



IMAGI INTERNATIONAL HOLDINGS LIMITED

意馬國際控股有限公司

stock code 股份代號 : 585

2017
中期報告 Interim Report

CONTENTS

目錄

Corporate Information 公司資料	2
Management Discussion and Analysis 管理層討論及分析	4
Corporate Governance 企業管治	12
General Information 一般資料	14
Review Report to the Board of Directors 致董事會的審閱報告	21
Unaudited Interim Financial Report 未經審核中期財務報告	
<i>Consolidated Statement of Profit or Loss and Other Comprehensive Income</i> 綜合損益及其他全面收入表	26
<i>Consolidated Statement of Financial Position</i> 綜合財務狀況表	28
<i>Consolidated Statement of Changes in Equity</i> 綜合權益變動表	30
<i>Condensed Consolidated Statement of Cash Flows</i> 簡明綜合現金流量表	31
<i>Notes to the Unaudited Interim Financial Report</i> 未經審核中期財務報告附註	34

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Kitchell Osman Bin (*Acting Chairman*)
Mr. Shimazaki Koji
Ms. Choi Ka Wing

Independent Non-executive Directors

Dr. Santos Antonio Maria
Mr. Miu Frank H.
Ms. Liu Jianyi

BOARD COMMITTEES

Audit Committee

Mr. Miu Frank H. (*Chairman*)
Dr. Santos Antonio Maria
Ms. Liu Jianyi

Nomination Committee

Ms. Liu Jianyi (*Chairman*)
Dr. Santos Antonio Maria
Mr. Miu Frank H.

Remuneration Committee

Ms. Liu Jianyi (*Chairman*)
Dr. Santos Antonio Maria
Mr. Miu Frank H.

COMPANY SECRETARY

Ms. Liu Tsui Fong

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

董事會

執行董事

Kitchell Osman Bin先生(署理主席)
嶋崎幸司先生
蔡家穎女士

獨立非執行董事

杜東尼博士
繆希先生
劉簡怡女士

董事會委員會

審核委員會

繆希先生(主席)
杜東尼博士
劉簡怡女士

提名委員會

劉簡怡女士(主席)
杜東尼博士
繆希先生

薪酬委員會

劉簡怡女士(主席)
杜東尼博士
繆希先生

公司秘書

廖翠芳女士

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

CORPORATE INFORMATION 公司資料

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 1107-1108, 11/F., Champion Tower
3 Garden Road, Central
Hong Kong

總辦事處及香港主要營業地點

香港
中環花園道3號
冠君大廈11樓1107-1108 室

AUDITOR

Crowe Horwath (HK) CPA Limited
Certified Public Accountants

核數師

國富浩華(香港)會計師事務所有限公司
執業會計師

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Hang Seng Bank Limited

主要往來銀行

香港上海滙豐銀行有限公司
恒生銀行有限公司

PRINCIPAL SHARE REGISTRAR

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke, HM08 Bermuda

股份過戶登記總處

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke, HM08 Bermuda

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

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

香港股份過戶登記分處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心22樓

STOCK CODE

The Stock Exchange of Hong Kong Limited: 00585

股份代號

香港聯合交易所有限公司：00585

WEBSITE

www.imagi.com.hk

網址

www.imagi.com.hk

CONTACT INFORMATION

Address Suites 1107-1108, 11/F., Champion Tower
3 Garden Road, Central
Hong Kong
Telephone (852) 3679 3988
Fax (852) 3679 3188
Email investor@imagi.com.hk

聯絡資料

地址 香港
中環花園道3號
冠君大廈11樓1107-1108 室
電話 (852) 3679 3988
傳真 (852) 3679 3188
電郵 investor@imagi.com.hk

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Dear Shareholders,

On behalf of the board (the “Board”) of directors (the “Director(s)”) of Imagi International Holdings Limited (the “Company”, together with its subsidiaries as the “Group”), we would like to present the unaudited interim report of the Group for the six months period ended 30 June 2017 (the “Period under Review”) to the shareholders of the Company (the “Shareholder(s)”).

BUSINESS AND OPERATIONAL REVIEW

(a) Computer Graphic Imaging (“CGI”)

As previously disclosed, the Company had terminated its efforts on the production side but will retain efforts on the distribution side of the CGI business. During the Period under Review, the CGI business made no profit contribution to the Group.

(b) Integrated Financial Services Businesses

(i) *Securities investments and proprietary trading*

The Company conducted its short term proprietary trading business through Unimagi Investment Limited (“Unimagi”), its indirect wholly-owned subsidiary. As at 30 June 2017, the aggregate market value of listed securities classified as available-for-sale investments (held for long term purpose) and held-for-trading investments was approximately HK\$665 million. The total realised loss from sale of listed equity investments and unrealised loss/impairment loss charged to profit or loss as a result of change in fair value of listed equity investments for the Period under Review were approximately HK\$87 million and approximately HK\$115 million respectively.

親愛的股東：

我們謹代表意馬國際控股有限公司(「本公司」，連同其附屬公司統稱「本集團」)董事(「董事」)會(「董事會」)，向本公司股東(「股東」)呈報本集團截至二零一七年六月三十日止六個月期間(「回顧期間」)之未經審核中期報告。

業務及營運回顧

(a) 電腦造像(「電腦造像」)

如早前所披露，本公司已終止製作方面的活動，但將繼續從事電腦造像發行方面的業務。於回顧期間，電腦造像業務未為本集團作出溢利貢獻。

(b) 綜合金融服務業務

(i) 證券投資及自營交易

本公司透過Unimagi Investment Limited(「Unimagi」，為其間接全資附屬公司)進行短期自營交易業務。於二零一七年六月三十日，分類為可供出售投資及持作買賣投資(持作長期目的)的上市證券的總市場價值約665,000,000港元。回顧期間出售上市股本投資的已變現虧損總額及因上市股本投資公平值變動而從損益扣除的未變現虧損／減值虧損分別為約87,000,000港元及約115,000,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Details of the Group's top ten listed securities investments as at 30 June 2017 were as follows:

本集團於二零一七年六月三十日的十大上市證券投資詳情如下：

Stock code	Stock name	Number of shares held as at 30 June 2017 於二零一七年六月三十日持有的股份數目	Market price as at 30 June 2017 於二零一七年六月三十日的市價 HK\$ 港元	Market value as at 30 June 2017 於二零一七年六月三十日的市值 HK\$'000 千港元	Realised gain/(loss) for the Period under Review 回顧期間已變現收益/(虧損) HK\$'000 千港元	Unrealised gain/(loss) for the Period under Review 回顧期間未變現收益/(虧損) HK\$'000 千港元	Impairment loss for the Period under Review 回顧期間減值虧損 HK\$'000 千港元
622	Enerchina Holdings Limited 威華達控股有限公司	590,797,249	0.1730	102,208	-	(23,000)	(42,336)
689	EPI (Holdings) Limited 長盈集團(控股)有限公司	145,785,000	0.3200	46,651	-	19,389	-
720	Auto Italia Holdings Limited 意達利控股有限公司	200,000,000	0.0920	18,400	-	(5,600)	-
943	eForce Holdings Limited 意科控股有限公司	60,000,000	0.0680	4,080	-	(1,500)	-
996	Carnival Group International Holdings Limited 嘉年華國際控股有限公司	602,000,000	0.7200	433,440	(1,491)	(63,916)	-
1051	G-Resources Group Limited 國際資源集團有限公司	36,564,069	0.1140	4,168	-	(1,024)	-
1332	China Touyun Tech Group Limited 中國透雲科技集團有限公司	100,000,000	0.4750	47,500	-	15,500	-
2326	BEP International Holdings Limited 百靈達國際控股有限公司	10,000,000	0.2500	2,500	-	(1,950)	-
8153	Code Agriculture (Holdings) Limited 科地農業控股有限公司	14,400,000	0.1960	2,822	-	(12,010)	-
8173	Union Asia Enterprise Holdings Limited 萬亞企業控股有限公司	125,000,000	0.0270	3,375	-	1,625	-

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

(ii) **Brokerage services**

The acquisition of John & Wong Securities Company Limited (“John & Wong”) was completed on 28 February 2017. Besides providing securities brokerage services and margin financing services to clients, John & Wong has always been intended to be used as the flagship of the Company into other securities related businesses such as fund management, placement and underwriting services, corporate finance advisory services, investment advisory and asset management services etc. After the takeover of John & Wong, the Company started to assimilate and integrate John & Wong into the Company. However, due to the need and time for the integration and transition period, John & Wong had yet made no profit contribution to the Group for the Period under Review.

(iii) **Money lending business**

The Company’s joint venture (the “Joint Venture”) formed with Bob May Incorporated, namely Imagination Holding Limited, remained active during the Period under Review and the money lending business contributed an approximately HK\$5.2 million profit to the Joint Venture. However, an approximately HK\$20 million impairment loss was incurred by Imagination Holding Limited and as a consequence, the Group has to share an overall loss of the Joint Venture of approximately HK\$7.4 million for the Period under Review.

(ii) **經紀服務**

收購宏昌証券有限公司(「宏昌」)於二零一七年二月二十八日完成。除向客戶提供證券經紀服務及保證金融資服務外，本公司亦一直有意將宏昌作為本公司旗艦，進軍其他證券相關業務，如基金管理、配售及包銷服務、企業融資顧問服務、投資顧問及資產管理服務等。在收購宏昌後，本公司開始將宏昌吸收及整合入本公司。然而，由於整合及過渡期的需要及時間，回顧期間宏昌尚未為本集團作出任何溢利貢獻。

(iii) **放債業務**

本公司與Bob May Incorporated成立的合營企業(「合營企業」) Imagination Holding Limited於回顧期間仍然活躍，放債業務為合營企業貢獻溢利約5,200,000港元。然而，Imagination Holding Limited產生減值虧損約20,000,000港元，因此，本集團須分擔回顧期間合營企業的整體虧損約7,400,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Review of Results

The net loss for the Period under Review was approximately HK\$243 million compared to the net loss of approximately HK\$341 million for the same interim period last year. The loss for the Period under Review was mainly due to losses from changes in fair value of financial assets classified as held-for-trading of approximately HK\$159 million (six-month period ended 30 June 2016: approximately HK\$80 million); impairment loss recognised on available-for-sale investments of approximately HK\$42 million (six-month period ended 30 June 2016: approximately HK\$52 million); and net fair value loss on convertible notes receivable (net of gain on derecognition of day one gain on convertible notes) of approximately HK\$20 million (six-month period ended 30 June 2016: Nil).

On the expenditures side, staff costs (excluding equity-settled share-based payment expenses) increased by approximately 60% from approximately HK\$5.8 million last interim period to approximately HK\$9.3 million for the Period under Review. There was no equity-settled share-based payment expenses incurred during the Period under Review (six-month period ended 30 June 2016: approximately HK\$42.4 million).

Liquidity and Financial Resources

The Group primarily financed by its operation with internally generated cash flows and fund raising exercises. The liquidity and financial position of the Group as at 30 June 2017 remain healthy, with bank balances amounting to approximately HK\$139 million (31 December 2016: approximately HK\$246 million) and a current ratio (the total amount of current assets over the total amount of current liabilities) of approximately 55 (31 December 2016: approximately 53).

As at 30 June 2017, the Group had no bank or other borrowings and therefore the gearing ratio (expressed as a percentage of total borrowings over total capital) was zero (31 December 2016: zero).

The unaudited consolidated net asset value per share of the Company (the "Share(s)") as at 30 June 2017 was approximately HK\$1.4180 (as at 31 December 2016: audited approximately HK\$0.2441).

財務回顧

業績回顧

回顧期間的虧損淨額約243,000,000港元，而去年中期期間的虧損淨額約341,000,000港元。回顧期間的虧損主要是由於分類為持作買賣的財務資產公平值變動虧損約159,000,000港元(截至二零一六年六月三十日止六個月期間：約80,000,000港元)；就可供出售投資確認的減值虧損約42,000,000港元(截至二零一六年六月三十日止六個月期間：約52,000,000港元)；及應收可換股票據(扣除終止確認可換股票據第一天收益的收益)的公平值虧損淨額約20,000,000港元(截至二零一六年六月三十日止六個月期間：無)。

開支方面，員工成本(不包括以權益結算之股權支付開支)由去年中期期間約5,800,000港元增加約60%至回顧期間約9,300,000港元。回顧期間並無以權益結算之股權支付的支出(截至二零一六年六月三十日止六個月期間：約42,400,000港元)。

流動資金及財務資源

本集團主要透過其內部產生之現金流及集資活動為其經營提供資金。於二零一七年六月三十日，本集團之流動資金及財務狀況維持穩健，銀行結餘約為139,000,000港元(二零一六年十二月三十一日：約246,000,000港元)及流動比率(以總流動資產除以總流動負債值計算)約為55(二零一六年十二月三十一日：約53)。

於二零一七年六月三十日，本集團並無銀行或其他借貸，故資產負債比率(以總借貸除以總資本之百分比列示)為零(二零一六年十二月三十一日：零)。

於二零一七年六月三十日的每股本公司股份(「股份」)未經審核綜合資產淨值為約1.4180港元(於二零一六年十二月三十一日：經審核約0.2441港元)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Capital Structure

On 28 February 2017, pursuant to a conditional sale and purchase agreement (the “Agreement”) with independent third parties to acquire (the “Acquisition”) the entire issued share capital of John & Wong, a corporate licensed under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“SFO”) to carry out Type 1 (dealing in securities) regulated activity, 60,000,000 new Shares were issued and allotted under a specific mandate at an issue price of HK\$0.20 per Share as a part of consideration for the Acquisition and the balance was settled by cash of approximately HK\$6.18 million after a dollar-to-dollar downward adjustment with reference to net asset value of John & Wong as at 28 February 2017. Upon completion of the Acquisition on 28 February 2017, John & Wong became an indirect wholly-owned subsidiary of the Company. Details of the Acquisition were disclosed in the Company’s announcements dated 30 August 2016 and 28 October 2016 and circular dated 7 October 2016.

On 10 March 2017, an ordinary resolution to approve share consolidation was passed by the Shareholders at a special general meeting of the Company whereby share consolidation became effective on 13 March 2017 that every eight issued and unissued Shares of HK\$0.005 each be consolidated into one consolidated Share of HK\$0.04 each. Details of the share consolidation were disclosed in the Company’s announcements dated 26 January 2017 and 10 March 2017 and circular dated 22 February 2017.

On 22 March 2017, pursuant to a share swap agreement dated 16 March 2017 (the “Share Swap Agreement”) entered into between the Company and Enerchina Holdings Limited (“Enerchina” (stock code: 622), an independent third party), 113,400,000 new Shares (the “Subscription Share(s)”) were issued and allotted at a subscription price of HK\$0.90 per Subscription Share to a nominee of Enerchina in exchange for 378,000,000 shares of Enerchina as consideration shares at a total consideration of HK\$102.06 million pursuant to the Share Swap Agreement (the “Share Swap”). The Subscription Shares were issued under general mandate granted to the Directors by the Shareholders at a special general meeting held on 28 October 2016, representing 20% of the issued share capital in the Company as at 28 October 2016 and approximately 19.69% of the issued share capital in the Company as at 22 March 2017. Upon completion of the Share Swap on 22 March 2017, Enerchina became a substantial Shareholder. Details of the Share Swap were disclosed in the Company’s announcement dated 16 March 2017.

資本結構

於二零一七年二月二十八日，根據與獨立第三方訂立的收購宏昌（為根據證券及期貨條例（香港法例第571章）（「證券及期貨條例」）獲發牌可從事第1類（證券交易）受規管活動的法團）全部已發行股本（「收購事項」）的有條件買賣協議（「該協議」），60,000,000股新股份根據特別授權按每股股份0.20港元之發行價發行及配發，作為收購事項的部分代價。在參考宏昌於二零一七年二月二十八日的資產淨值作出金額下調後，餘額以現金約6,180,000港元結算。在收購事項於二零一七年二月二十八日完成後，宏昌成為本公司的間接全資附屬公司。收購事項的詳情披露於本公司日期為二零一六年八月三十日及二零一六年十月二十八日之公告及日期為二零一六年十月七日之通函。

於二零一七年三月十日，股東於本公司股東特別大會上通過批准股份合併的普通決議案，據此，股份合併於二零一七年三月十三日生效，每八股每股面值0.005港元的已發行及未發行股份被合併為一股每股面值0.04港元的合併股份。股份合併的詳情披露於本公司日期為二零一七年一月二十六日及二零一七年三月十日之公告及日期為二零一七年二月二十二日之通函。

於二零一七年三月二十二日，根據本公司與威華達控股有限公司（「威華達」（股份代號：622），為獨立第三方）訂立的日期為二零一七年三月十六日之換股協議（「換股協議」），113,400,000股新股份（「認購股份」）按認購價每股認購股份0.90港元發行及配發予威華達的代名人，以交換378,000,000股威華達股份，作為根據換股協議總代價102,060,000港元的代價股份（「換股」）。認購股份乃根據股東於二零一六年十月二十八日舉行的股東特別大會上授予董事的一般授權發行，相當於本公司於二零一六年十月二十八日的已發行股本的20%及於二零一七年三月二十二日的已發行股本約19.69%。在換股於二零一七年三月二十二日完成後，威華達成為一名主要股東。換股的詳情披露於本公司日期為二零一七年三月十六日之公告。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

As at 30 June 2017, the total number of issued Shares was 689,421,572 with a par value of HK\$0.04 each. Based on the closing price of HK\$0.64 per Share as at 30 June 2017, the Company's market value as at 30 June 2017 was approximately HK\$441 million (31 December 2016: approximately HK\$682 million).

Pledge of Assets

As at 30 June 2017, equity securities listed in Hong Kong classified as available-for-sale investments and held-for-trading investments in aggregate of approximately HK\$665 million (31 December 2016: approximately HK\$586 million) were pledged to financial institution to secure margin financing facilities provided to the Group.

Exposure to Exchange Rates

Presently, most of the Group's business transactions, assets and liabilities are denominated in Hong Kong dollar and United States dollar. The Group's exposure to currency risk is minimal as Hong Kong dollar is pegged to United States dollar. The Group does not have any currency hedging policy and has not entered into any hedging or other instrument to reduce currency risks. However, the management will closely monitor the Group's exposure to the fluctuation of exchange rates and take appropriate measures as necessary to minimise any adverse impact that may be caused by such fluctuation.

Contingent Liabilities and Commitments

As at 30 June 2017, the Group did not have any significant contingent liabilities and commitments.

FUTURE PLANS AND PROSPECTS

CGI Business

As aforementioned, the management of the Company does not see immediate improving prospects for the CGI business. After considering costs and benefits, the Company will devote minimal resources to maintain the business until there are substantial change in potential and prospects for the business.

於二零一七年六月三十日，已發行股份總數為689,421,572股，每股面值為0.04港元。按於二零一七年六月三十日的每股股份收市價0.64港元計算，本公司於二零一七年六月三十日的市值約441,000,000港元(二零一六年十二月三十一日：約682,000,000港元)。

資產抵押

於二零一七年六月三十日，分類為可供出售投資及持作買賣投資的香港上市股本證券共約665,000,000港元(二零一六年十二月三十一日：約586,000,000港元)已抵押予金融機構，以擔保向本集團提供的保證金融資貸款。

外匯風險

目前，本集團大部分業務交易、資產及負債以港元及美元列值。由於港元與美元掛鈎，故本集團面臨之貨幣風險屬輕微。本集團並無設有任何貨幣對沖政策，亦無採用任何對沖或其他工具以減低貨幣風險。然而，管理層將密切監察本集團對匯率波動須承擔之風險，並將於必要時採取適當之措施以減低因有關波動而可能造成之任何不利影響。

或然負債及承擔

本集團於二零一七年六月三十日並無任何重大或然負債及承擔。

未來計劃及前景

電腦造像業務

如上文所述，本公司管理層認為電腦造像業務的前景不會立即改善。考慮到成本及效益後，本公司將投入最少資源維持該業務，直至該業務的潛力及前景出現重大變化為止。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Integrated Financial Services Businesses

As previously disclosed, the Company intended to engage into full and integrated financial services businesses comprising of securities brokerage services, placing and underwriting services, corporate finance advisory services, investment advisory and asset management services, margin financing and money lending business, securities investments and proprietary trading.

The Company will continue to look for future expansions in the money lending business either through the Joint Venture or conducting money lending of its own in tandem with those of the Joint Venture. Options are currently under reviewed and no firm plans have been made as at this time. The management of the Company is confident that the money lending business will in future provide consistent and significant returns to the Group.

In preparation for further expansion in brokerage and other related corporate finance services, on 12 May 2017, the Company made HK\$100 million capital injection into John & Wong and also has recruited and plan to recruit additional personnel to undertake additional services and businesses. In the meantime, John & Wong is in the process of applying for additional licences from the Securities and Futures Commission (the “SFC”) including Type 2, 4, 5 and 9 licence. The management of the Company is confident the stride to full-fledged financial services will begin in the second half of 2017 and also confident John & Wong will become significant contributor to the Group’s operations and profits once the Company begins to move available in-house trading businesses to John & Wong as well as the expansion of John & Wong connections through the Company’s assistance and introduction.

綜合金融服務業務

如早前所披露，本公司擬從事全面綜合金融服務業務，包括證券經紀服務、配售及包銷服務、企業融資顧問服務、投資顧問及資產管理服務、保證金融資及放債業務、證券投資以及自營交易。

本公司將繼續尋求透過合營企業或與合營企業同時自行經營放債業務的方式進行未來放債業務擴張。本公司現時正考慮多種選擇，但目前並無確定的計劃。本公司管理層相信，放債業務未來將為本集團帶來較高的持續回報。

為籌備經紀及其他證券相關企業融資服務進一步擴張，於二零一七年五月十二日，本公司向宏昌注資100,000,000港元，並已招聘及計劃招聘額外人員進行額外服務及業務。同時，宏昌正在向證券及期貨事務監察委員會（「證監會」）申請額外牌照，包括第2、4、5及9類牌照。本公司管理層相信，全面金融服務的發展將於二零一七年下半年開始，並相信，在本公司開始將現有內部交易業務轉移至宏昌，以及在本公司的協助及引薦下擴張關係後，宏昌將為本集團的經營及溢利作出重大貢獻。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The management of the Company has been disappointed with the performance to date of the short term proprietary trading business and is continually looking for ways and means to enhance the business future performance including the addition of management expertise. The Company remains confident the business will turn around with new positive macro factors such as the “One Belt One Road”, the “Shanghai Connect” and the “Shenzhen Connect” just to name a few.

Re-domicile

The Company announced on 8 June 2016 its intention to re-domicile from Bermuda to Hong Kong. The exercise involves complicated technical, legal, compliance and regulatory issues transcending The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and the SFC. The Company is working hard together with its professional advisors to resolve all necessary issues to bring the matter to a vote to the Shareholders. The management of the Company remains in its convictions that the exercise will prove to be beneficial to the Company and all its Shareholders. Further disclosure will be made as and when appropriate in timely fashion.

HUMAN RESOURCES

As at 30 June 2017, the Group employed 28 employees (excluding 6 Directors). The emolument policy is reviewed regularly to ensure compliance of the latest labour laws and market norms where the Group has operations. In addition to basic salaries, incentives in the form of bonus and share options may also be offered to eligible employees on the basis of individual performance and the Group’s business results. The total staff cost paid to Directors and staff excluding equity-settled share-based payment for the Period under Review amounted to approximately HK\$9.3 million (six-month period ended 30 June 2016: approximately HK\$5.8 million).

本公司管理層對短期自營交易業務迄今為止的表現感到失望，並不斷物色增強未來業務表現的方式，包括增加管理專業人員。本公司仍然相信，憑藉「一帶一路」、「滬港通」及「深港通」等新的積極宏觀因素，該業務將扭虧為盈。

遷冊

本公司已於二零一六年六月八日宣佈有意從百慕達遷冊至香港。此舉涉及超出香港聯合交易所有限公司（「聯交所」）及證監會範圍的複雜技術、法律、合規及監管問題。本公司正努力與專業顧問合作解決所有必要問題，以將該事項提呈股東投票。本公司管理層仍然相信，此舉將有利於本公司及其全體股東的利益。本公司將在適當時候即時作出進一步披露。

人力資源

於二零一七年六月三十日，本集團僱用28名僱員（不包括6名董事）。薪酬政策定期檢討，以確保遵守本集團經營所在地的最新勞動法律及市場慣例。除基本薪金外，亦可能基於個人表現及本集團的業務業績向合資格僱員提供花紅及購股權形式的獎勵。回顧期間支付予董事及員工的員工成本總額（不包括以權益結算之股權支付）約9,300,000港元（截至二零一六年六月三十日止六個月期間：約5,800,000港元）。

CORPORATE GOVERNANCE

企業管治

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintain high standard corporate governance practices as the Board considers that good and effective corporate governance is essential for enhancing accountability and transparency of a company to the investing public and other stakeholders.

During the Period under Review, the Company has complied with the code provisions set out in the Corporate Governance Code and Corporate Governance Report (the “CG Code”) contained in Appendix 14 to the Rules (the “Listing Rules”) Governing the Listing of Securities on the Stock Exchange, saved for the followings:

Code Provision A.6.7

Code provision A.6.7 stipulates that independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of the shareholders.

Due to other pre-arranged business commitments which must be attended:

- (i) Dr. Kwong Kai Sing Benny and Dr. Santos Antonio Maria, being independent non-executive Directors, were not present at a special general meeting of the Company held on 10 March 2017; and
- (ii) Mr. Miu Frank H., being independent non-executive Director, was not present at an annual general meeting of the Company held on 26 May 2017.

However, (i) Mr. Chow Chi Wah Vincent and Mr. Miu Frank H., all of them being independent non-executive Directors, were present at the aforesaid special general meeting held on 10 March 2017; and (ii) Dr. Santos Antonio Maria and Ms. Liu Jianyi, all of them being independent non-executive Directors, were present at aforesaid annual general meeting held on 26 May 2017.

As such, the Board considers that sufficient measures have been taken to ensure that the Company’s corporate governance practices are no less exacting than those in the CG Code.

企業管治常規

董事會認為，良好及有效之企業管治對提升公司對投資大眾及其他持份者之問責性及透明度十分重要，故本公司致力維持高水平之企業管治常規。

於回顧期間，本公司一直遵守聯交所證券上市規則(「上市規則」)附錄十四企業管治守則及企業管治報告(「企業管治守則」)所載之守則條文，惟以下各項除外：

守則條文第A.6.7條

守則條文第A.6.7條規定，獨立非執行董事及其他非執行董事應出席股東大會及均衡瞭解股東的意見。

由於其他必須處理的預先安排公務：

- (i) 鄺啟成博士及杜東尼博士(均為獨立非執行董事)未出席於二零一七年三月十日舉行的本公司股東特別大會；及
- (ii) 繆希先生(獨立非執行董事)未出席於二零一七年五月二十六日舉行的本公司股東週年大會。

然而，(i)周志華先生及繆希先生(均為獨立非執行董事)已出席上述於二零一七年三月十日舉行的股東特別大會；及(ii)杜東尼博士及劉簡怡女士(均為獨立非執行董事)已出席上述於二零一七年五月二十六日舉行的股東週年大會。

因此，董事會認為已採取足夠措施，確保本公司之企業管治常規並不低於企業管治守則所訂立之標準。

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix 10 to the Listing Rules as the code of conduct regarding directors’ securities transactions. In response to the specific enquiry made by the Company, all Directors confirmed that they fully complied with the required standard as set out in the Model Code throughout the Period under Review.

CHANGES IN INFORMATION OF DIRECTORS

Mr. Wong Yat Fai has resigned as an executive Director and an authorised representative of the Company with effect from 10 April 2017.

Mr. Chow Chi Wah Vincent has resigned as an independent non-executive Director, a chairman of Audit Committee of the Company and a member of both Nomination Committee and Remuneration Committee of the Company with effect from 10 April 2017.

Mr. Miu Frank H. has been appointed as a chairman of Audit Committee of the Company with effect from 10 April 2017.

Mr. Kitchell Osman Bin has been appointed as an authorised representative of the Company with effect from 10 April 2017.

Dr. Kwong Kai Sing Benny has resigned as an independent non-executive Director, a chairman of Nomination Committee and Remuneration Committee of the Company and a member of Audit Committee of the Company with effect from 4 May 2017.

Ms. Liu Jianyi has been appointed as an independent non-executive Director, a chairman of Nomination Committee and Remuneration Committee of the Company and a member of Audit Committee of the Company with effect from 4 May 2017.

Save for the above, there is no other change in Directors’ information since 31 March 2017, the date of the annual report of the Company for the year ended 31 December 2016, which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

董事證券交易守則

本公司已採納上市規則附錄十上市發行人董事進行證券交易的標準守則(「標準守則」)作為董事進行證券交易的操守準則。經本公司作出具體查詢後，全體董事確認，彼等於回顧期間內一直全面遵守標準守則所載之相關準則。

董事資料變動

王溢輝先生已辭任本公司執行董事及授權代表，自二零一七年四月十日起生效。

周志華先生已辭任本公司獨立非執行董事、本公司審核委員會主席以及本公司提名委員會及薪酬委員會成員，自二零一七年四月十日起生效。

繆希先生已獲委任為本公司審核委員會主席，自二零一七年四月十日起生效。

Kitchell Osman Bin先生已獲委任為本公司授權代表，自二零一七年四月十日起生效。

鄺啟成博士已辭任本公司獨立非執行董事、本公司提名委員會及薪酬委員會主席以及本公司審核委員會成員，自二零一七年五月四日起生效。

劉簡怡女士已獲委任為本公司獨立非執行董事、本公司提名委員會及薪酬委員會主席以及本公司審核委員會成員，自二零一七年五月四日起生效。

除上述者外，自二零一七年三月三十一日(本公司截至二零一六年十二月三十一日止年度之年報日期)起，並無董事資料變動須根據上市規則第13.51B(1)條披露。

GENERAL INFORMATION

一般資料

INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the Period under Review (six-month period ended 30 June 2016: Nil).

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

As at 30 June 2017, interests and short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO")) held by the Directors and chief executives of the Company which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO) or have been entered in the register maintained by the Company pursuant to section 352 of the SFO, or otherwise have been notified to the Company and the Stock Exchange pursuant to the Model Code of the Listing Rules were as follows:

Long Position in Shares

Name of Director	Capacity in which such interests held	Number of Shares held	Approximate percentage of the Company's issued share capital 佔本公司已發行股本 概約百分比 (Note 1) (附註1)
董事姓名	持有權益之身份	所持股份數目	
Mr. Kitchell Osman Bin Kitchell Osman Bin先生	Beneficial owner 實益擁有人	975,000	0.14%
Ms. Choi Ka Wing 蔡家穎女士	Beneficial owner 實益擁有人	600,000	0.09%

Note:

1. It was based on 689,421,572 Shares as at 30 June 2017.

中期股息

董事不建議就回顧期間派付任何中期股息(截至二零一六年六月三十日止六個月期間：無)。

董事於股份、相關股份及債券之權益及淡倉

於二零一七年六月三十日，董事及本公司最高行政人員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)之股份、相關股份或債券持有，而根據證券及期貨條例第XV部第7及8分部已知會本公司及聯交所之權益及淡倉(包括根據證券及期貨條例有關條文被當作或視為擁有之權益及淡倉)，或已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及淡倉，或根據上市規則之標準守則已知會本公司及聯交所之權益及淡倉如下：

股份之好倉

附註：

1. 此乃根據於二零一七年六月三十日之689,421,572股股份計算。

GENERAL INFORMATION

一般資料

Save as disclosed above, as at 30 June 2017, none of the Directors or chief executive of the Company or any of their associates had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the 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, or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文披露者外，於二零一七年六月三十日，概無董事或本公司最高行政人員或彼等任何聯繫人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、相關股份或債券中擁有任何權益或淡倉，而根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所，或須按照證券及期貨條例第352條記入該條所述之登記冊，或根據標準守則知會本公司及聯交所。

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

As at 30 June 2017, as far as known to the Directors or chief executive of the Company, the following persons (other than the Directors or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

主要股東於股份及相關股份之權益及淡倉

於二零一七年六月三十日，據董事或本公司最高行政人員所知，以下人士(董事及本公司最高行政人員除外)於股份或相關股份中擁有須根據證券及期貨條例第XV部第2及3分部條文向本公司披露或記錄於本公司根據證券及期貨條例第336條存置之登記冊之權益或淡倉如下：

Long Position in the Shares

股份之好倉

Name of shareholder 股東名稱	Capacity in which such interest held 持有權益之身份	Number of Shares held 所持股份數目	Approximate percentage of the Company's issued share capital 佔本公司已發行股本概約百分比 (Note 1) (附註1)
Mr. Ou Yaping 歐亞平先生	Interest in controlled corporation 受控法團權益	136,354,200	19.78%
Satinu Resources Group Ltd.	Interest in controlled corporation 受控法團權益	47,500,000	6.89%
Advance Beauty Holdings Limited (Note 2) (附註2)	Beneficial owner 實益擁有人	44,175,200	6.41%

GENERAL INFORMATION

一般資料

Notes:

1. It was based on 689,421,572 Shares as at 30 June 2017.
2. Advance Beauty Holdings Limited is a company legally and beneficially owned as to 50% by Mr. Shan Jiuliang and 50% by Ms. Zhang Peng. Mr. Shan and Ms. Zhang were former executive Directors.

Save as disclosed above, as at 30 June 2017, the Directors were not aware of any persons (other than the Directors and chief executive of the Company) who had any interests or short positions in the Shares or underlying Shares which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Period under Review, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities of the Company.

SHARE OPTIONS

The Company adopted a share option scheme on 16 August 2002 (the “2002 Scheme”). Pursuant to an ordinary resolution passed at the annual general meeting held on 11 June 2012, the Company terminated the 2002 Scheme and adopted a new share option scheme (the “2012 Scheme”), the purpose of which is to reward eligible participants who have contributed or are expected to contribute to the Group and to encourage the participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its shareholders as a whole. All outstanding options granted under 2002 Scheme prior to its termination were lapsed in financial year ended 2015.

Particulars and a summary of movements of share options granted, lapsed, cancelled or exercised under the 2012 Scheme during the Period under Review are set out in note 28 to the unaudited interim financial report.

附註：

1. 此乃根據於二零一七年六月三十日之689,421,572股股份計算。
2. Advance Beauty Holdings Limited為由單九良先生及張鵬女士各自合法及實益擁有50%權益之公司。單先生及張女士為前任執行董事。

除上文披露者外，於二零一七年六月三十日，據董事所知，概無任何人士（董事及本公司最高行政人員除外）於股份或相關股份中擁有任何須根據證券及期貨條例第XV部第2及3分部條文披露或記錄於本公司根據證券及期貨條例第336條存置之登記冊之權益或淡倉。

購買、出售或贖回本公司上市證券

本公司或其任何附屬公司於回顧期間概無購買、出售或贖回本公司任何上市證券。

購股權

本公司於二零零二年八月十六日採納一項購股權計劃（「二零零二年計劃」）。根據本公司於二零一二年六月十一日舉行之股東週年大會上通過之普通決議案，本公司終止二零零二年計劃並採納一項新購股權計劃（「二零一二年計劃」），旨在獎勵曾經或預期將對本集團有所貢獻之合資格參與人士，以及鼓勵參與人士為本公司及其股東整體利益而提升本公司及其股份之價值。於二零零二年計劃終止前根據該計劃授出的所有未行使購股權已於截至二零一五年止財政年度失效。

於回顧期間根據二零一二年計劃授出、已失效、註銷或行使的購股權詳情及變動概要載列於未經審核中期財務報告附註28。

GENERAL INFORMATION 一般資料

OTHER INFORMATION FOR THE PERIOD UNDER REVIEW AND UP TO THE DATE OF THIS INTERIM REPORT

Save as disclosed elsewhere in this interim report, the Group have the following events for the Period under Review and up to the date of this interim report:

(i) *Disposal of yacht and related subsidiary*

On 20 March 2017, a yacht held by High Gear Holdings Limited (“High Gear”, an indirect wholly-owned subsidiary of the Company) was disposed to an independent purchaser (the “Purchaser”) at a consideration of US\$4.2 million pursuant to the Memorandum of Agreement with the Purchaser entered on 21 February 2017. Details information regarding the disposal were disclosed in the Company’s announcement dated 21 February 2017.

Upon completion of yacht disposal, marine facilities were no longer required by the Group. On 23 June 2017, High Gear was disposed to Global Value Group Limited (a subsidiary of Enerchina being a substantial Shareholder) at a cash consideration of HK\$490,000 which was reference to the net assets of High Gear at the date of disposal.

(ii) *Strategic Alliance*

On 16 March 2017, the Company and Enerchina entered into a non-legal binding Strategic Alliance Memorandum, under which Enerchina had agreed (a) to provide the Company with technical and business assistance to establish and develop the infra-structure and the frame-work to further the Company’s financial services business; and (b) to co-operate with each other to promote mutually beneficial business opportunities (collectively as the “Strategic Alliance”). Details information regarding the aforesaid business updates were disclosed in the Company’s announcement dated 16 March 2017.

回顧期間及截至本中期報告日期之其他資料

除本中期報告其他章節所披露者外，本集團於回顧期間及截至本中期報告日期有以下事件：

(i) *出售遊艇及相關附屬公司*

於二零一七年三月二十日，High Gear Holdings Limited(「High Gear」，為本公司之間接全資附屬公司)持有的一艘遊艇根據於二零一七年二月二十一日與一名獨立買方(「買方」)訂立的協議備忘錄被出售予買方，總代價為4,200,000美元。有關出售事項的詳細資料披露於本公司日期為二零一七年二月二十一日之公告。

完成出售遊艇後，本集團不再需要船用設施。於二零一七年六月二十三日，High Gear被出售予Global Value Group Limited(威華達(為主要股東)的附屬公司)，現金代價為490,000港元，乃參考High Gear於出售日期的資產淨值釐定。

(ii) *戰略聯盟*

於二零一七年三月十六日，本公司與威華達訂立一份不具法律約束力戰略聯盟備忘錄，據此，威華達已同意(a)向本公司提供技術及業務協助，以建立及發展基礎設施及框架促進本公司的金融服務業務；及(b)相互合作以推動互利商機(統稱「戰略聯盟」)。有關上述最新業務資料的詳細資料披露於本公司日期為二零一七年三月十六日之公告。

GENERAL INFORMATION

一般資料

(iii) *Proposed Re-domicile from Bermuda to Hong Kong*

On 8 June 2016, the Company announced its intention to re-domicile from Bermuda to Hong Kong by way of scheme of arrangement under Section 99 of the Companies Act of Bermuda (as amended) (the “Re-domicile”). The Company, having the bulk of its business and operations and its listing in Hong Kong believed that the move will re-affirm the Company’s commitment to and recognition of its roots stemming from Hong Kong. The Re-domicile is progressing and the Company looks forward to its implementation in 2017. Details information regarding the Re-domicile were disclosed in the Company’s announcements dated 8 June 2016 and 11 November 2016.

(iv) *Disposal of subsidiaries*

On 23 January 2017, Emperor Investments Limited (“Emperor Investments”, a direct wholly-owned subsidiary of the Company) was disposed to an independent third party at a consideration of HK\$20 million. The material assets held by Emperor Investments was unlisted investment of 7,500,000 shares of Freewill Holdings Limited (representing approximately 1% of its issued share capital). In this regard, impairment losses of approximately HK\$18 million with reference to the sale proceeds was recognised and charged to profit or loss in the financial year ended 31 December 2016.

On 23 January 2017, Top Gate Holdings Ltd. (“Top Gate”, a direct wholly-owned subsidiary of the Company) was disposed to an independent third party at a consideration of HK\$31 million. The material assets held by Top Gate were unlisted investments including (a) 450,000 shares of FreeOpt Holdings Limited (representing approximately 12% of its issued share capital); (b) 6,200,000 shares of Joint Global Limited (representing approximately 2% of its issued share capital); and (c) 2.14% interest in an principal amount of HK\$100 million and HK\$130 million of two respective tranche of convertible notes issued by Up Energy Development Group Limited at a conversion price of HK\$0.7455. In this regard, impairment losses of approximately HK\$61 million with reference to the sale proceeds was recognised and charged to profit or loss in the financial year ended 31 December 2016.

(iii) *建議由百慕達遷冊至香港*

於二零一六年六月八日，本公司宣佈有意透過百慕達公司法(經修訂)第99條項下的計劃安排，從百慕達遷冊至香港(「遷冊」)。本公司大部分業務及經營位於香港，並於香港上市，相信遷冊將重申本公司對香港的承諾及對其源自香港的認可。遷冊正在進行，本公司期望於二零一七年實施遷冊。有關遷冊的詳細資料披露於本公司日期為二零一六年六月八日及二零一六年十一月十一日之公告。

(iv) *出售附屬公司*

於二零一七年一月二十三日，Emperor Investments Limited(「Emperor Investments」，為本公司直接全資附屬公司)被出售予一名獨立第三方，代價為20,000,000港元。Emperor Investments持有的重大資產為於Freewill Holdings Limited 7,500,000股股份(相當於其已發行股本約1%)的非上市投資。就此而言，參考出售所得款項，減值虧損約18,000,000港元已於截至二零一六年十二月三十一日止財政年度確認及從損益中扣除。

於二零一七年一月二十三日，Top Gate Holdings Ltd.(「Top Gate」，為本公司直接全資附屬公司)被出售予一名獨立第三方，代價為31,000,000港元。Top Gate持有的重大資產為非上市投資，包括(a)450,000股FreeOpt Holdings Limited股份(相當於其已發行股本約12%)；(b)6,200,000股Joint Global Limited股份(相當於其已發行股本約2%)；及(c)於優派能源發展集團有限公司按轉換價為0.7455港元發行的兩批本金額分別為100,000,000港元及130,000,000港元的可換股票據中的2.14%權益。就此而言，參考出售所得款項，減值虧損約61,000,000港元已於截至二零一六年十二月三十一日止財政年度確認及從損益中扣除。

GENERAL INFORMATION 一般資料

(v) **Finalised of prior year's tax assessment of Imagi Crystal Limited with Hong Kong Inland Revenue Department ("HKIRD")**

With reference to tax demand notes issued by HKIRD to Imagi Crystal Limited ("ICL" an indirect wholly-owned subsidiary of the Company) for the years of assessment 2009/10 and 2010/11 since March 2016, the Directors reassessed the tax position of ICL and recognised approximately HK\$10.97 million tax liabilities as income tax expenses and approximately HK\$1.5 million surcharge as administrative expenses in the financial year 2016.

ICL since then engaged professional tax specialist as its tax adviser to lodge objection to HKIRD. After supply of additional required information and discussion with HKIRD, ICL received a ruling dated 24 July 2017 from HKIRD regarding objection for the years of assessment 2009/10 and 2010/11 that HKIRD consented the impairment loss on the CGI animation pictures recognised in the year of assessment 2009/10 would be deductible under profits tax. However, HKIRD remains disallow the deduction of the impairment loss on amount due from a fellow subsidiary recognised in the year of assessment 2010/11. In this regard, HKIRD had issued a revised notice of assessment and a letter of discharge surcharges for the year of assessment 2009/10 on 2 August 2017 and 9 August 2017 respectively. Referring to the updated tax position for the year of assessment 2009/10, ICL had tax losses carried forward to set-off against the disallowed impairment loss on amount due from a fellow subsidiary recognised in the year of assessment 2010/11. ICL thus reversed the tax provision of approximately HK\$10.97 million and surcharges of approximately HK\$1.5 million during the Period under Review.

(v) **香港稅務局(「香港稅務局」)落實意馬水晶有限公司過往年度評稅**

參考香港稅務局自二零一六年三月起向意馬水晶有限公司(「意馬水晶」, 為本公司間接全資附屬公司)發出的二零零九/一零年及二零一零/一一年評稅年度繳稅通知書, 董事已重新評估意馬水晶的稅務狀況, 並於二零一六年財政年度確認稅項負債約10,970,000港元為所得稅支出及約1,500,000港元附加費為行政支出。

此後, 意馬水晶委聘專業稅務專家為稅務顧問, 向香港稅務局提出異議。在提供規定的額外資料及與香港稅務局討論後, 意馬水晶收到香港稅務局日期為二零一七年七月二十四日就有關二零零九/一零年及二零一零/一一年評稅年度的異議之裁定, 香港稅務局同意於二零零九/一零年評稅年度確認的電腦造像動畫減值虧損可根據利得稅扣除。然而, 香港稅務局仍然不允許扣除於二零一零/一一年評稅年度確認的應收一間同系附屬公司款項之減值虧損。就此而言, 香港稅務局分別已於二零一七年八月二日及二零一七年八月九日發出有關二零零九/一零年評稅年度的經修訂評稅通知及解除附加費的函件。參考二零零九/一零年評稅年度的最新稅務狀況, 意馬水晶已結轉稅項虧損以抵銷不被允許的於二零一零/一一年評稅年度確認的應收一間同系附屬公司款項之減值虧損。因此, 意馬水晶於回顧期間撥回稅項撥備約10,970,000港元及附加費約1,500,000港元。

GENERAL INFORMATION

一般資料

REVIEW OF INTERIM RESULTS

As at the date of this report, the Board is comprised of three executive Directors, namely Mr. Kitchell Osman Bin (Acting Chairman), Mr. Shimazaki Koji and Ms. Choi Ka Wing; and three independent non-executive Directors, namely Dr. Santos Antonio Maria, Mr. Miu Frank H. and Ms. Liu Jianyi. The Audit Committee of the Company has reviewed with the management and the independent auditor of the Company, the interim results and the unaudited interim financial report of the Company for the Period under Review.

The Board has approved the unaudited consolidated financial statements of the Company for the Period under Review.

On behalf of the Board
Kitchell Osman Bin
Acting Chairman

Hong Kong, 25 August 2017

審閱中期業績

於本報告日期，董事會由三名執行董事（即 Kitchell Osman Bin 先生（署理主席）、嶋崎幸司先生及蔡家穎女士）以及三名獨立非執行董事（即杜東尼博士、繆希先生及劉簡怡女士）組成。本公司審核委員會已聯同本公司管理層及獨立核數師審閱本公司於回顧期間之中期業績及未經審核中期財務報告。

董事會已批准本公司於回顧期間的未經審核綜合財務報表。

代表董事會
署理主席
Kitchell Osman Bin

香港，二零一七年八月二十五日

REVIEW REPORT TO THE BOARD OF DIRECTORS 致董事會的審閱報告



國富浩華 (香港) 會計師事務所有限公司
Crowe Horwath (HK) CPA Limited
Member Crowe Horwath International

香港銅鑼灣禮頓道77號禮頓中心9樓
9/F, Leighton Centre,
77 Leighton Road,
Causeway Bay, Hong Kong

TO THE BOARD OF DIRECTORS OF IMAGI INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

致意馬國際控股有限公司董事會

(於百慕達註冊成立之有限公司)

INTRODUCTION

We have reviewed the interim financial report set out on page 26 to 80 which comprises the consolidated statement of financial position of Imagi International Holdings Limited (the “Company”) and its subsidiaries together (the “Group”) as of 30 June 2017, and the related consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six months period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The directors of the Company are responsible for the preparation and presentation of the interim financial report in accordance with HKAS 34.

Our responsibility is to express a conclusion, based on our review on the interim financial report, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

緒言

我們已審閱載列於第26至80頁的中期財務報告，當中包括意馬國際控股有限公司（「貴公司」）及其附屬公司（統稱「貴集團」）於二零一七年六月三十日的綜合財務狀況表及截至該日止六個月期間的相關綜合損益及其他全面收入表、綜合權益變動表及簡明綜合現金流量表，以及若干解釋附註。香港聯合交易所有限公司證券上市規則規定，就中期財務報告編製報告必須遵照有關條文以及香港會計師公會（「香港會計師公會」）頒佈的香港會計準則第34號「中期財務報告」（「香港會計準則第34號」）。貴公司董事對按照香港會計準則第34號編製及呈列中期財務報告負責。

我們的責任是根據我們對中期財務報告的審閱發表結論，並按照協定委聘條款僅向作為一個實體的閣下報告結論，且並無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

REVIEW REPORT TO THE BOARD OF DIRECTORS

致董事會的審閱報告

SCOPE OF REVIEW

Except as explained in the following paragraphs, we conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. A review of interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BASIS FOR QUALIFIED CONCLUSION

(i) As explained in note 17 to the interim financial report, the Group had not been able to access the books and records of a wholly-owned subsidiary, 廈門盛福明德商務服務有限公司 (Xiamen Sunflower Mingde Business Service Co. Ltd. ("Xiamen Sunflower")), since November 2015 as a result of the loss of contact with a former executive director of the Company who was also the legal representative and sole director of Xiamen Sunflower. Against this background, the investment in Xiamen Sunflower had been accounted for on a cost less impairment basis and had not been consolidated in the consolidated financial statements for the year ended 31 December 2015 or in the period from 1 January 2016 to 9 March 2016 (date of disposal). Under Hong Kong Financial Reporting Standard 10 "Consolidated Financial Statements" ("HKFRS 10") issued by the Hong Kong Institute of Certified Public Accountants, consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. The financial statements of Xiamen Sunflower should have been consolidated up to the date of disposal because it was controlled by the Company since its incorporation to the date of disposal and accordingly the consolidated financial statements were not prepared in all material respects in accordance with HKFRS. Had Xiamen Sunflower been consolidated for the period from 1 January 2016 to 9 March 2016 (date of disposal), many elements in the interim financial report for the six months ended 30 June 2016 would have been materially affected. The predecessor auditor disclaimed their conclusion in this aspect for the six months ended 30 June 2016 and we issued a qualified opinion in respect of the consolidated financial statements for the year ended 31 December 2016.

審閱範圍

除以下段落所解釋外，我們乃按照香港會計師公會頒佈的香港審閱工作準則第2410號「實體的獨立核數師對中期財務資料進行的審閱」進行審閱。審閱中期財務報告包括主要向負責財務及會計事務的人員作出查詢，並應用分析性及其他審閱程序。審閱的範圍遠小於按照香港核數準則進行的審核，因此無法令我們取得有關在審核中可能發現的所有重大事項的保證。因此，我們不會發表審核意見。

保留結論之基準

(i) 如中期財務報告附註17所述，貴集團自二零一五年十一月起一直未能獲取全資附屬公司廈門盛福明德商務服務有限公司（「廈門盛福」）之賬冊及記錄，蓋因無法聯絡 貴公司一名前執行董事（其亦為廈門盛福之法定代表及唯一董事）。在此背景下，於廈門盛福之投資已按成本減去減值基準列賬，亦並無綜合入賬於截至二零一五年十二月三十一日止年度或自二零一六年一月一日至二零一六年三月九日（出售日期）期間之綜合財務報表。根據香港會計師公會所頒佈之香港財務報告準則第10號「綜合財務報表」（「香港財務報告準則第10號」），貴集團於取得對附屬公司之控制權時開始合併附屬公司及於 貴集團失去附屬公司控制權時終止。廈門盛福之財務報表須綜合入賬至出售日期，因其自成立至出售日期由 貴公司控制，故綜合財務報表並無在所有重大方面根據香港財務報告準則編製。倘若廈門盛福於二零一六年一月一日至二零一六年三月九日（出售日期）期間綜合入賬，截至二零一六年六月三十日止六個月的中期財務報告中許多元素將受到重大影響。前任核數師就截至二零一六年六月三十日止六個月就此拒絕發表結論，我們已就截至二零一六年十二月三十一日止年度的綜合財務報表出具保留意見。

REVIEW REPORT TO THE BOARD OF DIRECTORS

致董事會的審閱報告

As disclosed in note 17 to the interim financial report, the Group completed the disposal of Imagi Jue Ming Limited (which holds the entire equity interest in Xiamen Sunflower) during the period ended 30 June 2016 and the purchaser confirmed that the conditions of the disposal were satisfied on 9 March 2016 (the date of disposal). In the absence of reliable financial information of Xiamen Sunflower for the period from 1 January 2016 to the date of disposal, it was not practicable for the auditor to quantify the effects of the departure from the requirement of HKFRS 10 on the interim financial report for the six months ended 30 June 2016, including the amount in relation to the gain or loss on disposal, or to assess whether the disclosures with respect to Xiamen Sunflower in the notes to the interim financial report were appropriate. Any adjustment that would be required may have a consequential significant effect on the loss and total comprehensive expense attributable to the owners of the Company for the six months ended 30 June 2016. The predecessor auditor disclaimed their conclusion in this aspect for the six months ended 30 June 2016 and we issued a qualified opinion in respect of the consolidated financial statements for the year ended 31 December 2016.

Our review conclusion on the current period's interim financial report is also modified because of the possible effect of the matter on the comparability of the current period's figures and the corresponding figures.

如中期財務報告附註17所披露，截至二零一六年六月三十日止期間，貴集團完成出售意馬決明有限公司(持有廈門盛福的全部股權)，買方確認出售的條件已於二零一六年三月九日(出售日期)達成。由於廈門盛福並無自二零一六年一月一日至出售日期期間之可靠財務資料，核數師量化截至二零一六年六月三十日止六個月之綜合財務報表偏離香港財務報告準則第10號規定之影響(包括與出售收益或虧損有關之金額)或評估於中期財務報告附註內就廈門盛福作出之披露是否合宜並不切實可行。需作出的任何調整均可能對截至二零一六年六月三十日止六個月 貴公司擁有人應佔虧損及全面開支總額造成相應重大影響。前任核數師就截至二零一六年六月三十日止六個月就此拒絕發表結論，而我們就截至二零一六年十二月三十一日止年度的綜合財務報表發表保留意見。

我們就有關本期間中期財務報告的審閱結論，亦因該事項可能對本中期期間數字與相應數字的可比較性之影響作出修訂。

REVIEW REPORT TO THE BOARD OF DIRECTORS

致董事會的審閱報告

(ii) As explained in note 18 to the interim financial report, the management of a joint venture in which the Group held 50% equity interest was unable to obtain sufficient and reliable financial information in respect of a borrower (the “Borrower”) or the guarantor (the “Guarantor”) of a loan receivable, together with its accrued interest, acquired by the joint venture during the six months period ended 30 June 2016 for a consideration of HK\$27,000,000 (the “Loan Receivable”) to assess the recoverability of the Loan Receivable and the related interest receivable. The Guarantor received a winding up petition. The Borrower was a subsidiary of the Guarantor and the Guarantor was undergoing restructuring. No repayments in respect of the Loan Receivable and the related interest receivable were received by the joint venture. The auditor was therefore unable to obtain sufficient and reliable financial information in respect of the recoverability of the Loan Receivable and the related interest receivable of HK\$29,591,000 as at 30 June 2016. Any adjustment to the carrying amount of the Loan Receivable and the related interest receivable may have consequential effect on the Group’s share of profits of the joint venture for the six months ended 30 June 2016. The predecessor auditor disclaimed their conclusion in this aspect for six months ended 30 June 2016. The management made impairment for the Loan Receivable and the corresponding accrued interest receivable in the second half of 2016.

Our review conclusion on the current period’s interim financial report is also modified because of the possible effect of the matter on the comparability of the current period’s figures and the corresponding figures.

QUALIFIED CONCLUSION

Except for the possible effects of the matters described in the basis for qualified conclusion paragraphs, based on our review, nothing has come to our attention that caused us to believe that the interim financial report as at 30 June 2017 is not prepared, in all material respects, in accordance with HKAS 34.

(ii) 如中期財務報告附註18所述，貴集團持有50%股權的一間合營企業管理層未能取得該合營企業於截至二零一六年六月三十日止六個月以代價27,000,000港元收購的一筆應收貸款(「應收貸款」)連同其應計利息的借款人(「借款人」)或擔保人(「擔保人」)的充分可靠財務資料，以評估應收貸款及相關應收利息的可收回性。擔保人已收到清盤呈請。借款人為擔保人的附屬公司，擔保人已進行重組。該合營企業並未收到應收貸款及相關應收利息的還款。因此，核數師無法取得有關於二零一六年六月三十日的應收貸款及相關應收利息29,591,000港元的可收回性的充分可靠資料。應收貸款及相關應收利息賬面值的任何調整，均可能對截至二零一六年六月三十日止六個月 貴集團應佔該合營企業的溢利造成相應影響。前任核數師就截至二零一六年六月三十日止六個月就此拒絕發表結論。管理層於二零一六年下半年就應收貸款及相關應收應計利息作出減值。

我們就有關本期間中期財務報告的審閱結論，亦因該事項對本中期間數字與相應數字的可比性之影響作出修訂。

保留結論

除保留結論之基準段落所述事項的可能影響外，根據我們的審閱，我們並無注意到任何事項令我們認為於二零一七年六月三十日的中期財務報告未在所有重大方面按照香港會計準則第34號編製。

REVIEW REPORT TO THE BOARD OF DIRECTORS 致董事會的審閱報告

OTHER MATTER

The interim financial report of the Group for the six months ended 30 June 2016 were reviewed by another auditor who issued a disclaimer conclusion on those interim financial report on 26 August 2016.

Crowe Horwath (HK) CPA Limited
Certified Public Accountants
Hong Kong, 25 August 2017

Chan Wai Dune, Charles
Practising Certificate Number P00712

其他事項

貴集團截至二零一六年六月三十日止六個月的中期財務報告由另一名核數師審閱，該核數師於二零一六年八月二十六日就該等中期財務報告不發表結論。

國富浩華(香港)會計師事務所有限公司
執業會計師
香港，二零一七年八月二十五日

陳維端
執業證書編號P00712

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

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
		(unaudited) (未經審核)	(unaudited) (未經審核)
	Notes 附註		
Revenue	收益	378	994
Other income	其他收入	2,879	1,940
Other gains and losses	其他收益及虧損	(62,669)	(51,106)
Losses from changes in fair value of financial assets classified as held-for-trading	分類為持作買賣財務資產之公平值變動虧損	(159,228)	(79,970)
Forfeiture of a deposit paid for acquisition of a target company	收購一間目標公司已付按金沒收	-	(150,000)
Administrative expenses	行政支出	(27,911)	(64,482)
Loss from operations	經營虧損	(246,551)	(342,624)
Finance costs	財務成本	(153)	(1,887)
Share of (loss)/profit of a joint venture	應佔一間合營企業(虧損)/溢利	(7,451)	3,368
Loss before taxation	除稅前虧損	(254,155)	(341,143)
Income tax credit	所得稅抵免	10,967	-
Loss for the period	期內虧損	(243,188)	(341,143)
Other comprehensive expense	其他全面開支		
Items that may be subsequently reclassified to profit or loss:	其後或會重新分類至損益之項目：		
Exchange differences on translating a foreign operation	換算境外經營業務所產生之兌換差額	(270)	(4)
Net loss on revaluation of available-for-sale investments	重估可供出售投資之虧損淨額	(42,336)	(545)
Impairment loss of available-for-sale investments reclassified to profit or loss	重新分類至損益的可供出售投資減值虧損	42,336	-
Cumulative gain reclassified to profit or loss on sale of available-for-sale investments	出售可供出售投資時重新分類至損益的累計收益	-	(1,760)
Net movement in fair value reserve during the period recognised in other comprehensive income	於其他全面收入確認的公平值儲備變動淨額	-	(2,305)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收入表

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
		(unaudited) (未經審核)	(unaudited) (未經審核)
Other comprehensive expense for the period	期內其他全面開支		
		(270)	(2,309)
Total comprehensive expense for the period	期內全面開支總額	(243,458)	(343,452)
Loss for the period attributable to:	應佔期內虧損：		
Owners of the Company	本公司擁有人	(243,188)	(337,163)
Non-controlling interests	非控股權益	-	(3,980)
		(243,188)	(341,143)
Total comprehensive expense for the period attributable to:	應佔期內全面開支總額：		
Owners of the Company	本公司擁有人	(243,458)	(339,472)
Non-controlling interests	非控股權益	-	(3,980)
		(243,458)	(343,452)
		HK cents per share 每股港仙	HK cents per share 每股港仙 (Restated) (經重列)
Loss per share	每股虧損		
Basic and diluted	基本及攤薄	(38)	(104)

12

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 30 June 2017
於二零一七年六月三十日

			30 June 2017 二零一七年 六月三十日	31 December 2016 二零一六年 十二月三十一日
	Notes 附註		HK\$'000 千港元 (unaudited) (未經審核)	HK\$'000 千港元 (audited) (經審核)
Non-current assets		非流動資產		
Property, plant and equipment	13	物業、廠房及設備	2,554	33,774
Deposit for acquisition of property, plant and equipment		收購物業、廠房及設備之按金	365	-
Goodwill	14	商譽	5,878	-
Intangible assets	15	無形資產	2,931	-
Available-for-sale investments	16	可供出售投資	73,194	-
Club debenture		會籍債券	1,300	1,300
Interest in a joint venture	18	於一間合營企業之權益	135,238	142,689
			221,460	177,763
Current assets		流動資產		
Accounts receivable	19	應收賬款	1,820	-
Other receivables, deposits and prepayments		其他應收款項、按金及預付款項	4,684	23,171
Amount due from a joint venture		應收一間合營企業款項	-	71
Held-for-trading investments	20	持作買賣投資	599,902	588,638
Convertible notes receivable	21	應收可換股票據	20,969	43,466
Available-for-sale investments	16	可供出售投資	-	48,650
Bank balances – trust accounts	22	銀行結餘 – 信託賬戶	4,387	-
Bank balances and cash		銀行結餘及現金	138,933	246,446
			770,695	950,442
Current liabilities		流動負債		
Accounts payable	23	應付賬款	6,185	-
Other payables and accruals		其他應付款項及應計費用	7,908	7,009
Tax payable		應付稅項	-	10,967
			14,093	17,976

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 30 June 2017
於二零一七年六月三十日

			30 June 2017 二零一七年 六月三十日	31 December 2016 二零一六年 十二月三十一日
		Notes 附註	HK\$'000 千港元 (unaudited) (未經審核)	HK\$'000 千港元 (audited) (經審核)
Net current assets	流動資產淨值		756,602	932,466
Total assets less current liabilities	總資產減流動負債		978,062	1,110,229
Non-current liability	非流動負債			
Deferred tax liability	遞延稅項負債	24	484	-
			484	-
Net assets	資產淨值		977,578	1,110,229
Capital and reserves	股本及儲備			
Share capital	股本	25	27,577	22,741
Reserves	儲備		950,001	1,087,488
Total equity attributable to owners of the Company	本公司擁有人應佔權益總額		977,578	1,110,229

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔								Attributable to non-controlling interests 非控股權益應佔	Total equity 總權益	
		Share capital	Contributed surplus	Merger reserve	Translation reserve	Share option reserve	Investments revaluation reserve	Other reserve	Accumulated losses			Sub-total
		股本 HK\$'000 千港元	撥入盈餘 HK\$'000 千港元	合併儲備 HK\$'000 千港元	換算儲備 HK\$'000 千港元	購股權儲備 HK\$'000 千港元	投資重估儲備 HK\$'000 千港元	其他儲備 HK\$'000 千港元	累計虧損 HK\$'000 千港元			小計 HK\$'000 千港元
At 1 January 2017 (audited)	於二零一七年一月一日(經審核)	22,741	1,694,668	909	3,461	31,262	-	(3,980)	(638,832)	1,110,229	-	1,110,229
Loss for the period	期內虧損	-	-	-	-	-	-	-	(243,188)	(243,188)	-	(243,188)
Exchange differences on translating an operation outside Hong Kong	換算香港境外經營業務所產生之兌換差額	-	-	-	(270)	-	-	-	-	(270)	-	(270)
Net loss on revaluation of available-for-sale investments	重估可供出售投資之虧損淨額	-	-	-	-	-	42,336	-	-	42,336	-	42,336
Impairment loss of available-for-sale investments	可供出售投資之減值虧損	-	-	-	-	-	(42,336)	-	-	(42,336)	-	(42,336)
Other comprehensive expense for the period	期內其他全面開支	-	-	-	(270)	-	-	-	-	(270)	-	(270)
Total comprehensive expense for the period	期內全面開支總額	-	-	-	(270)	-	-	-	(243,188)	(243,458)	-	(243,458)
Shares issued	已發行股份	4,836	105,971	-	-	-	-	-	-	110,807	-	110,807
Cancellation of share options	註銷購股權	-	-	-	-	(29,417)	-	-	29,417	-	-	-
At 30 June 2017 (unaudited)	於二零一七年六月三十日(未經審核)	27,577	1,800,639	909	3,191	1,845	-	(3,980)	(852,603)	977,578	-	977,578
At 1 January 2016 (audited)	於二零一六年一月一日(經審核)	9,969	1,039,140	909	3,341	-	2,305	-	(214,283)	841,381	-	841,381
Loss for the period	期內虧損	-	-	-	-	-	-	-	(337,163)	(337,163)	(3,980)	(341,143)
Exchange differences on translating an operation outside Hong Kong	換算香港境外經營業務所產生之兌換差額	-	-	-	(4)	-	-	-	-	(4)	-	(4)
Net loss on revaluation of available-for-sale investments	重估可供出售投資之虧損淨額	-	-	-	-	-	(545)	-	-	(545)	-	(545)
Cumulative gain reclassified to profit or loss on sale of available-for-sale investments	於出售可供出售投資時重新分類至損益的累計收益	-	-	-	-	-	(1,760)	-	-	(1,760)	-	(1,760)
Other comprehensive expense for the period	期內其他全面開支	-	-	-	(4)	-	(2,305)	-	-	(2,309)	-	(2,309)
Total comprehensive expense for the period	期內全面開支總額	-	-	-	(4)	-	(2,305)	-	(337,163)	(339,472)	(3,980)	(343,452)
Contribution from non-controlling interests	非控股權益注資	-	-	-	-	-	-	-	-	-	175,000	175,000
Shares issued	已發行股份	4,427	282,804	-	-	-	-	-	-	287,231	-	287,231
Equity-settled share-based transactions	以權益結算之股份交易	-	-	-	-	42,421	-	-	-	42,421	-	42,421
Exercise of share options	行使購股權	765	110,342	-	-	(34,463)	-	-	-	76,644	-	76,644
Transaction cost attributable to issue of new ordinary shares	發行新普通股應佔之交易成本	-	(3,746)	-	-	-	-	-	-	(3,746)	-	(3,746)
Obligation arising from a forward contract with non-controlling interests	因與非控股權益的遠期合約產生的責任	-	-	-	-	-	-	-	-	-	(175,000)	(175,000)
At 30 June 2016 (unaudited)	於二零一六年六月三十日(未經審核)	15,161	1,428,540	909	3,337	7,958	-	-	(551,446)	904,459	(3,980)	900,479

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

Six months ended 30 June
截至六月三十日止六個月

2017	2016
二零一七年	二零一六年
HK\$'000	HK\$'000
千港元	千港元
(unaudited)	(unaudited)
(未經審核)	(未經審核)

OPERATING ACTIVITIES	經營活動		
Operating cash flows before movements in working capital	營運資金變動前經營現金流量	(24,426)	(70,859)
Decrease in accounts receivable	應收賬款減少	169	-
Decrease/(increase) in other receivables, deposits and prepayments	其他應收款項、按金及預付款減少/(增加)	16,621	(9,262)
Increase in bank balances – trust accounts	銀行結餘 – 信託賬戶增加	(2,357)	-
Decrease in other payables and accruals	其他應付款項及應計費用減少	(1,131)	(1,546)
Increase in accounts payable	應付賬款增加	4,134	-
Acquisition of held-for-trading investments	收購持作買賣投資	(667,227)	(796,457)
Proceeds from disposal of held-for-trading investments	出售持作買賣投資所得款項	493,333	439,560
NET CASH USED IN OPERATING ACTIVITIES	經營活動所用現金淨額	(180,884)	(438,564)
INVESTING ACTIVITIES	投資活動		
Interest received	已收利息	876	3,115
Acquisition of a subsidiary	收購一間附屬公司	(508)	-
Disposal of subsidiaries	出售附屬公司	51,490	-
Capital injection to a joint venture	向一間合營企業注資	-	(150,000)
Proceeds from disposal of an unconsolidated subsidiary	出售一間未綜合入賬附屬公司所得款項	-	23,843
Proceeds from disposal of available-for-sale investments	出售可供出售投資所得款項	-	91,768

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

		Six months ended 30 June	
		截至六月三十日止六個月	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	30,030	–
Purchase of property, plant and equipment	購買物業、廠房及設備	–	(47,675)
Purchase of available-for-sale investments	購買可供出售投資	(7,800)	(127,923)
Deposit paid for acquisition of property plant and equipment	就收購物業、廠房及設備已付按金	(365)	–
Deposit paid for acquisition of a target company	收購一間目標公司已付按金	–	(150,000)
Advance to a joint venture	墊款予一間合營企業	–	(71)
Repayment from a joint venture	一間合營企業還款	71	–
NET CASH GENERATED FROM/ (USED IN) INVESTING ACTIVITIES	投資活動所得/(所用)現金淨額	73,794	(356,943)
FINANCING ACTIVITIES	融資活動		
Interest paid	已付利息	(153)	–
Proceeds from exercise of share options	行使購股權所得款項	–	76,644
Proceeds from issue of shares	發行股份所得款項	–	116,231
Expenses on issue of shares	發行股份支出	–	(3,746)
Capital contribution from a non-controlling interests	非控股權益注資	–	175,000

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

Six months ended 30 June
截至六月三十日止六個月

2017	2016
二零一七年	二零一六年
HK\$'000	HK\$'000
千港元	千港元
(unaudited)	(unaudited)
(未經審核)	(未經審核)

NET CASH (USED IN)/ GENERATED FROM FINANCING ACTIVITIES	融資活動(所用)/所得現金 淨額	(153)	364,129
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目減少 淨額	(107,243)	(431,378)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	期初現金及現金等值項目	246,446	625,964
Effect of foreign exchange rate changes	匯率變動之影響	(270)	(4)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	期末現金及現金等值項目		
Represented by bank balances and cash	指銀行結餘及現金	138,933	194,582

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

1. BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), including compliance with Hong Kong Accounting Standard 34 “Interim financial reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). It was authorised for issue on 25 August 2017.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2016 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2017 annual financial statements.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains the consolidated statement of financial position of the Group as of 30 June 2017, and the related consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the condensed consolidated statement of cash flow for the six month period ended 30 June 2017, and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2016 annual financial statements. The interim financial report and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with HKFRSs.

The interim financial report is unaudited, but has been reviewed by the Company’s Audit Committee. The interim financial report has also been reviewed by Crowe Horwath (HK) CPA Limited in accordance with Hong Kong Standard on Review Engagements 2410 “Review of interim financial information performed by the independent auditor of the entity” issued by the HKICPA.

1. 編製基準

本中期財務報告乃按照香港聯合交易所有限公司證券上市規則(「上市規則」)的適用披露條文編製，包括遵守香港會計師公會(「香港會計師公會」)頒佈的香港會計準則第34號「中期財務報告」(「香港會計準則第34號」)。其於二零一七年八月二十五日獲授權刊發。

中期財務報告乃根據二零一六年年度財務報表中所採納之相同會計政策編製，惟預期將於二零一七年年度財務報表中反映的會計政策變動則除外。

編制符合香港會計準則第34號的中期財務報告需要管理層作出影響政策應用及按截至當前的年度基準所報告資產及負債、收入及開支金額的判斷、估計及假設。實際結果或會有別於該等估計。

本中期財務報告載有本集團於二零一七年六月三十日的綜合財務狀況表、截至二零一七年六月三十日止六個月的相關綜合損益及其他全面收益表、綜合權益變動表及簡明綜合現金流量表及選定說明附註。附註包括對理解本集團自二零一六年年度財務報表以來的財務狀況及表現變動屬重大的事件及交易之解釋。中期財務報告及其附註並不包括按照香港財務報告準則編製的全套財務報表所需的所有資料。

中期財務報告未經審核，但已由本公司審核委員會審閱。中期財務報告亦已由國富浩華(香港)會計師事務所有限公司按照香港會計師公會頒佈的香港審閱工作準則第2410號「實體的獨立核數師對中期財務資料進行的審閱」進行審閱。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

The accounting policies and methods of computation used in the interim financial report for the six months ended 30 June 2017 are the same as those followed in the preparation of the Group's consolidated financial statements for the year ended 31 December 2016.

In addition, the Group applies the following accounting policies which are relevant to the Group during the current interim period:

(i) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for the control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred. When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

2. 主要會計政策

截至二零一七年六月三十日止六個月的中期財務報告使用的會計政策及計算方法與編製本集團截至二零一六年十二月三十一日止年度的綜合財務報表時所遵守者相同。

此外，本集團於本中期期間應用以下與本集團相關的會計政策：

(i) 業務合併及商譽

業務合併使用收購法入賬。所轉讓代價按收購日期的公平值計量，即本集團轉讓的資產、本集團向原擁有人承擔的負債及本集團為交換被收購方控制權而發行的股權於收購日期的公平值總和。就各業務合併而言，本集團選擇被收購方中屬於現時擁有權且令持有人可在被收購方清盤時獲得該實體一定份額的非控股權益，按公平值或按佔被收購方的可識別資產淨值的比例計量。非控股權益的所有其他部分按公平值確認。收購相關成本於產生時列為開支。當本集團收購業務時，其評估財務資產及所承擔負債，以按照合約條款、收購日期的經濟情況及相關狀況進行適當分類及指定。這包括將被收購方主合約中的嵌入式衍生工具分開。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

(i) Business combinations and goodwill (continued)

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss. Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interest and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

2. 主要會計政策(續)

(i) 業務合併及商譽(續)

如業務合併分階段實現，早前持有的股權按收購日期的公平值重新計量，因此產生的任何收益或虧損於損益確認。收購方將予轉讓的任何或然代價乃按收購日期的公平值確認。分類為資產或負債的或然代價按公平值計量，公平值變動於損益確認。分類為權益的或然代價不予重新計量，而其後結算於權益入賬。商譽初步按成本(即所轉讓代價、就非控股權益確認的金額及本集團早前於被收購方持有的股權公平值的總額，超出所收購可識別資產淨值及所承擔負債的部分)計量。如該代價與其他項目的總和低於所收購淨資產的公平值，差額經重新評估後於損益確認為議價購買收益。初步確認後，商譽按成本減任何累計減值虧損入賬。商譽每年進行減值測試，如有事件或情況變化表明賬面值可能減值，則更頻繁地進行減值測試。本集團於十二月三十一日對商譽進行年度減值測試。就減值測試而言，業務合併中收購的商譽自收購日期起分配至預期受益於合併協同效益的本集團各現金產生單位或現金產生單位組別(不論本集團其他資產或負債是否分配予該等單位或單位組別)。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

(i) Business combinations and goodwill *(continued)*

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period. Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

2. 主要會計政策(續)

(i) 業務合併及商譽(續)

減值透過評估商譽涉及的現金產生單位(現金產生單位組別)的可收回金額而釐定。如現金產生單位(現金產生單位組別)的可收回金額低於賬面值,則確認減值虧損。就商譽確認的減值虧損不會於隨後期間撥回。如商譽分配予現金產生單位(或現金產生單位組別),且該單位內部分經營被出售,則與被出售經營有關的商譽在釐定出售收益或虧損時計入經營的賬面值。在此情況下,被出售的商譽基於所出售經營及所保留現金產生單位部分的相對價值計量。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

(ii) Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

Trading right

Trading right represents the eligibility right to trade on or through The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and Hong Kong Futures Exchange Limited with indefinite useful lives. They are carried at cost less any impairment losses.

The HKICPA has issued several amendments to HKFRSs that are first effective for the current accounting period of the Group. None of these developments has had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in this interim financial report.

The Group has not applied any new standards or interpretation that is not yet effective for the current accounting period.

2. 主要會計政策(續)

(ii) 無形資產(商譽除外)

單獨收購的無形資產於初步確認時按成本計量。於業務合併中收購的無形資產成本指於收購日期的公平值。無形資產的可使用年期評估為有限或無限。

可使用年期無限的無形資產每年個別或按現金產生單位級別測試減值。該等無形資產不予攤銷。可使用年期無限的無形資產之可使用年期每年進行檢討，以釐定無限可使用年期評估是否繼續得到支持。如否，則將可使用年期評估由無限至有限的變動按前瞻性基準入賬。

交易權

交易權指於或透過香港聯合交易所有限公司(「聯交所」)及香港期貨交易所有限公司交易的資格權利，具有無限可使用年期。交易權按成本減任何減值虧損入賬。

香港會計師公會已頒佈數項香港財務報告準則修訂，該等修訂於本集團本會計期間首次生效。該等進展概不會對本中期財務報告內本期間或過往期間本集團業績及財務狀況之編製或呈列方式造成重大影響。

本集團並無應用本會計期間尚未生效之任何新準則或詮釋。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

3. FINANCIAL INSTRUMENTS

Fair value measurements of financial instruments

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 Fair Value Measurement. The level into which a fair value measurement is classified and determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- (1) Level 1 valuations: Fair value measured using only Level 1 inputs, that is, unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- (2) Level 2 valuations: Fair value measured using Level 2 inputs, that is, observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- (3) Level 3 valuations: Fair value measured using significant unobservable inputs.

The Group has a team headed by the financial controller to perform valuations for the financial instruments, including convertible notes receivable which are categorised into Level 3 of the fair value hierarchy. The team reports directly to the directors and the audit committee. A valuation report with analysis of changes in fair value measurement is prepared by the team at each interim and annual reporting date, and is reviewed and approved by the directors. Discussion of the valuation process and results with the financial controller, directors and the audit committee is held twice a year, to coincide with the reporting dates.

3. 財務工具

財務工具之公平值計量

公平值級別

下表呈報於報告期末本集團按持續基準計量的財務工具之公平值(分為香港財務報告準則第13號公平值計量界定的三級公平值層級)。公平值計量分類的級別乃參考估值技術使用的輸入數據之可觀察性及重大性，按以下方式釐定：

- (1) 第一級估值：僅使用第一級輸入數據(即於計量日期活躍市場上相同資產或負債的未調整報價)計量的公平值。
- (2) 第二級估值：僅使用第二級輸入數據(即不符合第一級計量的可觀察輸入數據)，不使用重大不可觀察輸入數據計量的公平值。不可觀察輸入數據指無市場數據的輸入數據。
- (3) 第三級估值：使用重大不可觀察輸入數據計量的公平值。

本集團設有一個由財務總監領導的團隊，對財務工具(包括分類為公平值層級第三級的應收可換股票據)進行估值。該團隊直接向董事及審核委員會報告。該團隊於每個中期及年度報告日期編製估值報告，分析公平值計量變動，該報告由董事審閱及批准。配合報告日期，每年兩次與財務總監、董事及審核委員會討論估值程序。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

3. FINANCIAL INSTRUMENTS (continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

	Fair value as at		Fair value hierarchy	Valuation technique	Significant unobservable inputs
	30 June 2017	31 December 2016			
	二零一七年六月三十日	二零一六年十二月三十一日	公平值層級	估值技術	重大不可觀察輸入數據
	HK\$'000	HK\$'000			
	千港元	千港元			
	(unaudited)	(audited)			
	(未經審核)	(經審核)			
Available-for-sale investments in listed equity securities, at fair	65,394	-	Level 1	Quoted market closing prices in an active market	N/A
於上市股本證券之可供出售投資，按公平值			第一級	活躍市場所報收市價	不適用
Held-for-trading investments	599,902	588,638	Level 1	Quoted market closing prices in an active market	N/A
持作買賣投資			第一級	活躍市場所報收市價	不適用

3. 財務工具(續)

本集團經常性按公平值計量之財務資產及財務負債之公平值

本集團部分財務資產於各報告期末按公平值計量。下表提供釐定該等財務資產公平值的方法之資料(尤其是估值技術及所用輸入數據)。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

3. FINANCIAL INSTRUMENTS (continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on recurring basis (continued)

3. 財務工具(續)

本集團經常性按公平值計量之財務資產及財務負債之公平值(續)

	Fair value as at		Fair value hierarchy	Valuation technique	Significant unobservable inputs
	30 June 2017	31 December 2016			
	二零一七年六月三十日	二零一六年十二月三十一日	公平值層級	估值技術	重大不可觀察輸入數據
	HK\$'000 千港元 (unaudited) (未經審核)	HK\$'000 千港元 (audited) (經審核)			
Convertible notes receivable 應收可換股票據					
- issued by China Agri-Products Exchange Limited —由中國農產品交易有限公司發行	20,969	41,299	Level 3 第三級	Binomial model 二項式模型	2017: Discount rate: 14.02% Volatility: 61.71% (2016: Discount rate: 15.66% Volatility: 58.67%) 二零一七年: 貼現率: 14.02% 波幅: 61.71%(二零一六年: 貼現率: 15.66%波幅: 58.67%)
- issued by Up Energy Development Group Limited —由優派能源發展集團有限公司發行	-	2,167	Level 3 第三級	Binomial model 二項式模型	2017: N/A (2016: Discount rate: 30.62% Volatility: 88.21% Default Rate: 35.54%) 二零一七年: 不適用(二零一六年: 貼現率: 30.62%波幅: 88.21%違約率: 35.54%)
	686,265	632,104			

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

3. FINANCIAL INSTRUMENTS (continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on recurring basis (continued)

During the six months ended 30 June 2017, there were no transfers between level 1 and 2, or transfers into or out of level 3 (year ended 31 December 2016: Nil). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

Note:

A 5% increase in volatility holding all other variables constant would increase the carrying amount of the convertible notes receivable by approximately HK\$86,000 (2016: approximately HK\$676,000). A 5% decrease in volatility holding all other variables constant would decrease the carrying amount of the convertible notes receivable by approximately HK\$97,000 (2016: approximately HK\$617,000).

A 5% increase in discount rate holding all other variables constant would decrease the carrying amount of convertible notes receivable by approximately HK\$1,467,000 (2016: approximately HK\$6,615,000). A 5% decrease in discount rate holding all other variables constant would increase the carrying amount of the convertible notes receivable by approximately HK\$1,954,000 (2016: approximately HK\$7,409,000).

3. 財務工具(續)

本集團經常性按公平值計量之財務資產及財務負債之公平值(續)

截至二零一七年六月三十日止六個月，第一級與第二級之間並無轉撥，亦並無轉入或轉出第三級(截至二零一六年十二月三十一日止年度：無)。本集團的政策為於報告期末公平值等級級別之間的轉撥產生期間確認。

附註：

波幅增加5%，所有其他可變因素維持不變，應收可換股票據的賬面值將增加約86,000港元(二零一六年：約676,000港元)。波幅減少5%，所有其他可變因素維持不變，應收可換股票據的賬面值將減少約97,000港元(二零一六年：約617,000港元)。

貼現率增加5%，所有其他可變因素維持不變，應收可換股票據的賬面值將減少約1,467,000港元(二零一六年：約6,615,000港元)。貼現率減少5%，所有其他可變因素維持不變，應收可換股票據的賬面值將增加約1,954,000港元(二零一六年：約7,409,000港元)。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

3. FINANCIAL INSTRUMENTS (continued) Reconciliation of Level 3 fair value measurement

3. 財務工具(續) 第三級公平值計量之對賬

Investment at fair value through profit or loss

透過損益按公平值列賬之投資

	30 June 2017 二零一七年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
At the beginning of the period/ year 於期初／年初	43,466	-
Disposal through a disposal of a subsidiary 透過出售一間附屬公司而出售	(2,167)	-
Additions 添置	-	25,367
Gain on derecognition of day one gain 終止確認第一天收益之收益	25,700	-
(Loss)/gain recognised in profit or loss during the period/year 期內／年內於損益確認的 (虧損)／收益	(46,030)	18,099
At the end of the period/year 於期末／年末	20,969	43,466
Net (loss)/gain for the period/year included in profit or loss for investments designated as at fair value through profit or loss (included in other gains or losses) 指定透過損益按公平值列賬之 投資計入損益(計入其他收 益或虧損)的期內／年內 (虧損)／收益淨額	(46,030)	18,099

Fair value of financial assets and financial liabilities that are not measured at fair value

The directors of the Company consider that the carrying amounts of other financial assets and financial liabilities recognised at amortised cost in the interim financial report approximate their fair values.

並非按公平值計量之財務資產及財務負債之公平值

本公司董事認為於中期財務報告中按攤銷成本確認之其他財務資產與財務負債之賬面值與其公平值相若。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

4. SEGMENT REPORTING

On 28 January 2016, the Board resolved to develop integrated financial services including the provision of securities brokerage services, placing and underwriting services, corporate finance advisory services, investment advisory and asset management services, margin financing and money-lending business, securities investments and proprietary trading. During the six months ended 30 June 2017, the Group continued its proprietary trading activities related to equity securities listed in Hong Kong, which become the principal business of the Group. The proprietary trading activities are carried out through a wholly-owned subsidiary. The Group has been operating with only one reportable and operating segment: trading of securities segment engaged in the purchase and sales of securities investments. For the six months ended 30 June 2017, the Group acquired a subsidiary which is engaged in securities brokerage services. The chief operating decision maker (“CODM”) considers the performance of financial assets classified as held-for-trading investments, financial assets at fair value through profit or loss and securities brokerage as only one reportable and operating segment for the purpose of resources allocation and performance assessment. Accordingly, no further segment information has been presented.

4. 分部報告

於二零一六年一月二十八日，董事會決議發展綜合金融服務業務，包括提供證券經紀服務、配售及包銷服務、企業融資顧問服務、投資顧問及資產管理服務、保證金融資及放債業務、證券投資及自營交易。截至二零一七年六月三十日止六個月，本集團繼續其有關於香港上市股本證券之自營交易活動，該活動成為本集團之主要業務。自營交易業務透過全資附屬公司開展。本集團僅以一個可呈報及經營分部營運：證券買賣分部，從事證券投資之買賣。截至二零一七年六月三十日止六個月，本集團收購一間從事證券經紀服務的附屬公司。主要營運決策者（「主要營運決策者」）將分類為持作買賣投資之財務資產、按公平值計入損益之財務資產以及證券經紀的表現視為一個報告及經營分部，旨在進行資源分配及表現評估。因此，概無呈列進一步分部資料。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

5. REVENUE

5. 收益

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)	2016 二零一六年 HK\$'000 千港元 (unaudited) (未經審核)
Commission income	佣金收入	378	–
Dividend income from held-for-trading investments	持作買賣投資之股息收入	–	994
		378	994

6. OTHER INCOME

6. 其他收入

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)	2016 二零一六年 HK\$'000 千港元 (unaudited) (未經審核)
Clearing income	結算收入	14	–
Interest income on convertible notes receivable	應收可換股票據之利息收入	876	–
Interest income on available-for-sale investments	可供出售投資之利息收入	–	1,097
Interest income on bank deposits	銀行存款之利息收入	–	273
Loan interest income	貸款利息收入	6	–
Royalty income	特許費收入	205	570
Waive of tax penalty	豁免稅務處罰	1,528	–
Others	其他	250	–
		2,879	1,940

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

7. OTHER GAINS AND LOSSES

7. 其他收益及虧損

		Six months ended 30 June	
		截至六月三十日止六個月	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Fair value loss on convertible notes receivable	應收可換股票據之公平值虧損	(46,030)	-
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	(7)	-
Write-off of property, plant and equipment	撇銷物業、廠房及設備	(177)	(8)
Impairment loss recognised on unlisted available-for-sale investments	就非上市可供出售投資確認之減值虧損	-	(52,190)
Net foreign exchange gains/(losses)	匯兌淨收益/(虧損)	181	(668)
Gain on derecognition of day one gain on convertible notes	終止確認可換股票據第一天收益之收益	25,700	-
Available-for-sale listed securities reclassified from equity	可供出售上市證券：由權益重新分類		
- on disposal	- 於出售時	-	1,760
- on impairment	- 於減值時	(42,336)	-
		(62,669)	(51,106)

8. FORFEITURE OF A DEPOSIT PAID FOR ACQUISITION OF A TARGET COMPANY

As conditions precedent to the sale and purchase agreement (the "Agreement") in relation to the proposed acquisition (the "Acquisition") became incapable of being fulfilled, the Company and the vendor agreed the Acquisition could not proceed and had to be terminated. Accordingly, the deposit was forfeited in full in accordance with the terms in the Agreement. As a result, HK\$150 million was written off and charged to profit or loss for the six months ended 30 June 2016. The details had been set out in the 2016 annual report of the Company.

8. 收購一間目標公司已付按金沒收

由於有關建議收購事項(「收購事項」)的買賣協議(「該協議」)之先決條件無法達成，本公司與賣方同意收購事項無法進行及須予終止。因此，按金被按照該協議的條款悉數沒收。因此，150,000,000港元於截至二零一六年六月三十日止六個月撇銷並於損益中扣除。詳情載於本公司二零一六年年報。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

9. LOSS BEFORE TAXATION

9. 除稅前虧損

		Six months ended 30 June	
		截至六月三十日止六個月	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Loss before tax has been arrived at after charging:	除稅前虧損已扣除下列項目：		
Directors' emoluments	董事酬金		
- Fees	- 袍金	438	497
- Salaries and allowance	- 薪金及津貼	1,860	1,414
- Contribution to retirement benefit scheme	- 退休福利計劃供款	33	21
- Equity-settled share-based payment expenses	- 以權益結算之股權支付的支出	-	7,958
		2,331	9,890
Other staff costs	其他員工成本		
- Salaries and allowance	- 薪金及津貼	6,814	3,680
- Contribution to retirement benefit scheme	- 退休福利計劃供款	194	155
- Equity-settled share-based payment expenses	- 以權益結算之股權支付的支出	-	21,010
		7,008	24,845
Total staff costs	員工成本總額	9,339	34,735

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

9. LOSS BEFORE TAXATION (continued)

9. 除稅前虧損(續)

		Six months ended 30 June 截至六月三十日止六個月	
		2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)	2016 二零一六年 HK\$'000 千港元 (unaudited) (未經審核)
Auditor's remuneration	核數師酬金		
– Audit services	– 審核服務	500	430
– Non-audit services	– 非審核服務	500	500
Equity-settled share-based payment expenses (other than employees and directors) included in administrative expenses (note)	以權益結算之股權支付的支出(不包括僱員及董事)計入行政支出(附註)	–	13,453
Operating lease payments in respect of rental properties	租賃物業之經營租賃款項	3,586	3,614
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,174	2,789
Changes in fair value of financial assets classified as held-for-trading	分類為持作買賣的金融資產公平值變動		
– Realised loss from sale of listed equity investments	– 出售上市股本投資的已變現虧損	86,816	50,597
– Unrealised loss from changes fair value of listed equity investments	– 上市股本投資公平值變動的未變現虧損	72,412	29,373
		159,228	79,970

Note: Amount represent the fair value of share options granted to employees of service providers to motivate them to provide high quality services.

附註：該金額指授予服務供應商員工以激勵其提供優質服務之購股權的公平值。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

10. INCOME TAX CREDIT

Income tax credit recognised in profit or loss:

10. 所得稅抵免

於損益確認的所得稅抵免：

	Six months ended 30 June	
	2017	2016
	二零一七年	二零一六年
	HK\$'000	HK\$'000
	千港元	千港元
	(unaudited)	(unaudited)
	(未經審核)	(未經審核)
Current tax:		
Hong Kong Profits Tax		
Overprovision in respect of prior years (note)		
	(10,967)	-
	(10,967)	-

Current tax:

Hong Kong Profits Tax
Overprovision in respect of prior years (note)

即期稅項：

香港利得稅
過往年度超額撥備 (附註)

(10,967)

(10,967)

The Group is subject to income tax on an entity basis on profits arising on derived from the jurisdictions in which the members domiciled and operate.

No provision for Hong Kong Profits Tax had been made in the financial statements as the Group did not have assessable profits arising in Hong Kong during the periods.

Pursuant to rules and regulations of Bermuda and British Virgin Islands ("BVI"), the Group is not subject to any income tax in Bermuda and BVI.

本集團須按實體就產生自或源自成員公司的住所及經營所在司法權區的溢利繳納所得稅。

由於期間本集團並無產生自香港的應課稅溢利，因此並無作出香港利得稅撥備。

根據百慕達及英屬處女群島(「英屬處女群島」)的規則及法規，本集團毋須在百慕達及英屬處女群島繳納任何所得稅。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

10. INCOME TAX CREDIT (continued)

Note:

On 21 March 2016, Imagi Crystal Limited ("Imagi Crystal"), a wholly-owned subsidiary of the Company, received a time-barred tax demand note dated 14 March 2016 issued by the Hong Kong Inland Revenue Department ("HKIRD") for approximately HK\$9,863,000 for the year of assessment 2009/10. On 23 February 2017, Imagi Crystal received a tax demand note dated 21 February 2017 issued by HKIRD for approximately HK\$1,104,000 for the year of assessment 2010/11. Since Imagi Crystal is in a net current liabilities position, Imagi Crystal did not purchase tax reserve certificates before the due date and HKIRD had applied a 5% surcharge of approximately HK\$493,000 and another 10% additional surcharge of approximately HK\$1,035,000 to the outstanding amounts. HKIRD considered that the impairment loss on graphic imaging animation pictures, classified as intangible assets and charged to profit or loss for the respective basis period was not deductible and the costs should have been treated as capital expenditure for the year of assessment of 2009/10. Furthermore, HKIRD considered that the impairment loss on an amount due from a fellow subsidiary as a waiver to the fellow subsidiary in the year of assessment 2010/11 and should not be deductible as there were no documentary evidences to justify the claim for impairment loss. The directors of the Company reassessed the tax position of Imagi Crystal and recognised approximately HK\$10,967,000 as income tax expense and approximately HK\$1,528,000 as administrative expense in 2016.

Subsequent to the period ended 30 June 2017, Imagi Crystal received a confirmation from HKIRD that the aforementioned impairment losses made on graphic imaging animation pictures should be deductible, and the Group reversed the tax provision of approximately HK\$10,967,000 and the tax surcharge of approximately HK\$1,528,000 accordingly.

11. DIVIDEND

No dividend was paid or proposed during the period ended 30 June 2017, nor has any dividend been proposed since the end of the reporting period (2016: HK\$Nil).

10. 所得稅抵免(續)

附註：

於二零一六年三月二十一日，意馬水晶有限公司(「意馬水晶」，本公司全資附屬公司)收到香港稅務局(「香港稅務局」)發出的日期為二零一六年三月十四日有關二零零九／一零評稅年度金額約9,863,000港元的限期繳稅通知書。於二零一七年二月二十三日，意馬水晶收到香港稅務局發出的日期為二零一七年二月二十一日有關二零一零／一一評稅年度金額約1,104,000港元的繳稅通知書。由於意馬水晶處於流動負債淨額狀況，意馬水晶並未於到期日前購買儲稅券，香港稅務局已徵收5%的附加費約493,000港元，並對餘額另外徵收10%的附加費約1,035,000港元。香港稅務局認為，電腦造像動畫的減值虧損(分類為無形資產，於有關期間的損益內扣除)不可扣除，該成本應被視為二零零九／一零評稅年度資本開支。此外，香港稅務局認為，二零一零／一一評稅年度應收一間同系附屬公司款項的減值虧損為豁免應收同系附屬公司款項，不應被視為可扣除，原因是並無文件證據證明應計提減值虧損。本公司董事已重新評估意馬水晶稅務狀況，並於二零一六年確認約10,967,000港元為所得稅支出及約1,528,000港元為行政支出。

截至二零一七年六月三十日止期間後，意馬水晶收到香港稅務局確認上述就電腦造像動畫作出的減值虧損應可予扣除，因此本集團撥回稅務撥備約10,967,000港元及附加稅約1,528,000港元。

11. 股息

截至二零一七年六月三十日止期間並無派發或擬派任何股息，自報告期末以來亦無擬派任何股息(二零一六年：零港元)。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

12. LOSS PER SHARE

(a) Basic loss per share

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

12. 每股虧損

(a) 每股基本虧損

本公司擁有人應佔每股基本虧損乃基於以下數據計算：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Loss	虧損		
Loss for the purposes of basic loss per share	用於計算每股基本虧損之虧損	(243,188)	(337,163)
Number of shares	股份數目		(Restated) (經重列)
Issued ordinary shares at 1 January	於一月一日之已發行普通股	4,548,172,578	9,968,812,720
Effective of shares issued	發行股份之影響	104,051,933	1,196,685,083
Effect of share options exercised	已行使購股權之影響	-	482,320,442
Effect of share consolidations	股份合併之影響	(4,015,327,801)	(11,356,622,789)
Effect of open offer	公开发售之影響	-	33,279,479
Weighted average number of ordinary shares at 30 June	於六月三十日之普通股加權平均數	636,896,710	324,474,935

The weighted average number of ordinary shares for the purpose of basic loss per share has been adjusted for the share consolidation ("Share Consideration I") on 31 May 2016, open offer on 26 August 2016 and share consideration ("Share Consideration II") on 13 March 2017. Details of the share consolidations are set out in notes 25.

用於計算每股基本虧損之普通股加權平均數已就於二零一六年五月三十一日之股份合併(「股份合併一」)、於二零一六年八月二十六日之公开发售及二零一七年三月十三日之股份合併(「股份合併二」)作出調整。股份合併的詳情載於附註25。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

12. LOSS PER SHARE (continued)

(b) Diluted loss per share

For the six months ended 30 June 2017 and 2016, the diluted loss per share equals to the basic loss per share as the outstanding share options had anti-diluted effect on the basic loss per share.

13. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2017, no property, plant and equipment were acquired (six months ended 30 June 2016: HK\$47,675,000) and the Group disposed a yacht for approximately HK\$30,030,000 (six months ended 30 June 2016: HK\$Nil).

14. GOODWILL

12. 每股虧損(續)

(b) 每股攤薄虧損

截至二零一七年及二零一六年六月三十日止六個月，每股攤薄虧損等於每股基本虧損，原因是未行使購股權對每股基本虧損具有反攤薄影響。

13. 物業、廠房及設備

截至二零一七年六月三十日止六個月，並無收購物業、廠房及設備(截至二零一六年六月三十日止六個月：47,675,000港元)，本集團出售一艘遊艇約30,030,000港元(截至二零一六年六月三十日止六個月：零港元)。

14. 商譽

2017
二零一七年
HK\$'000
千港元
(unaudited)
(未經審核)

Cost and carrying amount	成本及賬面值	
At 1 January	於一月一日	-
Addition	添置	5,878
At the end of reporting period	於報告期末	5,878

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

14. GOODWILL (continued)

Impairment test for cash-generating unit containing goodwill

Goodwill is allocated to the Group's cash-generating unit ("CGU") of integrated financial services in Hong Kong.

The recoverable amount of the CGU is determined based on the value in use calculations, which are based on a business valuation report on the CGU prepared by an independent qualified professional valuer, Asset Appraisal Limited. These calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using an estimated growth rate stated below which does not exceed the forecasts included in industry reports. The growth rates used do not exceed the long-term average growth rates for the business in which the CGU operates. The cash flows are discounted using a discount rate stated below. The discount rates used are pre-tax and reflect specific risks relating to the relevant cash-generating unit.

Key assumptions used for the value-in-use calculations are as follows:

Growth rate	增長率	3%
Gross margin	毛利率	75% - 81%
Discount rate	貼現率	17%

Management determined the budgeted gross margin based on past performance and its expectation for market development.

The directors believe that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount of the CGU to exceed its recoverable amount.

14. 商譽(續)

含有商譽的現金產生單位減值測試

商譽分配至本集團於香港綜合金融服務的現金產生單位(「現金產生單位」)。

現金產生單位的可收回金額基於使用價值計算釐定，該計算基於一名獨立合資格專業估值師中誠達資產評估顧問有限公司編製的業務估值報告。計算使用管理層批准的涵蓋五年期間的財務預算作出的現金流預測。超過五年期間的現金流使用下述估計增長率推算，但不超過行業報告中的預測。所使用的增長率不超過現金產生單位經營所在業務的長期平均增長率。現金流使用下述貼現率貼現。所使用的貼現率為除稅前，反映與相關現金產生單位有關的特定風險。

使用價值計算所使用的主要假設如下：

2017
二零一七年

管理層基於過往表現及對市場發展的預期釐定預算毛利率。

董事認為，可收回金額所依據的主要假設合理可能的變動，不會導致現金產生單位的賬面值超過其可收回金額。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

15. INTANGIBLE ASSETS

During the six months ended 30 June 2017, the intangible asset – trading right of HK\$2,931,000 (2016: Nil), was acquired through the acquisition of a subsidiary.

15. 無形資產

截至二零一七年六月三十日止六個月，無形資產－交易權2,931,000港元(二零一六年：零)透過收購附屬公司而收購。

16. AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments comprise:

16. 可供出售投資

可供出售投資包括：

	30 June 2017 二零一七年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Listed investments at fair value: 上市投資，按公平值：		
Equity shares listed in Hong Kong (note a)	65,394	-
Unlisted equity securities, at cost (note b)		
非上市股本證券，按成本 (附註b)	-	127,923
Less: Impairments loss	-	(79,273)
	-	48,650
Unlisted debt securities, at amortised cost (note c)		
非上市債務證券， 按攤銷成本 (附註c)	7,800	-
	73,194	48,650
Analysed for reporting purposes 用作報告之分析：		
as:		
Current assets	-	48,650
Non-current assets	73,194	-
	73,194	48,650

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

16. AVAILABLE-FOR-SALE INVESTMENTS

(continued)

- (a) On 22 March 2017, the Company issued shares in exchanged for the shares of Enerchina Holdings Limited, a company listed on the Stock Exchange with a fair value of HK\$107,730,000 at the acquisition date. As at 30 June 2017, the Group identified significant decline in the stock price of the shares exchanged, and recognised HK\$42,336,000 impairment losses accordingly. At 30 June 2017, the fair value was HK\$65,394,000 and such investments are pledged to a financial institution to secure the margin financing services.
- (b) On 2 March 2016, the Group subscribed for (i) 6,200,000 shares of Joint Global Limited (“Joint Global”) and (ii) 450,000 shares of FreeOpt Holdings Limited (“FreeOpt”) at a consideration of HK\$45,198,000 and HK\$45,000,000, respectively. On 3 March 2016, the Group subscribed for 7,500,000 shares of Freewill Holdings Limited (“Freewill”) at a consideration of HK\$37,725,000. These companies all are incorporated in the Republic of the Marshall Islands. As at 31 December 2016, the Group held 2%, 12% and 1% equity interest in Joint Global, FreeOpt and Freewill, respectively. Details of the principal activities and accounting treatments of these companies were mentioned in the 2016 annual report. On 20 January 2017, the Group entered into sale and purchase agreements with independent third parties to dispose of the subsidiaries of the Company holding the shares of Joint Global, FreeOpt and Freewill at a total consideration of HK\$51,000,000 (the “Disposals”). The Disposals were completed on 23 January 2017.
- (c) On 28 June 2017, the Group subscribed for senior notes issued by China Evergrande Group at USD1,000,000 (equivalent to HK\$7,800,000) which bore fixed interest rate of 8.75% per annum and had a maturity date on 28 June 2025.

16. 可供出售投資(續)

- (a) 於二零一七年三月二十二日，本公司發行股份予以交換威華達控股有限公司(聯交所上市公司)的股份，於收購日期的公平值為107,730,000港元。於二零一七年六月三十日，本集團所交換股份的股價大幅下跌，因此確認減值虧損42,336,000港元。於二零一七年六月三十日，公平值為65,394,000港元，該投資已抵押予一家金融機構，以取得保證金融資服務。
- (b) 於二零一六年三月二日，本集團認購(i)6,200,000股Joint Global Limited(「Joint Global」)股份及(ii)450,000股FreeOpt Holdings Limited(「FreeOpt」)股份，代價分別為45,198,000港元及45,000,000港元。於二零一六年三月三日，本集團認購7,500,000股Freewill Holdings Limited(「Freewill」)股份，代價為37,725,000港元。該等公司均於馬紹爾群島共和國註冊成立。於二零一六年十二月三十一日，本集團分別持有Joint Global、FreeOpt及Freewill的2%、12%及1%股權。該等公司的主要業務及會計處理詳情載於二零一六年年報。於二零一七年一月二十日，本集團與獨立第三方訂立買賣協議，以出售持有Joint Global、FreeOpt及Freewill股份之本公司附屬公司，總代價為51,000,000港元(「出售事項」)。出售事項已於二零一七年一月二十三日完成。
- (c) 於二零一七年六月二十八日，本集團認購中國恒大集團發行的1,000,000美元(相當於7,800,000港元)優先票據，該票據按固定利率每年8.75%計息，到期日為二零二五年六月二十八日。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

17. INVESTMENT IN AN UNCONSOLIDATED SUBSIDIARY

17. 於未綜合入賬附屬公司之投資

	30 June 2017 二零一七年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Investment in an unconsolidated subsidiary 於未綜合入賬附屬公司之投資	-	-
Less: Impairment on investment 減：投資減值	-	-
	-	-

On 26 February 2015, the Group, through one of its wholly-owned subsidiaries, established 廈門盛福明德商務服務有限公司 (“Xiamen Sunflower”) in the People’s Republic of China (the “PRC”) for providing advisory services in relation to business information, enterprise management, investment and social economics (excluding financial business), as well as supply chain management, with Mr. Shan Jiuliang (“Mr. Shan”) being appointed as the legal representative and sole director of Xiamen Sunflower. On 26 June 2015, RMB71,000,000 (equivalent to approximately HK\$88,828,000) was deposited to a bank account of Xiamen Sunflower as paid up capital. As disclosed in the Company’s announcement dated 17 December 2015, Xiamen Sunflower entered into an unauthorised tenancy agreement in August 2015 to lease a property for a term of two years from a company as a Sub-lessor in which Mr. Shan and his spouse, Ms. Zhang Peng (“Ms. Zhang”), the two former executive directors of the Company, collectively own 86.83% equity interest, at a rent of RMB2,688,000 per annum. The details of the actions taken by the Company and the outcome were set out in 2016 annual report of the Company. In addition, the Group has not been able to gain access to the books and records, including banks statements, of Xiamen Sunflower since then, or access to the funds in Xiamen Sunflower’s bank accounts.

於二零一五年二月二十六日，本集團透過其一間全資附屬公司在中華人民共和國（「中國」）成立廈門盛福明德商務服務有限公司（「廈門盛福」），以提供有關業務資料、企業管理、投資及社會經濟（不包括金融業務）以及供應鏈管理的諮詢服務。單九良先生（「單先生」）獲委任為廈門盛福的法定代表及唯一董事。於二零一五年六月二十六日，人民幣71,000,000元（相當於約88,828,000港元）已存入廈門盛福之銀行賬戶作為繳足股本。如本公司日期為二零一五年十二月十七日之公告所披露，廈門盛福於二零一五年八月訂立一份未經授權的租賃協議，以向一間公司作為分租人（本公司兩名前執行董事單先生及其配偶張鵬女士（「張女士」）於其中合共擁有86.83%股權）租賃物業，為期兩年，租金為每年人民幣2,688,000元。本公司採取的行動詳情及結果載列於本公司二零一六年年報。此外，本集團此後一直未能獲取廈門盛福之賬冊及記錄（包括銀行結單），亦無法查看廈門盛福之銀行賬戶。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

17. INVESTMENT IN AN UNCONSOLIDATED SUBSIDIARY (continued)

As disclosed in the announcements of the Company dated 17 December 2015 and 23 February 2016, the Board has not been able to get in contact with Mr. Shan, Ms. Zhang and Mr. Wen Di since November 2015, January 2016 and November 2015, respectively and they were the only two executive directors and one of the non-executive directors of the Company at that material time for the year ended 31 December 2015. In making their judgement, the Board, taking into account the legal opinion as advised by the Group's legal advisor, considered that other than those relating to Xiamen Sunflower, all liabilities, both actual and contingent, of the Group have been properly recorded, accounted for or disclosed in the consolidated financial statements for the year ended 31 December 2015. Details of the contingent liabilities and commitments in respect of the aforementioned events were mentioned in the annual report of 2015 and 2016.

On 7 March 2016, the Company entered into a disposal agreement ("Disposal Agreement") with an independent third party (the "Purchaser") to dispose Imagi Jue Ming Limited (which holds the entire equity interest in Po Hau Holdings Limited and Xiamen Sunflower), together with the shareholder's loan amounting to HK\$100,000,000, at a cash consideration of HK\$25,000,000 (the "Consideration"). The transaction was completed on 9 March 2016 (the "date of disposal") and the Purchaser confirmed that the conditions for Disposal Agreement were satisfied on the date of disposal.

17. 於未綜合入賬附屬公司之投資 (續)

誠如本公司於二零一五年十二月十七日及二零一六年二月二十三日之公告所披露，董事會分別自二零一五年十一月、二零一六年一月及二零一五年十一月以來，一直無法與單先生、張女士及溫笛先生聯絡。彼等於截至二零一五年十二月三十一日止年度之相關時間為本公司僅有之兩名執行董事及其中一名非執行董事。於作出判斷時，考慮到本集團法律顧問之法律意見，董事會認為，除有關廈門盛福之項目外，本集團之所有負債(包括實際負債及或然負債)已於截至二零一五年十二月三十一日止年度的綜合財務報表內妥為記錄、入賬或披露。有關上述事件的或然負債及承擔的詳情載列於二零一五年及二零一六年年報。

於二零一六年三月七日，本公司與一名獨立第三方(「買方」)訂立一份出售協議(「出售協議」)，以按現金代價25,000,000港元(「代價」)出售意馬決明有限公司(其持有樸厚控股有限公司及廈門盛福之全部股權)，連同100,000,000港元之股東貸款。交易已於二零一六年三月九日(「出售日期」)完成，買方確認出售協議之先決條件於出售日期已達成。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

17. INVESTMENT IN AN UNCONSOLIDATED SUBSIDIARY (continued)

Taking into account the facts and circumstances, the Group accounted for the investment in Xiamen Sunflower at cost less impairment as at 31 December 2015 and recognised an impairment loss of approximately HK\$64,985,000 on the carrying amount of its investment in Xiamen Sunflower during the year ended 31 December 2015 based on the Consideration less the amount attributable to the net assets (comprised only bank balances) of Imagi Jue Ming Limited and Po Hau Holdings Limited. When preparing the interim financial report for the six months ended 30 June 2016, the Group did not consolidate the results of Xiamen Sunflower for the period from 1 January 2016 to 9 March 2016. This non-consolidation of Xiamen Sunflower for the period from 1 January 2016 to 9 March 2016 is not in compliance with the requirements of HKFRS 10, which provides that consolidation of a subsidiary should begin when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. As such, the Board is unable to ascertain the impact of not consolidating the financial statements of Xiamen Sunflower on the consolidated financial statements.

17. 於未綜合入賬附屬公司之投資 (續)

經考慮有關事實及情況，於二零一五年十二月三十一日，本集團將於廈門盛福之投資按成本減去減值入賬，按代價減意馬決明有限公司及樸厚控股有限公司之資產淨值（僅包括銀行結餘）所佔金額，就截至二零一五年十二月三十一日止年度於廈門盛福之投資的賬面值確認減值虧損約64,985,000港元。於編製截至二零一六年六月三十日止六個月之中期財務報告時，本集團並無將廈門盛福自二零一六年一月一日至二零一六年三月九日期間之業績綜合入賬。自二零一六年一月一日至二零一六年三月九日期間廈門盛福未綜合入賬並不符合香港財務報告準則第10號之規定，該準則要求當本集團取得附屬公司之控制權時即開始綜合入賬該附屬公司，以及當本集團失去該附屬公司控制權時不再綜合入賬。因此，董事會無法確定不將廈門盛福之財務報表合併至綜合財務報表所帶來的影響。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

18. INTEREST IN A JOINT VENTURE

18. 於一間合營企業之權益

	30 June 2017	31 December 2016
	二零一七年 六月三十日	二零一六年 十二月三十一日
	HK\$'000	HK\$'000
	千港元	千港元
	(unaudited)	(audited)
	(未經審核)	(經審核)
Share of net assets of joint venture	135,238	142,689

The Group had interest in the following unlisted joint ventures as at 30 June 2017:

於二零一七年六月三十日，本集團於下列非上市合營企業擁有權益：

Name of joint venture	Country of incorporation	Principal place of business	Proportion of ownership interest held by the Group	Proportion of voting rights held by the Group	Principally activity
合營企業名稱	註冊成立國家	主要營業地點	本集團持有之所有權權益比例	本集團持有之投票權比例	主要業務
Imagination Holding Limited	Republic of the Marshall Islands 馬紹爾群島共和國	Hong Kong 香港	50%	50%	Investment holding 投資控股
Jocasta Ventures Ltd	British Virgin Islands 英屬處女群島	Hong Kong 香港	50%	50%	Intermediate holding 中介控股
Simagi Finance Company Limited	Hong Kong 香港	Hong Kong 香港	50%	50%	Provision of finance and money lending business 提供融資及放債業務

Imagination Holding Limited is an unlisted corporate entity whose quoted market price is not available.

Imagination Holding Limited 為一間非上市公司實體，並無市場報價。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

18. INTEREST IN A JOINT VENTURE

(continued)

On 16 March 2016, Simagi Finance Company Limited (“Simagi”), a wholly-owned subsidiary of the joint venture company, entered into a deed of assignment with an independent third party (the “Assignor”), whereby a loan receivable of the Assignor of HK\$30,000,000 (the “Loan Receivable”) and interest accrued thereon of HK\$1,197,000 were assigned to Simagi at a consideration of HK\$27,000,000. The borrower, Up Energy Trading Limited (“UETL”), is a subsidiary of Up Energy Development Group Limited (“Up Energy”), an exempted company incorporated in Bermuda with its shares listed on the Stock Exchange. The Loan Receivable and the accrued interest receivable are guaranteed by Up Energy and are repayable by 20 consecutive monthly instalments of HK\$1,500,000 each commencing from 17 December 2015. Simagi did not receive any settlements from UETL and Up Energy received a winding up petition in May 2016 filed by Credit Suisse AG, Singapore Branch against Up Energy in the Supreme Court of Bermuda for the outstanding balance of the matured convertible notes in the principal amount of HK\$150,000,000. Up Energy was undergoing restructuring. Based on the available information, including the unaudited financial information up to 31 March 2016 and the proposed restructuring plan of Up Energy, the management of the joint venture company considered that the recoverability of the Loan Receivable and the accrued interest receivable is uncertain and an impairment loss of HK\$32,010,000 was recognised in the second half of 2016.

18. 於一間合營企業之權益(續)

於二零一六年三月十六日，該合資公司之全資附屬公司Simagi Finance Company Limited(「Simagi」)與一名獨立第三方(「轉讓人」)訂立一份轉讓契據，據此，轉讓人之30,000,000港元應收貸款(「應收貸款」)及其應計利息1,197,000港元乃按代價27,000,000港元轉讓予Simagi。借方優派能源貿易有限公司(「優派能源貿易」)為優派能源發展集團有限公司(「優派能源」)之附屬公司，優派能源為於百慕達註冊成立之獲豁免公司，其股份於聯交所上市。應收貸款及應收應計利息由優派能源擔保，須自二零一五年十二月十七日開始以連續20個月分期每期1,500,000港元償還。Simagi並無收到優派能源貿易任何償付款項，優派能源於二零一六年五月收到一份清盤呈請，該呈請由Credit Suisse AG(新加坡分行)針對優派能源就本金額150,000,000港元到期可換股票據之未付結餘向百慕達最高法院作出。優派能源已進行重組。根據現有資料(包括截至二零一六年三月三十一日之未經審核財務資料)及優派能源之建議重組計劃，合資公司管理層認為應收貸款及應收應計利息之可收回性存在不確定性，並於二零一六年下半年確認減值虧損32,010,000港元。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

19. ACCOUNTS RECEIVABLE

19. 應收賬款

	30 June 2017 二零一七年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Accounts receivable arising in the ordinary course of business of dealing in securities:		
Cash clients	1,657	-
Clearing houses	163	-
	1,820	-

Accounts receivable arising in the ordinary course of business of dealing in securities: 買賣證券日常業務過程中產生的應收賬款：

Cash clients	現金客戶	1,657	-
Clearing houses	結算所	163	-

The settlement terms of accounts receivable attributable to the dealing in securities transactions are two days after the trade date.

買賣證券交易應佔的應收賬款的結算期限為交易日期後兩日。

An aged analysis of the accounts receivable as at the end of the reporting period, based on the trade date, is as follows:

於報告期末的應收賬款按交易日期劃分的賬齡分析如下：

	30 June 2017 二零一七年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Current	1,820	-

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

19. ACCOUNTS RECEIVABLE (continued)

Accounts receivable as at 30 June 2017 related to a number of independent clients that have a good track record with the Group and were not impaired. Based on the past experience, the directors of the Company were of the opinion that no provisions for impairment were necessary in respect of these balances as there had not been a significant change in credit quality and the balances were still considered fully recoverable as at 30 June 2017.

20. HELD-FOR-TRADING INVESTMENTS

Held-for-trading investments represents equity securities listed in Hong Kong. All these investments are pledged to a financial institution to secure the margin financing facilities.

21. CONVERTIBLE NOTES RECEIVABLE

19. 應收賬款(續)

於二零一七年六月三十日的應收賬款涉及與本集團具有良好往績記錄的獨立客戶，並無減值。根據過往經驗，本公司董事認為毋須就該等結餘作出減值撥備，原因是信貸質素並無重大變動，且該等結餘於二零一七年六月三十日仍被視為可悉數收回。

20. 持作買賣投資

持作買賣投資指香港上市股本證券。所有該等投資已抵押予金融機構，以擔保保證金融資貸款。

21. 應收可換股票據

	30 June 2017	31 December 2016
	二零一七年 六月三十日	二零一六年 十二月三十一日
	HK\$'000	HK\$'000
	千港元	千港元
	(unaudited)	(audited)
	(未經審核)	(經審核)
Convertible notes receivable – designated at FVTPL		
應收可換股票據 – 指定透過損益按公平值列賬		
Convertible Note I	20,969	41,299
可換股票據一		
Convertible Note II	–	2,167
可換股票據二		
	20,969	43,466

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

21. CONVERTIBLE NOTES RECEIVABLE

(continued)

Convertible notes receivable acquired are designated at fair value through profit or loss because the relevant financial assets constitute a group that is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management and investment strategy, and information about the Group is provided internally on that basis to the Group's key management personnel.

Convertible Note I represented the fair value of an investment in convertible note issued by China Agri-Products Exchange Limited ("China Agri-Products"), a company listed on the Stock Exchange. The principal amount of the convertible note is HK\$23,200,000, which can be converted into 58,000,000 ordinary shares of China Agri-Products at a conversion price of HK\$0.4 per share from the inception date until the date which is five business days preceding the maturity date on 18 October 2021. The convertible note receivable carried interest at 7.5% per annum, payable semi-annually on 19 October and 19 April of each calendar year. The convertible note could be redeemed by China Agri-Products any date on or before maturity date at its principal amount.

There is a day-one gain of approximately HK\$29,836,000 for Convertible Note I, which is deferred and amortised in the consolidated statement of profit or loss on a straight-line basis within the effective life of the convertible note receivable.

21. 應收可換股票據(續)

收購的應收可換股票據指定透過損益按公平值列賬，原因是根據一份書面的風險管理及投資策略，相關財務資產構成一個組別，其表現按公平值評估，有關本集團的資料在內部按該基準提供予本集團的主要管理人員。

可換股票據一指於中國農產品交易有限公司(「中國農產品」，為於聯交所上市的公司)發行的可換股票據之投資的公平值。可換股票據的本金額為23,200,000港元，可自開始日期起至到期日二零二一年十月十八日前五個營業日之日止期間，按每股0.4港元的轉換價轉換成58,000,000股中國農產品普通股。應收可換股票據按每年7.5%計息，須於每曆年十月十九日及四月十九日每半年支付。可換股票據可由中國農產品於到期日或之前任何日期按本金額贖回。

可換股票據一存在第一天收益約29,836,000港元，該金額已遞延，並於應收可換股票據的有效期限內按直線法在綜合損益表中攤銷。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

21. CONVERTIBLE NOTES RECEIVABLE

(continued)

Convertible Note II represented the fair value of 2.14% interest in convertible notes issued by Up Energy, a company listed on the Stock Exchange. The principal amount of the convertible notes is HK\$100,000,000 and HK\$130,000,000, which can be converted into 134,138,162 and 174,379,611 ordinary shares of Up Energy respectively at a conversion price of HK\$0.7455 per share from the inception date until the date which is five business days preceding the maturity date on 31 December 2018. The convertible notes carried interest at 5% per annum, payable semi-annually on 30 June and 31 December of each calendar year. The convertible notes would be redeemed by Up Energy on maturity date at their principal amount. During the six months ended 30 June 2017, the Group disposed of the convertible notes to an independent third party through the disposal of a subsidiary.

For the year ended 31 December 2016, the fair value gain of the convertible notes receivable amounting to HK\$16,922,000 plus the amortisation of day-one gain for Convertible Note I of HK\$1,177,000 for the period were recognised in “other gains or losses”.

For the period ended 30 June 2017, the fair value loss of the convertible notes receivable amounting to HK\$48,989,000, plus the amortisation of day-one gain for convertible Note I of HK\$2,959,000 for the period is recognised in “other gains or losses”. For the remaining day-one gain of HK\$25,700,000 (note 7) as at 30 June 2017, is de-recognised due to the significant fluctuation of the stock price.

22. BANK BALANCES – TRUST ACCOUNTS

The Group maintains trust accounts with authorised institutions in respect of client’s monies arising in the course of securities brokerage business. As at 30 June 2017, HK\$4,387,000 (at 31 December 2016: Nil) was held by the Group on behalf of the clients in the trust accounts. The Group has recognised the corresponding accounts payable to its respective clients. However, the Group currently does not have an enforceable right to offset those payables with the deposits placed.

21. 應收可換股票據(續)

可換股票據二指於優派能源(於聯交所上市的公司)發行的2.14%可換股票據權益的公平值。可換股票據的本金額為100,000,000港元及130,000,000港元，可自開始日期起至到期日二零一八年十二月三十一日前五個營業日之日止期間，按每股0.7455港元的轉換價分別轉換成134,138,162股及174,379,611股優派能源普通股。可換股票據按每年5%計息，須於每曆年六月三十日及十二月三十一日每半年支付。可換股票據可由優派能源於到期日按本金額贖回。截至二零一七年六月三十日止六個月，本集團已透過出售一間附屬公司將可換股票據出售予一名獨立第三方。

截至二零一六年十二月三十一日止年度，應收可換股票據的公平值收益16,922,000港元加上可換股票據一的第一天收益於該期間的攤銷1,177,000港元於「其他收益或虧損」確認。

截至二零一七年六月三十日止期間，應收可換股票據的公平值虧損48,989,000港元加上可換股票據一的第一天收益於該期間的攤銷2,959,000港元於「其他收益或虧損」確認。於二零一七年六月三十日，餘下第一天收益25,700,000港元(附註7)因股價大幅波動而終止確認。

22. 銀行結餘－信託賬戶

本集團就證券經紀業務過程中產生的客戶款項在認可機構開設信託賬戶。於二零一七年六月三十日，4,387,000港元(於二零一六年十二月三十一日：無)由本集團在信託賬戶中代表客戶持有。本集團已相應確認應向各客戶支付的賬款。然而，本集團現時並無將該等應付款項與已存放按金相抵銷的執行權。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

23. ACCOUNTS PAYABLE

An aged analysis of the accounts payable as at the end of the reporting period, based on the trade date, is as follows:

23. 應付賬款

於報告期末的應付賬款按交易日期劃分的賬齡分析如下：

	30 June 2017 二零一七年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Current	6,185	-

The settlement terms of accounts payable to cash client arising from the securities brokerage business are two days after trade date.

因證券經紀業務產生的應向現金客戶支付的應付賬款之結算期限為交易日期後兩日。

24. DEFERRED TAXATION LIABILITY

The component of deferred tax liability recognised in the consolidated statement of financial position and movement during the period are as follow:

24. 遞延稅項負債

於綜合財務狀況表中確認的遞延稅項負債部分及期內變動如下：

	<i>HK\$'000</i> 千港元 (unaudited) (未經審核)
At 1 January 2017	-
Fair value adjustment on intangible asset – trading right upon acquisition of a subsidiary	484
At 30 June 2017	484

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

25. SHARE CAPITAL

25. 股本

		Nominal value 面值	Number of shares 股份數目 '000 千股	Share capital 股本 HK\$'000 千港元
Authorised:	法定：			
At 1 January 2016	於二零一六年一月一日	0.001	1,000,000,000	1,000,000
Share consolidation ("Share consolidation I") (note b)	股份合併(「股份合併一」)(附註b)		(800,000,000)	-
At 30 June 2016, 1 July 2016, 31 December 2016 and 1 January 2017	於二零一六年六月三十日、二零一六年七月一日、二零一六年十二月三十一日及二零一七年一月一日	0.005	200,000,000	1,000,000
Share consolidation ("Share Consolidation II") (note f)	股份合併(「股份合併二」)(附註f)		(175,000,000)	-
At 30 June 2017	於二零一七年六月三十日	0.04	25,000,000	1,000,000
Issued and fully paid:	已發行及繳足：			
At 1 January 2015, 31 December 2015 and 1 January 2016	於二零一五年一月一日、二零一五年十二月三十一日及二零一六年一月一日	0.001	9,968,812	9,969
Issue of new shares (note a)	發行新股份(附註a)	0.001	1,900,000	1,900
Exercised of share options	行使購股權	0.001	765,000	765
Share consolidation I (note b)	股份合併一(附註b)	0.001	12,633,812	12,634
			(10,107,050)	-

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

25. SHARE CAPITAL (continued)

25. 股本(續)

		Nominal value 面值	Number of shares 股份數目 '000 千股	Share capital 股本 HK\$'000 千港元
Placing of shares (note c)	配售股份(附註c)	0.005	2,526,762	12,634
		0.005	505,353	2,527
At 30 June 2016 and 1 July 2016	於二零一六年六月三十日及二零一六年七月一日	0.005	3,032,115	15,161
Open offer (note d)	公开发售(附註d)	0.005	1,516,058	7,580
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日	0.005	4,548,173	22,741
Issue of new shares (note e)	發行新股份(附註e)	0.005	60,000	300
Share consolidation II (note f)	股份合併二(附註f)	0.005	4,608,173 (4,032,151)	23,041 -
Issue of new shares (note g)	發行新股份(附註g)	0.04	576,022	23,041
		0.04	113,400	4,536
As at 30 June 2017	於二零一七年六月三十日	0.04	689,422	27,577

Notes:

- (a) Pursuant to the share swap agreement dated 29 February 2016, 1,900,000,000 ordinary shares were allotted at HK\$0.09 per share, which approximated the closing bid price of the Company's shares at the completion date of the share swap. Details of the share swap were set out in the Company's announcement dated 29 February 2016.

附註:

- (a) 根據日期為二零一六年二月二十九日之換股協議，1,900,000,000股普通股按每股0.09港元(與換股完成日期本公司股份的收市報價相若)配發。換股的詳情載於本公司日期為二零一六年二月二十九日之公告。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

25. SHARE CAPITAL (continued)

Notes: (continued)

- (b) Pursuant to an ordinary resolution passed by shareholders at the special general meeting held on 30 May 2016, the share consolidation of every five issued and unissued shares of HK\$0.001 each into one consolidated share of HK\$0.005 each became effective on 31 May 2016 (the "Share Consolidation I"). Details of the Share Consolidation I were set out in the Company's announcement dated 3 May 2016 and the circular dated 13 May 2016.
- (c) On 30 June 2016, the Company allotted and issued an aggregate of 505,352,508 shares by way of placing to independent investors at a price of HK\$0.23 per share.
- (d) On 26 August 2016, the Company allotted and issued 1,516,057,526 ordinary shares at HK\$0.185 per share for cash as a result of an open offer on the basis of one offer share for every two shares held by qualifying shareholders as defined in the circular dated 5 August 2016.
- (e) Shares were issued as part of the consideration for the acquisition of a subsidiary. The details were set out in note 30.
- (f) Pursuant to an ordinary resolution passed by shareholders at the special general meeting held on 10 March 2017, the share consolidation of every eight issued and unissued shares of HK\$0.005 each into one consolidated share of HK\$0.04 each became effective on 13 March 2017 (the "Share Consolidation II"). Details of the Share Consolidation II were set out in the Company's announcement dated 10 March 2017 and the circular dated 22 February 2017.
- (g) Pursuant to the share swap agreement dated 16 March 2017, 113,400,000 ordinary shares were allotted at HK\$0.9 per share, which approximated the closing bid price of the Company's shares at the completion date of the share swap, and issued to a nominee of Enerchina Holdings Limited ("Enerchina") in exchange for 378,000,000 shares of Enerchina on 22 March 2017. Such shares are recorded as available-for-sale investments.

25. 股本(續)

附註:(續)

- (b) 根據股東於二零一六年五月三十日舉行的股東特別大會上通過的普通決議案，每五股每股面值0.001港元的已發行及未發行股份合併為一股每股面值0.005港元的合併股份(「股份合併一」)於二零一六年五月三十一日生效。股份合併一的詳情載於本公司日期為二零一六年五月三日之公告及日期為二零一六年五月十三日之通函。
- (c) 於二零一六年六月三十日，本公司透過按每股0.23港元之價格向獨立投資者配售而配發及發行合共505,352,508股股份。
- (d) 由於按合資格股東(定義見日期為二零一六年八月五日之通函)每持有兩股股份獲發一股發售股份之基準進行公開發售，於二零一六年八月二十六日，本公司按每股0.185港元之價格配發及發行1,516,057,526股普通股，以換取現金。
- (e) 股份作為收購一間附屬公司的代價一部分而發行。詳情載於附註30。
- (f) 根據股東於二零一七年三月十日舉行的股東特別大會上通過的普通決議案，每八股每股面值0.005港元的已發行及未發行股份合併為一股每股面值0.04港元的合併股份(「股份合併二」)於二零一七年三月十三日生效。股份合併二的詳情載於本公司日期為二零一七年三月十日之公告及日期為二零一七年二月二十二日之通函。
- (g) 根據日期為二零一七年三月十六日之換股協議，於二零一七年三月二十二日，113,400,000股普通股按每股0.9港元(與換股完成日期本公司股份的收市報價相若)配發及發行予威華達控股有限公司(「威華達」)的代名人，以交換378,000,000股威華達股份。該等股份作為可供出售投資入賬。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

26. OPERATING LEASE COMMITMENT

The Group as lessee

Minimum lease payments paid under operating leases in respect of rented premises were approximately HK\$4,597,000 (31 December 2016: HK\$4,574,000). At the end of the reporting period, the Group had commitments for future minimum lease payments under a non-cancellable operating lease which fall due as follows:

		30 June 2017 二零一七年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Within one year	一年內	3,797	3,721
After one year but within five years	一年後但於五年內	800	853
		4,597	4,574

The Group is the lessee in respect of three (2016: two) office premises. The leases typically run for an initial period of 1 to 3 years, with an option to renew the leases when all terms are renegotiated. None of the leases includes contingent rentals.

本集團為三(二零一六年:兩)項辦公物業之承租人。租約一般初步為期1至3年,可選擇在重新磋商所有條款後續期。概無租約包括或然租金。

27. CAPITAL COMMITMENTS

Capital expenditure contractual but not provided for in the financial statements:	已訂約但未於財務報表中撥備的資本開支		
– in respect of the acquisition of property, plant and equipment	– 有關收購物業、廠房及設備	108	–

26. 營運租賃承擔

本集團作為承租人

根據營運租約就租賃物業支付之最低租金約為4,597,000港元(二零一六年十二月三十一日:4,574,000港元)。於報告期末,根據不可撤銷營運租約,本集團支付未來最低租金之承擔的到期情況如下:

27. 資本承擔

		30 June 2017 二零一七年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Capital expenditure contractual but not provided for in the financial statements:	已訂約但未於財務報表中撥備的資本開支		
– in respect of the acquisition of property, plant and equipment	– 有關收購物業、廠房及設備	108	–

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

28. SHARE-BASED PAYMENT TRANSACTIONS

On 16 August 2002, the Company adopted a share option scheme for the primary purpose of providing incentives to employees, executives or officers, directors of the Company or any of its subsidiaries and any business consultants, agents, legal or financial advisers or any supplier or provider of goods and services of the Company or any of its subsidiaries for their contribution to the Group (the “2002 Scheme”).

The 2002 Scheme was terminated on 11 June 2012 and a new share option scheme (the “2012 Scheme”) was adopted by the shareholders of the Company on the same date.

The following table discloses movements of the share options during the current interim period:

For the period ended 30 June 2017 2012 Scheme

	Grant date	Vesting period	Exercisable period	Number of shares issuable under options outstanding at 1 January 2017	Transferred during the period	Exercised during the period	Adjusted for the share consolidation	Cancelled during the period	Number of shares issuable under options outstanding at 30 June 2017	Exercise price as at 30 June 2017
	授出日期	歸屬期	可行使期間	根據於二零一七年一月一日尚未行使的購股權可發行的股份數目	期內轉讓	期內行使	就股份合併進行調整 (Note a) (附註a)	期內註銷 (Note b) (附註b)	根據於二零一七年六月三十日尚未行使的購股權可發行的股份數目	於二零一七年六月三十日之行使價
Directors	13 May 2016	N/A	13 May 2016 to 12 May 2021	52,428,397	-	-	(45,874,848)	(6,553,549)	-	N/A
董事	二零一六年五月十三日	不適用	二零一六年五月十三日至二零二一年五月十二日							不適用
Employees	31 August 2016	N/A	31 August 2016 to 30 August 2021	84,000,000	-	-	(73,500,000)	(10,500,000)	-	N/A
僱員	二零一六年八月三十一日	不適用	二零一六年八月三十一日至二零二一年八月三十日							不適用
Other than employees and directors	31 August 2016	N/A	31 August 2016 to 30 August 2021	168,676,254	-	-	(147,591,722)	(18,584,532)	2,500,000	HK162.4 cents
並非僱員及董事	二零一六年八月三十一日	不適用	二零一六年八月三十一日至二零二一年八月三十日							162.4港仙
				305,104,651	-	-	(266,966,570)	(35,638,081)	2,500,000	

28. 以股份付款交易

於二零零二年八月十六日，本公司採納一項購股權計劃，主要目的在於獎勵對本集團作出貢獻之本公司或其任何附屬公司之僱員、行政人員或高級職員、董事及本公司或其任何附屬公司之任何業務顧問、代理、法律或財務顧問或貨品及服務之任何供應商(「二零零二年計劃」)。

二零零二年計劃於二零一二年六月十一日終止，本公司股東於同日採納一項新購股權計劃(「二零一二年計劃」)。

下表披露於本中期期間購股權的變動詳情：

截至二零一七年六月三十日止期間 二零一二年計劃

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

28. SHARE-BASED PAYMENT TRANSACTIONS (continued)

Notes:

- (a) The number of share options was adjusted for the Share Consolidation II on 13 March 2017.
- (b) The number of share options was cancelled on 3 April 2017 and 5 April 2017.

29. RELATED PARTY TRANSACTIONS

- (a) **Compensation of key management personnel**
The remuneration of directors and other members of key management during the year was as follows:

		Six months ended 30 June	
		截至六月三十日止六個月	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Salaries and other benefits	薪金及其他福利	4,266	2,404
Contributions to pension schemes	退休金計劃供款	87	33
Equity-settled share-based payment expense	以權益結算之股權支付的支出	-	16,248
		4,353	18,685

- (b) **Related party transaction**
The Company disposed of its indirect wholly-owned subsidiary, namely High Gear Holdings Limited, to Global Value Group Limited, a subsidiary of Enerchina Holdings Limited, of which Enerchina Holdings Limited is a substantial shareholder of the Company. Details of this disposal transaction is stated in note 31(c) of this interim financial report.

28. 以股份付款交易(續)

附註：

- (a) 購股權數目於二零一七年三月十三日就股份合併二而調整。
- (b) 購股權數目於二零一七年四月三日及二零一七年四月五日註銷。

29. 有關連人士交易

- (a) **主要管理人員報酬**
年內，董事及其他主要管理人員之酬金如下：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Salaries and other benefits	薪金及其他福利	4,266	2,404
Contributions to pension schemes	退休金計劃供款	87	33
Equity-settled share-based payment expense	以權益結算之股權支付的支出	-	16,248
		4,353	18,685

- (b) **有關連人士交易**
本公司已向Global Value Group Limited(威華達控股有限公司的附屬公司)出售其間接全資附屬公司High Gear Holdings Limited。威華達控股有限公司為本公司主要股東。出售交易的詳情載於本中期財務報告附註31(c)。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

30. ACQUISITION OF A SUBSIDIARY

On 30 August 2016, the Company entered into an agreement with three independent third parties (the “Vendors”) to acquire the entire interest in John & Wong Securities Company Limited (“John & Wong”) at a consideration of HK\$14.5 million, of which approximately HK\$6.1 million was settled by cash, the remaining consideration was settled by the Company by the issuance of 60,000,000 shares of the Company at the price of HK\$0.2 per share on 28 February 2017 and share options granted to the former owners. John & Wong is a licensed corporation under the Securities and Futures Ordinance and authorised to engage in Type 1 activity, which are dealing in securities. The principal activities of John & Wong are the provision of securities brokerage services to clients. The management considers that such acquisition will enable the Group to expand the range of its principal activities to include provision of financial services for diversification of business. The acquisition was completed on 28 February 2017.

The following summarises the total consideration and the amounts of the assets acquired and liabilities assumed, as well as the amount of intangible asset and goodwill arising from the acquisition recognised at 28 February 2017 (the date of acquisition):

30. 收購一間附屬公司

於二零一六年八月三十日，本公司與三名獨立第三方（「賣方」）訂立一份協議，以收購宏昌証券有限公司（「宏昌」）的全部權益，代價為14,500,000港元，其中約6,100,000港元已以現金結算，餘下代價已由本公司透過於二零一七年二月二十八日按每股0.2港元之價格發行60,000,000股本公司股份及向原擁有人授予購股權而結算。宏昌為證券及期貨條例項下持牌法團，獲授權從事第1類活動，即證券交易。宏昌的主要業務為向客戶提供證券經紀服務。管理層認為，該收購將令本集團可將主要業務範圍擴展至包括提供金融服務，以分散業務。該收購已於二零一七年二月二十八日完成。

總代價及所收購資產及所承擔負債的金額，以及於二零一七年二月二十八日（收購日期）確認的因收購產生的無形資產及商譽金額概述如下：

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

30. ACQUISITION OF A SUBSIDIARY (continued)

30. 收購一間附屬公司(續)

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	154
Other intangible asset – trading right (note 15)	其他無形資產－交易權 (附註15)	2,931
Accounts receivable	應收賬款	1,989
Deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項	415
Cash and cash equivalents	現金及現金等值項目	5,676
Bank balances – trust accounts	銀行結餘－信託賬戶	2,030
Accounts payable	應付賬款	(4,080)
Deferred tax liability	遞延稅項負債	(484)
Total identifiable net assets at fair value	可識別資產淨值總額，按公平值	8,631
Goodwill arising on acquisition (note 14)	收購時產生的商譽 (附註14)	5,878
Total consideration	總代價	14,509
Total consideration:	總代價：	
At acquisition date	於收購日期	
Cash and cash equivalents	現金及現金等值項目	6,184
Issuance of shares	發行股份	6,480
Share options granted to the former owners	授予前擁有人之購股權	1,845
		14,509

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

30. ACQUISITION OF A SUBSIDIARY

(continued)

The fair values and gross contractual amount of accounts receivable and other receivables as at the date of acquisition amounted to HK\$1,989,000 and HK\$415,000 respectively. No accounts receivable and other receivables were expected to be uncollectible.

30. 收購一間附屬公司(續)

應收賬款及其他應收款項於收購日期之公平值及總合約金額分別為1,989,000港元及415,000港元。概無應收賬款及其他應收款項預期不可收回。

		HK\$'000 千港元
Net cash outflow on acquisition:	收購時的現金流出淨額：	
Cash consideration paid	已付現金代價	(6,184)
Net cash acquired from the subsidiary	來自附屬公司的已獲得現金淨額	5,676
		(508)

The transaction costs of HK\$269,000 have been excluded from the consideration transferred and included in 'administrative expenses' in the consolidated statement of profit or loss and other comprehensive income.

交易成本269,000港元已從所轉讓代價中排除，並計入綜合損益及其他全面收入表的「行政支出」。

The goodwill arising from the acquisition of John & Wong is attributable to the future growth and profitability in relation to the provision of securities brokerage services to clients. None of the goodwill recognised is expected to be deductible for income tax purposes.

因收購宏昌產生的商譽來自有關向客戶提供證券經紀服務的未來增長及盈利。所確認的商譽預期概不可就所得稅進行扣除。

John & Wong contributed approximately HK\$392,000 to the Group's total revenue and other income and approximately HK\$1,388,000 loss to the Group's loss after tax, for the period between the date of acquisition and the end of the reporting period.

於收購日期至報告期末，宏昌為本集團總收益及其他收入貢獻約392,000港元，並為本集團除稅後虧損貢獻虧損約1,388,000港元。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

30. ACQUISITION OF A SUBSIDIARY

(continued)

If the acquisition of John & Wong had been completed on 1 January 2017, the Group's total revenue and other income, and loss after tax for the period would have been approximately HK\$3,725,000 and approximately HK\$243,683,000 respectively. The proforma information is for illustrative purposes only and is not necessarily an indication of the total revenue and other income, and loss after tax of the Group that actually would have been achieved had the acquisition been completed on 1 January 2017, nor is intended to be a projection of future results.

31. DISPOSAL OF SUBSIDIARIES

(a) Emperor Investments Limited ("Emperor Investments")

On 23 January 2017, the Group completed the disposal of the entire interest in Emperor Investments, to an independent third party, for a consideration of HK\$20,000,000. Emperor Investments was principally engaged in holding of unlisted investments.

30. 收購一間附屬公司(續)

如收購宏昌於二零一七年一月一日已完成，期內本集團的總收益及其他收入以及除稅後虧損將分別為約3,725,000港元及約243,683,000港元。備考資料僅作說明用途，並不一定反映倘若收購於二零一七年一月一日已完成的情況下實際可實現的本集團總收益及其他收入以及除稅後虧損，亦並非擬用於預測未來業績。

31. 出售附屬公司

(a) Emperor Investments Limited (「Emperor Investments」)

於二零一七年一月二十三日，本集團完成向一名獨立第三方出售 Emperor Investments 的股權，代價為20,000,000港元。Emperor Investments 主要從事持有非上市投資。

		HK\$'000 千港元
Net assets disposed of:	所出售資產淨值：	
Available-for-sale investments	可供出售投資	20,000
Gain/(loss) on disposal of a subsidiary	出售一間附屬公司之收益／(虧損)	-
		20,000
Satisfied by cash and cash equivalents	以現金及現金等值項目結算	20,000

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

31. DISPOSAL OF SUBSIDIARIES (continued)

(a) Emperor Investments Limited (“Emperor Investments”) (continued)

An analysis of the net inflow of cash and cash equivalents during the six months ended 30 June 2017 in respect of the disposal of a subsidiary is as follows:

		HK\$'000 千港元
Cash consideration	現金代價	20,000
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary	有關出售一間附屬公司的現金及現金等值項目流入淨額	20,000

(b) Top Gate Holdings Ltd. (“Top Gate”)

On 23 January 2017, the Company completed the disposal of the entire interest in Top Gate to an independent third party, for a consideration of HK\$31,000,000. Top Gate was principally engaged in holding of unlisted investments.

31. 出售附屬公司(續)

(a) Emperor Investments Limited (「Emperor Investments」)(續)

截至二零一七年六月三十日止六個月有關出售一間附屬公司的現金及現金等值項目流入淨額分析如下：

(b) Top Gate Holdings Ltd. (「Top Gate」)

於二零一七年一月二十三日，本公司完成向一名獨立第三方出售Top Gate的股權，代價為31,000,000港元。Top Gate主要從事持有非上市投資。

		HK\$'000 千港元
Net assets disposed of:	所出售資產淨值：	
Available-for-sales investments	可供出售投資	28,650
Convertible notes receivable	應收可換股票據	2,167
Interest receivables	應收利息	183
Gain/(loss) on disposal of a subsidiary	出售一間附屬公司之收益／(虧損)	-
		31,000
Satisfied by cash and cash equivalents	以現金及現金等值項目結算	31,000

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

31. DISPOSAL OF SUBSIDIARIES (continued)

(b) Top Gate Holdings Ltd. ("Top Gate") (continued)

An analysis of the net inflow of cash and cash equivalents during the six months ended 30 June 2017 in respect of the disposal of a subsidiary is as follows:

		HK\$'000 千港元
Cash consideration	現金代價	31,000
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary	有關出售一間附屬公司的現金及現金等值項目流入淨額	31,000

(c) High Gear Holdings Limited ("High Gear")

On 23 June 2017, the Group completed the disposal of entire interest in High Gear to Global Value Group Limited (a subsidiary of Enerchina Holdings Limited), for a consideration of HK\$490,000. High Gear was principally engaged in holding of marine facilities.

31. 出售附屬公司(續)

(b) Top Gate Holdings Ltd. (「Top Gate」)(續)

截至二零一七年六月三十日止六個月有關出售一間附屬公司的現金及現金等值項目流入淨額分析如下：

(c) High Gear Holdings Limited (「High Gear」)

於二零一七年六月二十三日，本集團完成向Global Value Group Limited(威華達控股有限公司的附屬公司)出售High Gear的全部股權，代價為490,000港元。High Gear主要從事持有船用設施。

		HK\$'000 千港元
Net assets disposed of:	所出售資產淨值：	
Property, plant and equipment	物業、廠房及設備	244
Prepayment and deposits	預付款項及按金	253
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	(7)
		490
Satisfied by cash and cash equivalent	以現金及現金等值項目結算	490

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

31. DISPOSAL OF SUBSIDIARIES (continued)

(c) High Gear Holdings Limited (“High Gear”) (continued)

An analysis of the net inflow of cash and cash equivalents during the six months ended 30 June 2017 in respect of the disposal of a subsidiary is as follows:

	HK\$'000 千港元
Cash consideration	490
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary	490

31. 出售附屬公司(續)

(c) High Gear Holdings Limited (「High Gear」)(續)

截至二零一七年六月三十日止六個月有關出售一間附屬公司的現金及現金等值項目流入淨額分析如下：

32. MAJOR NON-CASH TRANSACTIONS

- (a) During the six months ended 30 June 2016 and 2017, the Company entered into share swap arrangements that both the Company and the counterparties issued new shares and exchanged with each other. Further details are set out in note 25 (a) and (g).
- (b) During the six months ended 30 June 2017, the Company acquired John & Wong whereby part of the considerations comprised of issuance of new shares and share options to the former owners of John & Wong. Further details of the acquisition is set out in note 30.

32. 主要非現金交易

- (a) 截至二零一六年及二零一七年六月三十日止六個月，本公司與對手方訂立換股安排，本公司與對手方均發行新股份，並互相交換。進一步詳情載於附註25(a)及(g)。
- (b) 截至二零一七年六月三十日止六個月，本公司收購宏昌，據此，部分代價包括向宏昌的原擁有人發行新股份及購股權。進一步詳情載於附註30。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

33. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE SIX MONTHS ENDED 30 JUNE 2017

A number of amendments and new standards are effective for annual periods beginning after 1 January 2017 and earlier application is permitted, however, the Group has not early adopted any new or amended standards in preparing this interim financial report.

The Group has the following updates to the information provided in the last annual financial statements about the possible impacts of the new standards issued but not yet effective which may have a significant impact on the Group's consolidated financial statements.

HKFRS 16, Leases

Currently the Group classifies leases into finance leases and operating leases and accounts for the lease arrangements differently, depending on the classification of the lease. The Group enters into some leases as the lessee.

HKFRS 16 is not expected to impact significantly on the way that lessors account for their rights and obligations under a lease. However, once HKFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, that is, at the commencement date of the lease the lessee will recognise and measure a lease liability at the present value of the minimum future lease payments and will recognise a corresponding "right-of-use" asset. After initial recognition of this asset and liability, the lessee will recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (that is, where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

33. 截至二零一七年六月三十日止六個月已頒佈但尚未生效的修訂、新準則及詮釋可能的影響

多項修訂及新準則於二零一七年一月一日後開始的年度期間生效，並允許提早應用，然而，本集團在編製本中期財務報告時並未提早採納任何新訂或經修訂準則。

就最近年度財務報表中提供的有關可能對本集團綜合財務報表造成重大影響的已頒佈但尚未生效的新準則之資料，本集團有以下最新資料。

香港財務報告準則第16號租賃

本集團現時將租約分為融資租約及營運租約，並視乎租約分類將租約安排分別入賬。本集團作為承租人訂立部分租約。

香港財務報告準則第16號預計不會對出租人將租約項下的權利及義務入賬的方式造成重大影響。然而，在香港財務報告準則第16號採納後，承租人將不再區分融資租約與營運租約。取而代之的是，根據實際的權益之計，承租人會將所有租約按與現時融資租約會計處理相同的方式入賬，即於租約開始日期，承租人將按最低未來租賃付款的現值確認及計量租賃負債，並將確認相應的「使用權」資產。於該資產及負債初步確認後，承租人將就租賃負債的未結清餘額確認應計利息開支及使用權資產折舊，而非現時政策於租期內按系統法確認根據營運租約產生的租金開支。作為實際的權益之計，承租人可選擇不對短期租約（即租期為12個月或以下）及低價值資產應用該會計模型，在此情況下，租金開支將繼續於租期內按系統法確認。

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

未經審核中期財務報告附註

For the six months ended 30 June 2017
截至二零一七年六月三十日止六個月

33. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE SIX MONTHS ENDED 30 JUNE 2017 (continued)

HKFRS 16, Leases (continued)

HKFRS 16 will primarily affect the Group's accounting as a lessee of leases for properties, plant and equipment which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the statement of profit or loss over the period of the lease. At 30 June 2017, the Group's future minimum lease payments under non-cancellable operating leases amount to \$4,597,000 for properties, the majority of which is payable either between 1 and 5 years after the reporting date. Some of these amounts may therefore need to be recognised as lease liabilities, with corresponding right-of-use assets, once HKFRS 16 is adopted. The Group will need to perform a more detailed analysis to determine the amounts of new assets and liabilities arising from operating lease commitments on adoption of HKFRS 16, after taking into account the applicability of the practical expedient and adjusting for any leases entered into or terminated between now and the adoption of HKFRS 16 and the effects of discounting. HKFRS 16 is effective for annual periods beginning on or after 1 January 2019. The Group has decided not to early adopt HKFRS 16 in its 2018 consolidated financial statements.

33. 截至二零一七年六月三十日止六個月已頒佈但尚未生效的修訂、新準則及詮釋可能的影響(續)

香港財務報告準則第16號租賃(續)

香港財務報告準則第16號將主要影響本集團作為物業、廠房及設備租賃(現時分類為營運租約)承租人的會計處理。應用新會計模型預期將令資產及負債增加，同時影響於租期內在損益表確認開支的時間。於二零一七年六月三十日，本集團根據不可撤銷營運租約有關物業的未來最低租賃付款為4,597,000港元，其中大部分須於報告日期後1至5年支付。因此，在採納香港財務報告準則第16號後，部分該等款項需確認為租賃負債，並確認相應的使用權資產。本集團需要進行更詳細的分析，以在考慮實際權宜之計的適用性及就於現時至香港財務報告準則第16號採納期間訂立或終止的任何租賃及貼現影響作出調整後，釐定採納香港財務報告準則第16號後因經營租賃承擔產生的新資產及負債的金額。香港財務報告準則第16號於二零一九年一月一日或之後開始的年度期間生效。本集團決定不在二零一八年綜合財務報表中提早採納香港財務報告準則第16號。

