saving overhead, the Group has undergone restructuring during the reporting period, which incurred HK\$16 million in severance payment.

Business review

Though the economic recovery in the United States has continued at a modest pace, the consumer electronics industry remains highly competitive – aggravated by rising manufacturing and labour costs as well as intense competition from mainland manufacturers. What is more, with last-minute orders now becoming the norm, industry players must have the financial strength to accommodate such demands. And this further extends to promotional orders that involve high quantities, which likewise requires a company to have significant financial flexibility in order to accept.

At Alco, the company has endeavoured to maintain a strong cash position. And this high liquidity has enabled the Group to capture business opportunities that its peers with lesser financial clout have lost. With this competitive advantage, the Group has been able to accept bulk or last-minute orders when necessary.

MANAGEMENT DISCUSSION AND ANALYSIS *(continued)*

Business review *(continued)*

Besides financial strength, however, the ability to deliver high-quality, innovative products on a consistent and reliable manner remain major factors that determine the success or failure of a company in this exceedingly competitive industry. And in such respects, the Group has shown that it is well up to the task. Having carefully assessed developing market trends, the Group began production of a new range of tablets during the second half of last year, which have since become a significant source of revenue, as well as achieving comparatively fair margin levels. Available in a range of appealing sizes, the devices also offer a number of enhanced features, including wireless keyboards that capitalize on Bluetooth technology.

Aside from this new sales driver, the various lines of AV products continue to constitute an important foundation for the Group. Within this portfolio are included its sound bar, music system and DVD players, all of which have continued to generate stable returns. Management has been continuously examining each model's performance based on such criteria as demand and margin, duly removing old models and replacing them with new models to ensure that the overall product mix is most advantageous.

Prospects

Given the opportunities and obstacles that the Group is set to face; the former include a recovering world economy that should strengthen consumption sentiment, while the latter include persistently high labour and manufacturing costs, the management remains cautious about the Group's prospects for the remaining financial year.

Despite the conflicting conditions, the strong product line-up and sound fundamentals of the Group should nonetheless bode well for its long-term development. Moreover, the introduction of a new range of tablets has once again highlighted the Group's ability to consistently recognise and capitalise on developing market trends, subsequently leveraging its R&D expertise and ties with leading electronics brands and retailers to introduce new and exciting products on the market. The management will therefore continue to closely monitor consumption trends as it seeks to further diversify the Group's business development.

Helping facilitate the Group's onward progress will be the new Houjie Town production facility that is now fully operational. With its combination of efficiency and flexibility, the factory is able to play the dual roles of addressing tight production schedules when necessary and helping the Group to control manufacturing costs. Given that the factory is highly automated, the Group is able to benefit from standardised quality, lesser dependence on skilled labour – reducing its exposure to high labour costs and labour shortages – and more efficient use of resources.

Though the consumer electronics industry will continue to pose numerous challenges, the management is fully prepared, committed and motivated to steer the Group through such challenges to realise sustainable growth.

Liquidity and financial resources

Total equity and equity per share of the Group as at 30th September 2014 were HK\$1,822 million (31st March 2014: HK\$1,856 million) and HK\$3.14 (31st March 2014: HK\$3.20) respectively.

The Group maintains a healthy financial position. As at 30th September 2014, we had cash and deposits of HK\$722 million. After deducting bank loans and trust receipt loans of HK\$667 million, we had net cash of HK\$55 million.

As at 30th September 2014, we had banking facilities of HK\$1,946 million (31st March 2014: HK\$1,596 million), of which HK\$667 million (31st March 2014: HK\$130 million) were utilised. Among the used facilities, HK\$657 million shall be payable in the first year and HK\$10 million shall be payable in the second year.

As at 30th September 2014, our inventory was HK\$1,012 million (31st March 2014: HK\$353 million). After the end of the period, substantially all of the finished goods have been shipped in October 2014. We take a cautious approach to monitor the inventory level especially during this environment with uncertainty.

Trade receivables balance as at 30th September 2014 was HK\$886 million (31st March 2014: HK\$590 million). As it is our policy to deal with creditworthy customers and to adopt a prudent credit policy, credit risk is kept at minimal.

Trade payables balance as at 30th September 2014 was HK\$733 million (31st March 2014: HK\$523 million).

Capital expenditure on fixed assets during the six months ended 30th September 2014 was HK\$23 million (2013: HK\$91 million). As at 30th September 2014, we had capital commitments contracted but not provided for in respect of mould and plant and machinery amounting to HK\$1,012,000 (31st March 2014: HK\$2,377,000).

Due to the 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 was no gain or loss from speculative activities during the reporting period.

To naturally hedge against the cost impact caused by the potential appreciation of RMB, the Group has diversified its cash portfolio by investing in RMB denominated deposits and bonds. As at 30th September 2014, the amount totalled RMB225 million.

Employees

As at 30th September 2014, the Group had approximately 3,300 (2013: 4,700) employees in Hong Kong and the PRC. 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 30th September 2014, the interests and short positions of each director and chief executive 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 Kai Ching, Kimen	20,150,000	225,911,400 (Note)	246,061,400	42.47%
Mr LEUNG Wai Sing, Wilson	46,320,000	–	46,320,000	7.99%
Mr LEUNG, Jimmy	1,144,000	–	1,144,000	0.20%
Mr KUOK Kun Man, Andrew	752,000	–	752,000	0.13%
Mr LI Wah Ming, Fred	260,000	–	260,000	0.04%

Note:

These shares were owned by Shunde Investments Limited, a company incorporated in the British Virgin Islands with limited liability, of which Mr LEUNG Kai Ching, Kimen is the sole shareholder.

(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 30th September 2014, other than one ordinary share each in certain of the Hong Kong incorporated subsidiaries of the Company held in trust for the Group by Mr LEUNG Kai Ching, Kimen, 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 30th September 2014, 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	No. of shares – Long position	Percentage of the issued share capital of the Company
Shundean Investments Limited	Beneficial owner	225,911,400 (Note i)	38.99%
Webb David Michael	Beneficial owner	40,397,400	6.97%
DJE Investment S.A.	Investment manager	35,092,000 (Note ii)	6.06%
DJE Kapital AG	Investment manager	35,092,000 (Note ii)	6.06%
Dr. Jens Alfred Karl Ehrhardt	Investment manager	35,092,000 (Note ii)	6.06%
LEUNG Wai Lap, David	Beneficial owner	34,828,190	6.01%

Notes:

- (i) These shares were owned by Shundean Investments Limited, a company incorporated in the British Virgin Islands with limited liability, of which Mr LEUNG Kai Ching, Kimen is the sole shareholder.
- (ii) These shares are held by DJE Investment S.A. which is controlled by DJE Kapital AG, which in turn is controlled by Dr. Jens Alfred Karl Ehrhardt.

Save as disclosed above, as at 30th September 2014, 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

During the six months ended 30th September 2014, the Company repurchased a total of 670,000 ordinary shares of the Company at a consideration of HK\$977,600 on The Stock Exchange of Hong Kong Limited. All the 670,000 repurchased shares were cancelled during the period. Details of the repurchases are as follows:

Month of repurchases	Number of shares repurchased	Price per share		Aggregate consideration HK\$
		Highest HK\$	Lowest HK\$	
April 2014	320,000	1.33	1.29	419,600
July 2014	100,000	1.47	1.47	147,000
August 2014	250,000	1.67	1.58	411,000
	<u>670,000</u>			<u>977,600</u>

The repurchases were made for the benefit of the Company and its shareholders as a whole with a view to enhancing the net asset value per share and to improving the earnings or loss per share of the Company.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased or sold any of the Company's shares for the six months ended 30th September 2014 and the Company did not redeem any of its shares during the same period.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance so as to enhance clarity and transparency of business activities. 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.

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 30th September 2014.

AUDIT COMMITTEE

The audit committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the review of the financial statements of the Group for the six months ended 30th September 2014.

The audit committee comprises three independent non-executive directors of the Company, namely Mr LI Wah Ming, Fred, *S.B.S., J.P.*, Mr LAU Wang Yip, Derrick and Mr LEE Tak Chi.

LIST OF DIRECTORS

As at the date of this report, the Board of Directors comprises five executive directors, namely Mr LEUNG Kai Ching, Kimen, Mr LEUNG Wai Sing, Wilson, Mr KUOK Kun Man, Andrew, Mr LEUNG, Jimmy and Mr LIU Lup Man and three independent non-executive directors, namely Mr LI Wah Ming, Fred, *S.B.S., J.P.*, Mr LAU Wang Yip, Derrick and Mr LEE Tak Chi.

By order of the Board
Alco Holdings Limited
LEUNG Kai Ching, Kimen
Chairman

Hong Kong, 26th November 2014

審核委員會

審核委員會已與管理層審閱本集團採納之會計原則及慣例，並討論有關內部控制及財務呈報各事項，包括審閱本集團截至二零一四年九月三十日止六個月之財務報表。

審核委員會由本公司三位獨立非執行董事組成，分別為李華明先生，銀紫荊星章、太平紳士、劉宏業先生及李德志先生。

董事名單

於本報告日期，董事會包括五位執行董事梁劍文先生、梁偉成先生、郭冠文先生、梁偉明先生及廖立民先生及三位獨立非執行董事李華明先生，銀紫荊星章、太平紳士、劉宏業先生及李德志先生。

承董事會命
Alco Holdings Limited
主席
梁劍文

香港，二零一四年十一月二十六日

購買、出售或贖回股份

於截至二零一四年九月三十日止六個月，本公司於香港聯合交易所有限公司以代價977,600港元購回合共670,000股本公司普通股。該670,000股購回股份已於期內註銷。購回詳情如下：

購回月份	購回股份數目	每股價格		總代價 港元
		最高 港元	最低 港元	
二零一四年四月	320,000	1.33	1.29	419,600
二零一四年七月	100,000	1.47	1.47	147,000
二零一四年八月	250,000	1.67	1.58	411,000
	<u>670,000</u>			<u>977,600</u>

購回乃為本公司及其股東之整體利益而作出，以提高每股資產淨值及改善本公司每股盈利或虧損。

除上文所披露者外，截至二零一四年九月三十日止六個月，本公司及其任何附屬公司概無購買或出售本公司任何股份，本公司亦無於同一期間內贖回其任何股份。

企業管治

本公司致力保持高水平之企業管治以提高業務活動之清晰度及透明度。本公司已遵守上市規則附錄十四所載之企業管治守則及企業管治報告載列之所有適用守則條文。

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列之上市發行人董事進行證券交易的標準守則（「標準守則」），作為本公司董事進行證券交易時本身之行為守則。經特別向董事作出查詢後，所有董事確認，彼等於截至二零一四年九月三十日止六個月已遵守載列於標準守則之規定標準及其有關董事進行本公司證券交易之行為守則。

主要股東於本公司股份及相關股份中之權益及淡倉

根據證券及期貨條例第XV部第336條存置之主要股東名冊顯示，於二零一四年九月三十日，本公司已獲知會以下擁有本公司已發行股本5%或以上主要股東權益及淡倉。該等權益並無計入以上披露有關董事及最高行政人員之權益內。

名稱	持股身份	持有股份 數目－好倉	佔本公司已發行 股本之百分比
Shundean Investments Limited	實益擁有人	225,911,400 (附註i)	38.99%
Webb David Michael	實益擁有人	40,397,400	6.97%
DJE Investment S.A.	投資經理	35,092,000 (附註ii)	6.06%
DJE Kapital AG	投資經理	35,092,000 (附註ii)	6.06%
Dr. Jens Alfred Karl Ehrhardt	投資經理	35,092,000 (附註ii)	6.06%
梁偉立	實益擁有人	34,828,190	6.01%

附註：

- (i) 此等股份由在英屬處女群島註冊成立之有限公司Shundean Investments Limited擁有。而梁劍文先生是該公司之唯一股東。
- (ii) 該等股份由DJE Investment S.A.持有，而DJE Investment S.A.由DJE Kapital AG控制，其繼而由Dr. Jens Alfred Karl Ehrhardt控制。

除於上文所披露者外，根據本公司按證券及期貨條例第XV部第336條存置之登記冊，於二零一四年九月三十日，除列於上文「董事及最高行政人員於本公司或任何相聯法團之股份、相關股份及債券中之權益及淡倉」一節載列之權益外，並無任何人士（本公司董事除外）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、相關股份及債券中之權益及淡倉

(a) 本公司每股面值0.10港元普通股中之好倉

於二零一四年九月三十日，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）股份、相關股份及債券中擁有須記入本公司根據證券及期貨條例第XV部第352條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	
梁劍文先生	20,150,000	225,911,400 (附註)	246,061,400	42.47%
梁偉成先生	46,320,000	—	46,320,000	7.99%
梁偉明先生	1,144,000	—	1,144,000	0.20%
郭冠文先生	752,000	—	752,000	0.13%
李華明先生	260,000	—	260,000	0.04%

附註：

此等股份由在英屬處女群島註冊成立之有限公司Shundean Investments Limited擁有。梁劍文先生是該公司之唯一股東。

(b) 本公司相關股份內之好倉

在本期間內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。

除上文所披露者及梁劍文先生代本集團以信託形式持有本公司屬下在香港註冊成立之若干附屬公司一股普通股以外，於二零一四年九月三十日，本公司董事及最高行政人員概無於本公司或其相聯法團之股份、相關股份或債券中，擁有本公司根據證券及期貨條例或其他規定須披露，或根據標準守則須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

於二零一四年九月三十日，本集團之總權益及每股權益分別為18億2千2百萬港元（二零一四年三月三十一日：18億5千6百萬港元）及3.14港元（二零一四年三月三十一日：3.20港元）。

本集團保持穩健的財務狀況。於二零一四年九月三十日，本集團擁有之現金及存款為7億2千2百萬港元。於扣除銀行貸款及信託收據貸款6億6千7百萬港元後，本集團之淨現金為5千5百萬港元。

於二零一四年九月三十日，本集團之銀行融資為19億4千6百萬港元（二零一四年三月三十一日：15億9千6百萬港元），其中6億6千7百萬港元（二零一四年三月三十一日：1億3千萬港元）已獲動用。於已動用融資當中，6億5千7百萬港元須於第一年內償還，而1千萬港元須於第二年內償還。

於二零一四年九月三十日，本集團的存貨為10億1千2百萬港元（二零一四年三月三十一日：3億5千3百萬港元）。於期末後，幾乎所有製成品已於二零一四年十月付運。本集團將審慎監察存貨水平，尤以現時存有不明朗因素的環境下為甚。

於二零一四年九月三十日，應收貿易賬款結餘為8億8千6百萬港元（二零一四年三月三十一日：5億9千萬港元）。由於本集團與信譽良好的客戶交易及採取審慎的信貸政策，故此信貸風險維持在低水平。

於二零一四年九月三十日，應付貿易賬款結餘為7億3千3百萬港元（二零一四年三月三十一日：5億2千3百萬港元）。

截至二零一四年九月三十日止六個月，本集團固定資產之資本開支為2千3百萬港元（二零一三年：9千1百萬港元）。於二零一四年九月三十日，本集團就模具及廠房及機器之已訂約但未撥備資本承擔為1,012,000港元（二零一四年三月三十一日：2,377,000港元）。

在聯繫匯率制度下，本集團所承擔之有關貿易外匯風險有限，原因為本集團幾乎所有的銷售、採購及借貸均以美元及港元為貨幣單位。本集團遵守不涉及貨幣投機活動之政策，於報告期間並未就投機活動錄得任何損益。

為對人民幣潛在升值所帶來的成本影響提供一個自然對沖，本集團已透過投資於以人民幣計值的存款及債券對其現金組合進行分散投資。於二零一四年九月三十日，有關款項總額為人民幣2億2千5百萬元。

僱員

於二零一四年九月三十日，本集團於香港及中國聘用約3,300名（二零一三年：4,700名）僱員。薪酬方案一般經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價及其他有關因素釐定。本集團亦向所有合資格員工提供包括醫療保險、公積金及教育補貼等其他福利。

管理層討論及分析 (續)

業務回顧 (續)

除財務實力以外，在競爭非常激烈的行業中，能夠長期可靠地提供優質創新產品的能力依然是取決成敗的重要因素，而本集團在這方面一直表現卓越。經審慎評估市場趨勢後，本集團於去年下半年開始生產嶄新的平板電腦系列，有關產品現已成為重要營業額來源之一，並錄得相對較好的利潤率水平。該等產品備有多種呎吋並提供多項已升級功能，包括配備使用藍芽技術的無線鍵盤。

除上述新增的銷售動力以外，影音產品系列亦是本集團根基的重要一環。旗下產品系列包括條型音箱系統、多碟式音響系統、影音系統及DVD播放器等，一直為本集團帶來穩定回報。管理層會根據需求及利潤率等準則持續檢視各款產品的表現，在適當時候把若干款式推陳出新，確保整體產品組合具備最佳優勢。

展望

鑒於本集團未來繼續面對不少機遇與障礙，消費意慾將隨著全球經濟逐漸復甦有所提高，惟勞工及生產成本持續高企將構成障礙，因此管理層對本集團在本財政年度下半年的前景保持審慎。

儘管如此，本集團擁有強勁的產品組合及穩健的基礎，故長期發展可望樂觀。此外，推出平板電腦系列再次突顯本集團能夠洞悉及把握市場趨勢，繼而利用自身的研發專業知識及與知名電子產品品牌及零售商的關係，向市場推出嶄新的產品。為此，管理層將會繼續密切留意消費潮流，務求令本集團的發展更多元化。

厚街鎮新廠房現已全面運作，將有助推動本集團持續發展。該廠房兼具效率及靈活性，能夠在有需要時應付緊迫生產計劃之餘，同時有助本集團控制生產成本。由於該廠房高度自動化，因此本集團得以受惠於標準化質量以及減少對人手的倚賴，減低受高勞工成本及勞工短缺的影響，以更有效運用資源。

雖然消費電子行業將繼續面對種種挑戰，但管理層已經準備就緒，帶領本集團應對挑戰並取得持續業務增長。

股息

董事議決向於二零一四年十二月十二日名列本公司股東名冊之股東宣派截至二零一四年九月三十日止六個月之中期股息每股3港仙（二零一三年：3港仙）。股息單預期於二零一四年十二月二十三日寄出。

暫停辦理股份過戶登記手續

本公司將於二零一四年十二月十一日（星期四）至二零一四年十二月十二日（星期五）期間（首尾兩天包括在內）暫停辦理股份過戶登記手續。如欲享有中期股息，所有股份過戶文件連同有關股票須於二零一四年十二月十日（星期三）下午四時三十分前交往本公司之香港股份過戶登記處卓佳雅柏勤有限公司，地址為香港皇后大道東183號合和中心二十二樓。

管理層討論及分析

集團業績

截至二零一四年九月三十日止六個月，本集團營業額為11億港元（二零一三年：10億5千萬港元），股東應佔虧損則降至9百萬港元。營業額上升主要受到本集團平板電腦系列的穩健需求所帶動。由於去年結束塑膠業務及完成出售於Hydis Technologies的所有權益，業績表現得以改善。然而，本集團於本報告期內為因應提高效率而進行架構重組，以致產生1千6百萬港元的遣散費用。

業務回顧

儘管美國經濟復甦持續緩慢，但消費電子行業仍然競爭激烈。同時，生產及勞工成本上漲以及內地生產商競爭劇烈亦令情況加劇。此外，短期急單已成為慣常做法，意味同業公司需具備財務實力及靈活性以應付該等要求。

一直以來，本集團致力維持充裕的現金狀況。充足的流動資金讓本集團比財務實力較弱的同業更能把握商機。憑藉這競爭優勢，本集團能夠因應需要接受大額或短期急單。

16. 承擔

(a) 資本承擔

	二零一四年 九月三十日 千港元	二零一四年 三月三十一日 千港元
已訂約但未撥備之模具、廠房及機器	1,012	2,377

(b) 經營租約承擔 (作為承租人)

就土地及樓宇之不可撤銷經營租約之未來須繳付最低租賃款項總額如下：

	二零一四年 九月三十日 千港元	二零一四年 三月三十一日 千港元
一年內	34,979	35,613
一年後但於五年內	138,475	139,574
五年後	346,186	366,381
	519,640	541,568

(c) 經營租約承擔 (作為出租人)

本集團根據不可撤銷經營租約協議租賃不同物業。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約之未來可收取之最低租金總額如下：

	二零一四年 九月三十日 千港元	二零一四年 三月三十一日 千港元
一年內	7,847	7,680
一年後但於五年內	2,545	5,264
	10,392	12,944

14. 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		
於二零一三年四月一日、 二零一四年三月三十一日及 二零一四年九月三十日	800,000,000	80,000
已發行及繳足股本：		
每股面值0.10港元之普通股		
於二零一三年四月一日及 二零一四年三月三十一日	580,093,720	58,009
於二零一四年四月一日 註銷已購回股份	580,093,720 (726,000)	58,009 (72)
於二零一四年九月三十日	579,367,720	57,937

15. 或然負債

本公司已向若干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）。

13. 借貸

	二零一四年 九月三十日 千港元	二零一四年 三月三十一日 千港元
非流動		
銀行借貸，無抵押（附註）	10,000	50,000
流動		
銀行借貸，無抵押（附註）	80,000	80,000
借貸總額	<u>90,000</u>	<u>130,000</u>

附註：

該等銀行借貸為無抵押並以本公司提供之公司擔保支持（附註15）。借貸以港元呈列而利息乃以高於香港銀行同業拆息之息率計算。

銀行借貸之到期日如下：

	二零一四年 九月三十日 千港元	二零一四年 三月三十一日 千港元
一年以內	80,000	80,000
第二年	10,000	50,000
	<u>90,000</u>	<u>130,000</u>

銀行借貸之賬面值與其公平值相若。

11. 應收貿易及其他賬款 (續)

根據付運條款之應收貿易賬款之賬齡分析如下：

	二零一四年 九月三十日 千港元	二零一四年 三月三十一日 千港元
0 – 30日	499,392	242,495
31 – 60日	150,718	68,062
61 – 90日	194,124	130,335
超過90日	41,673	149,323
	885,907	590,215

於二零一四年九月三十日，如嚴格按照所提供的信貸條款計量，則並無逾期應收貿易賬款（二零一四年三月三十一日：50,755,000港元）。

12. 應付貿易及其他賬款

	二零一四年 九月三十日 千港元	二零一四年 三月三十一日 千港元
應付貿易賬款	732,943	522,787
其他應付款項及應計費用	69,619	53,056
	802,562	575,843

根據發票日期之應付貿易賬款之賬齡分析如下：

	二零一四年 九月三十日 千港元	二零一四年 三月三十一日 千港元
0 – 30日	668,091	486,240
31 – 60日	48,804	23,517
61 – 90日	11,230	10,087
超過90日	4,818	2,943
	732,943	522,787

10. 可供出售金融資產

	二零一四年 九月三十日 千港元	二零一四年 三月三十一日 千港元
於期初香港以外地區之非上市股本證券之公平值	-	36,953
出售	-	(36,953)
於期末香港以外地區之非上市股本證券之公平值	-	-

可供出售金融資產指本集團長期投資於Hydis Technologies Company Limited (「Hydis」) 之股份，乃以韓圀計值。

11. 應收貿易及其他賬款

	二零一四年 九月三十日 千港元	二零一四年 三月三十一日 千港元
非流動		
其他應收賬款 (附註)	43,374	58,414
流動		
應收貿易賬款	885,907	590,215
預付款項、按金及其他應收款項 (附註)	37,236	42,609
	923,143	632,824
總計	966,517	691,238

附註：

於二零一四年九月三十日，其他應收賬款包括就出售Hydis之公司債券應收PVI Global Corporation (E Ink Holdings Inc. (「E Ink」) 的附屬公司) 約58,414,000港元 (二零一四年三月三十一日：73,755,000港元) 之代價。於二零一四年九月三十日，E Ink已授出擔保以覆蓋所有應收款項金額。

8. 股息

	截至九月三十日止六個月	
	二零一四年	二零一三年
	千港元	千港元
宣派中期股息每股普通股3港仙 (二零一三年: 3港仙)	17,381	17,403

於二零一四年十一月二十六日舉行之會議上，董事宣派截至二零一四年九月三十日止六個月之中期股息每股3港仙(二零一三年: 3港仙)。

9. 貸款及應收款項

	二零一四年 九月三十日 千港元	二零一四年 三月三十一日 千港元
政府債券 (附註)	-	1,562
於期末之賬面值	-	1,562
於期初之賬面值	1,562	102,379
贖回	(1,562)	(21,302)
出售	-	(85,701)
匯兌收益	-	6,186
於期末之賬面值	-	1,562

附註：

政府債券指由中華人民共和國財政部發行之人民幣債券。

貸款及應收款項之賬面值與其公平值相若。

於報告日期之最高信貸風險為貸款及應收款項之賬面值。

7. 每股虧損 (續)

攤薄

每股攤薄虧損乃透過調整未發行普通股之加權平均數至假設轉換所有潛在攤薄普通股而計算得出。截至二零一三年九月三十日止六個月，本公司僅有一類潛在攤薄普通股：購股權。釐定可按公平值收購之股份數目（按本公司股份之平均市場股價釐定）乃根據未行使購股權所附之認購權之貨幣價值計算。上文所計算之股份數目乃與假設購股權獲行使之已發行股份數目作比較。截至二零一四年九月三十日止六個月，本公司並無潛在攤薄普通股。

	截至九月三十日止六個月	
	二零一四年	二零一三年 (重列)
本公司股東應佔虧損 (千港元)		
— 持續經營業務	(9,181)	(21,892)
— 已終止業務	—	(13,256)
	<u>(9,181)</u>	<u>(35,148)</u>
已發行普通股之加權平均數	579,715,327	580,093,720
購股權之攤薄影響	—	—
計算每股攤薄虧損之普通股之加權平均數	<u>579,715,327</u>	<u>580,093,720</u>
每股攤薄虧損 (港仙)		
— 持續經營業務	(1.6)	(3.8)
— 已終止業務	—	(2.3)
	<u>(1.6)</u>	<u>(6.1)</u>

6. 已終止業務 (續)

(c) 已終止業務之現金流分析如下：

	截至二零一三年 九月三十日止 六個月 千港元
經營業務現金流入淨額	45,791
投資業務現金流入淨額	5,135
融資業務現金流出淨額	(50,100)
已終止業務現金流入淨額	<u>826</u>

7. 每股虧損

基本

每股基本虧損乃按期內本公司股東應佔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 二零一四年	二零一三年 (重列)
本公司股東應佔虧損 (千港元)		
— 持續經營業務	(9,181)	(21,892)
— 已終止業務	<u>-</u>	<u>(13,256)</u>
	<u>(9,181)</u>	<u>(35,148)</u>
已發行普通股之加權平均數	<u>579,715,327</u>	<u>580,093,720</u>
每股基本虧損 (港仙)		
— 持續經營業務	(1.6)	(3.8)
— 已終止業務	<u>-</u>	<u>(2.3)</u>
	<u>(1.6)</u>	<u>(6.1)</u>

6. 已終止業務

於截至二零一四年三月三十一日止年度，本集團完成出售愛高塑膠製品廠有限公司（「愛高塑膠」）（本公司的全資附屬公司）的全部權益予愛高塑膠的一名董事，現金代價為3,000,000港元。本集團已於二零一四年二月收到全部代價。愛高塑膠的主要業務為製造及銷售塑膠產品。因此，塑膠製品業務之業績已於截至二零一三年九月三十日止六個月的簡明綜合財務報表中呈列為已終止業務。

(a) 已終止業務之業績分析如下：

	截至二零一三年 九月三十日止 六個月 千港元
營業額	54,712
銷貨成本	(65,871)
毛損	(11,159)
銷售開支	(3)
行政開支	(1,044)
其他經營開支	(2,234)
除所得稅前虧損	(14,440)
所得稅抵免	1,184
本公司股東應佔期內已終止業務虧損	(13,256)

(b) 已終止業務之開支分析如下：

	截至二零一三年 九月三十日止 六個月 千港元
折舊	1,536
終止僱傭福利	3,112
僱員福利開支	9,317
遞延所得稅抵免	(1,184)

4. 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／收入中所包括之開支分析如下：

	截至九月三十日止六個月	
	二零一四年 千港元	二零一三年 千港元 (重列)
持續經營業務		
無形資產攤銷	3,900	4,442
折舊	16,716	15,839
終止僱傭福利	16,394	424
僱員福利開支	<u>112,754</u>	<u>132,388</u>

5. 所得稅抵免／支出

香港利得稅乃按期內之估計應課稅溢利以16.5% (二零一三年：16.5%) 之稅率撥備。海外溢利之稅款則按照期內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。

於簡明綜合損益表抵免／(支銷)之稅項如下：

	截至九月三十日止六個月	
	二零一四年 千港元	二零一三年 千港元 (重列)
持續經營業務		
即期所得稅		
－香港利得稅	(40)	(4,147)
－以往年度撥備不足	-	(27)
－中國企業所得稅	(1,605)	-
遞延所得稅抵免／(支出)	<u>3,654</u>	<u>(1,808)</u>
所得稅抵免／(支出)	<u>2,009</u>	<u>(5,982)</u>

3. 分類資料 (續)

(a) 按產品分析之分部 (續)

	截至九月三十日止六個月					
	二零一四年			二零一三年 (重列)		
	持續 經營業務	已終止 業務		持續 經營業務	已終止 業務	
	消費 電子產品 千港元	塑膠產品 千港元	總額 千港元	消費 電子產品 千港元	塑膠產品 千港元	總額 千港元
分部營業額	1,095,396	-	1,095,396	1,054,413	54,712	1,109,125
內部分部銷售	-	-	-	-	(43,690)	(43,690)
對外銷售	1,095,396	-	1,095,396	1,054,413	11,022	1,065,435
分部業績	(15,657)	-	(15,657)	(28,173)	(14,440)	(42,613)

(b) 按地區分析之分部

持續經營業務	營業額	
	截至九月三十日止六個月	
	二零一四年	二零一三年
	千港元	千港元 (重列)
北美洲	1,053,067	930,397
歐洲	2,465	78,366
亞洲	32,956	43,287
其他	6,908	2,363
	1,095,396	1,054,413

按地區分部作出之營業額分析乃根據付運目的地釐定。

截至二零一四年及二零一三年九月三十日止六個月，所有主要資產及資本開支均位於或用於中國或香港。

2. 會計政策變動 (續)

以下新訂準則、準則修訂本及詮釋已公佈，但於二零一四年四月一日開始之財務年度尚未生效且本集團並無提早採用：

香港財務報告準則第9號	金融工具 ⁴
香港財務報告準則第11號 (修訂本)	收購合營業務權益之會計處理 ²
香港財務報告準則第14號	監管遞延賬目 ²
香港財務報告準則第15號	客戶合約收入 ³
香港財務報告準則(修訂本)	二零一零年至二零一二年週期之年度改進 ¹
香港財務報告準則(修訂本)	二零一一年至二零一三年週期之年度改進 ¹
香港會計準則第16號及第38號 (修訂本)	可接納折舊及攤銷方法之分類 ²
香港會計準則第19號(修訂本)	僱員福利：界定福利計劃－僱員供款 ¹

¹ 於二零一四年七月一日或之後開始之年度期間生效

² 於二零一六年一月一日或之後開始之年度期間生效

³ 於二零一七年一月一日或之後開始之年度期間生效

⁴ 修訂生效日期待定

本集團已開始評估以上新訂準則、準則修訂本及詮釋的影響，但未能確定該等新訂準則、準則修訂本及詮釋會否對其經營業績及財務狀況構成重大影響。

3. 分類資料

(a) 按產品分析之分部

本集團主要於中華人民共和國(「中國」)及香港營運，主要從事設計、製造及銷售消費電子產品及塑膠產品。於截至二零一四年三月三十一日止年度內，本集團已出售塑膠產品業務，而該業務之業績已於截至二零一三年九月三十日止六個月之簡明綜合損益表呈列為已終止業務(附註6)。

消費電子產品	—	設計、製造及銷售消費電子產品
塑膠產品	—	製造及銷售塑膠及包裝產品(於二零一四年二月後停止運作)

簡明綜合財務報表附註

截至二零一四年九月三十日止六個月

1. 編製基準及會計政策

該等未經審核簡明綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港會計準則第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16之披露規定編製。

該等簡明綜合財務報表應與截至二零一四年三月三十一日止年度之年度財務報表一併參閱。

除本集團採用若干於二零一四年四月一日開始之財務年度強制執行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，編製該等簡明綜合財務報表所採用之會計政策及計算方法與截至二零一四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

下列為與本集團相關且必須於二零一四年四月一日開始之財政年度強制執行之新訂準則、準則修訂本及詮釋。

香港會計準則第32號（修訂本）	抵銷金融資產及金融負債
香港會計準則第36號（修訂本）	非金融資產之可收回金額披露
香港會計準則第39號（修訂本）	衍生工具之更替及對沖會計法之延續
香港（國際財務報告詮釋委員會） — 詮釋第21號	徵費
香港財務報告準則第10號、 香港財務報告準則第12號及 香港會計準則第27號 （二零一一年）之修訂本	投資實體

採用以上新訂準則、準則修訂本及詮釋並無對本集團的財務報表構成重大影響，亦無導致本集團的會計政策產生任何改變。

簡明綜合現金流量表

截至二零一四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 二零一四年 千港元	二零一三年 千港元
經營業務所用之現金淨額	(720,174)	(550,517)
投資業務產生／(所用)之現金淨額	5,948	(70,629)
融資業務產生之現金淨額	<u>512,538</u>	<u>35,194</u>
現金及現金等值減少淨額	(201,688)	(585,952)
於期初之現金及現金等值	<u>924,146</u>	<u>1,231,776</u>
於期末之現金及現金等值	<u><u>722,458</u></u>	<u><u>645,824</u></u>
現金及現金等值之結餘分析		
銀行結餘及現金	<u><u>722,458</u></u>	<u><u>645,824</u></u>

簡明綜合權益變動表

截至二零一四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 千港元	股份溢價 千港元	股本贖回 儲備 千港元	匯兌儲備 千港元	員工補償 儲備 千港元	重估盈餘 千港元	保留溢利 千港元	總計 千港元		
於二零一三年四月一日	58,009	310,651	940	(618)	11,783	58,074	1,488,167	1,927,006	-	1,927,006
全面虧損										
期內虧損	-	-	-	-	-	-	(35,148)	(35,148)	(223)	(35,371)
其他全面虧損										
貨幣匯兌差額	-	-	-	(141)	-	-	-	(141)	-	(141)
全面虧損總值	-	-	-	(141)	-	-	(35,148)	(35,289)	(223)	(35,512)
與擁有人進行之交易										
二零一三年末期股息	-	-	-	-	-	-	(34,806)	(34,806)	-	(34,806)
業務合併產生之非控股權益	-	-	-	-	-	-	-	-	28	28
與擁有人進行之交易總值	-	-	-	-	-	-	(34,806)	(34,806)	28	(34,778)
於二零一三年九月三十日	58,009	310,651	940	(759)	11,783	58,074	1,418,213	1,856,911	(195)	1,856,716
於二零一四年四月一日	58,009	310,651	940	(43)	11,783	58,074	1,416,859	1,856,273	(352)	1,855,921
全面虧損										
期內虧損	-	-	-	-	-	-	(9,181)	(9,181)	(78)	(9,259)
其他全面虧損										
貨幣匯兌差額	-	-	-	(411)	-	-	-	(411)	-	(411)
全面虧損總值	-	-	-	(411)	-	-	(9,181)	(9,592)	(78)	(9,670)
與擁有人進行之交易										
購回股份	(72)	(978)	72	-	-	-	(72)	(1,050)	-	(1,050)
二零一四年末期股息	-	-	-	-	-	-	(23,175)	(23,175)	-	(23,175)
與擁有人進行之交易總值	(72)	(978)	72	-	-	-	(23,247)	(24,225)	-	(24,225)
於二零一四年九月三十日	57,937	309,673	1,012	(454)	11,783	58,074	1,384,431	1,822,456	(430)	1,822,026

簡明綜合資產負債表

於二零一四年九月三十日

		未經審核 二零一四年 九月三十日 千港元	經審核 二零一四年 三月三十一日 千港元
附註			
非流動資產			
物業、廠房及設備		213,795	212,385
投資物業		305,210	305,210
租賃土地及土地使用權		6,981	7,150
無形資產		25,350	29,250
遞延所得稅資產		40,346	36,692
其他應收款項	11	43,374	58,414
		635,056	649,101
流動資產			
存貨		1,011,647	353,439
貸款及應收款項	9	–	1,562
應收貿易及其他賬款	11	923,143	632,824
即期所得稅資產		–	692
現金及現金等值		722,458	924,146
		2,657,248	1,912,663
流動負債			
應付貿易及其他賬款	12	802,562	575,843
信託收據貸款		576,763	–
即期所得稅負債		953	–
借貸	13	80,000	80,000
		1,460,278	655,843
流動資產淨值		1,196,970	1,256,820
總資產減流動負債		1,832,026	1,905,921
本公司股東應佔股本及儲備			
股本	14	57,937	58,009
儲備		1,764,519	1,798,264
		1,822,456	1,856,273
非控股權益		(430)	(352)
總權益		1,822,026	1,855,921
非流動負債			
借貸	13	10,000	50,000
總權益及非流動負債		1,832,026	1,905,921

簡明綜合全面收益表

截至二零一四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 二零一四年 千港元	二零一三年 千港元 (重列)
期內虧損	<u>(9,259)</u>	<u>(35,371)</u>
其他全面虧損，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>(411)</u>	<u>(141)</u>
期內全面虧損總額	<u>(9,670)</u>	<u>(35,512)</u>
以下應佔期內全面虧損總額：		
本公司股東		
－持續經營業務	(9,592)	(22,033)
－已終止業務	<u>-</u>	<u>(13,256)</u>
	(9,592)	(35,289)
非控股權益		
－持續經營業務	<u>(78)</u>	<u>(223)</u>
	<u>(9,670)</u>	<u>(35,512)</u>

簡明綜合損益表 (續)

截至二零一四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	
		二零一四年	二零一三年
		千港元	千港元
			(重列)
附註			
以下應佔期內虧損：			
本公司股東			
— 持續經營業務		(9,181)	(21,892)
— 已終止業務		—	(13,256)
		<u>(9,181)</u>	<u>(35,148)</u>
非控股權益			
— 持續經營業務		(78)	(223)
		<u>(9,259)</u>	<u>(35,371)</u>
本公司股東應佔每股虧損			
每股基本虧損			
— 持續經營業務	7	(1.6港仙)	(3.8港仙)
— 已終止業務	7	—	(2.3港仙)
		<u>(1.6港仙)</u>	<u>(6.1港仙)</u>
每股攤薄虧損			
— 持續經營業務	7	(1.6港仙)	(3.8港仙)
— 已終止業務	7	—	(2.3港仙)
		<u>(1.6港仙)</u>	<u>(6.1港仙)</u>
股息	8	17,381	17,403

Alco Holdings Limited (「本公司」) 董事宣佈本公司及其附屬公司 (「本集團」) 截至二零一四年九月三十日止六個月之未經審核簡明綜合中期業績如下：

簡明綜合損益表

截至二零一四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	
		二零一四年	二零一三年
	附註	千港元	千港元
(重列)			
持續經營業務			
營業額	3	1,095,396	1,054,413
銷貨成本	4	(1,030,763)	(994,063)
毛利		64,633	60,350
其他收入		4,214	4,380
銷售開支	4	(43,333)	(34,956)
行政開支	4	(31,105)	(38,836)
其他經營（開支）／收入	4	(10,066)	1,873
貸款及應收款項匯兌收益		—	2,974
貸款及應收款項之減值		—	(8,733)
可供出售金融資產之減值		—	(15,225)
經營虧損		(15,657)	(28,173)
財務收入		6,670	13,928
財務成本		(2,281)	(1,888)
除所得稅前虧損		(11,268)	(16,133)
所得稅抵免／（支出）	5	2,009	(5,982)
持續經營業務之期內虧損		(9,259)	(22,115)
已終止業務			
已終止業務之期內虧損	6	—	(13,256)
期內虧損		(9,259)	(35,371)



ALCO HOLDINGS LIMITED

(於百慕達註冊成立之有限公司)
(股份代號：328)

二零一四年中期報告