



Sino Vision Worldwide Holdings Limited

新維國際控股有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(於開曼群島註冊成立及於百慕達存續之有限公司)

Stock Code 股份代號: 8086

First Quarterly Report

第一季度報告

2018/19

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

香港聯合交易所有限公司(「聯交所」)GEM之特色

GEM的定位，乃為相比起其他在主板上市之公司帶有較高投資風險之中小型公司提供一個上市之市場。有意投資者應了解投資該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。

由於GEM上市公司普遍為中小型公司，在GEM買賣之證券可能會較於聯交所主板買賣之證券承受較大之市場波動風險，同時無法保證在GEM買賣之證券會有高流通量之市場。

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本報告的資料乃遵照GEM上市規則之規定而刊載，旨在提供有關本公司的資料；本公司的董事(「董事」)願就本報告的資料共同及個別地承擔全部責任。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，沒有誤導或欺詐成份，且並無遺漏任何其他事項，足以令致本報告或其所載任何陳述產生誤導。

UNAUDITED RESULTS

The board of directors (the "Board") of Sino Vision Worldwide Holdings Limited (the "Company") announces the first quarterly unaudited condensed consolidated results of the Company and its subsidiaries (the "Group") for the three months ended 30 September 2018 (the "Period") together with the comparative unaudited figures for the corresponding period in 2017 as follows:

未經審核業績

新維國際控股有限公司(「本公司」)董事會(「董事會」)宣佈，本公司及其附屬公司(「本集團」)截至二零一八年九月三十日止三個月(「本期間」)之第一季度未經審核簡明綜合業績，連同二零一七年同期未經審核之比較數字如下：

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收益表

			For the three months ended 30 September 截至九月三十日止三個月	
			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		收入	58,496	77,540
Cost of sales and services		貨品銷售成本和服務成本	(35,377)	(50,990)
Gross profit		毛利	23,119	26,550
Other income and gains		其他收入及收益	266	15,604
Selling and distribution costs		銷售及分銷成本	(9,075)	(15,633)
Administrative expenses and other expenses		行政費用及其他費用	(28,097)	(17,350)
Fair value loss on contingent consideration payable		應付或然代價之公平值虧損	(224)	-
Finance costs	4	融資成本	(3,651)	(1,070)
(LOSS)/PROFIT BEFORE TAX		除稅前(虧損)/溢利	(17,662)	8,101
Income tax expense	6	所得稅費用	(852)	(689)
(LOSS)/PROFIT FOR THE PERIOD		本期間(虧損)/溢利	(18,514)	7,412
(Loss)/profit attributable to:		以下各方應佔(虧損)/溢利：		
Owners of the Company		本公司擁有人	(15,111)	10,397
Non-controlling interests		非控股權益	(3,403)	(2,985)
			(18,514)	7,412
(LOSS)/EARNINGS PER SHARE FOR THE PERIOD ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY		本期間本公司普通股權益持有人應佔之每股(虧損)/盈利		
Basic and diluted (Hong Kong cents)	8	基本及攤薄(港仙)	(0.53)	0.37

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income 簡明綜合損益及其他全面收益表

		For the three months ended 30 September 截至九月三十日止三個月	
	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
(Loss)/profit for the period	本期間(虧損)/溢利	(18,514)	7,412
Other comprehensive income to be reclassified to profit or loss in subsequent period:	其他綜合收益在以後期間重新分類為損益：		
- Exchange differences arising on translation of foreign operations	- 轉換境外業務時產生之匯兌差額	(1,244)	43
- Decrease in fair value of available-for-sales investment	- 可供出售投資公平值之減少	-	(5,700)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	本期間全面收益總額	(19,758)	1,755
Total comprehensive income attributable to:	應佔全面收益總額：		
Owners of the Company	本公司擁有人	(16,186)	4,751
Non-controlling interests	非控股權益	(3,572)	(2,996)
		(19,758)	1,755

Condensed Consolidated Statement of Changes In Equity 簡明綜合權益變動表

		Attributable to owners of the Company 本公司擁有人應佔												
		Issued capital	Share premium	Convertible bonds equity reserve 可換股債券權益儲備	Contributed surplus 實繳盈餘	Treasury share reserve 庫存股本儲備	Share option reserve 購股權儲備	Investment revaluation reserve 投資重估儲備	Exchange fluctuation reserve 外匯浮動儲備	Other reserve 其他儲備	Accumulated losses 累計虧損	Total	Non-controlling Interests 非控股權益	Total equity 權益總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 July 2017	於二零一七年七月一日	27,762	263,871	-	77,068	3,526	-	(395)	(437)	-	(130,268)	241,127	(20)	241,107
Profit for the period	本期間溢利	-	-	-	-	-	-	-	-	-	10,397	10,397	(2,985)	7,412
Exchange differences arising on translation of foreign operations	轉換境外業務時產生之匯兌差額	-	-	-	-	-	-	-	54	-	-	54	(11)	43
Decrease in fair value of available-for-sales investments	可供出售投資公平值之減少	-	-	-	-	-	-	(5,700)	-	-	-	(5,700)	-	(5,700)
Total comprehensive income for the period	本期間全面收益總額	-	-	-	-	-	-	(5,700)	54	-	10,397	4,751	(2,996)	1,755
Deemed partial disposal of interest in subsidiaries	視作出售附屬公司部分權益	-	-	-	-	-	-	-	-	(8,344)	-	(8,344)	28,344	20,000
Issue of convertible bonds	發行可換股債券	-	-	24,819	-	-	-	-	-	-	-	24,819	-	24,819
At 30 September 2017	於二零一七年九月三十日	27,762	263,871	24,819	77,068	3,526	-	(6,095)	(383)	(8,344)	(119,871)	262,353	25,328	287,681
At 1 July 2018	於二零一八年七月一日	27,762	263,871	37,894	77,068	3,526	5,691	-	(1,850)	(8,344)	(208,243)	197,375	15,842	213,217
Loss for the period	本期間虧損	-	-	-	-	-	-	-	-	-	(15,111)	(15,111)	(3,403)	(18,514)
Exchange differences arising on translation of foreign operations	轉換境外業務時產生之匯兌差額	-	-	-	-	-	-	-	(1,075)	-	-	(1,075)	(169)	(1,244)
Total comprehensive income for the period	本期間全面收益總額	-	-	-	-	-	-	-	(1,075)	-	(15,111)	(16,186)	(3,572)	(19,758)
Issue of shares upon conversion of convertible bonds	於兌換可換股債券時發行股份	2,899	40,433	(9,861)	-	-	-	-	-	-	-	33,471	-	33,471
Equity-settled share option arrangements	以股本結算購股權安排	-	-	-	-	-	1,760	-	-	-	-	1,760	-	1,760
At 30 September 2018	於二零一八年九月三十日	30,661	304,304	28,033	77,068	3,526	7,451	-	(2,925)	(8,344)	(223,354)	216,420	12,270	228,690

Notes to the Condensed Consolidated Financial Statements

1. CORPORATE AND GROUP INFORMATION

The Company was a limited liability company incorporated in the Cayman Islands on 15 March 2000 under the Companies Law of the Cayman Islands and changed its domicile to Bermuda with limited liability on 21 August 2015. The shares of the Company were listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 2 August 2000.

The registered office of the Company was located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

The principal place of business of the Company was located at Unit 2, 28/F, Vertical Square, No. 28 Heung Yip Road, Wong Chuk Hang, Hong Kong.

The Group is principally engaged in (i) e-commerce and provision of online sales platform; (ii) money-lending business; (iii) provision of property management and property agency services in Hong Kong; and (iv) intellectual property ("IP") rights licensing and international IP development, media integrated marketing and distribution agency of sports goods business.

2. BASIS OF PRESENTATION

These unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standard, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules"). They have been prepared under the historical cost convention, except for equity investments at fair value through profit or loss, equity investments at fair value through other comprehensive income and contingent consideration payable, which have been measured at fair value.

The accounting policies adopted in the preparation of the unaudited condensed consolidated financial statements for the Period are consistent with those adopted by the Group in its annual financial statements for the year ended 30 June 2018.

In the Period, the Group has adopted the following new standards and interpretation to HKFRSs which are pertinent to the Group's operations and effective for accounting periods beginning on or after 1 January 2018:

HKFRS 9 (2014)	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration

簡明綜合財務報表附註

1. 公司及集團資料

本公司於二零零零年三月十五日根據開曼群島公司法在開曼群島註冊成立為有限責任公司，並於二零一五年八月二十一日遷冊至百慕達以有限公司形式存續。本公司股份於二零零零年八月二日在香港聯合交易所有限公司（「聯交所」）GEM上市。

本公司註冊辦事處位於Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。

本公司主要營業地點在香港黃竹坑香葉道28號嘉尚匯28樓2室。

本集團主要從事(i)電子商務及提供網上銷售平台；(ii)借貸業務；(iii)於香港提供物業管理及物業代理服務；及(iv)知識產權授權及國際知識產權開發、媒體綜合營銷以及分銷代理運動用品業務。

2. 編製基準

該等未經審核簡明綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則（「香港財務報告準則」）（亦包括所有香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）、香港普遍採納之會計原則及香港公司條例之披露規定及聯交所GEM證券上市規則（「GEM上市規則」）而編撰。財務報表乃按過往成本法編撰，惟按公平值計入損益之股本投資、按公平值計入其他全面收益之股本投資及應付或然代價乃按公平值計量。

編製本期間之未經審核簡明綜合財務報表時所採用之會計政策，與本集團編製其截至二零一八年六月三十日止年度之年度財務報表時所採用者貫徹一致。

於本期間，本集團採納了下列適用於二零一八年一月一日或之後開始的會計期間並與本集團業務有關的香港財務報告準則新準則及詮釋：

香港財務報告準則第9號 (二零一四年)	財務工具
香港財務報告準則第15號	客戶合約收益
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

(a) Adoption of HKFRS 9 (2014)

The adoption of HKFRS 9 (2014) resulted in changes in accounting policies and adjustments to amounts recognised in the condensed consolidated financial statements.

Classification and measurement

Prior to the adoption of HKFRS 9 (2014), unlisted equity investments amounting to approximately HK\$13,000,000 as at 30 June 2018 were classified as available-for-sales investments measured at cost less any impairment losses. These equity investments are not held for trading purposes and at 1 July 2018, the Group makes an election to designate the investments at fair value through other comprehensive income ("FVOCI") (non-recycling).

Impairment

The new impairment model under HKFRS 9 (2014) requires the recognition of provision for impairment losses based on expected credit losses rather than incurred credit losses. There was no material change in the amount of provision for impairment losses required under the expected credit loss model compared with the incurred credit loss model, and there was no material financial impact on such change at 1 July 2018, and for the three months ended 30 September 2018.

Impact on the condensed consolidated financial statements

The Group has applied HKFRS 9 (2014) retrospectively from 1 July 2018. As permitted by the respective transitional provisions of these accounting standards, comparatives for 2017 were not restated. The reclassifications and adjustments were recognised in the opening condensed consolidated statement of financial position on 1 July 2018.

The following table shows the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included.

Condensed consolidated statement of financial position (extract)	簡明綜合財務狀況表 (摘要)	30 June 2018 as originally presented 二零一八年六月三十日 原先呈列的數額 HK\$'000 千港元	HKFRS 9 (2014) 香港財務報告準則第9號 (二零一四年) HK\$'000 千港元	1 July 2018 restated 二零一八年七月一日 重列 HK\$'000 千港元
Current assets	流動資產			
Available-for-sales investments	可供出售投資	13,000	(13,000)	-
Financial assets measured at fair value through other comprehensive income	按公平值計入其他全面收益的金融資產	-	13,000	13,000

(b) Adoption of HKFRS 15

(i) Impact of adoption

The adoption of HKFRS 15 resulted in changes in accounting policies and adjustments to amounts recognised in the financial statements. The adoption did not have any material financial impact on the Group.

(a) 採納香港財務報告準則第9號 (二零一四年)

採納香港財務報告準則第9號 (二零一四年) 令會計政策有所改變及簡明綜合財務報表內確認的金額須作調整。

分類及計量

採納香港財務報告準則第9號 (二零一四年) 之前，非上市股本投資於二零一八年六月三十日總值約13,000,000港元，列作可供出售投資並按成本減任何減值虧損列賬計量。本集團持有該等股本投資並非用作買賣用途，於二零一八年七月一日，本集團選擇將該等投資指定為按公平值計入其他全面收益（「按公平值計入其他全面收益」）（非重撥）。

減值

香港財務報告準則第9號 (二零一四年) 下的新減值模式要求減值虧損撥備須按預期信貸虧損確認，而不是按已產生的信貸虧損確認。與按已產生的信貸虧損計算的模式比較，按預期信貸虧損模式計算所需的減值虧損撥備金額並無重大變動，因此於二零一八年七月一日及在截至二零一八年九月三十日止三個月，該等變動均無造成重大財務影響。

對簡明綜合財務報表的影響

本集團由二零一八年七月一日起追溯應用香港財務報告準則第9號 (二零一四年)。按此等會計準則各自的過渡性條款所容許，二零一七年的比較數字並未重列。相關重新分類及調整乃於二零一八年七月一日的期初簡明綜合財務狀況表內確認。

下表顯示各個別項目確認的調整。不受變動影響的項目並無包括在內。

(b) 採納香港財務報告準則第15號

(i) 採納的影響

採納香港財務報告準則第15號令會計政策有所改變及財務報表內確認的金額須作調整。採納該準則未有對本集團產生任何重大財務影響。

(c) Adoption of HK(IFRIC) – Interpretation 22

The Interpretation clarifies that the date of the transaction for the purpose of determining the exchange rate to be used on initial recognition of the related asset, expense or income is the date on which the Group initially pays or receives the advance consideration. The adoption did not have any material financial impact on the Group.

(c) 採納香港(國際財務報告詮釋委員會)–詮釋第22號

此詮釋闡明，在確定首次確認相關資產、支出或收益所使用的匯率時，交易日期乃指本集團首次繳付或收取預付代價的日期。採納該詮釋未有對本集團產生任何重大財務影響。

3. REVENUE

An analysis of the Group's revenue is as follows:

3. 收入

本集團之收入分析如下：

		For the three months ended 30 September 截至九月三十日止三個月	
		2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元	2017 二零一七年 (Unaudited) (未經審核) HK\$'000 千港元
Revenue:	收入：		
E-commerce and provision of online sales platform	電子商務及提供網上銷售平台	44,115	67,108
Interest income arising from the money-lending business	借貸業務所產生的利息收入	2,067	2,367
Provision of property management and property agency services	提供物業管理及物業代理服務	30	5,127
Intellectual property rights licensing fee and sponsorship	知識產權授權費及贊助	12,284	2,938
		58,496	77,540

Information reported to the executive Directors, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided are:

就分配資源及評估分類表現而言，向執行董事(即主要營運決策者)呈報之資料乃以所交付或提供之貨品或服務種類為重點：

- (i) E-commerce and provision of online sales platform;
- (ii) Money-lending business;
- (iii) Provision of property management and property agency services; and
- (iv) IP rights licensing and international IP development, media integrated marketing and distribution agency of sports goods business.

- (i) 電子商務及提供網上銷售平台；
- (ii) 借貸業務；
- (iii) 提供物業管理及物業代理服務；及
- (iv) 知識產權授權及國際知識產權開發、媒體綜合營銷以及分銷代理運動用品業務。

4. FINANCE COSTS

4. 融資成本

		For the three months ended 30 September 截至九月三十日止三個月	
		2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元	2017 二零一七年 (Unaudited) (未經審核) HK\$'000 千港元
Imputed interest expenses on convertible bonds	可換股債券之推算利息開支	3,651	1,070

5. (LOSS)/PROFIT BEFORE TAX

(Loss)/profit before tax is arrived at after charging/(crediting):

5. 除稅前(虧損)/溢利

除稅前(虧損)/溢利乃扣除/(計入)下列各項後計算：

		For the three months ended 30 September 截至九月三十日止三個月	
		2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元	2017 二零一七年 (Unaudited) (未經審核) HK\$'000 千港元
Cost of sales and services	銷售及服務成本		
Cost of sales	銷售成本	34,611	50,227
Cost of services	服務成本	766	763
		35,377	50,990
Technical expenses included in "Cost of sales" in the consolidated statement of profit or loss	包括在綜合損益表之「銷售成本」的技術費用	1,152	1,791
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	497	452
Amortisation of other intangible assets	其他無形資產攤銷	474	29
Staff costs (including directors' remuneration)	員工成本(包括董事酬金)		
Wages and salaries	工資及薪金	8,509	5,659
Housing allowance	住房津貼	108	36
Net pension scheme contribution	退休金計劃供款淨額	1,407	431
Equity-settled share option expenses	股本結算購股權開支	614	-
		10,638	6,126
Equity-settled share option expenses	股本結算購股權開支	1,146	-
Fair value loss/(gain) on equity investments at fair value through profit or loss	按公平值計入損益之股本投資 公平值虧損/(收益)	4,570	(15,160)
Dividend income from equity investments at fair value through profit or loss	按公平值計入損益之股本投資 所得股息收入	(9)	(9)
Government grants received	已收政府補助	(30)	(37)
Ancillary service income	輔助服務收入	(111)	(395)

6. INCOME TAX EXPENSE

6. 所得稅費用

		For the three months ended 30 September 截至九月三十日止三個月	
		2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元	2017 二零一七年 (Unaudited) (未經審核) HK\$'000 千港元
Current tax – Hong Kong	即期稅務—香港		
Charge for the period	本期間開支	37	480
Current tax – Elsewhere	即期稅務—其他地區		
Charge for the period	本期間開支	815	209
Deferred tax	遞延稅項		
Charge for the period	本期間開支	-	-
Total tax charged for the period	本期間稅項支出總額	852	689

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits for the Period (2017: 16.5%). Taxes on profits in respect of Group companies operating elsewhere have been calculated at the rates of tax prevailing in the respective tax countries/jurisdictions in which they operate based on existing legislation, interpretations and practices in respect thereof.

香港利得稅按本期間之估計應課稅溢利以稅率16.5%計提撥備(二零一七年:16.5%)。本集團於其他地區經營之公司之溢利稅項,已根據所在地之現行法例、詮釋及慣例,按各自稅務國家/司法權區之現行稅率計算。

7. DIVIDENDS

The Directors do not recommend the payment of first quarterly dividend (2017: Nil).

7. 股息

董事並不建議派發第一季度股息(二零一七年:無)。

8. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of basic and diluted (loss)/earnings per share attributable to ordinary equity holders of the Company for the period are based on the following:

8. 本公司普通股權益持有人應佔之每股(虧損)/盈利

本公司普通股權益持有人應佔該期間之每股基本及攤薄(虧損)/盈利乃基於以下各項計算:

		For the three months ended 30 September 截至九月三十日止三個月	
		2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元	2017 二零一七年 (Unaudited) (未經審核) HK\$'000 千港元
(Loss)/earnings:	(虧損)/盈利:		
(Loss)/earnings attributable to ordinary equity holders for the purpose of basic (loss)/earnings per share	就每股基本(虧損)/盈利而言 普通股權益持有人應佔的 (虧損)/盈利	(15,111)	10,397
Income effect of potential dilutive ordinary shares – imputed interest on convertible bonds	潛在可攤薄普通股的收入影響 —可換股債券推算利息	3,651	1,070
(Loss)/earnings attributable to ordinary equity holders for the purpose of diluted (loss)/earnings per share	就每股攤薄(虧損)/盈利而言 普通股權益持有人應佔的 (虧損)/盈利	(11,460)	11,467

		Numbers of shares as at 30 September 股份數目 於九月三十日	
		2018 二零一八年 (Unaudited) (未經審核)	2017 二零一七年 (Unaudited) (未經審核)
Number of shares:	股份數目:		
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share calculation	用作計算每股基本(虧損)/盈利之普通股加權平均數	2,826,625,001	2,776,215,424
Effect of potential dilutive ordinary shares in respect of the convertible bonds	可換股債券之潛在可攤薄普通股之影響	719,467,914	297,731,568
Weighted average number of ordinary shares for the purpose of diluted (loss)/earnings per share calculation	用作計算每股攤薄(虧損)/盈利之普通股加權平均數	3,546,092,915	3,073,946,992

No adjustment has been made to the basic loss per share amounts presented for the three months ended 30 September 2018 and 2017 in respect of a dilution as the impact of the share options and convertible bonds outstanding had an anti-dilutive effect on the basic loss per share amounts presented.

截至二零一八年及二零一七年九月三十日止三個月期間,並無就攤薄對列報的每股基本虧損金額作出調整,原因為尚未行使之購股權及可換股債券對列報的每股基本虧損金額產生了反攤薄效應。

9. OPERATING LEASE ARRANGEMENTS

The Group leases certain of its office properties and staff quarters under operating lease arrangements. Such leases are negotiated for terms ranging from one to five years.

At 30 September 2018, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		As at 30 September 於九月三十日	
		2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元	2017 二零一七年 (Unaudited) (未經審核) HK\$'000 千港元
Not later than 1 year	不遲於 1 年	6,585	4,305
Later than 1 year and not later than 5 years	遲於 1 年但不遲於 5 年	6,815	5,503
		13,400	9,808

10. SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

As at 30 June 2018, the Company held 10% equity interests of Great Window Limited ("Great Window"). Great Window is accounted for as an available-for-sales investment and subsequently accounted for as an equity investment at fair value through other comprehensive income since 1 July 2018 pursuant to the newly adopted HKFRS 9 (2014).

Subsequent to the end of the reporting period, on 9 October 2018, the Company further entered into a sale and purchase agreement with the vendors, pursuant to which, the Company acquired (the "Great Window Acquisition") the remaining 90% of equity interest of Great Window and its subsidiaries (collectively, the "Great Window Group") at a cash consideration of HK\$8,000,000.

The Great Window Group is a comprehensive culture and arts platform principally engaged in (i) promotion and trading of artistic works; and (ii) undertaking physical artistic works sales exhibitions in co-operation basis with well-known art brands in Hong Kong.

Upon the completion of the Great Window Acquisition on 10 October 2018, Great Window became a wholly owned subsidiary of the Company.

9. 經營租約安排

本集團根據經營租約安排租用若干辦公室物業及員工宿舍。經協商之物業租賃期介乎一至五年。

於二零一八年九月三十日，根據不可撤銷經營租約，本集團須按以下年期支付未來最低應付租金總額如下：

10. 報告期末後之重大事項

於二零一八年六月三十日，本公司持有 Great Window Limited (「Great Window」) 10% 的股權。Great Window 列作可供出售投資，根據新採納的香港財務報告準則第 9 號 (二零一四年)，自二零一八年七月一日起，Great Window 隨後列作按公平值計入其他全面收益的股本投資。

於報告期末後，於二零一八年十月九日，本公司進一步與賣方簽訂買賣協議，據此，本公司以 8,000,000 港元之現金代價收購 Great Window 及其附屬公司 (統稱「Great Window 集團」) 剩餘的 90% 股權 (「Great Window 收購事項」)。

Great Window 集團是一家綜合性文化藝術平台，主要從事 (i) 宣傳及買賣藝術作品；及 (ii) 與香港知名藝術品牌合作承辦實體藝術作品展銷。

於二零一八年十月十日完成 Great Window 收購事項後，Great Window 成為本公司全資附屬公司。

FINANCIAL REVIEW

Revenue

During the Period, the consolidated revenue of the Group was approximately HK\$58,496,000, representing a decrease of approximately 24.6% compared to the consolidated revenue of approximately HK\$77,540,000 for the three months ended 30 September 2017. The consolidated revenue for the Period was mainly contributed by the revenue of (i) the e-commerce business of approximately HK\$44,115,000; (ii) the money-lending business of approximately HK\$2,067,000; (iii) the provision of property management and property agency services of approximately HK\$30,000; and (iv) the franchise income arising from IP rights licensing, international IP development, media integrated marketing, and distribution agency of sports goods of approximately HK\$12,284,000.

The intense competition in the e-commerce industry has led to a decline of revenue of the Group, which outweighed the income growth and contribution from new businesses of the Group.

Gross Profit and Gross Profit Margin

The gross profit dropped from approximately HK\$26,550,000 in the same period in 2017 to approximately HK\$23,119,000 in the Period, representing a drop of approximately 12.9% while the gross profit margin increased from 34.2% to 39.5%, representing an increase of approximately 5.3%. The increase in the gross profit margin was attributed by the impact of the gross profit margin contributed by certain projects of the IP and the media integrated marketing business.

Selling and Distribution Expenses

The drop in the selling and distribution expenses was resulted from (i) a drop in selling and distribution expenses relating to the e-commerce business which was generally in line with the decrease in revenue of e-commerce business; (ii) decrease of transportation cost due to change in sales mix, and (iii) adoption of fiscal austerity policies during the Period.

Administrative Expenses and Other Expenses

The increase in administrative expenses and other expenses was mainly caused by the (a) the fair value loss on equity investments at fair value through profit or loss of approximately HK\$4,570,000 and (b) increase of staff cost to approximately HK\$10,638,000 (2017: approximately HK\$6,126,000).

Finance Costs

The finance costs for the Period amounted to HK\$3,651,000 (2017: HK\$1,070,000), which was attributable to the imputed interest expense of the convertible bonds.

財務回顧

收入

於本期間內，本集團綜合收入約為58,496,000港元，較截至二零一七年九月三十日止三個月的綜合收入約77,540,000港元減少約24.6%。本期間的綜合收入主要來自(i)電子商務業務的收入約44,115,000港元；(ii)借貸業務的收入約2,067,000港元；(iii)提供物業管理及物業代理服務的收入約30,000港元；及(iv)知識產權授權產生的特許經營之收入、國際知識產權開發、媒體綜合營銷以及分銷代理運動用品的收入約12,284,000港元。

電子商務行業競爭激烈，導致本集團收入下跌，而其影響大於本集團新業務的收入增長及貢獻。

毛利及毛利率

本期間內的毛利由二零一七年同期約為26,550,000港元下降至約為23,119,000港元，較二零一七年同期減少約12.9%。而毛利率由34.2%上升至39.5%，較二零一七年同期增加約5.3%。毛利率之上升主要由於部份知識產權及媒體綜合營銷業務項目所貢獻的毛利率的影響。

銷售及分銷費用

銷售及分銷費用下降乃由於本期間內(i)電子商務業務的收入減少，令相應的銷售及分銷費用一致下降；(ii)銷售組合變更導致運輸成本減少；及(iii)採取財政緊縮政策。

行政費用及其他費用

行政費用及其他費用上升主要由於(a)按公平值計入損益之股本投資之公平值虧損約4,570,000港元及(b)員工成本增至約10,638,000港元(二零一七年：約6,126,000港元)。

財務成本

本期間內財務成本為3,651,000港元(二零一七年：1,070,000港元)，為可換股債券之推算利息開支。

Loss for the Period

While the Group recorded a profit of approximately HK\$7,412,000 in the same period in 2017, the Group recorded a loss of approximately HK\$18,514,000 in the Period which was mainly due to the following reasons:

- fair value loss on equity investments at fair value through profit or loss;
- decrease in profit from the Group's property management and property agency business; and
- increase in finance costs.

BUSINESS REVIEW

E-commerce

The Group engaged in the business of e-commerce mainly through its B2C foreign trade e-commerce on-line sales platform, namely DX.com. The e-commerce business of the Group has been adversely affected by the increasingly intensifying competition within the e-commerce industry in recent years. The Group's platform recorded a continuous decrease in revenue from HK\$67,108,000 for the same period last year to HK\$44,115,000 for the current period. Gross profit margin dropped from 27.1% to approximately 24.3%.

To cope with the adverse business environment, the Group has adopted fiscal austerity policies to control its cost and extended the range of its trading products. Further, the Group will continue to develop its back-end system and shopping process optimization.

The e-commerce business of the Group is carried on through its wholly-owned subsidiary EPRO E-Commerce Group Limited ("EPRO") and its subsidiaries (the "EPRO Group"). By the introduction of a new investor of EPRO in August 2017, the Group's equity interest in EPRO was reduced from 100% to 51%, accordingly. The Group expects to reduce its funding commitment to the EPRO Group in the foreseeable future.

Money-lending

During the Period, the revenue of the Group's money-lending business amounted to HK\$2,067,000 (2017: HK\$2,367,000). Further, the Group offered loans to clients at an interest rate ranging from 8% to 12%. The Group will continue to maintain a balanced portfolio, and review its loan portfolio so as to control the risks of debt default.

本期間虧損

本集團於二零一七年同期錄得溢利約7,412,000港元，而於本期間內錄得虧損約18,514,000港元，其原因主要如下：

- 按公平值計入損益的股本投資的公平值之虧損；
- 本集團之物業管理及物業代理業務溢利減少；及
- 融資成本增加。

業務回顧

電子商務業務

本集團的電子商務業務主要藉外貿電子商務網上銷售平台DX.com以企業對消費者方式經營。近年來，電子商務行業競爭日漸加劇，本集團電子商務業務因而受到不利影響。本集團的平台收入持續下跌，由去年同期67,108,000港元下跌至本期間44,115,000港元。毛利率由27.1%下跌至約24.3%。

為應對不利營商環境，本集團已採納財務緊縮政策以控制其成本，並擴大貿易產品範圍。此外，本集團會繼續發展其後台系統及優化採購流程。

本集團之電子商務業務是通過其全資附屬公司EPRO E-Commerce Group Limited（「EPRO」）及其附屬公司（「EPRO集團」）進行。藉於二零一七年八月為EPRO引入新投資者，本集團持有之EPRO股權因此由100%減少至51%。本集團預期於可見將來減少其對EPRO集團之資金承擔。

借貸業務

於本期間內，本集團之借貸業務錄得2,067,000港元（二零一七年：2,367,000港元）收入。此外，本集團向客戶提供貸款，利率介乎8%至12%。本集團將繼續維持均衡的組合及審視貸款組合以控制債務違約風險。

Property management and property agency services

The property management and property agency services business has been adversely affected by the intensifying competition within the industry. As at 30 September 2018, a provision of impairment loss on goodwill of HK\$8,251,000 (30 June 2018: HK\$8,251,000) has been made in view of the latest development and lower projected revenue. During the Period, the revenue of property management and property agency services decreased from approximately HK\$5,127,000 in the same period in 2017 to approximately HK\$30,000. The Group will continue its premium effort to monitor its business development and performance.

IP rights licensing and international IP development, media integrated marketing and distribution agency of sports goods business

The Group marched into the IP rights licensing and international IP development and the media integrated marketing business upon the completion of the acquisition of Sense Media Group Limited (together with its subsidiaries, the "Sense Media Group"). The Sense Media Group positioned itself as a comprehensive operation platform for IP rights, specialising in media integrated marketing business, including provision of integrated marketing, planning and design service for brands. It capitalises on the abundant resources available within the Greater China region and the strong operational flexibility of the Company, and conducts product design and commercial operation in respect of licensed IP rights and brands. Sense Media Group is also a pioneer of the "Intellectual Property + Augmented Reality + Food & Beverage" business concept in China. Its licensed IP rights "Le Petit Chef" and "'Dinner Time Story': Marco Polo", were licensed out to various users and had generated new business opportunities and revenue to the Group. During the Period, the revenue of approximately HK\$3,489,000 was generated for the Group from such business.

Further, in January 2018, the Group acquired (the "Strong Network Acquisition") Strong Network International Limited (together with its subsidiaries, the "Strong Network Group"), a service provider for distribution agency, sales and marketing channel of licensed IP products. Strong Network Group has been steadily expanding its distribution channel within the PRC through engagement with various cooperation partners which cover different provinces of the PRC. In addition, Strong Network Group commenced its business of distribution agency of sports goods in February 2018. During the Period, Strong Network Group contributed a revenue of approximately HK\$8,795,000 to the Group.

物業管理及物業代理服務業務

由於物業管理及物業代理服務行業競爭日漸加劇，物業管理及物業代理服務業務因而受到不利影響。於二零一八年九月三十日，鑒於最新發展及預測收入降低，已作出商譽減值虧損撥備8,251,000港元（二零一八年六月三十日：8,251,000港元）。於本期間，物業管理及物業代理服務收入由二零一七年同期約5,127,000港元下跌至約30,000港元。本集團將繼續不遺餘力監察其業務發展及表現。

知識產權授權及國際知識產權開發、媒體綜合營銷以及分銷代理運動用品業務

本集團於完成收購三思傳媒有限公司（連同其附屬公司，統稱「三思傳媒集團」）後進軍知識產權授權及國際知識產權開發，以及媒體綜合營銷業務。三思傳媒集團將其定位為知識產權綜合運營平台，專門從事媒體綜合營銷業務，包括為品牌提供綜合營銷、規劃及設計服務。其利用大中華地區內可用的豐富資源及本公司的強勁經營靈活性，對授權知識產權及品牌進行產品設計以及商業運作。三思傳媒集團亦是中國「知識產權+增強現實技術+餐飲」經營理念的先驅。其授權知識產權「Le Petit Chef」及「『晚餐故事』：Marco Polo」已授出予不同用戶及為本集團帶來新商機及收入。於本期間，此業務為本集團產生收入約3,489,000港元。

此外，於二零一八年一月，本集團收購了Strong Network International Limited（連同其附屬公司統稱「Strong Network集團」）（「Strong Network收購事項」），該集團為授權知識產權產品的分銷代理、銷售及營銷渠道服務供應商。Strong Network集團透過與涵蓋中國不同省份的各類合作夥伴接觸，正穩步擴張其於中國的分銷渠道。此外，Strong Network集團於二零一八年二月開展分銷代理運動用品的業務。於本期間，Strong Network集團已向本集團貢獻收入約8,795,000港元。

PROSPECT

The Group has been patiently exploring various potential business opportunities to diversify its sources of revenue.

The Board believes that the outlook of licensed IP rights business is promising with huge potential for development, in particular, through leveraging on the development of internet technology and the upgrade of domestic consumer industries. The board believes that by being a pioneer in the IP commercialisation industry, the financial performance of the Group will be benefited and the Group's commencement of operations in the areas of media integrated marketing and distribution agency of sports goods will further diversify the sources of income of the Group.

The Board considers that while Sense Media Group focuses on the sourcing and procurement of IP with the capabilities to disseminate its IP portfolio within certain major cities in the PRC, the core focus of Strong Network Group is and will continue to be the nation-wide distributor of commercialised IPs. The Board is of the view that the distribution channel of Strong Network Group will assist the development of the Group's IP commercialisation business.

In addition, the Group will continue to look into opportunities to incorporate the existing IP rights of Mr. David Cheng, a racing driver and a member of the 2017 24 hours of Le Mans race champion team – Jackie Chan DC Racing, to cooperate in areas including but not limited to IP development and operation rights of Mr. David Cheng, to create more new consumption potentials, develop potential new retail market and explore new commercial value of IP.

Looking ahead, in respect of the e-commerce business, the Group will strive to control its costs and expand its clientele in order to maintain its competitiveness. The Board will also continue its premium effort to monitor the business development of the property management and agency business.

The Board is of the view that the above mentioned series of new measures and acquisitions had laid a solid foundation for the diversification of the Group's development, and will provide new impetus to the Group's growth and benefit the long-term development of the Group. The Group will continue to widen its business scope to generate fruitful returns for its shareholders.

前景

本集團一直耐心開拓不同潛在商機，以擴闊收入來源。

董事會相信授權知識產權業務的前景樂觀，具有龐大發展潛力，尤其是透過利用互聯網科技之發展及國內消費產業升級。董事會認為成為知識產權商業化行業的先驅者將有利於本集團的財務表現，而本集團開展媒體綜合營銷及分銷代理運動用品領域之業務將進一步擴闊本集團的收入來源。

董事會認為三思傳媒集團專注於採購知識產權並有能力在中國若干主要城市內傳播其知識產權組合，Strong Network集團的核心重點為成為並將繼續成為商業化知識產權之全國分銷商。董事會認為Strong Network集團的分銷渠道將促進本集團知識產權商業化業務的發展。

此外，本集團將繼續尋求機會結合現有賽車手程飛先生之知識產權與2017勒芒24小時耐力賽冠軍車隊—耀萊成龍DC車隊的成員於有關領域合作，包括但不限於程飛先生之知識產權開發及運營權，以創造更多新消費可能，開拓潛在新零售市場，發掘知識產權新商業價值。

展望未來，就電子商務業務而言，本集團會致力控制成本及擴大客戶群，以維持此業務之競爭力。董事會亦將繼續不遺餘力監察物業管理及代理業務之業務發展。

董事會認為，上述一系列的新舉措及收購事項已為本集團多元化發展奠定堅實基礎並將為本集團之增長提供新的發展動力，有利本集團之長遠發展。本集團將繼續開拓業務版圖，致力為其股東締造理想回報。

LIQUIDITY AND FINANCIAL RESOURCES

During the Period, the Group financed its operations by internally generated cash flow and proceeds from issuance of convertible bonds.

As at 30 September 2018, the Group's consolidated shareholders' equity, current assets and net current assets were HK\$228,690,000 (as at 30 June 2018: HK\$213,217,000), HK\$266,892,000 (as at 30 June 2018: HK\$284,799,000) and HK\$178,160,000 (as at 30 June 2018: HK\$191,873,000) respectively.

In respect of the Group's total current assets, trade receivable (net of provision for doubtful debts) accounted for approximately 9.5% (as at 30 June 2018: 8.9%), loan receivables accounted for approximately 35.4% (as at 30 June 2018: 31.3%) whilst pledged deposits, cash and cash equivalents accounted for approximately 8.3% (as at 30 June 2018: 15.2%). As at 30 September 2018, the Group's pledged deposits amounted to approximately HK\$310,000 (as at 30 June 2018: HK\$310,000) and cash and cash equivalents amounted to approximately HK\$21,891,000 (as at 30 June 2018: HK\$43,046,000).

The Group's pledged deposits, cash and cash equivalents were denominated in Hong Kong dollars, Pound sterling, Euro, Renminbi, Canadian dollars, Swiss Franc, Australian dollars, Japanese Yen, Mexican Peso, Brazilian Real, Argentine Peso and United States dollars.

CAPITAL STRUCTURE

The Group mainly finances its operation with internally resources and proceeds from fund raising. The Group continued to exert stringent control over treasury policies.

Conversion of convertible bonds

On 14 September 2018, principal amount of HK\$40,000,000 of the 1st Tranche Lockup CB (as defined in the circular of the Company dated 18 July 2017) was converted into 289,855,072 new shares of the Company at the conversion price of HK\$0.138 per share.

流動資金及財務資源

本期間內，本集團以內部產生之現金流量及發行可換股債券之所得款項為其營運提供資金。

於二零一八年九月三十日，本集團之綜合股東股權、流動資產及流動資產淨值，分別為228,690,000港元（於二零一八年六月三十日：213,217,000港元）、266,892,000港元（於二零一八年六月三十日：284,799,000港元）及178,160,000港元（於二零一八年六月三十日：191,873,000港元）。

就本集團之流動資產總額而言，應收貿易賬款（扣除呆賬撥備）約佔9.5%（於二零一八年六月三十日：8.9%），應收貸款約佔35.4%（於二零一八年六月三十日：31.3%），而已抵押存款、現金及現金等值項目則約佔8.3%（於二零一八年六月三十日：15.2%）。於二零一八年九月三十日，本集團之已抵押存款約為310,000港元（於二零一八年六月三十日：310,000港元）以及現金及現金等值項目約為21,891,000港元（於二零一八年六月三十日：43,046,000港元）。

本集團已抵押存款、現金及現金等值項目乃以港元、英鎊、歐元、人民幣、加拿大元、瑞士法郎、澳元、日元、墨西哥披索、巴西雷亞爾、阿根廷比索及美元計值。

資本架構

本集團主要以內部資源及集資所得款項為其業務撥資。本集團繼續對庫務政策實施嚴格控制。

轉換可換股債券

於二零一八年九月十四日，本金為40,000,000港元之第一批禁售可換股債券（定義見本公司日期為二零一七年七月十八日的通函）已按換股價每股0.138港元轉換為本公司289,855,072股新股份。

The total issued shares of the Company immediately after the conversion was increased to 3,066,070,496 shares.

於緊隨轉換後，本公司已發行股份總數已增加至 3,066,070,496 股。

The shareholding structure of the Company immediately before and after the Conversion and the issue of the 1st Tranche Conversion Shares is set out below:

本公司於緊接轉換及發行第一批換股股份前以及緊隨轉換及發行第一批換股股份後之股權架構載列如下：

Shareholder	股東	Immediately before the Conversion and the issue of the 1st Tranche Conversion Shares		Immediately after the Conversion and the issue of the 1st Tranche Conversion Shares	
		緊接轉換及發行第一批換股股份前		緊隨轉換及發行第一批換股股份後	
		No. of Shares 股份數目	Approximate % 概約百分比	No. of Shares 股份數目	Approximate % 概約百分比
Great Capital (H.K.) Limited (Note 1)	港富(香港)有限公司 (附註1)	198,288,000	7.14	198,288,000	6.47
Mr. Xia Boyu (Note 1)	夏博宇先生(附註1)	69,264,000	2.49	69,264,000	2.26
Mr. Wang He	王赫先生	27,816,000	1.00	27,816,000	0.91
China Overseas International Development Limited (Note 2)	China Overseas International Development Limited (附註2)	250,336,000	9.02	250,336,000	8.16
Sense Media Group Holdings Limited (Note 3)	Sense Media Group Holdings Limited (附註3)	-	-	289,855,072	9.45
Other public Shareholders	其他公眾股東	2,230,511,424	80.35	2,230,511,424	72.75
Total	總計	2,776,215,424	100.00	3,066,070,496	100.00

Notes:

- Great Capital (H.K.) Limited, a corporation wholly controlled by Swift Success Enterprises Limited which was in turn wholly controlled by Mr. XIA Boyu. Accordingly, Swift Success Enterprises Limited and Mr. Xia were deemed to be interested in 198,288,000 shares of the Company held by Great Capital (H.K.) Limited pursuant to Part XV of the SFO.
- China Overseas International Development Limited, a corporation wholly controlled by Mr. XU Jiancong. Accordingly, Mr. Xu was deemed to be interested in 250,336,000 shares of the Company held by China Overseas International Development Limited pursuant to Part XV of the SFO.
- Sense Media Group Holdings Limited, a corporation controlled as to 35% by Mr. WANG He. Accordingly, Mr. Wang was deemed to be interested in 289,855,072 shares of the Company held by Sense Media Group Holdings Limited pursuant to Part XV of the SFO.

附註：

- 港富(香港)有限公司為Swift Success Enterprises Limited全資控制的法團，Swift Success Enterprises Limited則由夏博宇先生全資控制。因此，根據證券及期貨條例第XV部，Swift Success Enterprises Limited及夏先生被視為於港富(香港)有限公司持有的本公司198,288,000股股份中擁有權益。
- China Overseas International Development Limited為許健聰先生全資控制的法團。因此，根據證券及期貨條例第XV部，許先生被視為於China Overseas International Development Limited持有的本公司250,336,000股股份中擁有權益。
- Sense Media Group Holdings Limited為王赫先生擁有35%的受控制法團。因此，根據證券及期貨條例第XV部，王先生被視為於Sense Media Group Holdings Limited持有的本公司289,855,072股股份中擁有權益。

MATERIAL ACQUISITIONS, DISPOSALS AND SIGNIFICANT INVESTMENTS

- (i) The Group did not make any material acquisition or disposal of subsidiaries during the three months ended 30 September 2018.
- (ii) Significant Investments
The Directors consider that individual investment with a market value that accounts for more than 5% of the Group's total assets as at the end of the reporting period as significant investments. No individual investment with a market value that accounted for more than 5% of the Group's total assets were held as at 30 September 2018.

General

The Group will continuously monitor closely the performance of its investments and the market trend.

Regarding the Group's equity investments at fair value through profit or loss, a fair value loss of approximately HK\$4,570,000 was recorded during the Period (2017: gain of approximately HK\$15,160,000), which consisted of (i) approximately HK\$3,278,000 loss due to change in fair value and (ii) approximately HK\$1,292,000 fair value loss recognised upon disposal.

During the three months ended 30 September 2017, the available-for-sales investments of the Group recorded a fair value loss of approximately HK\$5,700,000, which was included in the available-for-sales investment reserve.

Save for the above, the Company had no other significant investments and material acquisitions or disposals during the Period.

Gearing Ratio

As at 30 September 2018, the gearing ratio of the Group (ratio of the net debt divided by the total capital, plus the net debt), was approximately 45% (as of 30 June 2018: 48%). The net debt includes trade payables, other payables, deposits received and accruals, deposits received in advance, convertible bonds and contingent considerations payable less pledged deposits and cash and cash equivalents.

重大收購、出售事項及重大投資

- (i) 本集團於截至二零一八年九月三十日止三個月並無任何重大收購或出售附屬公司之事項。
- (ii) 重大投資
董事認為，市值佔本集團於報告期末之總資產超過5%之個別投資屬於重大投資。於二零一八年九月三十日並無個別投資之市值佔本集團所持之總資產超過5%。

一般事項

本集團將持續密切監控投資表現及市場趨勢。

於本期間，本集團之按公平值計入損益之股本投資錄得公平值虧損約4,570,000港元（二零一七年：收益約15,160,000港元），其中包括(i)因公平值變動之虧損約3,278,000港元及(ii)因出售確認之公平值虧損約1,292,000港元。

於截至二零一七年九月三十日止三個月，本集團之可供出售投資錄得公平值虧損約5,700,000港元，已計入可供出售投資儲備。

除上述外，本公司於本期間內並無作出任何其他重大投資及重大收購或出售事項。

資本負債比率

於二零一八年九月三十日，本集團之資本負債比率（按債務淨值除以總資本加上債務淨值）約為45%（於二零一八年六月三十日：48%）。債務淨值包括應付貿易賬款、其他應付款項、已收按金及應計費用、預收按金、可換股債券及應付或然代價減已抵押存款及現金及現金等值項目。

CHARGES ON ASSETS

As at 30 September 2018, included in the Group's prepayments, deposits and other receivables were the balances of approximately US\$2,339,000 (equivalents to approximately HK\$18,244,000) (the "Frozen Amounts") (as at 30 June 2018: US\$5,020,000 equivalent to approximately HK\$39,156,000), which were frozen by Silicon Valley Bank and PayPal. The Frozen Amounts were temporarily restrained from use as the Group was involved in a litigation. During the period, the plaintiff has obtained disbursement in the sum of US\$2,681,406.45 from the Frozen Amounts, based on the order made by the district court on 12 September 2018, details of which, is stated in section headed "Litigation".

CONTINGENT LIABILITIES

As at 30 September 2018 and 30 June 2018, the Group had no significant contingent liability.

FOREIGN CURRENCY RISK

The Group mainly generated revenue and incurred costs in Hong Kong dollars, Renminbi, Euro, and United States dollars.

In accordance with the Group's conservative treasury policy, the Group had not entered into any forward contract for hedging purpose during the Period. The Group will keep monitoring its foreign currency risk and consider any tool for hedging if necessary.

As at 30 September 2018 and 30 June 2018, the Group has no outstanding forward exchange contracts.

DISCLOSURE OF INTERESTS UNDER PART XV OF THE SECURITIES AND FUTURES ORDINANCE (THE "SFO")

A. Directors and Chief Executives

As at 30 September 2018, the interests of the Directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of the Company as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

1. *Interests in shares of the Company*

No such interest was reported by the Directors.

資產抵押

於二零一八年九月三十日，在本集團之預付款項、按金及其他應收款項內的結餘約2,339,000美元（相等於約18,244,000港元）（「凍結款項」）（於二零一八年六月三十日：5,020,000美元（相等於約39,156,000港元））被Silicon Valley Bank及PayPal凍結。由於本集團牽涉在一項訴訟內，因此，該凍結款項暫時禁止動用。於本期間，根據二零一八年九月十二日區域法院頒佈的命令，原告已從凍結款項中獲得付款合共2,681,406.45美元，有關詳情載於「訴訟」一節。

或然負債

於二零一八年九月三十日及二零一八年六月三十日，本集團並無重大或然負債。

外匯風險

本集團之所得收入及所致成本主要以港元、人民幣、歐元及美元結算。

根據本集團之穩健庫務政策，本集團於本期間內並無訂立任何遠期合約作對沖用途。本集團將繼續監察其外匯風險並於需要時考慮任何工具作對沖。

於二零一八年九月三十日及二零一八年六月三十日，本集團並無任何未償還之外匯遠期合約。

根據證券及期貨條例（「證券及期貨條例」）第XV部披露權益

A. 董事及主要行政人員

於二零一八年九月三十日，本公司董事及主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中擁有須記入本公司根據證券及期貨條例第352條存置之登記冊之權益，或根據GEM上市規則第5.46條所載本公司董事進行買賣之規定標準須知會本公司及聯交所之權益如下：

1. 於本公司股份之權益

董事並無呈報該權益。

2. *Interests in underlying shares of the Company (physically settled equity derivatives)*

Name of director	Capacity	Number of underlying shares in respect of the options granted 已授出購股權涉及之相關股份數目	Percentage of the underlying shares over the Company's issued share capital* 相關股份佔本公司已發行股本百分比*
董事姓名	身份		
Mr. Poon Man Sum 潘文森先生	Beneficial owner 實益擁有人	25,000,000	0.8%
Mr. Ai Kuiyu 艾奎宇先生	Beneficial owner 實益擁有人	25,000,000	0.8%

Details of the above share options as required to be disclosed by the GEM Listing Rules have been disclosed in section head "Share Option Scheme".

* The percentage represents the number of underlying shares interested divided by the number of issued shares of the Company as at 30 September 2018.

Save as disclosed above, as at 30 September 2018, none of the Directors nor the chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of the Company as referred to in Rule 5.46 of the GEM Listing Rules.

2. 於本公司相關股份之權益(實物交付股本衍生工具)

上述按GEM上市規則規定須披露之購股權詳情於「購股權計劃」一節披露。

* 該百分比指擁有權益之相關股份數目除以本公司於二零一八年九月三十日之已發行股份數目。

除上文所披露者外，於二零一八年九月三十日，本公司董事及主要行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中擁有須記入本公司根據證券及期貨條例第352條存置之登記冊之任何權益或淡倉，或根據GEM上市規則第5.46條所載本公司董事進行買賣之規定標準須知會本公司及聯交所之任何權益或淡倉。

B. Substantial Shareholders

As at 30 September 2018, the following parties had interests of 5% or more in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

(1) Ordinary shares of the Company

B. 主要股東

於二零一八年九月三十日，以下人士於本公司股份及相關股份中擁有須記入本公司根據證券及期貨條例第336條存置之登記冊5%或以上之權益：

(1) 本公司普通股

Name of substantial shareholder	Capacity	Long position/ Short position	Number of ordinary shares interested	Percentage of issued share capital*
主要股東名稱	身份	好倉／淡倉	擁有權益之 普通股數目	佔已發行 股本百分比*
Great Capital (H.K.) Limited 港富(香港)有限公司	Beneficial owner 實益擁有人	Long 好倉	198,288,000 (note (i)) (附註(i))	6.47%
Swift Success Enterprises Limited	Interest of controlled corporation 受控制法團權益	Long 好倉	198,288,000 (note (i)) (附註(i))	6.47%
Mr. XIA Boyu 夏博宇先生	Interest of controlled corporations 受控制法團權益	Long 好倉	198,288,000 (note (i)) (附註(i))	6.47%
	Beneficial owner 實益擁有人	Long 好倉	69,264,000	2.26%
Sense Media Group Holdings Limited	Beneficial owner 實益擁有人	Long 好倉	289,855,072 (note (ii)) (附註(ii))	9.45%
Mr. WANG He 王赫先生	Interest of controlled corporations 受控制法團權益	Long 好倉	289,855,072 (note (ii)) (附註(ii))	9.45%
	Beneficial owner 實益擁有人	Long 好倉	21,920,000	0.71%
China Overseas International Development Limited	Beneficial owner 實益擁有人	Long 好倉	250,336,000 (note (iii)) (附註(iii))	8.16%
Mr. XU Jiancong 許健聰先生	Interest of controlled corporation 受控制法團權益	Long 好倉	250,336,000 (note (iii)) (附註(iii))	8.16%

Notes:

- (i) These 198,288,000 shares of the Company were held by Great Capital (H.K.) Limited, a corporation wholly controlled by Swift Success Enterprises Limited which was in turn wholly controlled by Mr. XIA Boyu. Accordingly, Swift Success Enterprises Limited and Mr. Xia were deemed to be interested in these shares of the Company held by Great Capital (H.K.) Limited pursuant to Part XV of the SFO.
- (ii) These 289,855,072 underlying shares of the Company were held by Sense Media Group Holdings Limited. Sense Media Group Holdings Limited was controlled as to 35% by Mr. WANG He. Accordingly, Mr. Wang was deemed to be interested in these underlying shares of the Company held by Sense Media Group Holdings Limited pursuant to Part XV of the SFO.
- (iii) These 250,336,000 shares of the Company were held by China Overseas International Development Limited, a corporation wholly controlled by Mr. XU Jiancong. Accordingly, Mr. Xu was deemed to be interested in these shares of the Company held by China Overseas International Development Limited pursuant to Part XV of the SFO.
- * The percentage represents the number of ordinary shares interested divided by the number of issued shares of the Company as at 30 September 2018.

附註：

- (i) 本公司該等198,288,000股股份由港富(香港)有限公司持有，港富(香港)有限公司為Swift Success Enterprises Limited全資控制的法團，Swift Success Enterprises Limited則由夏博宇先生全資控制。因此，根據證券及期貨條例第XV部，Swift Success Enterprises Limited及夏先生被視為於港富(香港)有限公司持有的本公司該等股份中擁有權益。
- (ii) 本公司該等289,855,072股相關股份由Sense Media Group Holdings Limited持有。Sense Media Group Holdings Limited由王赫先生擁有35%。因此，根據證券及期貨條例第XV部，王先生被視為於Sense Media Group Holdings Limited持有的本公司該等相關股份中擁有權益。
- (iii) 本公司該等250,336,000股股份由China Overseas International Development Limited持有，China Overseas International Development Limited為許健聰先生全資控制的法團。因此，根據證券及期貨條例第XV部，許先生被視為於China Overseas International Development Limited持有的本公司該等股份中擁有權益。
- * 該百分比指所擁有權益之普通股股份數目除以本公司於二零一八年九月三十日之已發行股份數目。

(2) *Underlying shares of the Company –
unlisted derivatives (convertible bonds)*

(2) 本公司相關股份—未上市衍生
工具(可換股債券)

Name of substantial shareholder	Capacity	Long position/ Short position	Number of underlying shares interested 擁有權益之 相關股份數目	Percentage of issued share capital* 佔已發行 股本百分比*
主要股東名稱	身份	好倉／淡倉		
Sense Media Group Holdings Limited	Beneficial owner 實益擁有人	Long 好倉	217,391,304 (note (i)) (附註(i))	7.09%
Mr. WANG He 王赫先生	Interest of controlled corporation 受控法團權益	Long 好倉	217,391,304 (note (i)) (附註(i))	7.09%
Excel Action Global Limited	Beneficial owner 實益擁有人	Long 好倉	552,486,187 (note (ii)) (附註(ii))	18.02%
VSTECs Holdings Limited 偉仕佳杰控股有限公司	Interest of controlled corporations 受控法團權益	Long 好倉	552,486,187 (note (ii)) (附註(ii))	18.02%
Mr. LI Jialin 李佳林先生	Interest of controlled corporations 受控法團權益	Long 好倉	552,486,187 (note (ii)) (附註(ii))	18.02%
Ms. LIU Li 劉莉女士	Interest of controlled corporations 受控法團權益	Long 好倉	552,486,187 (note (ii)) (附註(ii))	18.02%

Notes:

(i) These 217,391,304 underlying shares of the Company were held by Sense Media Group Holdings Limited. Sense Media Group Holdings Limited was controlled as to 35% by Mr. WANG He. Accordingly, Mr. Wang was deemed to be interested in these underlying shares of the Company held by Sense Media Group Holdings Limited pursuant to Part XV of the SFO.

(ii) These 552,486,187 underlying shares of the Company were held by Excel Action Global Limited, a corporation wholly controlled by VSTECs Holdings Limited. Accordingly, VSTECs Holdings Limited was deemed to be interested in these underlying shares of the Company held by Excel Action Global Limited pursuant to Part XV of the SFO.

* The percentage represents the number of underlying shares interested divided by the number of issued shares of the Company as at 30 September 2018.

附註：

(i) 本公司該等217,391,304股相關股份由Sense Media Group Holdings Limited持有。Sense Media Group Holdings Limited由王赫先生擁有35%。因此，根據證券及期貨條例第XV部，王先生被視為於Sense Media Group Holdings Limited持有的本公司該等相關股份中擁有權益。

(ii) 本公司該等552,486,187股相關股份由Excel Action Global Limited持有，該公司由偉仕佳杰控股有限公司全資控制。因此，根據證券及期貨條例第XV部，偉仕佳杰控股有限公司被視為於Excel Action Global Limited持有的本公司該等相關股份中擁有權益。

* 該百分比指所擁有權益之相關股份數目除以本公司於二零一八年九月三十日之已發行股份數目。

Save as disclosed above, as at 30 September 2018, so far as is known to any Director or chief executive of the Company, no person had registered an interest or a short position in the shares or underlying shares of the Company that was required to be recorded under Section 336 of the SFO.

SHARE OPTION SCHEME

The movement of number of share options under the share option scheme during the period ended 30 September 2018 is as follows:

除上文所披露者外，於二零一八年九月三十日，據本公司董事或主要行政人員所知悉並無任何人士已登記須根據證券及期貨條例第336條予以記錄之本公司股份或相關股份中之權益或淡倉。

購股權計劃

以下為截至二零一八年九月三十日止期間根據購股權計劃之購股權數目之變動：

Name or category of participant	Number of share options 購股權數目			Date of grant of share options	Exercisable period of share options	Exercise price of share options*
	Outstanding as at 1 July 2018 於二零一八年 七月一日 尚未行使	Granted during the Period 本期間授出	Outstanding as at 30 September 2018 於二零一八年 九月三十日 尚未行使			
參與者名稱或所屬類別				授出購股權日期	購股權之行使期	購股權之行使價* HK\$ per share 每股港元
Directors 董事						
Mr. POON Man Sum 潘文森先生	25,000,000	-	25,000,000	12 February 2018 二零一八年二月十二日	12 August 2018 to 11 February 2020 二零一八年八月十二日至 二零二零年二月十一日	0.27
Mr. AI Kuiyu 艾奎宇先生	25,000,000	-	25,000,000	12 February 2018 二零一八年二月十二日	12 August 2018 to 11 February 2020 二零一八年八月十二日至 二零二零年二月十一日	0.27
Employees and other participants 員工及其他參與者	227,000,000	-	227,000,000	12 February 2018 二零一八年二月十二日	12 August 2018 to 11 February 2020 二零一八年八月十二日至 二零二零年二月十一日	0.27
	<u>277,000,000</u>	<u>-</u>	<u>277,000,000</u>			

* The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

* 購股權之行使價可視乎供股或發行紅股，或本公司股本之其他類似變動而可予調整。

The closing price of the shares of the Company immediately before the date on which these share options were granted was HK\$0.26 per share.

本公司股份於緊接授出該等購股權日期前之收市價為每股0.26港元。

The Group recognised a total expenses of approximately HK\$1,760,000 during the three months ended 30 September 2018 in relation to share options granted by the Company in which, as to approximately (i) HK\$236,000 was included in the directors' remuneration; (ii) approximately HK\$378,000 was included in staff costs; (iii) approximately HK\$226,000 was included in marketing expenses; and (iv) approximately HK\$920,000 was included in legal and professional expenses.

No options were granted, exercised, expired or lapsed under the Group's existing share option scheme during the Period.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

At no time during the Period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Directors or their respective spouse or children under 18 years of age, or were any rights exercised by them; or was the Company, or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

LITIGATION

On 16 August 2012, the plaintiff (the "Plaintiff"), Klipsch Group, Inc., filed a suit (the "Litigation") in the federal district court (the "Court") in the United States (the "U.S.") against certain defendants, including one of the online sales platforms (the "Subject Domain") of the Group, in respect of (i) trademark counterfeiting; (ii) trademark infringement; and (iii) false designation of origin. The Plaintiff claimed that certain products (the "Klipsch-Branded Items") were registered by them in the U.S. and that infringing Klipsch-Branded Items had been sold to customers in the U.S. via the Subject Domain. The Plaintiff sought damages, attorneys' fees and sanctions. Hence, the Plaintiff instructed PayPal to freeze US\$2,000,000 (equivalent to approximately HK\$15,600,000) (the "Frozen Amount") from the Group's PayPal account on 27 August 2012.

本集團於截至二零一八年九月三十日止三個月就本公司授出的購股權確認總開支約1,760,000港元，其中(i)約236,000港元已計入董事酬金；(ii)約378,000港元已計入員工成本；(iii)約226,000港元已計入營銷開支；及(iv)約920,000港元已計入法律及專業費用。

概無購股權於本期間根據本集團現有購股權計劃被授出、行使、屆滿或失效。

董事收購股份之權利

於本期間任何時間概無授予任何董事或彼等各自之配偶或未成年滿十八歲之子女透過收購本公司股份或債券以獲得利益之權利，或有該等權利由彼等行使；而本公司或其任何附屬公司亦概無訂立任何安排，以致董事可從任何其他公司實體獲得該等權利。

足夠公眾持股量

根據本公司獲得之資料及據董事所知，於本報告日期，公眾人士持有本公司已發行股本總額至少25%。

訴訟

於二零一二年八月十六日，原告Klipsch Group, Inc. (「原告」)就(i)商標假冒；(ii)商標侵權；及(iii)虛假指定原產地在美利堅合眾國(「美國」)聯邦區域法院(「法院」)對若干被告(包括本集團其中一個線上銷售平台(「被告人之網域」))提起訴訟(「訴訟」)。原告聲稱，彼等在美國註冊若干產品(「Klipsch品牌產品」)，而侵權Klipsch品牌產品已透過被告人之網域售予美國之客戶。原告尋求損害賠償、律師費及制裁。因此，原告於二零一二年八月二十七日指示PayPal凍結本集團PayPal賬戶2,000,000美元(相當於約15,600,000港元)(「凍結金額」)。

On 21 September 2012, the Group filed sales documents with the Court indicating that the sales amount (the "Infringing Sales Amount") of the infringing Klipsch-Branded Items into the U.S. amounted to less than US\$700. The Court considered that the Frozen Amount was excessive and accordingly, the Court entered an order reducing the Frozen Amount from US\$2,000,000 to US\$20,000 (equivalent to approximately HK\$156,000) on 11 October 2012. The Plaintiff asserted in December 2012 that the Subject Domain continued to sell additional Klipsch-Branded Items. The Group filed additional sales documents establishing that the revenues derived from sales into the U.S. of the additional Klipsch-Branded Items were less than US\$125.

On 3 December 2013 the Plaintiff filed an amended complaint naming EPRO E-commerce Limited ("EPRO EComm"), a wholly owned subsidiary of the Company that operates the Subject Domain, as a defendant in place of the Subject Domain, and naming as fictitious entities other domains operated by EPRO EComm.

The Company was informed by its legal adviser as to United States laws on 12 August 2014 that the United States District Court for the Southern District of New York (the "District Court") entered an order temporarily restraining the use of US\$5,000,000 (equivalent to approximately HK\$39,000,000) (the "Restrained Sum") in the bank accounts and other financial accounts of EPRO EComm (in addition to the Frozen Amount of US\$20,000 (equivalent to approximately HK\$156,000)). A hearing regarding the asset restraining order was completed on 11 February 2015 (New York time).

The Company was informed by its legal adviser as to United States laws on 3 November 2015 that the District Court issued an order to reduce the Restrained Sum from US\$5,000,000 (equivalent to approximately HK\$39,000,000) to US\$25,000 (equivalent to approximately HK\$195,000). The District Court has also made an order for EPRO EComm to pay for reasonable costs and fees incurred by the Plaintiff during certain legal process relating to the above matter. However, the Company was subsequently informed by its legal adviser as to United States laws on 4 November 2015 that the District Court had granted an application to delay the effectiveness of the reduction of the Restrained Sum.

於二零一二年九月二十一日，本集團向法院遞交銷售文件，證實進入美國之侵權 Klipsch 品牌產品之銷售額（「侵權銷售額」）不足 700 美元。法院考慮到凍結金額實屬過多，因此，於二零一二年十月十一日，法院頒令將凍結金額由 2,000,000 美元減少至 20,000 美元（相等於約 156,000 港元）。原告於二零一二年十二月指稱被告人之網域繼續銷售額外 Klipsch 品牌產品。本集團已遞交額外銷售文件，證實銷往美國之額外 Klipsch 品牌產品產生之收入不足 125 美元。

於二零一三年十二月三日，原告提交經修訂申訴，將本公司之全資附屬公司易寶電子商務有限公司（「易寶電子商務」）（其經營被告人之網域）稱為被告人，以代替被告人之網域，並將易寶電子商務所營運之其他域名稱為虛構實體。

本公司於二零一四年八月十二日獲其美國法律方面之法律顧問告知，美國紐約州南區區域法院（「區域法院」）已頒佈命令，除凍結金額 20,000 美元（相等於約 156,000 港元）之外，亦暫時限制使用易寶電子商務銀行賬戶及其他財務機構賬戶內 5,000,000 美元（相等於約 39,000,000 港元）的款項（「受禁制金額」）。有關資產禁制令之聆訊於二零一五年二月十一日完成（紐約時間）。

於二零一五年十一月三日，本公司獲其美國法律方面之法律顧問通知，區域法院頒佈命令，受禁制金額由 5,000,000 美元（相等於約 39,000,000 港元）減少至 25,000 美元（相等於約 195,000 港元）。區域法院亦已頒佈命令，易寶電子商務須支付原告在有關上述事宜之若干法律程序中所招致之合理成本及費用。但其後於二零一五年十一月四日，本公司獲其美國法律方面之法律顧問通知，區域法院批准將受禁制金額減少一事押後生效之申請。

Another hearing was held on 10 November 2015 (New York time), on which the District Court decided to continue to temporarily restrain the use of the Restrained Sum. On 30 September 2016 (New York time) the District Court issued an order assessing costs and fees against EPRO EComm in the amount of US\$2,681,406.45 and retaining the Restrained Sum of US\$5,000,000 (the "30 September 2016 order"). On 26 October 2016 (New York Time), EPRO EComm filed a Notice of Appeal against the 30 September 2016 order. The parties completed appellate submissions and the United States Court of Appeals for the second circuit held oral argument concerning the appeal on 26 October 2017 (New York time). On 25 January 2018 (New York time), the United States Court of Appeals for the Second Circuit issued an opinion affirming the 30 September 2016 Order. On 8 February 2018 (New York time), EPRO EComm filed a motion for rehearing en banc with the United States Court of Appeals for the Second Circuit to reconsider a decision and order of a panel of the court affirming the 30 September 2016 Order. On 20 March 2018 (New York time), the United States Court of Appeals issued the mandate and affirmed the district court's order imposing sanctions. On 12 September 2018 (New York time), the District Court has made an order that the Plaintiff may obtain disbursement in the sum of US\$2,681,406.45 ("Disbursements") from the Restrained Sum at the bank and the bank shall continue to restrain the remainder of the Restrained Sum pending further order of the District Court. During the period, the plaintiff has obtained the Disbursement from the Frozen Amounts. The remaining frozen amounts approximate to US\$2,339,000. The Company is currently seeking legal advice from its legal adviser as to United States laws on the above matter and will provide further announcement regarding any new developments as and when appropriate.

The Directors have exercised their due care in assessing the financial impact in respect of the legal costs and claims, if any, of the Litigation. Taking into account of the amount of the Restrained Sum and the possible legal and professional costs to be incurred, the Company has made sufficient provisions for the Litigation as at 30 September 2018. Since the Litigation is still on-going, the Directors would continue to exercise their due care in monitoring the progress of the Litigation and would assess the adequacy of provisions for the Litigation and the financial impact to the Group as and when appropriate.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

None of the Directors and controlling shareholders of the Company has an interest in a business which competes or may compete with the business of the Group.

另一輪聆訊於二零一五年十一月十日(紐約時間)舉行，區域法院決定繼續暫時限制使用受禁制金額。於二零一六年九月三十日(紐約時間)，區域法院頒佈命令，評定易寶電子商務須支付2,681,406.45美元的成本及費用以及保留受禁制金額5,000,000美元(「二零一六年九月三十日命令」)。於二零一六年十月二十六日(紐約時間)，易寶電子商務對二零一六年九月三十日命令提交上訴通知。當事人已完成提交上訴，而美國聯邦上訴法院第二巡迴審判庭已於二零一七年十月二十六日(紐約時間)就該上訴進行口頭辯論。於二零一八年一月二十五日(紐約時間)，美國聯邦上訴法院第二巡迴審判庭發表意見，確認二零一六年九月三十日命令。於二零一八年二月八日(紐約時間)，易寶電子商務向美國聯邦上訴法院第二巡迴審判庭提出再聆訊呈請，要求重新考慮法院合議庭就肯定二零一六年九月三十日命令的判決及命令。於二零一八年三月二十日(紐約時間)，美國聯邦上訴法庭頒佈書面命令並肯定區域法院實施制裁的命令。於二零一八年九月十二日(紐約時間)，區域法院已頒佈命令，原告可以從銀行受禁制金額中獲得付款合共2,681,406.45美元(「付款」)，且銀行將繼續限制剩餘的受禁制金額，以待區域法院另行頒佈命令。於本期間，原告已從凍結款項中獲得付款。餘下凍結款項約2,339,000美元。本公司現時正向其法律顧問就上述事宜尋求美國法律意見並將於適當時候就任何新的事態發展另作公告。

董事已謹慎地評估該訴訟所產生之有關律師費及索償(如有)之財務影響。經考慮受禁制金額之數額及可能將產生之法律及專業費用，於二零一八年九月三十日，本公司已對該訴訟作出充足撥備。由於該訴訟仍在進行當中，董事將繼續謹慎監察該訴訟之進展，並將於適當時候評估該訴訟之撥備是否足夠及對本集團之財務影響。

董事於競爭業務之權益

本公司董事或控股股東概無於任何對本集團業務構成競爭或可能構成競爭之業務中擁有權益。

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

During the three months ended 30 September 2018, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

SECURITIES TRANSACTIONS BY DIRECTORS

The Group has adopted stringent procedures governing Director's securities transaction in compliance with Rules 5.48 to 5.67 of the GEM Listing Rules. Relevant employees who are likely to be in possession of unpublished inside information of the Group are also subject to compliance with guidelines with no less exacting terms than those set out in the rules. No incidence of non-compliance was noted for the three months ended 30 September 2018.

CORPORATE GOVERNANCE

The Company has complied with the code provisions of the Corporate Governance Code (the "CG Code") set out in Appendix 15 of the GEM Listing Rules throughout the three months ended 30 September 2018, except for the following deviation:

Code provision A.2.1 of the CG Code stipulates that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual.

To achieve clear division of responsibilities between the management of Board and the day-to-day management of business and hence to ensure balance of power and authority, there are separation of duties for the Chairman and Chief Executive Officer of the Company (as stipulated under the Code Provision A.2.1 of the CG Code). However, after the resignation of Mr. CHOW Siu Kwong as the Chief Executive Officer of the Company on 23 September 2016, Mr. Poon Man Sum, the chairman of the Board, has temporarily taken up the function as Chief Executive Officer of the Company for a transitional period commencing on 18 May 2017 and this represented a deviation from the code provision A.2.1 since then. The Group has been looking for suitable candidate to fill for the post of Chief Executive Officer.

購買、出售或贖回本公司上市證券

截至二零一八年九月三十日止三個月，本公司或其任何附屬公司並無購買、出售或贖回本公司之任何上市證券。

董事進行之證券交易

本集團已遵照GEM上市規則第5.48條至第5.67條之規定採納規管董事進行證券交易之嚴格常規。可能擁有本集團尚未發表之內幕消息資料之相關僱員亦須遵照不遜於該等規則所載者之條款。截至二零一八年九月三十日止三個月，並未出現任何未獲遵守之情況。

企業管治

於截至二零一八年九月三十日止三個月內，本公司一直遵守GEM上市規則附錄十五所載之企業管治守則（「企業管治守則」）之守則條文，惟下列偏離事項除外：

企業管治守則之守則條文第A.2.1條規定主席及首席執行官之角色應有區分，不應由一人同時兼任。

為明確區分董事會管理與日常業務管理之間的職責並因此確保達致權力和授權分佈均衡，本公司區分主席與首席執行官之職務（根據企業管治守則守則條文A.2.1條規定）。然而，自周兆光先生於二零一六年九月二十三日辭任本公司首席執行官一職後，董事會主席潘文森先生隨後已於二零一七年五月十八日開始之過渡期內暫時擔任本公司首席執行官，自此偏離守則條文第A.2.1條。本集團仍就首席執行官一職位物色合適人選。

AUDIT COMMITTEE

The Company set up an Audit Committee (the "Committee") with written terms of reference in compliance with the requirements of the GEM Listing Rules. The primary duties of the Committee are to review and provide supervision over the financial reporting process and risk management and internal control systems of the Group. The Committee comprises three independent non-executive Directors, Mr. FONG Fuk Wai, Mr. HUANG Zhiying and Mr. TONG Kar Hing. The information contained in the Group's first quarterly report for the three months ended 30 September 2018 has not been audited but has been reviewed by the Committee, who was of opinion that such report complied with the applicable accounting standards, the GEM Listing Rules and the applicable legal requirements and that adequate disclosures had been made.

DIRECTORS

As at the date of this report, the executive Directors are Mr. POON Man Sum and Mr. AI Kuiyu; and the independent non-executive Directors are Mr. FONG Fuk Wai, Mr. HUANG Zhiying and Mr. TONG Kar Hing.

On behalf of the Board

POON MAN SUM

Chairman

Hong Kong, 9 November 2018

審核委員會

本公司成立審核委員會（「委員會」），其書面職權範圍乃遵照 GEM 上市規則釐定。委員會之首要職務為審核及監督本集團之財務呈報過程，風險管理及內部監控系統。委員會由三名獨立非執行董事方福偉先生、黃智穎先生及唐家興先生組成。本集團截至二零一八年九月三十日止三個月之第一季度報告所載之資料並未經審核，但經由委員會審閱，而其認為該報告已遵守適用之會計準則、GEM 上市規則及適用之法律規定，且已作出足夠披露。

董事

於本報告刊發日期，執行董事為潘文森先生及艾奎宇先生，而獨立非執行董事為方福偉先生、黃智穎先生及唐家興先生。

代表董事會

主席

潘文森

香港，二零一八年十一月九日

