



ITC CORPORATION LIMITED

德祥企業集團有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock code 股份代號 : 372.HK



Harvest
收穫

分享 Sharing

Deliver value
實現價值



INTERIM REPORT
中期業績報告

2016/17



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Chan Kwok Keung, Charles (*Chairman*)
Chau Mei Wah, Rosanna
(*Deputy Chairman and Managing Director*)
Chan Kwok Chuen, Augustine
Chan Fut Yan
Chan Yiu Lun, Alan

Independent Non-Executive Directors

Chuck, Winston Calptor
Lee Kit Wah
Shek Lai Him, Abraham, *GBS, JP*

AUDIT COMMITTEE

Lee Kit Wah (*Chairman*)
Chuck, Winston Calptor
Shek Lai Him, Abraham, *GBS, JP*

CORPORATE GOVERNANCE COMMITTEE

Chau Mei Wah, Rosanna (*Chairman*)
Chan Fut Yan
Chuck, Winston Calptor
Lee Kit Wah

NOMINATION COMMITTEE

Shek Lai Him, Abraham, *GBS, JP* (*Chairman*)
Chau Mei Wah, Rosanna
Chuck, Winston Calptor
Lee Kit Wah

REMUNERATION COMMITTEE

Chuck, Winston Calptor (*Chairman*)
Chau Mei Wah, Rosanna
Lee Kit Wah

SECRETARY

Kam Suet Fan

AUDITOR

Deloitte Touche Tohmatsu

LEGAL ADVISORS

Conyers Dill & Pearman (*Bermuda*)
lu, Lai & Li (*Hong Kong*)
Reed Smith Richards Butler (*Hong Kong*)

公司資料

董事會

執行董事

陳國強 (*主席*)
周美華
(*副主席兼董事總經理*)
陳國銓
陳佛恩
陳耀麟

獨立非執行董事

卓育賢
李傑華
石禮謙, *GBS, JP*

審核委員會

李傑華 (*主席*)
卓育賢
石禮謙, *GBS, JP*

企業管治委員會

周美華 (*主席*)
陳佛恩
卓育賢
李傑華

提名委員會

石禮謙, *GBS, JP* (*主席*)
周美華
卓育賢
李傑華

薪酬委員會

卓育賢 (*主席*)
周美華
李傑華

秘書

甘雪芬

核數師

德勤·關黃陳方會計師行

律師

康德明律師事務所 (*百慕達*)
姚黎李律師行 (*香港*)
禮德齊伯禮律師行 (*香港*)

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
 The Bank of East Asia, Limited
 China CITIC Bank International Limited
 The Hongkong and Shanghai Banking Corporation Limited
 HSBC Bank Canada
 Industrial Bank Co., Ltd.
 OCBC Wing Hang Bank, Limited

REGISTERED OFFICE

Clarendon House
 2 Church Street
 Hamilton HM 11
 Bermuda

PRINCIPAL PLACE OF BUSINESS

30/F, Bank of America Tower
 12 Harcourt Road
 Central
 Hong Kong
 Tel : (852) 2831 8118
 Fax : (852) 2973 0939

**PRINCIPAL SHARE REGISTRAR
AND TRANSFER OFFICE**

MUFG Fund Services (Bermuda) Limited
 The Belvedere Building
 69 Pitts Bay Road
 Pembroke HM 08
 Bermuda

**BRANCH SHARE REGISTRAR
AND TRANSFER OFFICE**

Tricor Secretaries Limited
 Level 22
 Hopewell Centre
 183 Queen's Road East
 Hong Kong

WEBSITE

www.itc.com.hk

STOCK CODE

Hong Kong Stock Exchange 372

主要往來銀行

中國銀行(香港)有限公司
 東亞銀行有限公司
 中信銀行(國際)有限公司
 香港上海滙豐銀行有限公司
 加拿大滙豐銀行
 興業銀行股份有限公司
 華僑永亨銀行有限公司

註冊辦事處

Clarendon House
 2 Church Street
 Hamilton HM 11
 Bermuda

主要營業地點

香港
 中環
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 美國銀行中心30樓
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股份過戶登記總處

MUFG Fund Services (Bermuda) Limited
 The Belvedere Building
 69 Pitts Bay Road
 Pembroke HM 08
 Bermuda

股份過戶登記分處

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 香港
 皇后大道東183號
 合和中心
 22樓

網址

www.itc.com.hk

股份代號

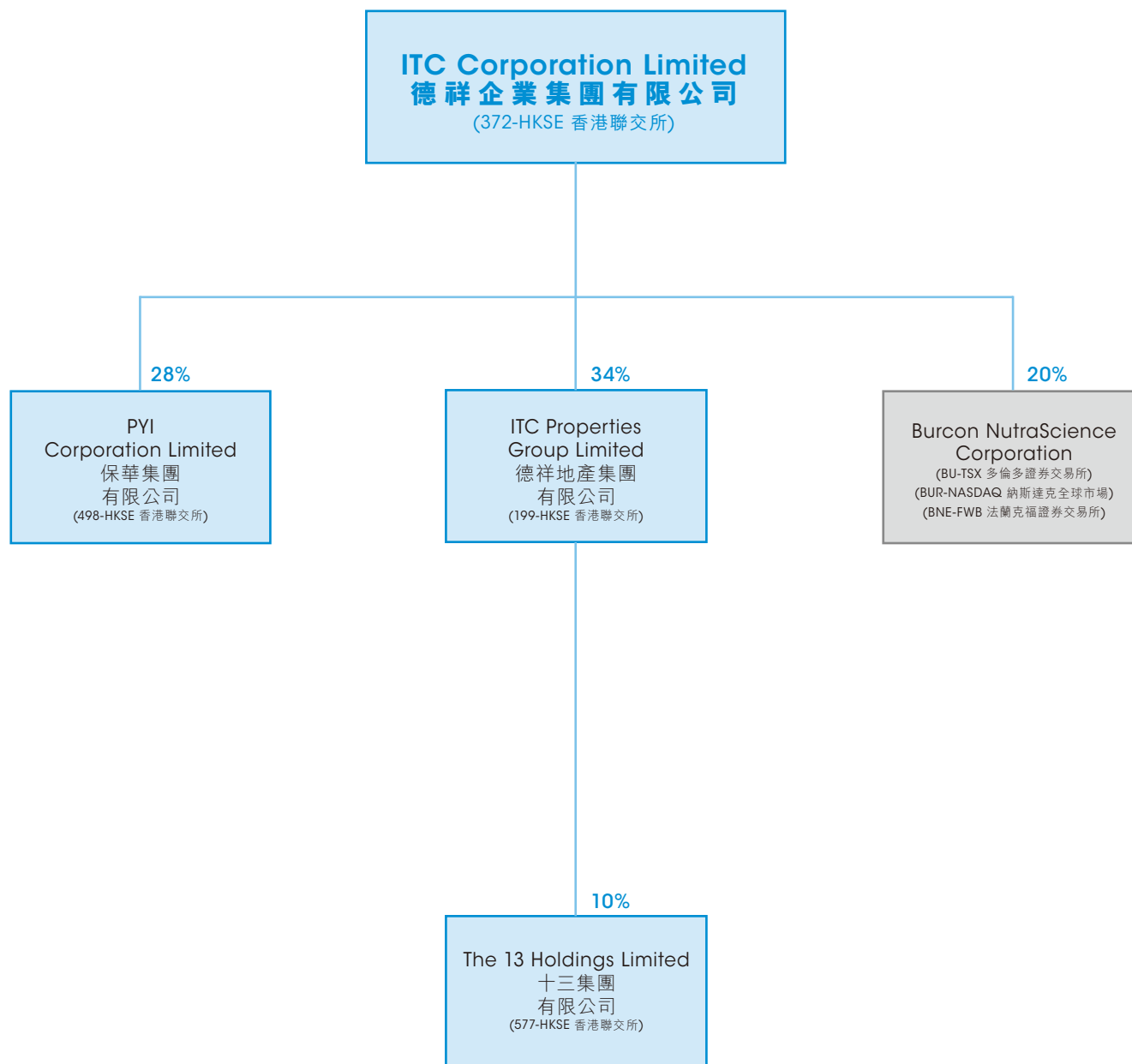
香港聯交所 372

CORPORATE CHART

AT 23RD NOVEMBER, 2016

集團架構

於二零一六年十一月二十三日



Hong Kong listed 香港上市

Overseas listed 海外上市

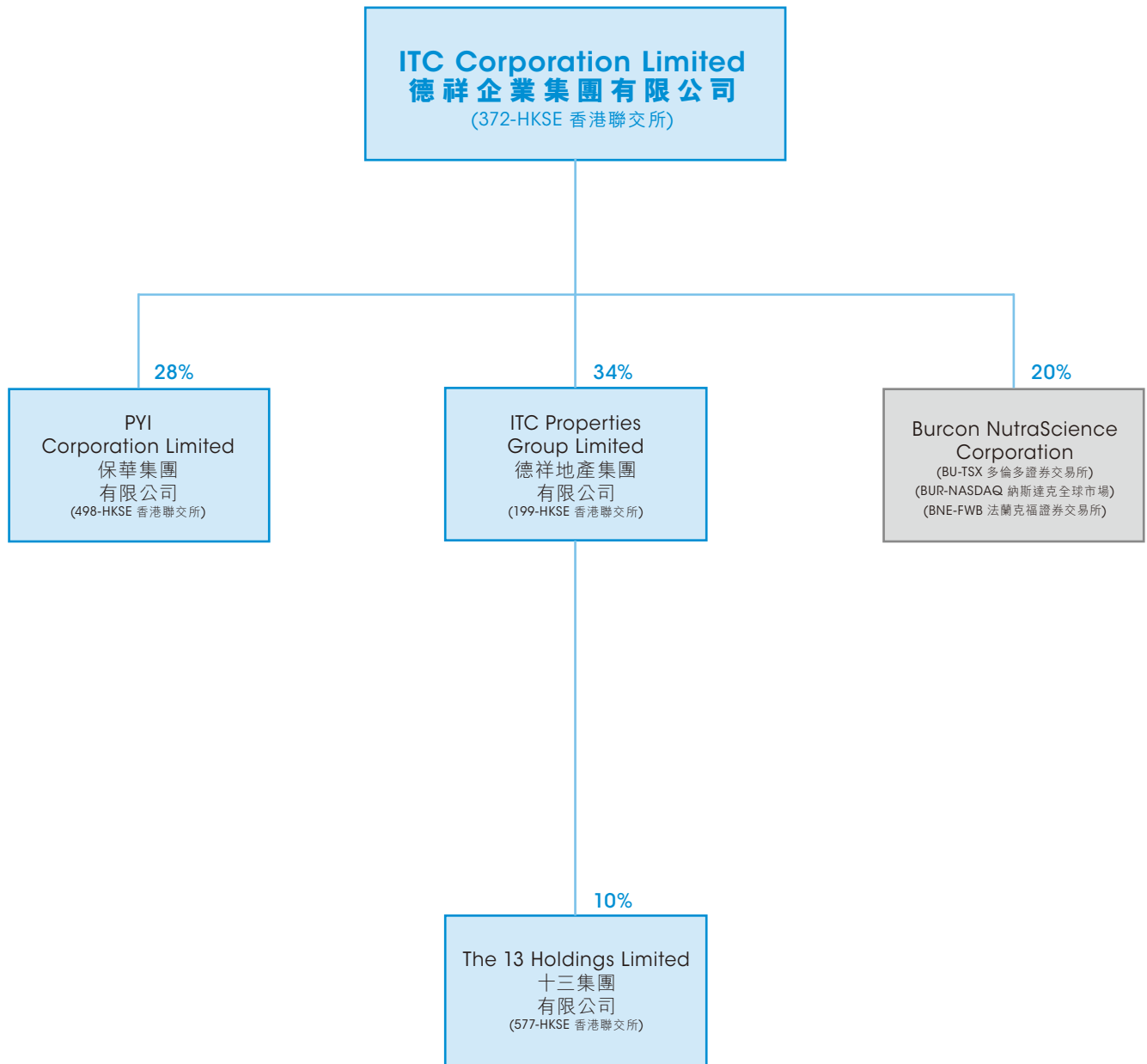
(Stock code - Listing place 股份代號 - 上市地方)

CORPORATE CHART

AT 30TH SEPTEMBER, 2016

集團架構

於二零一六年九月三十日



Hong Kong listed 香港上市

Overseas listed 海外上市

(Stock code - Listing place 股份代號 - 上市地方)

CHAIRMAN'S STATEMENT

I am pleased to present to shareholders the interim report and the condensed consolidated financial statements of ITC Corporation Limited (the "Company") and its subsidiaries (the "Group") for the six months ended 30th September, 2016.

CONDITIONAL SPECIAL DIVIDEND BY WAY OF DISTRIBUTION IN SPECIE OF SHARES IN ITC PROPERTIES GROUP LIMITED

The Company has sought guidance from The Stock Exchange of Hong Kong Limited ("Hong Kong Stock Exchange") in relation to Rule 13.24 of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "Listing Rules"). Conditional on such guidance, the board of directors of the Company (the "Board") has proposed a conditional special dividend in the form of distribution in specie of all shares of ITC Properties Group Limited ("ITC Properties") held by the Group (approximately 306 million shares of ITC Properties as at 23rd November, 2016) to the shareholders of the Company (the "Conditional Distribution"). ITC Properties is a company incorporated in Bermuda with limited liability, whose issued shares are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 199). The Conditional Distribution will also be subject to the approval of the shareholders of the Company. Further details of the Conditional Distribution will be announced as soon as practicable. (See Note on page 18 for further development after the date of this report.)

The Conditional Distribution is subject to guidance from the Hong Kong Stock Exchange in relation to Rule 13.24 of the Listing Rules and approval of the shareholders of the Company, there is NO ASSURANCE THAT THE CONDITIONAL DISTRIBUTION WILL PROCEED. Shareholders and potential investors of the Company are advised to exercise caution when dealing in shares of the Company.

主席報告書

本人欣然向股東提呈德祥企業集團有限公司(「本公司」)及其附屬公司(「本集團」)截至二零一六年九月三十日止六個月之中期報告及簡明綜合財務報表。

以德祥地產集團有限公司股份作實物分派之方式宣派有條件特別股息

本公司已就香港聯交所證券上市規則(「上市規則」)第13.24條尋求香港聯合交易所有限公司(「香港聯交所」)之指引。在有關指引之前提下，本公司董事會(「董事會」)已建議以本集團所持有之所有德祥地產集團有限公司(「德祥地產」)股份(於二零一六年十一月二十三日約306,000,000股德祥地產股份)作實物分派之方式向本公司股東宣派有條件特別股息(「有條件分派」)。德祥地產為一間於百慕達註冊成立之有限公司，其已發行股份於香港聯交所主板上市(股份代號：199)。有條件分派亦將須經本公司股東批准，方告作實。本公司將於可行情況下盡快公佈有條件分派之進一步詳情。(有關於本報告日期後之進一步發展，見第18頁附註。)

有條件分派取決於香港聯交所就上市規則第13.24條發出的指引及經本公司股東批准，並無保證有條件分派將會進行。股東及本公司潛在投資者於買賣本公司股份時務請審慎行事。

BUSINESS REVIEW

Review of Financial Performance

The Group reported a profit of HK\$151 million attributable to shareholders (2015: HK\$210 million) and basic earnings per share of HK9.03 cents (2015: HK13.91 cents) for the six months ended 30th September, 2016. The decrease in profit as compared with last corresponding period in 2015 was mainly attributable to the decrease in contribution from ITC Properties and the absence of gain on acquisitions of additional interest in PYI Corporation Limited ("PYI").

Analysis of the Group's performance is as follows:

業務回顧

財務表現回顧

截至二零一六年九月三十日止六個月，本集團錄得股東應佔溢利151,000,000港元(二零一五年：210,000,000港元)及每股基本盈利9.03港仙(二零一五年：13.91港仙)。溢利較二零一五年同期有所減少，主要是由於來自德祥地產之貢獻減少，以及缺少了收購保華集團有限公司(「保華」)額外權益之收益。

本集團表現之分析如下：

		Six months ended	
		30.9.2016	30.9.2015
		HK\$'M	HK\$'M
		截至九月三十日止六個月	截至九月三十日止六個月
		二零一六年	二零一五年
		百萬港元	百萬港元
Share of results of associates:	攤佔聯營公司業績：		
ITC Properties	德祥地產	131	228
PYI	保華	(2)	(63)
Burcon	Burcon	-	(6)
		<u>129</u>	<u>159</u>
Gain on acquisitions of additional interest in an associate	收購一間聯營公司額外權益之收益	32	63
Net loss on other investments and operations	來自其他投資及經營業務之虧損淨額	(10)	(12)
		<u>(10)</u>	<u>(12)</u>
Profit attributable to shareholders	股東應佔溢利	<u>151</u>	<u>210</u>

Listed Strategic Investments

ITC Properties Group Limited ("ITC Properties")

ITC Properties and its subsidiaries (the "ITC Properties Group") is principally engaged in property development and investment in Macau, the People's Republic of China (the "PRC"), Hong Kong and Canada. The ITC Properties Group is also engaged in the development, investment and operation of hotels and leisure business in the PRC and Hong Kong, securities investments and the provision of loan financing services.

In order to benefit from the continual return from ITC Properties, the Group elected scrip shares for the final and special dividends of ITC Properties for the year ended 31st March, 2016. Furthermore, the Group acquired on-market approximately 1 million shares of ITC Properties during the period at an aggregate cash consideration of approximately HK\$3.3 million. As a result of the above, the Group's interest in ITC Properties increased from 33.6% as at 31st March, 2016 to 34.6% as at 30th September, 2016. Accordingly, the Group recorded a gain of approximately HK\$32 million on the above increase in interest in ITC Properties.

上市策略性投資項目

德祥地產集團有限公司(「德祥地產」)

德祥地產及其附屬公司(「德祥地產集團」)主要於澳門、中華人民共和國(「中國」)、香港及加拿大從事物業發展及投資。德祥地產集團亦於中國及香港從事發展、投資及營運酒店及消閒業務、證券投資及提供貸款融資服務。

為受惠於德祥地產持續帶來之回報，本集團選擇以代息股份收取截至二零一六年三月三十一日止年度德祥地產的末期及特別股息。此外，本集團於本期間以合共約3,300,000港元的現金代價在市場上購買約1,000,000股德祥地產股份。因以上事項，本集團於德祥地產之權益由二零一六年三月三十一日之33.6%增加至二零一六年九月三十日之34.6%。按此，本集團就上述於德祥地產之權益增加錄得收益約32,000,000港元。

ITC Properties recorded a profit of HK\$386 million attributable to its shareholders for the six months ended 30th September, 2016. The decrease in profit as compared with HK\$700 million for the corresponding period in 2015 was mainly attributable to a significant decrease in the share of profits from an associate, since the number of presold units of its residential project handed over to the end buyers during the period was much lesser than that of the corresponding period. As a result, the Group shared a profit of HK\$131 million from ITC Properties for the interim period.

PYI Corporation Limited ("PYI")

Based in Hong Kong, PYI focuses on ports and infrastructure development and investment, and the operation of ports and logistics facilities, in the Yangtze River region of China. It also engages in land and property development and investment in association with ports and infrastructure development. In addition, PYI provides comprehensive engineering and property related services through Paul Y. Engineering Group Limited.

PYI recorded a loss attributable to shareholders of HK\$8 million for the six months ended 30th September, 2016. The decrease in loss as compared with HK\$231 million for the corresponding period in 2015 was mainly attributable to the absence of (i) a provision made for certain stock of properties under development and (ii) net fair value loss of certain investment properties. As a result, the Group shared a loss of HK\$2 million from PYI for the interim period.

Burcon NutraScience Corporation ("Burcon")

Burcon is a leader in developing functionally and nutritionally valuable plant-based proteins. Its shares are listed on the Toronto Stock Exchange, the NASDAQ Global Market and the Frankfurt Stock Exchange. Since 1999, Burcon has developed a portfolio of composition, application, and process patents originating from its core protein extraction and purification technology. Burcon has developed CLARISOY™, a soy protein which offers clarity and complete nutrition for low pH systems; Peazazz® pea protein which is uniquely soluble with clean flavor characteristics; and Puratein®, Supertein® and Nutratein®, three canola protein isolates with unique functional and nutritional attributes.

Burcon's flagship protein technology, CLARISOY™, has been licensed to Archer Daniels Midland Company ("ADM"), a leader in the global food ingredient industry listed in the U.S., since March 2011. In July 2016, ADM demonstrated three products containing CLARISOY™ at the 2016 Institute of Food Technologist Annual Meeting & Food Expo. On 8th November, 2016 Burcon announced that ADM had successfully commissioned the first large-scale CLARISOY™ production facility at its North American headquarters in Decatur, Illinois.

In April 2016, the Group entered into a convertible note agreement to subscribe for Burcon's 3-year 8% convertible note (the "BNC Convertible Note") with principal amount of Canadian Dollar ("C\$") 2.0 million. The BNC Convertible Note was issued in May 2016 and can be converted at C\$4.01 per share (subject to adjustments) from 1st July, 2016 until its maturity date.

德祥地產於截至二零一六年九月三十日止六個月錄得股東應佔溢利386,000,000港元。溢利較二零一五年同期之700,000,000港元有所減少，主要由於其一間聯營公司住宅項目於本期間交付予最終買家之預售單位與同期相比大為減少，導致應佔聯營公司之利潤大幅下降。因此，本集團於中期期間攤佔德祥地產溢利為131,000,000港元。

保華集團有限公司 ("保華")

保華以香港為基地，專注於中國長江流域之港口和基礎建設之開發及投資，以及港口和物流設施之營運，亦從事與港口及基礎建設開發相關之土地和房產開發及投資業務，並通過保華建業集團有限公司，提供全面之工程及物業相關之服務。

保華於截至二零一六年九月三十日止六個月錄得股東應佔虧損8,000,000港元。虧損較二零一五年同期之231,000,000港元有所減少，主要由於不復現(i)對若干發展中物業存貨作出減值撥備，以及(ii)若干投資物業公平價值淨虧損。因此，本集團於中期期間攤佔保華虧損為2,000,000港元。

Burcon NutraScience Corporation ("Burcon")

Burcon於開發具功效性及擁有極高營養價值之植物蛋白質方面處於領先地位。其股份於多倫多證券交易所、納斯達克全球市場及法蘭克福證券交易所上市。自一九九九年，Burcon已在其提取及淨化植物蛋白質之核心技術上，發展出一系列合成、應用及加工專利權。Burcon已開發：CLARISOY™大豆蛋白質，能為低pH值之體系提供清澈和完備之營養；Peazazz®豌豆蛋白質，具獨特水溶性及帶清新口味；以及Puratein®、Supertein®及Nutratein®，三種均為具有獨特功能及營養特性之芥花籽分離蛋白質。

自二零一一年三月起，Burcon授權Archer Daniels Midland Company (於美國上市，並於全球食材工業處於領導地位之公司，以下簡稱「ADM」)使用其旗艦蛋白質技術CLARISOY™。於二零一六年七月，ADM於2016 Institute of Food Technologist Annual Meeting & Food Expo 展示三款CLARISOY™系列產品。Burcon於二零一六年十一月八日公佈ADM已成功地在其伊利諾伊州迪凱特的北美總部，完成其第一次的CLARISOY™大型生產設施。

於二零一六年四月，本集團訂立一項可換股票據協議，以認購本金金額2,000,000加拿大元(「加元」)之Burcon三年期8%可換股票據(「BNC可換股票據」)。BNC可換股票據於二零一六年五月發行，自二零一六年七月一日起至其到期日止可按每股4.01加元轉換(可予調整)。

For the period ended 30th September, 2016, Burcon recorded a loss of HK\$18 million as compared with HK\$20 million for the corresponding period in 2015.

Note: CLARISOY™, a trademark of ADM, is under license to Burcon from ADM.

The Group's shareholding interests in the major listed strategic investments are summarised below:

於截至二零一六年九月三十日止期間，Burcon 錄得虧損18,000,000港元，二零一五年同期則為20,000,000港元。

附註：CLARISOY™為ADM的商標，由ADM許可Burcon 使用。

本集團於主要上市策略性投資項目之股權權益概述如下：

Name of investee company 所投資公司 之名稱	Place of listing 上市地點	Stock code 股份代號	As at 30th September, 2016 於二零一六年 九月三十日	As at the date of this report 於本報告 日期
ITC Properties 德祥地產	Hong Kong Stock Exchange 香港聯交所	199	34.6%	34.6%
PYI 保華	Hong Kong Stock Exchange 香港聯交所	498	28.5%	28.5%
Burcon	Toronto Stock Exchange 多倫多證券交易所 NASDAQ Global Market 納斯達克全球市場 Frankfurt Stock Exchange 法蘭克福證券交易所	BU BUR BNE	20.8%	20.8%

LIQUIDITY AND FINANCIAL RESOURCES

As at 30th September, 2016, the Group's total assets of HK\$3,677 million and equity attributable to shareholders of HK\$3,611 million both represent an increase of 2% as compared with 31st March, 2016.

The Group continued to adopt a prudent funding and treasury policy to manage its liquidity needs. The objective is to maintain adequate funds for financing working capital and seizing investment opportunities, as and when they become available.

As at 30th September, 2016, current assets and current liabilities of the Group were HK\$435 million and HK\$57 million respectively. Accordingly, the Group's current ratio was 8 (31st March, 2016: 7).

GEARING

As at 30th September, 2016, the Group had bank deposits, bank balances and cash of HK\$155 million and bank borrowings of HK\$7 million. The bank borrowings were denominated in Canadian dollars, repayable within five years and at floating interest rates.

The Group's gearing ratio was zero as at 30th September, 2016, as compared with 0.3% as at 31st March, 2016. The gearing ratio is calculated on the basis of net borrowings over the equity attributable to shareholders. Net borrowings is arrived at by deducting bank deposits, bank balances and cash from borrowings.

流動資金及財務資源

本集團於二零一六年九月三十日之總資產及股東應佔權益分別為3,677,000,000港元及3,611,000,000港元，兩者均較二零一六年三月三十一日增加2%。

本集團繼續採取審慎融資及庫務政策管理其流動資金需要。目標為保持有充裕資金應付營運資金所需，以及於機會來臨時把握投資良機。

於二零一六年九月三十日，本集團的流動資產及流動負債分別為435,000,000港元及57,000,000港元。因此，本集團之流動比率為8（二零一六年三月三十一日：7）。

資產負債比率

於二零一六年九月三十日，本集團銀行存款、銀行結存及現金為155,000,000港元，以及銀行借款為7,000,000港元。所有銀行借款均以加元為單位，須於五年內償還，並按浮動息率計息。

本集團於二零一六年九月三十日之資產負債比率為零，相比二零一六年三月三十一日為0.3%。資產負債比率按借款淨額除以股東應佔權益計算。借款淨額乃借款扣除銀行存款、銀行結存及現金後得出。

EXCHANGE RATE EXPOSURE

Most of the assets and liabilities of the Group are denominated in Hong Kong dollars, hence the Group's exposure to fluctuations in foreign exchange rates is minimal and no foreign exchange hedging instruments are used.

PLEDGE OF ASSETS

At 30th September, 2016, properties with an aggregate carrying value of HK\$19 million were pledged to a bank to secure a general facility granted to the Group.

CONTINGENT LIABILITIES

As at 30th September, 2016, the Group had no contingent liabilities.

EMPLOYEE AND REMUNERATION POLICY

As at 30th September, 2016, the Group had a total of 60 employees. The Group's remuneration policy is to ensure that the Group's remuneration structure is appropriate and aligns with the Group's goals and objectives. The employees' remuneration is based on the employees' skill, knowledge and involvement in the Company's affairs and is determined by reference to the Company's performance, as well as remuneration benchmark in the industry and the prevailing market conditions. The ultimate objective of the remuneration policy is to ensure that the Group is able to attract, retain and motivate a high-calibre team which is essential to the success of the Company. The Group also offers benefits to employees including discretionary bonus, training, provident funds and medical coverage. The share option scheme of the Company is established for the eligible participants (including employees). No share options were granted during the period and there is no outstanding share option as at 30th September, 2016 and as at the date of this report.

EVENTS AFTER THE INTERIM PERIOD

The Group

In October 2016, the Company announced that the Group acquired 5-year 4.75% senior guaranteed notes issued by a wholly-owned subsidiary of ITC Properties in the principal amount of US\$1.8 million in the secondary market for a consideration of approximately US\$1.78 million.

匯率風險

本集團大部份資產及負債均以港元為單位，故此本集團之外匯波動風險極低，亦無使用外匯對沖工具。

資產抵押

於二零一六年九月三十日，本集團將總賬面值為19,000,000港元之物業抵押予一間銀行，作為向本集團授出一般融資之擔保。

或然負債

於二零一六年九月三十日，本集團概無或然負債。

僱員及酬金政策

於二零一六年九月三十日，本集團聘用共60名僱員。本集團酬金政策是為確保本集團設有合適以及與本集團之方針及目標相符之薪酬架構。僱員薪酬乃因應僱員之技能、知識及對本公司事務之參與程度，並參考本公司之表現與業界之薪金水平及當時市況而釐定。酬金政策最終旨在確保本集團有能力吸引、挽留及鼓勵高質素之團隊精英，彼等對本公司之成功尤為重要。本集團亦提供福利予僱員，包括酌情花紅、培訓、公積金及醫療保障計劃。本公司之購股權計劃乃為合資格參與者（包括僱員）設立。於期內並無授出購股權，且於二零一六年九月三十日及於本報告日期概無尚未行使之購股權。

中期期間後之事項

本集團

於二零一六年十月，本公司公佈本集團於第二市場以代價約1,780,000美元購入本金金額為1,800,000美元，由德祥地產的一間全資附屬公司發行之五年期4.75%優先擔保票據。

Burcon

In October 2016, Burcon announced its rights offering for approximately 1.99 million rights shares at C\$2.58 per share (the "Rights Offering") for aggregate gross proceeds of C\$5.1 million, which is expected to be completed in November, 2016. In connection with the Rights Offering, the Group has entered into a standby commitment agreement (the "Standby Commitment Agreement") with Burcon. Pursuant to the Standby Commitment Agreement, the Group has agreed, subject to certain conditions, to subscribe a maximum of approximately 1.0 million rights shares at subscription price of C\$2.58 per share. As compensation to the Group's commitment to subscribe, the Group, subject to Burcon shareholders' approval, will receive non-transferable warrants entitling the Group to acquire up to approximately 0.3 million common shares of Burcon at an exercise price of C\$2.58 per share.

SECURITIES IN ISSUE

As at 30th September, 2016, the total number of issued shares of the Company was 1,667,654,793. Subsequent to the interim period, the Company issued shares under the scrip dividend scheme for final dividend for the year ended 31st March, 2016, the total number of issued shares of the Company was 1,688,282,827 as at the date of this report.

OUTLOOK

The Group is prudently optimistic on the business outlook. Despite the depreciation of Renminbi and the slowdown growth in China, we remain positive on its mid to long-term prospect. We believe Hong Kong will continue to benefit from the collaboration with China.

On the other hand, the global economy will continue to be affected by the result of the presidential election in the United States and the ongoing development of Brexit. While the market generally expects a rise in budget deficit and interest rates in the States and a heightened uncertainty in the United Kingdom, the actual influence and effect on the global economy is yet to be seen.

We believe that our investments in PYI and Burcon will continue to bring value to our Group along completion of their projects. For instance, ADM, Burcon's license and production partner for CLARISOY™ soy protein, successfully commissioned the first large-scale CLARISOY™ production facility in November 2016. This achievement is expected to enhance the long-term growth of Burcon and bring positive impact to our Group.

Going forward, the Group will continue to adhere to its long-term strategy of exploring diversified investment opportunities with growth potential in a cautious yet proactive approach. We believe the Group is well-poised for the challenges ahead and is determined to bring maximum value to our shareholders.

Burcon

於二零一六年十月，Burcon公佈其約1,990,000股供股股份之供股發售，每股作價2.58加元（「供股發售」），所得款項總額為5,100,000加元，供股發售預期於二零一六年十一月完成。本集團就供股發售已與Burcon訂立備用承擔合約（「備用承擔合約」）。根據備用承擔合約，本集團同意以認購價每股2.58加元認購最多約1,000,000股供股股份（受若干條件限制）。作為本集團承諾認購的補償，本集團待Burcon股東批准後，將收到不可轉讓的認購權證，獲賦予權利按每股2.58加元之行使價購買最多約300,000股Burcon的普通股股份。

已發行之證券

於二零一六年九月三十日，本公司之已發行股份總數為1,667,654,793股。於中期期間後，本公司根據以股代息計劃，發行截至二零一六年三月三十一日止年度的末期股息之股份。於本報告日期，本公司之已發行股份總數為1,688,282,827股。

展望

本集團對業務前景持審慎樂觀態度。雖然人民幣貶值及中國增長放緩，但我們對中長期前景依然樂觀。我們相信香港將繼續受惠於與中國的合作。

另一方面，全球經濟將繼續受美國總統大選的結果及英國脫歐的持續發展所影響。儘管市場一般預期美國預算赤字增加及利率上升，以及英國不明朗因素升溫，惟對全球經濟帶來的實際影響及後果仍屬未知之數。

我們相信本集團對保華和Burcon的投資，將隨著其項目完成繼續為本集團帶來價值。例如，於二零一六年十一月，Burcon的CLARISOY™大豆蛋白質技術授權和生產合作夥伴—ADM已成功完成其第一次的CLARISOY™大型生產設施。這成就預期將有助提升Burcon的長遠發展，並對本集團有正面的影響。

展望未來，本集團將繼續堅守其長線策略，以審慎積極態度尋求分散投資於富增長潛力的機會。我們相信本集團已作好準備迎接未來挑戰，銳意為股東帶來最大的價值。

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30th September, 2016, the interests and short positions of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporations, within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), as recorded in the register of the Company required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules were as follows:

(a) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

Name of director	Capacity	Long position/ Short position	Number of shares of the Company held	Approximate percentage of the issued share capital of the Company
董事姓名	身份	好倉／淡倉	所持本公司 股份數目	佔本公司已發行 股本概約百分比
Chan Kwok Keung, Charles 陳國強	Beneficial owner 實益擁有人	Long position 好倉	763,357,578	45.77%
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note) 於受控制法團之權益 (附註)	Long position 好倉	260,966,805 (Note) (附註)	15.65%

Note:

Galaxyway Investments Limited was a wholly-owned subsidiary of Chinaview International Limited which was, in turn, wholly-owned by Dr. Chan Kwok Keung, Charles. Dr. Chan Kwok Keung, Charles was deemed to be interested in 260,966,805 shares of the Company held by Galaxyway Investments Limited.

董事於股份、相關股份及債權證之權益及淡倉

於二零一六年九月三十日，本公司董事及主要行政人員於本公司或任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第十五部）之股份、相關股份及債權證中持有根據證券及期貨條例第352條須登記於本公司所保存登記冊內之權益及淡倉，或根據上市規則附錄十之上市發行人董事進行證券交易的標準守則（「標準守則」）而須另行知會本公司及香港聯交所之權益及淡倉如下：

(a) 於本公司之股份、相關股份及債權證之權益及淡倉

附註：

Galaxyway Investments Limited為Chinaview International Limited之一間全資附屬公司，而Chinaview International Limited則由陳國強博士全資擁有。陳國強博士被視作於Galaxyway Investments Limited所持有之260,966,805股本公司股份中擁有權益。

(b) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF ITC PROPERTIES

(b) 於德祥地產之股份、相關股份及債權證之權益及淡倉

Name of director	Capacity	Long position/ Short position	Number of shares of ITC Properties held	Number of underlying shares of ITC Properties held	Approximate percentage of the issued share capital of ITC Properties
董事姓名	身份	好倉／淡倉	所持德祥地產 股份數目	所持德祥地產 之相關 股份數目	佔德祥地產 已發行股本 概約百分比
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note 1) 於受控制法團之權益 (附註1)	Long position 好倉	306,180,916 (Note 1) (附註1)	-	34.61%
Chan Kwok Keung, Charles 陳國強	Beneficial owner 實益擁有人	Long position 好倉	15,885,570 (Note 1) (附註1)	-	1.79%
Chan Kwok Keung, Charles 陳國強	Interest of spouse (Note 1) 配偶權益 (附註1)	Long position 好倉	209,757,748 (Note 1) (附註1)	-	23.70%
Chau Mei Wah, Rosanna 周美華	Beneficial owner 實益擁有人	Long position 好倉	12,952,564	-	1.46%
Chan Fut Yan 陳佛恩	Beneficial owner 實益擁有人	Long position 好倉	3,285,267 (Note 2) (附註2)	-	0.37%
Chan Fut Yan 陳佛恩	Beneficial owner 實益擁有人	Long position 好倉	-	1,050,000 (Note 5) (附註5)	0.11%
Chan Yiu Lun, Alan 陳耀麟	Beneficial owner 實益擁有人	Long position 好倉	3,600,390 (Note 3) (附註3)	-	0.40%
Shek Lai Him, Abraham 石禮謙	Beneficial owner 實益擁有人	Long position 好倉	229,346 (Note 4) (附註4)	-	0.02%
Shek Lai Him, Abraham 石禮謙	Beneficial owner 實益擁有人	Long position 好倉	-	185,000 (Note 5) (附註5)	0.02%

(b) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF ITC PROPERTIES (continued)

Notes:

1. An indirect wholly-owned subsidiary of the Company was deemed to be interested in 306,180,916 shares of ITC Properties (of which 16,002,483 shares were the scrip shares as mentioned below). By virtue of his direct and indirect interests in approximately 61.42% of the issued share capital of the Company as at 30th September, 2016. Dr. Chan Kwok Keung, Charles was deemed to be interested in these shares of ITC Properties held by the indirect wholly-owned subsidiary of the Company.

Fortune Crystal Holdings Limited, a company indirectly wholly-owned by Ms. Ng Yuen Lan, Macy (the spouse of Dr. Chan Kwok Keung, Charles), held 209,757,748 shares of ITC Properties. Dr. Chan Kwok Keung, Charles was deemed to be interested in these shares of ITC Properties held by Fortune Crystal Holdings Limited.

Apart from the above, Dr. Chan Kwok Keung, Charles was personally interested in 15,885,570 shares of ITC Properties (of which 1,054,818 shares were the scrip shares as mentioned below).

In September 2016, an indirect wholly-owned subsidiary of the Company and Dr. Chan Kwok Keung, Charles had elected to receive 16,002,483 scrip shares and 1,054,818 scrip shares of ITC Properties, respectively in lieu of cash dividend pursuant to the scrip dividend scheme of ITC Properties in relation to the final and special dividends of ITC Properties for the year ended 31st March, 2016. Such scrip shares were issued by ITC Properties on 30th September, 2016.

2. Mr. Chan Fut Yan was deemed to be interested in 3,285,267 shares of ITC Properties (of which 218,145 shares were the scrip shares). In September 2016, Mr. Chan Fut Yan had elected to receive 218,145 scrip shares of ITC Properties in lieu of cash dividend pursuant to the scrip dividend scheme of ITC Properties in relation to the final and special dividends of ITC Properties for the year ended 31st March, 2016. Such scrip shares were issued by ITC Properties on 30th September, 2016.
3. Mr. Chan Yiu Lun, Alan was interested in 3,600,390 shares of ITC Properties (of which 239,069 shares were the scrip shares). In September 2016, Mr. Chan Yiu Lun, Alan had elected to receive 239,069 scrip shares of ITC Properties in lieu of cash dividend pursuant to the scrip dividend scheme of ITC Properties in relation to the final and special dividends of ITC Properties for the year ended 31st March, 2016. Such scrip shares were issued by ITC Properties on 30th September, 2016.
4. Mr. Shek Lai Him, Abraham was interested in 229,346 shares of ITC Properties (of which 15,228 shares were the scrip shares). In September 2016, Mr. Shek Lai Him, Abraham had elected to receive 15,228 scrip shares of ITC Properties in lieu of cash dividend pursuant to the scrip dividend scheme of ITC Properties in relation to the final and special dividends of ITC Properties for the year ended 31st March, 2016. Such scrip shares were issued by ITC Properties on 30th September, 2016.

(b) 於德祥地產之股份、相關股份及債權證之權益及淡倉(續)

附註：

1. 本公司一間間接全資附屬公司於306,180,916股德祥地產股份(其中16,002,483股為下文所述之代息股份)中擁有權益。鑑於於二零一六年九月三十日其直接及間接擁有本公司已發行股本約61.42%之權益，陳國強博士被視作於本公司一間間接全資附屬公司所持有之該等德祥地產股份中擁有權益。

達穎控股有限公司乃由伍婉蘭女士(陳國強博士之配偶)間接全資擁有之公司，彼持有209,757,748股德祥地產股份。陳國強博士被視作於達穎控股有限公司所持有之該等德祥地產股份中擁有權益。

除上述者外，陳國強博士於15,885,570股德祥地產股份(其中1,054,818股為下文所述之代息股份)中擁有個人權益。

於二零一六年九月，根據德祥地產截至二零一六年三月三十一日止年度之德祥地產末期及特別股息有關之以股代息計劃，本公司一間間接全資附屬公司及陳國強博士分別選擇16,002,483股及1,054,818股德祥地產代息股份代替以現金收取股息。德祥地產於二零一六年九月三十日已發行該等代息股份。

2. 陳佛恩先生於3,285,267股德祥地產股份(其中218,145股為代息股份)中擁有權益。於二零一六年九月，根據德祥地產截至二零一六年三月三十一日止年度之德祥地產末期及特別股息有關之以股代息計劃，陳佛恩先生選擇218,145股德祥地產代息股份代替以現金收取股息。德祥地產於二零一六年九月三十日已發行該等代息股份。
3. 陳耀麟先生於3,600,390股德祥地產股份(其中239,069股為代息股份)中擁有權益。於二零一六年九月，根據德祥地產截至二零一六年三月三十一日止年度之德祥地產末期及特別股息有關之以股代息計劃，陳耀麟先生選擇239,069股德祥地產代息股份代替以現金收取股息。德祥地產於二零一六年九月三十日已發行該等代息股份。
4. 石禮謙先生於229,346股德祥地產股份(其中15,228股為代息股份)中擁有權益。於二零一六年九月，根據德祥地產截至二零一六年三月三十一日止年度之德祥地產末期及特別股息有關之以股代息計劃，石禮謙先生選擇15,228股德祥地產代息股份代替以現金收取股息。德祥地產於二零一六年九月三十日已發行該等代息股份。

(b) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF ITC PROPERTIES (continued)

Notes: (continued)

5. Details of outstanding share options (unlisted equity derivatives) granted to the directors of the Company by ITC Properties as at 30th September, 2016 were as follows:

Name of optionholder	Date of grant	Option period*	Number of share options 購股權數目		Exercise price per share of ITC Properties as at 30th September, 2016 (subject to adjustments) 每股德祥地產股份於二零一六年九月三十日之行使價(可予以調整) HK\$ 港元
			Outstanding as at 1.4.2016 於二零一六年四月一日尚未行使	Outstanding as at 30.9.2016 於二零一六年九月三十日尚未行使	
Chan Fut Yan 陳佛恩	17.10.2013 二零一三年十月十七日	17.10.2014 to 16.10.2017 二零一四年十月十七日至二零一七年十月十六日	1,050,000	1,050,000	3.00
Shek Lai Him, Abraham 石禮謙	17.10.2013 二零一三年十月十七日	17.10.2014 to 16.10.2017 二零一四年十月十七日至二零一七年十月十六日	185,000	185,000	3.00

* According to the terms of grant of options, the above share options shall be exercisable at any time during the option period provided that up to a maximum of 50% of the share options granted shall be exercisable during the period commencing from 17th October, 2014 to 16th October, 2015 and the balance of the share options granted but not yet exercised may be exercised during the period commencing from 17th October, 2015 to 16th October, 2017.

附註：(續)

5. 於二零一六年九月三十日，德祥地產授予本公司董事之尚未行使之購股權(非上市股本衍生工具)詳情如下：

* 根據授出之購股權條款，以上購股權可於購股權期間內任何時間行使，惟已授出購股權其中最多50%可於二零一四年十月十七日至二零一五年十月十六日期間內行使，而剩餘已授出但尚未行使之購股權則可於二零一五年十月十七日至二零一七年十月十六日期間內行使。

(c) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF PYI**(c) 於保華之股份、相關股份及債權證之權益及淡倉**

Name of director	Capacity	Long position/ Short position	Number of shares of PYI held 所持保華股份數目	Approximate percentage of the issued share capital of PYI 佔保華已發行股本概約百分比
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note) 於受控制法團之權益(附註)	Long position 好倉	1,305,311,695	28.51%
Chan Kwok Keung, Charles 陳國強	Beneficial owner 實益擁有人	Long position 好倉	35,936,031	0.79%
Shek Lai Him, Abraham 石禮謙	Beneficial owner 實益擁有人	Long position 好倉	6,000	0.00%

(c) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF PYI (continued)

Note:

An indirect wholly-owned subsidiary of the Company held 1,305,311,695 shares of PYI. By virtue of his direct and indirect interests in approximately 61.42% of the issued share capital of the Company as at 30th September, 2016. Dr. Chan Kwok Keung, Charles was deemed to be interested in these shares of PYI held by the indirect wholly-owned subsidiary of the Company.

(d) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF BURCON

Name of director	Capacity	Long position/ Short position	Number of shares of Burcon held	Number of underlying shares (in respect of the share options (unlisted equity derivatives)) of Burcon held	Approximate percentage of the issued share capital of Burcon
董事姓名	身份	好倉／淡倉	所持Burcon 股份數目	所持Burcon 之相關股份 (有關購股權 (非上市股本衍生 工具))數目	佔Burcon 已發行股本 概約百分比
Chau Mei Wah, Rosanna 周美華	Beneficial owner 實益擁有人	Long position 好倉	448,634	-	1.25%
Chau Mei Wah, Rosanna 周美華	Beneficial owner 實益擁有人	Long position 好倉	-	124,462	0.35%
Chan Yiu Lun, Alan 陳耀麟	Beneficial owner 實益擁有人	Long position 好倉	-	169,462	0.47%

As at 30th September, 2016, ITC Properties, PYI and Burcon were associated corporations of the Company within the meaning of Part XV of the SFO.

Dr. Chan Kwok Keung, Charles was, by virtue of his direct and indirect interests in approximately 61.42% of the issued share capital of the Company as at 30th September, 2016, deemed to be interested in the shares and underlying shares (in respect of equity derivatives), if any, of the associated corporations (within the meaning of Part XV of the SFO) of the Company held by the Group under Part XV of the SFO.

Save as disclosed above, as at 30th September, 2016, none of the directors and chief executives of the Company had any interests and short positions in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) as recorded in the register of the Company required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

(c) 於保華之股份、相關股份及債權證之權益及淡倉(續)

附註：

本公司一間間接全資附屬公司持有1,305,311,695股保華股份。鑑於於二零一六年九月三十日其直接及間接擁有本公司已發行股本約61.42%之權益，陳國強博士被視作於本公司一間間接全資附屬公司所持有之該等保華股份中擁有權益。

(d) 於BURCON之股份、相關股份及債權證之權益及淡倉

於二零一六年九月三十日，根據證券及期貨條例第十五部之定義，德祥地產、保華及Burcon乃本公司之相聯法團。

鑑於陳國強博士於二零一六年九月三十日直接及間接擁有本公司已發行股本約61.42%之權益，根據證券及期貨條例第十五部，彼被視作於本集團持有之本公司相聯法團(定義見證券及期貨條例第十五部)之股份及相關股份(有關股本衍生工具)(如有)中擁有權益。

除上文所披露者外，於二零一六年九月三十日，本公司董事及主要行政人員概無於本公司或任何相聯法團(定義見證券及期貨條例第十五部)之股份、相關股份或債權證中擁有根據證券及期貨條例第352條須登記於本公司所保存登記冊內之任何權益及淡倉，或根據標準守則而須另行知會本公司及香港聯交所之權益及淡倉。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

As at 30th September, 2016, there were no outstanding share options granted by the Company pursuant to the share option scheme of the Company adopted on 19th August, 2011. No share options were granted, exercised, cancelled or lapsed during the period.

Save as disclosed herein, at no time during the period under review was the Company or any of its subsidiaries a party to any arrangements which enabled the directors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities including debentures of, the Company or any other body corporate, and none of the directors, chief executives or their spouse or children under the age of 18, had any right to subscribe for securities of the Company, or had exercised any such right during the period under review.

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

As at 30th September, 2016, so far as is known to the directors and the chief executives of the Company, the interests or short positions of substantial shareholders in the shares and underlying shares of the Company as recorded in the register of the Company required to be kept under Section 336 of the SFO were as follows:

董事購買股份或債券之權利

於二零一六年九月三十日，本公司並無根據本公司於二零一一年八月十九日採納之購股權計劃授出任何尚未行使之購股權。期內亦無任何購股權授出、行使、註銷或作廢。

除本文所披露者外，本公司或其任何附屬公司於回顧期內任何時間概無參與訂立任何安排，以使本公司董事可藉購入本公司或任何其他法人團體之股份或債務證券（包括債權證）而獲利，且董事、主要行政人員或彼等之配偶或未滿十八歲之子女於回顧期內概無擁有認購本公司證券之權利，亦無行使任何該等權利。

主要股東於本公司股份之權益及淡倉

於二零一六年九月三十日，據本公司之董事及主要行政人員所知悉，根據證券及期貨條例第336條保存之本公司登記冊所記錄之主要股東於本公司之股份及相關股份之權益或淡倉如下：

Name	Capacity	Long position/ Short position	Number of shares of the Company held	Approximate percentage of the issued share capital of the Company
姓名／名稱	身份	好倉／淡倉	所持本公司 股份數目	佔本公司已發行 股本概約百分比
Chan Kwok Keung, Charles 陳國強	Beneficial owner 實益擁有人	Long position 好倉	763,357,578 (Note) (附註)	45.77%
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note) 於受控制法團之權益 (附註)	Long position 好倉	260,966,805 (Note) (附註)	15.65%
Chinaview International Limited	Interest of controlled corporation (Note) 於受控制法團之權益 (附註)	Long position 好倉	260,966,805 (Note) (附註)	15.65%
Galaxyway Investments Limited	Beneficial owner 實益擁有人	Long position 好倉	260,966,805 (Note) (附註)	15.65%
Ng Yuen Lan, Macy 伍婉蘭	Interest of spouse (Note) 配偶權益(附註)	Long position 好倉	1,024,324,383 (Note) (附註)	61.42%

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES OF THE COMPANY (continued)

Note:

Galaxyway Investments Limited, which held 260,966,805 shares of the Company, was a wholly-owned subsidiary of Chinaview International Limited which was, in turn, wholly-owned by Dr. Chan Kwok Keung, Charles. Ms. Ng Yuen Lan, Macy is the spouse of Dr. Chan Kwok Keung, Charles. Chinaview International Limited, Dr. Chan Kwok Keung, Charles and Ms. Ng Yuen Lan, Macy were deemed to be interested in these shares of the Company held by Galaxyway Investments Limited. Dr. Chan Kwok Keung, Charles held 763,357,578 shares of the Company. Ms. Ng Yuen Lan, Macy was deemed to be interested in the shares of the Company held by Dr. Chan Kwok Keung, Charles.

Save as disclosed above, no other parties were recorded in the register of the Company required to be kept under section 336 of the SFO as having interests or short positions in the shares or underlying shares of the Company as at 30th September, 2016.

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

During the six months ended 30th September, 2016, there was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company's listed securities.

CORPORATE GOVERNANCE CODE

The Company has, throughout the six months ended 30th September, 2016, complied with the code provisions of the Corporate Governance Code contained in Appendix 14 to the Listing Rules.

CHANGE IN INFORMATION ON DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, the change in information on the directors of the Company since the Company's last published annual report up to the date of this report is set out below.

Mr. Chan Yiu Lun, Alan was re-designated from executive director to a non-executive director of PYI on 22nd July, 2016.

The updated biographies of directors of the Company are available on the Company's website.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the directors of the Company. All directors of the Company have confirmed, following specific enquiry by the Company, that they complied with the required standard set out in the Model Code for the six months ended 30th September, 2016.

主要股東於本公司股份之權益及淡倉 (續)

附註：

Chinaview International Limited之一間全資附屬公司 Galaxyway Investments Limited持有260,966,805股本公司股份，而Chinaview International Limited則由陳國強博士全資擁有。伍婉蘭女士為陳國強博士之配偶。Chinaview International Limited、陳國強博士及伍婉蘭女士均被視作於Galaxyway Investments Limited所持有之該等本公司股份中擁有權益。陳國強博士持有763,357,578股本公司股份。伍婉蘭女士被視作於由陳國強博士所持有之本公司股份中擁有權益。

除上文所披露者外，於二零一六年九月三十日，根據證券及期貨條例第336條本公司須保存之登記冊所記錄，概無其他人士擁有本公司之股份或相關股份之權益或淡倉。

購買、出售或贖回本公司上市證券

於截至二零一六年九月三十日止六個月內，本公司或其任何附屬公司概無購買、出售或贖回本公司之上市證券。

企業管治守則

本公司已於截至二零一六年九月三十日止六個月內，一直遵守上市規則附錄十四所載之企業管治守則之守則條文。

董事資料之更改

根據上市規則條文第13.51B(1)條，自本公司最近刊發之年度報告起至本報告日期止本公司董事資料作出之更改載列如下。

陳耀麟先生已於二零一六年七月二十二日由保華之執行董事調任為非執行董事。

經更新之本公司董事資料可於本公司網站查閱。

董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載的標準守則，作為本公司董事進行證券交易之標準守則。本公司向全體董事作出特定查詢後，彼等確認於截至二零一六年九月三十日止六個月內一直符合標準守則所載之標準。

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, financial reporting process and internal control matters including a review of the unaudited interim financial report for the six months ended 30th September, 2016.

The interim financial report of the Company for the six months ended 30th September, 2016 has been reviewed by the auditor, Deloitte Touche Tohmatsu, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

On Behalf of the Board

Dr. Chan Kwok Keung, Charles
Chairman

Hong Kong, 23rd November, 2016

Note:

On 30th November, 2016, the Company announced that it obtained guidance from the Hong Kong Stock Exchange in relation to Rule 13.24 of the Listing Rules for the Conditional Distribution. The Conditional Distribution is still subject to the approval of the shareholders of the Company. Please refer to the announcement of the Company dated 30th November, 2016 for further details.

審核委員會

審核委員會與管理層已審閱本集團採納之會計原則及慣例，並就審計、財務申報過程及內部監控事項，包括審閱截至二零一六年九月三十日止六個月之未經審核中期財務報告作商討。

本公司截至二零一六年九月三十日止六個月之中期財務報告已經由核數師德勤•關黃陳方會計師行根據香港會計師公會頒佈之《香港審閱工作準則》第2410號「由實體之獨立核數師執行之中期財務資料的審閱」進行審閱。

代表董事會

主席
陳國強博士

香港，二零一六年十一月二十三日

附註：

於二零一六年十一月三十日，本公司公佈已就有條件分派取得香港聯交所上市規則第13.24條之指引。有條件分派仍須待本公司股東批准，詳情請參閱本公司於二零一六年十一月三十日之公佈。

REPORT ON REVIEW OF CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS

Deloitte.

德勤

To the Board of Directors of ITC Corporation Limited
(Incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of ITC Corporation Limited (the "Company") and its subsidiaries set out on pages 20 to 31, which comprise the condensed consolidated statement of financial position as of 30th September, 2016 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
23rd November, 2016

簡明綜合財務報表審閱報告書

致德祥企業集團有限公司董事會
(於百慕達註冊成立之有限公司)

引言

本行已審閱第20至31頁所載德祥企業集團有限公司(「本公司」)及其附屬公司之簡明綜合財務報表，當中包括於二零一六年九月三十日之簡明綜合財務狀況表，以及截至該日止六個月期間之相關簡明綜合損益及其他全面收入表、簡明綜合權益變動表及簡明綜合現金流量表以及某些解釋附註。香港聯合交易所有限公司證券上市規則規定，中期財務資料之編製須符合當中訂明之相關條文，以及由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》(「香港會計準則第34號」)。本公司董事須負責根據香港會計準則第34號編製及呈報這些簡明綜合財務報表。本行之責任是根據審閱之結果，對這些簡明綜合財務報表作出結論，並按照雙方所協定之委聘書條款僅向整體董事會報告，除此之外本報告別無其他目的。本行不會就本報告之內容向任何其他人士負責或承擔任何責任。

審閱範圍

本行依據香港會計師公會頒佈之《香港審閱工作準則》第2410號「由實體之獨立核數師執行之中期財務資料的審閱」進行審閱工作。審閱這些簡明綜合財務報表包括主要向負責財務和會計事務之人員作出查詢，以及進行分析性和其他審閱程序。由於審閱之範圍遠較根據香港審計準則進行審核之範圍為小，故本行不保證可知悉所有在審核中可能發現之重大事項。因此，本行不會發表審核意見。

結論

根據本行的審閱工作，本行並沒有注意到任何事項，使本行相信簡明綜合財務報表在所有重大方面沒有按照香港會計準則第34號的規定編製。

德勤·關黃陳方會計師行
執業會計師
香港
二零一六年十一月二十三日

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 簡明綜合損益及其他全面收入表

For the six months ended 30th September, 2016 截至二零一六年九月三十日止六個月

		(Unaudited)	
		Six months ended	
		30.9.2016	30.9.2015
		HK\$'000	HK\$'000
		(未經審核)	
		截至九月三十日止六個月	
		二零一六年	二零一五年
		千港元	千港元
	Notes		
	附註		
Revenue	3	7,002	9,772
Management and other related service income	管理及其他有關服務收入	1,706	1,814
Interest income	利息收入	1,797	7,113
Property rental income	物業租金收入	1,020	474
Other income	其他收入	5,576	484
Net gain (loss) on equity investments	權益投資之收益(虧損)淨額	4,643	(1,178)
Administrative expenses	行政開支	(23,996)	(21,057)
Finance costs	財務成本	(406)	(1)
Net loss on net decrease in interest in an associate	一間聯營公司權益淨減少之虧損淨額	(156)	(126)
Share of results of associates	攤佔聯營公司業績		
– share of results	– 攤佔業績	128,618	159,451
– gain on acquisitions of additional interest in an associate	– 收購一間聯營公司額外權益之收益	31,816	62,724
Profit for the period	5	150,618	209,698
Other comprehensive (expenses) income:	其他全面(開支)收入:		
Items that may be reclassified subsequently to profit or loss:	其後可重新分類至損益之項目:		
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	(515)	(1,324)
Share of other comprehensive expenses of associates	攤佔聯營公司其他全面開支	(43,837)	(26,755)
Reclassification adjustment on reserves released on net decrease in interest in an associate	於一間聯營公司權益淨減少時轉出儲備之重新分類調整	3	1
Item that will not be reclassified subsequently to profit or loss:	其後將不會重新分類至損益之項目:		
Share of other comprehensive income (expenses) of associates	攤佔聯營公司其他全面收入(開支)	19,668	(34,851)
Other comprehensive expenses for the period	期間其他全面開支	(24,681)	(62,929)
Total comprehensive income for the period	期間全面收入總額	125,937	146,769
		HK cents 港仙	HK cents 港仙
Earnings per share	每股盈利		
Basic	基本	9.03	13.91
Diluted	攤薄	N/A	N/A

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION 簡明綜合財務狀況表

At 30th September, 2016 於二零一六年九月三十日

			(Unaudited) 30.9.2016 HK\$'000 (未經審核) 二零一六年 九月三十日 千港元	(Audited) 31.3.2016 HK\$'000 (經審核) 二零一六年 三月三十一日 千港元
	Notes			
	附註			
Non-current assets		非流動資產		
Property, plant and equipment	8	物業、廠房及設備	6,489	7,229
Investment properties	8	投資物業	40,361	21,966
Intangible assets		無形資產	1,116	1,120
Interests in associates	9	聯營公司權益	3,182,080	3,054,405
Convertible note		可換股票據	12,499	-
Equity investments		權益投資	-	40,600
			<u>3,242,545</u>	<u>3,125,320</u>
Current assets		流動資產		
Debtors, deposits and prepayments	10	應收賬款、訂金及預付款項	27,166	266,264
Amounts due from associates		應收聯營公司款項	7,124	1,691
Loans receivable		應收貸款	111,000	110,000
Equity investments		權益投資	134,720	50,830
Short-term bank deposits, bank balances and cash		短期銀行存款、 銀行結存及現金	154,637	51,886
			<u>434,647</u>	<u>480,671</u>
Current liabilities		流動負債		
Creditors and accrued expenses	11	應付賬款及應計開支	7,024	8,483
Dividends payable		應付股息	50,030	-
Bank borrowings		銀行借款	197	61,918
			<u>57,251</u>	<u>70,401</u>
Net current assets		流動資產淨值	<u>377,396</u>	<u>410,270</u>
Total assets less current liabilities		總資產減流動負債	<u>3,619,941</u>	<u>3,535,590</u>
Non-current liabilities		非流動負債		
Bank borrowings		銀行借款	7,140	-
Deferred tax liabilities		遞延稅項負債	1,727	1,727
			<u>8,867</u>	<u>1,727</u>
Net assets		資產淨值	<u>3,611,074</u>	<u>3,533,863</u>
Capital and reserves		股本及儲備		
Share capital	12	股本	16,677	16,677
Share premium and reserves		股本溢價及儲備	3,594,397	3,517,186
Total equity		總權益	<u>3,611,074</u>	<u>3,533,863</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 簡明綜合權益變動表

For the six months ended 30th September, 2016 截至二零一六年九月三十日止六個月

		Attributable to the owners of the Company 本公司擁有人應佔										
		Share capital	Share premium	Contributed surplus	Reserve on acquisition	Capital redemption reserve	Other reserve	Property revaluation reserve	Investment revaluation reserve	Translation reserve	Accumulated profits	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1st April, 2016	於二零一六年四月一日	16,677	828,765	196,676	(24,992)	908	22,750	3,242	(127,238)	78,501	2,538,574	3,533,863
Profit for the period	期間溢利	-	-	-	-	-	-	-	-	-	150,618	150,618
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	-	-	-	-	(515)	-	(515)
Share of other comprehensive income (expenses) of associates	攤佔聯營公司其他全面收入(開支)	-	-	-	-	-	-	-	19,668	(43,837)	-	(24,169)
Reserves released on net decrease in interest in an associate	於一間聯營公司權益淨減少時轉出之儲備	-	-	-	-	-	-	-	13	3	(13)	3
Total comprehensive income (expenses) for the period	期間全面收入(開支)總額	-	-	-	-	-	-	-	19,681	(44,349)	150,605	125,937
Decrease in an associates' equity attributable to the Group's interests arising on equity transactions of the associates	因於聯營公司之股本交易導致本集團於聯營公司股權應佔權益減少	-	-	-	-	-	1,690	-	-	-	(386)	1,304
Final dividend for the year ended 31st March, 2016 (Note 6)	截至二零一六年三月三十一日止年度之末期股息(附註6)	-	-	-	-	-	-	-	-	-	(50,030)	(50,030)
At 30th September, 2016	於二零一六年九月三十日	16,677	828,765	196,676	(24,992)	908	24,440	3,242	(107,557)	34,152	2,638,763	3,611,074
At 1st April, 2015	於二零一五年四月一日	14,338	728,315	196,676	(24,993)	908	21,895	2,770	(78,235)	128,182	2,117,679	3,107,535
Profit for the period	期間溢利	-	-	-	-	-	-	-	-	-	209,698	209,698
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	-	-	-	-	(1,324)	-	(1,324)
Share of other comprehensive expenses of associates	攤佔聯營公司其他全面開支	-	-	-	-	-	-	-	(34,460)	(26,755)	(391)	(61,606)
Reserves released on net decrease in interest in an associate	於一間聯營公司權益淨減少時轉出之儲備	-	-	-	-	-	-	-	19	1	(19)	1
Total comprehensive (expenses) income for the period	期間全面(開支)收入總額	-	-	-	-	-	-	-	(34,441)	(28,078)	209,288	146,769
Issue of shares on placement of shares	配售股份時發行股份	1,200	101,656	-	-	-	-	-	-	-	-	102,856
Decrease in an associate's equity attributable to the Group's interests arising on equity transactions of the associate	因於聯營公司之股本交易導致本集團於聯營公司股權應佔權益減少	-	-	-	-	-	451	-	-	-	(152)	299
Final dividend for the year ended 31st March, 2015 (Note 6)	截至二零一五年三月三十一日止年度之末期股息(附註6)	-	-	-	-	-	-	-	-	-	(62,151)	(62,151)
At 30th September, 2015	於二零一五年九月三十日	15,538	829,971	196,676	(24,993)	908	22,346	2,770	(112,676)	100,104	2,264,664	3,295,308

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS 簡明綜合現金流量表

For the six months ended 30th September, 2016 截至二零一六年九月三十日止六個月

		(Unaudited)	
		Six months ended	
		30.9.2016	30.9.2015
		HK\$'000	HK\$'000
		(未經審核)	
		截至九月三十日止六個月	
		二零一六年	二零一五年
		千港元	千港元
Net cash used in operating activities	經營業務動用之現金淨額	(89,219)	(134,175)
Net cash from investing activities	投資業務所得之現金淨額		
Refund of earnest money	誠意金退款	247,293	-
Proceeds from disposal of equity investment	出售權益投資所得款項	34,000	-
Acquisition of investment properties	收購投資物業	(18,880)	-
Acquisition of convertible note	收購可換股票據	(12,127)	-
Acquisitions of additional interests in associates	收購聯營公司 額外權益	(3,296)	(19,070)
Repayment of promissory note receivable	償還應收承兌票據	-	200,000
Others	其他	(18)	(1,406)
		246,972	179,524
Net cash from financing activities	融資業務所得之現金淨額		
New borrowings raised	新造借款	7,408	-
Interest paid	已付利息	(406)	-
Gross proceeds from issue of shares	發行股份所得款項總項	-	105,600
Payment of transaction costs attributable to issue of shares	支付發行股份應佔之 交易成本	-	(2,744)
		7,002	102,856
Net increase in cash and cash equivalents	現金與現金等值項目增加淨額	164,755	148,205
Cash and cash equivalents at beginning of the period	期初現金與現金等值項目	(10,032)	128,694
Effect of foreign exchange rate changes	外幣匯率變動之影響	(86)	(100)
Cash and cash equivalents at end of the period, represented by short-term bank deposits, bank balances and cash	期末現金與現金等值項目 即短期銀行存款、銀行結存 及現金	154,637	276,799

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

For the six months ended 30th September, 2016 截至二零一六年九月三十日止六個月

1. BASIS OF PREPARATION

The condensed consolidated financial statements of ITC Corporation Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") and with Hong Kong Accounting Standard 34 ("HKAS 34") "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical costs basis, except for certain properties and financial instruments, which are measured at revalued amounts or fair values as appropriate.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30th September, 2016 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31st March, 2016.

In the current interim period, the Group has applied, for the first time, the following new amendments to Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA that are mandatorily effective for the current interim period:

Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants
Amendments to HKAS 27	Equity Method in Separate Financial Statements
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012 - 2014 Cycle

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

3. REVENUE AND SEGMENT INFORMATION

Revenue represents the amounts received and receivable from outside customers for the period.

Segment information

The Group's operating segments, based on information reported to the chief operating decision maker, being the executive Directors of the Company, for the purposes of resource allocation and performance assessment are as follows:

Finance	-	loan financing services
Long-term investment	-	investments including convertible notes issued by the associates and other long-term equity investments
Other investment	-	investment in other financial assets and trading of securities
Others	-	leasing of investment properties, leasing of motor vehicles and management services

Information regarding the above operating segments, which are also reportable segments of the Group, is reported below.

1. 編製基準

德祥企業集團有限公司(「本公司」)及其附屬公司(統稱為「本集團」)之簡明綜合財務報表乃根據香港聯合交易所有限公司(「香港聯交所」)證券上市規則(「上市規則」)附錄十六有關披露之適用規定及香港會計師公會(「香港會計師公會」)頒佈之香港會計準則第34號(「香港會計準則第34號」)「中期財務報告」之規定而編製。

2. 主要會計政策

簡明綜合財務報表乃根據歷史成本法編製，惟若干物業及金融工具乃按重估金額或公平價值(視何者適用)計算。

除下文所述者外，截至二零一六年九月三十日止六個月之簡明綜合財務報表所採用之會計政策及計算方法與於編製本集團截至二零一六年三月三十一日止年度之年度財務報表所沿用者相同。

於本中期期間，本集團首次採納以下由香港會計師公會頒佈且於本中期期間強制生效之香港財務報告準則(「香港財務報告準則」)之新修訂：

香港會計準則第1號之修訂	披露動議
香港會計準則第16號及香港會計準則第38號之修訂	折舊及攤銷的可接受方法之澄清
香港會計準則第16號及香港會計準則第41號之修訂	農業：生產性植物
香港會計準則第27號之修訂	獨立財務報表之權益法
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28號之修訂	投資實體：豁免應用合併
香港財務報告準則第11號之修訂	收購合資營運權益之會計
香港財務報告準則之修訂	香港財務報告準則於二零一二年至二零一四年週期之年度改進

於本中期期間採納香港財務報告準則之新修訂對本簡明綜合財務報表所呈報之金額及/或所載之披露並無重大影響。

3. 收入及分部資料

收入指本期間來自外界客戶之已收及應收款項。

分部資料

根據呈報予主要營運決策人士(即本公司之執行董事)以作資源分配及表現評估用途之資料，本集團之經營分部如下：

融資	-	貸款融資服務
長期投資	-	投資項目包括聯營公司發行之可換股票據及其他長期權益投資
其他投資	-	投資於其他金融資產及證券買賣
其他	-	投資物業租賃、出租汽車及管理服務

有關上述經營分部之資料，其亦為本集團可呈報之分部，呈報如下。

3. REVENUE AND SEGMENT INFORMATION (continued)

Segment information (continued)

The following is an analysis of the Group's revenue and results by operating and reportable segment for the period under review:

Six months ended 30th September, 2016

		Finance HK\$'000 融資 千港元	Long-term investment HK\$'000 長期投資 千港元	Other investment HK\$'000 其他投資 千港元	Others HK\$'000 其他 千港元	Segment total HK\$'000 分部總計 千港元	Eliminations HK\$'000 抵銷 千港元	Consolidated HK\$'000 綜合 千港元
SEGMENT REVENUE	分部收入							
External sales	對外銷售	1,373	377	2,303	2,949	7,002	-	7,002
Inter-segment sales	分部間銷售	2,068	-	-	-	2,068	(2,068)	-
Total	總計	<u>3,441</u>	<u>377</u>	<u>2,303</u>	<u>2,949</u>	<u>9,070</u>	<u>(2,068)</u>	<u>7,002</u>
RESULT	業績							
Segment result	分部業績	<u>3,003</u>	<u>(6,257)</u>	<u>11,444</u>	<u>365</u>	<u>8,555</u>	<u>-</u>	<u>8,555</u>
Central administration costs	中央行政成本							(17,809)
Finance costs	財務成本							(406)
Net loss on net decrease in interest in an associate	一間聯營公司權益淨減少之虧損淨額							(156)
Share of results of associates	攤佔聯營公司業績							
- share of results	- 攤佔業績							128,618
- gain on acquisitions of additional interest in an associate	- 收購一間聯營公司額外權益之收益							
								<u>31,816</u>
Profit for the period	期間溢利							<u>150,618</u>

Six months ended 30th September, 2015

		Finance HK\$'000 融資 千港元	Long-term investment HK\$'000 長期投資 千港元	Other investment HK\$'000 其他投資 千港元	Others HK\$'000 其他 千港元	Segment total HK\$'000 分部總計 千港元	Eliminations HK\$'000 抵銷 千港元	Consolidated HK\$'000 綜合 千港元
SEGMENT REVENUE	分部收入							
External sales	對外銷售	6,981	-	210	2,581	9,772	-	9,772
Inter-segment sales	分部間銷售	1,955	-	-	-	1,955	(1,955)	-
Total	總計	<u>8,936</u>	<u>-</u>	<u>210</u>	<u>2,581</u>	<u>11,727</u>	<u>(1,955)</u>	<u>9,772</u>
RESULT	業績							
Segment result	分部業績	<u>8,849</u>	<u>(6)</u>	<u>(1,178)</u>	<u>527</u>	<u>8,192</u>	<u>-</u>	<u>8,192</u>
Central administration costs	中央行政成本							(20,542)
Finance costs	財務成本							(1)
Net loss on net decrease in interest in an associate	一間聯營公司權益淨減少之虧損淨額							(126)
Share of results of associates	攤佔聯營公司業績							
- share of results	- 攤佔業績							159,451
- gain on acquisitions of additional interest in an associate	- 收購一間聯營公司額外權益之收益							
								<u>62,724</u>
Profit for the period	期間溢利							<u>209,698</u>

Inter-segment sales are charged at prevailing market rates or at terms determined and agreed by both parties.

Segment result represents the result of each segment without allocation of central administration costs, including directors' salaries, finance costs and items related to interests in associates.

3. 收入及分部資料 (續)

分部資料 (續)

以下為本集團於回顧期間收入及業績按經營及可呈報分部劃分之分析：

截至二零一六年九月三十日止六個月

		Finance HK\$'000 融資 千港元	Long-term investment HK\$'000 長期投資 千港元	Other investment HK\$'000 其他投資 千港元	Others HK\$'000 其他 千港元	Segment total HK\$'000 分部總計 千港元	Eliminations HK\$'000 抵銷 千港元	Consolidated HK\$'000 綜合 千港元
SEGMENT REVENUE	分部收入							
External sales	對外銷售	6,981	-	210	2,581	9,772	-	9,772
Inter-segment sales	分部間銷售	1,955	-	-	-	1,955	(1,955)	-
Total	總計	<u>8,936</u>	<u>-</u>	<u>210</u>	<u>2,581</u>	<u>11,727</u>	<u>(1,955)</u>	<u>9,772</u>
RESULT	業績							
Segment result	分部業績	<u>8,849</u>	<u>(6)</u>	<u>(1,178)</u>	<u>527</u>	<u>8,192</u>	<u>-</u>	<u>8,192</u>
Central administration costs	中央行政成本							(20,542)
Finance costs	財務成本							(1)
Net loss on net decrease in interest in an associate	一間聯營公司權益淨減少之虧損淨額							(126)
Share of results of associates	攤佔聯營公司業績							
- share of results	- 攤佔業績							159,451
- gain on acquisitions of additional interest in an associate	- 收購一間聯營公司額外權益之收益							
								<u>62,724</u>
Profit for the period	期間溢利							<u>209,698</u>

截至二零一五年九月三十日止六個月

		Finance HK\$'000 融資 千港元	Long-term investment HK\$'000 長期投資 千港元	Other investment HK\$'000 其他投資 千港元	Others HK\$'000 其他 千港元	Segment total HK\$'000 分部總計 千港元	Eliminations HK\$'000 抵銷 千港元	Consolidated HK\$'000 綜合 千港元
SEGMENT REVENUE	分部收入							
External sales	對外銷售	6,981	-	210	2,581	9,772	-	9,772
Inter-segment sales	分部間銷售	1,955	-	-	-	1,955	(1,955)	-
Total	總計	<u>8,936</u>	<u>-</u>	<u>210</u>	<u>2,581</u>	<u>11,727</u>	<u>(1,955)</u>	<u>9,772</u>
RESULT	業績							
Segment result	分部業績	<u>8,849</u>	<u>(6)</u>	<u>(1,178)</u>	<u>527</u>	<u>8,192</u>	<u>-</u>	<u>8,192</u>
Central administration costs	中央行政成本							(20,542)
Finance costs	財務成本							(1)
Net loss on net decrease in interest in an associate	一間聯營公司權益淨減少之虧損淨額							(126)
Share of results of associates	攤佔聯營公司業績							
- share of results	- 攤佔業績							159,451
- gain on acquisitions of additional interest in an associate	- 收購一間聯營公司額外權益之收益							
								<u>62,724</u>
Profit for the period	期間溢利							<u>209,698</u>

分部間銷售乃按通行市價或按雙方決定及同意之條款收取。

分部業績指各分部之業績，惟不分配中央行政成本（包括董事薪酬）、財務成本及與聯營公司權益有關之項目。

4. TAXATION

No provision for Hong Kong Profits Tax has been made as the entities within the Group had no assessable profits for both periods.

4. 稅項

由於本集團於兩個期間內並無應課稅利潤，故並無於期內作出香港利得稅撥備。

5. PROFIT FOR THE PERIOD

		Six months ended	
		30.9.2016	30.9.2015
		HK\$'000	HK\$'000
		截至九月三十日止六個月	截至九月三十日止六個月
		二零一六年	二零一五年
		千港元	千港元
Profit for the period has been arrived at after charging:	期間溢利已扣除：		
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	714	584
Amortisation of intangible assets	無形資產攤銷	4	44
Minimum lease payments under operating leases in respect of rented premises	根據經營租約須作出之最低物業租賃款額	1,586	1,597
and after crediting:	並已計入：		
Gain on disposals of property, plant and equipment	出售物業、廠房及設備之收益	-	323

5. 期間溢利

6. DISTRIBUTIONS

Dividends recognised as distributions to owners of the Company during the period:

6. 分派

於期內確認分派予本公司擁有人之股息：

		Six months ended	
		30.9.2016	30.9.2015
		HK\$'000	HK\$'000
		截至九月三十日止六個月	截至九月三十日止六個月
		二零一六年	二零一五年
		千港元	千港元
Final dividend for 2016 - HK3.0 cents (2015: HK4.0 cents for 2015) per share	二零一六年之末期股息 —每股3.0港仙(二零一五年： 二零一五年為4.0港仙)	50,030	62,151
Dividends in form of:	股息形式：		
- Cash	—現金	38,468	13,180
- Scrip	—以股代息	11,562	48,971
		50,030	62,151

Conditional Special Dividend by way of Distribution in Specie of shares in ITC Properties:

The Company has sought guidance from the Hong Kong Stock Exchange in relation to Rule 13.24 of the Listing Rules. Conditional on such guidance, the Board has proposed a conditional special dividend in the form of distribution in specie of all shares of ITC Properties held by the Group (approximately 306 million shares of ITC Properties as at 23rd November, 2016) to the shareholders of the Company (the "Conditional Distribution"). ITC Properties is a company incorporated in Bermuda with limited liability, whose issued shares are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 199). The Conditional Distribution will also be subject to the approval of the shareholders of the Company. Further details of the Conditional Distribution will be announced as soon as practicable.

In last interim period, the directors of the Company had resolved that an interim dividend of HK2.0 cents per share, amounted to HK\$32,541,000, for the period ended 30th September, 2015.

以德祥地產股份作實物分派之方式宣派有條件特別股息：

本公司已就上市規則第13.24條尋求香港聯交所之指引。在有關指引之前提下，董事會已建議以本集團所持有之所有德祥地產股份(於二零一六年十一月二十三日約306,000,000股德祥地產股份)作實物分派之方式向本公司股東宣派有條件特別股息(「有條件分派」)。德祥地產為一間於百慕達註冊成立之有限公司，其已發行股份於香港聯交所主板上市(股份代號：199)。有條件分派亦將須經本公司股東批准，方告作實。本公司將於可行情況下盡快公佈有條件分派之進一步詳情。

於上一個中期期間，本公司董事已議決就截至二零一五年九月三十日止期間宣派中期股息每股2.0港仙，總額為32,541,000港元。

7. EARNINGS PER SHARE

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

7. 每股盈利

本公司擁有人應佔之每股基本盈利乃按以下數據計算：

		Six months ended	
		30.9.2016	30.9.2015
		HK\$'000	HK\$'000
		截至九月三十日止六個月	二零一五年
		二零一六年	二零一五年
		千港元	千港元
Earnings for the period attributable to the owners of the Company for the purpose of basic earnings per share	期間本公司擁有人應佔盈利用以計算每股基本盈利	<u>150,618</u>	<u>209,698</u>
		Number of shares 股份數目	
Weighted average number of shares for the purpose of basic earnings per share	用以計算每股基本盈利之股份加權平均數	<u>1,667,654,793</u>	<u>1,507,869,435</u>

No diluted earnings per share has been presented for the periods ended 30th September, 2016 and 2015 as the Company did not have any dilutive potential ordinary shares outstanding during both periods.

由於本公司於截至二零一六年及二零一五年九月三十日止期間並無任何發行在外之潛在攤薄普通股，故該期內並無呈列每股攤薄盈利。

8. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

During the period, the Group spent HK\$18,000 (six months ended 30th September, 2015: HK\$1,729,000) and HK\$18,880,000 (six months ended 30th September, 2015: nil) on acquisition of property, plant and equipment and investment properties, respectively.

8. 物業、廠房及設備及投資物業之變動

於期內，本集團動用18,000港元（截至二零一五年九月三十日止六個月：1,729,000港元）於收購物業、廠房及設備及18,880,000港元（截至二零一五年九月三十日止六個月：零）於收購投資物業。

At 30th September, 2016, the directors of the Company consider that the carrying amounts of the Group's leasehold land and buildings classified as property, plant and equipment and investment properties carried at revalued amounts and fair values, respectively, do not differ significantly from those which would be determined using fair values at the end of the interim period.

於二零一六年九月三十日，本公司董事認為本集團分類為物業、廠房及設備及投資物業（其分別按重估值及公平價值呈列）之租賃土地及樓宇之賬面值，與於中期期末原應按公平價值釐定之數額並無重大差異。

9. INTERESTS IN ASSOCIATES

9. 聯營公司權益

		(Unaudited)	(Audited)
		30.9.2016	31.3.2016
		HK\$'000	HK\$'000
		(未經審核)	(經審核)
		二零一六年	二零一六年
		九月三十日	三月三十一日
		千港元	千港元
Share of consolidated net assets of associates:	攤佔聯營公司之綜合資產淨值：		
- listed in Hong Kong	－於香港上市	3,180,903	3,053,228
- listed overseas	－於海外上市	-	-
Goodwill	商譽	<u>1,177</u>	<u>1,177</u>
		<u>3,182,080</u>	<u>3,054,405</u>
Market value of listed securities:	上市證券市值：		
Hong Kong	香港	1,048,285	1,142,788
Overseas	海外	<u>143,266</u>	<u>149,728</u>
		<u>1,191,551</u>	<u>1,292,516</u>

10. DEBTORS, DEPOSITS AND PREPAYMENTS

Included in debtors, deposits and prepayments are trade debtors of HK\$2,298,000 (31.3.2016: HK\$3,319,000) and their aged analysis based on the invoice date at the end of the reporting period is as follows:

		(Unaudited) 30.9.2016 HK\$'000 (未經審核) 二零一六年 九月三十日 千港元	(Audited) 31.3.2016 HK\$'000 (經審核) 二零一六年 三月三十一日 千港元
Trade debtors	應收貿易賬款		
0 - 30 days	0 - 30日	1,708	2,412
31 - 60 days	31 - 60日	4	-
61 - 90 days	61 - 90日	586	-
Over 90 days	超過90日	-	907
		<u>2,298</u>	<u>3,319</u>

Trade debtors arising from leasing of investment properties business are payable monthly in advance and the credit terms granted by the Group to other trade debtors normally ranged from 30 days to 90 days. For interest receivable, there is no credit terms granted by the Group.

In the current interim period, an earnest money of Canadian Dollar 40,500,000 (equivalent to approximately HK\$247,293,000) included in other debtors as at 31st March, 2016 was refunded to the Group.

11. CREDITORS AND ACCRUED EXPENSES

Included in creditors and accrued expenses are trade creditors of HK\$1,066,000 (31.3.2016: HK\$1,029,000) and their aged analysis based on the invoice date at the end of the reporting period is as follows:

		(Unaudited) 30.9.2016 HK\$'000 (未經審核) 二零一六年 九月三十日 千港元	(Audited) 31.3.2016 HK\$'000 (經審核) 二零一六年 三月三十一日 千港元
Trade creditors	應付貿易賬款		
0 - 30 days	0 - 30日	470	1,019
31 - 60 days	31 - 60日	9	10
61 - 90 days	61 - 90日	587	-
		<u>1,066</u>	<u>1,029</u>

10. 應收賬款、訂金及預付款項

應收賬款、訂金及預付款項中包括2,298,000港元(二零一六年三月三十一日: 3,319,000港元)之應收貿易賬款,其於報告期末按發票日期之賬齡分析如下:

投資物業租賃業務產生之應收貿易賬款須按月墊付,而本集團就其他應收貿易賬款授出之信貸期一般由30日至90日不等。本集團並無就應收利息授出信貸期。

於本中期期間,一筆於二零一六年三月三十一日包括在其他應收款之誠意金40,500,000加拿大元(相當於約247,293,000港元)已退回予本集團。

11. 應付賬款及應計開支

應付賬款及應計開支中包括1,066,000港元(二零一六年三月三十一日: 1,029,000港元)之應付貿易賬款,其於報告期末按發票日期之賬齡分析如下:

12. SHARE CAPITAL

12. 股本

		Number of shares 股份數目		Value 價值	
		30.9.2016	30.9.2015	30.9.2016 HK\$'000	30.9.2015 HK\$'000
		Six months ended 截至九月三十日止六個月		Six months ended 截至九月三十日止六個月	
		二零一六年		二零一五年	
		千港元		千港元	
Ordinary shares of HK\$0.01 each	每股面值0.01港元之 普通股				
Authorised:	法定：				
As at 1st April and 30th September	於四月一日及 九月三十日	102,800,000,000	102,800,000,000	1,028,000	1,028,000
Issued and fully paid:	已發行及繳足：				
As at 1st April	於四月一日	1,667,654,793	1,433,771,074	16,677	14,338
Issue of shares (Note)	發行股份(附註)	-	120,000,000	-	1,200
As at 30th September	於九月三十日	1,667,654,793	1,553,771,074	16,677	15,538

Note: On 10th June, 2015, the Company completed a placement, through a placing agent, of 120,000,000 new shares of the Company at a price of HK\$0.88 per share to certain independent third parties. There is no share issue during the current interim period.

These shares rank pari passu with the then existing shares of the Company in all respects.

附註：於二零一五年六月十日，本公司透過配售代理完成向若干獨立第三方配售120,000,000股本公司新股份，每股作價0.88港元。於本中期間並無發行股份。

上述股份於各方面與本公司當時現有股份享有同等地位。

13. RELATED PARTY TRANSACTIONS

(a) Related party transactions

During the period, the Group had transactions with the following related parties, details of which are as follows:

Class of related party	Nature of transactions	Six months ended	
		30.9.2016 HK\$'000	30.9.2015 HK\$'000
		截至九月三十日止六個月	
		二零一六年	
		千港元	
關連人士之類別	交易性質		
Associates of the Group 本集團之聯營公司	Rentals and related building management fee charged by the Group 本集團收取租金及相關物業管理費	370	342
	Rentals and related building management fee paid by the Group 本集團支付租金及相關物業管理費	1,397	1,397
	Service fees charged by the Group 本集團收取服務費	24	114
	Interest income receivable by the Group 本集團應收利息收入	377	-

(b) Compensation of key management personnel

13. 關連人士交易

(a) 關連人士交易

期內，本集團與以下關連人士進行之交易之詳情如下：

(b) 管理層要員之薪金

		Six months ended	
		30.9.2016 HK\$'000	30.9.2015 HK\$'000
		截至九月三十日止六個月	
		二零一六年	
		千港元	
Fees	袍金	325	325
Salaries and other emoluments	薪金及其他酬金	7,080	7,080
		7,405	7,405

14. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements are observable.

- Level 1: fair value measurements are derived from quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2: fair value measurements are derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: fair value measurements are derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

14. 金融工具之公平價值計量

本集團有部份金融資產於各報告期末按公平價值計量。下表所載資料說明該等金融資產公平價值之釐定方法(特別是所使用之估值技術及輸入數據), 以及根據公平價值計量輸入數據之可觀察程度進行分類之公平價值層級(第1級至第3級)。

- 第1級: 公平價值計量乃以相同資產或負債於活躍市場所報之未調整價格得出;
- 第2級: 公平價值計量乃除第1級所含報價以外, 以資產或負債可直接(即價格)或間接(即由價格衍生)觀察輸入數據得出; 及
- 第3級: 公平價值計量乃計入並非根據可觀察市場數據(無法觀察輸入數據)之資產或負債之估值技術得出。

	Fair value as at 於下列日期之公平價值		Fair value hierarchy	Valuation techniques and key inputs
	(Unaudited) 30.9.2016 HK\$'000 (未經審核) 二零一六年 九月三十日 千港元	(Audited) 31.3.2016 HK\$'000 (經審核) 二零一六年 三月三十一日 千港元		
Financial assets	30.9.2016	31.3.2016		
金融資產			公平價值層級	估值技術及主要輸入數據
Equity investments	134,720	50,830	Level 1 第1級	Quoted closing prices in an active market 於活躍市場所報收市價
- Listed equity securities 權益投資 - 上市股本證券				
Equity investments	-	40,600	Level 2 第2級	Adjusted quoted closing prices in an active market 於活躍市場經調整的所報收市價
- Unlisted equity securities 權益投資 - 非上市股本證券				
Convertible note	12,499	-	Level 3 第3級	Option pricing model that uses current stock price and stock price volatility of the issuer, conversion price and conversion period of the convertible note, and the risk-free rate as valuation inputs. The major significant unobservable input used is the expected volatility of the stock price of the issuer. 期權定價模型, 當中使用發行人當前股價及股價波動、可換股票據的轉換價及轉換期, 以及無風險利率作為估值的輸入數據。所使用的主要重大不可觀察輸入數據為發行人股價的預期波動。
- Unlisted convertible note 可換股票據 - 非上市可換股票據				

14. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (continued)

There were no transfers into and out of Levels 1, 2 and 3 during the current and prior periods.

Reconciliation of Level 3 fair value measurements of financial asset

		Convertible note HK\$'000 可換股票據 千港元
As at 1st April, 2016	於二零一六年四月一日	-
Purchases	購買	12,127
Interest income recognised in profit or loss	於損益中確認的利息收入	377
Exchange loss recognised in profit or loss	於損益中確認的匯兌虧損	(5)
As at 30th September, 2016	於二零一六年九月三十日	<u>12,499</u>

Except the above financial assets that are measured at fair value on a recurring basis, the directors of the Company consider that the carrying amounts of financial assets and financial liabilities recognised in the condensed consolidated financial statements approximate their fair values.

Fair value measurements and valuation processes

In estimating the fair value of an asset, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the executive Directors of the Company are responsible for the determination of the appropriate valuation techniques and inputs for fair value measurements. The executive Directors review the findings of the valuation and assess the cause of fluctuations in the fair value of the assets.

Information about the valuation techniques and inputs used in determining the fair value of various assets are disclosed above.

14. 金融工具之公平價值計量(續)

於本期及過往期間，概無第1級、第2級及第3級之轉入及轉出。

金融資產第3級公平價值計量的對賬

除上述以經常性基準按公平價值計量之金融資產外，本公司董事認為於簡明綜合財務報表內確認之金融資產及金融負債之賬面值與彼等各自之公平價值相若。

公平價值計量及估值過程

在估計資產的公平價值時，本集團使用其可以取得的可觀察市場數據直至其適用範圍。於無法取得第1級輸入數據的情況下，本公司執行董事負責釐定適當的估值技術及公平價值計量的輸入數據。執行董事審閱估值結果，並評估造成資產公平價值波動的原因。

估值技術的資料及確定各類資產公平價值所使用的輸入數據已於上文披露。



ITC CORPORATION LIMITED
德祥企業集團有限公司

