

INNO-TECH HOLDINGS LIMITED
匯創控股有限公司

Annual Report
年報 2017/18



**INNO-TECH
HOLDINGS LIMITED**
匯創控股有限公司

(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：8202)

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本報告乃遵照聯交所GEM證券上市規則（「GEM上市規則」）而刊載，旨在提供有關Inno-Tech Holdings Limited（匯創控股有限公司）（「本公司」）的資料，本公司的董事（「董事」）願就本報告共同及個別地承擔全部責任。各董事在作出一切合理查詢後，確認就其所知及所信，本報告所載資料在各重要方面均屬準確完備，沒有誤導或欺詐成分，且並無遺漏任何事項，足以令致本報告所載任何陳述或本報告產生誤導。*

* For identification purposes only

* 僅供識別

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Corporate Information

公司資料

BOARD OF DIRECTORS

Mr. Pu Haiyong
Mr. Wang Yu
Mr. Lau King Hang
Dr. Chan Yiu Wing
Mr. Leung Chung Nam*
Mr. Tse Yuen Ming*
Ms. Liu Jianyi*

* Independent non-executive Directors

COMPLIANCE OFFICER

Mr. Chan Cheung

AUTHORISED REPRESENTATIVES

Mr. Wang Yu
Mr. Chan Cheung

COMPANY SECRETARY

Mr. Chan Cheung

AUDIT COMMITTEE

Mr. Leung Chung Nam
Mr. Tse Yuen Ming
Ms. Liu Jianyi

NOMINATION COMMITTEE

Ms. Liu Jianyi (*Chairman*)
Mr. Leung Chung Nam
Mr. Tse Yuen Ming
Dr. Chan Yiu Wing
Mr. Lau King Hang

REMUNERATION COMMITTEE

Ms. Liu Jianyi (*Chairman*)
Mr. Leung Chung Nam
Mr. Lau King Hang

董事會

蒲海勇先生
王宇先生
劉勁恒先生
陳耀榮博士
梁仲南先生*
謝遠明先生*
劉簡怡女士*

* 獨立非執行董事

法規主任

陳璋先生

法定代表

王宇先生
陳璋先生

公司秘書

陳璋先生

審核委員會

梁仲南先生
謝遠明先生
劉簡怡女士

提名委員會

劉簡怡女士 (*主席*)
梁仲南先生
謝遠明先生
陳耀榮博士
劉勁恒先生

薪酬委員會

劉簡怡女士 (*主席*)
梁仲南先生
劉勁恒先生

Corporate Information

公司資料

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit 1015, Level 10, Tower 1
Grand Century Place
Mongkok
Kowloon

AUDITOR

Elite Partners CPA Limited
Certified Public Accountants

LEGAL ADVISERS TO THE COMPANY

Lam & Co Solicitors (as to Hong Kong Laws)
Tang, Tso & Lau Solicitors (as to Hong Kong Laws)

PRINCIPAL BANKER

Dah Sing Bank Limited

REGISTERED OFFICE

Clarendon House, 2 Church Street
Hamilton HM 11, Bermuda

COMPANY WEBSITE

<http://www.it-holdings.com.hk>

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Corporate Services (Bermuda) Limited
Clarendon House, 2 Church Street
Hamilton HM 11, Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17/F, Hopewell Centre
183 Queen's Road East, Wanchai
Hong Kong

GEM STOCK CODE

8202

總辦事處及主要營業地點

九龍
旺角
新世紀廣場
1座10樓1015室

核數師

開元信德會計師事務所有限公司
執業會計師

本公司之法律顧問

林炳昌律師事務所(香港法律)
鄧曹劉律師行(香港法律)

主要往來銀行

太新銀行有限公司

註冊辦事處

Clarendon House, 2 Church Street
Hamilton HM 11, Bermuda

公司網址

<http://www.it-holdings.com.hk>

主要股份登記及過戶處

Conyers Corporate Services (Bermuda) Limited
Clarendon House, 2 Church Street
Hamilton HM 11, Bermuda

香港股份過戶登記分處

香港中央證券登記有限公司
香港
灣仔皇后大道東183號
合和中心17樓1712-1716號舖

GEM股份代號

8202

Five-year Financial Summary

五年財務概要

		Year ended 30 June 2018 截至 二零一八年 六月三十日 止年度 HK\$'000 千港元	Year ended 30 June 2017 截至 二零一七年 六月三十日 止年度 HK\$'000 千港元	Year ended 30 June 2016 截至 二零一六年 六月三十日 止年度 HK\$'000 千港元	Year ended 30 June 2015 截至 二零一五年 六月三十日 止年度 HK\$'000 千港元	Year ended 30 June 2014 截至 二零一四年 六月三十日 止年度 HK\$'000 千港元
Revenue	收益	33,272	48,121	42,208	39,218	51,375
Cost of sales	銷售成本	(35,837)	(46,029)	(41,163)	(70,440)	(76,151)
Gross profit/(loss)	毛利/(毛損)	(2,565)	2,092	1,045	(31,222)	(24,776)
Other revenue and other income*	其他收益及其他收入*	452,538	2,628	195	769,456	3,513
Marketing and promotion expenses	市場推廣及宣傳開支	(1,139)	(987)	(842)	(1,795)	(1,783)
Administrative expenses	行政開支	(30,776)	(36,161)	(34,837)	(277,230)	(346,204)
Other costs#	其他虧損#	(15,000)	(927,494)	-	-	-
(Loss)/profit before income tax	除所得稅前(虧損)/溢利	403,058	(959,922)	(34,439)	459,209	(369,250)
Income tax	所得稅	(863)	106	130	55,135	13,041
(Loss)/profit from continuing operations	持續經營業務之(虧損)/溢利	402,195	(959,816)	(34,309)	514,344	(356,209)
Profit/(loss) for the year from discontinued operations	已終止經營業務之年度溢利/(虧損)	-	-	-	206,249	(21,428)
(Loss)/profit for the year	年度(虧損)/溢利	402,195	(959,816)	(34,309)	720,593	(377,637)
(Loss)/profit attributable to:-	以下各項應佔(虧損)/溢利:-					
Owners of the Company	本公司擁有人	402,195	(959,816)	(34,309)	716,253	(371,458)
Non-controlling interest	非控制性權益	-	-	-	4,340	(6,179)
		402,195	(959,816)	(34,309)	720,593	(377,637)

* Other revenue and other income included changes in fair value of financial assets at fair value through profit or loss, gain upon conversion of convertible bonds, fair value gain on convertible bonds.

* 其他收益及其他收入包括按公平值計入損益之金融資產之公平值變動、兌換可換股債券時之收益及可換股債券之公平值收益。

Other costs included extinguishment of repayment of promissory notes and borrowings, loss on issuance of convertible bonds, loss upon conversion of convertible bonds, fair value loss on convertible bonds and impairment loss on loan receivables.

其他成本包括清償承兌票據及借貸、發行可換股債券之虧損、兌換可換股債券時之虧損、可換股債券之公平值虧損及應收貸款之減值虧損。

		As at 30 June 於六月三十日				
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Total assets	總資產	27,460	33,434	31,097	34,995	330,821
Total liabilities	總負債	(201,692)	(617,660)	(165,427)	(136,060)	(1,345,193)
Shareholders' funds	股東資金	(174,232)	(584,226)	(134,330)	(101,065)	(1,003,814)
Non-current assets	非流動資產	246	15,473	1,012	1,800	210,483
Current assets	流動資產	27,214	17,961	30,085	33,195	120,338
Current liabilities	流動負債	(201,692)	(91,310)	(155,321)	(135,824)	(596,144)
Non-current liabilities	非流動負債	-	(526,350)	(10,106)	(236)	(749,049)

Management Discussion and Analysis

管理層之論述及分析

BUSINESS AND FINANCIAL PERFORMANCE

Inno-Tech Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) are principally engaged in the provision of outdoor advertising on buses and bus stations and television advertising operation in the People’s Republic of China (the “PRC”) and event management and marketing services in Hong Kong.

The Group reported a revenue of approximately HK\$33,272,000 for the year ended 30 June 2018, representing a decrease of approximately 30.65% compared with the revenue of approximately HK\$48,121,000 for the year ended 30 June 2017. During the year ended 30 June 2018, a significant part of the revenue was contributed from the buses and bus stations advertising business whereas an approximately 98.9% of the revenue was contributed from event management and marketing services business.

The marketing and promotion expenses for the year ended 30 June 2018 amounted to approximately HK\$1,139,000, which were arising from the buses and bus stations advertising business, representing an increase of approximately HK\$152,000 or 15.4% as compared with that of approximately HK\$987,000 in the last corresponding year.

The administrative expenses for the year ended 30 June 2018 decreased by approximately HK\$879,000 to approximately HK\$30,384,000 (2017: approximately HK\$31,263,000), which was mainly due to the payment of legal and professional fees for financial advisory services.

Finance cost decreased by approximately 91.99% from approximately HK\$4,898,000 for the year ended 30 June 2017 to approximately HK\$392,000 for the year ended 30 June 2018. The finance costs were mainly consisted of interest on borrowings.

業務及財務表現

匯創控股有限公司(「本公司」)及其附屬公司(統稱為「本集團」)主要於中華人民共和國(「中國」)從事提供巴士及巴士站之戶外廣告及電視廣告經營業務以及於香港提供活動管理及市場推廣服務業務。

本集團於截至二零一八年六月三十日止年度所呈報之收益約為33,272,000港元，較截至二零一七年六月三十日止年度之收益約48,121,000港元減少約30.65%。於截至二零一八年六月三十日止年度，很大一部分收益來自巴士及巴士站之廣告業務，而約98.9%之收益來自活動管理及市場推廣服務業務。

截至二零一八年六月三十日止年度之市場推廣及宣傳開支約為1,139,000港元，乃產生自巴士及巴士站廣告業務，較上一相應年度之約987,000港元增加約152,000港元或15.4%。

截至二零一八年六月三十日止年度之行政開支減少約879,000港元至約30,384,000港元(二零一七年：約31,263,000港元)，乃主要由於就財務諮詢服務支付法律及專業費用所致。

財務費用由截至二零一七年六月三十日止年度之約4,898,000港元減少約91.99%至截至二零一八年六月三十日止年度之約392,000港元。財務費用主要包括借款利息。

Management Discussion and Analysis

管理層之論述及分析

BUSINESS AND FINANCIAL PERFORMANCE (Cont'd)

Basic earning per share as at 30 June 2018 was HK\$0.394 (2017: basic loss per share HK\$2.01).

The Directors do not recommend the payment of a final dividend for the year ended 30 June 2018 (2017: Nil).

Buses and bus stations advertising business in the PRC

The Group continues to focus on the business operations of having outdoor advertising on buses and bus stations. The major customers in such business segment include media agency and customers of medical and communications industry. The major suppliers include bus and bus stations owners and advertising production companies for provision of outdoor media resources. It persistently pursues the development in the following possible ways:

- Expands the advertising network;
- Expands the customer base;
- Increases the utilization of the Group's media resources;
- Enhances pricing strategy; and
- Focuses on sales and marketing.

During the year ended 30 June 2018, the Group's buses and bus stations advertising business in the PRC reported a 39% decrease in revenue to HK\$28,530,000 from HK\$46,785,000 in 2017.

Television advertising business in the PRC

Due to challenging and competitive operating environment in the PRC, the Group has scaled down the investment in this sector in order to allocate more resources on other major sectors and explore new business opportunities. There is no revenue reporting for the year ended 30 June 2018 (2017: Nil).

業務及財務表現 (續)

於二零一八年六月三十日，每股基本盈利為0.394港元（二零一七年：每股基本虧損2.01港元）。

董事不建議派付截至二零一八年六月三十日止年度之末期股息（二零一七年：無）。

於中國之巴士及巴士站廣告業務

本集團繼續專注於巴士及巴士站之戶外廣告業務營運。該業務分部之主要客戶包括媒體機構及醫療及通信行業之客戶。主要供應商包括提供戶外媒體資源的巴士車主及巴士站擁有人以及廣告製作公司。其一如既往通過以下可能途徑謀求發展：

- 拓闊廣告網絡；
- 擴大客戶基礎；
- 提高本集團媒體資源之利用率；
- 提升定價策略；及
- 專注於銷售及市場推廣。

於截至二零一八年六月三十日止年度內，本集團於中國之巴士及巴士站廣告業務呈報收入由二零一七年之46,785,000港元減少39%至28,530,000港元。

於中國之電視廣告業務

由於中國之經營環境充滿挑戰且競爭激烈，本集團已縮減此分部之投資，以配置更多資源於其他主要分部及發掘新商機。於截至二零一八年六月三十日止年度並無呈報任何收入（二零一七年：無）。

Management Discussion and Analysis

管理層之論述及分析

BUSINESS AND FINANCIAL PERFORMANCE (Cont'd)

Event management and marketing services in Hong Kong

The Group would provide tailor-made and customized services for clients according to their specific needs for event promotion, event organization and event arrangement. For the year ended 30 June 2018, the Group's event management and marketing services business in Hong Kong reported revenue amounting to approximately HK\$4,373,000 (2017: approximately HK\$1,336,000).

Hong Kong has received worldwide recognition as one of the best destinations for meetings, incentives, conventions and exhibitions and business travelers. As such, it is foreseeable that there will be demand for event management and marketing services and the prospect of this business segment is optimistic.

PROSPECTS

The board of directors of the Company (the "Board") will continue to explore and evaluate new businesses and investment opportunities which could be of good potential and/or long-term benefit to the Group and the shareholders of the Company (the "Shareholders").

The Board will take a cautious and conservative approach in the evaluation and timing of potential projects or investments, including and constantly keep reviewing the Group's strategies and operations with a view to improve its business performance and Shareholders' returns.

業務及財務表現 (續)

於香港的活動管理及市場推廣服務

本集團根據客戶就活動推廣、活動組織及活動安排之特定要求為彼等提供量身定制的個性化服務。截至二零一八年六月三十日止年度，本集團於香港的活動管理及市場推廣服務業務呈報的收入約為4,373,000港元（二零一七年：約1,336,000港元）。

香港已獲世界認可為會議、展覽及嘉獎旅遊以及商務旅客的最佳目的地之一。因此，可以預見此項目管理及市場服務之未來需求且該業務分部前景樂觀。

展望

本公司董事會（「董事會」）將繼續發掘及評估可能具有良好潛力及／或對本集團及本公司之股東（「股東」）帶來長遠利益之新業務及投資機會。

董事會將按穩健原則審慎評估可能進行項目或投資，及把握其時機，包括並持續檢討本集團之策略及營運，務求提升其業務表現及股東回報。

Management Discussion and Analysis

管理層之論述及分析

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2018, the net current liabilities of the Group were approximately HK\$174,478,000 (2017: HK\$73,349,000). Out of the current assets as at 30 June 2018, approximately HK\$4,883,000 (2017: HK\$10,806,000) were cash and cash equivalents. The current ratio of the Group as at 30 June 2018 was 0.13 (2017: 0.20). As at 30 June 2018, the Group has borrowings of HK\$10,500,000 (2017: Nil) and other debts of convertible bonds of approximately of HK\$118,800,000 (2017: promissory note of HK\$43,640,000) denominated in Hong Kong dollars. The net debt (i.e. total short-term borrowings and other debts less cash and cash equivalent) as at 30 June 2018 was HK\$196,809,000 (2017: HK\$80,504,000) and accordingly net debt gearing ratio (i.e. net debt/net assets) as at 30 June 2018 was nil (2017: Nil).

The Group did not have any stand-by banking facilities as at 30 June 2018 and 2017.

As at 30 June 2018, the Group had cash and cash equivalents of approximately HK\$4,883,000 (2017: HK\$10,806,000) which are mainly denominated in Hong Kong dollars and Renminbi ("RMB"). The Group expected to fund the future cash flow needs through internally generated cash flows from operations, borrowings and equity financing.

Save as disclosed in this annual report, the Group has no material capital expenditure commitments as at 30 June 2018.

流動資金及財務資源

於二零一八年六月三十日，本集團之流動負債淨額約為174,478,000港元（二零一七年：73,349,000港元）。於二零一八年六月三十日之流動資產當中，約4,883,000港元（二零一七年：10,806,000港元）為現金及現金等價物。本集團於二零一八年六月三十日之流動比率為0.13（二零一七年：0.20）。於二零一八年六月三十日，本集團以港元計值之借貸為10,500,000港元（二零一七年：零）及可換股債券之其他負債約118,800,000港元（二零一七年：承兌票據43,640,000港元）。於二零一八年六月三十日之負債淨額（即短期借貸及其他負債總額減現金及現金等價物）為196,809,000港元（二零一七年：80,504,000港元），因此，於二零一八年六月三十日之負債淨額比率（即負債淨額除以資產淨值）為零（二零一七年：零）。

於二零一八年及二零一七年六月三十日，本集團並無任何備用銀行融資。

於二零一八年六月三十日，本集團有現金及現金等價物約為4,883,000港元（二零一七年：10,806,000港元），其主要以港元及人民幣（「人民幣」）計值。本集團預期將運用透過內部經營所得現金流量、借貸及股本融資為未來現金流量需求提供資金。

除於本年報所披露者外，於二零一八年六月三十日，本集團並無重大資本開支承擔。

Management Discussion and Analysis

管理層之論述及分析

CAPITAL STRUCTURE

As at 30 June 2018, the Company's issued share capital was HK\$10,529,490.99 and the number of its issued ordinary shares was 1,052,949,099 of HK\$0.01 each.

Convertible Bonds

During the year, the Company issued the following convertible bonds being part of the financial restructuring exercise of the Group.

On 7 November 2016, the Company issued convertible bonds with principal amount of HK\$60.50 million (the "CB1") due in November 2018 with conversion price of HK\$0.10 per conversion share to Profit Eagle. The CB1 does not bear any interest. The maturity date is the date falling on the 24 months of the date of issue of the CB1. On 13 June 2018, the CB1 in the aggregate principal amount of HK\$500,000 have been converted into 5,000,000 shares and the principal amount of HK\$60.00 million (CB1) remains outstanding.

On 7 November 2016, the Company issued convertible bonds with principal amount of HK\$50 million (the "CB2") due in May 2018 with conversion price of HK\$0.10 per conversion share to Ms. Kuo Yi-Hui. The CB2 has an interest rate of 3% per annum. The maturity date is the date falling on the 18 months of the date of issue of the CB2. As at 30 June 2018, the CB2 amounting to HK\$50 million have been fully converted into 500,000,000 shares.

On 7 November 2016, the Company issued convertible bonds with aggregate principal amount of HK\$25 million (the "CB3") due in November 2018 with conversion price of HK\$0.10 per conversion share to not less than 6 placees. The CB3 has an interest rate of 3% interest per annum. The maturity date is the date falling on the 24 months of the date of issue of the CB3. As at 30 June 2018, the CB3 with a total principal amount of HK\$25 million have been fully converted into 250,000,000 shares.

資本架構

於二零一八年六月三十日，本公司之已發行股本為10,529,490.99港元及其已發行普通股數目為1,052,949,099股每股面值0.01港元之股份。

可換股債券

年內，本公司已發行以下可換股債券，即為本集團財務重組活動之一部分。

於二零一六年十一月七日，本公司按每股換股股份0.10港元之換股價向Profit Eagle發行本金額為60,500,000港元於二零一八年十一月到期之可換股債券（「可換股債券1」）。可換股債券1不附帶任何利息。到期日為發行可換股債券1之日期起計24個月當日。於二零一八年六月十三日，本金總額500,000港元之可換股債券1已轉換為5,000,000股股份，而本金額為60,000,000港元之可換股債券1仍未獲行使。

於二零一六年十一月七日，本公司按每股換股股份0.10港元之換股價向郭懿慧女士發行本金額為50,000,000港元於二零一八年五月到期之可換股債券（「可換股債券2」）。可換股債券2按每年3%之利率計息。到期日為發行可換股債券2之日期起計18個月當日。於二零一八年六月三十日，為數50,000,000港元之可換股債券2已獲悉數轉換為500,000,000股股份。

於二零一六年十一月七日，本公司按每股換股股份0.10港元之換股價向不少於六名承配人發行本金總額為25,000,000港元於二零一八年十一月到期之可換股債券（「可換股債券3」）。可換股債券3按每年3%之利率計息。到期日為發行可換股債券3之日期起計24個月當日。於二零一八年六月三十日，本金總額為25,000,000港元之可換股債券3已獲悉數轉換為250,000,000股股份。

Management Discussion and Analysis

管理層之論述及分析

CAPITAL STRUCTURE (Cont'd)

Convertible Bonds (Cont'd)

For details of the Capital Reorganisation and the financial restructuring exercise of the Group, please refer to the announcements of the Company dated 12 August 2016, 19 September 2016, 24 October 2016, 3 November 2016 and 7 November 2016 respectively and the circular of the Company dated 23 September 2016.

The Group is constantly looking for any other business opportunities for new possible potential investment to improve the standard performance of the Group and improve Shareholders' return.

FOREIGN CURRENCY EXCHANGE RISK

The reporting currencies of the Group is Hong Kong dollars ("HK\$").

The Group has transactional currency exposures. Such exposures arise from the business operations in the PRC denominated in RMB.

The RMB is not freely convertible into other foreign currencies and conversion of the RMB into foreign currencies is subject to rules and regulations of foreign exchange control promulgated by the PRC government. As at 30 June 2018, the Group had a minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities were principally denominated in the respective Group entities functional currency which are mainly in HK\$ or RMB.

資本架構 (續)

可換股債券 (續)

有關本集團之股本重組及財務重組活動之詳情，請參閱本公司日期分別為二零一六年八月十二日、二零一六年九月十九日、二零一六年十月二十四日、二零一六年十一月三日及二零一六年十一月七日之公告及本公司日期為二零一六年九月二十三日之通函。

本集團不斷物色任何可能潛在之其他新投資商機，以改善本集團之標準表現及提升股東回報。

外匯風險

本集團之呈報貨幣為港元（「港元」）。

本集團面臨交易貨幣風險。該等風險產生自以人民幣計值之中國業務營運。

人民幣不能自由兌換為其他外幣，而將人民幣兌換為外幣須遵守中國政府頒佈之外匯管理法律及法規。於二零一八年六月三十日，本集團面臨之外幣風險甚微，因為其大部分業務交易、資產及負債主要以各集團實體之功能貨幣（主要為港元或人民幣）計值。

Management Discussion and Analysis

管理層之論述及分析

FOREIGN CURRENCY EXCHANGE RISK (Cont'd)

As at 30 June 2018, the Group does not have foreign currency hedging policy in respect of its foreign currency assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider using hedging instruments in respect of significant foreign currency exposure as and when appropriate.

As at 30 June 2018, the Group had no investment in any financial derivatives, foreign exchange contracts, interest or currency swaps, hedgings or other financial arrangements for hedging purposes to reduce any currency risk nor made any over-the-counter contingent forward transactions.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2018, the Group employed a total of 76 employees (including Directors) (2017: 67), and the total remuneration (including Directors' remuneration) for the year ended 30 June 2018 was approximately HK\$8,089,000 (2017: HK\$9,643,000). The Group remunerates its employees based on their individual performance, working experience, qualification and the prevailing market price. Other benefits provided by the Group to the employee include mandatory provident fund, insurance and medical coverage, training programs and share option scheme.

DIVIDEND

The Directors do not recommend the payment of a final dividend for the year ended 30 June 2018 (2017: Nil) and no interim dividend was paid during the year (2016: Nil).

外匯風險 (續)

於二零一八年六月三十日，本集團並無就其外幣資產及負債制訂外幣對沖政策。本集團將密切監控其外幣風險並將於適當時候考慮就重大外幣風險使用對沖工具。

於二零一八年六月三十日，本集團並無投資於任何金融衍生工具、外匯合約、利息或貨幣掉期、對沖或其他作對沖用途之財務安排以減低任何貨幣風險，亦無進行任何場外或然遠期交易。

僱員及薪酬政策

於二零一八年六月三十日，本集團合共聘有76名僱員（包括董事）（二零一七年：67名），而截至二零一八年六月三十日止年度之薪酬總額（包括董事薪酬）約為8,089,000港元（二零一七年：9,643,000港元）。本集團根據僱員之個人表現、工作經驗及資歷以及現行市價來釐定僱員薪酬。本集團向僱員提供之其他福利包括強積金、保險及醫療保險、培訓課程及購股權計劃。

股息

董事不建議派付截至二零一八年六月三十日止年度之末期股息（二零一七年：無）及年內概無派付中期股息（二零一六年：無）。

Management Discussion and Analysis

管理層之論述及分析

MATERIAL EVENTS AFTER THE REPORTING PERIOD

On 12 September 2018 the Exchange release the news release that a very serious view of the conduct of Ang Wing Fung, a former Executive Director was taken, in relation to certain payments by the Company to himself or third parties. The Exchange considers that Mr. Ang may not be considered suitable to be a director of a listed company if he should make such an application in the future. Meanwhile, the GEM Listing Committee of the Stock Exchange censured the Company for failing to publicize three sets of financial results and reports; and censured the following executive directors (EDs) and independent non-executive directors (INEDs) of the Company, including Mr. Ang, former ED; Mr. Chen Chuan, former ED; Mr. Shih Yau Ting Jackson, former ED.

Pursuant to the directions of the GEM Listing Committee of the Stock Exchange given in the News Release, the Company has appointed Gram Capital Limited, being a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as the independent compliance adviser (the "Compliance Adviser") on an ongoing basis for consultation on GEM Listing Rules compliance for a period of two years with effect from 18 September 2018. Gram Capital will be accountable to the Company's audit committee during the term of appointment.

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 30 June 2018.

LITIGATIONS

During the year and up to the date of this annual report, the Group has been involved in a number of legal proceedings. Details of the litigations are set out in note 34 to the financial statements.

報告期後重大事項

於二零一八年九月十二日，聯交所發出新聞稿，嚴正對待前執行董事的洪榮鋒先生在本公司向他人或第三方人士作出若干付款一事上的行為操守。洪先生日後若申請出任上市公司董事，聯交所可能會視其為不合適人選。同時，聯交所GEM上市委員會譴責本公司未能刊發三份財務業績及報告；以及譴責以下本公司執行董事及獨立非執行董事，包括前執行董事洪先生；前執行董事陳川先生；前執行董事石耀庭先生。

根據聯交所GEM上市委員會於新聞稿內發出之指令，本公司已委任嘉林資本有限公司（根據香港法例第571章證券及期貨條例可進行第6類（就機構融資提供意見）受規管活動之持牌法團）為獨立合規顧問（「合規顧問」），以持續就遵守GEM上市規則提供意見，自二零一八年九月十八日起為期兩年。嘉林資本將於委任期內向本公司之審核委員會匯報。

或然負債

本集團於二零一八年六月三十日並無任何重大或然負債。

訴訟

於本年度及截至本年報日期止，本集團涉及若干法律訴訟。有關訴訟詳情載於財務報表附註34。

Directors' Profile 董事之履歷

EXECUTIVE DIRECTORS

Mr. Pu Haiyong

Mr. Pu Haiyong ("Mr. Pu") has been appointed as an executive Director and chairman of the Board with effect from 20 June 2018. Mr. Pu, aged 44, obtained a master degree of business administration from Jilin University* (吉林大學). Mr. Pu founded and is currently the chairman of Zhongrui Shengshi Wealth (Beijing) Investment Management Limited* (中瑞盛世財富(北京)投資管理有限公司), a financial company provides financial services including financial leasing, asset management and investment financing, the equity of which is registered on Shenzhen Qianhai Equity Exchange Centre (Shenzhen) Limited* (深圳前海股權交易中心(深圳)有限公司). He is also the chairman of Haifax (Beijing) Financial Information Service Company Limited* (海金所(北京)金融信息服務有限公司), a company with principal business of internet lending, in which Mr. Pu is responsible for strategic planning and orientation and management affairs. Mr. Pu has more than 20 years of experience in insurance, investment and financial services aspects and has extensive experience in market development, financial management, risk control and business operation.

Mr. Wang Yu

Mr. Wang Yu ("Mr. Wang"), has been appointed as an executive Director of the Board and Chief Executive Officer, the authorized representative, and the Process Agent of the Company with effect from 16 August 2018. Mr. Wang, aged 36, graduated from the Business School of Jilin University with a double major in Financial Management and Literature and received a bachelor's degree in Management and Literature. From July 2004 to February 2015, he worked in the Finance Department of China Hualiang Logistics Group Beiliang Company Limited as Section Chief. Since February 2015, until end of June 2018 he has served as General Manager of Richful Deyong International Business (China) Limited which has integrated business and business operations service provider, headquartered in Hong Kong. He was responsible for developing business and marketing strategies, overseeing overall sales and marketing, and managing relationships with service providers and business partners.

執行董事

蒲海勇先生

蒲海勇先生(「蒲先生」)已獲委任為執行董事兼董事會主席，自二零一八年六月二十日起生效。蒲先生，44歲，持有吉林大學工商管理碩士學位。蒲先生已創立中瑞盛世財富(北京)投資管理有限公司並現任董事長，中瑞盛世財富(北京)投資管理有限公司為一家提供融資租賃、資產管理及投融資等金融服務的金融企業，其股權於深圳前海股權交易中心(深圳)有限公司登記。彼亦為海金所(北京)金融信息服務有限公司(一家主營業務為網絡借貸之公司)之董事長，負責戰略規劃、方針制定及管理事宜。蒲先生在保險、投資及金融服務領域擁有逾20年經驗，在市場開發、金融管理、風險控制及企業營運方面亦經驗豐富。

王宇先生

王宇先生(「王先生」)已獲委任為董事會執行董事、本公司行政總裁、授權代表及法律程序代理人，自二零一八年八月十六日起生效。王先生，36歲，畢業於吉林大學商學院，主修財務管理及文學，並取得管理學和文學雙學士學位。自二零零四年七月至二零一五年二月，彼任職於中國華糧物流集團北良有限公司財務部，職位為資金管理處處長。自二零一五年二月起，彼擔任瑞豐德永國際商務(中國)有限公司總經理至二零一八年六月底止。該公司擁有綜合業務，並為業務營運服務供應商，總部位於香港。彼負責制訂業務及市場推廣策略、監察整體銷售及市場推廣以及管理與服務供應商及業務夥伴之關係。

Directors' Profile 董事之履歷

EXECUTIVE DIRECTORS (Cont'd)

Mr. Lau King Hang

Mr. Lau King Hang ("Mr. Lau"), aged 47, was appointed as an executive Director of the Company in March 2016. He is a member of the remuneration committee and the nomination committee of the Board.

Mr. Lau graduated from National Taiwan University with a Bachelor's degree in Chemistry and received a Master's degree in Business Administration and a Master's degree in Financial Services from The Open University of Hong Kong. He is a member of The Hong Kong Institute of Directors and is a member of The Hong Kong Management Association and obtained the title of Professional Manager. Mr. Lau has over 18 years of extensive management experience in sales and marketing in high technology and chemical industry; packaging and printing services, food and beverage operations; and investments experience. Mr. Lau has served as executive director of Mascotte Holdings Limited (now known as HengTen Networks Group Limited) (Stock Code: 136) from June 2011 to March 2014 and Mission Capital Holdings Limited (now known as CMBC Capital Holdings Limited) (Stock Code: 1141) from August 2014 to July 2015.

Dr. Chan Yiu Wing

Dr. Chan Yiu Wing ("Dr. Chan"), aged 66, was appointed as an executive Director of the Company in March 2016 and is a member of the nomination committee of the Board.

Dr. Chan holds a doctor of business administration in The Hong Kong Polytechnic University in 2002 and a PhD in Buddhism in The University of Hong Kong in 2013. Dr. Chan has been working in the Hong Kong Police Force for 25 years till the position of a Senior Superintendent and then continue to work as a Chief Staff Officer, AMS for a further 10 years. He is currently the advisor of the Hong Kong Life-Saving Society. Dr. Chan has also received the Chief Executive's Commendation for Government Public Service in 2004 and six Commanding Officer's Commendations when he was working in under the Hong Kong Police Force. Apart from his directorship with the Company, Dr. Chan does not hold any directorship in any other listed company in the last three years.

執行董事 (續)

劉勁恒先生

劉勁恒先生(「劉先生」)，47歲，於二零一六年三月獲委任為本公司執行董事。彼為董事會轄下之薪酬委員會及提名委員會成員。

劉先生畢業於國立台灣大學，獲化學學士學位，並取得香港公開大學工商管理碩士學位及金融服務碩士學位。彼為香港董事學會會員及香港管理專業協會會員，並獲得專業經理名銜。劉先生於高科技、化工行業之銷售及市場推廣；包裝及印刷服務、餐飲營運；及投資方面擁有逾18年豐富管理經驗。劉先生自二零一一年六月至二零一四年三月曾擔任馬斯葛集團有限公司(現稱為恒騰網絡集團有限公司)(股份代號：136)之執行董事，及自二零一四年八月至二零一五年七月曾擔任保興資本控股有限公司(現稱為民銀資本控股有限公司)(股份代號：1141)之執行董事。

陳耀榮博士

陳耀榮博士(「陳博士」)，66歲，於二零一六年三月獲委任為本公司執行董事並為董事會轄下之提名委員會成員。

陳博士於二零零二年取得香港理工大學工商管理博士學位及於二零一三年取得香港大學佛學哲學博士學位。陳博士曾於香港警務處工作25年，直至任職高級警司，其後繼續於醫療輔助隊擔任總參事十年。彼現為香港拯溺總會顧問。陳博士亦已於二零零四年獲頒行政長官公共服務獎狀及於彼任職香港警務處時六度獲頒指揮官嘉獎。於過去三年內，除其於本公司擔任之董事職務外，陳博士並無於任何其他上市公司擔任任何董事職務。

Directors' Profile 董事之履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Leung Chung Nam

Mr. Leung Chung Nam ("Mr. Leung"), has been appointed as an independent non-executive Director, chairman of the audit committee and a member of each of remuneration committee and nomination committee of the Board with effect from 3 August 2018. Mr. Leung, aged 30, graduated from the City University of Hong Kong with a bachelor degree of Business Administration in Accountancy in 2010 and has over 8 years of experience in accounting and finance industry in Hong Kong. He is a CFA charter holder, member of the Association of Chartered Certified Accountants and an associate member of both The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators. Mr. Leung has served as an executive director in Trillion Grand Corporate Company Limited (stock code: 8103) from March 2016 to July 2018. Mr. Leung was a director of (i) All Day Breakfast Limited; and (ii) Blue Season Limited, both are private companies limited by shares incorporated in Hong Kong. All Day Breakfast Limited was dissolved by deregistration on 20 December 2013 under section 291AA of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) as in force before 3 March 2014. Blue Season Limited was dissolved by deregistration on 21 July 2017 under section 751 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). Both companies were principally engaged in the catering business. To the best of the knowledge and belief of Mr. Leung, both companies had ceased business and become defunct and each of them was solvent at the time of it being dissolved by deregistration.

獨立非執行董事

梁仲南先生

梁仲南先生（「梁先生」）已獲委任為獨立非執行董事、董事會轄下審核委員會主席以及薪酬委員會及提名委員會各自之成員，自二零一八年八月三日起生效。梁先生，30歲，於二零一零年畢業於香港城市大學，獲得工商管理（會計）學士學位，於香港會計及金融行業有超過8年經驗。彼為特許財務分析師、英國特許公認會計師公會會員、香港特許秘書公會及英國特許秘書及行政人員公會會員。梁先生由二零一六年三月至二零一八年七月於萬泰企業股份有限公司（股份代號：8103）出任執行董事。梁先生曾任(i) All Day Breakfast Limited；及(ii) Blue Season Limited之董事，兩間公司均為於香港註冊成立之私人股份有限公司。All Day Breakfast Limited已於二零一三年十二月二十日根據香港法例第32章公司條例第291AA條（於二零一四年三月三日前生效）以撤銷註冊方式解散。Blue Season Limited已於二零一七年七月二十一日根據香港法例第622章公司條例第751條以撤銷註冊方式解散。兩間公司均主要從事餐飲業務。就梁先生所深知及確信，兩間公司均已終止業務並已不再營運，且彼等各自以撤銷註冊方式解散時有償債能力。

Directors' Profile 董事之履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS (Cont'd)

Mr. Tse Yuen Ming

Mr. Tse Yuen Ming ("Mr. Tse"), aged 51, was appointed as an independent non-executive Director of the Company in November 2014 and is a member of the audit committee and nomination committee of the Board.

Mr. Tse is a partner of Messrs. Tung, Ng, Tse & Heung. He holds a bachelor of laws degree with honour from the University of Hong Kong and admitted to The Supreme Court of Hong Kong as a solicitor in 1993. Mr. Tse is appointed as Vice President of the Hong Kong General Chamber of Small & Medium Business and ceased to be the Chairman of Professional Services Committee of the Hong Kong Chamber of Small & Medium Business in January 2017. Mr. Tse is currently the Executive Vice President of Hong Kong Guangxi Chamber of Commerce Limited, a member of the Lions Club of H.K. (Mainland), the Legal Adviser of Life Underwriters & Sales Executive Board (HK) Limited, Hong Kong Exhibitors Association, ECO-Foundation Organisation and Children's Thalassaemia Foundation. Mr. Tse has served as an independent non-executive director of Runway Global Holdings Company Limited (stock code: 1520) which is listed on the Main board of the Stock Exchange, from November 2016 to June 2017. Mr. Tse is currently an independent non-executive director of Daido Group Limited (stock code: 544) which is listed on the Main Board of the Stock Exchange and Celebrate International Holdings Limited (stock code: 8212) which is listed on the GEM Board of the Stock Exchange.

獨立非執行董事 (續)

謝遠明先生

謝遠明先生(「謝先生」)，51歲，於二零一四年十一月獲委任為本公司獨立非執行董事並為董事會轄下之審核委員會及提名委員會成員。

謝先生為董吳謝香律師事務所之合夥人。彼持有香港大學法律榮譽學士學位，並於一九九三年獲香港最高法院認可為律師。謝先生於二零一七年一月獲委任為香港中小型企業總商會之副主席及不再擔任香港中小型企業總商會專業服務委員會主席。謝先生現時為香港廣西總商會有限公司之執行副主席及香港中港獅子會之成員、香港人壽保險從業員協會有限公司、香港展覽商聯會、環保慈善基金會及地中海貧血兒童基金之法律顧問。謝先生曾於二零一六年十一月至二零一七年六月擔任時尚環球控股有限公司(股份代號: 1520, 其於聯交所主板上市)之獨立非執行董事。謝先生現時為於聯交所主板上市之大同集團有限公司(股份代號: 544)及於聯交所GEM上市之譽滿國際(控股)有限公司(股份代號: 8212)之獨立非執行董事。

Directors' Profile 董事之履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS (Cont'd)

Ms. Liu Jianyi

Ms. Liu Jianyi ("Ms. Liu"), aged 32, was appointed as an independent non-executive Director of the Company in March 2016. She is a member of the audit committee and the chairman of the remuneration committee and nomination committee of the Board.

Ms. Liu holds a master of business administration in Samuel Curtis Johnson Graduate School of Management in Cornell University in 2014 and a bachelor of system engineering in The Chinese University of Hong Kong in 2010. Ms. Liu is currently working as vice president of a corporate financial services institution and has extensive management experience in corporate finance and private equity funds. Ms. Liu is currently an independent non-executive director of Imagi International Holdings Limited (stock code: 585) which is listed on the Main Board of the Stock Exchange.

獨立非執行董事 (續)

劉簡怡女士

劉簡怡女士(「劉女士」)，32歲，於二零一六年三月獲委任為本公司獨立非執行董事。彼為董事會轄下之審核委員會之成員及薪酬委員會及提名委員會之主席。

劉女士於二零一四年取得康奈爾大學塞繆爾－柯蒂斯－約翰遜管理學院研究生院之工商管理碩士學位及於二零一零年取得香港中文大學系統工程學士學位。劉女士現時於一間企業融資服務機構任職副總裁，並於企業融資及私人股本基金方面擁有豐富管理經驗。劉女士現時為意馬國際控股有限公司(股份代號：585，其於聯交所主板上市)之獨立非執行董事。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Group is committed to achieving high standard of corporate governance to safeguard the interests of all shareholders and to enhance corporate value and accountability.

The Company's corporate governance practices are based on the principles and code provisions ("Code Provision(s)") set out in the Corporate Governance Code (the "CG Code") contained in Appendix 15 of the GEM Listing Rules.

The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review its corporate governance practices from time to time to ensure they comply with the statutory requirements and the CG Code and align with the latest developments.

Throughout the year ended 30 June 2018, the Company has complied with most of the Code Provisions of the CG Code, except for the following deviations.

Under Code Provision A.2.1 of the CG Code, the roles of chairman and chief executive ("CEO") should be separate and should not be performed by the same individual. The Company has not appointed chairman since 23 January 2015, and the roles and functions of the chairman have been performed by all the executive directors collectively. The Company also has not appointed CEO since 9 April 2015, and the roles and functions of CEO have been performed by all the executive directors collectively. The Board keeps reviewing the current structure of the Board from time to time and has identified candidates with suitable knowledge, skill and experience. The Company has made appointment to fill the posts of the chairman and CEO of Mr. Pu Haiyong as Chairman and Mr. Wang Yu as CEO on 20 June 2018 and 16 August 2018 respectively. The Company will make further announcement as and when required pursuant to the GEM Listing Rules.

企業管治常規

本集團致力達致高水平企業管治以保障全體股東之利益及提升企業價值及加強問責。

本公司之企業管治常規乃根據GEM上市規則附錄15所載企業管治守則(「企業管治守則」)所載之原則及守則條文(「守則條文」)制定。

本公司將繼續配合其業務之發展及增長，加強其企業管治常規並不時檢討其企業管治常規，以確保其遵守法定規定及企業管治守則以及符合最新發展。

於截至二零一八年六月三十日止整個年度，本公司已遵守企業管治守則之大部分守則條文，惟下列偏離除外。

根據企業管治守則之守則條文第A.2.1條，主席與行政總裁(「行政總裁」)之角色應有所區分，並不應由同一人擔任。本公司自二零一五年一月二十三日起並未委任主席，而主席之角色及職能由全體執行董事共同履行。本公司亦自二零一五年四月九日起並未委任行政總裁，而行政總裁之角色及職能由全體執行董事共同履行。董事會持續不時檢討董事會之目前架構並已覓得具備合適知識、技能及經驗之人選。本公司已於二零一八年六月二十日及二零一八年八月十六日分別委任蒲海勇先生為主席及王宇先生為行政總裁，以填補主席及行政總裁之空缺。本公司將根據GEM上市規則於需要時作出進一步公佈。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES (Cont'd)

Under Code Provision A.6.7 of the CG Code, independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. In addition, Under Code Provision E.1.2 of the CG Code, the chairman of the board should attend the annual general meeting and he should also invite the chairmen of the audit, remuneration, nomination and any other committees (as appropriate) to attend.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the code of conduct for securities transactions by Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 ("Securities Code") of the GEM Listing Rules. During the year ended 30 June 2018, the Directors have confirmed, following specific inquiry by the Company, that they have complied with the required standard and code of conduct set out in the Securities Code.

BOARD OF DIRECTORS

As at 30 June 2018, the Board comprised seven Directors including four executive Directors and three independent non-executive Directors. At least one of the independent non-executive Director possess appropriate professional accounting qualifications and financial management expertise, which complies with the requirement of the GEM Listing Rules.

The Board members during the year ended 30 June 2018 and up to the date of this annual report are:

Executive Directors:

Mr. Pu Haiyong (appointed on 20 June 2018)
Mr. Wang Yu (appointed on 16 August 2018)
Mr. Lau King Hang
Dr. Chan Yiu Wing
Mr. Mazher Hussain
(resigned on 20 June 2018)
Mr. Ha Chuen Yeung (resigned on 16 August 2018)

企業管治常規 (續)

根據企業管治守則之守則條文第A.6.7條，獨立非執行董事及其他非執行董事應出席股東大會及對股東的意見有公正的了解。此外，根據企業管治守則之守則條文第E.1.2條，董事會主席應出席股東週年大會，且彼亦應邀請審核、薪酬、提名及任何其他委員會之主席（如合適）出席股東週年大會。

董事進行證券交易

本公司已就董事進行證券交易採納條款嚴格程度不遜於GEM上市規則第5.48至5.67條所載買賣標準規定之操守守則（「證券守則」）。於截至二零一八年六月三十日止年度，於本公司作出特定查詢後，董事確認，彼等已遵守證券守則所載之規定標準及操守守則。

董事會

於二零一八年六月三十日，董事會由七位董事組成，包括四位執行董事以及三位獨立非執行董事。至少一位獨立非執行董事具備適合之專業會計資格及財務管理專業知識，其符合GEM上市規則規定。

於截至二零一八年六月三十日止年度及截至本年報日期止之董事會成員為：

執行董事：

蒲海勇先生（於二零一八年六月二十日獲委任）
王宇先生（於二零一八年八月十六日獲委任）
劉勁恒先生
陳耀榮博士
Mazher Hussain先生
(於二零一八年六月二十日辭任)
夏振揚先生（於二零一八年八月十六日辭任）

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS (Cont'd)

Independent non-executive Directors:

Mr. Wong Ting Kon (appointed on 15 February 2018,
Resigned on 3 August 2018)
Mr. Leung Chung Nam (appointed on 3 August 2018)
Mr. Lee Ho Yiu, Thomas (resigned on 14 February 2018)
Mr. Tse Yuen Ming
Ms. Liu Jianyi

Biographical details of each Director is set out in the section headed "Directors' Profile" on pages 14 to 18 of this annual report.

There are no relationships (including financial, business, family or other material or relevant relationships) among members of the Board.

The overall management of the Company's business is vested in the Board, which assumes the responsibility for leadership and control of the Company and the Directors are collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs and overseeing the achievement of strategic plans to enhance shareholders' value.

Generally, the Board is responsible for all major aspects of the affairs of the Company, including:

- formulation of overall strategies and review of its financial performance and results, risk management and the internal control systems;
- policies relating to key business and financial objectives of the Company;
- material transactions, including acquisition, investment, disposal of assets or capital expenditure;
- appointment, removal or re-appointment of Board members and auditors;

董事會 (續)

獨立非執行董事:

黃定幹先生 (於二零一八年二月十五日獲委任
及於二零一八年八月三日辭任)
梁仲南先生 (於二零一八年八月三日獲委任)
李浩堯先生 (於二零一八年二月十四日辭任)
謝遠明先生
劉簡怡女士

各董事之履歷詳情載於本年報第14至18頁之「董事之履歷」一節。

董事會成員之間概無關係 (包括財務、業務、家族或其他重大或相關關係)。

本公司整體業務由董事會負責管理，董事會承擔領導及控制本公司之責任，且董事共同負責透過指導及監督本公司事務以及監管策略性計劃之實行，以提升股東價值，從而引領本公司邁向成功。

一般而言，董事會負責本公司事務之所有主要範疇，包括：

- 制訂整體策略及檢討其財務表現及業績、風險管理以及內部監控制度；
- 有關本公司主要業務及財務目標之政策；
- 重大交易，包括收購、投資、出售資產或資本開支；
- 委任、罷免或重新委任董事會成員及核數師；

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS (Cont'd)

- communication with key stakeholders, including shareholders and regulatory bodies; and
- recommendation to shareholders on final dividend and the declaration of any interim dividends.

The Board is responsible for maintaining proper accounting records so as to enable the Directors to monitor and disclose with reasonable accuracy the financial position of the Group. The Board updates shareholders of the Company on the operations and financial position of the Group through quarterly, interim and annual results announcements as well as the publication of reports and announcements of other matters as prescribed by the relevant laws, rules and regulations.

Decisions regarding the daily operation and administration of the Company are delegated to the management.

Directors are also provided with access to independent professional advice, where necessary, in carrying out their obligations as Directors, at the expense of the Company.

All Directors, including independent non-executive Directors assume the responsibilities to the Shareholders for the well-being and success of the Company. They are aware of their duties to act in good faith and in the best interests of the Company.

The independent non-executive Directors, advise the Company on strategic and critical matters. The Board considers that each independent non-executive Director brings his own senior level of experience and expertise to the constructive functioning of the Board.

董事會 (續)

- 與主要利益相關者 (包括股東及監管機構) 溝通; 及
- 就末期股息及宣派任何中期股息向股東提供推薦意見。

董事會負責妥善保存會計記錄, 讓董事監察及合理準確披露本集團之財務狀況。董事會透過季度、中期及全年業績公佈以及根據有關法例、規則及規例之規定就其他事項刊發報告及公佈, 從而向本公司股東提供本集團之最新營運及財務狀況資料。

關於本公司之日常營運及行政之事項乃授權管理層決定。

如有需要, 董事履行董事職責時亦獲提供獨立專業人士之意見, 費用由本公司承擔。

全體董事 (包括獨立非執行董事) 就本公司健康發展與成就向股東負責。彼等知悉彼等應以誠信態度及在符合本公司最佳利益之情況下履行職務。

獨立非執行董事就策略及重要事項向本公司提供意見。董事會認為, 各獨立非執行董事之豐富經驗及專長促進董事會之建設性運作。

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS (Cont'd)

The Board has normally scheduled four regular meetings a year each at quarterly interval and meets as and when required as it would be more transparent and efficient to let the Board members (including the executive Directors and independent non-executive Directors) to express their views in the meeting. During the year ended 30 June 2018, the Board held ten full board meetings including four regular meetings and the attendance of each Director is set out as follows:

董事會 (續)

董事會一般定期每年舉行四次常規會議，即每季度一次，亦會在有需要時召開會議，因各董事會成員（包括執行董事及獨立非執行董事）可於會議上更直接及有效地表達彼等之意見。於截至二零一八年六月三十日止年度，董事會曾舉行十次全體會議（包括四次定期會議）。各董事出席董事會會議之次數如下：

Name of Directors	董事姓名	Number of attendance	Number of meetings held during term of office 任期內舉行會議次數
Executive Directors			
Mr. Pu Haiyong (appointed on 20 June 2018)	蒲海勇先生 (於二零一八年六月二十日獲委任)	2	2
Mr. Wang Yu (appointed on 16 August 2018)	王宇先生 (於二零一八年八月十六日獲委任)	2	2
Mr. Ha Chuen Yeung (resigned on 16 August 2018)	夏振揚先生 (於二零一八年八月十六日辭任)	11	11
Mr. Lau King Hang	劉勁恒先生	12	12
Dr. Chan Yiu Wing	陳耀榮博士	12	12
Mr. Mazher Hussain (resigned on 20 June 2018)	Mazher Hussain先生 (於二零一八年六月二十日辭任)	10	10
Independent non-executive Directors			
Mr. Lee Ho Yiu, Thomas (resigned on 15 February 2018)	李浩堯先生 (於二零一八年二月十五日辭任)	4	4
Mr. Tse Yuen Ming	謝遠明先生	12	12
Ms. Liu Jianyi	劉簡怡女士	12	12
Mr. Wong Ting Kon (appointed on 15 February 2018) (resigned on 3 August 2018)	黃定幹先生 (於二零一八年二月十五日獲委任) (於二零一八年八月三日辭任)	6	6
Mr. Leung Chung Nam (appointed on 3 August 2018)	梁仲南先生 (於二零一八年八月三日獲委任)	2	2

Corporate Governance Report

企業管治報告

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company considers that each of its independent non-executive Directors are independent in accordance with the guidelines for assessing independence set out in Rule 5.09 of the GEM Listing Rules.

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company, based on such confirmations, considers all of the independent non-executive Directors are independent.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Save as disclosed in the section headed "Corporate Governance Practices", the Company has not appointed chairman since 23 January 2015 and has not appointed CEO since 9 April 2015. The roles and functions of the chairman and CEO have been performed by all the executive Directors collectively during the year.

The Board keeps reviewing the current structure of the Board from time to time and has identified candidates with suitable knowledge, skill and experience be identified. The Company has made appointment to fill the posts of the chairman and CEO on 20 June 2018 and 16 August 2018 respectively. Mr. Pu Haiyong has been appointed as chairman and Mr. Wang Yu has been appointed as CEO.

獨立非執行董事之獨立性

按照GEM上市規則第5.09條所載評核獨立性之指引，本公司認為各獨立非執行董事均屬獨立人士。

本公司已接獲各獨立非執行董事根據GEM上市規則第5.09條就其獨立性發出之年度確認書。本公司根據該等確認書認為，全體獨立非執行董事均為獨立人士。

主席及行政總裁

除「企業管治常規」一節所披露者外，於本年度，本公司自二零一五年一月二十三日起並無委任主席，且自二零一五年四月九日起並無委任行政總裁，而本年度主席及行政總裁之角色及職能由全體執行董事共同履行。

董事會持續不時檢討董事會之目前架構並已覓得具備合適知識、技能及經驗之人選。本公司已於二零一八年六月二十日及二零一八年八月十六日分別委任蒲海勇先生為主席及王宇先生為行政總裁，以填補主席及行政總裁之空缺。

APPOINTMENT, RE-ELECTION AND REMOVAL

Each of the executive Directors has entered into a service contract with the Company for an initial fixed term of two years and shall continue thereafter until terminated by either party giving to the other not less than three month notice in writing but subject to retirement by rotation and re-election at the annual general meeting of the Company (the "AGM") pursuant to the bye-laws of the Company (the "Bye-laws"). In the case of namely Mr. Lau King Hang and Dr. Chan Yiu Wing, their appointment terms commenced on 24 March 2016.

Each of the independent non-executive Directors was appointed for a specific term of three years and subject to retirement by rotation and re-election at the AGM pursuant to the Bye-laws. In the case of Mr. Leung Chung Nam, his appointment term commenced on 3 August 2018 and Ms. Liu Jianyi, her appointment term commenced on 24 March 2016; and in the case of Mr. Tse Yuen Ming, his appointment term commenced on 13 November 2014.

In accordance with the Bye-laws, at each AGM one-third of the Directors for the time being (or, if their numbers is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. Such retiring Directors shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of the Company after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following AGM and shall then be eligible for re-election.

委任、重選及罷免

各執行董事已與本公司訂立服務合約，最初固定任期為兩年，其後直至任何一方向對方發出不少於三個月之書面通知以終止為止，惟須根據本公司之公司細則（「公司細則」）於本公司之股東週年大會（「股東週年大會」）上輪值退任及重選連任。就劉勁恒先生及陳耀榮博士而言，其任期於二零一六年三月二十四日開始。

各獨立非執行董事按特定任期三年獲委任，並須根據公司細則於股東週年大會上輪值退任及重選連任。就梁仲南先生而言，其任期於二零一八年八月三日開始及就劉簡怡女士而言，其任期於二零一六年三月二十四日開始；及就謝遠明先生而言，其任期於二零一四年十一月十三日開始。

根據公司細則，在各股東週年大會上，當時三分之一的董事（或若總數並非三(3)之倍數，則為最接近但不少於三分之一之數）須輪值告退，惟各董事須至少每三年輪值告退一次。該等退任董事均符合資格膺選連任，並在其退任的大會中繼續作為董事。董事會委任以填補臨時空缺的任何董事任期直至其獲委任後首次股東大會為止，並可於該會上重選連任，而董事會委任作為現有董事會新任成員的任何董事，其任期僅直至下屆股東週年大會為止，屆時於該會上將合資格重選連任。

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企業管治報告

APPOINTMENT, RE-ELECTION AND REMOVAL (Cont'd)

Directors' Induction and Continuous Professional Development

All Directors, including independent non-executive Directors, should keep abreast of their collective responsibilities as Directors and of the business and activities of the Group. Each newly appointed Director would receive a comprehensive induction package covering business operations, policy and procedures of the Company as well as the general, statutory and regulatory obligations of being a Director to ensure that he/she is sufficiently aware of his/her responsibilities under the GEM Listing Rules and other relevant regulatory requirements.

The Group also provides briefings and other training to develop and refresh the Directors' knowledge and skills, and update all Directors on the latest developments regarding the GEM Listing Rules and other applicable regulatory requirement to ensure compliance and to enhance their awareness of good corporate governance practices.

委任、重選及罷免 (續)

董事之入職及持續專業發展

所有董事(包括獨立非執行董事)均須及時了解彼等作為董事之共同職責及本集團之業務及活動。每位新任董事均會收到一份全面入職資料,其涵蓋本公司之業務營運、政策及程序以及作為董事之一般、法定及監管責任,以確保董事充分了解其於GEM上市規則及其他相關監管規定項下之責任。

本集團亦提供簡報及其他培訓,以建立及重溫董事之知識及技能,並為所有董事提供有關GEM上市規則及其他適用監管規定之最新發展資料,以確保彼等遵守良好企業管治常規及提升彼等對此方面之認識。

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企業管治報告

APPOINTMENT, RE-ELECTION AND REMOVAL (Cont'd)

委任、重選及罷免 (續)

Directors' Induction and Continuous Professional Development (Cont'd)

董事之入職及持續專業發展 (續)

During the year ended 30 June 2018, the Directors participated in continuous professional developments in relation to regulatory update, the duties and responsibility of the Directors and the business of the Group in the following manners:

於截至二零一八年六月三十日止年度，董事按下列方式參與有關規管更新、董事職務及職責及本集團業務之持續專業發展：

Directors	董事	Attended course/seminars or briefing/ read materials 出席課程／研討會或 簡會／閱讀材料
Executive Directors		
Mr. Pu Haiyong (appointed on 20 June 2018)	蒲海勇先生 (於二零一八年六月二十日獲委任)	✓
Mr. Wang Yu (appointed on 16 August 2018)	王宇先生 (於二零一八年八月十六日獲委任)	✓
Mr. Ha Chuen Yeung (resigned on 16 August 2018)	夏振揚先生 (於二零一八年八月十六日辭任)	✓
Mr. Lau King Hang	劉勁恒先生	✓
Dr. Chan Yiu Wing	陳耀榮博士	✓
Mr. Mazher Hussain (resigned on 20 June 2018)	Mazher Hussain先生 (於二零一八年六月二十日辭任)	✓
Independent non-executive Directors		
Mr. Leung Chung Nam (appointed on 3 August 2018)	梁仲南先生 (於二零一八年八月三日獲委任)	✓
Mr. Wong Ting Kon (appointed on 15 February 2018) (resigned on 3 August 2018)	黃定幹先生 (於二零一八年二月十五日獲委任) (於二零一八年八月三日辭任)	✓
Mr. Lee Ho Yiu, Thomas (resigned on 15 February 2018)	李浩堯先生 (於二零一八年二月十五日辭任)	✓
Mr. Tse Yuen Ming	謝遠明先生	✓
Ms. Liu Jianyi	劉簡怡女士	✓

Corporate Governance Report

企業管治報告

BOARD COMMITTEES

The Board has established three committees, namely audit committee, nomination committee and remuneration committee, to oversee particular aspects of the Company's affairs. Their respective terms of reference are available in the Company's website.

AUDIT COMMITTEE

The audit committee of the Board ("AC") was set up on 5 July 2002 with written terms of reference in compliance with the GEM Listing Rules.

The AC comprises all independent non-executive Directors and is chaired by Mr. Leung Chung Nam who is an accountant with related financial management expertise. During the year, the members of the AC are as follows:

Independent non-executive Directors:

Mr. Leung Chung Nam (*Chairman*)
Mr. Tse Yuen Ming
Ms. Liu Jianyi

The AC performs, amongst others, the following functions:

- ensure that co-operation is given by the Company's management to the external auditors where applicable;
- review the Group's quarterly, half-yearly and annual results announcements and the financial statements prior to their recommendations to the Board for approval;
- review the Group's financial reporting system, risk management and internal control systems; and
- review of transactions with connected persons (if any).

董事委員會

董事會已成立三個委員會，即審核委員會、提名委員會及薪酬委員會，以監督本公司事務之特定範疇。彼等各自之職權範圍載於本公司網站。

審核委員會

董事會之審核委員會（「審核委員會」）於二零零二年七月五日成立，並根據GEM上市規則訂明書面職權範圍。

審核委員會由全體獨立非執行董事組成，並由一名身為會計師並具備相關財務管理專業知識的梁仲南先生擔任主席。年內，審核委員會之成員如下：

獨立非執行董事：

梁仲南先生 (*主席*)
謝遠明先生
劉簡怡女士

審核委員會履行（其中包括）以下職能：

- 確保本公司管理層在適當時與外聘核數師合作；
- 在向董事會推薦批准前審閱本集團季度、中期及全年業績公佈及財務報表；
- 檢討本集團財務申報系統、風險管理及內部監控制度；及
- 檢討與關連人士進行之交易（如有）。

Corporate Governance Report

企業管治報告

AUDIT COMMITTEE (Cont'd)

During the year ended 30 June 2018, four meetings were held by the AC to review the effectiveness of the internal control and risk management systems of the Company, to discuss the accounting policies and practices which may affect the Group with the management and the Company's auditor, to make recommendation on the re-appointment of external auditors for the approval of the shareholders in the annual general meeting and to review the fees charged by the external auditors. The unaudited quarterly results and interim results of the Group in respect of the year ended 30 June 2018 have been reviewed by the AC. The audited annual results of the Group for the year ended 30 June 2018 have been reviewed by the AC, which was of the opinion that the preparation of such results complied with the applicable accounting standards, the Stock Exchange and legal requirements, and that adequate disclosures have been made.

Details of the attendance of the members of the AC at AC meetings during the year under review are as follows:

審核委員會 (續)

於截至二零一八年六月三十日止年度，審核委員會召開四次會議，以檢討本公司之內部監控及風險管理制度之有效性、與管理層及本公司之核數師討論可能影響本集團之會計政策及實務、於股東週年大會上建議續聘外聘核數師以供股東批准及審閱外聘核數師收取之費用。審核委員會亦已審閱本集團截至二零一八年六月三十日止年度之未經審核季度業績及中期業績。審核委員會已審閱本集團截至二零一八年六月三十日止年度之經審核年度業績，並認為有關業績編製符合適用會計準則、聯交所及法律規定，且已作出充分披露。

於回顧年度內，審核委員會成員出席審核委員會會議之詳情如下：

Name of Director	董事姓名	Number of attendance	Number of meetings held during term of office
		出席次數	舉行會議次數
Mr. Leung Chung Nam (appointed on 3 August 2018)	梁仲南先生 (於二零一八年 八月三日獲委任)	1	1
Mr. Lee Ho Yiu, Thomas (resigned on 15 February 2018)	李浩堯先生 (於二零一八年 二月十五日辭任)	2	4
Mr. Tse Yuen Ming	謝遠明先生	4	4
Ms. Liu Jianyi	劉簡怡女士	4	4
Mr. Wong Ting Kon (appointed on 15 February 2018) (resigned on 3 August 2018)	黃定幹先生 (於二零一八年 二月十五日獲委任) (於二零一八年八月三日辭任)	1	4

Corporate Governance Report

企業管治報告

NOMINATION COMMITTEE

The nomination committee of the Board (the "NC") was set up on 18 January 2012 with written terms of reference to review the structure, size and composition (including but not limited to the gender, skills, knowledge and experience) of the Board and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy. The NC comprises a majority of independent non-executive Directors and is chaired by an independent non-executive Director, Ms. Liu Jianyi. During the year, the members of the NC are as follows:

Independent non-executive Directors:

Ms. Liu Jianyi (*Chairman*)
Mr. Leung Chung Nam (appointed on 3 August 2018)
Mr. Tse Yuen Ming

Executive Directors:

Mr. Lau King Hang
Dr. Chan Yiu Wing

The roles and principal functions of the NC include to identify individuals suitably qualified to become Board members, select or make recommendations to the Board on the selection of individuals nominated for directorships, make recommendations to the Board on the appointment or re-appointment of Directors, and succession planning for Directors.

Where vacancies on the Board exist, the NC will carry out the selection process by making reference to the skills, experience, professional knowledge, personal integrity and time commitments of the proposed candidates, including the independence status in the case of an independent non-executive Director, the board diversity policy, the Company's needs and other relevant statutory requirements and regulations.

提名委員會

董事會之提名委員會（「提名委員會」）於二零一二年一月十八日成立，並以書面列明職權範圍，以檢討董事會之架構、規模及組成（包括但不限於性別、技能、知識及經驗），及就任何擬作變動向董事會提出建議以配合本公司之公司策略。提名委員會主要由獨立非執行董事組成並由一名獨立非執行董事劉簡怡女士擔任主席。年內，提名委員會之成員如下：

獨立非執行董事：

劉簡怡女士（主席）
梁仲南先生（於二零一八年八月三日獲委任）
謝遠明先生

執行董事：

劉勁恒先生
陳耀榮博士

提名委員會之職責及主要職能包括發掘適當合資格成為董事會成員之人士、挑選或就挑選提名作董事之人士向董事會提出建議，並就委任或重新委任董事及董事之繼任計劃向董事會提出建議。

倘董事會出現空缺，提名委員會將參照擬任人選之技能、經驗、專業知識、個人誠信及時間投入（倘為獨立非執行董事則須考慮其獨立性）、董事會成員多元化政策、本公司之需要以及其他相關法律規定及規例，進行篩選程序。

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企業管治報告

NOMINATION COMMITTEE (Cont'd)

During the year ended 30 June 2018, the NC held two meetings and they have reviewed the structure, size and composition of the Board, the retirement and re-election of the Directors at the AGM and considered the changes of Directors. During the year ended 30 June 2018, all of the newly appointed Directors were appointed by going through the selection process stated as above.

Details of the attendance of the members of the NC at the NC meetings during the year under review are as follows:

提名委員會 (續)

於截至二零一八年六月三十日止年度內，提名委員會曾舉行兩次會議，其已檢討董事會之架構、規模及組成、董事於股東週年大會上之退任及重選連任及考慮更換董事。於截至二零一八年六月三十日止年度，所有新任董事均為按上述篩選程序委任。

於回顧年度內，提名委員會成員出席提名委員會會議之詳情如下：

Name of Director	董事姓名	Number of attendance	Number of meetings held during term of office
		出席次數	任期內舉行會議次數
Ms. Liu Jianyi	劉簡怡女士	2	2
Mr. Lau King Hang	劉勁恒先生	2	2
Dr. Chan Yiu Wing	陳耀榮博士	2	2
Mr. Leung Chung Nam (appointed on 3 August 2018)	梁仲南先生 (於二零一八年八月三日獲委任)	0	0
Mr. Lee Ho Yiu, Thomas (resigned on 15 February 2018)	李浩堯先生 (於二零一八年二月十五日辭任)	1	2
Mr. Wong Ting Kon (appointed on 15 February 2018) (resigned on 3 August 2018)	黃定幹先生 (於二零一八年二月十五日獲委任) (於二零一八年八月三日辭任)	1	2
Mr. Tse Yuen Ming	謝遠明先生	2	2

Corporate Governance Report

企業管治報告

BOARD DIVERSITY POLICY

The Company has adopted a board diversity policy (the "Policy") setting out the approach to achieve and maintain diversity on the Board in order to enhance the effectiveness of the Board.

Pursuant to the Policy, the Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and education background, ethnicity, professional experience, skills, knowledge and length of service.

The Board will consider to set measurable objectives to implement the Policy and review such objectives from time to time to ensure their appropriateness and ascertain the progress made towards achieving those objectives.

All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

The NC will review the Policy from time to time to ensure its continued effectiveness. During the year, the NC has reviewed the Policy.

董事會成員多元化政策

本公司已採納董事會成員多元化政策（「該政策」），當中列載為實現及維持董事會成員多元化以提升董事會之效能而採取之方針。

根據該政策，本公司透過考慮眾多因素以達致董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及年資。

董事會將考慮制定可計量目標以推行該政策，並不時檢視該等目標以確保其合適度及確定達致該等目標之進度。

董事會所有委任均以唯才是舉為原則，並在考慮人選時以客觀條件充分顧及董事會成員多元化之裨益。

候選人將按多種不同因素甄選，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能及知識。最終決定將視乎獲選者將可為董事會帶來之價值及貢獻而作出。

提名委員會將不時檢討該政策以確保其持續之有效。於本年度內，提名委員會已檢討該政策。

REMUNERATION COMMITTEE

The remuneration committee of the Board (the "RC") reviews and approves the remunerations of Directors. To minimise any conflict of interest, any member who is interested in any given proposed motion is required to abstain from voting on such motion. The RC was set up in July 2008 with written terms of references to oversee the remuneration policy and structure for all Directors and senior management. The RC is formed by a majority of independent non-executive Directors and chaired by an independent non-executive Director, Ms. Liu Jianyi. During the year, the members of the RC are as follows:

Independent non-executive Directors:

Ms. Liu Jianyi (*Chairman*)
Mr. Leung Chung Nam

Executive Directors:

Mr. Lau King Hang

The roles of the RC are to recommend to the Board the policy and structure for the remuneration of all Directors and senior management and to determine, with delegated responsibility, the remuneration packages of individual executive Directors and senior management with reference to the Board's corporate goals and objectives, and to make recommendations to the Board on the remuneration of non-executive Directors. They are provided with sufficient resources by the Company to discharge its duties. No individual Director is involved in deciding his or her own remuneration.

During the year ended 30 June 2018, two meetings was held by the RC to discuss and review the remuneration policies of the Company, to review and made recommendations with respect to the remuneration of Board members for approval by the Board and to made recommendations with respect to the remuneration of the newly appointed Director during the year for approval by the Board. The RC has adopted the operation model where it performs an advisory role to the Board, with the Board retaining the final authority to approve the remuneration packages of all Directors and senior management.

薪酬委員會

董事會之薪酬委員會（「薪酬委員會」）審閱及批准董事之薪酬。為將利益衝突減至最低，任何成員倘於所提出之任何動議中擁有權益，則須就該項動議放棄投票。薪酬委員會於二零零八年七月成立，並以書面列明職權範圍，以監督全體董事及高級管理層之薪酬政策及架構。薪酬委員會由大多數獨立非執行董事組成，並由一名獨立非執行董事劉簡怡女士擔任主席。年內，薪酬委員會之成員如下：

獨立非執行董事：

劉簡怡女士（主席）
梁仲南先生

執行董事：

劉勁恒先生

薪酬委員會之角色為向董事會建議全體董事及高級管理層之薪酬政策及架構及在轉授責任下經參考董事會企業目標及目的於釐定個別執行董事及高級管理層之薪酬待遇以及就非執行董事之薪酬向董事會提供建議。彼等獲本公司提供足夠資源以履行其職務。概無董事參與釐定彼等本身之薪酬。

於截至二零一八年六月三十日止年度，薪酬委員會召開兩次會議，以討論及檢討本公司之薪酬政策、審閱及建議有關董事會成員之薪酬以供董事會批准以及建議有關年內新任董事之薪酬以供董事會批准。薪酬委員會已採納其作為董事會之諮詢角色之運作模式，而董事會保留批准全體董事及高級管理層之薪酬待遇之最終權力。

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REMUNERATION COMMITTEE (Cont'd)

Details of the attendance of the members of the RC at the RC meetings are as follows during the year under review:

薪酬委員會 (續)

於回顧年度內，薪酬委員會成員出席薪酬委員會會議之詳情如下：

Name of Director	董事姓名	Number of attendance	出席次數	Number of meetings held during term of office	任期內舉行會議次數
Ms. Liu Jianyi	劉簡怡女士	2		2	
Mr. Leung Chung Nam (appointed on 3 August 2018)	梁仲南先生 (於二零一八年八月三日獲委任)	0		0	
Mr. Lee Ho Yiu, Thomas (resigned on 15 February 2018)	李浩堯先生 (於二零一八年二月十五日辭任)	1		2	
Mr. Lau King Hang	劉勁恒先生	2		2	
Mr. Wong Ting Kon (appointed on 15 February 2018) (resigned on 3 August 2018)	黃定幹先生 (於二零一八年二月十五日獲委任) (於二零一八年八月三日辭任)	1		2	

Remuneration Policy for Directors and Senior Management

The remuneration packages of individual executive Directors and senior management, comprising a basic salary and a performance related bonus for their contributions, were determined, with delegated responsibility according to the Code Provision B.1.2(c)(i). Details of Directors' remuneration are set out in note 10 to the consolidated financial statements in this annual report.

The Company has adopted a new share option scheme in 2012. The purpose of the said share option scheme is to enable the Board, at its discretion, to grant options to selected eligible participants to motivate them and to optimise their performance and efficiency for the benefit of the Group. Details of the share option schemes are set out under the section headed "Share Option Schemes" in this annual report.

董事及高級管理層之薪酬政策

個別執行董事及高級管理層之薪酬待遇包括基本薪金及就彼等所作貢獻而按表現發放之花紅，乃在轉授責任下根據守則條文第B.1.2(c)(i)條而釐定。董事薪酬詳情載於本年報綜合財務報表附註10。

本公司已於自二零一二年採納一項新購股權計劃。上述購股權計劃旨在讓董事會可酌情向選定之合資格參與者授出購股權，以激勵參與者及提升彼等之表現及效率，藉以提高本集團之利益。購股權計劃詳情載於本年報「購股權計劃」一節。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE FUNCTION

All members of the Board are responsible for performing the corporate governance functions. The terms of reference of corporate governance functions was adopted by the Board and is in compliance with the Code Provision D.3.1 of the CG Code. During the year ended 30 June 2018, the Board has reviewed the policy of the corporate governance and the corporate governance report of the Company.

AUDITOR'S REMUNERATION

During the year ended 30 June 2018, the fees paid to the auditors in respect of audit and non-audit services provided by the auditor of the Group were as follows:

Audit services	審計服務
Non-audit services	非審計服務

2018	2017
二零一八年	二零一七年
HK\$'000	HK\$'000
千港元	千港元

880	840
120	55

ACCOUNTABILITY AND AUDIT

Directors' Responsibility for the Financial Statements

The Board acknowledges its responsibility to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group. The Board having made appropriate enquiries and examined major areas which could give rise to significant financial exposures, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

The Board also acknowledges its responsibility to ensure that the Group keeps accounting records which disclose in the annual, half-yearly and quarterly reports in accordance with the Hong Kong Financial Reporting Standards; and other inside information announcements and other financial disclosures required under the GEM Listing Rules, and reports to the regulators as well as to information required to be disclosed pursuant to statutory requirements.

企業管治職能

董事會全體成員負責履行企業管治職能。董事會採納企業管治職能之職權範圍，並遵守企業管治守則守則條文第D.3.1條。於截至二零一八年六月三十日止年度，董事會已審閱本公司之企業管治政策及企業管治報告。

核數師酬金

截至二零一八年六月三十日止年度，就本集團核數師提供之審計及非審計服務而支付之核數師費用如下：

問責及審核

董事對財務報表之責任

董事會確認其有責任就各財政年度編製真實及公平地反映本集團業務狀況之財務報表。董事會經作出適當查詢並查證可能導致重大財務風險之主要範疇後，董事有理由預期本公司擁有充足資源，於可見未來維持營運。因此，彼等於編製財務報表時繼續採用持續經營基準。

董事會亦確認，其有責任確保本集團存量根據香港財務報告準則在年度、半年度及季度報告內披露之會計記錄；及GEM上市規則規定之其他內幕消息公告及其他財務披露及向監管者提交之報告以及根據法定要求披露之資料。

Corporate Governance Report

企業管治報告

ACCOUNTABILITY AND AUDIT (Cont'd)

Auditor's Responsibility for the Financial Statements

The statement of external auditor of the Company, Elite Partners CPA Limited, about their reporting responsibilities on the financial statements of the Group is set out in the section headed "Independent Auditor's Report" in this annual report.

GENERAL MEETING

During the year under review, an annual general meeting was held on 3 November 2017 and special general meetings were held on 8 August 2016, 17 October 2016, 25 May 2017 and 8 June 2017 respectively. Details of the Directors' attendance of each of the annual general meeting and special general meeting is set out below:

問責及審核 (續)

核數師對財務報表之責任

本公司外聘核數師開元信德會計師事務所有限公司有關其對本集團之財務報表之申報責任之聲明載於本年報「獨立核數師報告」一節。

股東大會

於回顧年度內，本公司於二零一七年十一月三日舉行股東週年大會並分別於二零一六年八月八日、二零一六年十月十七日、二零一七年五月二十五日及二零一七年六月八日舉行股東特別大會。董事出席各股東週年大會及股東特別大會之詳情載列如下：

Name of Director	董事姓名	Special general meeting held on 8 August 2016	Special general meeting held on 17 October 2016	Special general meeting held on 25 May 2017	Special general meeting held on 8 June 2017	Annual general meeting held on 3 November 2017
		於二零一六年八月八日舉行之股東特別大會	於二零一六年十月十七日舉行之股東特別大會	於二零一七年五月二十五日舉行之股東特別大會	於二零一七年六月八日舉行之股東特別大會	於二零一七年十一月三日舉行之股東週年大會
Executive Directors	執行董事					
Mr. Pu Haiyong (appointed on 20 June 2018)	蒲海勇先生 (於二零一八年六月二十日獲委任)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Wang Yu (appointed on 16 August 2018)	王宇先生 (於二零一八年八月十六日獲委任)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Ha Chuen Yeung (resigned on 16 August 2018)	夏振揚先生 (於二零一八年八月十六日辭任)	✓	✓	✓	✓	✓
Mr. Lau King Hang	劉勁恒先生	✓	✓	✓	✓	✓
Dr. Chan Yiu Wing	陳耀榮博士	✓	✓	✓	✓	✓
Mr. Mazher Hussain (resigned on 20 June 2018)	Mazher Hussain先生 (於二零一八年六月二十日辭任)	N/A 不適用	N/A 不適用	✓	✓	N/A 不適用
Independent non-executive Directors	獨立非執行董事					
Mr. Wong Ting Kon (appointed on 15 February 2018) (resigned on 3 August 2018)	黃定幹先生 (於二零一八年二月十五日獲委任) (於二零一八年八月三日辭任)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Leung Chung Nam (appointed on 3 August 2018)	梁仲南先生 (於二零一八年八月三日獲委任)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Lee Ho Yiu, Thomas	李浩堯先生	✓	✓	✓	✓	✓
Mr. Tse Yuen Ming	謝遠明先生	✓	✓	✓	✓	✓
Ms. Liu Jianyi	劉簡怡女士	✓	✓	✓	✓	✓

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is committed to implement an effective and sound risk management and internal control systems to safeguard the interest of Shareholders and the Group's assets.

The management of the Group is responsible for designing, maintaining, implementing and monitoring of the risk management and internal control systems to ensure adequate control in place to safeguard the Group's assets and stakeholder's interest.

The Group has established risk management procedures to address and handle all significant risks associate with the business of the Group. The Board would perform annual review on any significant change of the business environment and establish procedures to response the risks result from significant change of business environment.

The management would identify the risks associate with the business of the Group by considering both internal and external factors and events which include political, economic, technology, environmental, social and staff. Each of risks has been assessed and prioritised based on their relevant impact and occurrence opportunity. The relevant risk management strategy would be applied to each type of risks according to the assessment results. The type(s) of risk management strategy are listed as follow:

- Risk retention and reduction: accept the impact of risk or undertake actions by the Group to reduce the impact of the risks;
- Risk avoidance: change business process or objective so as to avoid the risk;

風險管理及內部監控

董事會致力實行有效且完善之風險管理及內部監控制度，以保障本公司之股東利益及本集團資產。

本集團管理層負責設計、維持、實施及監察風險管理及內部監控制度，確保有充足監控以保障本集團資產及持份者之利益。

本集團已設立風險管理程序，以應對及處理與本集團業務相關之所有重大風險。董事會將對業務環境之任何重大變化進行年度審閱，並設立程序以對因業務環境之重大變化引致之風險作出反應。

管理層將透過考慮內部及外部因素及事件（包括政治、經濟、科技、環境、社會及員工）識別與本集團業務相關之風險。各類風險已獲評估並根據其相關影響及發生之概率獲優先處理。根據評估結果，相關風險管理策略將應用於各類風險。風險管理策略類型呈列如下：

- 風險保留及降低：本集團接受風險影響或採取行動降低風險之影響；
- 風險避免：改變業務程序或目標以避免風險；

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RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

- Risk sharing and diversification: diversify the effect of the risk or allocate to different location or product or market;
- Risk transfer: transfer ownership and liability to a third party

The internal control system is designed and implemented to reduce the risks associated with the business accepted by the Group and minimise the adverse impact results from the risks. The risk management and internal control systems are design to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

For the year ended 30 June 2018, the Group has engaged, Elite Partners Risk Advisory Services Limited ("Elite Partners"), an external advisory firm to undertake the internal audit function to ensure the effectiveness and efficiency of the risk management and internal control system of the Group. Elite Partners would perform procedures for assess the effectiveness and adequacy of the internal control system of the Group quarterly. There is no significant deficiency and weakness on the internal control system has been identified by Elite Partners for the year ended 30 June 2018.

The Board considered that, for the year ended 30 June 2018, the risk management and internal control systems and procedures of the Group, covering all material controls including financial, operational and compliance controls and risk management functions were reasonably effective and adequate.

風險管理及內部監控 (續)

- 風險分擔及分散：分散風險之影響或將其分配至不同地區或產品或市場；
- 風險轉移：轉移所有權及責任予一名第三方

內部監控制度之設置及實施乃為降低為本集團所接受與業務有關之風險，及盡量減少該等風險導致之不利影響。風險管理及內部監控制度之設置乃為管理而非完全消除未能達成業務目標之風險，及僅可對消除重大錯誤陳述或損失提供合理而非絕對保證。

截至二零一八年六月三十日止年度，本集團已委聘外部顧問公司鉅銘風險諮詢服務有限公司（「鉅銘」）承擔內部審核職能，以確保本集團風險管理及內部監控制度之效力及效率。鉅銘將每季度進行對本集團之內部監控制度之效力及充足性作出評估之程序。截至二零一八年六月三十日止年度，鉅銘概無識別出內部監控制度存在任何重大缺陷及不足。

董事會認為，截至二零一八年六月三十日止年度，本集團之風險管理及內部監控制度及程序（涵蓋所有重大監控，包括財務、營運及合規監控及風險管理職能）乃合理有效及充足。

COMPANY SECRETARY

The company secretary of the Company (the “Company Secretary”) assists the Board by ensuring good information flow within the Board and that Board policy and procedures are followed. On 3 August 2018, Mr. Chan Cheung was appointed as the Company Secretary and Ms. Lai Wai Ha, assistant director of Akron Advisory Limited, external service provider, has resigned as the Company Secretary on 3 August 2018. Ms. Lai Wai Ha has taken no less than 15 hours of relevant professional trainings to update her skills and knowledge during the year ended 30 June 2018.

SHAREHOLDERS’ RIGHTS

Shareholders’ Rights to Convene Special General Meeting and Put Forward Proposals at a General Meeting

Pursuant to bye-law 58 of the Bye-laws, shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionists themselves may do so in accordance with the provisions of section 74(3) of the Companies Act 1981 of Bermuda.

公司秘書

本公司之公司秘書（「公司秘書」）透過確保董事會內之良好資訊溝通而協助董事會，並確保董事會政策及程序得以遵守。於二零一八年八月三日，陳璋先生獲委任為公司秘書，而黎惠霞女士（外聘服務供應商亞貝隆顧問有限公司之助理董事）於二零一八年八月三日辭任公司秘書。黎惠霞女士於截至二零一八年六月三十日止年度內已參加不少於15個小時之相關專業培訓，以提升其技能及知識。

股東權利

股東召開股東特別大會及於股東大會上提呈議案之權利

根據公司細則第58條，股東在存放請求書當日持有不少於十分之一的本公司已繳足資本，且該資本在任何時候均附有在本公司股東大會上表決的權利，則有權憑藉向董事會或本公司秘書發出書面請求，要求董事會為該請求書所指明的任何業務交易召開股東特別大會；該大會應於存放該請求書後兩(2)個月內舉行。如有關存放二十一(21)日內，董事會未能召開該大會，請求人可根據一九八一年百慕達公司法第74(3)條規定自行召開有關大會。

Corporate Governance Report

企業管治報告

SHAREHOLDERS' RIGHTS (Cont'd)

Shareholders' Rights to Convene Special General Meeting and Put Forward Proposals at a General Meeting (Cont'd)

Pursuant to bye-law 85 of the Bye-laws, no person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a written notice signed by a shareholder (other than the person to be proposed) duly qualified to attend and vote at the general meeting for which such notice is given of his intention to propose such person for election and also a written notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the principal place of business of the Company in Hong Kong or at the Hong Kong branch share registrar and transfer office of the Company provided that the minimum length of the period, during which such notice(s) are given, shall be at least seven (7) days and that (if the notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgment of such notice(s) shall commence on the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.

The procedures for shareholders to put forward proposals at an AGM or the special general meeting include a written notice of those proposals being submitted by shareholders, addressed to the Company Secretary at the Company's head office at Suite B, 6/F., One Capital Place, 18 Luard Road, Wan Chai, Hong Kong.

Procedures for Directing Shareholders' Enquiries to the Board

Shareholders may at any time send their enquires and concerns to the Board in writing through the Company Secretary at the Company's head office at Suite B, 6/F., One Capital Place, 18 Luard Road, Wan Chai, Hong Kong or send email to info@it-holdings.com.hk.

Shareholders may also make enquiries with the Board at the AGM or the special general meeting.

股東權利 (續)

股東召開股東特別大會及於股東大會上提呈議案之權利 (續)

根據公司細則第85條說明，除在會上卸任的董事以外，任何人士，並非經董事會推薦，均無資格在任何股東大會上被選為董事，除非由一位有資格出席該會議並在股東大會上表決的股東（被提名人除外）簽署之列明提名人選之書面通知，以及由被提名人簽署之表明願意參選之書面通知，已送達本公司於香港之主要營業地點或本公司之香港股份過戶登記分處，惟送達該通知之最短限期為不少於七(7)天，及（倘就該選舉指定之股東大會通知送達後呈交通知）應在就該選舉指定之股東大會通知後當天開始送達通知，且不遲於該會議舉行日期之前七(7)日之期間送達。

股東於股東週年大會或股東特別大會上提呈議案的程序包括將股東提出該等議案的書面通知以公司秘書為收件人送至本公司總辦事處（地址為香港灣仔盧押道18號海德中心6樓B室）。

股東向董事會查詢之指引程序

股東可隨時以書面形式將其查詢及關注事項送至本公司總辦事處（地址為香港灣仔盧押道18號海德中心6樓B室）或以電郵方式寄至 info@it-holdings.com.hk，以透過公司秘書遞交董事會。

股東亦可於股東週年大會或股東特別大會上向董事會作出查詢。

INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS

The Company uses a number of formal communications channels to account to shareholders and investors for the performance of the Company. These include (i) the publication of quarterly, interim and annual reports; (ii) the annual general meeting or special general meeting providing a forum for shareholders of the Company to raise comments and exchanging views with the Board; (iii) key information of the Group available on the website of the Company; (iv) the Company's share registrars in Hong Kong serving the shareholders in respect of all share registration matters; and (v) corporate information and the Bye-laws of the Company are made available on the Company's website.

A Shareholder's Communication Policy was adopted by the Board aiming at providing the shareholders and potential investors with ready and timely access to balanced and understandable information of the Company.

The Company aims to provide its shareholders and investors with high standards of disclosure and financial transparency. The Board is committed to providing clear, detailed, timely manner and on a regular basis information of the Group to shareholders through the publication of quarterly, interim and annual reports and/or dispatching circular, notices, and other announcements.

The Company keeps on promoting investor relations and enhancing communication with the existing shareholders and potential investors. It welcomes suggestions from investors, stakeholders and the public. Enquiries to the Board or the Company may be sent by post to the Company's principal place of business in Hong Kong at Unit No. 1015, Level 10, Tower 1, Grand Century Place, Mongkok, Kowloon.

投資者關係及與股東之溝通

本公司採用多個正式溝通渠道，以向股東及投資者反映本公司之表現。該等渠道包括(i)刊發季度、中期及年度報告；(ii)舉行股東週年大會或股東特別大會，為股東提供提出評論及與董事會交流意見之平台；(iii)於本公司網站發佈本集團之關鍵資料；(iv)本公司於香港之股份過戶登記處就所有股份登記事宜服務股東；及(v)本公司之公司資料及本公司之公司細則載於本公司網站可供瀏覽。

董事會採納股東溝通政策，旨在令股東及潛在投資者可迅速及時取得本公司之均衡及容易理解之資料。

本公司旨在向其股東及投資者提供高水平資料披露及財政透明度。董事會承諾，透過刊發季度、中期及年度報告及／或寄發通函、通知及其他公佈，及時及定期向股東提供有關本集團之清晰詳盡資料。

本公司不斷改善投資者關係及加強與現有股東及潛在投資者之溝通。本公司歡迎投資者、持份者及公眾人士提出建議。向董事會或本公司作出之查詢可以郵寄方式送達本公司於香港之主要營業地點（地址為九龍旺角新世紀廣場1座10樓1015室）。

Environmental, Social and Governance Report

環境、社會及管治報告

OBJECTIVE

The board of directors (the “Board”) of Inno-Tech Holdings Limited (the “Company”) is pleased to publish the Environmental, Social and Governance Report of the Group for the year ended 30 June 2018 (“Year 2018”) with an aim to demonstrate the effectiveness of the efforts of the Company and its subsidiaries (the “Group”) in promoting the sustainable development to its internal and external stakeholders.

This report is prepared in accordance with the Environmental, Social and Governance Reporting Guide in Appendix 20 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited which mainly contains the measures and activities regarding the environmental and social aspects of the Group for Year 2018. For the information regarding the corporate governance of the Group, please refers to 2018 Annual Report.

The Group is committed to maintaining the sustainable development of its business and supporting environmental protection in communities where its operations are located. The Group has prudently managed its business and provided high-quality products and services to customers through reasonable decision-making procedures. The Group and its stakeholders (including shareholders, customers, employees, suppliers, debtors, regulatory institutions and the public) have maintained close relationships and the Group strives to listen to different opinions and balance the benefits of its stakeholders through constructive communications in deciding its long-term development goals. The Board is responsible for assessing and identifying risks associated with environmental, social and governance matters of the Group and ensuring that the relevant risk management and internal control systems are operated properly and effectively.

宗旨

匯創控股有限公司(「本公司」)之董事會(「董事會」)欣然發佈本集團截至二零一八年六月三十日止年度(「二零一八年度」)的《環境、社會及管治報告》，旨在向內外部利益相關者闡述本公司及其附屬公司(統稱「本集團」)推動可持續發展的成效。

本報告根據香港聯合交易所有限公司的《GEM證券上市規則》附錄20的《環境、社會及管治報告指引》編製，主要匯報本集團二零一八年度有關環境及社會範疇的措施及活動。而有關本集團的企業管治資料，請參閱本集團的二零一八年年報。

本集團致力維持其業務的可持續發展以及為環境保護及營運所在地的社區提供支援。本集團審慎管理業務，並根據合理的決策程序，為客戶提供優質的產品和服務。本集團與利益相關者包括股東、客戶、僱員、供應商、債權人、監管機構及公眾保持緊密聯繫，透過具建設性的溝通，聽取利益相關者的不同意見並平衡彼等利益，從而釐定長遠的發展方向。董事會負責評估及決定本集團的環境、社會及管治風險，並確保相關風險管理及內部監控系統適當及有效運作。

Environmental, Social and Governance Report

環境、社會及管治報告

GENERAL

Shijiazhuang Enjian Bus Advertising Co. LTD* (石家莊市恩健公交廣告有限公司) (“Shijiazhuang Enjian”) is a major subsidiary of the Company, which is principally engaged in designing, making and publication of advertisements on single-decker buses, double-decker buses and bus stations in the PRC, and has higher relevance to every segment on environmental, social and governance matters. Hence, this report had focused on the disclosure of the polices and performance regarding the three environmental aspects and eight social aspects of the said projects in Year 2018.

A. ENVIRONMENTAL PROTECTION

To fulfill its commitment to sustainable development and comply with the relevant laws and regulations related to environmental protection, the Group has been dedicated to reducing the impact of its operating activities on the environment.

A1: EMISSIONS

The Group is compliance with the Environmental Protection Law of People’s Public of China, Law of the People’s Republic of China on the Prevention and Control of Solid Waste Pollution and Energy Saving Law of the People’s Republic of China and other relevant laws and regulations for the implementation of the guidelines, policies, laws and regulations on environmental protection of the State, so as to fully improve the independent management standards on environment.

一般事項

石家莊市恩健公交廣告有限公司(「石家莊恩健」)是本公司之主要附屬公司，其業務主要在中國經營設計、製作及發佈單層巴士、雙層巴士及巴士站的廣告，對環境、社會及管治各範疇的相關性較高，故於二零一八年度，本報告以上述項目的三個環境範疇及八個社會範疇之政策及表現作披露。

A. 環境保護

為表明本集團堅持可持續發展的承諾以及遵守環境保護相關法律法規，本集團致力減少經營活動對環境的影響。

A1：排放物

本集團遵守《中華人民共和國環境保護法》、《中華人民共和國固體廢物污染環境防治法》及《中華人民共和國節約能源法》等法律法規，以貫徹國家關於環境保護的方針、政策和法律法規，全面提高自主環境管理水準。

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A. ENVIRONMENTAL PROTECTION (Cont'd)

A1: EMISSIONS (Cont'd)

Pollutants Emissions

The major pollutants emissions of the Group are due to the use of vehicles. In Year 2018, Shijiazhuang Enjian had not use gaseous fuel such as towngas and LPG. Shijiazhuang Enjian owns 2 motor vehicles, which are mainly used by the management for picking up customers or attending external meetings and also by staff for daily travel or business purposes. During the year ended 30 June 2018, the Group consumed about 5,700 litres of gasoline. The consumption of fuels lead to the emission of about 2.2149 kg of sulphur oxides (SOx), 0.0838 kg of nitrogen oxides (NOx) and 0.1631 kg of particulate matters (PM).

Greenhouse Gas Emissions

The Group would consume electricity and fuels for the operations of its advertising business. The emission of carbon dioxide (CO₂) has been calculated by the quantity of energy consumed multiple by the emission factors and the emission of CO₂ are used tonnes as unit. The emissions of CO₂ are broadly classified into three scopes:

Scope 1 – Direct emissions from combustion of fuels,
Scope 2 – Energy indirect emissions; and
Scope 3 – Other indirect emissions.

A. 環境保護 (續)

A1: 排放物 (續)

污染物排放

本集團之主要污染物排放乃由於使用汽車所致。於二零一八年度，石家莊恩健沒有使用煤氣或石油氣等氣體燃料。石家莊恩健擁有的2台汽車，主要用於管理層接送客戶或其外出會議、員工日常出差或商務使用。截至二零一八年六月三十日止年度，本集團耗用約5,700升的汽油。耗用燃料導致排放約2.2149公斤的硫氧化物(SOx)、0.0838公斤的氮氧化物(NOx)及0.1631公斤的顆粒物(PM)。

溫室氣體排放

本集團將耗用電力及燃料以供營運其廣告業務。二氧化碳(CO₂)排放乃按能源耗用量乘以排放因子計算，而二氧化碳排放乃以噸為單位。二氧化碳排放大致分類三個範圍：

範圍1 – 燃料燃燒產生的直接排放；
範圍2 – 能源間接排放；及
範圍3 – 其他間接排放。

A. ENVIRONMENTAL PROTECTION (Cont'd)

A1: EMISSIONS (Cont'd)

Greenhouse Gas Emissions (Cont'd)

The combustion of about 5,700 litres of gasoline, 15.4 tonnes of CO₂ has been produced (Scope 1). Further, the Group consumed about 22,000 kWh of electricity which contributed to the emissions of about 22 tonnes of CO₂ (Scope 2). About 3.3 tonnes of CO₂ have been produced from other indirect emissions (Scope 3), including paper waste disposed at landfills, electricity used for processing fresh water and sewage by government departments produced and business air travel of the Group's employees. To sum up, about 40.7 tonnes of CO₂ has been produced by the Group for the year ended 30 June 2018.

In order to minimize the number of wastes generated, Shijiazhuang Enjian proactively recycles papers, toner cartridges and electronic waste.

Compliance with relevant laws and regulations

In Year 2018, there was no material non-compliance with relevant laws and regulations relating to waste gas and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes that have a significant impact on the Group. Furthermore, no significant fines or non-monetary sanctions for non-compliance with relevant laws and regulations were imposed on us in Year 2018.

A. 環境保護 (續)

A1: 排放物 (續)

溫室氣體排放 (續)

燃料約5,700升的汽油產生15.4噸的二氧化碳(範圍1)。此外,本集團耗用約22,000千瓦時的電力,導致排放約22噸的二氧化碳(範圍2)。約3.3噸的二氧化碳已自其他間接排放產生(範圍3),包括於堆填區棄置的廢紙、政府部門處理淡水及污水所用的電力所產生者及本集團僱員的商務航空旅行。總括而言,截至二零一八年六月三十日止年度,本集團已生產約40.7噸的二氧化碳。

為將所產生廢棄物數量減至最低,石家莊恩健積極回收紙張、碳粉盒及電子廢棄物。

遵守有關法律法規

於二零一八年度,本集團未發生有關對本集團有重大影響之廢氣及溫室氣體排放、向水及土地之排污以及產生有害及無害廢棄物之有關法律法規之任何重大違規情況。此外,二零一八年度亦沒有因未遵守有關法律法規而遭受大額罰款或非貨幣制裁。

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A. ENVIRONMENTAL PROTECTION *(Cont'd)*

A2: USE OF RESOURCES

Environmental policy and performance, and environmental conservation is always one of the Group's concerns. With respect to the business, the Group understands that materials used could have direct impact on the quality of advertisements and surrounding environment, as such, it sources and selects environmentally friendly materials. The Group requires major suppliers to use 3M materials or equivalent, i.e. those adopting main material component of Polyolefin as plastic material of advertising picture, therefore, the waste produced will not cause serious pollution problems.

The Group not only strictly abide by the Energy Conservation Law of the People's Republic of China, but also develops employees in resources saving and recycling habits in daily life. The Group closely monitors the use of resources to ensure their maximum use and avoid wasting in order to protect natural resources and increase operation efficiency. Each department of the Group has to report on the use of resources regularly and response to issues arisen in a timely manner. In addition, the Group promotes various measures on resources saving for enhancing the awareness of energy conservation and emission reduction, so as to use the resources effectively.

With respect to administration office, our employees are provided with low-energy consumption laptops, and energy-efficient lights are installed in the office. In addition, the Group enhances employees' awareness of energy efficiency through channels such as e-mail and bulletins, encourage employees to turn off lights and air-conditioners after work. The Group has increased the number of video equipment in the office and encourages the use of video conference to reduce business trips, thereby reducing carbon emissions due to use of transportation by staff.

A. 環境保護 (續)

A2：資源使用

環保政策及表現以及環保保育一直為本集團關注事項之一。業務方面，本集團深明所採用的物料會直接影響廣告的品質及其周邊的環境，因此本集團採購及選用符合環保效益的物料。本集團要求主要供應商採用3M材料或同等材料，即主要材料成份為聚烯烴 (Polyolefin) 作為廣告畫面的塑膠料，致使廢棄物不會造成污染問題。

本集團不僅嚴格遵守《中華人民共和國節約能源法》，更從日常工作中培養僱員節約資源、循環再用的習慣。本集團密切留意資源使用，確保資源利用最大化及杜絕浪費，從而保護自然資源及提高營運效率。本集團各部門定期匯報資源使用狀況，並針對問題及時作出行動。另外，本集團推出多項節約資源之措施，以提升僱員之節能減排意識，從而有效地利用資源。

行政辦公方面，本集團為僱員配置低耗能的筆記本電腦，而辦公室內的照明系統也採用節能照明燈。此外，本集團也透過電郵及告示等渠道提高僱員的節能意識，例如向僱員宣傳下班後需要關燈、關空調等措施。本集團已增加辦公室內的視頻設備，盡可能通過視像會議溝通，以減少出差次數，務求降低因其員工使用交通工具所產生的碳排放。

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A. ENVIRONMENTAL PROTECTION (Cont'd)

A2: USE OF RESOURCES (Cont'd)

Resources consumed	Unit	Consumption
Water	tones	144
Electricity	kWh	22,000
Paper used	sheets	55,000

In Year 2018, Shijiazhuang Enjian has actively introduced environmental protection measures in office spaces, including

- i. priority use of energy saving lighting and electrical appliances;
- ii. turning off electric equipment and lighting during non-office hours;
- iii. paper saving initiatives including the use of electronic documents to minimise unnecessary printing, doubled-sided printing for both internal and external documents whenever possible;
- iv. idle electrical appliances are switched off; and
- v. regular maintenance and repair for electrical appliances to lower energy waste.

In addition, the Group also encourages staff to save resources, cherish food and avoid waste of resources by beginning with trivial things.

A. 環境保護 (續)

A2: 資源使用 (續)

耗用資源	單位	耗用
水	噸	144
電力	千瓦時	22,000
用紙	張數	55,000

於二零一八年度，石家莊恩健積極於辦公室空間內引入環保措施，包括

- i. 優先使用節能照明設備及電器；
- ii. 於非辦公時間關閉電子設備及照明設備；
- iii. 節約用紙措施，包括使用電子文件以盡量減少不必要的打印，盡可能雙面打印內部及外部文件；
- iv. 關閉閒置電器；及
- v. 定期保養及維修電器，以減少能源浪費。

此外，本集團亦鼓勵員工從小事做起，節約資源、珍惜食物及避免浪費資源。

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A. ENVIRONMENTAL PROTECTION *(Cont'd)*

A3: ENVIRONMENT AND NATURAL RESOURCES

The Group encourages all staff to participate in different kinds of recycling activities and minimize the use of natural resources. In Year 2018, there is no significant impact on the environment and natural resources from the operations of the Group.

Shijiazhuang Enjian actively promotes sustainable development and environmental protection. Shijiazhuang Enjian has implemented a series of the aforesaid measures on utilization of resources and the operations of office in order to minimize environmental impact of local areas.

B. SOCIAL RESPONSIBILITY

The Group is deeply convinced that maintaining a good relationship with its employees is one of the keys to success. To enhance employee satisfaction, the Group provides employees with competitive remuneration packages and comprehensive training programs to encourage them to show their strengths and potential in full play. The Group organises dinner party for employees annually to enhance their sense of belongings and create a friendly and harmonious working environment.

B1: EMPLOYMENT

Human resources are a valuable asset to the Group. The Group is committed to providing a safe and healthy environment for all staff, and takes reasonable steps to safeguard the health and safety of our employees. The Group also encourages career development and training, and promotes a healthy living style with work-life balance.

A. 環境保護 (續)

A3：環境及天然資源

本集團鼓勵全體員工參與各種的回收活動，減少使用天然資源。於二零一八年度，本集團的業務經營並無對環境及天然資源造成重大影響。

石家莊恩健積極推廣可持續發展及環境保護。為盡量減少對當地環境的影響，石家莊恩健已實施上述一系列有關資源利用及辦公室運作的措施。

B. 社會責任

本集團深信與僱員保持良好關係是企業成功的關鍵之一。為了提升僱員滿意度，本集團為僱員提供具有競爭力的薪酬福利及完善的培訓計劃，鼓勵僱員發揮潛力並一展所長。本集團每年舉辦僱員聚餐，從而提升僱員歸屬感，打造一個友好和諧的工作環境。

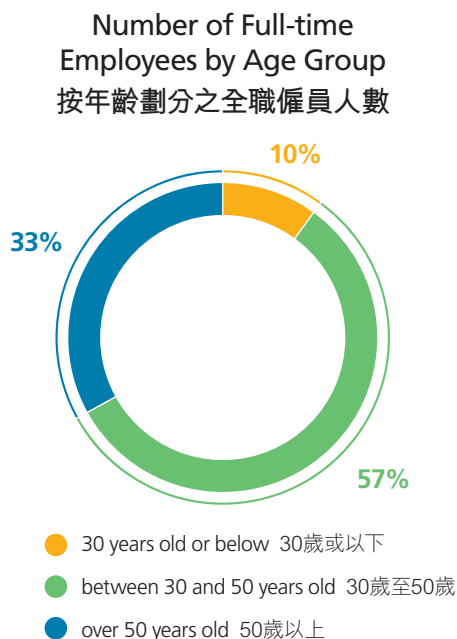
B1：僱傭

人力資源為本集團的寶貴資產。本集團致力為所有員工提供安全與健康的環境，並採取合理措施保障僱員的健康及安全。本集團亦鼓勵職業發展及培訓，並推動工作與生活平衡的健康生活方式。

B. SOCIAL RESPONSIBILITY (Cont'd)

B1: EMPLOYMENT (Cont'd)

As at the end of the year of 2018, the proportion of employees employed by Shijiazhuang Enjian by age band is as follows: (i) 10% is of 30 years old or below; (ii) 56.67% is between 30 and 50 years old; and (iii) 33.33% is over 50 years old. The male/female composition ratio of the Group is approximately 70%:30%. The charts below show the diversity of the staff:



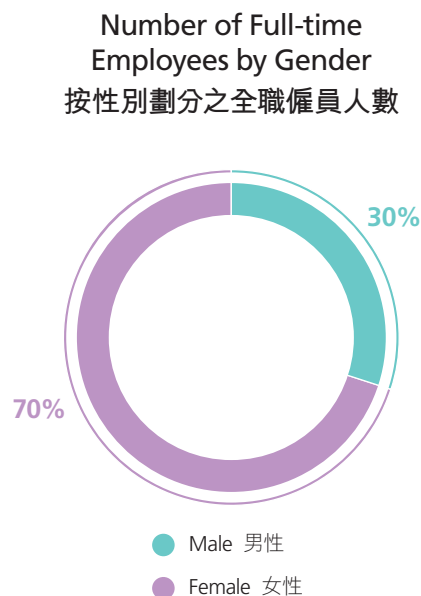
The Group has established a rigorous performance appraisal mechanism to maintain the efficiency of the business operation. The performance of the Group's employees is reviewed monthly on a related basis within the general framework of the Group.

In order to sustain the development and inject new vitality to the Group, the Group organized job fairs and recruitment activities through online platforms in 2018.

B. 社會責任 (續)

B1: 僱傭 (續)

截至二零一八年度末，石家莊恩健聘用僱員年齡佔比共分為三個類別：(i) 30歲及以下的僱員人數佔10%；(ii) 30歲至50歲佔56.67%；及(iii) 50歲以上佔33.33%。本集團的男／女組合比率約為70%：30%。下圖顯示員工的多樣性：



本集團已建立嚴謹表現評核機制，以維持業務營運的效率。本集團僱員的表現於本集團一般框架內每月按相關基準進行檢討。

本集團為了持續發展及不斷注入新活力，已於二零一八年度舉辦招聘會及於網上平台作招聘活動。

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B. SOCIAL RESPONSIBILITY (Cont'd)

B1: EMPLOYMENT (Cont'd)

The Group has formulated and implemented the "Code of Conduct for Employees" (《員工行為規範》) to regulate the behaviour of all employees of the Group in daily activities in meeting the needs of modern enterprises comprehensively. In the premise of compliance with the Labor Law (《勞動法》), the Labor Contract Law (《勞動合同法》) and the Industrial Injury Insurance Regulations (《工傷保險條例》) of the PRC; the Group formulates management regulations in respect of recruitment, promotion, dismissal, working hours, holidays, remuneration, benefits and retirement. The Group provides employees with competitive salaries and benefits and makes adjustments to salaries and benefits in a timely manner according to the prevailing market conditions, attract and retain talents and enhance their sense of belongings.

As equal opportunity employer, the Group is committed to providing a working environment that is free from discrimination on the basis of race, color, creed, sex, age, religion, national origin, or disability. This includes employment practices, such as hiring, transfer, recruitment, training, promotion, discipline, rates of pay and benefits, in order to ensure employees and job applicants enjoy equal opportunities and fair treatment. We are committed to creating a corporate culture and a working atmosphere of equality, respect, diversity and mutual support.

B. 社會責任 (續)

B1: 僱傭 (續)

本集團已制定並執行《員工行為規範》為全面規範本集團全體僱員於日常活動中的言行舉止，從而達到現代化企業需求。除遵守中國之《勞動法》、《勞動合同法》及《工傷保險條例》外，本集團就招聘、晉升、解僱、工作時數、假期、薪酬、福利和退休等方面作出管理規定。本集團為僱員提供具有競爭力的薪金及福利待遇，並根據現行市況變動及時調整薪金及待遇水平，以吸引及保留人才，並提升僱員的歸屬感。

作為平等機會僱主，本集團致力提供一個不受種族、膚色、信仰、性別、年齡、宗教、國籍或殘疾歧視的工作環境。此包括僱傭實踐，如聘用、轉職、招聘、培訓、晉升、紀律、薪酬及福利水平，以確保僱員及求職者享有平等機會及公平待遇。本集團致力營造平等、尊重、多元化、互助友愛的企業文化與工作氛圍。

B. SOCIAL RESPONSIBILITY (Cont'd)

B1: EMPLOYMENT (Cont'd)

Compliance with relevant laws and regulations

In Year 2018, The Group was not aware of any material violation of the relevant laws and regulations relating to the Group's compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare. In addition, no significant fines or sanctions were imposed on us due to non-compliance with the relevant laws and regulations in Year 2018.

B2: HEALTH AND SAFETY

Shijiazhuang Enjian provides its employees a comprehensive free annual health check by the Health Management Center of Bethune International Peace Hospital of PLA, China.

The Group has formulated and carried out Safety Management Rules (《安全管理規定》), including:

- i. compliance with national safety production rules and regulations by employees to improve their safety awareness;
- ii. improvement of safety measures to perform a good job in security work. Employees are required to do prevention work within their responsible working area, such as taking fireproof and theftproof measures, when they are off duty; and
- iii. arrangement of special personnel to conduct frequent safety check and supervision and train staff, so as to create a stable and safe working environment.

B. 社會責任 (續)

B1: 僱傭 (續)

遵守有關法律法規

於二零一八年度，本集團並不知悉有關本集團賠償及解僱、招聘及晉升、工作時間、休息時間、平等機會、多元化、反歧視及其他福利及待遇之有關法律法規的任何重大違規情況。此外，二零一八年度亦沒有因未遵守有關法律法規而遭受大額罰款或制裁。

B2: 健康及安全

石家莊恩健每年為員工提供一次全面免費健康體檢，該健康體檢由中國人民解放軍白求恩國際和平醫院健康管理中心進行。

本集團制定並執行《安全管理規定》，包括：

- i. 員工遵守國家安全生產規章制度，提高員工安全意識；
- ii. 完善安全措施，做好安全保衛工作。員工下班離崗時各自做好負責的工作區域內之防範工作，如防火防盜；及
- iii. 設立專職人員，時常進行安全檢查和監督，對員工進行培訓，營造一個穩定安全的工作環境。

Environmental, Social and Governance Report

環境、社會及管治報告

B. SOCIAL RESPONSIBILITY (Cont'd)

B2: HEALTH AND SAFETY (Cont'd)

Compliance with relevant laws and regulations

In Year 2018, the Group was not aware of any material violation of relevant laws and regulations that have a significant impact regarding the provision of a safe working environment and the protection of employees from the Group's occupational hazards. In addition, there was no material penalty or sanction imposed due to non-compliance with the relevant laws and regulations in Year 2018.

B3: DEVELOPMENT AND TRAINING

The Group aims to create an environment of continuous improvement in which our employees are encouraged to pursue excellence at work and career development. Customised training programmes are arranged for staff members at different levels and from across its divisions on an ongoing basis throughout the Group. Induction programme was offered to new joiners to help them adapt to the new working environment.

In Year 2018, the Group provided various practical training programs for employees, including:

- i. legal knowledge training on contract clauses;
- ii. training on market development and positioning;
- iii. training on operation procedures in aspect of various department;
- iv. proper internal communication guidance;
- v. training on communication skills with customers; and
- vi. makeup training and related etiquette training.

B. 社會責任 (續)

B2：健康及安全 (續)

遵守有關法律法規

於二零一八年度，本集團並不知悉有關對提供安全工作環境及保護僱員免受本集團職業危害產生重大影響之有關法律法規的任何重大違規情況。此外，二零一八年度亦沒有因未遵守有關法律法規而遭受大額罰款或制裁。

B3：發展及培訓

本集團旨在營造持續改善環境，當中鼓勵員工追求卓越的工作及職業發展。本集團持續為整個本集團的不同層級及各部門的員工安排定制培訓計劃。本集團為新加入者提供入職培訓計劃，幫助彼等適應新工作環境。

於二零一八年度，本集團為僱員提供各類具實用性的培訓計劃，其中內容包括：

- i. 合同條款法律知識培訓；
- ii. 市場開發定位培訓；
- iii. 各部門的操作程序培訓；
- iv. 適當的內部溝通指引；
- v. 客戶溝通技巧培訓；及
- vi. 化妝培訓及相關的禮儀培訓。

B. SOCIAL RESPONSIBILITY (Cont'd)

B3: DEVELOPMENT AND TRAINING (Cont'd)

The Group has formulated and implemented Staff Training Policies (《員工培訓政策》) to provide appropriate training and development opportunities for employees, thereby achieving the training and business objectives. The details regarding the Group's internal training programs will be displayed in the bulletin board and updated training information will be provided to employees from time to time.

The Group will arrange induction training courses for new employees, provide them the information regarding the Group, which includes:

- i. the structure and missions of the Group;
- ii. the importance of employees' contributions to the Group's success;
- iii. training on operation procedures in aspect of various department;
- iv. the relationship between staff's own department and other departments; and
- v. office procedures; and show them around the different departments.

B. 社會責任 (續)

B3：發展及培訓 (續)

本集團制定並執行《員工培訓政策》，提供適當的培訓和發展機會給予員工，從而達到培訓及實現業務目標。本集團之內部培訓計劃的詳細內容會顯示在公告欄並不時向員工提供培訓更新信息。

本集團會安排新入職員工參加入職培訓課程，提供有關本集團之資料，包括：

- i. 本集團的結構和使命；
- ii. 員工之貢獻對本集團成功的重要性；
- iii. 各部門的操作程序培訓；
- iv. 員工自身部門與其他部門的關係；及
- v. 辦公室程序；及走訪不同部門。

Environmental, Social and Governance Report

環境、社會及管治報告

B. SOCIAL RESPONSIBILITY (Cont'd)

B4: LABOR STANDARDS

The Group is aware that the employment of child labour and forced labour is a serious breach of universal values and is therefore responsible for striving to prevent all employment of child labour and forced labour and is in strict compliance with all laws and regulations relating to the prohibition of employment of child labour and forced labour. The Group strictly complies with the labour contract system. All employees will sign a labour contract or employment agreement with the Group upon official employment and the Group will check the relevant certificates of the employees when they are officially employed.

Compliance with relevant laws and regulations

In Year 2018, the Group was not aware of any material violation of the relevant laws and regulations prohibiting the employment of child labour or forced labour in the Group. In addition, there was no material penalty or sanction due to non-compliance with the relevant laws and regulations in Year 2018.

B. 社會責任 (續)

B4：勞工準則

本集團深知僱用童工及強迫勞動是嚴重違反普世價值觀，因此承擔責任以竭力反對一切僱用童工及強迫勞動的行為，嚴格遵守所有針對禁止僱用童工及強迫勞動之法律法規。本集團嚴格履行勞動合同制度，所有入職僱員被正式錄用時會與本集團簽訂勞動合同或聘用協議。在正式入職時，本集團會檢查員工的相關証照。

遵守有關法律法規

於二零一八年度，本集團並不知悉有關禁止僱用童工或強迫勞動之有關法律法規的任何重大違規情況。此外，二零一八年度亦沒有因未遵守有關法律法規而遭受大額罰款或制裁。

B. SOCIAL RESPONSIBILITY (Cont'd)

B5: SUPPLY CHAIN MANAGEMENT

The Group selects suppliers stringently and suitable advertising production suppliers are selected in accordance with the Regulations on Control of Advertisements (《廣告管理條例》) of the PRC. The Group considers our suppliers as strategic partners and contributors to our businesses and we strive to build long-term relationships with suppliers who share our values.

The Group encourages suppliers, business partners and their associates to follow the same standards of integrity and transparency in doing business with us. The Group is deeply concerned about the production quality of suppliers and regards it as one of important conditions for the selection of suppliers. In addition to the technical capabilities, delivery time and price competitiveness of business partners, the Group is also concerned about the environmental and social performance within the supply chain and from time to time prompts its business partners to pay more attention to sustainable development issues. The Group requires suppliers to use 3M materials or equivalent, the main ingredient of which is Polyolefin. This polymer is biodegradable and will not release poisonous gas during combustion; therefore, the waste produced will not cause serious pollution problems.

B. 社會責任 (續)

B5：供應鏈管理

本集團嚴格選取供應商，按照中國的《廣告管理條例》，選出合適之廣告制作供應商。本集團視供應商為業務策略夥伴及貢獻者，並致力與本集團具相同價值觀的供應商建立長期關係。

本集團鼓勵供應商、業務夥伴及其聯繫人在與本集團進行業務時遵循相同的誠信及透明度標準。本集團非常關注供應商之制作質量，是其選擇供應商時入准的重要條件之一。另外，除了考慮業務夥伴的技術能力、交付時間和價格競爭力等因素之外，本集團同樣關注供應鏈中的環境及社會績效，不時要求業務合作夥伴密切關注可持續發展議題。本集團要求供應商採用3M材料或同等材料，即主要材料成份為聚烯烴(Polyolefin)，此聚合物可作生物降解及於燃燒時不會排放毒氣，故廢棄物不會造成嚴重污染問題。

Environmental, Social and Governance Report

環境、社會及管治報告

B. SOCIAL RESPONSIBILITY (Cont'd)

B6: PRODUCT RESPONSIBILITY

The Group observes the Contract Law of the People's Republic of China (《中華人民共和國合同法》), Advertising Law of the People's Republic of China (《中華人民共和國廣告法》) and relevant laws and regulations of the PRC. Before publishing an advertisement, Shijiazhuang Enjian requires customers to check whether the documentary evidence and advertising drawings submitted by them comply with the Advertising Law of the People's Republic of China.

Safety Keeping Practice

The Group has a confidentiality policy relating to observing and protecting intellectual property rights which comply with the Group's policy applicable to all locations for consumer data protection and privacy policy. For the protection of customer privacy, customer information is kept in strict confidence and destroyed if appropriate.

During the period of advertisement publication, if there are requirements from government regarding the position and size of an advertisement, Shijiazhuang Enjian will carry out accordingly.

Comply with relevant laws and regulations

In the Year 2018, the Group was not aware of any material violation of the relevant laws and regulations that have a significant impact regarding the health and safety, advertising, labelling and privacy of the products provided by the Group and the remedial methods. In addition, material fines were not reported in the Year 2018.

B. 社會責任 (續)

B6：產品責任

本集團遵守中國《中華人民共和國合同法》、《中華人民共和國廣告法》及相關法律法規。石家莊恩健在廣告發佈前要求客戶查驗客戶所提交之證明文件和廣告圖稿是否符合《中華人民共和國廣告法》。

安全防範常規

本集團設有與遵守及保障知識產權有關的保密政策，其符合本集團適用於所有地點的消費者數據保護及隱私政策的政策。為保障客戶隱私，客戶資料獲嚴格保密，並在適當時予以銷毀。

廣告發佈期內，如因政府對廣告畫面上刊的位置、尺寸有相關要求，石家莊恩健會按照其要求執行。

遵守有關法律法規

於二零一八年度，本集團並不知悉有關本集團提供的產品健康及安全、廣告、標籤及私隱權方面以及補救方法產生的重大影響之有關法律法規的任何重大違規情況。此外，二零一八年度概沒有任何重大罰款。

B. SOCIAL RESPONSIBILITY (Cont'd)

B7: ANTI-CORRUPTION

The Group attaches great importance to anti-corruption work. The Employee Manual sets out the standards of conduct that all employees are required to follow.

The Group has set up a Complaints Unit and has a dedicated hotline and e-mail in place so that insiders are able to report any unlawful or fraudulent conduct to the Complaints Unit in a confidential manner, and the whistleblowing person will be protected. The dedicated e-mail is published on the Group's website (www.it-holdings.com.hk).

The Group has reviewed its code of practice, anti-corruption measures and related guidelines on a regular basis, and investigates reported misconduct acts.

Comply with relevant laws and regulations

In Year 2018, none of the Group or its employees was involved in any legal proceedings relating to bribery, extortion, fraud or money laundering.

B8: COMMUNITY INVESTMENT

The Group strives to assist the community where it operates to create a harmonious, dynamic and livable environment having taking into account priorities such as local culture, environment and community during the publication and design of advertisement. The Group maintains its appropriate community participation, supports community activities and encourages employees to participate in activities and community services with the aim of maintaining a balance between work and life.

B. 社會責任 (續)

B7: 反貪污

本集團非常注重反貪污工作。根據《員工手冊》詳細列明所有僱員均須遵守的行為標準。

本集團已設立投訴組，並設有專用的熱線及電郵，讓知情人士以保密形式向投訴部門舉報任何非法或欺詐的行為，而作出舉報的人士將受到保護。舉報專用電郵刊載於本集團的網站 www.it-holdings.com.hk。

本集團已定期檢討其業務慣例、反貪污措施及相關指引，以及調查舉報的不當行為。

遵守有關法律法規

於二零一八年度，本集團或其僱員概無涉及有關賄賂、勒索、欺詐或洗黑錢之任何法律案件。

B8: 社區投資

本集團在發佈及設計廣告過程中考慮當地文化、環境及社區優先事項，務求協助我們營運所在社區創造和諧、富有活力的宜居環境。本集團維持適當水平的社區參與度，支持社區活動，並鼓勵僱員參與有助達致工作與生活平衡的活動及社區服務。

Report of the Directors

董事會報告

The Directors submit their report together with the audited financial statements of the Company and its subsidiaries (“Group”) for the year ended 30 June 2018.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the subsidiaries of the Company are set out in note 16 to the consolidated financial statements.

There were no significant changes in the nature of the Company’s principal activities of the Group during the year.

SEGMENT INFORMATION

An analysis of the performance of the Group for the year by operating segments are set out in note 13 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The Group’s consolidated results for the year ended 30 June 2018 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 79 to 87.

The Directors do not recommend the payment of a final dividend in respect of the year ended 30 June 2018.

SUMMARY OF FINANCIAL INFORMATION

A summary of the results of the Group for each of the five years ended 30 June 2018 and of the assets and liabilities of the Group as at 30 June 2018, 2017, 2016, 2015 and 2014 respectively is set out on page 5 of this annual report.

董事會謹此提呈截至二零一八年六月三十日止年度之董事會報告連同本公司及其附屬公司（「本集團」）之經審核財務報表。

主要業務

本公司為一間投資控股公司。本公司附屬公司之主要業務載於綜合財務報表附註16。

本公司於本年度之本集團主要業務性質並無任何重大變動。

分部資料

本集團按經營分部劃分之年內業務表現分析載於綜合財務報表附註13。

業績及分派

本集團截至二零一八年六月三十日止年度之綜合業績，以及本公司及本集團於當日之事務狀況載於財務報表第79至87頁。

董事不建議派付截至二零一八年六月三十日止年度之末期股息。

財務資料概要

本集團截至二零一八年六月三十日止五個年度各年業績概要及本集團於二零一八年、二零一七年、二零一六年、二零一五年及二零一四年六月三十日之資產及負債分別載於本年報第5頁。

BUSINESS REVIEW

A fair review of the business of the Group as well as discussion and analysis of the Group's performance during the year and the material factors underlying its financial performance and financial position are set out in the section headed "Management Discussion and Analysis" on pages 6 to 13 of this annual report.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's financial condition, results of operations, businesses and prospects would be affected by a number of risks and uncertainties including market risk, credit risk, and liquidity risk. The risks and uncertainties of the Group are shown in note 32 to the consolidated financial statements.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group commits to the long term sustainability of the environment and communities in which it operates. Acting in an environmentally responsible manner, the Group endeavours to comply with laws and regulations regarding environmental protection and adopt effective measures to achieve efficient use of resources, energy saving and waste reduction.

The Group also commits to the principle and practice of recycling and reducing. To help conserve the environment, it implements green office practices such as re-deployment of office furniture as far as possible, encourage use of recycled paper for printing and copying, double-sided printing and copying, reduce energy consumption by switching off idle lightings, air conditioning and electrical appliances.

For the year ended 30 June 2018, the Group was not subject to any environmental penalty.

業務回顧

對本集團業務之中肯回顧及本集團於本年度之表現之論述及分析，以及與財務表現及財務狀況相關之重大因素，載於本年報第6至13頁之「管理層之論述及分析」一節。

主要風險及不確定因素

本集團之財務狀況、營運業績、業務及前景將受到多項風險及不確定因素（包括市場風險、信貸風險及流動資金風險）影響。本集團之風險及不確定因素於綜合財務報表附註32列示。

環境政策及表現

本集團致力於其經營所在環境及社區之長遠可持續性。為對環境負責，本集團盡力遵守環保法律及法規，並採取有效措施以達致有效運用資源、節能及減少廢物。

本集團亦承諾回收及節約之原則及措施。為保護環境，已實行綠色辦公室措施，如盡量調撥辦公室傢俱、鼓勵使用環保紙打印及影印、雙面打印及影印、關掉不必要照明、空調及電器以減少能源消耗等。

截至二零一八年六月三十日止年度，本集團並無受到任何環境處罰。

Report of the Directors

董事會報告

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

As far as the Board is aware, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the year, there was no material breach of or material non-compliance with the applicable laws and regulations by the Group except the non-compliance shown in the corporate governance report of this annual report.

RELATIONSHIP WITH SUPPLIERS, CUSTOMERS AND OTHER STAKEHOLDERS

The Group understands the importance of maintaining a good relationship with its suppliers, customers and other stakeholders to meet its immediate and long-term goals.

During the year, there was no material and significant dispute between the Group and its suppliers, customers and/or other stakeholders except the litigations shown in note 34 to the consolidated financial statements.

PERMITTED INDEMNITY

Pursuant to the Bye-laws, the applicable laws and regulations, every director shall be indemnified and secured harmless out of the assets and profits of the Company against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain in or about the execution of their duties in their respective offices. Such permitted indemnity provision has been in force throughout the year. The Company has maintained appropriate directors' and officers' liability insurance cover for the directors and officers of the Company and its subsidiaries.

遵守相關法律及法規

就董事會所悉，本集團已於對本集團業務及營運造成重大影響之各重大方面遵守相關法律及法規。年內，除本年報之企業管治報告所示未遵規外，本集團概無重大違反或重大不遵守適用法律及法規。

與供應商、客戶及其他利益相關者之關係

本集團明白與供應商、客戶及其他利益相關者建立良好關係有助達致其即時及長遠目標之重要性。

年內，除綜合財務報表附註34所示之訴訟外，本集團與其供應商、客戶及／或其他利益相關者概無重大分歧。

獲准許之彌償

根據公司細則、適用法律及法規，每名董事就彼等或彼等任何一人基於彼等各自職位履行其職務或就此而產生或蒙受之所有訴訟、費用、收費、損失、損害及開支，均可自本公司之資產及溢利獲得彌償，確保免就此受損。該等獲准許之彌償條文已於本年度內生效。本公司已為本公司及其附屬公司之董事及高級職員購買適當之董事及高級職員責任保險。

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group during the year are set out in note 14 to the consolidated financial statements.

BORROWINGS

Particulars of the borrowings of the Group are set out in note 24 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 28 to the consolidated financial statements.

CONVERTIBLE BONDS

During the year ended 30 June 2018, (i) the CB1 amounting to HK\$500,000 have been converted into 5,000,000 shares; and (ii) the CB2 amounting to HK\$5 million have been converted into 50,000,000 shares.

Details of the convertible bonds of the Company and its movement during the year are set out in the section headed "Capital Structure" on pages 10 to 11 of this annual report and note 26 to the consolidation financial statements respectively.

RESERVES

Details of movements in the reserves of the Group and the Company during the year ended 30 June 2018 are set out in the consolidated statement of changes in equity on page 84 of this annual report and in note 30 to the consolidated financial statements respectively.

The Company had no distributable reserve as at 30 June 2018 (2016: Nil).

物業、廠房及設備

本集團年內物業、廠房及設備之變動詳情載於綜合財務報表附註14。

借貸

本集團之借貸詳情載於綜合財務報表附註24。

股本

本公司年內股本之變動詳情載於綜合財務報表附註28。

可換股債券

截至二零一八年六月三十日止年度，(i)金額為500,000港元之可換股債券1已獲兌換為5,000,000股股份；及(ii)金額為5,000,000港元之可換股債券2已獲兌換為50,000,000股股份。

本公司年內可換股債券之詳情及其變動分別載於本年報第10至11頁「資本架構」一節及綜合財務報表附註26。

儲備

於截至二零一八年六月三十日止年度，本集團及本公司儲備之變動詳情分別載於本年報第84頁之綜合權益變動表及綜合財務報表附註30。

於二零一八年六月三十日，本公司並無可分派之儲備（二零一六年：無）。

Report of the Directors

董事會報告

DONATIONS

No charitable donations was made by the Group during the year ended 30 June 2018 (2017: Nil).

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Bye-laws or the Companies Act 1981 of Bermuda (as amended from time to time) which would oblige the Company to offer new shares of the Company on a pro rata basis to existing shareholders of the Company.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers and cost of sales from the five largest suppliers accounted for approximately 29% and 80% of the total sales and cost of sales for the year ended 30 June 2018 respectively.

The Group's largest customer and supplier accounted for approximately 7% and 56% of the total sales and cost of sales for the year ended 30 June 2018 respectively.

None of the Directors or any of their close associates or any shareholders of the Company (which, to the best knowledge of the Directors, owns more than 5% of the total number of issued share of the Company) had any beneficial interest in the Group's five largest customers and/or five largest suppliers for the year ended 30 June 2018.

CONNECTED TRANSACTIONS

During the year, there were no significant transactions which require to be disclosed as connected transactions in accordance with the requirements of the GEM Listing Rules.

捐款

於截至二零一八年六月三十日止年度，本集團並無作出任何慈善捐款（二零一七年：無）。

優先購買權

公司細則或百慕達一九八一年公司法（經不時修訂）並無優先購買權之規定，致使本公司須按持股比例向本公司現有股東發售本公司新股份。

主要客戶及供應商

於回顧年度，本集團對五大客戶之銷售額及自五大供應商之銷售成本分別佔截至二零一八年六月三十日止年度銷售總額及銷售成本總額約29%及80%。

截至二零一八年六月三十日止年度，本集團最大客戶及供應商分別佔銷售總額及銷售成本總額約7%及56%。

截至二零一八年六月三十日止年度，本公司董事或彼等之緊密聯繫人士或任何股東（據董事所知，其擁有本公司已發行股份總數逾5%）概無於本集團五大客戶及／或五大供應商擁有任何實益權益。

關連交易

年內，概無任何根據GEM上市規則之規定須作為關連交易披露之重大交易。

Report of the Directors

董事會報告

DIRECTORS

The Directors during the year and up to the date of this report were:

Executive Directors:

Mr. Pu Haiyong (appointed on 20 June 2018)
Mr. Wang Yu (appointed on 16 August 2018)
Mr. Ha Chuen Yeung (resigned on 16 August 2018)
Mr. Lau King Hang
Dr. Chan Yiu Wing
Mr. Mazher Hussain
(resigned on 20 June 2018)

Independent non-executive Directors:

Mr. Leung Chung Nam (appointed on 3 August 2018)
Mr. Wong Ting Kon
(appointed on 15 February 2018)
(resigned on 3 August 2018)
Mr. Lee Ho Yiu, Thomas (resigned on 15 February 2018)
Mr. Tse Yuen Ming
Ms. Liu Jianyi

In accordance with bye-law 84(1) and 84(2) of the Bye-laws, at each annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. Accordingly, Mr. Lau King Hang and Ms. Liu Jianyi shall retire at the forthcoming annual general meeting of the Company and being eligible, offer themselves for re-election.

In accordance with bye-law 83(2) of the Bye-laws, any Director appointed by the Board shall hold office until the next following annual general meeting of members after his appointment and be subject to re-election at such meeting. Accordingly, Mr. Pu Haiyong, Mr. Wang Yu and Mr. Leung Chung Nam shall retire at the AGM and being eligible, offer himself for re-election.

董事

年內及截至本報告日期之董事如下：

執行董事：

蒲海勇先生（於二零一八年六月二十日獲委任）
王宇先生（於二零一八年八月十六日獲委任）
夏振揚先生（於二零一八年八月十六日辭任）
劉勁恒先生
陳耀榮博士
Mazher Hussain先生
(於二零一八年六月二十日辭任)

獨立非執行董事：

梁仲南先生（於二零一八年八月三日獲委任）
黃定幹先生
(於二零一八年二月十五日獲委任)
(於二零一八年八月三日辭任)
李浩堯先生（於二零一八年二月十五日辭任）
謝遠明先生
劉簡怡女士

根據公司細則第84(1)及84(2)條，於本公司每屆股東週年大會上，當時三分之一之董事（或，倘其數目並非三(3)之倍數，則為最接近但不低於三分之一之數目）須輪值告退，惟每位董事須至少每三年退任一次。因此，劉勁恒先生及劉簡怡女士將於本公司應屆股東週年大會上退任，且符合資格並願意膺選連任。

根據公司細則第83(2)條，任何獲董事會委任之董事須任職至彼獲委任後本公司下一屆股東週年大會為止及屆時可於該會上膺選連任。因此，蒲海勇先生、王宇先生及梁仲南先生將於股東週年大會上退任，且符合資格並願意膺選連任。

Report of the Directors

董事會報告

DIRECTORS (Cont'd)

The Company confirmed that it has received from each of the independent non-executive Directors an annual confirmation of his/her independence pursuant to Rule 5.09 of the GEM Listing Rules and the Company considers all of them to be independent.

The Directors' biographical details are set out on pages 14 to 18 of this annual report.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service contract and each of the independent non-executive Directors has signed a letter of appointment with the Company commencing from their respective date of appointment. All of them are subject to retirement by rotation and re-election in accordance with the Bye-laws.

Mr. Pu Haiyong who is executive Director, and chairman entered into the service contract with the Company for a term of two years commencing from 20 June 2018 and shall continue thereafter until terminated by either party giving to the other not less than three month notice in writing.

Mr. Wang Yu who is executive director and chief executive officer, entered into the service contract with the Company for a term of three years commencing from 16 August 2018, and shall continue thereafter until terminated by either party giving to the other not less than three months notice in writing.

Mr. Leung Chung Nam who is an independent non-executive director and chair of audit committee and members of each of remuneration committee and nomination committee entered into the service contract with the Company for a term of three years commencing from 3 August 2018, and shall continue thereafter until terminated by either party giving to the other not less than three months notice in writing.

董事 (續)

本公司確認已接獲各獨立非執行董事根據GEM上市規則第5.09條就其獨立性發出之年度確認書，且本公司認為彼等均屬獨立人士。

董事之履歷詳情載於本年報第14至18頁。

董事之服務合約

各執行董事已與本公司訂立服務合約及各獨立非執行董事已與本公司簽署委任函，自彼等各自之委任日期起生效。彼等均須根據公司細則輪值退任及膺選連任。

蒲海勇先生作為執行董事及主席已與本公司訂立服務合約，自二零一八年六月二十日起為期兩年，其後須續期，直至任何一訂約方向另一方發出不少於三個月之書面通知後終止。

王宇先生作為執行董事及行政總裁已與本公司訂立服務合約，自二零一八年八月十六日起為期三年，其後須續期，直至任何一訂約方向另一方發出不少於三個月之書面通知為終止。

梁仲南先生作為獨立非執行董事及審核委員會主席及薪酬委員會及提名委員會各自之成員已與本公司訂立服務合約，自二零一八年八月三日起為期三年，其後須續期直至任何一訂約方向另一方發出不少於三個月之書面通知為止。

Report of the Directors

董事會報告

DIRECTORS' SERVICE CONTRACTS (Cont'd)

Mr. Lau King Hang who is executive Director, entered into the service contract with the Company for a term of two years commencing from 24 March 2016 and shall continue thereafter until terminated by either party giving to the other not less than three month notice in writing. As at 24 March 2018, such service contract has been renewed.

Dr. Chan Yiu Wing who is executive Director, entered into the service contract with the Company for a term of two years commencing from 24 March 2016 and shall continue thereafter until terminated by either party giving to the other not less than three month notice in writing. As at 30 June 2018, such service contract has not been terminated by either party.

Mr. Tse Yuen Ming who is independent non-executive Director, entered into an appointment letter with the Company for a term of three years commencing from 13 November 2014. As at 13 November 2017, such service contract has been renewed.

Ms. Liu Jianyi who is independent non-executive Director entered into an appointment letter with the Company for a term of three years commencing from 24 March 2016.

No Director proposed for re-election at the forthcoming annual general meeting of the Company has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

EMOLUMENTS OF DIRECTORS AND THE FIVE HIGHEST PAID INDIVIDUALS

Details of the Directors' emoluments and of the five highest paid individuals in the Group are set out in note 10 to the consolidated financial statements.

董事之服務合約 (續)

劉勁恒先生作為執行董事已與本公司訂立服務合約，自二零一六年三月二十四日起為期兩年，其後須續期，直至任何一訂約方向另一方發出不少於三個月之書面通知後終止。於二零一八年三月二十四日，該服務合約已經更新。

陳耀榮博士作為執行董事已與本公司訂立服務合約，自二零一六年三月二十四日起為期兩年，其後須續期，直至任何一訂約方向另一方發出不少於三個月之書面通知後終止。於二零一八年六月三十日，概無訂約方終止該服務合約。

謝遠明先生作為獨立非執行董事已與本公司訂立委任函，自二零一四年十一月十三日起為期三年。於二零一七年十一月十三日，該服務合約已經更新。

劉簡怡女士作為獨立非執行董事已與本公司訂立委任函，自二零一六年三月二十四日起為期三年。

本公司並無與擬於本公司之應屆股東週年大會上重選連任之董事訂立任何不可由本公司於一年內無償終止(法定補償除外)之服務合約。

董事及五名最高薪人士之酬金

董事及本集團五名最高薪人士之酬金詳情載於綜合財務報表附註10。

Report of the Directors

董事會報告

DIRECTORS' OR CHIEF EXECUTIVES' INTERESTS AND SHORT POSITION IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2018, none of the Directors nor the chief executives of the Company and their respective associates had any interests and short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) ("SFO") which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register kept by the Company under Section 352 of the SFO, or otherwise required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors as set out in Rule 5.46 to 5.67 of the GEM Listing Rules.

SHARE OPTION SCHEMES

The Company's share option scheme which was adopted on 5 July 2002 ("Old Scheme") has expired and a new share option scheme ("New Scheme", together with Old Scheme, the "Share Option Schemes") was adopted by an ordinary resolution passed by the shareholders at the annual general meeting of the Company held on 23 November 2012 ("Adoption Date"). The New Scheme constitutes a share option scheme governed by Chapter 23 of the GEM Listing Rules and will remain in force for 10 years from the Adoption Date. Apart from the Share Option Schemes, the Company has no other share option scheme as at 30 June 2018.

Upon the expiry of the Old Scheme, no further option can be offered thereunder but any options granted prior to such expiry but not yet exercised shall continue to be valid and exercisable.

The purpose of the Share Option Schemes are to enable the Company to grant options to the Participants (as defined below) as incentives and rewards for their contribution to the Company or its subsidiaries.

董事或主要行政人員於股份、相關股份及債券之權益及淡倉

於二零一八年六月三十日，董事及本公司主要行政人員及彼等各自之聯繫人士於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之任何股份、相關股份及債券中，概無擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之任何權益及淡倉（包括彼等根據證券及期貨條例有關條文而被當作或視作擁有之權益或淡倉），或根據證券及期貨條例第352條之規定而須記入本公司存置之登記冊之任何權益及淡倉，或根據GEM上市規則第5.46條至5.67條所載董事進行交易之規定準則而須知會本公司及聯交所之任何權益及淡倉。

購股權計劃

本公司於二零零二年七月五日採納之購股權計劃（「舊計劃」）已屆滿，而股東於二零一二年十一月二十三日（「採納日期」）舉行之本公司股東週年大會上通過普通決議案，並採納一項新的購股權計劃（「新計劃」，連同舊計劃統稱「購股權計劃」）。新計劃構成受GEM上市規則第23章規限之購股權計劃，並自採納日期起生效，為期10年。除購股權計劃外，於二零一八年六月三十日，本公司並無其他購股權計劃。

於舊計劃屆滿後，本公司不可再據此提呈授出任何購股權，惟於屆滿前已授出惟尚未行使之任何購股權將繼續有效及可予行使。

購股權計劃旨在令本公司能夠向參與者（定義見下文）授出購股權，作為彼等對本公司或其附屬公司所作貢獻之獎勵及獎賞。

SHARE OPTION SCHEMES (Cont'd)

Participants under the Share Option Schemes include any employee or consultant, advisor, agent, contractor, client or supplier of the Company or any of its subsidiaries who is in the sole opinion of the Board has contributed or is expected to contribute to the Group. The principal terms of the share option schemes are summarized as follow:

The subscription price shall be determined by the Board in its absolute discretion but in any event shall be at least the highest of:

- (i) the nominal value of the shares;
- (ii) the closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of grant which must be a business day; and
- (iii) the average closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant.

Upon acceptance of the options, the grantee shall pay HK\$1.00 to the Company as consideration for the grant. The acceptance of an offer of the grant of the option must be made within 28 days from the date of grant. An option must be exercised within 10 years from the date on which it is granted or such shorter period as the Board may specify at the time of grant.

The maximum number of shares which may be issued upon exercise of all options to be granted under the Share Option Schemes and any other share option schemes of the Company shall not, in the absence of shareholders' approval, in aggregate exceed 10% of the shares of the Company in issue as at the date of approval of the Share Option Schemes. The Company may seek approval by the shareholders at general meeting to refresh the 10% limit (the "Option Scheme Limit"). However, the total number of shares available for issue under exercise of options which may be granted under the Share Option Schemes in these circumstances must not exceed 10% of the number of the issued share of the Company as at the date of approval of the refreshment of the Option Scheme Limit.

購股權計劃 (續)

購股權計劃項下之參與者包括董事會全權認為曾經或預期會為本集團作出貢獻之本公司或其任何附屬公司之任何僱員或顧問、諮詢人、代理、承包商、客戶或供應商。購股權計劃之主要條款概述如下：

認購價為須由董事會全權酌情釐定，惟在任何情況下須最少為下列各項之最高者：

- (i) 股份面值；
- (ii) 股份於授出日期（該日須為營業日）在聯交所發佈之每日報價表所載之收市價；及
- (iii) 股份於緊接授出日期前五個營業日在聯交所發佈之每日報價表所載之平均收市價。

於接納購股權後，承授人須向本公司支付1.00港元，作為獲授購股權之代價。接納授出購股權之要約須於授出日期起計28日內作出。購股權須於授出日期起計10年或董事會於授出時可能訂明之有關較短期間內行使。

於將根據購股權計劃及本公司任何其他購股權計劃授出之所有購股權獲行使後，可予發行之最高股份數目（若未經股東批准）合共不得超過本公司於批准購股權計劃當日已發行股份之10%。本公司可於股東大會上尋求股東批准更新該10%限額（「購股權計劃限額」）。然而，在此等情況下於根據購股權計劃可授出之購股權獲行使後將可發行之股份總數，不得超過本公司於批准更新購股權計劃限額當日已發行股份之10%。

Report of the Directors

董事會報告

SHARE OPTION SCHEMES (Cont'd)

The Option Scheme Limit has been refreshed on 30 December 2014 at the general meeting. Based on 796,246,784 shares of the Company in issue as at 30 December 2014, the maximum number of shares of the Company which may be issued upon the exercise of all the options granted or to be granted under the New Scheme or any other share option schemes of the Company must not, in aggregate, exceed 79,624,678 shares, being 10% of the shares in issue as at 30 December 2014. The Company has not granted any options under the New Scheme since its adoption.

As at 30 June 2018, (i) there were 5,340 options granted and outstanding under the Old Scheme representing approximately 0.0005% of the total number of shares of the Company in issue as at 30 June 2018; and (ii) the Company was allowed to grant options up to 15,924,935 Shares under the New Scheme (after adjustment as a result of the Capital Reorganization effective on 4 November 2016).

The maximum number of shares which may be issued upon exercise of all options which then have been granted and have yet to be exercised under the Share Option Schemes and any other share option schemes must not in aggregate exceed 30% of the shares of the Company in issue from time to time.

The total number of shares issued and to be issued upon exercise of options (whether exercised or outstanding) granted in any 12-month period to:

- (i) each eligible Participant must not exceed 1.0% of the total number of shares of the Company in issue; and
- (ii) a substantial shareholder of the Company or an independent non-executive director must not exceed 0.1% of the total number of shares of the Company in issue and not exceed HK\$5.0 million in aggregate value.

購股權計劃 (續)

購股權計劃限額已於二零一四年十二月三十日在股東大會上獲更新。根據本公司於二零一四年十二月三十日已發行796,246,784股股份計算，於根據新計劃或本公司任何其他購股權計劃授出或將予授出之所有購股權獲行使後，可予發行之本公司股份最高數目合共不得超過79,624,678股股份（即於二零一四年十二月三十日之已發行股份之10%）。自採納新計劃以來，本公司並無根據新計劃授出任何購股權。

於二零一八年六月三十日，(i)根據舊計劃已授出5,340份尚未行使之購股權，相當於本公司於二零一八年六月三十日之已發行股份總數約0.0005%；及(ii)本公司獲准根據新計劃授出最多為15,924,935股股份之購股權（經於二零一六年十一月四日股本重組生效後作出調整）。

於根據購股權計劃及任何其他購股權計劃當時已授出但尚未行使之所有購股權獲行使時可能發行之最高股份數目合共不得超過本公司不時已發行股份之30%。

於任何十二個月期間內向下列人士授出之購股權（無論已行使或尚未行使）獲行使後已發行及將予發行之股份總數：

- (i) 倘向各合資格參與者授出，則不得超過本公司已發行股份總數之1.0%；及
- (ii) 倘向本公司主要股東或獨立非執行董事授出，則不得超過本公司已發行股份總數之0.1%及總值不得超過5,000,000港元。

Report of the Directors

董事會報告

SHARE OPTION SCHEMES (Cont'd)

購股權計劃 (續)

Particulars of the movement of the outstanding options in aggregate granted under the Old Scheme during the year ended 30 June 2018, were as follows:

於截至二零一八年六月三十日止年度，根據舊計劃授出之尚未行使購股權總數變動詳情如下：

Date of grant	Number of share options				Outstanding as at 30 June 2018	Option period	Exercise price per share
	Outstanding as at 1 July 2017	Granted during the year	Exercised during the year	Lapsed during the year			
授出日期	於二零一七年七月一日尚未行使	年內授出	年內行使	年內失效	於二零一八年六月三十日尚未行使	購股權期限	每股行使價
Former directors, senior management, other employees and consultants	9 September 2008	995	-	-	995	9 September 2008 to 8 September 2018	HK\$5,396.95
前董事、高級管理層、其他僱員及顧問	二零零八年九月九日					二零零八年九月九日至二零一八年九月八日	5,396.95港元
	11 September 2008	709	-	-	709	11 September 2008 to 10 September 2018	HK\$6,047.30
	二零零八年九月十一日					二零零八年九月十一日至二零一八年九月十日	6,047.30港元
	16 December 2008	709	-	-	709	16 December 2008 to 15 December 2018	HK\$2,363.50
	二零零八年十二月十六日					二零零八年十二月十六日至二零一八年十二月十五日	2,363.50港元
	17 February 2009	386	-	-	386	17 February 2009 to 16 February 2019	HK\$3,070.90
	二零零九年二月十七日					二零零九年二月十七日至二零一九年二月十六日	3,070.90港元
	29 May 2009	386	-	-	386	29 May 2009 to 28 May 2019	HK\$2,728.60
	二零零九年五月二十九日					二零零九年五月二十九日至二零一九年五月二十八日	2,728.60港元
	31 December 2009	2,204	-	-	220	31 December 2009 to 30 December 2019	HK\$1,395.30
	二零零九年十二月三十一日					二零零九年十二月三十一日至二零一九年十二月三十日	1,395.30港元
	15 January 2010	1,935	-	-	1,935	15 January 2010 to 14 January 2020	HK\$2,264.05
	二零一零年一月十五日					二零一零年一月十五日至二零二零年一月十四日	2,264.05港元
Total		5,340	-	-	5,340		

Report of the Directors

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITION IN SHARES AND UNDERLYING SHARES

As at 30 June 2018, so far as is known to the Directors, the following persons, not being Directors or chief executive of the Company had, or were deemed to have, interests or short position in the shares or underlying shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, as recorded in the register required to be kept by the Company under section 336 of the SFO:

Long Positions in Shares and Underlying Shares of the Company

Name of shareholders 股東名稱/姓名	Capacity 身份	Number of shares interested 擁有權益之股份數目	Number of underlying shares interested 擁有權益之相關股份數目	Total number of Shares and underlying shares interested (Note 2) (附註2)	Approximately percentage of shareholding 持股概約百分比
Wealthy ELM Limited (Note 1) Wealthy ELM Limited (附註1)	Beneficial owner 實益擁有人	250,000,000	600,000,000	850,000,000	51.42%
Pu Haiyong (Note 1) 蒲海勇 (附註1)	Beneficial owner 實益擁有人	250,000,000	600,000,000	850,000,000	51.42%
Profit Eagle Limited (Note 2) Profit Eagle Limited (附註2)	Beneficial owner 實益擁有人	80,000,000	–	80,000,000	4.84%
Lee Kuo-Juy (Note 2) 李國瑞 (附註2)	Interest of a controlled corporation 受控法團權益	80,000,000	–	80,000,000	4.84%
Leung Ka Wei Angela 梁嘉慧	Beneficial owner 實益擁有人	67,030,000	–	67,030,000	4.06%

Notes: 1. Wealthy ELM Limited is wholly-owned by Mr. Pu Haiyong and, therefore, Mr. Pu Haiyong is deemed to be interested in the 850,000,000 shares and underlying shares held by Wealthy ELM Limited.

2. Profit Eagle Limited is wholly-owned by Mr. Lee Kuo-Juy and, therefore, Mr. Lee Kuo-Juy is deemed to be interested in the 80,000,000 shares and underlying shares held by Profit Eagle Limited.

3. These shares may be allotted and issued upon exercise of the conversion rights attached to the convertible bonds issued by the Company.

主要股東於股份及相關股份之權益及淡倉

於二零一八年六月三十日，就董事所知，下列人士（並非董事或本公司主要行政人員）於股份或相關股份中擁有或被視為擁有須根據證券及期貨條例第XV部第2及第3分部之條文向本公司披露之權益或淡倉；或於本公司根據證券及期貨條例第336條須存置之登記冊上記錄之權益或淡倉：

於本公司股份及相關股份之好倉

附註：1. Wealthy ELM Limited由蒲海勇先生全資擁有，因此，蒲海勇先生被視為於Wealthy ELM Limited持有之850,000,000股股份及相關股份中擁有權益。

2. Profit Eagle Limited由李國瑞先生全資擁有，故此李國瑞先生被視為於Profit Eagle Limited所持有之80,000,000股股份及相關股份中擁有權益。

3. 該等股份可於本公司發行之可換股債券所附帶之轉換權獲行使後予以配發及發行。



SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITION IN SHARES AND UNDERLYING SHARES (Cont'd)

Save as disclosed above, as at 30 June 2018, the Directors are not aware of any other person, other than the Directors and the chief executive of the Company who had, or was deemed to have, interest or short position in the shares or underlying shares that has to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept under section 336 of the SFO.

SUBSIDIARIES

Details of the Company's subsidiaries at 30 June 2018 are set out in note 17 to the consolidated financial statements.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

There was no contract of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

主要股東於股份及相關股份之權益及淡倉 (續)

除上文所披露者外，於二零一八年六月三十日，董事並不知悉除董事及本公司主要行政人員外之任何其他人士，於股份或相關股份中擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部之條文須向本公司披露及根據證券及期貨條例第336條須存置之登記冊上記錄之權益或淡倉。

附屬公司

本公司附屬公司於二零一八年六月三十日之詳情載於綜合財務報表附註17。

董事於重大合約之權益

於年末或年內之任何時間，概無存在由本公司或其任何附屬公司訂立而董事直接或間接於其中擁有重大權益之重大合約。

Report of the Directors

董事會報告

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the sections headed "SHARE OPTION SCHEMES" and "DIRECTORS' OR CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES" above, at no time during the year ended 30 June 2018 was the Company or any of its subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executives of the Company or their respective associates (as defined in the GEM Listing Rules) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year and up to the date of this annual report, none of the Directors, the management shareholders or substantial shareholders of the Company or any of their respective close associates (as defined in the GEM Listing Rules) has engaged in any business that competes or may compete either directly or indirectly with the business of the Group, or have any other conflict of interests with the Group.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 30 June 2018.

董事購入股份或債券之權利

除上文「購股權計劃」及「董事或主要行政人員於股份、相關股份及債券之權益及淡倉」章節所披露者外，於截至二零一八年六月三十日止年度內任何時間，本公司或其任何附屬公司，或其任何同系附屬公司概無訂立任何安排，致使董事或本公司主要行政人員或彼等各自之聯繫人士（定義見GEM上市規則）擁有任何權利可認購本公司或其任何相聯法團（定義見證券及期貨條例）之證券，或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。

董事於競爭業務之權益

於年內及截至本年報日期止，董事、本公司管理層股東或主要股東或其各自之任何緊密聯繫人士（定義見GEM上市規則）概無直接或間接從事任何對本集團業務構成或可能構成競爭之業務，亦並無與本集團有任何其他利益衝突。

購買、出售或贖回本公司之上市證券

於截至二零一八年六月三十日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

CORPORATE GOVERNANCE

The Company is committed to maintain a high standard of corporate governance. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 19 to 41 of this annual report.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2018, the Group employed a total of 70 employees (including Directors) (2016: 67), and the total remuneration (including Directors' remuneration) for the year ended 30 June 2018 was approximately HK\$8,089,000 (2017: HK\$9,643,000). The Group remunerates its employees based on their individual performance, working experience, qualification and the prevailing market price. Other benefits provided by the Group to the employee include mandatory provident fund, insurance and medical coverage, training programs and share option scheme.

The Company adopted the Share Option Schemes where share options to subscribe for shares of the Company may be granted to the eligible participants of the Group. No share options have been granted to the eligible participants under the New Scheme during the year ended 30 June 2018.

RETIREMENT BENEFIT PLANS

Other than operating the statutory mandatory provident fund scheme for Hong Kong employees and participating in social insurance for its employees in the PRC in accordance with the relevant PRC regulations, the Group has not operated any other retirement benefits schemes for the Group's employees.

企業管治

本公司致力維持高水平之企業管治。本公司所採納之企業管治常規之資料，載於本年報第19至41頁之企業管治報告內。

僱員及薪酬政策

於二零一八年六月三十日，本集團合共聘有70名僱員（包括董事）（二零一六年：67名），而截至二零一八年六月三十日止年度之薪酬總額（包括董事薪酬）約為8,089,000港元（二零一七年：9,643,000港元）。本集團根據僱員之個人表現、工作經驗及資歷以及現行市價來釐定僱員薪酬。本集團向僱員提供之其他福利包括強積金、保險及醫療保險、培訓課程及購股權計劃。

本公司已採納購股權計劃，據此可能向本集團合資格參與者授出可認購本公司股份之購股權。於截至二零一八年六月三十日止年度，概無根據新計劃向合資格參與者授出任何購股權。

退休福利計劃

除為香港僱員設立法定強積金計劃及按照中國有關法規為中國僱員參加社會保險外，本集團並無為本集團僱員設立任何其他退休福利計劃。

Report of the Directors

董事會報告

MATERIAL EVENTS AFTER THE REPORTING PERIOD

There are no significant events after the reporting period.

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this report, the Company has maintained the prescribed public float under the GEM Listing Rules, based on the information that is publicly available to the Company and within the knowledge of its Directors.

AUDITOR

Elite Partners CPA Limited was appointed as auditor of the Company on 8 August 2016 to fill the casual vacancy following HLB Hodgson Impey Cheng Limited ceased to act as auditor of the Company with effect from the conclusion of the annual general meeting of the Company held on 24 March 2016.

The consolidated financial statements for the year ended 30 June 2018 have been audited by Elite Partners CPA Limited who will retire, and being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

A resolution for the re-appointment of Elite Partners CPA Limited as auditor of the Company is to be proposed at the forthcoming annual general meeting of the Company.

於報告期後之重大事件

於報告期後並無發生任何重大事件。

充足公眾持股量

於本報告日期，根據本公司公開可用之資料及就其董事所知，本公司已維持GEM上市規則項下規定之公眾持股量。

核數師

於二零一六年八月八日，開元信德會計師事務所有限公司已獲委任為本公司核數師，以填補國衛會計師事務所有限公司不再擔任本公司核數師（於本公司於二零一六年三月二十四日舉行之股東週年大會結束後生效）後之臨時空缺。

截至二零一八年六月三十日止年度之綜合財務報表已獲開元信德會計師事務所有限公司審核，開元信德會計師事務所有限公司將於本公司應屆股東週年大會上退任及合資格續聘。

續聘開元信德會計師事務所有限公司為本公司核數師之決議案將於本公司應屆股東週年大會上提呈。

Report of the Directors

董事會報告



PUBLICATION OF INFORMATION ON WEBSITES

This annual report is available for viewing on the website of Stock Exchange at www.hkex.com.hk and on the website of the Company at www.it-holdings.com.hk.

On behalf of the Board

INNO-TECH HOLDINGS LIMITED

Wang Yu

Executive Director

Hong Kong, 28 September 2018

於網站刊發資料

本年報可於聯交所網站www.hkex.com.hk及本公司網站www.it-holdings.com.hk瀏覽。

代表董事會

匯創控股有限公司

執行董事

王宇

香港，二零一八年九月二十八日

Independent Auditor's Report

獨立核數師報告



10th Floor
8 Observatory Road
Tsim Sha Tsui
Kowloon, Hong Kong

香港九龍
尖沙咀
天文台道8號
10樓

TO THE SHAREHOLDERS OF INNO-TECH HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

致匯創控股有限公司股東

(於百慕達註冊成立之有限公司)

DISCLAIMER OF OPINION

We were engaged to audit the consolidated financial statements of Inno-Tech Holdings Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 79 to 200, which comprise the consolidated statement of financial position as at 30 June 2018, and the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

不發表意見

吾等已獲委聘審核載於第79至200頁的匯創控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表,包括於二零一八年六月三十日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表,以及綜合財務報表附註(包括主要會計政策概要)。

We do not express an opinion on the consolidated financial statements of the Group and as to whether the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

吾等並不就綜合財務報表是否已遵照香港公司條例之披露規定妥為編製對 貴集團綜合財務報表發表意見。由於吾等報告中不發表意見之基礎一節所述事項之重要性,吾等未能獲得充分恰當的審核憑證為該等綜合財務報表之審核意見提供基礎。

BASIS FOR DISCLAIMER OF OPINION

Multiple uncertainties related to the going concern basis

As disclosed in page 82 to consolidated financial statements, the Group had net current liabilities of approximately HK\$174,478,000 and capital deficiency of approximately HK\$174,232,000 as at 30 June 2018. The existence of these uncertainties casts significant doubt on the Group's ability to continue as going concern.

不發表意見之基礎

有關持續經營基準之多個不確定性

誠如綜合財務報表第82頁所披露, 貴集團於二零一八年六月三十日之流動負債淨額約為174,478,000港元,而資本虧絀約為174,232,000港元。該等不確定因素之存在導致 貴集團之持續經營能力成疑。

Independent Auditor's Report

獨立核數師報告

Nevertheless, the consolidated financial statements have been prepared on the assumption that the Group will continue as a going concern, the validity of which is dependent on the favourable outcomes of the steps being taken by the directors as described in note 3(b) to the consolidated financial statements. However, we were unable to obtain sufficient audit evidence to assess the appropriateness and validity of the going concern assumption. Should the going concern assumption be inappropriate, adjustments would have to be made to reclassify all non-current assets and liabilities as current assets and liabilities, write down the value of assets to their recoverable amounts and to provide for any further liabilities which may arise. These consolidated financial statements do not include any of those adjustments.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

儘管如此，綜合財務報表乃假設 貴集團將繼續按持續經營基準而編製，其有效性視乎綜合財務報表附註3(b)所述董事所採取之行動取得有利結果而定。然而，吾等無法取得足夠審核證據，以評估持續經營假設之適當性及有效性。倘若持續經營假設為不適當，則需要作出調整，以將所有非流動資產及負債重新分類為流動資產及負債、撇減資產價值至其可收回金額及為可能產生之任何進一步負債作出撥備。該等綜合財務報表並未包括任何該等調整。

董事及治理層就綜合財務報表須承擔的責任

董事負責根據香港會計師公會（「香港會計師公會」）頒佈的香港財務報告準則及香港公司條例的披露規定，編製反映真實及公平意見的綜合財務報表，並負責進行董事認為必要的有關內部監控，以確保綜合財務報表的編製並無因欺詐或錯誤引致的重大錯誤陳述。

於編製綜合財務報表時，董事負責評估 貴集團持續經營能力，並在適用情況下披露有關持續經營的事宜及使用持續經營會計基礎，除非董事有意將 貴集團清盤或終止經營，或別無其他實際的替代方案。

治理層負責監督 貴集團的財務申報過程。

Independent Auditor's Report

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

The engagement partner on the audit resulting in the independent auditor's report is Yip Kai Yin with Practising Certificate Number P05131.

核數師就審核綜合財務報表須承擔的 責任

吾等之責任為根據香港會計師公會（「香港會計師公會」）頒佈之香港審計準則對 貴集團之綜合財務報表進行審核，並出具核數師報告。然而，由於吾等報告中不發表意見之基礎一節所述之事項，吾等無法取得足夠合適之審核憑證，以就該等綜合財務報表發表審核意見。

根據香港會計師公會的專業會計師道德守則（「守則」），吾等獨立於 貴集團，及吾等已根據守則完成其他道德責任。

出具獨立核數師報告的審計項目合夥人為葉啟賢，執業證書編號為P05131。

Elite Partners CPA Limited
Certified Public Accountants
Hong Kong, 28 September 2018

10/F., 8 Observatory Road,
Tsim Sha Tsui,
Kowloon, Hong Kong

開元信德會計師事務所有限公司
執業會計師
香港，二零一八年九月二十八日

香港九龍
尖沙咀
天文臺道8號10樓

Consolidated Statement of Profit or Loss

綜合損益表

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Notes 附註		
Revenue	收益	5	33,272	48,121
Cost of sales	銷售成本		(35,837)	(46,029)
Gross (loss)/profit	毛(損)/利		(2,565)	2,092
Other income	其他收入	6	12,356	2,618
Marketing and promotion expenses	市場推廣及宣傳開支		(1,139)	(987)
Administrative expenses	行政開支		(30,384)	(31,263)
Finance costs	財務費用	7	(392)	(4,898)
Changes in fair value of financial assets at fair value through profit or loss	按公平值計入損益之金融資產之公平值變動		(32)	10
Extinguishment of repayment of promissory notes	清償承兌票據		-	(289,250)
Extinguishment of repayment of borrowings	清償借貸		-	(196,986)
Loss on issuance of convertible bonds	發行可換股債券之虧損		-	(101,088)
Gain/(loss) upon conversion of convertible bonds	兌換可換股債券時之收益/(虧損)		37,014	(91,855)
Fair value gain/(loss) on convertible bonds	可換股債券之公平值收益/(虧損)		403,200	(242,315)
Impairment loss on investment deposits	投資按金之減值虧損		(15,000)	-
Impairment loss on loan receivables	應收貸款減值虧損		-	(6,000)
Profit/(loss) before income tax	除所得稅前溢利/(虧損)	8	403,058	(959,922)
Income tax	所得稅	9	(863)	106
Profit/(loss) for the year	年內溢利/(虧損)		402,195	(959,816)

Consolidated Statement of Profit or Loss

綜合損益表

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Notes 附註		
Profit/(loss) for the year attributable to:	下列人士應佔			
	年內溢利／(虧損)：			
Owners of the Company	本公司擁有人	11	<u>402,195</u>	<u>(959,816)</u>
Earning/(loss) per share attributable to the owners of the Company	本公司擁有人應佔			
	每股盈利／(虧損)	12		
– Basic (HK\$ per share)	– 基本 (每股港元)		<u>0.394</u>	<u>(2.01)</u>
– Diluted (HK\$ per share)	– 攤薄 (每股港元)		<u>(0.023)</u>	<u>(2.01)</u>

The accompanying notes form an integral part of these consolidated financial statements. 隨附附註為該等綜合財務報表之組成部分。

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收入表

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit/(loss) for the year	年度溢利／（虧損）	402,195	(959,816)
Other comprehensive income for the year	年度其他全面收入		
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益之項目：		
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表產生之匯兌差額	<u>(3,001)</u>	<u>3,119</u>
Other comprehensive income for the year	年度其他全面收入	<u>(3,001)</u>	<u>3,119</u>
Total comprehensive profit/(loss) for the year	年度全面溢利／（虧損）總額	<u>399,194</u>	<u>(956,697)</u>
Total comprehensive profit/(loss) for the year attributable to:	下列人士應佔年度全面溢利／（虧損）總額：		
Owners of the Company	本公司擁有人	<u>399,194</u>	<u>(956,697)</u>

The accompanying notes form an integral part of these consolidated financial statements. 隨附附註為該等綜合財務報表之組成部份。

Consolidated Statement of Financial Position

綜合財務狀況表

As at 30 June 2018 於二零一八年六月三十日

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	246	473
Intangible assets	無形資產	15	-	-
Investment deposits	投資按金	20	-	15,000
			<u>246</u>	<u>15,473</u>
Current assets	流動資產			
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	17	21	53
Accounts receivable	應收賬款	18	2,282	2,658
Loan receivables	應收貸款	19	6,851	-
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	20	13,177	4,444
Cash and cash equivalents	現金及現金等價物	21	4,883	10,806
			<u>27,214</u>	<u>17,961</u>
Current liabilities	流動負債			
Account payables, accrued expenses and other payables	應付賬款、應計費用及其他應付款項	22	55,150	34,421
Borrowings	借貸	24	10,500	-
Promissory notes	承兌票據	25	-	-
Convertible bonds	可換股債券	26	118,800	43,640
Tax payable	應付稅項		17,242	13,249
			<u>201,692</u>	<u>91,310</u>
Net current liabilities	流動負債淨額		<u>(174,478)</u>	<u>(73,349)</u>
Total assets less current liabilities	總資產減流動負債		<u>(174,232)</u>	<u>(57,876)</u>

Consolidated Statement of Financial Position

綜合財務狀況表

As at 30 June 2018 於二零一八年六月三十日

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Notes 附註		
Non-current liabilities	非流動負債			
Convertible bonds	可換股債券	26	-	526,350
Deferred taxation	遞延稅項	27	-	-
			-	526,350
Net liabilities	負債淨額		(174,232)	(584,226)
Equity	權益			
Share capital	股本	28	10,529	9,979
Reserves	儲備	31	(184,761)	(594,205)
Total deficit	虧絀總額		(174,232)	(584,226)

The consolidated financial statements were approved and authorised for issue by the board of directors on 28 September 2018 and are signed on its behalf by:

綜合財務報表已於二零一八年九月二十八日獲董事會批准及授權刊發，並由下列董事代表簽署：

Wang Yu
王宇
Director
董事

Lau King Hang
劉勁恒
Director
董事

The accompanying notes form an integral part of these consolidated financial statements.

隨附附註為該等綜合財務報表之組成部份。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Capital redemption reserve 資本贖回儲備 HK\$'000 千港元	Exchange reserve 匯兌儲備 HK\$'000 千港元	Other reserves 其他儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 July 2016	於二零一六年七月一日	79,625	1,049,931	38,628	52,959	43	161	(743)	(1,354,934)	(134,330)
Loss for the year	年度虧損	-	-	-	-	-	-	-	(959,816)	(959,816)
Other comprehensive loss for the year:	年度其他全面虧損:									
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益之項目:									
Exchange difference on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表產生之匯兌差額	-	-	-	-	-	3,119	-	-	3,119
Total comprehensive income for the year	年度全面收入總額	-	-	-	-	-	3,119	-	(959,816)	(956,697)
Placing of shares	配售股份	16,243	9,219	-	-	-	-	-	-	25,462
Capital reorganisation	股本重組	(93,639)	-	-	93,639	-	-	-	-	-
Issue of subscription shares	發行認購股份	750	36,750	-	-	-	-	-	-	37,500
Issue of shares upon exercise of convertible bonds	於行使可換股債券時發行股份	7,000	436,839	-	-	-	-	-	-	443,839
At 30 June 2017	於二零一七年六月三十日	9,979	1,532,739	38,628	146,598	43	3,280	(743)	(2,314,750)	(584,226)
Profit for the year	年度溢利	-	-	-	-	-	-	-	402,195	402,195
Other comprehensive loss for the year:	年度其他全面虧損:									
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益之項目:									
Exchange difference on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表產生之匯兌差額	-	-	-	-	-	(3,001)	-	-	(3,001)
Total comprehensive income for the year	年度全面收入總額	-	-	-	-	-	(3,001)	-	402,195	399,194
Lapse of share option	購股權失效	-	-	(23,133)	-	-	-	-	23,133	-
Issue of shares upon exercise of convertible bonds	於行使可換股債券時發行股份	550	10,250	-	-	-	-	-	-	10,800
At 30 June 2018	於二零一八年六月三十日	10,529	1,542,989	15,495	146,598	43	279	(743)	(1,889,422)	(174,232)

The accompanying notes form an integral part of these consolidated financial statements. 隨附附註為該等綜合財務報表之組成部份。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

		2018 二零一八年	2017 二零一七年
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Cash flows from operating activities	經營業務產生之現金流量		
Profit/(loss) for the year	年度溢利／（虧損）	402,195	(959,816)
Adjustments for:	就以下項目作出調整：		
Income tax	所得稅	9	(106)
Depreciation	折舊	14	256
Impairment loss on account receivables	應收賬款之減值虧損	1,098	395
Impairment loss on investment deposit	投資按金之減值虧損	15,000	-
Amortisation of intangible assets	無形資產攤銷	15	423
Interest income	利息收入	(4)	(114)
Dividend income	股息收入	6	(2)
Extinguishment on repayment of promissory notes	清償承兌票據	-	289,250
Extinguishment on repayment of borrowings	清償借貸	-	196,986
Fair value (gain)/loss on convertible bonds	可換股債券之公平值（收益）／虧損	(403,200)	242,315
Loss on issuance of convertible bonds	發行可換股債券之虧損	-	101,088
(Gain)/loss on conversion of convertible bonds	兌換可換股債券時之（收益）／虧損	(37,014)	91,855
Change in fair value financial assets at fair value through profit or loss	按公平值計入損益之金融資產之公平值變動	32	(10)
Finance costs	財務費用	7	4,898
Loss on disposal property, plant and equipment	出售物業、廠房及設備之虧損	-	10

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

	Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Operating cash flows before movements in working capital	未計營運資金變動前之經營現金流量	(20,374)	(32,572)
(Increase)/decrease in account receivables	應收賬款(增加)/減少	(722)	384
Increase in loan receivables	應收貸款增加	(6,851)	-
(Increase)/decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收款項(增加)/減少	(8,733)	1,577
Increase in trade payables, accrued expenses and other payables	貿易應付賬款、應計費用及其他應付款項增加	23,359	2,498
Net cash used in operating activities	經營業務所用之現金淨額	(13,321)	(28,113)
Cash flows from investing activities	投資活動產生之現金流量		
Interest received	已收利息	4	114
Dividend received	已收股息	2	2
Payment for purchase of property, plant and equipment	購置物業、廠房及設備之付款	(35)	(151)
Net cash used in investing activities	投資活動所用之現金淨額	(29)	(35)

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	Notes 附註		
Cash flows from financing activities	融資活動產生之現金流量		
Proceeds from borrowings	借貸所得款項	11,400	9,000
Repayment of borrowings	償還借貸	(900)	(21,500)
Net proceeds from issue of convertible bonds	發行可換股債券所得款項淨額	–	24,329
Net proceeds from placing of shares	配售股份所得款項淨額	–	25,462
Net proceeds from issue of subscription shares	發行認購股份所得款項淨額	–	750
Interest paid	已付利息	(68)	(4,898)
Net cash generated from financing activities	融資活動產生之現金淨額	10,432	33,143
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額	(2,918)	4,995
Effect of foreign exchange rate changes	外匯匯率變動之影響	(3,005)	373
Cash and cash equivalents at the beginning of the year	年初之現金及現金等價物	10,806	5,438
Cash and cash equivalents at the end of the year	年終之現金及現金等價物	4,883	10,806
Analysis of balances of cash and cash equivalents:	現金及現金等價物之結餘分析:		
Being:	為:		
Cash and cash equivalents	現金及現金等價物	21 4,883	10,806

The accompanying notes form an integral part of these consolidated financial statements. 隨附附註為該等綜合財務報表之組成部份。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

1. GENERAL INFORMATION

Inno-Tech Holdings Limited (the “Company”) was incorporated in Bermuda on 19 November 2001 as an exempted company with limited liability under the Companies Act of Bermuda. The shares of the Company are listed on GEM of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and principal place of business of the Company are located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and 1015, Level 10, Tower 1, Grand Century Place, Mong Kok, Kowloon, Hong Kong respectively.

The Company is an investment holding company. The principal activities of the Company’s subsidiaries are engaged in the provision of outdoor advertising on buses and bus stations and television advertising operation in the People’s Republic of China and event management and marketing services in Hong Kong.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current year, the Group has applied the following new and revised HKFRSs issued by the Hong Kong Institute Certified Public Accountants (“HKICPA”).

Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition to Deferred Tax Assets for unrealised Losses
Annual Improvement to HKFRSs 2014-2016 Cycle	Amendments to HKFRS 12, Disclosure of Interests in Other Entities

The application of the new and revised HKFRSs in the current year has had no material impact on the Company’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

1. 一般資料

匯創控股有限公司(「本公司」)於二零零一年十一月十九日在百慕達根據百慕達公司法註冊成立為獲豁免有限公司。本公司股份在香港聯合交易所有限公司(「聯交所」)GEM上市。本公司之註冊辦事處及主要營業地點分別為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda及香港九龍旺角新世紀廣場1座10樓1015室。

本公司為投資控股公司。本公司附屬公司之主要業務為於中華人民共和國從事提供巴士及巴士站戶外廣告及經營電視廣告業務以及於香港的活動管理及市場推廣服務。

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

於本年度，本集團已應用以下由香港會計師公會(「香港會計師公會」)頒佈之新訂及經修訂香港財務報告準則。

香港會計準則第7號	披露計劃
(修訂)	
香港會計準則第12號	就未變現虧損確認
(修訂)	遞延稅項資產
香港財務報告準則	香港財務報告準則
二零一四年至	第12號(修訂)，
二零一六年週期之	於其他實體之
年度改進	權益之披露

本年度應用新訂及經修訂香港財務報告準則對本年度及過往年度之本集團財務表現及狀況及／或載於該等綜合財務報表之披露並無任何重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Cont'd)

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRS 9	Financial Instruments ¹
HKFRS 15 and amendments to HKFRS 15	Revenue from Contracts with Customers ¹
HKFRS 16	Leases ²
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions ¹
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts ²
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 19	Plan Amendments, Curtailment or Settlement ³
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ³
Amendments to HKAS 40	Transfers on Investment Property ¹
Amendments to HKFRSs	Annual Improvements to HKFRSs 2014-2016 Cycle ²
Amendments HKFRSs	Annual Improvements to HKFRSs 2015-2017 ³
HK (IFRIC) Interpretation 22	Foreign Currency Transactions and Advance Consideration ¹
HK(IFRIC) Interpretation 23	Uncertainty over Income Tax Treatments ³

¹ Effective for annual periods beginning on or after 1 January 2018

² Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted. Overlay approach to be applied when IFRS 9 is first applied. Deferral approach effective for annual periods beginning on or after 1 January 2018 and only available for three years after that date

³ Effective for annual periods beginning on or after 1 January 2019

⁴ Effective for annual periods beginning on or after a date to be determined

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

本集團並無提早應用以下已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第9號	金融工具 ¹
香港財務報告準則第15號及香港財務報告準則第15號（修訂）	客戶合約收益 ¹
香港財務報告準則第16號	租賃 ²
香港財務報告準則第2號（修訂）	以股份為基礎付款的交易的分類及計量 ¹
香港財務報告準則第4號（修訂）	應用香港財務報告準則第4號保險合約時一併應用香港財務報告準則第9號金融工具 ²
香港財務報告準則第9號（修訂）	具有負補償之預付款項特徵 ³
香港財務報告準則第10號及香港會計準則第28號（修訂）	投資者與其聯營公司或合營企業之間之資產出售或出資 ³
香港會計準則第19號（修訂）	計劃修訂、縮減或結算 ³
香港會計準則第28號（修訂）	於聯營公司及合營企業之長期權益 ³
香港會計準則第40號（修訂）	轉撥投資物業 ¹
香港財務報告準則（修訂）	香港財務報告準則二零一四年至二零一六年週期之年度改進 ²
香港財務報告準則（修訂）	香港財務報告準則二零一五年至二零一七年之年度改進 ³
香港（國際財務報告詮釋委員會）－詮釋第22號	外幣交易及預付代價 ¹
香港（國際財務報告詮釋委員會）－詮釋第23號	所得稅待遇不確定性 ³

¹ 於二零一八年一月一日或其後開始之年度期間生效

² 於二零一八年一月一日或其後開始之年度期間生效，允許提早應用。於首次應用國際財務報告準則第9號時將應用重疊方法。遞延方法於二零一八年一月一日或之後開始的年度期間生效，且僅可於該日起計三年內適用

³ 於二零一九年一月一日或其後開始之年度期間生效

⁴ 於特定日期或以後開始之年度期間生效

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綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

HKFRS 9 Financial Instruments

HKFRS 9 has introduced new requirements for a) classification and measurement of financial assets, b) impairment of financial assets and c) general hedge accounting.

Specifically, with regard to the classification and measurement of financial assets, HKFRS 9 requires all recognised financial assets that are within the scope of HKFRS 9 to be subsequently measured at amortised cost or fair value. Debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of each of the subsequent accounting periods. Debt investments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that are solely payments of principal and interest on the principal amount outstanding, are generally measured at fair value through other comprehensive income (FVTOCI). All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. Further, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 applies) in other comprehensive income, with only dividend income generally recognised in profit or loss and that cumulative fair value changes will not be reclassified to profit or loss upon derecognition of the investment.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號金融工具

香港財務報告準則第9號引入a)金融資產分類及計量；b)金融資產減值；及c)一般對沖會計之新要求。

具體而言，就金融資產分類及計量而言，香港財務報告準則第9號要求香港財務報告準則第9號範圍內的所有已確認金融資產隨後按攤銷成本或公平值計量。按其目標為收取合約現金流之業務模式持有之債務投資，以及合約現金流僅為支付本金及未償還本金之利息之債務投資，一般於其後各會計期末按攤銷成本計量。按其目標為同時收取合約現金流及出售金融資產之業務模式中持有之債務工具，以及合約條款純粹為支付本金及尚未償還本金利息的債務工具，一般均按透過其他全面收入按公平值列賬之方式計量。所有其他債務投資及股本投資於其後會計期末按公平值計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回選擇於其他全面收入呈列股本投資（並非持作買賣或應用香港財務報告準則第3號收購方於業務合併所確認的或然代價）之其後公平值變動，而一般僅於損益內確認股息收入；當取消確認投資後，累計公平值變動將不會重新分類至損益。

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綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

HKFRS 9 Financial Instruments (Cont’d)

With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of a financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of such changes in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability’s credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.

With regard to impairment of financial assets, HKFRS 9 has adopted an expected credit loss model, as opposed to an incurred credit loss model required under HKAS 39. In general, the expected credit loss model requires an entity to assess the change in credit risk of the financial asset since initial recognition at each reporting date and to recognise the expected credit loss depending on the degree of the change in credit risk.

With regard to the general hedge accounting requirements, HKFRS 9 retains the three types of hedge accounting mechanisms currently available in HKAS 39. Under HKFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an “economic relationship”. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity’s risk management activities have also been introduced.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號金融工具（續）

就指定為按公平值計入損益之金融負債之計量而言，香港財務報告準則第9號規定，因金融負債信貸風險有變而導致該負債之公平值變動之款額乃於其他全面收入呈列，除非於其他全面收入確認該等變動會產生或增加損益之會計錯配，則作別論。因金融負債信貸風險而導致公平值變動其後不會重新分類至損益。根據香港會計準則第39號，指定為按公平值計入損益之金融負債之全部公平值變動款額均於損益中呈列。

就金融資產之減值而言，與香港會計準則第39號項下按已產生信貸虧損模式計算相反，香港財務報告準則第9號已採納預期信貸虧損模式計算。通常，預期信貸虧損模式規定實體於各報告日期評估金融資產自初始確認以來的信貸風險變動，並根據信貸風險變動程度確認預期信貸虧損。

就一般對沖會計規定而言，香港財務報告準則第9號保留目前根據香港會計準則第39號可用的三種對沖會計機制。根據香港財務報告準則第9號，在符合對沖會計處理的交易類型方面提供更大的靈活性，尤其是擴大合資格作對沖工具的工具類型及合資格進行對沖會計之非金融項目風險部分的類型。此外，有效性測試已經全面改革，並以「經濟關係」原則取代。對沖有效性亦不再需要追溯評估。同時，亦引入有關實體風險管理活動的強化披露規定。

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綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

HKFRS 9 Financial Instruments (Cont’d)

The Group is still in the process of assessing the impact of HKFRS 9. The directors of the Company believe that it is impractical to disclose the impact in these consolidated financial statements until the Group has completed the assessment.

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and the related Interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, HKFRS 15 introduces a 5-step approach to revenue recognition.

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號金融工具（續）

本集團仍在就香港財務報告準則第9號進行評估。本公司董事認為在本集團完成評估前於該等綜合財務報表中披露有關影響並不可行。

香港財務報告準則第15號客戶合約收益

香港財務報告準則第15號制定單一全面模式，供實體用作將自客戶合約所產生的收益入賬。於香港財務報告準則第15號生效後，其將取代香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋現時所載的收益確認指引。

香港財務報告準則第15號之核心原則為實體在確認收益時，應將承諾貨品或服務轉移至客戶之交易以金額形式描述，而該金額能反映該實體預期就交換該等貨品或服務有權獲得之代價。具體而言，香港財務報告準則第15號引入確認收益的五個步驟。

- 第一步： 識別與客戶訂立之合約
- 第二步： 識別合約中之履約責任
- 第三步： 釐定交易價
- 第四步： 將交易價分配至合約中之履約責任
- 第五步： 於（或隨著）實體完成履約責任時確認收益

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

HKFRS 15 Revenue from Contracts with Customers (Cont’d)

Under HKFRS 15, an entity recognises revenue when a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

The Group is still in the process of assessing the impact of HKFRS 15. The directors of the Company believe that it is impractical to disclose the impact in these consolidated financial statements until the Group has completed the assessment.

HKFRS 16 Leases

HKFRS 16 will supersede the current lease guidance including HKAS 17 Leases and the related interpretations when it becomes effective.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第15號客戶合約收益（續）

根據香港財務報告準則第15號，實體於完成履約責任時確認收益，即於特定履約責任相關之商品或服務的「控制權」轉讓予客戶時。香港財務報告準則第15號已就特別情況之處理方法加入更明確之指引。此外，香港財務報告準則第15號要求更詳盡之披露。

本集團仍在就香港財務報告準則第15號進行評估。本公司董事認為在本集團完成評估前於該等綜合財務報表中披露有關影響並不可行。

香港財務報告準則第16號租賃

香港財務報告準則第16號將於其生效時取代當前的租賃指引，包括香港會計準則第17號租賃及相關注釋。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

HKFRS 16 Leases (Cont’d)

With regard to lessee accounting, the distinction of operating leases and finance leases, as required by HKAS 17, has been replaced by a model which requires a right-of-use asset and a corresponding liability to be recognised for all leases by lessees except for short-term leases and leases of low value assets. Specifically, the right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any re-measurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments. Furthermore, the classification of cash flows will also be affected as operating lease payments under HKAS 17 are presented as operating cash flows; whereas, under the HKFRS 16 model, the lease payments will be split into a principal and an interest portion which will be presented as financing and operating cash flows respectively.

With regard to lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, HKFRS 16 requires extensive disclosures in the consolidated financial statements.

The Group is in the process of assessing the impact of HKFRS 16. The directors of the Company believe that it is impractical to disclose the impact in these consolidated financial statements until the Group has completed the assessment.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第16號租賃（續）

就承租人會計處理而言，根據香港會計準則第17號，經營租賃及融資租賃的劃分已由某一模式取代，其規定承租人須就所有租賃確認使用權資產及相應負債，惟短期租賃及租賃低價值資產除外。具體而言，使用權資產初步按成本計量，其後按成本（受若干例外情況所限）減累計折舊及減值虧損（就租賃負債重新計量作出調整）計量。租賃負債初步按於該日尚未支付的租賃付款現值計量。其後，租賃負債就利息及租賃付款作出調整。此外，現金流量的分類亦將受到影響，原因為香港會計準則第17號下的經營租賃付款呈列為經營現金流量，而根據香港財務報告準則第16號模式，租賃付款將拆分為本金及利息部分，分別呈列為融資現金流量及經營現金流量。

就出租人會計處理而言，香港財務報告準則第16號大致保留香港會計準則第17號內出租人的會計要求並繼續要求出租人將其租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號要求於綜合財務報表內進行更全面的披露。

本集團仍在就香港財務報告準則第16號進行評估。本公司董事相信在本集團完成評估前於該等綜合財務報表中披露有關影響並不可行。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with all applicable HKFRSs, which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“HKASs”) and interpretations issued by the HKICPA, accounting principles generally accepted in Hong Kong and the applicable disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited. A summary of the significant accounting policies adopted by the Group is set out below.

(b) Basis of preparation of the consolidated financial statements

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange of assets.

Item included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). Hong Kong dollar is the Company’s functional and presentation currency. These consolidated financial statements are presented in Hong Kong dollars (“HK\$”) rounded to the nearest thousand except when otherwise indicated.

3. 主要會計政策

(a) 合規聲明

綜合財務報表已根據香港會計師公會頒佈之所有適用香港財務報告準則（包括所有適用個別香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）、香港公認會計原則及香港公司條例之適用披露規定編製。此等綜合財務報表亦遵守香港聯合交易所有限公司GEM證券上市規則之適用披露規定。下文載列本集團採用之主要會計政策概要。

(b) 綜合財務報表之編製基準

綜合財務報表乃根據歷史成本法編製，惟若干按公平值計量之金融工具除外（如下列會計政策闡釋）。歷史成本一般以換取資產所付代價之公平值為基準。

本集團旗下各實體之財務報表所包括項目乃採用實體經營之主要經濟環境之貨幣（「功能貨幣」）計量。港元為本公司之功能及呈報貨幣。此等綜合財務報表以港元（「港元」）呈報，有關金額均調整至最接近之千位數，惟其他指明者除外。

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綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(b) Basis of preparation of the consolidated financial statements (Cont'd)

(i) Going concern basis

In preparing the consolidated financial statements, the directors of the Company have given careful consideration to the future liquidity not withstanding that:

- The Group had consolidated net current liabilities and capital deficiency of approximately HK\$174,478,000 (2017: HK\$73,349,000) and HK\$174,252,000 (2017: HK\$584,226,000) respectively as at 30 June 2018.

The Directors reviewed the Group's financial and liquidity position, and have taken the following actions to mitigate the liquidity issues faced by the Group:

- (a) possible fund raising activities including, but not limited to, further placing, rights issues or open offer are to be attempted;
- (b) the Group is planning and implementing a growth strategy to develop and expand existing business. The Group is in negotiation with a number of customers and in arm's length, sales agreements such as mobile e-sports, on-line advertising will be completed and implemented; and
- (c) the management plans to dispose of business undertakings which would cut losses to the Group and also result in better allocation of resources. Also, the management plans to explore new business which will provide a growing and recurring source of income.

The Group is taking measures to tighten cost controls over various costs and expenses and to seek new investment and business opportunities with an aim to attain profitable and positive cash flow operations.

3. 主要會計政策 (續)

(b) 綜合財務報表之編製基準 (續)

(i) 持續經營基準

在編製綜合財務報表時，本公司董事已審慎考慮日後之流動資金情況，儘管：

- 本集團於二零一八年六月三十日之綜合流動負債淨額及資本虧絀分別為約174,478,000港元（二零一七年：73,349,000港元）及174,252,000港元（二零一七年：584,226,000港元）。

董事已審閱本集團財務及流動資金狀況，並已採取以下行動紓緩本集團面臨之流動資金問題：

- (a) 擬進行包括（但不限於）進一步配售、供股或公開發售之可能集資活動；
- (b) 本集團正在計劃及實施增長策略以發展及擴大現有業務。本集團正在與若干客戶進行公平磋商，並將完成及實施如移動電競及網上廣告之銷售協議；及
- (c) 管理層計劃出售營運業務，其將降低本集團之虧損，亦導致更佳資源分配。此外，管理層計劃開拓新業務，其將提供增長及經常性收入來源。

本集團現正採取各種措施，加強對多項成本和開支項目之成本控制，並尋求新投資和業務機遇，旨在達致能賺取利潤和正現金流之營運。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

(b) Basis of preparation of the consolidated financial statements (Cont'd)

(i) Going concern basis (Cont'd)

The applicability of the going concern basis is dependent on the favourable outcome of the proposed measures being implemented by the Group, in order for the Group to meet its financial obligations as they fall due and to finance its future working capital and financial needs. These consolidated financial statements do not include any adjustments that may result if the measures could not be implemented successfully. If the proposed measures could not proceed successfully and the going concern basis was not be appropriate, adjustments would have to be made to the consolidated financial statements to reduce the value of the assets of the Group to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively.

In the opinion of the directors of the Company, in light of the various measures or arrangements implemented or will be implemented after the end of the reporting period, the Group will have sufficient working capital for its current requirements and it is reasonable to expect the Group to remain a commercially viable concern. Accordingly, the directors considered that it is appropriate to prepare the consolidated financial statements on a going concern basis.

(b) 綜合財務報表之編製基準 (續)

(i) 持續經營基準 (續)

持續經營基準是否適用，取決於本集團所實行之建議措施是否取得良好效果，以令本集團可履行其到期之財務責任，以及為其未來營運資金及財務需求撥付資金。該等綜合財務報表並不包括因未能成功推行措施而可能作出之任何調整。倘建議措施未能成功推行，而持續經營基準並不適用，則須就綜合財務報表作出調整，包括將本集團資產價值減至其可收回金額、為可能產生之任何額外負債作出撥備，以及分別將非流動資產及非流動負債重新分類為流動資產及流動負債。

本公司董事認為，考慮到呈報期末後實施或將予實施之多項措施或安排，本集團將有充足營運資金應付其目前所需，亦可合理預期本集團能維持商業上可行之經營。因此，董事認為以持續經營基準編製綜合財務報表為合適。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

3. 主要會計政策 (續)

(c) 綜合基準

綜合財務報表涵蓋本公司及本公司(其附屬公司)所控制之實體(包括特別目的實體)之財務報表。倘本公司有權監管某實體之財務及營運政策,藉此從其業務中取得利益,即取得控制權。

於年內所收購或出售之附屬公司之收支自收購生效日期起至出售生效日期(如適用)止計入綜合損益及其他全面收入表。附屬公司之全面收入總額歸屬於本公司擁有人及非控制性權益,即使此舉導致非控制性權益結餘出現虧絀。

於必要時就附屬公司之財務報表作出調整,以令彼等之會計政策與本集團其他成員公司所採用者相一致。

集團內部各公司之間之所有交易、結餘及收支均於綜合時全數抵銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

(d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances and transactions and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the portion of the net assets of subsidiaries attributable to interests that are not owned by the Company, whether directly or indirectly through subsidiaries, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the owners of the Company even if this results in the non-controlling interests having a deficit balance.

(d) 附屬公司及非控制性權益

附屬公司指本集團控制之實體。當本集團因參與實體之營運而承受或享有其可變回報，並有能力透過其對實體之權力影響該等回報，則本集團對實體擁有控制權。當評估本集團是否擁有權力時，僅考慮實質權力（由本集團及其他人士持有）。

於一間附屬公司之投資自控制權開始當日起至控制權終止當日止於綜合財務報表中綜合計算。集團內部結餘和交易，以及集團內部交易所產生之任何未變現溢利，均在編製綜合財務報表時全數抵銷。集團內部交易所致之未變現虧損之抵銷方法與未變現溢利相同，惟抵銷額僅限於並無證據顯示已出現減值之部分。

非控制性權益為並非由本公司擁有（不論直接或間接透過附屬公司）之權益應佔附屬公司之資產淨值部分，本集團並無就此與該等權益持有人協定任何額外條款，以致本集團整體須就符合金融負債定義之該等權益承擔合約責任。非控制性權益與本公司擁有人應佔權益分開呈列，列入綜合財務狀況表之權益內。於本集團業績內之非控制性權益，在綜合損益及其他全面收入表以年內分配予非控制性權益與本公司擁有人之溢利或虧損總額及全面收入總額方式呈列（即使此舉將導致非控制性權益結餘出現虧絀）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(d) Subsidiaries and non-controlling interests

(Cont'd)

Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position depending on the nature of the liability.

In the Company's statement of financial position, investments in subsidiaries and amounts due from subsidiaries are carried at cost less impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

(e) Business combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

3. 主要會計政策 (續)

(d) 附屬公司及非控制性權益 (續)

非控制性權益持有人發放之貸款及對該等持有人負擔之其他合約責任(視乎負債性質而定)於綜合財務狀況表內呈列為財務負債。

於本公司之財務狀況表內，於附屬公司之投資及應收附屬公司之款項乃按成本扣除減值虧損後列賬。本公司按已收取及應收取股息之基準就附屬公司之業績入賬。

(e) 業務合併

業務收購乃採用收購法入賬。於業務合併轉撥之代價按公平值計量，該代價按本集團為換取被收購方之控制權而轉撥之資產、本集團向被收購方之前擁有人承擔之負債及本集團發行之股本權益於收購日期之公平值總和計算。與收購事項有關之成本於產生時在損益中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(e) Business combination (Cont'd)

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at the fair value, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to the share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment transactions with share-based payment transactions of the Group are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date; and
- assets (or disposal Groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after assessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

3. 主要會計政策 (續)

(e) 業務合併 (續)

於收購日期，所收購之可識別資產及所承擔之負債按公平值確認，惟下列項目除外：

- 遞延稅項資產或負債及與僱員福利安排有關之負債或資產分別根據香港會計準則第12號*所得稅*及香港會計準則第19號*僱員福利*確認及計量；
- 與被收購方以股份支付款項交易或本集團之以股份支付款項交易替換被收購方以股份支付款項交易有關之負債或股本工具於收購日期根據香港財務報告準則第2號*以股份支付款項*計量；及
- 根據香港財務報告準則第5號*持作出售之非流動資產及已終止經營業務*分類為持作出售之資產（或出售組合）根據該準則計量。

商譽計量為所轉撥之代價、於被收購方之任何非控制性權益之金額及收購方之前持有被收購方股本權益（如有）之公平值之總和超出所收購之可識別資產及承擔之負債於收購日期之淨額之部分。倘於進行評估後，本集團於被收購方之可識別資產淨值之公平值權益超出所轉撥之代價、於被收購方之任何非控制性權益之金額及收購方先前持有被收購方權益（如有）之公平值總和，超出部分即時於損益中確認為議價購買收益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(e) Business combination (Cont'd)

Non-controlling interests may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another HKFRS.

Where the consideration the Group transfers in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and considered as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with HKAS 39 *Financial Instruments: Recognition and Measurement*, or HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

3. 主要會計政策 (續)

(e) 業務合併 (續)

非控制性權益可能按公平值或於非控制性權益應佔被收購方可識別資產淨值之公平值比例初始計量。計量基準之選擇乃按照個別交易基準而作出。其他種類的非控制性權益乃按其公平值或(如適用)另一項香港財務報告準則指定之基準計量。

倘本集團於業務合併中轉撥之代價包括或然代價安排產生之資產或負債，該或然代價按其收購日期公平值計量，並視為於業務合併中所轉撥之部分代價。或然代價之公平值變動(合資格作為計量期間調整)會進行追溯調整，並對商譽作出相應調整。計量期間調整為於「計量期間」(其不可超過收購日期起計之一年)獲得之額外資料(與於收購日期存在之事實及情況有關)所導致的調整。

或然代價(不合資格作為計量期間調整)公平值變動之其後會計處理取決於或然代價之分類而定。分類為權益之或然代價並無於其後之報告日期重新計量，而其隨後結算於權益內入賬。分類為資產或負債之或然代價根據香港會計準則第39號*金融工具：確認和計量*或香港會計準則第37號*撥備、或然負債及或然資產*(如適用)於其後之報告日期重新計量，而相應之收益或虧損則於損益中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

(e) Business combination (Cont'd)

Where a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

(f) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

(e) 業務合併 (續)

倘業務合併分階段完成，本集團先前於被收購方持有之股本權益將重新計量至收購日期（即本集團獲得控制權當日）之公平值，所產生之收益或虧損（如有）則於損益確認。於收購日期前由被收購方權益產生，並已於過往在其他全面收入確認之金額，須如以往出售權益之合適處理方法重新分類至損益。

倘業務合併的初步會計處理於合併產生的報告期末仍未完成，則本集團會就仍未完成會計處理的項目呈報暫定金額。該等暫定金額於計量期間（見上文）內作出調整，以及確認額外資產或負債，以反映獲得有關於收購日期已存在事實及情況的新資料，而倘知悉該等資料，將會影響於該日確認的金額。

(f) 商譽

收購業務產生之商譽按收購業務當日釐定之成本（見上文會計政策）減累計減值虧損（如有）列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(f) Goodwill (Cont'd)

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently whenever there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated statement of profit or loss and other comprehensive income. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3. 主要會計政策 (續)

(f) 商譽 (續)

就減值測試目的而言，商譽分配至預期可透過合併之協同效益獲利之本集團每個現金產生單位（或現金產生單位組別）。

獲分配商譽之現金產生單位會每年進行減值測試，但倘有跡象顯示某單位可能會發生減值，則會更頻繁地進行減值測試。倘現金產生單位之可收回金額低於賬面值，減值虧損會先分配以扣減分配到該單位之任何商譽賬面值，然後根據該單位每一資產之賬面值之比例分攤到該單位之其他資產。商譽之任何減值虧損直接於綜合損益及其他全面收入表之損益內確認。已確認商譽減值虧損不可在後續期間撥回。

於出售有關現金產生單位時，釐定出售損益時會計入商譽應佔數額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

(g) Other investments in debt and equity securities

The Group's policies for investments in debt and equity securities, other than investments in subsidiaries, associates and jointly controlled entities, are as follows:

Investments in debt and equity securities are initially stated at cost, which is their transaction price unless fair value can be more reliably estimated using valuation techniques whose variables include only data from observable markets. Cost includes attributable transaction costs, except where indicated otherwise below. These investments are subsequently accounted for as follows, depending on their classification:

Investments in securities held for trading are classified as current assets. Any attributable transaction costs are recognised in profit or loss as incurred. At the end of each reporting period the fair value is remeasured, with any resultant gain or loss being recognised in profit or loss. The net gain or loss recognised in profit or loss does not include any dividends or interest earned on these investments.

Dated debt securities that the Group and/or the Company have the positive ability and intention to hold to maturity are classified as held-to-maturity securities. Held-to-maturity securities are subsequently stated in the consolidated statement of financial position at amortised cost less impairment losses.

(g) 於債務及股本證券之其他投資

本集團就債務及股本證券投資之政策 (不包括於附屬公司、聯營公司及共同控制實體之投資) 如下:

於債務及股本證券內之投資初步按成本列賬, 該成本為其交易價格, 除非可使用估值法 (其變數僅包括自可觀察之市場取得之數據) 可靠估計公平值。除以下另有所指, 成本包括可歸屬交易成本。此等投資乃視乎彼等之分類以後以下述方法入賬:

於持作買賣用途之證券的投資分類為流動資產。任何應佔交易成本於產生時於損益確認。公平值於各報告期末重新計量, 任何產生之盈虧於損益確認。於損益確認之盈虧淨額不包括從此等投資賺取之任何股息或利息。

本集團及/或本公司有正面能力及有意持有至到期之有期債務證券分類為持有至到期證券。持有至到期證券其後於綜合財務狀況表中以攤銷成本減去減值虧損列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(g) Other investments in debt and equity securities (Cont'd)

Investments in equity securities that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are recognised in the statement of financial position at cost less impairment losses.

Investments in securities which do not fall into any of the above categories are classified as available-for-sale securities. At the end of each reporting period the fair value is remeasured, with any resultant gain or loss being recognised directly in other comprehensive income, except foreign exchange gains and losses resulting from changes in the amortised cost of monetary items such as debt securities which are recognised directly in profit or loss. Dividend income from these investment is recognised in profit or loss and, where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss. When these investments are derecognised or impaired, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss.

Investments are recognised/derecognised on the date the Group commits to purchase/sell the investments or they expire.

3. 主要會計政策 (續)

(g) 於債務及股本證券之其他投資 (續)

於該等並無於活躍市場擁有掛牌市場價格之股本證券而其公平值又不能可靠地計量之投資，於財務狀況表中以成本減去減值虧損確認。

不屬於以上之任何分類之證券投資分類為可供出售證券。於各報告期末公平值會重新計量，所得之任何盈餘或虧損於其他全面收入中直接確認，惟由於貨幣項目攤銷成本變動（如債務證券）所得之外匯盈餘及虧損於損益中直接確認。來自此等投資之股息收入於損益中確認，同時當此等投資為帶息時便應以實際利息法計算有關利息並於損益中確認。當此等投資被撤銷確認或減值時，以前於股本中直接確認之累積盈虧於損益中確認。

於本集團承諾購買／出售投資時或當其到期時，投資便應予確認／撤銷確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

(h) Property, plant and equipment

(i) Valuation

Property, plant and equipment are stated in the consolidated and company statements of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Subsequent expenditure relating to a property, plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

(ii) Depreciation

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method as follows:

Leasehold improvements	Over the remaining terms of the leases but not exceeding 5 years
Furniture and fixtures	5 years
Equipment	5 years
Motor vehicle	4 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, annually.

(h) 物業、廠房及設備

(i) 估值

物業、廠房及設備乃按成本扣除隨後累計折舊及隨後累計減值虧損(如有)後於綜合及公司財務狀況表列賬。

有關已確認物業、廠房及設備之日後支出，將在可能流向本集團之未來經濟效益超出現有資產原先評估之表現水平時，加入該項資產之賬面值。所有其他日後出現之開支均於出現支出之期間確認為支出。

(ii) 折舊

折舊乃按以下可使用年期以直線法撇銷資產成本減其剩餘價值確認：

租賃物業裝修	於餘下租賃期但不超過5年
傢俬及裝置	5年
設備	5年
汽車	4年

本公司每年對資產之剩餘價值及可使用年期進行檢討，並作出調整(如合適)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(h) Property, plant and equipment (Cont'd)

(iii) Disposals

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gains or losses arising from the disposal or retirement of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

(i) Intangible assets

(i) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and impairment losses.

Subsequent expenditure on an intangible asset after its purchase or its completion is recognised as an expense when it is incurred unless it is probable that the expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standard of performance and this expenditure can be measured and attributed to the asset reliably. If these conditions are met, the subsequent expenditure is added to the cost of the intangible asset.

3. 主要會計政策 (續)

(h) 物業、廠房及設備 (續)

(iii) 出售

物業、廠房及設備項目於出售或預期繼續使用資產不會產生未來經濟利益時取消確認。物業、廠房及設備出售或報廢產生之任何盈虧，以出售所得款項與該資產賬面值兩者間之差額釐定，並於損益中確認。

(i) 無形資產

(i) 單獨購得之無形資產

單獨購得之有限年期無形資產乃按成本扣除累計攤銷及減值虧損列賬。

購買或完成無形資產後產生之日後支出，於產生時確認為支出，除非此項支出可能將致使資產產生超出其原先評估表現水平之未來經濟利益，且此項支出能可靠地計算及計入資產，則作別論。倘符合該等條件，日後開支會計入無形資產之成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

(i) Intangible assets (Cont'd)

(ii) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives as follows:

Licenses	4 to 7 years
Customer relationship	3.3 to 6.3 years
Non-competition agreements	2 years
Media co-operation agreement	4.3 to 9.2 years

(iii) Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss in the period when the asset is derecognised.

(i) 無形資產 (續)

(ii) 於業務合併所收購之無形資產

於業務合併所收購之無形資產乃與商譽分開確認，並初步按其於收購日期之公平值（被視為其成本）確認。

於初步確認後，於業務合併所收購之無形資產乃按成本減累計攤銷及累計減值虧損呈報。攤銷以直線基準按以下估計可使用年期確認：

牌照	4至7年
客戶關係	3.3至6.3年
不競爭協議	2年
媒體合作協議	4.3至9.2年

(iii) 取消確認無形資產

無形資產於出售或預期使用或出售不會產生未來經濟利益時取消確認。取消確認無形資產產生之盈虧乃按出售所得款項淨額與資產賬面值間之差額計量，並於資產取消確認之期間內於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(j) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

Operating lease charges

Where the Group has the use of assets under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are written off as an expense of the accounting period in which they are incurred.

(k) Impairment of assets

(i) *Impairment of financial assets*

Financial assets, other than those at financial assets at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

3. 主要會計政策 (續)

(j) 租賃資產

如果本集團確定一項安排(包括一項交易或一系列交易)在一段議定期間內涉及一項或一些特定資產的使用權,以換取一筆或多筆付款,則這項安排便視為租賃或包含租賃。確定時是以對有關安排的實質內容所作評估為準,而且不管這項安排是否屬租賃的法定形式。

經營租賃費用

倘本集團透過經營租賃使用資產,則根據租賃作出之付款會在租賃期所涵蓋會計期間內,以等額分期在損益扣除,但如有其他基準能更清楚地反映租賃資產所產生的利益模式則除外。所收取之租賃激勵措施均在損益中確認為租賃淨付款總額的組成部分。或然租金於產生之會計期內以支出撇銷。

(k) 資產減值

(i) *金融資產減值*

於各報告期末對金融資產(按公平值計入損益之金融資產除外)評估減值跡象。當有客觀證據表明於初步確認金融資產後出現一個或多個事件而令投資之估計未來現金流量遭受影響,則金融資產被認為予以減值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

(k) Impairment of assets (Cont'd)

(i) Impairment of financial assets (Cont'd)

For available-for-sale equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the debtor; or
- breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

(k) 資產減值 (續)

(i) 金融資產減值 (續)

就可供出售股本投資而言，證券之公平值大幅或持久跌至低於其成本，則被視為減值之客觀證據。

就所有其他金融資產而言，減值之客觀證據包括：

- 債務人有重大財務困難；或
- 違反合約，如不支付或拖欠償還利息或本金還款；
- 債務人可能破產或進行其他財務重組；
- 科技、市場、經濟或法律環境有重大改變而對債務人有不利影響；及
- 股本工具投資之公平值大幅或長期下跌至低於其成本值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(k) Impairment of assets (Cont'd)

(i) Impairment of financial assets (Cont'd)

If any such evidence exists, any impairment loss is determined and recognised as follows:

- For unlisted equity securities carried at cost, impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for equity securities are not reversed.
- For trade and other current receivables and other financial assets carried at amortised cost, impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where financial assets carried at amortised cost share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

3. 主要會計政策 (續)

(k) 資產減值 (續)

(i) 金融資產減值 (續)

如任何此等證據存在，任何減值虧損根據下列方法釐定及確認：

- 就按成本入賬的非上市股本證券而言，如折算後的影響重大，按金融資產的賬面值及估計未來現金流量按類似金融資產的現時市場回報率折算後，以兩者之差額計算減值虧損。股本證券的減值虧損並不會被撥回。
- 就貿易及其他本期應收款項及按攤銷成本列賬的其他金融資產而言，如折算後的影響重大，減值虧損將按資產的賬面值及估計未來現金流量現值的差額計算並以金融資產的原始實際利率（即於初步確認該等資產時計算的實際利率）折算。所有按攤銷成本列賬之金融資產若擁有類似風險性質（如相近的過期未付情況）和沒有被獨立評估為減值，均按整體評估。而該等被評估整體減值之金融資產的未來現金流量乃根據與匯集組別具相似信貸風險性質的資產的過往虧損經驗。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

(k) Impairment of assets (Cont'd)

(i) Impairment of financial assets (Cont'd)

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

(ii) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following items may be impaired or an impairment loss previously recognised no longer exists or may have been decreased:

- interest in subsidiaries and associates;
- property, plant and equipment;
- intangible assets; and
- goodwill

If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised in the profit or loss whenever the carrying amount of an asset exceeds its recoverable amount.

(k) 資產減值 (續)

(i) 金融資產減值 (續)

若在較後期間，減值虧損的金額減少而該減少是可客觀地與確認減值虧損後發生的事件有關連，減值虧損撥回損益內。減值虧損撥回損益的金額不能引致資產賬面值超過假設該資產於往年從來未有確認減值虧損情況下的賬面值。

(ii) 其他資產減值

在各報告期末均檢視內部和外來之信息來源，從而確定出下列項目有否出現減值跡象，或是以往確認的減值虧損不復存在或已經減少：

- 於附屬公司及聯營公司之權益；
- 物業、廠房及設備；
- 無形資產；及
- 商譽

倘若出現任何上述跡象，便會估計該資產之可收回金額。倘資產之賬面值超出其可收回金額時，減值虧損於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(k) Impairment of assets (Cont'd)

(ii) Impairment of other assets (Cont'd)

(i) Calculation of recoverable amount

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e., a cash-generating unit).

(ii) Recognition of impairment losses

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

3. 主要會計政策 (續)

(k) 資產減值 (續)

(ii) 其他資產減值 (續)

(i) 計算可收回金額

資產之可收回金額為其公平價值減銷售成本及其使用價值(以較高者為準)。在評估使用價值時,估計未來現金流量乃採用足以反映現時市場對貨幣時間值及資產特定風險之評估之稅前折讓率折讓至其現值。倘資產產生之現金流入基本上不獨立於其他資產產生之現金流入,則以能獨立產生現金流入之最小資產類別(即現金產生單位)釐定可收回數額。

(ii) 確認減值虧損

倘資產或其所屬現金產生單位之賬面值超過其可收回金額,則於損益確認減值虧損。就現金產生單位確認之減值虧損首先劃分至按比例減少該單位(或一組單位)所獲分配之商譽之賬面值,其後按比例基準減少該單位(或一組單位)內其他資產之賬面值,惟資產之賬面值不會減少至低於其個別公平價值減出售成本或使用價值(倘能釐定)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

(k) Impairment of assets (Cont'd)

(ii) Impairment of other assets (Cont'd)

(iii) Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(l) Account and other receivables

Account and other receivables are initially recognised at fair value and thereafter stated at amortised cost less allowance for impairment of doubtful debt except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

(k) 資產減值 (續)

(ii) 其他資產減值 (續)

(iii) 減值虧損撥回

就商譽以外之資產而言，倘用於釐定可收回金額之估計數據出現有利變動，減值虧損須予以撥回。商譽減值虧損概不撥回。

所撥回之減值虧損僅以資產在以往年度並無確認減值虧損之情況下釐定之賬面值為限。撥回之減值虧損乃於確認撥回之年度計入損益。

(l) 應收賬款及其他應收款項

應收賬款及其他應收款項初步按公平值確認，其後按攤銷成本減呆賬減值撥備列賬，惟倘應收款項為給予關連人士且並無固定還款期之免息貸款或其貼現影響並不重大者則除外。於此情況下，應收款項乃按成本減呆賬減值之撥備列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

(n) Employee benefits

(i) *Short-term employee benefits and contributions to defined contribution retirement plans*

Salaries, annual bonuses, paid annual leave, contributions to defined contribution plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

3. 主要會計政策 (續)

(m) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、銀行及其他財務機構之活期存款，以及短期及流通性高且隨時可兌換成可知數額之現金及無重大變值風險之投資，並在購入後三個月內到期。就綜合現金流量表而言，作為本集團現金管理之組成部分，按要求償還之銀行透支亦列為現金及現金等價物之一部分。

(n) 僱員福利

(i) *短期僱員福利及向定額供款退休計劃供款*

薪金、年度花紅、有薪年假、向定額供款計劃供款及非貨幣福利成本，於僱員提供相關服務之年度計算。在須遞延付款或結算及所引致之影響可能屬重大之情況下，此等款額按其現值入賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

(n) Employee benefits (Cont'd)

(ii) Share-based payments

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in equity. The fair value is measured at grant date using the Binomial Option Pricing Model and the Black-Scholes Option Pricing Model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of share options that vest (with a corresponding adjustment to the share option reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the share option reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits).

(n) 僱員福利 (續)

(ii) 以股份為基礎之支出

授予僱員購股權之公平值確認為僱員成本，相應之增加會於權益內反映。公平值在授出日期按二項式期權定價模式和柏力克-舒爾斯期權定價模式及授出購股權之條款及條件而計量。倘僱員須符合歸屬條件才可以無條件享有購股權，則購股權之估計總公平值會於考慮購股權歸屬之可能性後在歸屬期內攤分。

於歸屬期內，將會檢討預期歸屬之購股權數目。除非原有僱員開支合資格確認作資產，否則任何對過往年度確認之累計公平值所作調整，會在檢討年度於損益內支銷／計入，相應調整會於股本儲備反映。在歸屬日，確認為開支之金額會作出調整，以反映歸屬之實際購股權數目（相應之調整會於購股權儲備反映），除非僅因有關本公司股份市價之歸屬條件未獲達成而沒收，則另作別論。權益金額於購股權儲備內確認，直至購股權獲行使（在此情況下將轉撥至股份溢價賬）或購股權屆滿（在此情況下將直接撥至保留溢利）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(n) Employee benefits (Cont'd)

(iii) Termination benefits

Termination benefits are recognised when the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

(o) Income tax

- (i) Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised directly in equity, in which case they are recognised in equity.
- (ii) Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.
- (iii) Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

3. 主要會計政策 (續)

(n) 僱員福利 (續)

(iii) 解聘福利

解聘福利於本集團明確解聘僱員或透過一項詳盡正式計劃(並無撤回之實際可能性)而因自願離職提供福利時確認。

(o) 所得稅

- (i) 本年度所得稅包括本期稅項及遞延稅項資產及負債之變動。本期稅項以及遞延稅項資產及負債之變動，均在損益內確認，惟其與直接確認為權益項目有關者，則確認為權益。
- (ii) 本期稅項乃根據已執行或於報告期末已實質執行之稅率，按本年度應課稅收入而計算預期應付稅項以及過往年度應付稅項之任何調整。
- (iii) 遞延稅項資產及負債乃分別由可扣減及應課稅暫時差異產生。暫時差異乃指資產及負債於財務申報之賬面值與該等資產及負債之稅基間之差異。遞延稅項資產亦可由未動用之稅項虧損及未動用之稅項抵免而產生。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

(o) Income tax (Cont'd)

(iii) (Cont'd)

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

(o) 所得稅 (續)

(iii) (續)

除若干有限之例外情況外，所有遞延稅項負債及所有遞延稅項資產（只限於可能獲得可利用該資產扣減之未來應課稅溢利）均會確認。支持確認由可扣減暫時差異所產生遞延稅項資產之未來應課稅溢利包括因撥回目前存在之應課稅暫時差異而產生的數額；惟該等撥回之差異必須與同一稅務當局及同一應稅實體有關，並預期在可扣減暫時差異預期撥回之同一期間或遞延稅項資產所產生稅項虧損可撥回或結轉期間內撥回。於決定目前存在之應課稅暫時差異是否足以支持確認未動用稅項虧損及抵免產生之遞延稅項資產時，亦會採用同一準則，即差異是否與同一稅務當局及同一應稅實體有關，以及是否預期於可使用稅項虧損或抵免之一個或多個期間撥回。

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綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(o) Income tax (Cont'd)

(iii) (Cont'd)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

3. 主要會計政策 (續)

(o) 所得稅 (續)

(iii) (續)

確認遞延稅項資產及負債之少數例外情況為由商譽產生不可扣稅暫時差異、不影響會計或應課稅溢利(惟並非業務合併之其中部分)之資產或負債初步確認,以及有關投資於附屬公司之暫時差異,惟倘屬應課稅差額,則為本集團可控制撥回時間,且於可見將來不會撥回差額。倘屬可扣稅差額,則僅限於將於日後撥回之差額。

已確認遞延稅項數額乃按照資產及負債賬面值之預期實現或清償方式,根據於報告期末已執行或已實質執行之稅率計量。遞延稅項資產及負債均不貼現計算。

本公司於各報告期末審閱遞延稅項資產之賬面值,倘預期不再可能獲得足夠之應課稅溢利以動用相關稅務利益,則該遞延稅項資產之賬面值將會調低。倘日後有足夠可動用應課稅溢利,則任何有關減額將會撥回。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(o) Income tax (Cont'd)

(iii) (Cont'd)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(p) Account and other payables

Account and other payables are initially measured at fair value and thereafter stated at amortised cost, except for short-term payable with no stated interest rate and the effect of discounting being immaterial that are measured at their original invoice amount.

3. 主要會計政策 (續)

(o) 所得稅 (續)

(iii) (續)

本期及遞延稅項結餘及其變動額乃分開列示，並且不予抵銷。僅會在本公司或本集團有法定行使權利以本期稅項資產抵銷本期稅項負債，並且符合以下附帶條件之情況下，才可以本期稅項資產抵銷本期稅項負債及以遞延稅項資產抵銷遞延稅項負債：

- 倘為本期稅項資產及負債，則本公司或本集團將按淨額基準結算，或同時變現資產並清償負債；或
- 倘為遞延稅項資產及負債，則該等資產及負債乃與同一稅務當局就以下其中一項徵收之所得稅有關：
 - 同一應課稅實體；或
 - 不同應課稅實體，於預期有重大數額之遞延稅項負債須予清償或遞延稅項資產可予收回之每個日後期間，按淨額基準變現本期稅項資產及清償本期稅項負債，或同時變現資產及清償負債。

(p) 應付賬款及其他應付款項

應付賬款及其他應付款項初步乃按公平值計量，其後按攤銷成本列賬，惟並無列明息率以及折現之影響並不重大之短期應付款項除外，其乃按原發票金額計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(q) Provisions and contingent liabilities

(i) *Contingent liabilities assumed in business combinations*

Contingent liabilities assumed in a business combination which are present obligations at the date of acquisition are initially recognised at fair value, provided the fair value can be reliably measured. After their initial recognition at fair value, such contingent liabilities are recognised at the higher of the amount initially recognised, less accumulated amortisation where appropriate, and the amount that would be determined in accordance with note 3(q)(ii). Contingent liabilities assumed in a business combination that cannot be reliably fair valued or were not present obligations at the date of acquisition are disclosed in accordance with note 3(q)(iii).

(ii) Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

3. 主要會計政策 (續)

(q) 撥備及或然負債

(i) 於業務合併中承擔的或然負債

於業務合併中承擔的或然負債（即於收購日期的現有責任）初步按公平值確認，惟公平值須能可靠地計量。於以公平值初步確認後，該等或然負債乃按初步確認的金額減累計攤銷（倘適用）與根據附註3(q)(ii)所釐定的金額之間的較高者予以確認。於業務合併中承擔的或然負債（不可以可靠的方式公平估算或並非於收購日期的現有責任）須根據附註3(q)(iii)作出披露。

(ii) 倘本集團或本公司因過往事項須承擔法定或推定責任，而履行該義務可能需要付出經濟利益，且能夠可靠地估計有關金額時，則為未確定時間或金額之其他負債計提撥備。倘金額的時間值屬重大，將會以履行義務預期所需支出的現值計提撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

(q) Provisions and contingent liabilities (Cont'd)

(iii) Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(r) Convertible bonds

Convertible bonds issued by the Company may contain liability, conversion option and early redemption option components. In respect of the conversion option component, a conversion option that will be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is considered as a conversion option derivative rather than an equity instrument. An early redemption option whose exercise price is not approximately equal on each exercise date to the amortised cost of the convertible bond is considered as not closely related to the host contract and hence is an redemption option derivative. The entire convertible bond contract containing liability, conversion option derivative and early redemption option derivative components may be entirely designated on its initial recognition as a financial liability at fair value through profit or loss, rather than separating out the derivatives from the host liability contract.

At the date of issue, the convertible bonds are recognised at fair value on initial recognition.

(q) 撥備及或然負債 (續)

(iii) 倘可能不需要付出經濟利益，或其數額未能可靠估計，則除非付出經濟利益之可能性極低，否則須披露該義務為或然負債。可能義務之存在僅能以一件或多件未來事項之發生或不發生證實，除非付出經濟利益之可能性極低，否則亦披露為或然負債。

(r) 可換股債券

由本公司發行之可換股債券可能包含負債、換股權及提早贖回權部分。就換股權部分而言，以固定金額現金或另一項金融資產交換固定數量之本集團本身股本工具以外之方式結付之換股權被視為換股權衍生工具而非股本工具。行使價於各行使日期與可換股債券之攤銷成本並非大致相若之提早贖回權被視為並非與主體合約密切相關，故為贖回權衍生工具。包含負債、換股權衍生工具及提早贖回權衍生工具部分之整份可換股債券合約於初步確認時可完全指定為按公平值計入損益之金融負債，而不會將衍生工具從主體負債合約中分開獨立入賬。

於發行日期，可換股債券於初步確認時按公平值確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(r) Convertible bonds (Cont'd)

In subsequent reporting periods, convertible bonds which are designated as financial liabilities at fair value through profit or loss are remeasured to their fair value as at the end of the reporting periods and changes in fair values are recognised in profit or loss. Upon conversion of the convertible bonds, the convertible bonds are remeasured to their fair value as at the date of conversion and changes in fair values are recognised in profit or loss. Transaction costs that relate to the issue of these convertible bonds are charged to profit or loss immediately.

(s) Derecognition of financial assets and financial liabilities

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

3. 主要會計政策 (續)

(r) 可換股債券 (續)

於其後報告期間，指定為按公平值計入損益之金融負債之可換股債券於報告期末乃按其公平值重新計量，公平值變動於損益中確認。兌換可換股債券後，可換股債券於兌換日期乃按其公平值重新計量，公平值變動於損益中確認。發行該等可換股債券之相關交易成本即時自損益扣除。

(s) 終止確認金融資產和金融負債

本集團僅當從金融資產收取現金流量的合約權利屆滿，或金融資產予以轉讓及本集團已轉讓財務資產擁有權之絕大部分風險及回報予另一實體時，終止確認該金融資產。倘本集團並無轉讓亦無保留擁有權之絕大部分風險及回報，並繼續控制所轉讓的資產，則本集團繼續確認該資產，惟以其持續參與之程度為限，並確認相關之負債。倘本集團保留所轉讓金融資產之擁有權之絕大部分風險及回報，則本集團繼續確認該金融資產，並同時確認抵押借款之已收取所得款項。

於全面終止確認金融資產時，資產賬面值與已收及應收代價及已於其他全面收入中確認及在權益中累計之累計收益或虧損之總和的差額，將於損益中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

(s) Derecognition of financial assets and financial liabilities (Cont'd)

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(t) Derivative financial instruments

Derivative financial instruments are recognised initially at fair value. At the end of each reporting period, the fair value is remeasured. The gain or loss on the remeasurement of fair value is recognised immediately in profit or loss.

(s) 終止確認金融資產和金融負債 (續)

除全面取消確認外，於終止確認金融資產時，本集團會將金融資產之過往賬面值，根據其持續確認部分及不再確認部分於轉讓日期之相對公平值在兩者間作出分配。不再確認部分獲分配的賬面值與不再確認部分已於其他全面收入確認之已收代價及所獲分配之任何累計收益或虧損之總和之差額，於損益內確認。已於其他全面收入確認之累計收益或虧損，將按繼續確認部分及不再確認部分之相對公平值在兩者間作出分配。

當及僅當本集團的義務獲解除、取消或到期時，本集團終止確認金融負債。終止確認金融負債的賬面值與已付及應付代價之差額於損益確認。

(t) 衍生金融工具

衍生金融工具初步以公平值確認。公平值於各報告期末重新計量。重新計量公平值產生之任何盈虧將即時於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(u) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are carried at amortised costs with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

(v) Revenue recognition

Revenue is measured at the fair value of the consideration received and receivable provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably. Revenue is recognised in the profit or loss as follows:

(i) Advertising service

Revenue from outdoor advertising spaces is recognised on a time proportion basis over the terms of the agreements.

Revenue from the provision of outdoor advertising displays and media advertisements agency services are recognised over the term of the relevant contracts and to the extent of services rendered or recognised on a time proportion basis over the terms of the agreements.

(ii) Event management service

Revenue from event management service is recognised when service is rendered.

3. 主要會計政策 (續)

(u) 帶息借款

帶息借款初步按公平值減應佔交易成本確認。初步確認後，帶息借款按攤銷成本列賬，而初步確認之金額與贖回價值兩者間之任何差額與任何利息或應付費用，均於借貸期按實際利息法在損益確認。

(v) 收入確認

收入按已收及應收代價之公平值計量，條件是經濟利益可能會流入本集團，以及能夠可靠地計算收入及成本（倘適用）。收入根據下列方法在損益確認：

(i) 廣告服務

戶外廣告空間所產生之收入根據協議條款按時間比例基準確認。

提供戶外廣告展示牌及媒體廣告代理服務之收入於有關合約期限內就所提供之服務確認或於該等協議期限內按時間比例基準確認。

(ii) 活動管理服務

來自活動管理服務之收益於提供服務時確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(v) Revenue recognition (Cont'd)

(iii) Interest income

Interest income from bank deposits and loan receivables on an accrued basis using the effective interest method by applying the rate that discounts the estimated future cash receipts over the expected life of the financial instrument or a short period.

(iv) Dividend income

Dividend income from securities and other investments is recognised when the right to receive payment is established.

(w) Borrowing costs

Borrowing costs are expensed in profit or loss in the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(x) Promissory notes

Promissory notes are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest rate method.

3. 主要會計政策 (續)

(v) 收入確認 (續)

(iii) 利息收入

來自銀行存款及應收貸款之利息收入乃透過應用於金融工具之預期可使用年期內或短期內貼現估計未來現金收入之利率使用實際利率法按應計基準計算。

(iv) 股息收入

來自證券及其他投資之股息收入於收取付款之權利獲確定時確認。

(w) 借貸成本

借貸成本於產生之期間於損益支銷，惟倘借貸成本因與收購、建造或生產需要相當長時間方可投入擬定用途或出售之資產直接有關而進行資本化則除外。

借貸成本於資產產生開支、借貸成本產生及使資產投入原定用途或銷售所必須之準備工作進行期間開始資本化為合資格資產成本的一部分。在使合資格資產投入擬定用途或銷售所必須的絕大部分準備工作中止或完成時，借貸成本將暫停或停止資本化。

(x) 承兌票據

承兌票據於初始以公平值確認，隨後採用實際利率法以已攤銷成本計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(y) Related parties

Parties are considered to be related to the Group if:

- (1) A person or a close member of that person's family is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group.
- (2) An entity is related to the Group if any of the following condition applies:
 - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third party.

3. 主要會計政策 (續)

(y) 關連人士

屬以下情況之人士被視為與本集團有關連：

- (1) 倘任何人士或其家族近親符合以下條件，則該人士或其家族近親與本集團有關連：
 - (i) 對本集團擁有控制權或聯合控制權；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司之主要管理層人員。
- (2) 倘任何實體符合以下條件中任何一條，則該實體與本集團有關連：
 - (i) 該實體與本集團屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）。
 - (ii) 一間實體為另一實體的聯營公司或合營企業（或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業）。
 - (iii) 兩間實體均為同一第三方之合營企業。
 - (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

(y) Related parties (Cont'd)

(2) (Cont'd)

- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsorship employers are also related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (1).
- (vii) A person identified in (1)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(z) Foreign currencies

The financial statements are presented in Hong Kong Dollars. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(y) 關連人士 (續)

(2) (續)

- (v) 該實體為本集團或與本集團有關連之實體就僱員福利所設立之離職後福利計劃。倘本集團本身為該計劃，則贊助僱主亦與本集團有關連。
- (vi) 該實體受(1)所識別人士控制或共同控制。
- (vii) 於(1)(i)所識別人士對該實體有重大影響力或屬該實體（或該實體之母公司）主要管理層成員。
- (viii) 該實體，或其為一間集團組成部份之任何成員公司向本集團或本集團母公司提供主要管理人員服務。

倘一項交易中，關連人士之間存在資源或責任轉移，則該項交易被視為關連人士交易。

(z) 外幣

財務報表以港元呈報。本集團各實體釐定其本身之功能貨幣，及計入各實體財務報表之項目採用該功能貨幣計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(z) Foreign currencies (Cont'd)

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise, except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Hong Kong dollars using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve (attributed to non-controlling interests as appropriate).

3. 主要會計政策 (續)

(z) 外幣 (續)

於編製各個別集團實體之財務報表時，以該實體之功能貨幣以外貨幣（外幣）進行之交易按交易日期之通行匯率確認。於報告期末，以外幣列值之貨幣項目按當日之通行匯率重新換算。以外幣列值之公平值列賬之非貨幣項目按公平值釐定當日之通行匯率重新換算。按歷史成本計量之以外幣列值非貨幣項目不予重新換算。

貨幣項目之匯兌差額乃於產生期間內於損益確認，惟應收或應付一項海外業務之貨幣項目匯兌差額除外，其既無計劃結算，發生結算之可能性亦不大（因此構成海外業務投資淨額之一部分），並初步於其他全面收入確認及於償還貨幣項目時由權益重新分類至損益。

就綜合財務報表呈列而言，本集團海外業務之資產及負債按於各報告期末之通行匯率換算為港元。收支項目乃按期內平均匯率換算，除非該期內匯率出現重大波動，則在此情況下，將採用交易當日之匯率。所產生匯兌差額（如有）均於其他全面收入中確認並於匯兌儲備項下之權益（歸屬於非控制性權益，如適用）中累計。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(z) Foreign currencies (Cont'd)

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a jointly controlled entity that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets acquired arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in equity under the heading of exchange reserve.

3. 主要會計政策 (續)

(z) 外幣 (續)

於出售海外業務(即出售本集團於海外業務之全部權益,或導致喪失對某一包含海外業務附屬公司控制權之出售,或涉及喪失對包含海外業務之共同控制實體之共同控制權之出售,或涉及喪失對包含海外業務之聯營公司之重大影響力之出售)時,與該業務相關並歸屬於本公司擁有人之所有於權益中累計匯兌差額均重新分類至損益。

就不導致本集團喪失對附屬公司控制權之部分出售而言,按比例計算之應佔累計匯兌差額重新歸屬於非控制性權益,而不於損益內確認。就所有其他部分出售(即不導致本集團喪失重大影響力或共同控制權之聯營公司或共同控制實體之部分出售)而言,按比例計算之應佔累計匯兌差額重新分類至損益。

收購海外業務所產生之商譽及可識別資產之公平值調整被視作海外業務之資產及負債,並按於各報告期末之通行匯率換算。所產生匯兌差額於匯兌儲備項下之權益確認。

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For the year ended 30 June 2018 截至二零一八年六月三十日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(aa) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Board of Directors of the Company, being the chief operating decision maker, for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3. 主要會計政策 (續)

(aa) 分部報告

經營分部及財務報表所呈列各分部之金額，乃識別自定期向本公司董事會提供之財務資料，而本公司董事會作為主要營運決策者，乃根據該等財務資料向本集團各項業務及經營地點分配資源及評估各項業務及經營地點的業績。

個別屬重大之經營分部不會合計以供財務申報之用，但如經營分部之產品和服務性質、生產工序性質、客戶類別或階層、分銷產品或提供服務之方法以至監管環境之本質等經濟特性均屬類似，則作別論。個別不重要之經營分部如符合以上大部分條件，則可以合計為一個報告分部。

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綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are readily apparent from other sources. The estimates, judgments and associated assumptions are continually evaluated and are based on historical experience and other factors that are considered to be relevant, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Impairment loss of loan receivables and other receivables

The Group's management determines the provision for impairment loss of loan receivables and other receivables based on an assessment of the recoverability of each individual debtors including the current creditworthiness and past collection history. Management reassesses the provision at the end of each reporting period.

4. 關鍵會計判斷及估計不明朗因素之主要來源

於應用本集團之會計政策（於附註3闡述）時，管理層須能在其他資料來源顯示之資產及負債賬面值作出判斷、估計及假設。本公司按認為相關之過往經驗及其他因素持續評估估計、判斷及有關假設，包括於不同情況下對日後事件作出相信屬合理之預期。實際結果或會與該等估計有所不同。

估計及相關假設按持續基準檢討。倘會計估計之修訂僅影響該修訂期間，有關修訂於修訂估計期間確認，或倘修訂影響現時及日後期間，則於修訂之期間及日後期間確認。

估計不明朗因素之主要來源

以下為有關未來之主要假設，及於報告期末之估計不明朗因素之其他主要來源，該來源對引致下一個財政年度內資產及負債賬面值作出重大調整構成重大風險。

(i) 應收貸款及其他應收款項之減值虧損

本集團管理層根據各個別債務人之可收回程度之評估（包括目前信譽及過往收款記錄）釐定應收貸款及其他應收款項之減值虧損撥備。管理層於各報告期末重估撥備。

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綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

Key sources of estimation uncertainty (Cont'd)

(ii) Impairment of property, plant and equipment and accounts receivable

In considering the impairment losses that may be required for the Group's property, plant and equipment, recoverable amounts of the assets need to be determined. The recoverable amount is the greater of the fair value less cost to disposal and the value in use. It is difficult to precisely estimate selling price because quoted market prices for these assets may not be readily available. In determining the value in use, expected cash flows generated by the asset are discounted to their present value, which requires significant judgment relating to items such as the level of sales volume, selling price and amount of operating costs. The Group uses all readily available information in determining an amount that is reasonable approximation of the recoverable amount, including estimates based on reasonable and supportable assumptions and projections of items such as sales volume, selling price and amount of operating costs. Impairment losses for bad and doubtful debts are assessed and provided based on the directors' regular review of ageing analysis and evaluation of collectability. A considerable level of judgment is exercised by the directors when assessing the credit-worthiness and past collection history of each individual customer. An increase or decrease in the above impairment losses would affect the net profit of the Group in future years.

4. 關鍵會計判斷及估計不明朗因素之主要來源 (續)

估計不明朗因素之主要來源 (續)

(ii) 物業、廠房及設備以及應收賬款減值

當考慮本集團之物業、廠房及設備所需的減值虧損時，該等資產之可收回金額需予確定。可收回金額為公平值減出售成本及在用價值之較高者。由於該等資產之市場報價可能難以取得，故可能無法準確估計售價。在釐定在用價值時，資產所產生之預期現金流量會貼現至其現值，因而需要對銷量、售價及經營成本等項目作出重大判斷。本集團在釐定可收回金額之合理概約數額時會採用所有可供使用之資料，包括根據合理及有理據之假設所作出之估計及對銷量、售價及經營成本等項目之預測。呆壞賬之減值虧損乃根據董事對賬齡分析之定期檢討及對收回款項的可能性所作的評估進行評核及撥備。董事於評估每位個別客戶之信譽及過往收款記錄時會作出大量判斷。上述減值虧損之任何增減將影響本集團未來數年之純利。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

Key sources of estimation uncertainty (Cont'd)

(iii) Current tax and deferred tax

The Group is subject to income taxes in Hong Kong and the PRC. There are certain transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised when management considers it is likely that future taxable profits will be available against which the temporary differences or tax losses can be utilised. When the expectations are different from the original estimates, such differences will impact the recognition of deferred tax assets and current tax charges in the period in which such estimates have been changed.

4. 關鍵會計判斷及估計不明朗因素之主要來源 (續)

估計不明朗因素之主要來源 (續)

(iii) 即期稅項及遞延稅項

本集團須於香港及中國繳納所得稅。於日常業務過程中有若干交易及計算難以明確作出最終之稅務釐定。本集團根據對是否將繳付額外稅項之估計就預計稅務事宜確認負債。倘該等事宜之最終稅務結果與初步記錄之金額有所差異，則有關差異將影響於作出有關釐定之期間內之即期稅項及遞延稅項撥備。

有關若干暫時差異及稅務虧損之遞延稅項資產乃當管理層認為未來應課稅溢利將很可能用於抵銷可動用之暫時差異或稅務虧損時予以確認。當預期與原先估計有所差異時，則有關差異將影響對於有關估計已作出變動之期間內之遞延稅項資產及即期稅項支出之確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

Key sources of estimation uncertainty (Cont'd)

(iv) Valuation of convertible bonds issued by the Company designated at fair value through profit or loss

As at 30 June 2018, the Company has CB1, CB2 and CB3 defined in note 26 to the consolidated financial statements. Since these convertible bonds contain embedded derivatives as explained in note 26 which are not closely related to the host debt contract, management decided to designate them as at financial liabilities at fair value through profit or loss on initial recognition. Management engaged an independent valuer to determine the fair values of these convertible bonds at initial recognition, on conversion and at the end of the reporting period. And since certain key inputs used in the estimation of the fair values of these convertible bonds cannot be derived directly from observable active markets, the fair values have been determined using valuation techniques with both observable and unobservable inputs and with certain key assumptions. Changes in the key assumptions and inputs could significantly affect the fair values of these convertible bonds and hence have significant impact in the profit or loss. The fair value of the convertible bonds designated at fair value through profit or loss at 30 June 2018 was HK\$118,800,000 (2017: HK\$569,990,000). Further details are given in note 26 to these consolidated financial statements.

4. 關鍵會計判斷及估計不明朗因素之主要來源 (續)

估計不明朗因素之主要來源 (續)

(iv) 本公司指定為按公平值計入損益之已發行可換股債券的估值

於二零一八年六月三十日，本公司有可換股債券1、可換股債券2及可換股債券3（定義見綜合財務報表附註26）。由於該等可換股債券包括嵌入式衍生工具（如附註26所闡釋），其與主體合約並非緊密相關，管理層決定於初始確認時將其指定為按公平值計入損益之金融負債。管理層已委聘一名獨立估值師，以釐定該等可換股債券於初始確認時、於轉換時及於報告期末之公平值。而由於估計該等可換股債券之公平值時所用的若干主要輸入數據不能直接自可觀察活躍市場獲得，故其公平值使用估值技巧以可觀察及不可觀察輸入數據及若干主要假設釐定。主要假設及輸入數據之變動會對該等可換股債券的公平值產生重大影響，及因此對損益產生重大影響。於二零一八年六月三十日，指定為按公平值計入損益的可換股債券的公平值為118,800,000港元（二零一七年：569,990,000港元）。進一步詳情載於該等綜合財務報表附註26。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

5. REVENUE

Revenue represents income from the advertising operations in the People's Republic of China ("PRC") and event management and marketing services in Hong Kong. The amount of revenue recognised during the year is as follow:

5. 收益

收益指來自於中華人民共和國（「中國」）經營廣告及於香港的活動管理及市場推廣服務之收入。年內確認之收益金額如下：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Outdoor advertising on buses and bus stations	28,530	46,785
Interest income from money lending	369	-
Event management and marketing services	4,373	1,336
	<u>33,272</u>	<u>48,121</u>

6. OTHER INCOME

6. 其他收入

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Bank interest income	4	114
Reversal of impairment loss on loan receivables	3,310	-
Sundry income	9,040	2,502
Dividend income	2	2
	<u>12,356</u>	<u>2,618</u>

7. FINANCE COSTS

7. 財務費用

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interest on other borrowings wholly repayable within five years	392	4,898

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

8. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging/
(crediting):

8. 除所得稅前虧損

除所得稅前虧損已扣除／(計入)下列各項：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
(a) Staff cost (including directors' emolument):		
Contributions to defined contribution plan	644	209
Salaries, wages and other benefits	<u>8,089</u>	<u>9,643</u>
	<u>8,733</u>	<u>9,852</u>
Number of employees (including directors)	<u>76</u>	<u>67</u>

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

8. LOSS BEFORE INCOME TAX (Cont'd)

8. 除所得稅前虧損 (續)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
(b) Other items	(b) 其他項目		
Amortisation of intangible assets	無形資產攤銷	-	423
Auditors' remuneration	核數師酬金	880	840
Depreciation on property, plant and equipment	物業、廠房及設備折舊	266	256
Operating lease charges in respect of office premises	辦公室物業之經營租賃開支	896	515
Exchange loss, net	匯兌虧損，淨額	59	6
Change in fair value of financial assets at fair value through profit or loss	按公平值計入損益之金融資產之公平值變動	32	(10)
Loss on disposal property, plant and equipment	出售物業、廠房及設備之虧損	-	10
Loss on extinguishment of promissory notes issued by the Company	清償本公司發行之承兌票據之虧損	-	289,250
Loss on extinguishment of the Group's borrowings	清償本集團之借貸之虧損	-	196,986
Fair value (gain)/loss on convertible bonds	可換股債券之公平值(收益)/虧損	(403,200)	242,315
Loss on issuance of convertible bonds	發行可換股債券之虧損	-	101,088
(Gain)/loss upon conversion of convertible bonds	兌換可換股債券時之(收益)/虧損	(37,014)	91,855
Impairment loss on loan receivables	應收貸款之減值虧損	-	6,000
Impairment loss on investment deposit	投資按金之減值虧損	15,000	-
Provision for impairment loss on account receivables	應收賬款之減值虧損撥備	1,098	395

The cost of sales includes the amortisation of intangible assets of approximately HK\$423,000 during the year ended 30 June 2017.

截至二零一七年六月三十日止年度，銷售成本包括無形資產攤銷約423,000港元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

9. INCOME TAX

(i) Income tax in the consolidated statement of profit or loss represents:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current tax	即期稅項		
PRC Enterprise income tax	中國企業所得稅	863	-
Deferred tax	遞延稅項		
Current year	本年度	-	(106)
Tax credit for the year	年度稅項抵免	<u>863</u>	<u>(106)</u>

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the year (2017: HK\$Nil).

Subsidiaries located in the PRC are subject to the PRC enterprise income tax at a rate of 25%.

9. 所得稅

(i) 綜合損益表內之所得稅指：

由於本集團於本年度並無來自香港之應課稅溢利，因此毋須為香港利得稅作出撥備（二零一七年：零港元）。

於中國之附屬公司須按25%之稅率繳納中國企業所得稅。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

9. INCOME TAX (Cont'd)

(ii) The tax credit for the year can be reconciled to the loss before income tax per the consolidated statement of profit or loss as follows:

9. 所得稅 (續)

(ii) 年內稅項抵免與綜合損益表項下之除所得稅前虧損對賬如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit/(loss) before income tax	除所得稅前溢利／(虧損)	403,058	(959,922)
Notional tax on loss before income tax, calculated at rates applicable to profits in the countries concerned	按有關國家溢利適用稅率計算之除所得稅前虧損之名義稅項	64,917	(158,387)
Tax effect of expenses not deductible for tax purpose	不可扣稅支出之稅務影響	13,256	170,098
Tax effect of income not taxable for tax purpose	毋須就稅務目的繳稅之收入之稅務影響	(77,310)	(11,817)
Income tax credit and effective tax rate for the year	年度所得稅抵免及實際稅率	863	(106)

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綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

Directors' emoluments

Directors' emoluments disclosed pursuant to the Hong Kong Companies Ordinance and the Listing Rules are as follows:

10. 董事及高級管理層之酬金

董事酬金

根據香港公司條例及上市規則披露之董事酬金如下：

		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
Fees	袍金	356	360
Basic salaries, allowances and other benefits	基本薪金、津貼及其他福利	1,827	1,707
Retirement scheme contributions	退休計劃供款	55	63
		2,238	2,130
Number of directors	董事人數	10	7

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綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Cont'd)

Directors' emoluments (Cont'd)

The emoluments of directors for the year ended 30 June 2018 are set out below:

Name of director	董事姓名	Fees	Salary, allowance and other benefits	Retirement scheme contributions	Total
		袍金	薪金、津貼及其他福利	退休計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Executive Directors		執行董事			
Mr. Pu Haiyong (note (a))	蒲海勇先生 (附註(a))	-	18	-	18
Mr. Cai Chun Fai (note (f))	蔡振輝先生 (附註(f))	-	5	-	5
Dr. Chan Yiu Wing (note (b))	陳耀榮博士 (附註(b))	-	456	5	461
Mr. Ha Chuen Yeung	夏振揚先生	-	336	17	353
Mr. Lau King Hang	劉勁恒先生	-	720	18	738
Mr. Mazher Hussain (note (c))	Mazher Hussain先生 (附註(c))	-	292	15	307
Independent non-executive directors		獨立非執行董事			
Mr. Wong Ting Kon (note (d))	黃定幹先生 (附註(d))	45	-	-	45
Mr. Lee Ho Yiu, Thomas (note (e))	李浩堯先生 (附註(e))	71	-	-	71
Ms. Liu Jianyi	劉簡怡女士	120	-	-	120
Mr. Tse Yuen Ming	謝遠明先生	120	-	-	120
		356	1,827	55	2,238

10. 董事及高級管理層之酬金 (續)

董事酬金 (續)

截至二零一八年六月三十日止年度之董事酬金載列如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Cont'd)

Directors' emoluments (Cont'd)

The emoluments of directors for the year ended 30 June 2017 are set out below:

Name of director	董事姓名	Fees	Salary, allowance and other benefits	Retirement scheme contributions	Total
		袍金	薪金、津貼及其他福利	退休計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Executive directors		執行董事			
Mr. Ha Chuen Yeung	夏振揚先生	-	321	16	337
Mr. Lau King Hang	劉勁恒先生	-	720	18	738
Dr. Chan Yiu Wing (note (b))	陳耀榮博士 (附註(b))	-	456	18	474
Mr. Mazher Hussain (note (c))	Mazher Hussain先生 (附註(c))	-	210	11	221
Independent non-executive directors		獨立非執行董事			
Mr. Lee Ho Yiu, Thomas	李浩堯先生	120	-	-	120
Mr. Tse Yuen Ming	謝遠明先生	120	-	-	120
Ms. Liu Jianyi	劉簡怡女士	120	-	-	120
		360	1,707	63	2,130

10. 董事及高級管理層之酬金 (續)

董事酬金 (續)

截至二零一七年六月三十日止年度之董事酬金載列如下：

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綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Cont'd)

Directors' emoluments (Cont'd)

Notes:

- (a) Mr. Pu Haiyong was appointed as executive director on 20 June 2018.
- (b) Dr. Chan Yiu Wing was appointed as executive director from independent non-executive director on 1 March 2016 and was reappointed on 24 March 2016.
- (c) Mr. Mazher Hussain was appointed as executive director on 19 October 2016 and was resigned on 20 June 2018.
- (d) Mr. Wong Ting Kon was appointed as independent non-executive director on 15 February 2018.
- (e) Mr. Lee Ho Yiu, Thomas was resigned on 2 February 2018.
- (f) Mr. Cai Chun Fai was appointed as independent non-executive director on 2 February 2018 and was resigned on 14 February 2018.

The directors held share options under the Company's share option schemes. The details of the share options are disclosed under the paragraph "share option schemes" in the report of the directors and note 29.

During the year, no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office (2017: HK\$Nil). There was no arrangement under which a director waived or agreed to waive any emoluments.

Senior management of the Group represents the executive directors during the years ended 30 June 2018 and 2017.

10. 董事及高級管理層之酬金 (續)

董事酬金 (續)

附註:

- (a) 蒲海勇先生於二零一八年六月二十日獲委任為執行董事。
- (b) 陳耀榮博士於二零一六年三月一日由獨立非執行董事獲委任為執行董事，並於二零一六年三月二十四日獲重新委任。
- (c) Mazher Hussain先生於二零一六年十月十九日獲委任為執行董事，並於二零一八年六月二十日辭任。
- (d) 黃定幹先生於二零一八年二月十五日獲委任為獨立非執行董事。
- (e) 李浩堯先生於二零一八年二月二日辭任。
- (f) 蔡振輝先生於二零一八年二月二日獲委任為獨立非執行董事，並於二零一八年二月十四日辭任。

董事持有本公司購股權計劃項下之購股權。購股權之詳情已披露於董事會報告中「購股權計劃」一段及附註29。

年內，本集團概無向董事支付任何酬金，作為招攬加入本集團或於加入本集團時之獎金或離職補償（二零一七年：零港元）。概無董事據其放棄或同意放棄任何酬金之安排。

於截至二零一八年及二零一七年六月三十日止年度，本集團的高級管理層指執行董事。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Cont'd)

Individuals with highest emoluments

The aggregate of the emoluments in respect of the five individuals of highest emoluments (including directors) are as follows:

Basic salaries, allowances and other benefits	基本薪金、津貼及其他福利
Retirement scheme contributions	退休計劃供款

10. 董事及高級管理層之酬金 (續)

最高薪個別人士

五名最高薪個別人士(包括董事)之酬金總額如下:

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	2,185	2,493
	<u>63</u>	<u>69</u>
	<u>2,248</u>	<u>2,562</u>

During the years ended 30 June 2018 and 2017, no emoluments were paid by the Group to the five individuals with highest emoluments as an inducement to join or upon joining the Group or as compensation for loss of office.

於截至二零一八年及二零一七年六月三十日止年度，本集團概無向五名最高薪個別人士支付任何酬金，作為招攬加入本集團或於加入本集團時之獎金或離職補償。

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綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Cont'd)

Individuals with highest emoluments (Cont'd)

The five individuals whose emoluments were the highest in the Group for the year include two directors (2017: one) whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining three individuals (2017: four) during the year are as follows:

Basic salaries, allowances and other benefits	基本薪金、津貼及其他福利	1,573	1,317
Retirement scheme contributions	退休計劃供款	53	33
		1,626	1,350

The emoluments of the five individuals (2017: five) with the highest emolument fall within the range from HK\$Nil to HK\$1,000,000.

11. PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY

The profit attributable to the owners of the Company includes a profit of HK\$411,033,000 (2017: loss of HK\$959,816,000) which was arrived at before impairment for the interests in subsidiaries has been dealt with in the financial statements of the Company.

10. 董事及高級管理層之酬金 (續)

最高薪個別人士 (續)

年內，本集團五名最高薪個別人士包括兩名(二零一七年：一名)董事，其酬金已於上文呈列之分析內反映。年內，應付其餘三名(二零一七年：四名)個別人士之酬金如下：

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
1,573	1,317
53	33
1,626	1,350

五名(二零一七年：五名)最高薪個別人士酬金介乎零港元至1,000,000港元。

11. 本公司擁有人應佔溢利／(虧損)

本公司擁有人應佔溢利包括已於本公司之財務報表處理之於附屬公司權益減值前達致之溢利411,033,000港元(二零一七年：虧損959,816,000港元)。

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12. EARNING/(LOSS) PER SHARE

The calculation of basic and diluted earning/(loss) per share attributable to owners of the Company is based on the following data:

Loss figures are calculated as follows:

12. 每股盈利／（虧損）

本公司擁有人應佔之每股基本及攤薄盈利／（虧損）乃根據以下數據計算：

虧損數字計算如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit/(loss) for the purpose of basic earnings/(loss) per share	用於計算每股基本盈利／（虧損）之溢利／（虧損）	402,195	(959,816)
Adjustments:	調整：		
Gain upon conversion of convertible bonds	轉換可換股債券之收益	(37,014)	—
Fair value gain on convertible bonds	可換股債券之公平值收益	(403,200)	—
Loss for the purpose of diluted loss per share	用於計算每股攤薄虧損之虧損	<u>(38,019)</u>	<u>(959,816)</u>
		2018 二零一八年 '000 千股	2017 二零一七年 '000 千股
Weighted average number of ordinary shares for the purposes of basic earnings/(loss) per share (note)	用於計算每股基本盈利／（虧損）之普通股之加權平均數（附註）	1,021,620	477,733
Effect of assumed conversion of convertible bonds	假設轉換可換股債券之影響	<u>631,328</u>	—
Weighted average number of ordinary shares for the purposes of diluted loss per share	用於計算每股攤薄虧損之普通股之加權平均數	<u>1,652,948</u>	<u>477,733</u>

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For the year ended 30 June 2018 截至二零一八年六月三十日止年度

12. EARNING/LOSS PER SHARE (Cont'd)

Note:

The denominator used are the same as those detail above for both basis and diluted earning per share.

The calculation of the diluted loss per share amount is based on the loss for the year ended 30 June 2017. The weighted average number of ordinary shares used in the calculation is 997,949,099 ordinary shares in issue during the period, as used in the basic loss per share calculation, and the weighted average number of 477,733,000 ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares. The diluted loss per share amount is decreased when taking the convertible bond into account, the convertible bond had an anti-dilutive effect on the basic loss per share for the year ended 30 June 2017 and was ignored in the calculation of diluted loss per share.

13. SEGMENT INFORMATION

Operating segments are identified on the basis of internal reports which provides information about components of the Group. These information are reported to and reviewed by the chief operating decision maker ("CODM") for the purposes of resource allocation and performance assessment.

The Group has the following operating segments during the year. These segments are managed separately. No operating segments have been aggregated to form the following reportable segments.

- (1) Outdoor advertising on buses and bus stations: outdoor advertising operations on buses and bus stations in the PRC
- (2) Television advertisements: television advertising operations in the PRC
- (3) Event management services: event management and market services in HK and PRC
- (4) Money lending: Provision of money lending service in Hong Kong

12. 每股盈利／虧損（續）

附註：

所用之分母與上文就計算每股基本及攤薄盈利所詳述者相同。

每股攤薄虧損金額乃按截至二零一七年六月三十日止年度之虧損計算。計算所用普通股加權平均數為期內已發行之997,949,099股普通股（為用於計算每股基本虧損），而所有具攤薄影響之潛在普通股視作獲行使或轉換為普通股的情況下假設按零代價發行之普通股之加權平均數477,733,000股。倘計及可換股債券，則每股攤薄虧損的金額將減少，可換股債券對截至二零一七年六月三十日止年度之每股基本虧損具反攤薄效應，而於計算每股攤薄虧損時未予以考慮。

13. 分部資料

營運分部乃根據載列本集團組成部分之資料之內部報告為基準。該等資料乃向主要營運決策者（「主要營運決策者」）報告及由其審閱，作分配資源及評估表現之用。

年內，本集團設有下列經營分部。該等分部為獨立管理。概無經營分部綜合組成以下可報告分部。

- (1) 巴士及巴士站戶外廣告：於中國經營巴士及巴士站戶外廣告業務
- (2) 電視廣告：於中國經營電視廣告業務
- (3) 活動管理服務：於香港及中國的活動管理及市場推廣服務
- (4) 放債：於香港提供放債服務

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綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

13. SEGMENT INFORMATION (Cont'd)

For the purposes of assessing segment performance and allocating resources between segments, the Group's CODM monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3. Segment loss represents the loss from each segment without allocation of central administration costs (e.g. directors' emoluments and finance costs). This is the measure reported to the CODM, for the purposes of resource allocation and performance assessment. Taxation (credit)/charge is not allocated to reportable segments.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The revenue from external parties reported to the CODM is measured in a manner consistent with that in the profit or loss.

All assets are allocated to reportable segments other than deposit paid for acquisition of a subsidiary, financial assets at fair value through profit or loss and unallocated corporate assets. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments; and all liabilities are allocated to reportable segments other than borrowings, deferred taxation, convertible bonds, promissory notes and unallocated liabilities. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment assets.

13. 分部資料 (續)

為評估分部表現及於分部之間分配資源，本集團主要營運決策者按照以下基準監察各個可報告分部應佔之業績、資產及負債：

可報告分部之會計政策與本集團於附註3所述之會計政策一致。分部虧損指各分部未分配中央行政成本（如董事酬金及財務費用）之虧損。此乃呈報予主要營運決策者用作資源分配及評估表現之衡量方式。稅項（抵免）／支出不會分配至可報告分部。

收益及開支乃經參考該等分部產生之銷售額及開支或該等分部應佔之資產折舊或攤銷產生之開支後，分配予可報告分部。

向主要營運決策者呈報之外部收益，須按與損益表一致之方式計量。

所有資產均分配至可報告分部，惟收購一間附屬公司所付之按金、按公平值計入損益之金融資產及未分配公司資產除外。可報告分部共同使用之資產按個別可報告分部所賺取之收益進行分配；而所有負債均分配至可報告分部，惟借款、遞延稅項、可換股債券、承兌票據及未分配負債除外。可報告分部共同承擔的負債按分部資產比例進行分配。

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13. SEGMENT INFORMATION (Cont'd)

13. 分部資料 (續)

(a) Business segments

Information regarding the Group's reportable segments set out below:

(a) 業務分部

有關本集團之可報告分部之資料載列如下：

		Outdoor advertising on buses and bus stations 巴士及巴士站戶外廣告		Television advertisements 電視廣告		Event management and marketing services 活動管理及市場推廣服務		Money Lending 放債		Total 總計	
		2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年
		<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		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	
Segment revenue	分部收入										
Revenue from external customers	來自外部客戶之收入	<u>28,530</u>	<u>46,785</u>	<u>-</u>	<u>-</u>	<u>4,373</u>	<u>1,336</u>	<u>369</u>	<u>-</u>	<u>33,272</u>	<u>48,121</u>
Reportable segment loss before income tax	可報告分部除所得稅前虧損	<u>(23,855)</u>	<u>(3,427)</u>	<u>-</u>	<u>-</u>	<u>373</u>	<u>(2,077)</u>	<u>111</u>	<u>-</u>	<u>(23,371)</u>	<u>(5,504)</u>
Depreciation and amortisation	折舊及攤銷	<u>(51)</u>	<u>(472)</u>	<u>-</u>	<u>-</u>	<u>(29)</u>	<u>(14)</u>	<u>-</u>	<u>-</u>	<u>(80)</u>	<u>(486)</u>
Reportable segment assets	可報告分部資產	<u>11,665</u>	<u>11,312</u>	<u>2,247</u>	<u>2,176</u>	<u>5,256</u>	<u>246</u>	<u>6,997</u>	<u>-</u>	<u>26,165</u>	<u>13,734</u>
Reportable segment liabilities	可報告分部負債	<u>44,185</u>	<u>18,790</u>	<u>19,618</u>	<u>18,830</u>	<u>851</u>	<u>165</u>	<u>-</u>	<u>-</u>	<u>64,654</u>	<u>37,785</u>
Additions to non-current assets	非流動資產之添置	<u>12</u>	<u>37</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>114</u>	<u>-</u>	<u>-</u>	<u>12</u>	<u>151</u>

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13. SEGMENT INFORMATION (Cont'd)

13. 分部資料 (續)

(b) Reconciliation of reportable segment revenues, profit or loss, assets and liabilities

(b) 可報告分部收入、損益、資產及負債之對賬

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue	收入		
Total reportable segment revenues	可報告分部總收入	33,272	48,121
Profit or loss	損益		
Reportable segment loss derived from Group's external customers	來自本集團外部客戶之可報告分部虧損	(23,371)	(5,504)
Unallocated other income	未分配其他收入	12,262	10
Finance costs	財務費用	(392)	(4,898)
Impairment loss on investment deposit	投資按金之減值虧損	(15,000)	-
Extinguishment of repayment of promissory notes	清償承兌票據	-	(289,250)
Extinguishment of repayment of borrowings	清償借貸	-	(196,986)
Fair value gain/(loss) on convertible bonds	可換股債券之公平值收益/(虧損)	403,200	(242,315)
Loss on issuance of convertible bonds	發行可換股債券之虧損	-	(101,088)
Gain/(loss) upon conversion of convertible bonds	兌換可換股債券時之收益/(虧損)	37,014	(91,855)
Unallocated head office and corporate expenses	未分配總公司及企業開支	(10,655)	(28,036)
Profit/(loss) before income tax	除所得稅前溢利/(虧損)	403,058	(959,922)

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13. SEGMENT INFORMATION (Cont'd)

13. 分部資料 (續)

(b) Reconciliation of reportable segment revenues, profit or loss, assets and liabilities (Cont'd)

(b) 可報告分部收入、損益、資產及負債之對賬 (續)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Assets	資產		
Total reportable segment assets	可報告分部總資產	26,165	13,734
Deposit paid for acquisition of a subsidiary	收購一間附屬公司所付之按金	-	15,000
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	21	53
Unallocated corporate assets	未分配公司資產	1,274	4,647
Consolidated total assets	綜合總資產	27,460	33,434
Liabilities	負債		
Total reportable segment liabilities	可報告分部總負債	64,654	37,785
Borrowings	借款	10,500	-
Convertible bonds	可換股債券	118,800	569,990
Unallocated corporate liabilities	未分配公司負債	7,738	9,885
Consolidated total liabilities	綜合總負債	201,692	617,660

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13. SEGMENT INFORMATION (Cont'd)

(c) Geographic information

The Group's operations and workforce are mainly located in the PRC and Hong Kong.

The following table provides an analysis of the Group's revenue from external customers.

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue from external customers	來自外部客戶之收入		
Hong Kong	香港	1,240	1,336
The PRC	中國	32,032	46,785

The following table provides an analysis of the Group's non-current assets.

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current assets	非流動資產		
Hong Kong	香港	182	386
The PRC	中國	64	87

(d) Information about major customers

For the year ended 30 June 2018, there was no customer (2017: 1) accounted for over 10% (2017: 13%) of total revenue of the Group.

13. 分部資料 (續)

(c) 地區資料

本集團之業務及勞力主要位於中國及香港。

下表載列本集團來自外部客戶之收入分析。

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue from external customers		
Hong Kong	1,240	1,336
The PRC	32,032	46,785

下表載列本集團非流動資產之分析。

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current assets		
Hong Kong	182	386
The PRC	64	87

(d) 主要客戶之資料

截至二零一八年六月三十日止年度，概無客戶（二零一七年：1名）佔本集團收益總額10%以上（二零一七年：13%）。

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14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Leasehold improvements 租賃 物業裝修 HK\$'000 千港元	Furniture and fixtures 傢俬及裝置 HK\$'000 千港元	Equipment 設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST	成本					
At 1 July 2016	於二零一六年七月一日	1,474	1,039	25,427	71	28,011
Additions	添置	-	30	121	-	151
Disposals	出售	-	-	-	(48)	(48)
Exchange realignment	匯兌調整	-	(1)	(6)	-	(7)
		<u>1,474</u>	<u>1,068</u>	<u>25,542</u>	<u>23</u>	<u>28,107</u>
At 30 June 2017 and 1 July 2017	於二零一七年六月三十日及 二零一七年七月一日	1,474	1,068	25,542	23	28,107
Additions	添置	-	28	7	-	35
Exchange adjustment	匯兌調整	-	4	14	1	19
		<u>1,474</u>	<u>1,100</u>	<u>25,563</u>	<u>24</u>	<u>28,161</u>
At 30 June 2018	於二零一八年六月三十日	1,474	1,100	25,563	24	28,161
DEPRECIATION	折舊					
At 1 July 2016	於二零一六年七月一日	(1,474)	(637)	(25,267)	(44)	(27,422)
Charge for the year	年內支出	-	(194)	(56)	(6)	(256)
Written back on disposal	出售時撥回	-	-	-	38	38
Exchange realignment	匯兌調整	-	1	4	1	6
		<u>(1,474)</u>	<u>(830)</u>	<u>(25,319)</u>	<u>(11)</u>	<u>(27,634)</u>
At 30 June 2017 and 1 July 2017	於二零一七年六月三十日及 二零一七年七月一日	(1,474)	(830)	(25,319)	(11)	(27,634)
Charge for the year	年內支出	-	(185)	(75)	(6)	(266)
Exchange adjustment	匯兌調整	-	(4)	(11)	-	(15)
		<u>(1,474)</u>	<u>(1,019)</u>	<u>(25,405)</u>	<u>(17)</u>	<u>(27,915)</u>
At 30 June 2018	於二零一八年六月三十日	(1,474)	(1,019)	(25,405)	(17)	(27,915)
CARRYING VALUES	賬面值					
At 30 June 2018	於二零一八年六月三十日	-	81	158	7	246
At 30 June 2017	於二零一七年六月三十日	-	238	223	12	473

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15. INTANGIBLE ASSETS

15. 無形資產

		Licenses 牌照 HK\$'000 千港元	Patents and trademarks 專利及商標 HK\$'000 千港元	Computer software 電腦軟件 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost:	成本：				
As at 1 July 2016, 30 June 2017, 1 July 2017, and 30 June 2018	於二零一六年七月一日、 二零一七年六月三十日、 二零一七年七月一日及 二零一八年六月三十日	71,085	3,225	74,905	149,215
Accumulated amortisation and impairment:	累計攤銷及減值：				
At 1 July 2016	於二零一六年七月一日	70,662	3,225	74,905	148,792
Charge for the year	年度開支	423	-	-	423
As at 30 June 2017, 1 July 2017 and 30 June 2018	於二零一七年六月三十日、 二零一七年七月一日及 二零一八年六月三十日	71,085	3,225	74,905	149,215
Net book value:	賬面淨值：				
As at 30 June 2018	於二零一八年六月三十日	-	-	-	-
As at 30 June 2017	於二零一七年六月三十日	-	-	-	-

The amortisation for the year is included in "cost of sales" in the consolidated statement of profit or loss.

年內攤銷已包括於綜合損益表之「銷售成本」。

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16. PARTICULARS OF SUBSIDIARIES

16. 附屬公司之詳情

Particulars of the Company's principal subsidiaries as at 30 June 2018 are as follows:

於二零一八年六月三十日，本公司之主要附屬公司詳情如下：

Name of company 公司名稱	Place of incorporation 註冊成立地點	Proportion of voting power and percentage of equity 投票權比例及股權百分比			Particulars of issued/ registered capital 已發行/登記股本詳情	Principal activity and place of operation 主要業務及經營地點
		Group's effective interest 本集團之實際權益	Held by the Company 由本公司持有	Held by the subsidiary 由附屬公司持有		
Jade Phoenix Holdings Limited 英屬處女群島	The British Virgin Islands 英屬處女群島	100%	100%	-	1 ordinary share of US\$1 each 1股每股面值1美元之普通股	Investment holding 投資控股
Active Link Investments Limited 英屬處女群島	The British Virgin Islands 英屬處女群島	100%	100%	-	10,000 ordinary shares of US\$1 each 10,000股每股面值1美元之普通股	Investment holding 投資控股
Fast Team International Investment Limited 滙迅國際投資有限公司	Hong Kong 香港	100%	100%	-	1 ordinary share of HK\$1 each 1股每股面值1港元之普通股	Investment holding 投資控股
Super Venus Media International Limited 超金星媒體國際有限公司	Hong Kong 香港	100%	-	100%	10,000 ordinary shares 10,000股普通股	Investment holding 投資控股
石家莊市恩健公交廣告有限公司 (note (i))	The PRC	100%	-	100%	Registered capital of RMB3,000,000 註冊資本 人民幣3,000,000元	Design, production and publication of outdoor advertisements in PRC 在中國設計、製作及發佈戶外廣告
石家莊市恩健公交廣告有限公司 (附註(i))	中國					
上海電廣媒體傳播有限公司 (note (i))	The PRC	100%	-	100%	Registered capital of RMB5,000,000 註冊資本 人民幣5,000,000元	Provision of advertising placement agency services in television channel 提供電視渠道的廣告投放代理服務
上海電廣媒體傳播有限公司 (附註(i))	中國					
Time Focus International Limited 英屬處女群島	The British Virgin Islands 英屬處女群島	100%	100%	-	1 ordinary share of US\$1 each 1股每股面值1美元之普通股	Investment holding 投資控股
Smart Age Investments Limited 英屬處女群島	The British Virgin Islands 英屬處女群島	100%	100%	-	1 ordinary share of US\$1 each 1股每股面值1美元之普通股	Investment holding 投資控股

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For the year ended 30 June 2018 截至二零一八年六月三十日止年度

16. PARTICULARS OF SUBSIDIARIES (Cont'd)

16. 附屬公司之詳情 (續)

Name of company 公司名稱	Place of incorporation 註冊成立地點	Proportion of voting power and percentage of equity 投票權比例及股權百分比			Particulars of issued/ registered capital 已發行/登記股本詳情	Principal activity and place of operation 主要業務及經營地點
		Group's effective interest 本集團之實際權益	Held by the Company 由本公司持有	Held by the subsidiary 由附屬公司持有		
WEeare Sales Limited	Hong Kong 香港	100%	-	100%	1 ordinary share 1股普通股	Provision of event management and marketing services 提供活動管理及市場服務
深圳佳麗文化傳媒有限公司	The PRC 中國	100%	-	100%	Registered Capital RMB1,000,000 註冊資本 人民幣1,000,000元	Provision of marketing consultancy service 提供市場推廣諮詢服務
深圳星富文化傳媒有限公司	The PRC 中國	100%	-	100%	Registered Capital RMB1,000,000 註冊資本 人民幣1,000,000元	Provision of marketing consultancy service 提供市場推廣諮詢服務
深圳星佳投資諮詢有限公司	The PRC 中國	100%	-	100%	Registered Capital RMB2,640,000 註冊資本 人民幣2,640,000元	Provision of marketing consultancy service 提供市場推廣諮詢服務

Note:

- (i) Registered under the laws of the PRC as a limited liability company.

The above table lists the subsidiaries of the Company which, in the opinion of directors, principally affected the results or assets of the Group. To give the details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

附註：

- (i) 根據中國法例註冊為有限公司。

上表所呈列之本公司附屬公司為董事認為主要影響本集團業績或資產之公司。董事認為，呈列其他附屬公司之詳情將令篇幅過於冗長。

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17. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

17. 按公平值計入損益之金融資產

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Listed securities:		
– Equity securities listed in Hong Kong	21	53

上市證券：
– 於香港上市之股本證券

Financial assets at fair value through profit or loss are held for trading securities stated at fair values which are determined with reference to quoted market bid prices.

按公平值計入損益之金融資產乃按參考市場買入報價釐定之公平值呈列之持作買賣證券。

18. ACCOUNT RECEIVABLES

18. 應收賬款

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Debtors	3,776	3,053
Less: allowance for doubtful debts	(1,494)	(395)
	<u>2,282</u>	<u>2,658</u>

應收賬款
減：呆賬撥備

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綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

18. ACCOUNT RECEIVABLES (Cont'd)

(a) Ageing analysis

The following set out the ageing analysis of account receivables (net of allowance for doubtful debts) as of the end of the reporting period:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current	即期	-	-
Less than 1 month past due	逾期不足一個月	1,823	-
1 to 3 months past due	逾期一至三個月	459	-
Over 3 months past due	逾期超過三個月	-	2,658
		2,282	2,658

The Group's trading terms with customers are on credit. The credit period is generally from nil to 30 days. No interest is charged on account receivables and the Group does not hold any collateral over these balances.

(b) Impairment of debtors

Account receivables of approximately HK\$1,494,000 were impaired at 30 June 2018 (2017: HK\$395,000) with reference to the subsequent receipts after the end of the reporting period.

18. 應收賬款 (續)

(a) 賬齡分析

截至報告期末應收賬款(扣除呆賬撥備)之賬齡分析如下:

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current	-	-
Less than 1 month past due	1,823	-
1 to 3 months past due	459	-
Over 3 months past due	-	2,658
	2,282	2,658

本集團與客戶之交易以信貸方式進行，信貸期一般為零至30日。應收賬款為免息，本集團概無就該等結餘持有任何抵押品。

(b) 應收賬款減值

經參考於報告期末後已收之款項，於二零一八年六月三十日已減值之應收賬款約為1,494,000港元(二零一七年: 395,000港元)。

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For the year ended 30 June 2018 截至二零一八年六月三十日止年度

18. ACCOUNT RECEIVABLES (Cont'd)

(c) Debtors that are not impaired

The ageing analysis of the receivables that are past due but not impaired, along with receivables that are neither past due nor impaired, is as follows:

Past-due but not impaired:	逾期但無減值：
– Less than three months past due	– 逾期少於三個月
– Over 3 months past due	– 逾期超過三個月
Neither past due nor impaired	並無逾期亦無減值

Included in the Group's debtors as at 30 June 2018 are debtors with an aggregate carrying amount of approximately HK\$2,282,000 (2017: HK\$2,658,000) which are past due but not impaired at the end of the reporting period, as the directors have assessed these debtors to be recoverable based on their good settlement track records with the Group. The Group does not hold any collateral over these balances.

Debtors that are neither past due nor impaired related to customers who have no recent history of default. The Group does not hold any collateral over these balances.

18. 應收賬款 (續)

(c) 並無減值之應收賬款

逾期但無減值之應收款項，以及並無逾期亦無減值之應收款項之賬齡分析如下：

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
2,282	–
–	2,658
2,282	2,658
–	–
2,282	2,658

本集團於二零一八年六月三十日的應收賬款，包括總賬面值約為2,282,000港元(二零一七年：2,658,000港元)的賬款。該等應收賬款於報告期末已過期但並無減值，原因是董事已根據相關客戶於本集團的良好結算記錄，評定該等應收賬款可收回。本集團並無就該等結餘持有任何抵押品。

並無逾期亦無減值的應收賬款與近期並無欠款記錄之客戶有關。本集團並無就該等結餘持有任何抵押品。

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For the year ended 30 June 2018 截至二零一八年六月三十日止年度

19. LOANS RECEIVABLES

19. 應收貸款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loans receivables (Unsecured)	應收貸款(無抵押)	6,851	-

During the year, the group commenced in the money lending business.

年內，本集團開展放債業務。

The total amounts are repayable within one year from the end of the reporting period. Interest rate on the fixed rate loans receivables as at 30 June 2018 is at a range of 5% to 19% per annum.

總額須自報告期末起一年內償還。於二零一八年六月三十日，應收固定利率貸款之年利率介乎5%至19%。

In determining the impairment of loans receivables from money lending business, the management considers the settlements subsequent to maturity of the relevant loans receivables.

於釐定放債業務應收貸款之減值時，管理層考慮相關應收貸款到期後之結算。

The directors of the Company are of the opinion that the amounts are recoverable.

本公司董事認為有關金額為可收回。

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綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

20. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

20. 預付款項、按金及其他應收款項

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Prepayments	預付款項	5,665	803
Rental and utility deposits	租金及水電按金	1,390	148
Other deposits	其他按金	1,681	16,545
Other receivables	其他應收款項	4,441	1,948
		13,177	19,444
Non-current portion (Note a)	非流動部分 (附註a)	-	15,000
Current portion	流動部分	13,177	4,444
		13,177	19,444

Note:

- (a) As at 30 June 2017, other deposit included an amount of HK\$15,000,000 which was a refundable deposit paid for a proposed acquisition of new subsidiary.

附註：

- (a) 於二零一七年六月三十日，其他按金包括15,000,000港元之金額，其為就建議收購新附屬公司之已付可退還按金。

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For the year ended 30 June 2018 截至二零一八年六月三十日止年度

21. CASH AND CASH EQUIVALENTS

21. 現金及現金等價物

		2018 二零一八年 <i>HK\$'000</i> 千港元	2017 二零一七年 <i>HK\$'000</i> 千港元
Cash at bank and in hand	銀行及手頭現金	4,883	10,806

At the end of the reporting period, the cash and bank balances of the Group, which are denominated in Renminbi ("RMB"), amounted to approximately HK\$3,360,000 (2017: HK\$6,999,000). RMB is not freely convertible into other currencies. However, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sales and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through bank authorised to conduct foreign exchange business.

The interest rates on the cash at bank and deposits with banks ranged from 0.01% to 0.3% per annum (2017: from 0.01% to 0.35% per annum).

於報告期末，本集團以人民幣（「人民幣」）計值之現金及銀行結餘約為3,360,000港元（二零一七年：6,999,000港元）。人民幣不能自由兌換成其他貨幣。然而，根據中國內地《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團可透過獲授權經營外匯業務之銀行將人民幣兌換成其他貨幣。

銀行現金及銀行存款之利率介乎每年0.01厘至0.3厘（二零一七年：每年0.01厘至0.35厘）。

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For the year ended 30 June 2018 截至二零一八年六月三十日止年度

22. ACCOUNT PAYABLES, ACCRUED EXPENSES AND OTHER PAYABLES

22. 應付賬款、應計費用及其他應付款項

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Account payables (Notes (i) and (ii))	應付賬款 (附註(i)及(ii))	32,932	5,920
Accrued expenses and other payables (Note (iii))	應計費用及其他應付款項 (附註(iii))	11,973	27,523
Receipts in advance	預收款項	10,245	978
		55,150	34,421

Notes:

- (i) The following is an ageing analysis of account payables presented based on invoice date as at the end of the reporting period:

附註:

- (i) 按發票日期呈列之應付賬款於報告期末之賬齡分析如下:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Less than 1 month	少於一個月	1,084	-
1 to 3 months	一至三個月	-	5,920
3 to 6 months	三至六個月	11,851	-
6 to 9 months	六至九個月	-	-
9 to 12 months	九至十二個月	13,829	-
Over 1 year	超過一年	6,168	-
		32,932	5,920

- (ii) The credit period of account payables is generally from nil to 30 days.

- (ii) 應付賬款之信貸期一般介乎零至30日。

- (iii) (1) Included amounts of approximately HK\$2,134,720 (2017: HK\$10,007,000) related to accrued employee expenses.

- (iii) (1) 包括有關應計僱員開支金額約2,134,720港元(二零一七年: 10,007,000港元)。

- (2) Included amounts of approximately HK\$175,000 (2017: HK\$9,126,000) related to salaries payable to ex-directors.

- (2) 包括有關應付前任董事薪金金額約175,000港元(二零一七年: 9,126,000港元)。

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23. RETIREMENT BENEFITS

The Group operates a Mandatory Provident Fund Scheme ("the MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement scheme administered by independent trustees with their assets held separately from those of the employer. Under the MPF scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income HK\$30,000 with effect from 1 June 2014. Contributions to the scheme vest immediately.

The Group also participates in a state-managed retirement benefit scheme for its PRC employees. The Group contributes on a monthly basis to various defined contribution retirement benefit plans and the Group has no further obligation beyond the contributions made.

23. 退休福利

本集團根據香港強制性公積金計劃條例為根據香港僱傭條例聘用之僱員推行強制性公積金計劃（「強積金計劃」）。強積金計劃為由獨立信託人管理之定額供款退休計劃，其資產與僱主之資產分開持有。根據強積金計劃，僱主及其僱員分別須按僱員有關收入之5%供款，自二零一四年六月一日起，每月有關收入上限為30,000港元。計劃之供款一經作出即歸僱員所有。

本集團亦為其中國僱員參與國家管理之退休福利計劃。本集團每月向多個界定供款退休福利計劃作出供款，除所作供款外，本集團再無其他責任。

24. BORROWINGS

24. 借貸

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loans repayable within one year	須於一年內償還之貸款	10,500	-

The reconciliation of liabilities arising from financing activities is follows:

融資活動產生之負債之對賬如下：

		2018 二零一八年 HK\$'000 千港元
As of 1 July 2017	截至二零一七年七月一日	-
New bank loan	新銀行貸款	11,400
Repayment of bank loan	償還銀行貸款	(900)
As of 30 June 2018	截至二零一八年六月三十日	10,500

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24. BORROWINGS (Cont'd)

24. 借貸 (續)

		2017 二零一七年 HK\$'000 千港元
As of 1 July 2016	截至二零一六年七月一日	54,756
Fair value of initial recognition of convertible bonds	可換股債券之初始確認 公平值	(251,742)
		(196,986)
Extinguishment on repayment of borrowings	清償借貸	196,986
As of 30 June 2017	截至二零一七年六月三十日	-

During the year ended 30 June 2018, all borrowings carried fixed rate of interest from 2.5 to 12% per annum.

截至二零一八年六月三十日止年度，所有借貸按固定年利率2.5至12厘計息。

During the year end 30 June 2017, the Company and Kuo Yi-Hui, an independent third party, entered into the second deed of amendment (as supplemented in September 2016), pursuant to which the Company agreed with Kuo Yi-Hui, to convert the entire principal amount of HK\$42 million and accrued interests of HK\$12.8 million up to 12 August 2016 into HK\$50 million of Convertible bonds ("CB2"). The issuance of CB2 took place on 7 November 2016.

截至二零一七年六月三十日止年度，本公司與獨立第三方郭懿慧訂立第二份修訂契據（經於二零一六年九月補充），據此，本公司與郭懿慧同意將全部本金額42,000,000港元及直至二零一六年八月十二日之應計利息12,800,000港元轉換為50,000,000港元之可換股債券（「可換股債券2」）。發行可換股債券2於二零一六年十一月七日進行。

25. PROMISSORY NOTES

25. 承兌票據

On 31 August 2012, the Company issued HK\$160,000,000 unsecured redeemable promissory notes in connection with the acquisition of 100% equity interest in the Redgate Ventures Group. The promissory notes are repayable in one lump sum on maturity of two years and matured on 30 August 2014. On 29 August 2014, the Company has entered into two deeds of extension to amend the terms and conditions of the respective promissory notes with each of the two noteholders respectively, pursuant to which the parties to the respective deeds of extension agreed to extend the maturity date of the promissory notes from 30 August 2014 to 30 November 2014.

於二零一二年八月三十一日，本公司就收購Redgate Ventures集團之全部股本權益，發行160,000,000港元之無抵押可贖回承兌票據。承兌票據於兩年後到期且須一次性償付，到期日為二零一四年八月三十日。於二零一四年八月二十九日，本公司已分別與兩名票據持有人各自訂立兩份延遲契據，以修訂各承兌票據之條款及條件，據此，各延遲契據之訂約方已同意將承兌票據之到期日由二零一四年八月三十日延遲至二零一四年十一月三十日。

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綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

25. PROMISSORY NOTES (Cont'd)

On 28 November 2014, the Company has entered into two second deeds of extension to further amend the terms and conditions of the respective promissory notes with each of the two noteholders respectively, pursuant to which the parties to the respective second deeds of extension agreed to further extend the maturity date of the promissory notes from 30 November 2014 to 27 February 2015.

On 2 April 2015, the Company has entered into a third deed of extension to further amend the terms and conditions of the promissory notes with the noteholder, pursuant to which the parties to the respective second deeds of extension agreed to further extend the maturity date of the promissory notes from 27 February 2015 to 31 October 2015.

On 30 September 2015, the Company issued a letter to Profit Eagle Limited ("Profit Eagle"), the holder of the promissory notes and proposed the repayment of outstanding promissory notes by issuance of convertible bonds. On 22 October 2015, Profit Eagle principally agreed the Company's proposal on the condition that the Company should issue and allot 180,000,000 ordinary shares of the Company to the holder at the aggregate consideration of HK\$1.00.

On 12 August 2016, the Company and Profit Eagle entered into the first deed of amendment (the "First Deed of Amendment") pursuant to which the Company agreed with Profit Eagle to exchange the promissory notes into convertible bonds of an aggregate principal amount of HK\$60,500,000 ("CB1") and to issue 75 million new ordinary shares for consideration to Profit Eagle as compensation for the default of payment under the promissory notes.

25. 承兌票據 (續)

於二零一四年十一月二十八日，本公司已分別與兩名票據持有人各自訂立兩份第二次延遲契據，以進一步修訂各承兌票據之條款及條件，據此，各第二次延遲契據之訂約方已同意將承兌票據之到期日由二零一四年十一月三十日進一步延遲至二零一五年二月二十七日。

於二零一五年四月二日，本公司已與票據持有人訂立第三份延遲契據，以進一步修訂承兌票據之條款及條件，據此，各第二次延遲契據之訂約方已同意將承兌票據之到期日由二零一五年二月二十七日進一步延遲至二零一五年十月三十一日。

於二零一五年九月三十日，本公司向承兌票據之持有人Profit Eagle Limited (「Profit Eagle」)發出一份函件，並建議通過發行可換股債券償還尚未償還之承兌票據。於二零一五年十月二十二日，Profit Eagle大致同意本公司之建議，條件為本公司按總代價1.00港元向持有人發行及配發180,000,000股本公司之普通股。

於二零一六年八月十二日，本公司與Profit Eagle訂立第一份修訂契據 (「第一份修訂契據」)，據此，本公司同意與Profit Eagle將承兌票據兌換為本金總額為60,500,000港元之可換股債券 (「可換股債券1」) 及向Profit Eagle發行75,000,000股新普通股以換取代價作為承兌票據項下支付違約之賠償。

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25. PROMISSORY NOTES (Cont'd)

On 19 September 2016, the Company and Profit Eagle entered into a supplemental deed to the First Deed of Amendment (the "Supplemental Deed"). Pursuant to the Supplemental Deed, (i) the Company and Profit Eagle agreed to change the terms that the Company shall at completion of the issuance of CB1 issue and allot 75,000,000 new ordinary shares (the "Subscription Shares") to Profit Eagle or its nominee at the subscription price of HK\$0.01 per Subscription Share (the "Subscription Price") (which is equivalent to the par value of the new share) and (ii) Profit Eagle has to obtain prior written consent of the Company if any of the nominee(s), transferee(s) or assignee(s) (and their respective ultimate beneficial owners) who take(s) up the Subscription Shares is a connected person of the Company. The Company intended to use the net proceeds from the Subscription Shares of approximately HK\$750,000 for its general working capital. The issuance of CB1 and Subscription Shares took place on 7 November 2016.

25. 承兌票據 (續)

於二零一六年九月十九日，本公司與Profit Eagle訂立第一份修訂契據之補充契據（「補充契據」）。根據補充契據，(i)本公司與Profit Eagle同意修訂有關條款，即本公司將於發行可換股債券1完成後按認購價每股認購股份0.01港元（「認購價」）（相等於新股份之面值）發行及配發75,000,000股新普通股（「認購股份」）予Profit Eagle或其代名人及(ii)倘承購認購股份之任何代名人、承讓人或受讓人（及彼等各自之最終實益擁有人）為本公司之關連人士，則Profit Eagle須取得本公司之事先書面同意。本公司擬將認購股份所得款項淨額約750,000港元用於其一般營運資金。發行可換股債券1及認購股份已於二零一六年十一月七日進行。

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At the beginning of the year	於年初	-	50,000
Interest charged	利息開支	-	-
Fair value of initial recognition of convertible bonds (note)	可換股債券之初始確認 公平值 (附註)	-	(302,500)
Fair value of subscription share	認購股份之公平值	-	(36,750)
		-	(289,250)
Extinguishment of promissory notes	清償承兌票據	-	289,250
At the end of the year	於年末	-	-

Note:

Convertible bond (CB1) issued by the company with the fair value of HK\$302,500,000 at note 26 is used for repayment of promissory notes

附註：

附註26所述本公司發行之公平值為302,500,000港元之可換股債券（可換股債券1）已用作償還承兌票據。

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26. ISSUANCE OF CONVERTIBLE BONDS BY THE COMPANY AND EXTINGUISHMENT OF CERTAIN LIABILITIES OF THE COMPANY

On 7 November 2016, the Company issued the following convertible bonds as a part of financial restructuring described in the Company's circular dated 23 September 2016. Please refer to notes 24 & 25 for details.

Convertible bond 1 ("CB 1")

The Company issued zero-coupon convertible bonds with the principal amount of HK\$60,500,000 to Profit Eagle Limited, the holder of promissory note with the aggregate carrying amount of HK\$50,000,000, as part of the consideration to settle the promissory note that had been due for payment since 31 October 2015. The maturity date of CB 1 will be on the day last preceding the second anniversary of the date of the issue of the CB 1, i.e. 6 November 2018.

Convertible bond 2 ("CB 2")

The Company issued 3% convertible bonds with the principal amount of HK\$50,000,000 to Miss Kuo Yi-Hui, an independent third party and one of the Group's creditors, to settle a Group's borrowing of HK\$42,000,000 with interest of 2.5% per month. The carrying amount of the borrowing together with the accrued interest amounted to HK\$54,756,000. The maturity date of CB 2 will be on the day last preceding the 18th month of the date of the issue of the CB 2, i.e. 6 May 2018. Interest is payable per annum.

Convertible bond 3 ("CB 3")

The Company issued 3% convertible bonds with the principal amount of HK\$25,000,000 to not less than 6 independent third parties for cash consideration of HK\$25,000,000. The maturity date of CB 3 will be on the day last preceding the second anniversary of the date of the issue of the CB 1, i.e. 6 November 2018. Interest is payable per annum.

26. 本公司發行可換股債券及清償本公司若干負債

於二零一六年十一月七日，本公司發行以下可換股債券作為本公司日期為二零一六年九月二十三日通函所述財務重組之一部分。詳情請參閱附註24及25。

可換股債券1(「可換股債券1」)

本公司向Profit Eagle Limited(為總賬面值50,000,000港元之承兌票據持有人)發行本金額為60,500,000港元之零票息可換股債券，作為償付自二零一五年十月三十一日起已到期支付之承兌票據之部分代價。可換股債券1將於發行可換股債券1之日期起計第二週年日前一日(即二零一八年十一月六日)到期。

可換股債券2(「可換股債券2」)

本公司向郭懿慧女士(為獨立第三方及本集團之債權人)發行本金額為50,000,000港元之3%可換股債券，以償付本集團月息2.5厘之借貸42,000,000港元。借貸之賬面值連同應計利息為54,756,000港元。可換股債券2將於發行可換股債券2之日期起計第十八個月前一日(即二零一八年五月六日)到期。利息須按年支付。

可換股債券3(「可換股債券3」)

本公司向不少於六名獨立第三方發行本金額為25,000,000港元之3%可換股債券，現金代價為25,000,000港元。可換股債券3將於發行可換股債券1之日期起計第二週年日前一日(即二零一八年十一月六日)到期。利息須按年支付。

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26. ISSUANCE OF CONVERTIBLE BONDS BY THE COMPANY AND EXTINGUISHMENT OF CERTAIN LIABILITIES OF THE COMPANY (Cont'd)

All of the abovementioned convertible bonds were issued soon after the share consolidation. All convertible bonds entitle the holders to convert them into ordinary shares of the Company at any time between the date of issue of the convertible bonds and their maturity date at a conversion price of HK\$0.1 per share, subject to anti-dilutive adjustments and the conversion restriction under Rule 26 of the Hong Kong Code of Takeovers and Mergers. If the convertible bonds have not been converted, they will be redeemed on their respective maturity date at the principal amount outstanding plus accrued interest. The Company shall have the right at any time between the date of issue of the convertible bonds but prior to their respective maturity date to redeem the whole or any principal amount of the convertible bonds outstanding at 100% of the principal amount thereof with the accrued interest (the "Early Redemption Option").

The Early Redemption Option embedded in all convertible bonds was not considered by management as closely related to the host liability component of the convertible bonds and hence the conversion options embedded in the convertible bonds do not meet the requirement as to "fixed amount of cash for a fixed number of shares of the Company's equity instruments and are not classified as equity instruments. Instead, the conversion options and Early Redemption Options are considered as embedded derivatives. With embedded derivatives, management decided to designate the convertible bonds as financial liabilities as at fair value through profit or loss on initial recognition. At the issuance date of those convertible bonds, the fair value of CB 1, CB 2 and CB 3 were approximately HK\$302,500,000, HK\$251,743,000 and HK\$126,088,000 respectively.

26. 本公司發行可換股債券及清償本公司若干負債 (續)

所有上述可換股債券乃於股份合併後不久發行。所有可換股債券均賦予持有人權力，於可換股債券發行日期至其到期日止期間隨時按換股價每股0.1港元將其轉換為本公司之普通股，惟須受香港公司收購及合併守則規則26項下之反攤薄調整及轉換限制所規限。倘可換股債券未獲轉換，則彼等將於其各自之到期日按尚未償還本金額加應計利益贖回。本公司將有權於可換股債券發行日期但於彼等各自之到期日前止期間，隨時按其本金額之100%連同應計利息贖回尚未償還之可換股債券之全部或任何本金額（「提早贖回權」）。

由於管理層認為所有可換股債券嵌入的提早贖回權並無與該等可換股債券之主要負債部分密切相關，故可換股債券嵌入的換股權並不符合「固定現金金額兌換本公司股本固定數目股份」之規定，且並未分類至股本。相反，換股權及提早贖回權被視為嵌入式衍生工具。於初步確認後，管理層決定就嵌入式衍生工具將全部可換股債券指定為按公平值計入損益的金融負債。於該等可換股債券發行日期，可換股債券1、可換股債券2及可換股債券3的公平值分別約為302,500,000港元、251,743,000港元及126,088,000港元。

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26. ISSUANCE OF CONVERTIBLE BONDS BY THE COMPANY AND EXTINGUISHMENT OF CERTAIN LIABILITIES OF THE COMPANY (Cont'd)

Upon the initial recognition, the Group has recognised losses attributable to the following:

- Loss on extinguishment of the abovementioned promissory notes issued by the Company amounting to approximately HK\$289,250,000. The consideration for the extinguishment was satisfied by a) issuance of 75,000,000 ordinary shares of the Company for a cash consideration of HK\$750,000 and issuance of CB 1 of principal amount of HK\$60,500,000. As mentioned in the Group's accounting policy note, the difference between carrying amount of a financial liability derecognised and the consideration paid, measured in this case based on the fair values of the ordinary shares (less consideration received) and CB 1 issued, is recognised in profit or loss;
- Loss on extinguishment of the abovementioned borrowing amounting to approximately HK\$196,986,000. The consideration for the extinguishment was satisfied by the issuance of CB 2 of principal amount of HK\$50,000,000. The difference between carrying amount of the financial liability derecognised and the consideration paid, measured based on the fair value of CB 2 issued, is recognised in profit or loss; and
- Loss on initial recognition of CB 3, amounting to HK\$101,088,000, attributable to the fact that the fair value of CB 3 determined on initial recognition is significantly higher than the cash consideration received.

26. 本公司發行可換股債券及清償本公司若干負債 (續)

初步確認後，本集團已確認以下各項應佔虧損：

- 清償本公司所發行上述承兌票據之虧損為約289,250,000港元。清償之代價乃透過a)發行75,000,000股本公司普通股(取得現金代價750,000港元)及發行本金額為60,500,000港元之可換股債券1支付。誠如本集團會計政策附註所述，取消確認之金融負債賬面值與已付代價之差額(於此情況下根據普通股之公平值(減已收代價)及已發行可換股債券1之公平值計算)於損益中確認；
- 清償上述借貸之虧損為約196,986,000港元。清償之代價乃透過發行本金額為50,000,000港元之可換股債券2支付。取消確認之金融負債之賬面值與已付代價(根據已發行可換股債券2之公平值計量)之差額於損益中確認；及
- 初步確認可換股債券3之虧損為101,088,000港元，乃由於初步確認時所釐定可換股債券3之公平值大幅高於已收現金代價所致。

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26. ISSUANCE OF CONVERTIBLE BONDS BY THE COMPANY AND EXTINGUISHMENT OF CERTAIN LIABILITIES OF THE COMPANY (Cont'd)

The losses arising on extinguishment and initial recognition referred to above were mainly due to the fact that a significant value of the convertible bonds as at initial recognition was attributable to the conversion option embedded in the convertible bonds that entitle the holders to convert into ordinary shares of the Company at the initial conversion price of HK\$0.1 per conversion share, which is at a significant discount to the fair value of the share of HK\$0.5 on initial recognition of the convertible bonds. In the opinion of the directors of the Company, the initial conversion price should not be adjusted for the share consolidation of every five issued and unissued shares into one share which took place on 4 November 2016 as disclosed in Note 29.

The movements of CB 1, CB 2 and CB 3 during the year are set out below:

26. 本公司發行可換股債券及清償本公司若干負債(續)

因上述清償及初步確認產生之虧損乃主要由於可換股債券於初步確認時之重大價值歸因於可換股債券內嵌入之換股權，其賦予持有人權利可按初步換股價每股換股股份0.1港元（其較可換股債券於初步確認時之股份公平值0.5港元有大幅折讓）兌換成本公司普通股。本公司董事認為，初步換股價不應就於二零一六年十一月四日進行之每五股已發行及未發行股份合併為一股股份之股份合併（如附註29所披露）作出調整。

可換股債券1、可換股債券2及可換股債券3的年內變動載列如下：

		CB 1 可換股債券1 HK\$'000 千港元	CB 2 可換股債券2 HK\$'000 千港元	CB 3 可換股債券3 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 July 2016	於二零一六年七月一日	-	-	-	-
Issued during the year	年內發行	302,500	251,743	126,088	680,331
Converted during the year	年內轉換	-	(280,175)	(163,664)	(443,839)
Interest paid	已付利息	-	(421)	(251)	(672)
Fair value remeasurement:	重新計量公平值：				
- on conversion	- 於轉換	-	54,028	37,827	91,855
- at the end of the reporting period	- 於報告期末	223,850	18,465	-	242,315
At 30 June 2017 and 1 July 2017	於二零一七年六月三十日及 二零一七年七月一日	526,350	43,640	-	569,990
Converted during the year	年內轉換	(900)	(9,900)	-	(10,800)
Interest paid	已付利息	-	(176)	-	(176)
Fair value remeasurement:	重新計量公平值：				
- on conversion	- 於轉換	(3,450)	(33,564)	-	(37,014)
- at the end of the reporting period	- 於報告期末	(403,200)	-	-	(403,200)
At 30 June 2018	於二零一八年六月三十日	118,800	-	-	118,800
Analysed for reporting purposes as:	以報告為目的之分析如下：				
- Current portion	- 流動部分	118,800	-	-	-

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26. ISSUANCE OF CONVERTIBLE BONDS BY THE COMPANY AND EXTINGUISHMENT OF CERTAIN LIABILITIES OF THE COMPANY (Cont'd)

During the year ended 30 June 2017, the original holder of CB 2, Miss Kuo Yi-Hui, transferred the aggregate principal amount of HK\$20,000,000 to 2 parties considered by management to be independent third parties of the Company or the Group. After the transfers, Miss Kuo Yi-Hui and the other transferees converted the aggregate principal amount of HK\$25,000,000 of CB 2 into the ordinary shares of the Company. In the opinion of the directors of the Company, such conversions did not trigger Rule 11.23(7) of the GEM Listing Rules and Rule 26 of the Hong Kong Code of Takeovers and Mergers.

During the year ended 30 June 2018, profit of HK\$37,014,000 and HK\$403,500,000 (2017: HK\$91,855,000 and HK\$242,315,000) respectively were recognised in profit or loss attributable to fair value remeasurement of certain convertible bonds on conversion and fair value measurement of outstanding convertible bonds at the end of the reporting period.

26. 本公司發行可換股債券及清償本公司若干負債 (續)

截至二零一七年六月三十日止年度，可換股債券2的原持有人郭懿慧女士轉讓本金總額20,000,000港元予管理層認為屬本公司或本集團獨立第三方之兩名人士。於轉讓後，郭懿慧女士及其他承讓人將本金總額為25,000,000港元的可換股債券2轉換為本公司普通股。本公司董事認為，該等轉換並不會觸發GEM上市規則第11.23(7)條及香港公司收購及合併守則規則26。

截至二零一八年六月三十日止年度，37,014,000港元及403,500,000港元（二零一七年：91,855,000港元及242,315,000港元）之溢利於報告期末於損益內確認，乃分別由於若干可換股債券之公平值重新計量及未兌換可換股債券之公平值重新計量所致。

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26. ISSUANCE OF CONVERTIBLE BONDS BY THE COMPANY AND EXTINGUISHMENT OF CERTAIN LIABILITIES OF THE COMPANY (Cont'd)

The fair values of the convertible bonds at initial recognition, at the time of conversion and as at 30 June 2017 and 2018 were estimated using binominal option pricing model with the following inputs:

		At 30 June 2018 於二零一八年 六月三十日	At 30 June 2017 於二零一七年 六月三十日	At the issuance date 於發行日期
Stock price	股價	HK\$0.198港元	HK\$0.87港元	HK\$0.50港元
Conversion price	轉化價	HK\$0.1港元	HK\$0.10港元	HK\$0.10港元
Risk-free rate	無風險息利率	1.524%	0.54% to 至 0.66%	0.54% to 至 0.60%
Dividend yield	股息收益	0%	0%	0%
Time to maturity	到期期限	0.4years 年	0.9 to 至 1.4 years 年	1.5 to 至 2 years 年
Volatility	波幅	45.09%	32.23%	32.16%

The above inputs used in computing the fair value of the convertible bonds were based on the directors' best estimate. Changes in input may result in changes in the fair value of the convertible bonds.

26. 本公司發行可換股債券及清償本公司若干負債(續)

可換股債券於初步確認、於兌換時候及於二零一七年及二零一八年六月三十日的公平值乃採用二項式期權定價模式以下列輸入數據進行估計：

計算可換股債券的公平值所用的上述輸入數據乃基於董事的最佳估計。輸入數據變動可能引致可換股債券的公平值變動。

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27. DEFERRED TAXATION

The components of deferred tax liabilities recognised in the consolidated statement of financial position and the movements during the year are as follows:

		Intangible assets 無形資產 HK\$'000 千港元
At 1 July 2016	於二零一六年七月一日	106
Credited to profit or loss	計入損益	(106)
At 30 June 2017 and 30 June 2018	於二零一七年 六月三十日及 二零一八年六月三十日	-

At the end of the reporting period, the Group has unused tax losses of approximately HK\$47,880,000 (2017: HK\$47,880,000) available to offset against future profits that may be carried forward indefinitely. No deferred tax assets has been recognised in respect of the tax losses due to the unpredictability of future profit streams.

No deferred tax assets has been recognised in respect of the remaining tax losses of the Company due to the unpredictability of future profit streams.

27. 遞延稅項

於本年度，已於綜合財務狀況表確認之遞延稅項負債之組成部分及變動如下：

於報告期末，本集團之未動用稅項虧損為約47,880,000港元（二零一七年：47,880,000港元），可用以抵銷可無限期地結轉之未來溢利。由於無法預測未來溢利來源，故並無就稅項虧損確認遞延稅項資產。

由於無法預測未來溢利來源，故並無就本公司之餘下稅項虧損確認遞延稅項資產。

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28. SHARE CAPITAL

28. 股本

		Par value of each share 每股面值 HK\$ 港元	Number of share 股份數目	Nominal value 面值 HK\$'000 千港元
Authorised:	法定：			
At 1 July 2016, 30 June 2017 and 1 July 2017	於二零一六年七月一日、 二零一七年六月三十日及 二零一七年七月一日	0.1	3,000,000,000	300,000
Share consolidated (Note (a))	股份合併 (附註(a))		(2,400,000,000)	–
Share sub-division (Note (a))	股份拆細 (附註(a))		29,400,000,000	–
At 30 June 2018	於二零一八年六月三十日	0.01	30,000,000,000	300,000
		Par value of each share 每股面值 HK\$ 港元	Number of shares 股份數目	Nominal value 面值 HK\$'000 千港元
Issued and fully paid	已發行及繳足			
At 1 July 2016	於二零一六年七月一日		191,099,228	95,550
Capital reduction (Note (a))	股本削減 (附註(a))		–	(93,639)
Issue of subscription shares (Note (b))	發行認購股份 (附註(b))	0.01	75,000,000	750
Placing of shares (Note (c))	配售股份 (附註(c))	0.01	31,849,871	318
Issue of shares upon conversion of convertible bonds (Note (d))	於兌換可換股債券時發行股份 (附註(d))	0.01	700,000,000	7,000
At 30 June 2017 and 1 July 2017	於二零一七年六月三十日及 二零一七年七月一日	0.01	997,949,099	9,979
Issue of share upon conversion of convertible bonds (Note (e))	於兌換可換股債券時發行股份 (附註(e))		55,000,000	550
			1,052,949,099	10,529

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28. SHARE CAPITAL (Cont'd)

Notes:

- (a) Pursuant to a special resolution passed by the Shareholders at the special general meeting held on 17 October 2016, the Company proceed with capital reorganisation involving, among others, the following:
- (i) share consolidation whereby every five issued and unissued shares of HK\$0.1 each were consolidated into one consolidated share of HK\$0.50 each;
 - (ii) capital reduction whereby the nominal value of all the issued consolidated shares was reduced from HK\$0.50 each to HK\$0.01 each by cancelling paid-up capital to the extent of HK\$0.49 on each issued consolidated share so as to form the adjusted Share of HK\$0.01 each; and
 - (iii) the sub-division was made of each of the authorised but unissued consolidated shares of HK\$0.5 each into 50 adjusted shares of HK\$0.01 each.
- The capital reorganisation was taken place and completed on 4 November 2016.
- (b) On 12 August 2016, the Company entered into supplemental deed to the First Deed of Amendment to amend the terms on the allotment of 75,000,000 subscription shares at a price of HK\$0.01 per subscription share. The net proceed received from the subscription was HK\$750,000. As the Group's accounting policy notes, the measured in this case based on the fair values of the ordinary shares less consideration received. The placing was completed on 7 November 2016.
- (c) On 18 November 2016, the Company entered into the placing agreement with placing agent to placing to not less than six independent places for up to 31,849,871 shares at a price of HK\$0.35 per placing share. The net proceed received from the placing was HK\$10.60 million. The placing was completed on 30 November 2016.
- (d) On 13 February 2017, 27 February 2017, 7 March 2017 and 8 March 2017, the Company issued 700,000,000 new ordinary shares at an issue price of HK\$0.1 each for redemption of outstanding convertible notes respectively. The excess over the par value of the shares issued was credited to the share premium of the Company.
- (e) On 11 January 2018 and 13 June 2018, the Company issued 50,000,000 and 5,000,000 new ordinary shares at an issue price of HK\$0.1 each for redemption of outstanding convertible notes respectively. The excess over the par value of the shares issued was credited to the share premium of the Company.

28. 股本 (續)

附註:

- (a) 根據股東在二零一六年十月十七日舉行之股東特別大會上通過之一項特別決議案，本公司進行涉及(其中包括)以下各項之股本重組：
- (i) 股份合併，據此，每五股每股面值0.1港元之已發行及未發行股份合併為一股每股面值0.50港元之合併股份；
 - (ii) 股本削減，據此，透過註銷繳足股本(每股已發行合併股份註銷0.49港元)將所有已發行合併股份之面值由每股0.50港元削減至每股0.01港元以令經調整股份為每股0.01港元；及
 - (iii) 將每股已授權但未發行之每股面值0.5港元之合併股份分拆為50股每股面值0.01港元之經調整股份。
- 股本重組已於二零一六年十一月四日進行及完成。
- (b) 於二零一六年八月十二日，本公司訂立第一份修訂契據之補充契據以修訂按每股認購股份0.01港元之價格配發75,000,000股認購股份之條款。自認購收取之所得款項淨額為750,000港元。誠如本集團會計政策所述，於此情況下根據普通股之公平值減已收代價計算。配售已於二零一六年十一月七日完成。
- (c) 於二零一六年十一月十八日，本公司與配售代理訂立配售協議以按每股配售股份0.35港元之價格向不少於六名獨立承配人配售最多31,849,871股股份。自配售收取之所得款項淨額為10,600,000港元。配售已於二零一六年十一月三十日完成。
- (d) 於二零一七年二月十三日、二零一七年二月二十七日、二零一七年三月七日及二零一七年三月八日，本公司分別按發行價每股0.1港元發行700,000,000股新普通股以贖回未兌換可換股票據。超出已發行股份面值之差額已計入本公司之股份溢價內。
- (e) 於二零一八年一月十一日及二零一八年六月十三日，本公司已按發行價每股0.1港元分別發行50,000,000股及5,000,000股新普通股以贖回未兌換可換股票據。超出已發行股份面值之差額已計入本公司之股份溢價內。

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29. SHARE OPTION SCHEMES

The Company adopted a share option scheme on 5 July 2002 whereby any employees (whether or not full-time or part-time) and any consultant or adviser who, at the sole discretion of the board, subject to the terms of the share option scheme, contributed to the Group, may be granted options to subscribe for shares in the Company. The share option scheme was terminated and a new share option scheme was adopted pursuant to resolution passed by the Shareholders on 23 November 2012.

The maximum number of shares in respect of which options may be granted under the schemes must not exceed 10% of the total numbers of shares in issue.

29. 購股權計劃

本公司於二零零二年七月五日採納一項購股權計劃，據此，任何僱員（無論全職或兼職）及任何諮詢顧問或顧問（在購股權計劃之條款下，由董事會全權酌情認為對本集團有所貢獻者）均可獲授購股權以認購本公司股份。本公司已終止購股權計劃，並根據股東於二零一二年十一月二十三日通過之決議案，採納一項新購股權計劃。

根據該等計劃可能授出之購股權所涉及股份數目，最多不得超過已發行股份總數之10%。

Date of grant	Number of shares				Outstanding as 30 June 2018	Option period	Exercise price per share (Note)
	Outstanding as at 1 July 2017	Granted during the year	Exercised during the year	Lapsed during the year			
授出日期	於二零一七年七月一日尚未行使	年內授出	年內行使	年內失效	於二零一八年六月三十日尚未行使	購股權期間	每股行使價 (附註)
Former directors, senior management, other employees and consultants 前董事、高級管理層、其他僱員及顧問	2,250	-	-	(2,250)	-	23 August 2007 to 22 August 2017	HK\$19,538.8
二零零七年八月二十三日						二零零七年八月二十三日至二零零七年八月二十二日	19,538.8港元
9 September 2008	995	-	-	-	995	9 September 2008 to 8 September 2018	HK\$5,396.95
二零零八年九月九日						二零零八年九月九日至二零零八年九月八日	5,396.95港元
11 September 2008	709	-	-	-	709	11 September 2008 to 11 September 2018	HK\$6,047.3
二零零八年九月十一日						二零零八年九月十一日至二零零八年九月十一日	6,047.3港元
16 December 2008	709	-	-	-	709	16 December 2008 to 15 December 2018	HK\$2,363.5
二零零八年十二月十六日						二零零八年十二月十六日至二零零八年十二月十五日	2,363.5港元
17 February 2009	386	-	-	-	386	17 February 2009 to 16 February 2019	HK\$3,070.9
二零零九年二月十七日						二零零九年二月十七日至二零零九年二月十六日	3,070.9港元
29 May 2009	386	-	-	-	386	29 May 2009 to 28 May 2019	HK\$2,728.6
二零零九年五月二十九日						二零零九年五月二十九日至二零零九年五月二十八日	2,728.6港元
31 December 2009	220	-	-	-	220	31 December 2009 to 29 December 2019	HK\$1,395.3
二零零九年十二月三十一日						二零零九年十二月三十一日至二零零九年十二月二十九日	1,395.3港元
15 January 2010	1,935	-	-	-	1,935	15 January 2010 to 14 January 2021	HK\$2,264.05
二零零一年一月十五日						二零零一年一月十五日至二零零二年一月十四日	2,264.05港元
	<u>7,590</u>	<u>-</u>	<u>-</u>	<u>(2,250)</u>	<u>5,340</u>		

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29. SHARE OPTION SCHEMES (Cont'd)

29. 購股權計劃 (續)

For the year ended 30 June 2017

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	Date of grant	Number of share options 購股權數目					Outstanding as at 30 June 2017	Option period	Exercise price per share (Note)
		Outstanding as at 1 July 2016	Granted during the year	Exercised during the year	Lapsed during the year	Completion at share reorganisation (Note)			
	授出日期	於二零一六年 七月一日 尚未行使	年內授出	年內行使	年內失效	於二零一七年 六月三十日 尚未行使	購股權期限	每股行使價 (附註)	
Former directors, senior management, other employees and consultants	23 August 2007	11,252	-	-	-	(9,002)	2,250	23 August 2007 to 22 August 2018	HK\$19,538.8
	二零零七年八月二十三日							二零零七年八月二十三日至 二零一八年八月二十二日	19,538.8港元
前董事、高級管理層、 其他僱員及 顧問	9 September 2008	4,975	-	-	-	(3,980)	995	9 September 2008 to 8 September 2018	HK\$5,396.95
	二零零八年九月九日							二零零八年九月九日至 二零一八年九月八日	5,396.95港元
	11 September 2008	3,546	-	-	-	(2,837)	709	11 September 2008 to 10 September 2018	HK\$6,047.3
	二零零八年九月十一日							二零零八年九月十一日至 二零一八年九月十日	6,047.3港元
	16 December 2008	3,546	-	-	-	(2,837)	709	16 December 2008 to 15 December 2018	HK\$2,363.5
	二零零八年十二月十六日							二零零八年十二月十六日至 二零一八年十二月十五日	2,363.5港元
	17 February 2009	1,932	-	-	-	(1,546)	386	17 February 2009 to 16 February 2019	HK\$3,070.9
	二零零九年二月十七日							二零零九年二月十七日至 二零一九年二月十六日	3,070.9港元
	29 May 2009	1,932	-	-	-	(1,546)	386	29 May 2009 to 28 May 2019	HK\$2,728.6
	二零零九年五月二十九日							二零零九年五月二十九日至 二零一九年五月二十八日	2,728.6港元
	31 December 2009	1,104	-	-	-	(884)	220	31 December 2009 to 30 December 2019	HK\$1,395.3
	二零零九年十二月三十一日							二零零九年十二月三十一日至 二零一九年十二月三十日	1,395.3港元
	15 January 2010	9,675	-	-	-	(7,740)	1,935	15 January 2010 to 14 January 2020	HK\$2,264.05
	二零一零年一月十五日							二零一零年一月十五日至 二零二零年一月十四日	2,264.05港元
Total 總計		37,962	-	-	-	(30,372)	7,590		

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29. SHARE OPTION SCHEMES (Cont'd)

The fair values of the options granted on 23 August 2007, 9 September 2008, 11 September 2008, 16 December 2008, 17 February 2009 and 29 May 2009 determined using the Binomial Option Pricing Model were HK\$32,590,077, HK\$13,654,408, HK\$5,868,400, HK\$4,093,100, HK\$1,071,600 and HK\$948,000 respectively.

The fair values of the options granted on 31 December 2009 and 15 January 2010 determined using the Black-Scholes Option Pricing Model were HK\$5,495,000 and HK\$3,255,000 respectively. The significant inputs and assumptions to the model were as follows:

Grant date	授出日期	23 August 2007 二零零七年 八月二十三日	9 September 2008 二零零八年 九月九日	11 September 2008 二零零八年 九月十一日	16 December 2008 二零零八年 十二月十六日	17 February 2009 二零零九年 二月十七日	29 May 2009 二零零九年 五月二十九日	31 December 2009 二零零九年 十二月三十一日	15 January 2010 二零一零年 一月十五日
Stock assets price (unadjusted)	股份資產價格(未經調整)	HK\$0.63 0.63港元	HK\$0.174 0.174港元	HK\$0.195 0.195港元	HK\$0.075 0.075港元	HK\$0.099 0.099港元	HK\$0.087 0.087港元	HK\$0.23 0.23港元	HK\$0.37 0.37港元
Exercise price (unadjusted)	行使價(未經調整)	HK\$0.063 0.063港元	HK\$0.174 0.174港元	HK\$0.195 0.195港元	HK\$0.0762 0.0762港元	HK\$0.099 0.099港元	HK\$0.088 0.088港元	HK\$0.225 0.225港元	HK\$0.365 0.365港元
Expected volatility	預期波幅	77.37%	95.077%	95.255%	100.409%	102.323%	102.323%	96.04%	97.35%
Expected life	預期年期	10 years 10年	10 years 10年	10 years 10年	10 years 10年	10 years 10年	10 years 10年	10 years 10年	10 years 10年
Risk free interest rate	無風險息率	4.480%	2.848%	2.799%	1.530%	1.586%	2.767%	1.93%	1.86%
Expected dividend yield	預期股息收益	0%	0%	0%	0%	0%	0%	0%	0%

Expected volatility was based on weekly historical volatility since the establishment of the Company.

The Binomial Option Pricing Model and the Black-Scholes Option Pricing Model require the input of highly subjective assumptions, including the volatility of share price. Any changes in subjective input assumptions could materially affect the fair value estimate.

Note:

The numbers of share options and the exercise price per share options were adjusted upon the completion of the share consolidation on 4 November 2016.

29. 購股權計劃(續)

於二零零七年八月二十三日、二零零八年九月九日、二零零八年九月十一日、二零零八年十二月十六日、二零零九年二月十七日及二零零九年五月二十九日授出之購股權之公平值乃使用二項式期權定價模式釐定，分別為32,590,077港元、13,654,408港元、5,868,400港元、4,093,100港元、1,071,600港元及948,000港元。

於二零零九年十二月三十一日及二零一零年一月十五日授出之購股權之公平值乃使用柏力克-舒爾斯期權定價模式釐定，分別為5,495,000港元及3,255,000港元。該模式之重要輸入數據及假設如下：

預期波幅乃根據本公司成立以來之每週歷史波幅釐定。

二項式期權定價模式及柏力克-舒爾斯期權定價模式要求輸入高度主觀假設數據，包括股價波幅。主觀輸入假設之任何變動可能對公平值估計產生重大影響。

附註：

購股權數目及每份購股權行使價已於二零一六年十一月四日股份合併完成時作出調整。

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30. RESERVES

The amounts of the Group's reserves and movements therein are presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity.

Nature and purpose of reserves

(i) Share premium and capital redemption reserve

The application of the share premium account and capital redemption reserve are governed by Section 40 of the Companies Act 1981 of Bermuda ("Companies Act").

(ii) Share option reserve

The share option reserve comprises the fair value of the actual or estimated number of unexercised share options granted to employees of the Group recognised in accordance with the accounting policy adopted for share-based payments in note 3(n)(ii).

(iii) Contributed surplus

Pursuant to the group reorganisation prior to obtaining a listing, the Company became the holding company of the Group on 5 July 2002. The excess of the consolidated net assets represented by the shares acquired over the nominal value of the shares issued by the Company in exchange under the group reorganisation was transferred to contribute surplus. Contributed surplus also includes the credit arising from the capital reorganisations effective on 9 December 2010 and 28 June 2011 respectively.

(iv) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of the Group's foreign operations. The reserve is dealt with in accordance with the accounting policy set out in note 3(y).

(v) Distributable of reserves

At 30 June 2018, no reserve was available for distribution as dividends to shareholders of the Company (2017: HK\$Nil).

30. 儲備

本集團之儲備及變動金額已於綜合損益及其他全面收入表及綜合權益變動表列示。

儲備性質及用途

(i) 股份溢價及股本贖回儲備

應用股份溢價賬及股本贖回儲備受百慕達一九八一年公司法(「公司法」)第40條監管。

(ii) 購股權儲備

購股權儲備由根據附註3(n)(ii)就以股份為基礎之支出採納之會計政策所確認之授予本集團僱員之實際或估計未行使購股權數目公平值組成。

(iii) 繳入盈餘

根據上市前之集團重組，本公司於二零零二年七月五日成為本集團之控股公司。本公司根據集團重組所收購股份超出就作為交換所發行股份之面值之綜合資產淨值餘額，已轉撥繳入盈餘。繳入盈餘亦包括已分別於二零一零年十二月九日及二零一一年六月二十八日生效之股本重組所帶來之進賬。

(iv) 匯兌儲備

匯兌儲備由換算本集團之海外業務財務報表所產生之所有匯兌差額組成。儲備根據附註3(y)所載之會計政策處理。

(v) 可供分派儲備

於二零一八年六月三十日，概無儲備可供分派予本公司股東作股息(二零一七年：零港元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

31. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior years.

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, raise new debt financing, or sell assets to reduce debt. No changes were made in the objective and processes during the year of 2018 and 2017.

The Group monitors capital using a gearing ratio. The Group's policy is to keep the gearing ratio at a reasonable level.

The Group's gearing ratios at 30 June 2018 and 30 June 2017 were as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Debt (Note (i))	債務 (附註(i))	129,300	569,990
Cash and cash equivalents	現金及現金等價物	(3,790)	(10,806)
Net debt	債務淨額	<u>125,510</u>	<u>559,184</u>
Equity (note (ii))	股權 (附註(ii))	<u>(174,232)</u>	<u>(584,226)</u>
Net debt to equity ratio	債務淨額對股本比率	<u>N/A 不適用</u>	<u>N/A 不適用</u>

Notes:

- (i) Debt comprises borrowings and convertible bonds.
- (ii) Equity includes all capital and reserves attributable to the owners of the Company.

31. 資本風險管理

本集團管理其資本，確保本集團實體將可按持續基準繼續營運，並透過優化債務及股本結餘為權益持有人帶來最大回報。本集團之整體策略自過往年度以來維持不變。

本集團管理資本架構，並就經濟狀況之變動及有關資產之風險特徵作出調整。為維持或調整資本架構，本集團或會調整向股東派付股息之金額、向股東退回股本、發行新股份、籌集新債務融資或出售資產以減低債務。於二零一八年及二零一七年，目標及程序並無任何變動。

本集團運用資產負債比率監察資本。本集團之政策為維持資產負債比率於合理水平。

本集團於二零一八年六月三十日及二零一七年六月三十日之資產負債比率如下：

附註：

- (i) 債務包括借貸及可換股債券。
- (ii) 股權包括本公司擁有人應佔所有股本及儲備。

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綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

32. FINANCIAL INSTRUMENTS

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets and financial liabilities are disclosed in note 3.

Categories of financial instruments

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Financial assets	金融資產		
Fair value through profit or loss	按公平值計入損益	21	53
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及 現金等價物)	14,698	32,104
Financial liabilities	金融負債		
Fair value through profit or loss	按公平值計入損益	118,800	569,990
Amortised cost	攤銷成本	65,650	34,421

Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks, including credit risk, liquidity risk, equity price risk, foreign currency risk and cash flow interest rates risk. The Group's overall risk management programme seeks to minimise potential adverse effects on the Group's financial performance and are set out below.

32. 金融工具

有關各類金融資產及金融負債之主要會計政策及所採納方法(包括確認條件、計量基準及確認收支之基準)之詳情披露於附註3。

金融工具類別

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Financial assets	金融資產		
Fair value through profit or loss	按公平值計入損益	21	53
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及 現金等價物)	14,698	32,104
Financial liabilities	金融負債		
Fair value through profit or loss	按公平值計入損益	118,800	569,990
Amortised cost	攤銷成本	65,650	34,421

財務風險管理目標及政策

本集團經營活動面對各種財務風險，包括信用風險、流動資金風險、股價風險、外幣風險及現金流量利率風險。本集團之整體風險管理計劃尋求將可能對本集團財務表現帶來之負面影響降至最低，現載列如下。

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For the year ended 30 June 2018 截至二零一八年六月三十日止年度

32. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(a) Interest rate risk

The Group's interest rate risk arises from interest-bearing borrowings. Other borrowings disclosed in note 24 carry at fixed interest rates expose the Group to fair value interest rate risk. The Group did not enter into interest rate swap to hedge against its exposures to changes in fair values of the borrowings.

The Group consider that there is no significant cash flow interest rate risk as the Group and the Company do not have variable-rate borrowings.

The Group's exposure to interest rates on financial liabilities is detailed in the liquidity risk management section of this note.

(b) Liquidity risk

In preparing the consolidated financial statements, the directors of the Company have given careful consideration to the future liquidity and going concern of the Group in light of the Group had consolidated net current liabilities and net liabilities of approximately HK\$174,478,000 and HK\$174,232,000 as at 30 June 2018. Nevertheless, the directors of the Company implemented secured measures to improve the liquidity position of the Company as detailed in note 3(b) to the financial statements. The directors of the Company are satisfied that the Group has so far meet all the financial obligations as and when they fall due and will consider to raise fund by ways of issuing debt and equity instruments of the Group or to obtain adequate committed lines of funding from financial institutions to meet its liquidity requirements in future.

32. 金融工具 (續)

財務風險管理目標及政策 (續)

(a) 利率風險

本集團之利率風險源自計息借貸。按固定利率計息之其他借貸(於附註24披露)令本集團面臨公平值利率風險。本集團並無訂立利率掉期,以對沖借貸公平值變動之風險。

本集團認為,由於本集團及本公司並無浮動利率借貸,因此概無重大現金流量利率風險。

本集團面臨之金融負債利率風險,詳述於本附註流動資金風險管理一節。

(b) 流動資金風險

編製綜合財務報表時,鑑於本集團於二零一八年六月三十日擁有綜合流動負債淨額及負債淨額約為174,478,000港元及174,232,000港元,本公司董事已審慎考慮本集團之未來流動資金及持續經營能力。儘管如此,本公司董事實施保障措施以改善本公司之流動資金狀況(詳情見財務報表附註3(b))。本公司董事信納本集團迄今為止可應付所有到期之財務責任,並將考慮以發行本集團債務及股本工具之方式籌集資金或向金融機構取得充足的保證信用額度,以應付其未來流動資金所需。

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For the year ended 30 June 2018 截至二零一八年六月三十日止年度

32. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(b) Liquidity risk (Cont'd)

The following table details the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay.

	2018 二零一八年					2017 二零一七年				
	Carrying amount	Total contractual undiscounted cash flows	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Carrying amount	Total contractual undiscounted cash flows	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years
	賬面值	現金流量	按要求償還	超過一年但少於兩年	超過兩年但少於五年	賬面值	現金流量	按要求償還	超過一年但少於兩年	超過兩年但少於五年
Trade payables, accrued expenses and other payables	55,150	55,150	55,150	-	-	34,421	34,421	34,421	-	-
Borrowings	10,500	10,500	10,500	-	-	-	-	-	-	-
Convertible bonds	118,800	118,800	118,800	-	-	569,990	719,990	193,640	526,350	-
	<u>184,450</u>	<u>184,450</u>	<u>184,450</u>	<u>-</u>	<u>-</u>	<u>604,411</u>	<u>754,411</u>	<u>228,061</u>	<u>526,350</u>	<u>-</u>

(c) Equity price risk

The Group is exposed to equity price changes arising from equity investments classified as financial assets at fair value through profit or loss (see note 17) as at 30 June 2018 and 2017 respectively.

Sensitivity analysis

At 30 June 2018, if equity prices at that date had been 5% higher/lower with all other variables held constant, loss after taxation would increase/decrease by approximately HK\$1,000 (2016: profit after taxation would decrease/increase by HK\$3,000) as a result of the changes in fair value of financial assets at fair value through profit or loss.

32. 金融工具 (續)

財務風險管理目標及政策 (續)

(b) 流動資金風險 (續)

下表詳列本集團非衍生金融負債於報告期末之尚餘合約期限，乃根據合約未貼現現金流量（包括採用合約利率計算之利息付款，或如屬浮動利率，則根據報告期末當時之利率計算），以及本集團被要求付款之最早日期編製。

(c) 股價風險

於二零一八年及二零一七年六月三十日，本集團分別須就分類為按公平值計入損益之金融資產（見附註17）之股本投資承受股價變動之風險。

敏感度分析

於二零一八年六月三十日，倘股價於當日上升／下降5%而所有其他變數維持不變，由於按公平值計入損益之金融資產之公平值改變，除稅後虧損將增加／減少約1,000港元（二零一六年：除稅後溢利將減少／增加3,000港元）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

32. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(d) Credit risk

The Group has policies in place to ensure that services are provided to customers with an appropriate credit history. Bank deposits are limited to high credit rating financial institutions. The Group has policies that limit the amount of credit exposure to any financial institution.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from account receivables are set out in note 18.

As at 30 June 2018, the Group had certain concentration of credit risk as 94% (2016: 93%) of the total account receivables of the Group were due from 5 customers (2017: 5 customers). In addition, the Group had a concentration of credit risk by geographical area since its total trade debtors consists of customers entirely in the PRC as at 30 June 2018 (2017: 100%) at the end of reporting period.

(e) Foreign currency risk

The Group does not have a significant foreign currency risk exposure arising from its sales and purchases transactions as these transactions are mainly carried out in the entities' own functional currencies. Accordingly, no sensitivity analysis has been prepared.

(f) Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded in active markets are determined with reference to quoted market bid and ask prices respectively.

32. 金融工具 (續)

財務風險管理目標及政策 (續)

(d) 信用風險

本集團之政策是確保向有良好信用記錄的客戶提供服務。銀行存款僅限於存放於高信用評級之財務機構。本集團訂有政策限制對任何財務機構之信貸風險數額。

有關本集團應收賬款引致之信用風險之進一步數據披露載於附註18。

於二零一八年六月三十日，本集團有若干信貸集中風險，原因是本集團應收款項總額中之94%（二零一六年：93%）來自五名（二零一七年：五名）客戶。此外，於報告期末，本集團亦有地區信貸集中風險，原因是於二零一八年六月三十日的應收賬款總額中的100%（二零一七年：100%）來自中國的客戶。

(e) 外幣風險

由於該等交易主要以實體本身之功能貨幣進行，故本集團並無因該等買賣交易產生之重大外幣風險。因此，並無編製敏感度分析。

(f) 金融工具公平值

金融資產及金融負債之公平值乃根據下列方式釐定：

- 於活躍市場中以標準條款及條件買賣之金融資產及金融負債之公平值，乃分別參考市場所報之賣出及買入價釐定。

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For the year ended 30 June 2018 截至二零一八年六月三十日止年度

32. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(f) Fair value of financial instruments (Cont'd)

- The fair values of derivative instruments are calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.
- The fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

(g) Fair value measurements recognised in the consolidated statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those 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 those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

32. 金融工具 (續)

財務風險管理目標及政策 (續)

(f) 金融工具公平值 (續)

- 衍生工具之公平值乃採用報價計算。倘未能取得該報價，則非期權衍生工具將運用其有效期適用之收益曲線進行貼現現金流量分析釐定，而期權衍生工具則採用期權定價模型進行貼現現金流量分析釐定。
- 其他金融資產及金融負債之公平值乃以公認之定價模式按貼現現金流量分析而釐定。

(g) 於綜合財務狀況表確認之公平值計量

下表提供經初步確認後按公平值計量之金融工具分析，並根據公平值之可觀察程度歸類為第一至三層：

- 第一層：公平值計量乃指由活躍市場上相同資產或負債之報價（不作任何調整）得出之公平值計量；
- 第二層：公平值計量乃指由第一層內之報價以外、可直接（即價格）或間接（即由價格得出）觀察而與資產或負債相關之輸入數據得出之公平值計量；及
- 第三層：公平值計量乃指由包括並非基於可觀察市場數據之資產或負債之輸入數據（不可觀察輸入數據）之估值技術得出之公平值計量。

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For the year ended 30 June 2018 截至二零一八年六月三十日止年度

32. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(g) Fair value measurements recognised in the consolidated statement of financial position (Cont'd)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

32. 金融工具 (續)

財務風險管理目標及政策 (續)

(g) 於綜合財務狀況表確認之公平值計量 (續)

公平值計量在公平值架構中之層級分類全部基於對公平值計量整體而言屬重大之最低層級輸入數據釐定。

		As at 30 June 2018 於二零一八年六月三十日			
		Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets	金融資產				
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	21	-	-	21
Financial liabilities	金融負債				
Convertible bonds	可換股債券	-	-	118,800	118,800
		As at 30 June 2017 於二零一七年六月三十日			
		Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets	金融資產				
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	53	-	-	53
Financial liabilities	金融負債				
Convertible bonds	可換股債券	-	-	569,900	569,900

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綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

32. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(g) Fair value measurements recognised in the consolidated statement of financial position (Cont'd)

Financial liabilities	30 June 2018 二零一八年 六月三十日	Fair value as at 30 June 2017 於二零一七年 六月三十日之 公平值	Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs	Range		Relationship of Unobservable Inputs to fair value
						30 June 2018 二零一八年 六月三十日	30 June 2017 二零一七年 六月三十日	
金融負債	HK\$'000 千港元	HK\$'000 千港元	公平值層級	估值方法及主要輸入數據	主要不可觀察 輸入數據	範圍	不可觀察輸入數據公平值的影響	
Convertible bonds	118,800	569,990	Level 3	Discounted cash flow for the debt component and binomial option pricing model to estimate the fair value of the option component	Expected volatility	40.46% to 45.09%	32.16% to 32.23%	The higher the expected volatility the higher the fair value
可換股債券	118,800	569,990	第三層	就債務部份而言為貼現現金流法及就購股權部份之估計公平值而言為二項式期權定價模式	預期波幅	40.46%至 45.09%	32.16%至 32.23%	預期波幅越高公平值越高
					Discount rate	22.12% to 24.33%	21.64% to 24.27%	The higher the discount rate the lower the fair value
					貼現率	22.12%至 24.33%	21.64%至 24.27%	貼現率越高公平值越低

There is no transfer between different levels of the fair value hierarchy for the year ended 30 June 2018.

There were no transfers between instruments in Level 1, Level 2 and Level 3 during the years ended 30 June 2018 and 2017.

32. 金融工具 (續)

財務風險管理目標及政策 (續)

(g) 於綜合財務狀況表確認之公平值計量 (續)

截至二零一八年六月三十日止年度，不同公平值層級之間概無轉換。

第一層、第二層及第三層之工具間於截至二零一八年及二零一七年六月三十日止年度內並無轉換。

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綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

32. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(g) Fair value measurements recognised in the consolidated statement of financial position (Cont'd)

Movement of financial liabilities measured at fair value categorised in Level 3

32. 金融工具 (續)

財務風險管理目標及政策 (續)

(g) 於綜合財務狀況表確認之公平值計量 (續)

按公平值計量並分類為第三層之金融負債變動

		Convertible bonds 可換股債券	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At the beginning of the year	於年初	569,990	–
Issuance during the year	於年內發行	–	680,331
Converted during the year	於年內轉換	(10,800)	(443,839)
Interest paid	已付利息	(176)	(672)
Total (profit)/loss recognised in profit or loss	於損益確認之(溢利)/虧損總額	<u>(440,214)</u>	<u>334,170</u>
At the end of the year	於年末	<u>118,800</u>	<u>569,990</u>
Total (profit)/loss recognised in the profit or loss relating to liabilities held at the end of the year	與於年末所持有之負債相關之於損益確認之(溢利)/虧損總額	<u>(403,200)</u>	<u>242,315</u>

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

33. COMMITMENTS

(a) Operating leases commitment

The Group leases certain offices and premises under non-cancellable operating lease agreements. The lease terms are between 1 to 2 years, the lease agreements are renewable at the end of the lease period. The Group signed the non-cancellable operating lease agreements in respect of bus-body and bus stands advertisement with an initial period of 8 and 5 years.

At 30 June 2018, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within 1 year	一年內	22,729	20,880
After 1 year but within 5 years	一年後但五年內	755	9,594
		23,484	30,474

During the year ended 30 June 2018, the Group entered into operating lease arrangements in respect of offices and premises rental expenses amounting to HK\$896,000 (2017: HK\$515,000) and bus-body and bus stands advertisement rental expenses amounting to HK\$12,430,000 (2017: HK\$20,378,000).

The Group has future minimum lease payable in respect of offices and premises rental expenses amounting to HK\$502,000 (within 1 year) and HK\$600,000 (after 1 year but within 5 years) and in respect of bus-body and bus stands advertisements rental expenses amounting to HK\$20,378,000 (within 1 year) and HK\$8,994,000 (after 1 year but within 5 years).

33. 承擔

(a) 經營租賃承諾

本集團根據不可撤銷經營租賃協議租賃若干辦公室及物業。租期介乎1至2年，租賃協議可於租期末續租。本集團就巴士車身及巴士站廣告簽訂初始期間為8年及5年之不可撤銷經營租賃協議。

於二零一八年六月三十日，本集團根據不可撤銷經營租賃之應付日後最低租賃款項總額如下：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within 1 year	22,729	20,880
After 1 year but within 5 years	755	9,594
	23,484	30,474

於截至二零一八年六月三十日止年度內，本集團就辦公室及物業租金開支896,000港元（二零一七年：515,000港元）以及巴士車身及巴士站廣告租金開支12,430,000港元（二零一七年：20,378,000港元）簽訂經營租賃安排。

本集團就辦公室及物業租金開支之應付日後最低租賃款項為502,000港元（一年內）及600,000港元（一年後但五年內）及就巴士車身及巴士站廣告租金開支之應付日後最低租賃款項為20,378,000港元（一年內）及8,994,000港元（一年後但五年內）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

34. LITIGATION

- (a) On 31 August 2010, a writ of summons was issued by Mr. Lim Yi Shenn as the plaintiff ("Plaintiff") against Ms. Wong Yuen Yee, an ex-director of the Company, Mr. Wong Yao Wing, Robert, an ex-director of the Company and the Company (collectively "Defendants"). The Plaintiff claimed against each of the Defendants for damages for various misrepresentations allegedly made by the Defendants in relation to certain investment agreement and placing agreement of April and June 2008. The Plaintiff has filed a statement of claim setting out the particulars of his claims against the Defendants and claiming damages for misrepresentation in the amount of approximately HK\$15,838,000 and/or, alternatively, the return of a sum of HK\$10,000,000 by the Defendants based upon an alleged admission of liability made by the Defendants. The Defendants denied the Plaintiff's claims and vigorously contested such claims.

The Plaintiff's claims came before the Honourable Deputy High Court Judge Wilson Chan for trial on 3 to 7, 10 to 13, 18 and 19 November 2014 and Judgment was handed down by the Honourable Deputy High Court Judge Wilson Chan on 29 January 2015 ("the Judgment"). By the Judgment, the Honourable Deputy High Court Judge Wilson Chan dismissed all the Plaintiff's claims with costs to the Defendants.

34. 訴訟

- (a) 於二零一零年八月三十一日，Lim Yi Shenn先生，作為原告人（「原告人」）向黃婉兒女士（本公司前董事）、黃祐榮先生（本公司前董事）及本公司（統稱「被告人」）發出傳訊令狀。原告人就於二零零八年四月及六月訂立之若干投資協議及配售協議之各項失實陳述（聲稱由被告人作出）而蒙受之損失向每名被告人索償。原告人已遞交索償書，載列其向被告索償之詳細資料，並就有關失實陳述損失索償約15,838,000港元及／或由被告人根據其聲稱承認負有責任退還款項共10,000,000港元。被告人拒絕原告人之索償，並激烈地爭辯有關索償。

原告人之索償於二零一四年十一月三日至七日、十日至十三日、十八日及十九日由陳嘉信暫委法官審訊，而陳嘉信暫委法官於二零一五年一月二十九日頒佈裁決（「該裁決」）。根據該裁決，陳嘉信暫委法官駁回所有原告人之索償及對被告人之訟費。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

34. LITIGATION (Cont'd)

(a) (Cont'd)

The Plaintiff served a Notice of Appeal against the Judgment on 4 March 2015, and his appeal was heard on 12 July 2016 with Judgment reserved. On 7th September 2016 the Court of Appeal handed down its Judgment dismissing the Plaintiff's Appeal with costs.

The prescribed time for the Plaintiff to seek leave to appeal to the Court of Final Appeal has expired and the Plaintiff made no application for leave to appeal to the Court of Final Appeal. The Defendants have recovered all their costs incurred at the Court of First Instance level and the Court of Appeal level from the Plaintiff.

The Directors consider that the matters have been concluded as the Plaintiff's claims have been finally dismissed by the Court of Appeal and the Defendants have recovered all costs incurred in the above action and Appeal. On 25 January 2017 the Plaintiff lately brought his claim for costs of certain interlocutory applications in the above action in the aggregate sum of HK\$737,117.95 and commenced taxation proceedings. The Defendants considered that the claim for costs was grossly inflated and would seek the taxing master's determination on the quantum of costs as claimed. The taxation hearing of the Plaintiff's claim for costs will be held on 13 December 2017.

34. 訴訟 (續)

(a) (續)

於二零一五年三月四日，原告人就該裁決送達上訴通告，上訴之聆訊已於二零一六年七月十二日進行，惟有待判決。於二零一六年九月七日，上訴法院作出該裁決，駁回原告人就相關費用提出之上訴。

原告人向終審法院尋求上訴許可之法定期限已屆滿，原告人並無向終審法院申請上訴許可。被告人已自原告人收回其於一審法院及上訴法院所產生之所有費用。

董事認為，相關事宜已告結束，因為原告人之索償已被上訴法院最終駁回，而被告人已收回於上述訴訟及上訴中所產生之所有費用。於二零一七年一月二十五日，原告人就上述訴訟之若干非正式申請費用提出索賠，總額為737,117.95港元，並開始稅務訴訟。被告人認為，索賠費用屬誇大，並會尋求稅官對索賠費用額的終審判決。原告人有關費用索償之稅項聆訊將於二零一七年十二月十三日舉行。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

34. LITIGATION (Cont'd)

- (b) On 14 January 2011, a Writ of Summons was issued by Smart Step Holdings Limited (“SSHL”) as the plaintiff against the Company, Inno-Gold Mining Limited (“IGML”) and Dragon Emperor International Limited (“DEIL”). DEIL and IGML were the subsidiaries of the Company until 9 May 2011 when the Company disposed of all its interest in them.

In the said case SSSL alleged that Ms. Wong Yuen Yee and Mr. Wong Yao Wing had acted negligently and/or had breached their duties during their time as executives and directors of the Company, DEIL and IGML.

The substantive hearing of this case was adjourned sine die pursuant to the court order dated 15 April 2011, and currently there is no hearing listed for this case. This case remains dormant as at the date of approval of these consolidated financial statements.

The directors, based on legal advice, consider that the case does not have any adverse financial impact upon the Company at all. Therefore, no provision in respect of such claims was made in the consolidated financial statements.

34. 訴訟 (續)

- (b) 於二零一一年一月十四日，駿程集團有限公司（「駿程集團」）作為原告人就本公司、Inno-Gold Mining Limited（「IGML」）及Dragon Emperor International Limited（「DEIL」）發出傳訊令狀。DEIL及IGML為本公司之附屬公司，直至於二零一一年五月九日後本公司出售其於該等公司之全部權益。

於所述案件中，駿程集團聲稱，黃婉兒女士及黃祐榮先生行事失職及／或違反其出任本公司、DEIL及IGML之行政人員及董事時之職責。

根據二零一一年四月十五日之法院裁令，本案實質聆訊無限期押後，現時並無安排該案之聆訊。此案於批准此等綜合財務報表當日尚未受理。

根據法律意見，董事認為，該案件對本公司概無任何不利財務影響。因此，並無就該索償於綜合財務報表中作出撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

34. LITIGATION (Cont'd)

- (c) On 30 January 2015, the Securities and Futures Commission (“the Petitioner”) presented a Petition to the High Court pursuant to section 214 of the Securities and Future Ordinance, Cap. 517 (“the Petition”) under action no. HCMP 241 of 2015 (“HCMP 241/2015”) against the Company and 4 ex-directors of the Company, namely, Wong Yuen Yee, Wong Yao Wing, Robert, Wong Kwok Sing and Lam Shiu San (collectively “the Ex-Directors”). It is the Petitioner’s complaints that the Ex-Directors had conducted the business or affairs of the Company in a manner involving misfeasance or misconduct towards the Company, its members or any part of its members and/or unfairly prejudicial to its members or any part of its members.

By the Petition, the Petitioner sought an order that the Company shall bring in its name civil proceedings against the Ex-Directors to seek recovery of compensation or damages for loss and damage suffered by the Company as a result of such misfeasance or misconduct or unfairly prejudicial conduct and also disqualification of the Ex-Directors to be director, liquidator, or receiver or manager of any listed or unlisted company in Hong Kong or from taking part in the management of any listed or unlisted company in Hong Kong on such terms and for such periods as the Court shall think fit and/or other reliefs.

Pursuant to an Order of the High Court, the Company commenced civil proceedings against the Ex-Directors on 10 March 2015 under action no. HCA 489 of 2015 (“HCA 489/2015”). The parties attended a mediation conference on 22 February 2017 but no settlement was reached. There has been no progress in this case since the mediation conference.

34. 訴訟 (續)

- (c) 於二零一五年一月三十日，證券及期貨事務監察委員會（「呈請人」）根據香港法例第571章證券及期貨條例第214條針對本公司及4名本公司前任董事即黃婉兒女士、黃祐榮先生、黃國聲先生及林兆樂先生（統稱「前任董事」）向高等法院提出一份訴訟編號為二零一五年HCMP 241（「HCMP 241/2015」）項下之呈請（「呈請」）。呈請人控告前任董事以涉及向本公司、其成員公司或其成員公司之任何部份之不法行為或行為不當及／或對其成員公司或其成員公司之任何部份之不公正損害方式進行本公司之業務或事務。

按照呈請，呈請人尋求頒令，本公司須以其名義針對前任董事提起民事訴訟，以尋求收回賠償或本公司因有關不法行為或行為不當或不公正損害行為以及前任董事按照有關條款及於法院認為適當之有關期間不合資格擔任香港任何上市或非上市公司之董事、清盤人、或接管人或管理人或參與管理任何香港上市或非上市公司所蒙受之損失及損害及／或其他寬免。

根據高等法院之頒令，本公司於二零一五年三月十日開始針對前任董事提起訴訟編號為二零一五年HCA 489（「HCA 489/2015」）項下之民事訴訟。雙方出席了二零一七年二月二十二日之調解會議，惟並未達成和解。自該調解會議之後，該案件並無任何進展。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

34. LITIGATION (Cont'd)

(c) (Cont'd)

Upon the Company bringing in its name civil proceedings against the Ex-Directors to seek recovery of compensation or damages for loss and damage suffered by the Company as a result of their misfeasance or misconduct or unfairly prejudicial conduct in HCA 489/2015, such relief was deleted by the Petitioner by filing an amended petition on 29 December 2016 in HCMP 241/2015.

There has been no development in HCMP 241/2015 after the Petitioner filed its list of documents on 26th January 2017.

The Directors, based on legal advice, consider that the case does not have any adverse financial impact upon the Company at all. Therefore, no provision in respect of such claims was made in the consolidated financial statements.

Save as discussed above, during the year ended 30 June 2018, no member of the Group is engaged in any litigation or arbitration or claim of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened by or against any member of the Group.

34. 訴訟 (續)

(c) (續)

於本公司以其名義針對前任董事提起民事訴訟，以尋求收回賠償或本公司因有關HCA 489/2015中之不合法行為或行為不當或不公正損害行為所蒙受之損失及損害。呈請人透過於二零一六年十二月二十九日遞交HCMP 241/2015中之經修訂呈請而刪除有關寬免。

自呈請人於二零一七年一月二十六日遞交其文件清單之後，HCMP 241/2015概無任何進展。

根據法律意見，董事認為，該案件對本公司概無任何不利財務影響。因此，並無就該索償於綜合財務報表中作出撥備。

除上文所討論者外，於截至二零一八年六月三十日止年度，本集團成員公司概無涉及任何重大訴訟或仲裁或申索，且就董事所知，概無重大訴訟或申索仍未裁決或由本集團任何成員公司提出或對本集團任何成員公司構成威脅。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

35. MATERIAL RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the consolidated financial statements, the Group had the following material related party transactions:

(a) During the year, the Group did not have any material related party transactions

(b) Compensation of key management personnel

The emoluments of directors and other members of key management during the year was as follows:

Basic salary, allowance and other benefits	基本薪金、津貼及其他福利
Recognised retirement pension	已確認之退休金

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
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720

720

18

18

738

738

36. MAJOR NON-CASH TRANSACTION

Save as transactions disclosed in notes 24, 25 and 26 to the consolidated financial statements, the Group had no other major non-cash transactions during the years ended 30 June 2018 and 2017.

37. EVENTS AFTER THE REPORTING PERIOD

There are no significant events after the reporting period.

38. DIVIDEND

The board of directors do not recommend the payment of any dividend for the year ended 30 June 2018 (2017:Nil).

35. 重大關連人士交易

除於綜合財務報表別處所披露者外，本集團有以下重大關連人士交易：

(a) 年內，本集團並無訂立任何重大關連人士交易

(b) 主要管理人員之酬金

年內董事及其他主要管理人員之酬金如下：

36. 重大非現金交易

除綜合財務報表附註24、25及26所披露交易外，截至二零一八年及二零一七年六月三十日止年度，本集團並無其他重大非現金交易。

37. 報告期後事項

報告期後概無重大事項。

38. 股息

董事會不建議派付截至二零一八年六月三十日止年度之任何股息（二零一七年：無）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 39. 本公司財務狀況表

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	108	280
Interest in subsidiaries	於附屬公司之權益	-	-
Investment deposits	投資按金	-	15,000
		<u>108</u>	<u>15,280</u>
Current assets	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	902	566
Amounts due from subsidiaries	應收附屬公司款項	3,616	22
Cash and cash equivalents	現金及現金等價物	157	581
		<u>4,675</u>	<u>1,169</u>
Current liabilities	流動負債		
Accrued expenses and other payables	應計費用及其他應付款項	7,151	3,120
Amount due to subsidiary	應付附屬公司款項	13,044	9,384
Borrowings	借貸	10,000	-
Promissory notes	承兌票據	-	-
Convertible bonds	可換股債券	-	43,640
		<u>30,195</u>	<u>56,144</u>
Net current liabilities	流動負債淨額	<u>(25,520)</u>	<u>(54,975)</u>
Total assets less current liabilities	總資產減流動負債	<u>(25,412)</u>	<u>(39,695)</u>
Non-current liabilities	非流動負債		
Borrowings	借貸	-	-
Convertible bonds	可換股債券	118,800	526,350
		<u>118,800</u>	<u>526,350</u>
Net liabilities	負債淨額	<u>(144,212)</u>	<u>(566,045)</u>
Equity	權益		
Share capital	股本	10,529	9,979
Reserves (Note)	儲備 (附註)	(154,741)	(576,024)
		<u>(144,212)</u>	<u>(566,045)</u>
Equity attributable to the owners of the Company	本公司擁有人應佔權益	<u>(144,212)</u>	<u>(566,045)</u>

The Company's statement of financial position were approved and authorised for issue by the board of directors on 28 September 2018 and are signed on its behalf by:

Wang Yu
王宇
Director
董事

Lau King Hang
劉勁恒
Director
董事

本公司之財務狀況表已於二零一八年九月二十八日獲董事會批准及授權刊發，並由下列董事代表簽署：

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至二零一八年六月三十日止年度

39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Cont'd) 39. 本公司財務狀況表 (續)

Note:

附註：

Movement in reserves

儲備變動表

		Share premium 股份溢價 HK\$'000 千港元	Share option reserves 購股權儲備 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Capital redemption reserve 資本贖回儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 July 2016	於二零一六年七月一日	1,049,931	38,628	52,959	43	(1,331,193)	(189,632)
Loss and total comprehensive loss for the year	年度虧損及全面虧損總額	-	-	-	-	(962,839)	(962,839)
Placing of shares	配售股份	9,219	-	-	-	-	9,219
Capital reorganisation	資本重組	-	-	93,639	-	-	93,639
Issue of subscription shares	發行認購股份	36,750	-	-	-	-	36,750
Issue of shares upon exercise of convertible bonds	於行使可換股債券時發行股份	436,839	-	-	-	-	436,839
At 30 June 2017 and 1 July 2017	於二零一七年六月三十日 及二零一七年七月一日	1,532,739	38,628	146,598	43	(2,294,032)	(576,024)
Loss and total comprehensive loss	虧損及全面虧損總額	-	-	-	-	411,033	411,033
Issue of shares upon exercise of convertible bonds	於行使可換股債券時發行股份	10,250	-	-	-	-	10,250
Lapse of share option	購股權失效	-	(23,133)	-	-	23,133	-
At 30 June 2018	於二零一八年六月三十日	1,542,989	15,495	146,598	43	(1,859,866)	(154,741)

40. AUTHORISATION FOR ISSUE OF CONSOLIDATED FINANCIAL STATEMENTS

40. 授權刊發綜合財務報表

The consolidated financial statements were approved and authorised for issued by the Board of Directors on 28 September 2018.

綜合財務報表已於二零一八年九月二十八日經董事會批准及授權刊發。

