



盛源控股有限公司

SHENG YUAN HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股份代號 : 851

中期報告

**INTERIM
REPORT
2017**

CONTENTS

目錄

2	Corporate information 公司資料
5	Report on review of interim financial information 中期財務資料之審閱報告
10	Condensed consolidated statement of profit or loss and other comprehensive income 簡明綜合損益及其他全面收益表
12	Condensed consolidated statement of financial position 簡明綜合財務狀況表
15	Condensed consolidated statement of changes in equity 簡明綜合權益變動表
17	Condensed consolidated statement of cash flows 簡明綜合現金流量表
21	Notes to the condensed consolidated financial statements 簡明綜合財務報表附註
56	Interim dividend 中期股息
56	Management discussion and analysis 管理層討論及分析
63	Directors' interests in shares 董事於股份之權益
65	Substantial shareholders' interests 主要股東之權益
67	Share option scheme 購股權計劃
69	Purchase, sale or redemption of the Company's listed securities 購買、出售或贖回本公司上市證券
69	Corporate governance 企業管治
72	Model code for securities transactions by directors 董事進行證券交易的標準守則

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Wu Siu Lam, William
Ms. Cheng Kit Sum, Clara
Mr. Qiu Bin

Independent Non-Executive Directors

Dr. Huan Guocang
Mr. Lo Ka Wai
Mr. Wu Fred Fong

AUDIT COMMITTEE

Mr. Lo Ka Wai (*Chairman*)
Dr. Huan Guocang
Mr. Wu Fred Fong

REMUNERATION COMMITTEE

Mr. Wu Fred Fong (*Chairman*)
Dr. Huan Guocang
Mr. Lo Ka Wai

NOMINATION COMMITTEE

Dr. Huan Guocang (*Chairman*)
Mr. Lo Ka Wai
Mr. Wu Fred Fong

COMPANY SECRETARY

Mr. Or Wing Keung

董事會

執行董事

胡少霖先生
鄭潔心女士
邱斌先生

獨立非執行董事

宦國蒼博士
羅嘉偉先生
胡晃先生

審核委員會

羅嘉偉先生 (*主席*)
宦國蒼博士
胡晃先生

薪酬委員會

胡晃先生 (*主席*)
宦國蒼博士
羅嘉偉先生

提名委員會

宦國蒼博士 (*主席*)
羅嘉偉先生
胡晃先生

公司秘書

柯永強先生

CORPORATE INFORMATION (Continued)

公司資料 (續)

STOCK CODE

851

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Hong Kong

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Bermuda

PRINCIPAL OFFICE IN HONG KONG

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Causeway Bay
Hong Kong

AUDITOR

BDO Limited
Certified Public Accountants
25th Floor, Wing On Centre
111 Connaught Road Central
Hong Kong

股份代號

851

網址

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股份過戶登記處

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Hamilton HM11
Bermuda

香港主要辦事處

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銅鑼灣
勿地臣街1號
時代廣場1座
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核數師

香港立信德豪會計師事務所有限公司
執業會計師
香港
干諾道中111號
永安中心25樓

CORPORATE INFORMATION (Continued)

公司資料（續）

SOLICITORS

Troutman Sanders
34th Floor, Two Exchange Square
8 Connaught Place Central, Hong Kong

律師

長盛律師事務所
香港中環康樂廣場8號
交易廣場2座34樓

PRINCIPAL BANKERS

The Hong Kong & Shanghai Banking Corporation
Limited
Bank of China (Hong Kong) Limited
China Construction Bank (Asia) Corporation Limited

主要往來銀行

香港上海滙豐銀行有限公司
中國銀行（香港）有限公司
中國建設銀行（亞洲）股份有限公司

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

TO THE BOARD OF DIRECTORS OF SHENG
YUAN HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the interim condensed consolidated financial statements set out on pages 10 to 55, which comprises the condensed consolidated statement of financial position of Sheng Yuan Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) as of 30 June 2017 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes (the “**interim condensed consolidated financial statements**”). The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“**HKAS 34**”) issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of the interim condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on the interim condensed consolidated financial statements based on our review. This report is made 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.

BDO Limited
香港立信德豪會計師事務所有限公司

BDO Limited, a Hong Kong limited company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

中期財務資料之審閱 報告

致盛源控股有限公司董事會
(於百慕達註冊成立之有限公司)

緒言

吾等已審閱載於第10至55頁之中期簡明綜合財務報表，此中期簡明綜合財務報表包括盛源控股有限公司（「**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之簡明綜合財務狀況表，與截至該日止六個月期間之相關簡明綜合損益及其他全面收益表、簡明綜合權益變動表及簡明綜合現金流量表，以及主要會計政策概要及其他解釋附註（「**中期簡明綜合財務報表**」）。香港聯合交易所有限公司證券上市規則規定須按照其相關規定及由香港會計師公會頒佈之香港會計準則第34號「中期財務報告」（「**香港會計準則第34號**」）之規定編製中期財務資料報告。董事須負責根據香港會計準則第34號編製及列報中期簡明綜合財務報表。吾等之責任是根據吾等之審閱對中期簡明綜合財務報表作出結論。根據雙方協定之委聘條款，本報告僅向全體董事會報告，而不作其他用途。吾等不會就本報告之內容向任何其他人士負責或承擔任何責任。

SCOPE OF REVIEW

Except as explained in the basis for qualified conclusion paragraphs below, we conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants (“**HKSRE 2410**”). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

審閱範圍

除下文保留結論之基礎各段所述者外，吾等已根據香港會計師公會頒佈之香港委聘審閱準則第2410號「實體之獨立核數師對中期財務資料之審閱」（「**香港委聘審閱準則第2410號**」）進行審閱。審閱中期財務資料包括主要向負責財務及會計事宜之人員進行徵詢，並實施分析性覆核及其他審閱程序。該審閱工作範圍遠小於根據香港審計準則進行審計工作之範圍，吾等因而無法保證能在審閱工作中發現若進行審計工作所能發現之所有重大事項。因此，吾等不發表審計意見。

BASIS FOR QUALIFIED CONCLUSION

Our conclusion of the review of the Group's interim condensed consolidated financial statements is qualified due to the following limitations:

- (i) During the six months ended 30 June 2017, the Group had recognised its share of the associate's loss for the period of HK\$29,148,000 using equity accounting. The Group's share of the loss of the associate of HK\$29,148,000 using equity accounting included effectively a share of the impairment loss of HK\$5,114,000 in respect of the associate's investment of RMB18,000,000. However, the management was unable to provide us with the information, including up to date financial information of that associate's investee company, which we considered necessary for the purpose of our review of the management's basis for measuring the impairment loss. As the investee company was not a listed entity in the PRC, we were also not able to obtain the relevant financial or other information which we considered necessary and there were no alternative procedures which we could carry out to determine if the associate's investment was impaired and the impairment loss of RMB18,000,000 reflected in the associate's financial statements, of which HK\$5,114,000 shared by the Group, was appropriately measured. As such, we were also unable to determine if the carrying amount of the Group's interest in the associate of HK\$3,529,000 as included in the condensed consolidated statement of financial position as of 30 June 2017 was appropriately stated. The Group's share of the associate's loss for the period was also qualified due to the matter explained in paragraph below.

保留結論之基礎

由於下列限制，吾等對 貴集團中期簡明綜合財務報表之審閱結論為保留結論：

- (i) 截至二零一七年六月三十日止六個月， 貴集團使用權益會計法確認其分佔該聯營公司之期內虧損29,148,000港元。 貴集團使用權益會計法確認之分佔該聯營公司虧損29,148,000港元包括實際分佔該聯營公司投資人民幣18,000,000元之減值虧損5,114,000港元。然而，管理層無法向吾等提供吾等認為就審閱管理層計量減值虧損之基準而言屬必要的資料，包括該聯營公司被投資公司之最新財務資料。由於被投資公司並非中國上市實體，吾等亦無法獲取吾等認為必要的相關財務或其他資料，且吾等別無其他程序用以釐定該聯營公司投資有否減值以及該聯營公司財務報表所示減值虧損人民幣18,000,000元（其中 貴集團分佔5,114,000港元）有否妥為計量。因此，吾等亦無法釐定計入 貴集團於二零一七年六月三十日之簡明綜合財務狀況表之於該聯營公司之權益之賬面值3,529,000港元乃妥為呈列。而由於下段所說明之事項， 貴集團分佔該聯營公司之期內虧損亦有所保留。

BASIS FOR QUALIFIED CONCLUSION (CONTINUED)

- (ii) Our audit opinion on the Group's financial statements as of 31 December 2016 was qualified due to certain limitations on our scope of work as set out in our report dated 17 March 2017 which included limitations arising from the fact that the audit of the associate's financial statements as of 31 December 2016 by the component auditors was not completed as of our audit report date and that there were insufficient audit evidence available to us relating to the impairment review of the Group's interest in associate as of 31 December 2016. In respect of these matters, there were no alternative audit procedures that we could adopt to satisfy ourselves as to whether the Group's interests in the associate was fairly stated. Despite the component auditors have subsequently issued their audit report, their audit opinion was qualified as in their view there were limitations in respect of their assessment whether that associate's investment of RMB18,000,000 and certain intangible assets of RMB9,500,000 as of 31 December 2016 was impaired or not and the extent of impairment. The matters leading to our qualified audit opinion remained unresolved during the course of our review of the Company's interim condensed consolidated financial statements. Our review conclusion on the interim condensed consolidated financial statements is qualified because of the possible effect of this matter on the comparability of the Group's interests in the associate as of 30 June 2017 of HK\$3,529,000 and 31 December 2016 of HK\$72,334,000. Also because of the limitations, we are unable to determine whether adjustments to the opening accumulated losses of the Group of HK\$306,342,000 as at 1 January 2017 might be necessary. These matters as mentioned above may have consequential impact on the amount of the Group's impairment loss on interests in the associate and the Group's share of the associate's loss for the six months ended 30 June 2017.

保留結論之基礎 (續)

- (ii) 吾等有關 貴集團於二零一六年十二月三十一日之財務報表之審計意見為保留意見，乃由於吾等日期為二零一七年三月十七日之報告所載審計範圍的若干限制，包括組成部分核數師未能於吾等之審計報告日期完成對該聯營公司於二零一六年十二月三十一日之財務報表之審計及吾等審閱 貴集團於二零一六年十二月三十一日於該聯營公司之權益有否減值缺乏充足審計憑證所產生之限制。就該等事項而言，吾等別無其他審計程序用以令吾等信納已妥善呈列 貴集團於該聯營公司之權益。儘管組成部分核數師其後已發出其審計報告，但由於彼等認為其對於二零一六年十二月三十一日該聯營公司之投資人民幣18,000,000元及若干無形資產人民幣9,500,000元有否減值及減值程度之評估存在若干限制，故彼等持保留審計意見。於吾等審閱 貴公司之中期簡明綜合財務報表期間，導致吾等發表保留審計意見的事項仍然懸而未決。由於該事項可能對比較於二零一七年六月三十日及二零一六年十二月三十一日 貴集團於該聯營公司之權益3,529,000港元及72,334,000港元造成影響，吾等對中期簡明綜合財務報表之審閱結論為保留結論。亦由於上述限制，吾等無法確定是否有必要對 貴集團於二零一七年一月一日之期初累計虧損306,342,000港元作出調整。上述該等事項可能對截至二零一七年六月三十日止六個月 貴集團有關於該聯營公司之權益之減值虧損金額及 貴集團分佔該聯營公司虧損之金額產生重要影響。

QUALIFIED CONCLUSION

Except for the adjustments to the interim financial information that we might have become aware of had it not been for the situation described above, based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

OTHER MATTER

The comparatives in the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month ended 30 June 2017, and the related explanatory notes have not been reviewed in accordance with HKSRE 2410 or audited.

BDO Limited

Certified Public Accountants

Chiu Wing Cheung Ringo

Practising Certificate No.: P04434

Hong Kong, 28 August 2017

保留結論

除倘非因上述情況吾等應會知悉對中期財務資料作出之調整外，根據吾等之審閱，吾等並不知悉任何事項，足以令吾等認為中期財務資料於所有重大方面均未按照香港會計準則第34號編製。

其他事項

截至二零一七年六月三十日止六個月期間之簡明綜合損益及其他全面收益表、簡明綜合權益變動表及簡明綜合現金流量表之比較數字，以及相關解釋附註並未經根據香港委聘審閱準則第2410號進行審閱或審核。

香港立信德豪會計師事務所有限公司

執業會計師

招永祥

執業證書號碼：P04434

香港，二零一七年八月二十八日

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收益表

For the 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

		Notes 附註	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)
Revenue	收益	4	32,593	34,795
Other gains and losses	其他收益及虧損	5	(21,722)	(29,456)
Other income	其他收入	6	56	2,021
Staff costs	員工成本	7	(31,597)	(15,899)
Depreciation	折舊		(236)	(286)
Finance costs	融資成本	7	(14,919)	(15,333)
Other expenses	其他費用		(13,579)	(23,021)
Share of results of an associate	分佔一間聯營公司 業績		(29,148)	(3,294)
Impairment loss on interests in an associate	於一間聯營公司之 權益之減值虧損	12	(41,911)	–
Loss before income tax	除所得稅前虧損	7	(120,463)	(50,473)
Income tax expense	所得稅開支	8	(2,566)	(2,021)
Loss for the period	期內虧損		(123,029)	(52,494)
Other comprehensive income	其他全面收益			
<i>Item that may be reclassified subsequently to profit or loss</i>	<i>其後可重新分類至 損益之項目</i>			
– Exchange differences on translation of financial statements of foreign operations	– 換算海外業務財 務報表產生之 匯兌差額		2,367	(1,677)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued)

簡明綜合損益及其他全面收益表（續）

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	
	Notes 附註	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)
Other comprehensive income for the period	期內其他全面收益	2,367	(1,677)
Total comprehensive income for the period	期內全面收益總額	(120,662)	(54,171)
Loss for the period attributable to:	以下各項應佔期內虧損：		
– Owners of the Company	– 本公司擁有人	(123,015)	(52,491)
– Non-controlling interests	– 非控股權益	(14)	(3)
		(123,029)	(52,494)
Total comprehensive income for the period attributable to:	以下各項應佔期內全面收益總額：		
– Owners of the Company	– 本公司擁有人	(120,648)	(54,168)
– Non-controlling interests	– 非控股權益	(14)	(3)
		(120,662)	(54,171)
Loss per share	每股虧損	HK cents	HK cents
– Basic	– 基本	(3.47)	(1.51)
– Diluted	– 攤薄	(3.47)	(1.51)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

As at 30 June 2017

於二零一七年六月三十日

	Notes 附註	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)
ASSETS AND LIABILITIES 資產及負債			
Non-current assets 非流動資產			
Property, plant and equipment 物業、廠房及設備	11	344	575
Trading rights 買賣權		3,322	3,322
Goodwill 商譽		7,000	7,000
Interests in an associate 於一間聯營公司之權益	12	3,529	72,334
Other assets 其他資產		1,705	1,730
Deferred tax asset 遞延稅項資產		144	144
		16,044	85,105
Current assets 流動資產			
Trade and other receivables 貿易及其他應收賬款以及預付款項	13	69,582	31,970
Held for trading investments 持作買賣用途投資	14	68,826	232,157
Current tax assets 即期稅項資產		1,043	1,413
Trust bank balances 代表客戶持有之信託銀行結餘		340,037	301,145
Cash and cash equivalents 現金及現金等同項目		92,631	126,461
		572,119	693,146

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

簡明綜合財務狀況表（續）

As at 30 June 2017

於二零一七年六月三十日

		Notes 附註	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 liabilities	流動負債			
Trade and other payables and accruals	貿易及其他應付賬款以及應計費用	15	354,813	419,549
Borrowings	借貸	16	–	26,427
Convertible bonds	可換股債券	17	180,443	165,802
Current tax liabilities	即期稅項負債		2,230	34
			537,486	611,812
Net current assets	流動資產淨值		34,633	81,334
Net assets	資產淨值		50,677	166,439

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

簡明綜合財務狀況表（續）

As at 30 June 2017

於二零一七年六月三十日

		Notes 附註	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)
EQUITY	權益			
Share capital	股本	18	178,128	177,128
Reserves	儲備		(145,243)	(28,495)
Equity attributable to owners of the Company	本公司擁有人應佔權益		32,885	148,633
Non-controlling interests	非控股權益		17,792	17,806
Total equity	權益總額		50,677	166,439

On behalf of the Board

代表董事會

Wu Siu Lam, William

胡少霖

Director

董事

Cheng Kit Sum, Clara

鄭潔心

Director

董事

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

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				Non-controlling interests 非控股權益				Total equity		
	Share capital	Share premium	Shareholder's contribution	Capital redemption reserve	Convertible bond equity reserve	Share option reserve	Currency translation reserve	Accumulated losses		Total net assets of subsidiaries	Convertible bond equity reserve of a subsidiary —附屬公司 之可換股債券
	股本 HK\$'000 (Unaudited) (未經審核)	股份溢價 HK\$'000 (Unaudited) (未經審核)	股東注資 千港元 (Unaudited) (未經審核)	資本贖回 準備 HK\$'000 (Unaudited) (未經審核)	可換股債券 權益儲備 HK\$'000 (Unaudited) (未經審核)	購股權 準備 HK\$'000 (Unaudited) (未經審核)	貨幣換算 儲備 HK\$'000 (Unaudited) (未經審核)	累計虧損 HK\$'000 (Unaudited) (未經審核)	總計 HK\$'000 (Unaudited) (未經審核)	分佔附屬公司 資產淨值 HK\$'000 (Unaudited) (未經審核)	總計 HK\$'000 (Unaudited) (未經審核)
於二零一七年一月一日	177,128	241,052	7,834	477	34,408	4,001	(9,825)	(306,342)	148,633	14	17,792
因購股權發行而發行 股份	1,000	5,333	-	-	-	(1,433)	-	-	4,900	-	-
與擁有人之交易	1,000	5,333	-	-	-	(1,433)	-	-	4,900	-	-
期內虧損	-	-	-	-	-	-	-	(123,015)	(123,015)	(14)	-
其他全面收益 — 換算海外業務財務 報表產生之匯兌差額	-	-	-	-	-	-	2,367	-	2,367	-	-
期內全面收益總額	-	-	-	-	-	-	2,367	(123,015)	(120,648)	(14)	-
forfeiture of share options	-	-	-	-	-	(2,365)	-	2,365	-	-	-
於二零一七年六月三十日	178,128	246,385	7,834	477	34,408	203	(7,558)	(426,992)	32,885	-	17,792
											50,677

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

簡明綜合權益變動表 (續)

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				Non-controlling interests 非控股權益								
	Share capital	Share premium	Shareholder's contribution	Capital redemption reserve	Convertible bond equity reserve	Share option reserve	Currency translation reserve	Accumulated losses	Total	Share of net assets of subsidiaries	Convertible bond equity reserve of a subsidiary	Total	Total equity
	股本 HK\$'000 千港元 (Unaudited) (未經審核)	股份溢價 HK\$'000 千港元 (Unaudited) (未經審核)	股東注資 HK\$'000 千港元 (Unaudited) (未經審核)	資本贖回 儲備 HK\$'000 千港元 (Unaudited) (未經審核)	可換股債券 權益儲備 HK\$'000 千港元 (Unaudited) (未經審核)	購股權 儲備 HK\$'000 千港元 (Unaudited) (未經審核)	貨幣換算 儲備 HK\$'000 千港元 (Unaudited) (未經審核)	累計虧損 HK\$'000 千港元 (Unaudited) (未經審核)	總計 HK\$'000 千港元 (Unaudited) (未經審核)	分佔附屬公司 資產淨值 HK\$'000 千港元 (Unaudited) (未經審核)	之可換股債券 權益儲備 HK\$'000 千港元 (Unaudited) (未經審核)	總計 HK\$'000 千港元 (Unaudited) (未經審核)	權益總額 HK\$'000 千港元 (Unaudited) (未經審核)
At 1 January 2016 於二零一六年一月一日	174,328	229,464	7,834	477	34,408	8,467	(4,763)	(289,729)	160,486	10	17,792	17,802	178,288
Issue of shares upon exercise of share options 因購股權發行而發行 股份	150	621	-	-	-	(223)	-	-	548	-	-	-	548
Transactions with owners 與擁有人之交易	150	621	-	-	-	(223)	-	-	548	-	-	-	548
Loss for the period Other comprehensive income - Exchange differences on translation of financial statements of foreign operations 期內虧損 其他全面收益 - 換算海外業務財務報表產生 之匯兌差額	-	-	-	-	-	-	-	(52,491)	(52,491)	(3)	-	(3)	(52,494)
	-	-	-	-	-	-	(1,677)	-	(1,677)	-	-	-	(1,677)
Total comprehensive income for the period 期內全面收益總額	-	-	-	-	-	-	(1,677)	(52,491)	(54,168)	(3)	-	(3)	(54,171)
At 30 June 2016 於二零一六年六月三十日	174,478	230,085	7,834	477	34,408	8,244	(6,440)	(342,220)	106,866	7	17,792	17,799	124,665

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 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)
Cash flows from operating activities	經營活動所得現金流量		
Loss for the year	年內虧損	(123,029)	(52,494)
Adjustments for:	調整：		
Income tax expense	所得稅開支	2,566	2,021
Changes in net assets attributable to other holders of redeemable shares of a consolidated investment fund	綜合投資基金可贖回股份之其他持有人應佔資產淨值之變動	-	115
Changes in third party interests in collective investment schemes	集體投資計劃之第三方權益變動	(5,325)	(4,513)
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	236	286
Dividend income	股息收入	-	(2,000)
Fair value changes on financial instruments classified as held for trading	分類為持作買賣金融工具之公平值變動	-	1,518
Finance costs	融資成本	14,919	15,333
Impairment loss on interests in an associate	於一間聯營公司之權益之減值虧損	41,911	-
Interest income from banks and others	銀行及其他利息收入	(20)	(13)
Net losses on disposals of property, plant and equipment	出售物業、廠房及設備之虧損淨額	2	-
Reversal of impairment losses on trade receivables	貿易應收賬款減值虧損撥回	(59)	-
Share of results of an associate	分佔一間聯營公司業績	29,148	3,294

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

簡明綜合現金流量表（續）

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 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)
Operating loss before working capital changes	營運資金變動前之經營虧損	(39,651)	(36,453)
Decrease in other assets	其他資產減少	25	—
(Increase)/Decrease in trade and other receivables and prepayments	貿易及其他應收賬款以及預付款項（增加）／減少	(37,666)	263,665
Decrease/(Increase) in held for trading investments	持作買賣用途投資減少／（增加）	163,331	(22,043)
Increase in trust bank balances held on behalf of clients	代表客戶持有之信託銀行結餘增加	(38,892)	(59,415)
(Decrease)/ Increase in trade and other payables and accruals	貿易及其他應付賬款以及應計費用（減少）／增加	(4,692)	12,909
Cash generated from operations	經營所得現金	42,455	158,663
Dividend received	已收股息	—	2,000
Interest paid	已付利息	(665)	—
Interest received from banks and others	已收銀行及其他利息	20	13
Income tax paid	已付所得稅	—	(8,705)
Net cash generated from operating activities	經營活動所得現金淨額	41,810	151,971

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

簡明綜合現金流量表（續）

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 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)
Cash flows from investing activities	投資活動所得現金流量		
Deposit paid for acquisition of a subsidiary	收購一間附屬公司已付之按金	-	(3,500)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	13	4
Purchases of property, plant and equipment	購買物業、廠房及設備	(18)	(63)
<i>Net cash used in investing activities</i>	<i>投資活動所用現金淨額</i>	(5)	(3,559)
Cash flows from financing activities	融資活動所得現金流量		
Decrease in collateralised borrowings	抵押借貸減少	-	(224,021)
Proceeds from other holders of collective investment schemes	集體投資計劃其他持有人之所得款項	2,000	42,885
Payments to other holders of collective investment schemes	向集體投資計劃其他持有人付款	(56,719)	(232)
Proceeds from issue of shares upon exercise of share options	因購股權獲行使而發行股份之所得款項	4,900	548
Proceeds from loans advanced from a shareholder	一名股東墊付貸款之所得款項	5,000	20,000
Repayments of loans advanced from a shareholder and a third party	償還一名股東及一名第三方墊付之貸款	(31,040)	-
<i>Net cash used in financing activities</i>	<i>融資活動所用現金淨額</i>	(75,859)	(160,820)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

簡明綜合現金流量表（續）

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 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)
Net decrease in cash and cash equivalents	現金及現金等同項目減少淨額	(34,054)	(12,408)
Cash and cash equivalents at beginning of the period	於期初之現金及現金等同項目	126,461	60,536
Effect of foreign exchange rate changes, on cash held	匯率變動對所持現金之影響	224	(113)
Cash and cash equivalents at end of the period	於期終之現金及現金等同項目	92,631	48,015

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

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. GENERAL INFORMATION

Sheng Yuan Holdings Limited (the “**Company**”) is an exempted company with limited liability incorporated and domiciled in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business is Suites 4301-5, 43/F., Tower 1, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong. The Company's shares are listed on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”).

The Company is an investment holding company. Its subsidiaries are principally engaged in provision of securities brokerage and financial services, asset management services, proprietary trading and trading business.

The condensed consolidated financial statements for the six months ended 30 June 2017 were approved for issue by the board of directors on 28 August 2017.

These condensed consolidated financial statements contains selected explanatory notes primarily an explanation of the events and changes that are significant to an understanding of the changes in financial position and performance of the Group since the end of the last annual reporting period and do not include all information and disclosures required in the annual financial statements.

1. 一般資料

盛源控股有限公司（「**本公司**」）為一間於百慕達註冊成立及登記之獲豁免有限公司。其註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda，其主要營業地點位於香港銅鑼灣勿地臣街1號時代廣場1座43樓4301-5室。本公司股份於香港聯合交易所有限公司（「**聯交所**」）上市。

本公司為投資控股公司，其附屬公司主要從事提供證券經紀及金融服務、資產管理服務、自營買賣及貿易業務。

截至二零一七年六月三十日止六個月之簡明綜合財務報表於二零一七年八月二十八日獲董事會批准刊發。

該等簡明綜合財務報表載有經選定之解釋附註，主要解釋自上一年度報告期間結算日以來，對了解本集團財務狀況及表現之變動構成重要影響之事件及變動，惟不包括年度財務報表規定之所有資料及披露。

2. ADOPTION OF NEW OR AMENDED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current period, the Group has applied the new standards, amendments and interpretations (the “**new HKFRSs**”) which are effective for the Group’s financial statements for the annual period beginning on 1 January 2017. HKFRSs include all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKAS**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). The application of these new HKFRSs has had no impact on the disclosures or on the amounts recognised in the Group’s condensed consolidated financial statements. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in compliance with HKAS 34, Interim Financial Reporting issued by the HKICPA and with the applicable requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange. The accounting policies and methods of computation that have been used in the preparation of these condensed consolidated financial statements are consistent with those applied in the preparation of the Group’s annual financial statements for the year ended 31 December 2016, except for the adoption of new HKFRSs.

2. 採納新訂或經修訂香港財務報告準則（「香港財務報告準則」）

於本期間內，本集團已採納於二零一七年一月一日開始之年度期間之本集團財務報表生效之新準則、修訂及詮釋（「**新訂香港財務報告準則**」）。香港財務報告準則包括香港會計師公會（「**香港會計師公會**」）頒佈之所有適用個別香港財務報告準則、香港會計準則（「**香港會計準則**」）及詮釋。應用該等新訂香港財務報告準則不會對本集團簡明綜合財務報表內之披露或確認之金額產生影響。本集團不會應用任何於本會計期間尚未生效之新準則或詮釋。

3. 編製基準

簡明綜合財務報表已根據香港會計師公會頒佈之香港會計準則第34號中期財務報告及聯交所證券上市規則附錄十六之適用規定編製。除採納新訂香港財務報告準則外，編製該等簡明綜合財務報表所採用之會計政策及計算方法與編製本集團截至二零一六年十二月三十一日止年度之年度財務報表所採用者一致。

3. BASIS OF PREPARATION (Continued)

As at 30 June 2017, the Group had convertible bonds with principal amount of approximately HK\$180 million (31 December 2016: HK\$180 million) due to be settled within 12 months from the reporting date and incurred losses of approximately HK\$123 million for the six months ended 30 June 2017 (year ended 31 December 2016: HK\$17 million). Cash and bank balances and net current assets have decreased to approximately HK\$93 million (31 December 2016: HK\$126 million) and HK\$35 million (31 December 2016: HK\$81 million), respectively.

Notwithstanding with the above conditions, the directors of the Company have assessed that there are no material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern as the Company had received conversion notices from a holder of convertible bonds with principal amount of approximately HK\$45 million (note 17). In addition, the Group shall continue to apply various measures to tighten its operating expenses. Based on the cashflow forecast prepared by management, the Group will generate positive cash flows from its existing operation and have sufficient working capital to finance its operations and financing obligations for at least the next twelve months from 30 June 2017. Accordingly, these financial statements were prepared on assumption that the Group can be operated as a going concern.

3. 編製基準 (續)

於二零一七年六月三十日，本集團有本金額約為180,000,000港元（二零一六年十二月三十一日：180,000,000港元）之可換股債券，須於報告日期起計十二個月內結清，及於截至二零一七年六月三十日止六個月產生虧損約123,000,000港元（截至二零一六年十二月三十一日止年度：17,000,000港元）。現金及銀行結餘以及流動資產淨值已分別減少至約93,000,000港元（二零一六年十二月三十一日：126,000,000港元）及35,000,000港元（二零一六年十二月三十一日：81,000,000港元）。

儘管存在上述情況，本公司董事仍評定並無可能嚴重影響本集團持續經營能力之重大不明朗因素，原因是本公司已自本金額約為45,000,000港元之可換股債券之持有人接獲轉換通知（附註17）。此外，本集團應繼續採取不同措施減省經營開支。根據管理層編製之現金流量預測，本集團將從其現有業務中產生正面現金流量，可於自二零一七年六月三十日起未來至少十二個月內擁有充足營運資金撥付其經營及融資承擔。因此，該等財務報表乃基於假設本集團能夠持續經營而編製。

4. SEGMENT INFORMATION

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's major service lines as follows:

- (a) securities brokerage and financial services – provision of discretionary and non-discretionary dealing services for securities, securities placing and underwriting services, margin financing and money lending services, corporate finance advisory and general advisory services;
- (b) asset management services – provision of fund management and discretionary portfolio management and investment advisory services;
- (c) proprietary trading – investment holding and securities trading; and
- (d) trading business – trading of chemical products and energy and minerals products.

4. 分部資料

本集團根據向執行董事申報以供彼等決定分配資源至本集團業務分部及檢討該等分部表現之定期內部財務資料識別經營分部及編製分部資料。向執行董事申報之內部財務資料所載之業務分部根據本集團之主要服務行業釐定如下：

- (a) 證券經紀及金融服務–提供證券之全權委託及非全權委託交易服務、證券配售及承銷服務、孖展融資及貸款服務、企業融資顧問及一般顧問服務；
- (b) 資產管理服務–提供基金管理及全權委託組合管理及投資顧問服務；
- (c) 自營買賣–投資控股及證券買賣；及
- (d) 貿易業務–買賣化工產品、能源及礦產品。

4. SEGMENT INFORMATION (Continued)

No operating segments identified have been aggregated in arriving at the reportable segments of the Group. Each of these operating segments is managed separately as each of the service lines requires different resources as well as marketing approaches.

4. 分部資料 (續)

於得出本集團之可申報分部時，概無將已識別之任何經營分部作合併處理。由於各服務行業之資源需求及市場推廣方式不同，該等各經營分部乃分開管理。

		Securities brokerage and financial services 證券經紀及 金融服務	Asset management services 資產管理服務	Proprietary trading 自營買賣	Trading business 貿易業務	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Six months ended 30 June 2017 (Unaudited)	截至二零一七年 六月三十日 止六個月 (未經審核)					
Revenue	收益					
From external customers	來自外界客戶	8,442	24,151	-	-	32,593
From other segments	來自其他分部	-	248	-	-	248
Reportable segment revenue	可申報分部收益	8,442	24,399	-	-	32,841
Reportable segment result	可申報分部業績	1,422	11,807	(38,010)	(1,763)	(26,544)
30 June 2017 (Unaudited)	二零一七年 六月三十日 (未經審核)					
Reportable segment assets	可申報分部 資產	389,377	28,880	69,738	97	488,092
Reportable segment liabilities	可申報分部負債	353,256	469	302	23	354,050

4. SEGMENT INFORMATION (Continued)

4. 分部資料 (續)

		Securities brokerage and financial services 證券經紀及 金融服務 HK\$'000 千港元	Asset management services 資產管理服務 HK\$'000 千港元	Proprietary trading 自營買賣 HK\$'000 千港元	Trading business 貿易業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Six months ended 30 June 2016 (Unaudited)	截至二零一六年 六月三十日 止六個月 (未經審核)					
Revenue	收益					
From external customers	來自外界客戶	6,238	28,557	–	–	34,795
From other segments	來自其他分部	–	98	–	–	98
Reportable segment revenue	可申報分部收益	6,238	28,655	–	–	34,893
Reportable segment result	可申報分部業績	(4,957)	11,220	(27,640)	(2,754)	(24,131)
31 December 2016 (Audited)	二零一六年 十二月三十一日 (經審核)					
Reportable segment assets	可申報分部資產	314,783	27,094	233,054	106	575,037
Reportable segment liabilities	可申報分部負債	343,451	12,982	73,033	17	429,483

4. SEGMENT INFORMATION (Continued)

The measurement policies the Group uses for reporting segment results under HKFRS 8 are the same as those used in its financial statements prepared under HKFRSs, except that changes in fair value of derivative financial instruments; other income (excluding dividend income); directors' emoluments; interest expenses on convertible bonds and loans from a shareholder; share of results of and impairment loss on interests in an associate accounted for using the equity method; income tax expense; and corporate income and expenses which are not directly attributable to the business activities of any operating segment are not included in arriving at the operating results of the operating segments. Common expenditures are allocated between operating segments based on proportion of segment revenue where necessary. Inter-segment revenue are charged on the expenses incurred by the relevant subsidiary plus certain percentage.

Segment assets include all assets but interests in an associate; current tax assets; deferred tax assets and bank balances of the Group. In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment, which primarily applies to the Group's headquarters. Segment liabilities include all liabilities but loans from a shareholder, convertible bonds and current tax liabilities. In addition, corporate liabilities which are not directly attributable to the business activities of any operating segment are not allocated to a segment.

4. 分部資料 (續)

本集團根據香港財務報告準則第8號用作申報分部業績之計量政策與其根據香港財務報告準則編製之財務報表內採用者相同，惟於釐定經營分部之經營業績時並無計入衍生金融工具之公平值變動；其他收入（不包括股息收入）；董事酬金；可換股債券及來自一名股東之貸款之利息開支；使用權益法入賬之分佔一間聯營公司業績及於一間聯營公司之權益之減值虧損；所得稅開支；以及非直接歸屬於任何經營分部業務活動之公司收入及開支。公共開支按分部收益比例於經營分部之間分配（如需要）。分部間收益按相關附屬公司所產生開支加一定百分比收取。

分部資產包括除於一間聯營公司之權益；即期稅項資產；遞延稅項資產及銀行結餘以外之本集團所有資產。此外，非直接歸屬於任何經營分部業務活動之公司資產並無分配至任何分部，而是主要適用於本集團總部。分部負債包括除來自一名股東之貸款、可換股債券及即期稅項負債以外之所有負債。此外，非直接歸屬於任何經營分部業務活動之公司負債並無分配至任何分部。

4. SEGMENT INFORMATION (Continued)

The totals presented for the Group's operating segment result are reconciled to the Group's loss before income tax as follows:

4. 分部資料 (續)

本集團經營分部業績所呈報之總額與本集團除所得稅前虧損之對賬如下：

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)
Reportable segment result	可申報分部業績	(26,544)	(24,131)
Changes in fair value of derivative financial instruments	衍生金融工具之公平值變動	-	(1,518)
Other income	其他收入	56	21
Finance costs	融資成本	(14,919)	(13,626)
Share of results of an associate	分佔一間聯營公司業績	(29,148)	(3,294)
Impairment loss on interests in an associate	於一間聯營公司之權益之減值虧損	(41,911)	-
Corporate expenses**	公司開支**	(7,997)	(7,925)
Group's loss before income tax	本集團除所得稅前虧損	(120,463)	(50,473)

** mainly staff costs, including directors' emoluments, minimum lease payments under operating leases in respect of land and buildings and other professional fees

** 主要為員工成本，包括董事酬金、土地及樓宇經營租賃的最低租賃款項以及其他專業費用

5. OTHER GAINS AND LOSSES

5. 其他收益及虧損

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)
Changes in fair value of financial instruments classified as held for trading	分類為持作買賣之金融工具之公平值之變動	(27,185)	(33,800)
Changes in net assets attributable to other holders of redeemable shares of a consolidated investment fund	綜合投資基金可贖回股份之其他持有人應佔資產淨值之變動	-	(115)
Changes in third party interests in collective investment schemes	集體投資計劃之第三方權益變動	5,325	4,513
Reversal of impairment losses on trade receivables	貿易應收賬款之減值虧損撥回	59	-
Net foreign exchange gains/(losses)	外匯收益／(虧損)淨額	81	(54)
Net losses on disposals of property, plant and equipment	出售物業、廠房及設備之虧損淨額	(2)	-
		(21,722)	(29,456)

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)
Dividend income	股息收入	-	2,000
Interest income from banks and others	銀行及其他利息收入	20	13
Sundry income	雜項收入	36	8
		56	2,021

7. LOSS BEFORE INCOME TAX

7. 除所得稅前虧損

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)
Loss before income tax is arrived at after charging:	除所得稅前虧損已扣除下列各項：		
Finance costs	融資成本		
– Effective interest on liability component of convertible bonds	– 可換股債券負債部分之實際利息	14,641	13,431
– Interest on bank and other borrowings	– 銀行及其他借貸之利息	2	1,707
– Interest on loans from a shareholder	– 來自一名股東之貸款之利息	276	195
		14,919	15,333
Staff costs, including directors' emoluments	員工成本 (包括董事酬金)		
– Fees, salaries, allowances and bonuses	– 袍金、薪金、津貼及花紅	30,846	15,103
– Retirement benefit scheme contributions	– 退休福利計劃供款	751	796
		31,597	15,899

8. INCOME TAX EXPENSE

For the six months ended 30 June 2017 and 2016, Hong Kong profits tax was provided at the rate of 16.5% on the estimated assessable profits for the respective periods.

For the six months ended 30 June 2017 and 2016, no provision for Corporate Income Tax of the People's Republic of China ("PRC") has been made as the Group did not derive any assessable profits in the PRC for the respective periods.

8. 所得稅開支

截至二零一七年及二零一六年六月三十日止六個月，香港利得稅按有關期間估計應課稅溢利之16.5%計提撥備。

截至二零一七年及二零一六年六月三十日止六個月，概無就中華人民共和國（「中國」）企業所得稅計提撥備，原因是本集團於有關期間並無於中國產生任何應課稅溢利。

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)
Current tax – Hong Kong profits tax	即期稅項 – 香港利得稅		
– Provision for current period	– 本期間撥備	2,709	2,032
– Over provision in respect of prior periods	– 過往期間超額撥備	(143)	(11)
Total income tax expense	所得稅開支總額	2,566	2,021

9. DIVIDENDS

No dividend was proposed or paid during the six months ended 30 June 2017 and 2016, nor has any dividend been proposed since the end of the reporting periods.

10. LOSS PER SHARE

The calculation of basic loss per share is based on the loss attributable to owners of the Company of approximately HK\$123,015,000 (2016: loss of approximately HK\$52,491,000) and the weighted average number of 3,543,943,771 (2016: 3,486,892,226) ordinary shares in issue during the period. The diluted loss per share is the same as the basic loss per share because the calculation of the diluted loss per share does not assume the exercise of the outstanding share options and conversion rights attached to the convertible bonds since their exercise would result in a decrease in loss per share.

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2017, the Group acquired property, plant and equipment with a cost of approximately HK\$18,000 (six months ended 30 June 2016: HK\$63,000). Property, plant and equipment with net carrying amount of approximately HK\$15,000 (six months ended 30 June 2016: HK\$4,000) were disposed of during the six months ended 30 June 2017.

9. 股息

截至二零一七年及二零一六年六月三十日止六個月，概無建議派發或派發任何股息。自報告期間結算日以來亦無建議派發任何股息。

10. 每股虧損

每股基本虧損乃根據本公司擁有人應佔虧損約123,015,000港元（二零一六年：虧損約52,491,000港元）及期內已發行普通股之加權平均數3,543,943,771股（二零一六年：3,486,892,226股）計算。每股攤薄虧損與基本虧損相同，因為計算每股攤薄虧損並無假設行使尚未行使之購股權及可換股債券所附帶之換股權，原因為該等權利之行使將導致每股虧損減少。

11. 物業、廠房及設備

於截至二零一七年六月三十日止六個月，本集團以約18,000港元（截至二零一六年六月三十日止六個月：63,000港元）之成本收購物業、廠房及設備。賬面淨值約15,000港元（截至二零一六年六月三十日止六個月：4,000港元）之物業、廠房及設備已於截至二零一七年六月三十日止六個月內出售。

12. INTERESTS IN AN ASSOCIATE

12. 於一間聯營公司之權益

		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)
Share of net assets	分佔資產淨值	5,586	33,653
Goodwill	商譽	39,854	38,681
		45,440	72,334
Provision for impairment	減值撥備	(41,911)	—
		3,529	72,334

Particulars of the associate at 30 June 2017 are as follows:

於二零一七年六月三十日，聯營公司之詳情如下：

Name	Country of incorporation	Particulars of paid-up capital	Percentage of interest held by the Group 本集團所持權益百分比	Principal activities and place of operation
名稱	註冊成立國家	繳足股本詳情		主要業務及營業地點
Xinhua (Daqing) Merchandise Exchange Company Limited ("XHME") 新華(大慶)商品交易所有限公司(「新商所」)	PRC 中國	RMB85,714,286 人民幣85,714,286元	25.0*	Operation of an electronic merchandise exchange platform for commodity goods trading in the PRC 於中國經營商品貨物貿易之電子商品交易平台

* rounded to the nearest tenth of one percent

* 調整至最接近百分比之十分之一

12. INTERESTS IN AN ASSOCIATE (Continued)

In December 2016, the board of directors of XHME had resolved to restructure its business lines for local compliance purpose which involved the suspension of a material line of business. In view of this, for the year ended 31 December 2016, the directors of the Company had performed an impairment assessment of the Group's interest in XHME based on a valuation with the assistance of an independent valuer. The valuation of the Group's interests in associate was determined based on an underlying projection of cash flows provided by XHME. Based on the impairment assessment, the recoverable amount of the Group's interests in XHME was estimated to be higher than the carrying amount and no impairment was considered necessary as at 31 December 2016.

Subsequent to the issuance of the financial statements of the Group for the year ended 31 December 2016 and up to the date of approval of these interim financial statements, the business operation of XHME was still under suspension. The Group has therefore carried out an impairment assessment of its interest in XHME as of 30 June 2017 with assistance of an independent valuer using fair value less costs of disposal using the income approach. The key assumptions to which the fair value less costs of disposal being most sensitive in assessing the recoverable amount is as follows:

Discount for lack of marketability	16.11%
Discount for lack of control	24.70%

12. 於一間聯營公司之權益（續）

於二零一六年十二月，新商所董事會議決進行業務重組（當中涉及暫停主要業務營運）以符合當地規定。有鑒於此，於截至二零一六年十二月三十一日止年度，本公司董事已基於由獨立估值師協助進行的估值對本集團於新商所之權益進行減值評估。對本集團於聯營公司權益的估值乃基於新商所對現金流量之相關預測釐定。根據該減值評估，於二零一六年十二月三十一日，估計本集團於新商所之權益之可收回金額高於賬面值，故毋須作出減值。

於截至二零一六年十二月三十一日止年度本集團發行財務報表後至該等中期財務報表批准日期，仍暫停新商所之業務營運。因此，本集團已由獨立估值師協助使用公平值減出售成本法按照收益法對其截至二零一七年六月三十日於新商所之權益進行減值評估。於評估可收回金額時，公平值減出售成本最為敏感之主要假設如下：

缺乏市場流通性之折讓	16.11%
缺乏控制性之折讓	24.70%

12. INTERESTS IN AN ASSOCIATE (Continued)

Based on the valuation, the recoverable amount of the Group's interests in XHME was determined to be approximately HK\$3,529,000 and accordingly, an impairment loss of approximately HK\$41,911,000 was recognised and included in the condensed consolidated statement of profit or loss and other comprehensive income. The fair value on which the recoverable amount being based is categorised within Level 3 measurement.

12. 於一間聯營公司之權益（續）

根據評估，本集團於新商所之權益之可收回金額釐定為約3,529,000港元，確認減值虧損約41,911,000港元並計入簡明綜合損益及其他全面收益表。可收回金額公平值基於第三級分類計量。

13. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

13. 貿易及其他應收賬款以及預付款項

		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)
Trade receivables	貿易應收賬款	64,037	26,244
Other receivables and prepayments	其他應收賬款及 預付款項	5,545	5,726
		69,582	31,970

13. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Continued)

The analysis of trade receivables is as follows:

13. 貿易及其他應收賬款以及預付款項(續)

貿易應收賬款之分析如下：

		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)
Arising from the business of dealing in securities	來自證券買賣業務		
– Hong Kong Securities Company Limited (“HKSCC”)	– 香港中央結算有限公司 (「香港結算」)	9,733	–
– Margin clients	– 孖展客戶	1,239	1,635
Arising from asset management services	來自資產管理服務	19,309	17,944
Arising from financial advisory and consultancy services	來自財務諮詢及顧問服務	–	165
Arising from money lending services	來自貸款服務	30,148	–
Arising from placing services	來自配售服務	2,924	5,838
Arising from proprietary trading	來自自營買賣	684	662
		64,037	26,244

13. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Continued)

The normal settlement terms of trade receivables arising from the business of dealing in securities are two business days after the respective trade dates. The amounts due from margin clients are repayable on demand subsequent to the settlement date and bear interest at Hong Kong Dollar Prime Rate plus a spread of 3% to 8% (2016: 3% to 8%) per annum.

The Group does not provide any credit term to clients for its financial advisory and consultancy services as well as asset management services. Amount arising from money lending services represents secured term loan which is repayable within one year. Amount arising from proprietary trading represents deposits placed with a securities broker which is repayable on demand. Settlement of amounts arising from placing services is in accordance with the terms set out in the respective agreements, usually within one year after the service obligation has been fulfilled.

13. 貿易及其他應收賬款以及預付款項（續）

來自證券買賣業務之貿易應收賬款結算期通常為各交易日期後兩個營業日。應收孖展客戶款項須於結算日期後按要求償還，並按港元最優惠年利率加息差3厘至8厘（二零一六年：3厘至8厘）計息。

本集團並無向其財務諮詢及顧問服務以及資產管理服務客戶提供任何信貸期。來自貸款服務之款項指有抵押定期貸款，須於一年內償還。來自自營買賣之款項指存放於證券經紀之存款，須按要求償還。來自配售服務之款項乃根據各協議所載之條款結算，一般為達成服務責任後一年內。

13. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Continued)

The amounts due from margin clients are neither past due nor impaired. The ageing analysis of trade receivables in respect of other balances, based on due date, is as follows:

13. 貿易及其他應收賬款以及預付款項（續）

應收孖展客戶款項均無逾期或減值。就其他結餘作出之貿易應收賬款賬齡分析（基於到期日）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）
Not yet past due	尚未逾期	30,148	–
0 – 30 days	0 至 30 日	16,106	10,862
31 – 60 days	31 至 60 日	3,111	1,936
61 – 90 days	61 至 90 日	2,871	1,985
91 – 180 days	91 至 180 日	6,607	5,698
181 – 365 days	181 至 365 日	3,671	3,146
Over 365 days	超過 365 日	284	982
		62,798	24,609

14. HELD FOR TRADING INVESTMENTS

14. 持作買賣用途投資

		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)
Listed equity securities	上市股本證券	43,980	135,110
Unlisted investments funds (note)	非上市投資基金（附註）	24,846	97,047
		68,826	232,157

Note:

Pursuant to the relevant subscription agreements, the Group's interests in the above investment funds are in the form of redeemable shares, which are puttable at the holder's option and entitle the Group to a proportionate stake in the respective funds' net assets. These investment funds are managed by the respective investment managers who are empowered to manage their daily operations and apply various investment strategies to accomplish their respective investment objectives. The Group did not act as an investment manager of the above investment funds at 30 June 2017 and 31 December 2016.

附註：

根據有關認購協議，本集團於上述投資基金之權益為可贖回股份形式，可由持有人選擇贖回，且本集團有權按比例分攤各基金之資產淨值。該等投資基金由相關獲授權管理其日常營運及採用多項投資策略以達致其各自之投資目標之投資經理管理。於二零一七年六月三十日及二零一六年十二月三十一日，本集團不再擔任上述投資基金的投資經理。

15. TRADE AND OTHER PAYABLES AND ACCRUALS

15. 貿易及其他應付賬款以及應計費用

		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)
Trade payables arising from the business of dealing in securities	來自證券買賣業務之貿易應付賬款		
– HKSCC	– 香港結算	–	34,356
– Cash clients	– 現金客戶	351,027	302,031
– Margin clients	– 孖展客戶	675	672
Third party interests in collective investment schemes	於集體投資計劃之第三方權益	351,702	337,059
Other payables and accruals	其他應付賬款及應計費用	–	60,044
		3,111	22,446
		354,813	419,549

The normal settlement terms of trade payables arising from the business of dealing in securities are two business days after the respective trade dates. The amounts payable to cash and margin clients are repayable on demand. No ageing analysis in respect of trade payables is disclosed as, in the opinion of the directors, the ageing analysis does not give additional value in view of the business nature.

來自證券買賣業務之貿易應付賬款之一般結算期為各自交易日後之兩個營業日。應付現金及孖展客戶之款項須按要求償還。董事認為，基於業務性質使然，賬齡分析不會帶來額外用途，故並無披露貿易應付賬款之賬齡分析。

16. BORROWINGS

		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)
Loans from a shareholder	來自一名股東之貸款	-	15,387
Others	其他	-	11,040
		-	26,427

Loans from a shareholder were unsecured, interest bearing at 3.5% per annum and were repayable within one year. The lender had the right to request early repayment of the outstanding balance with written notice of 7 business days. Borrowings from others were unsecured, interest bearing at the rate quoted by a bank in the PRC and were repayable within one year.

來自一名股東之貸款為無抵押，按年利率3.5%計息，及須於一年內償還。貸方有權以提前七個營業日發出書面通知的方式要求提早償還未償還結餘。其他借款為無抵押，按中國一間銀行所報利率計息，及須於一年內償還。

17. CONVERTIBLE BONDS

		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)
Liability component	負債部分		
SYFS Bonds	SYFS 債券	45,000	41,695
SYHL Bonds	盛源控股債券	135,443	124,107
		180,443	165,802

17. CONVERTIBLE BONDS (Continued)

SYFS Bonds

Pursuant to a subscription agreement entered into by Sheng Yuan Financial Services Group Limited (“**SYFS**”), a wholly-owned subsidiary of the Company, with the subscribers on 9 April 2014, SYFS issued zero coupon convertible bonds with principal amount of HK\$45,000,000 (“**SYFS Bonds**”) on 16 June 2014. The SYFS Bonds entitled the holders to convert them into ordinary shares of SYFS (the “**SYFS Conversion Shares**”) at a conversion price of HK\$10,000 with certain profit conditions of SYFS and its subsidiaries (“**SYFS Group**”) as set out in the Company’s circular dated 16 May 2014. Any unconverted SYFS Bonds should be redeemed by SYFS at 100% of its face value within 30 business days from the third anniversary day.

Based on the terms of the subscription agreement, the SYFS Bonds contain two components, (i) the liability and (ii) the equity conversion components. At 31 December 2016, none of the SYFS Bonds has been converted into ordinary shares of SYFS. On 15 June 2017, the Company received conversion notices from the sole bondholder in respect of the exercise of the conversion rights attached to the SYFS Bonds in the aggregate amount of HK\$45,000,000. As the issuance of the SYFS Conversion Shares is still subject to the approval by a regulator at 30 June 2017, the SYFS Bonds have not been converted into ordinary shares of SYFS as of that date. Upon the issue and allotment of 4,500 SYFS Conversion Shares on full conversion of the SYFS Bonds at the conversion price, the Company’s equity interest in SYFS Group will be reduced to approximately 55%.

17. 可換股債券（續）

SYFS 債券

根據本公司之全資附屬公司 Sheng Yuan Financial Services Group Limited (「**SYFS**」) 與認購人於二零一四年四月九日訂立之認購協議，SYFS 於二零一四年六月十六日發行本金額為 45,000,000 港元之零息可換股債券 (「**SYFS 債券**」)。SYFS 債券賦予持有人權利，可將之按換股價 10,000 港元兌換為 SYFS 普通股 (「**SYFS 換股股份**」)，並附有若干有關 SYFS 及其附屬公司 (「**SYFS 集團**」) 之溢利之條件 (詳見本公司於二零一四年五月十六日刊發之通函)。任何未獲兌換之 SYFS 債券將由 SYFS 於第三週年日後 30 個營業日內按其面值之 100% 贖回。

根據認購協議之條款，SYFS 債券包括兩部分：(i) 負債及 (ii) 權益兌換部分。於二零一六年十二月三十一日，概無 SYFS 債券被兌換為 SYFS 普通股。於二零一七年六月十五日，本公司收到唯一債券持有人以總金額為 45,000,000 港元就行使 SYFS 債券所附帶之換股權發出之換股通知。由於發行 SYFS 換股股份仍須於二零一七年六月三十日經監管者批准，截至該日 SYFS 債券並未兌換為 SYFS 普通股。發行及配發 4,500 股 SYFS 換股股份按換股價悉數兌換為 SYFS 債券後，本公司於 SYFS 集團之股權將減少至約 55%。

17. CONVERTIBLE BONDS (Continued)

SYFS Bonds (Continued)

Movements of the components of SYFS Bonds during the period are set out below:

17. 可換股債券（續）

SYFS 債券（續）

期內SYFS債券組成部分之變動載列如下：

		Liability component	Equity conversion component	Total
		負債部分	權益兌換部分	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
		(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)
At 1 January 2017	於二零一七年一月一日	41,695	17,792	59,487
Effective interest recognised	已確認實際利率	3,305	–	3,305
At 30 June 2017	於二零一七年六月三十日	45,000	17,792	62,792
At 1 January 2016	於二零一六年一月一日	35,249	17,792	53,041
Effective interest recognised	已確認實際利率	3,066	–	3,066
At 30 June 2016	於二零一六年六月三十日	38,315	17,792	56,107

17. CONVERTIBLE BONDS (Continued)

SYHL Bonds

Pursuant to subscription agreements entered into by the Company on 5 November 2014 and 19 December 2014, the Company issued convertible bonds with aggregate principal amount of HK\$135,000,000 ("**SYHL Bonds**") on 19 November 2014 and 30 December 2014. The SYHL Bonds entitled the holders to convert them into ordinary shares of the Company at the conversion price of HK\$0.35 per share of the Company at any time before the third anniversary date of the initial issue dates ("**SYHL Bonds Maturity Date**"). The SYHL Bonds bear interests at 8% per annum except that during the second and third anniversary period, no interest shall be accrued to the holders when the average closing price in respect of the Company's share for the last 30 consecutive trading days ("**Current Market Price**") before the second anniversary of the initial issue dates ("**Second Interest Payment Date**") and the SYHL Bonds Maturity Date exceed HK\$0.50 and HK\$0.55 per share of the Company, respectively.

If the Current Market Price on the Second Interest Payment Date exceed HK\$0.50 per share of the Company, the Company shall have the right to early redeem the SYHL Bonds (in part or in whole), at the aggregate amount of the outstanding principal and interest not later than 3 business days after the Second Interest Payment Date. Unless previously redeemed, converted or cancelled, the Company will redeem each SYHL Bonds on the SYHL Bonds Maturity Date at 100% of the outstanding principal amount, together with accrued interest, if any.

17. 可換股債券 (續)

盛源控股債券

根據本公司於二零一四年十一月五日及二零一四年十二月十九日訂立之認購協議，本公司於二零一四年十一月十九日及二零一四年十二月三十日發行本金總額為135,000,000港元之可換股債券（「**盛源控股債券**」）。盛源控股債券賦予持有人權利，可於首個發行日期之第三週年當日（「**盛源控股債券到期日**」）前任何時間將之按兌換價每股本公司股份0.35港元兌換為本公司普通股。盛源控股債券以年利率8厘計息，惟於第二及第三週年期間，倘本公司股份於首個發行日期之第二週年當日（「**第二個付息日**」）及盛源控股債券到期日前最後連續30個交易日之平均收市價（「**當前市價**」）分別超過每股本公司股份0.50港元及0.55港元，則不對持有人計算利息。

倘於第二個付息日之當前市價超過每股本公司股份0.50港元，則本公司有權於第二個付息日後不遲於3個營業日按未償還本金及利息之總額提前贖回盛源控股債券（部分或全部）。除非先前已贖回、兌換或註銷，本公司將於盛源控股債券到期日按全部尚未償還本金額連同應計利息（如有）贖回各盛源控股債券。

17. CONVERTIBLE BONDS (Continued)

SYHL Bonds (Continued)

Based on the terms of the subscription agreements, the SYHL Bonds are bifurcated into three components, (i) the liability, (ii) the derivative and (iii) the equity conversion components. At 30 June 2017 and 31 December 2016, none of the SYHL Bonds has been converted into ordinary shares of the Company.

Movements of the components of SYHL Bonds during the periods are set out below:

17. 可換股債券 (續)

盛源控股債券 (續)

根據認購協議之條款，盛源控股債券分為三個部分：(i) 負債，(ii) 衍生工具及(iii)權益兌換部分。於二零一七年六月三十日及二零一六年十二月三十一日，概無盛源控股債券被兌換為本公司普通股。

期內盛源控股債券組成部分之變動載列如下：

		Liability component	Derivative component	Equity conversion component	Total
		負債部分	衍生工具部分	權益兌換部分	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
At 1 January 2017	於二零一七年一月一日	124,107	-	34,408	158,515
Effective interest recognised	已確認實際利率	11,336	-	-	11,336
At 30 June 2017	於二零一七年六月三十日	135,443	-	34,408	169,851
At 1 January 2016	於二零一六年一月一日	113,213	(3,667)	34,408	143,954
Changes in fair value recognised in "Other gains and losses" in profit or loss	已於損益之「其他收益及虧損」內確認之公平值變動	-	1,518	-	1,518
Effective interest recognised	已確認實際利率	10,365	-	-	10,365
At 30 June 2016	於二零一六年六月三十日	123,578	(2,149)	34,408	155,837

18. SHARE CAPITAL

18. 股本

		Number of ordinary shares of HK\$0.05 each 每股面值 0.05 港元之 普通股數目 (Unaudited) (未經審核)	Nominal value 面值 HK\$'000 千港元 (Unaudited) (未經審核)
Authorised:	法定：		
At 1 January 2017 and 30 June 2017	於二零一七年一月一日及 二零一七年六月三十日	8,000,000,000	400,000
At 1 January 2016 and 30 June 2016	於二零一六年一月一日及 二零一六年六月三十日	8,000,000,000	400,000
Issued and fully paid:	已發行及繳足：		
At 1 January 2017	於二零一七年一月一日	3,542,562,556	177,128
Issue of shares upon exercise of share options	於行使購股權時發行股份	20,000,000	1,000
At 30 June 2017	於二零一七年六月三十日	3,562,562,556	178,128
At 1 January 2016	於二零一六年一月一日	3,486,562,556	174,328
Issue of shares upon exercise of share options	於行使購股權時發行股份	3,000,000	150
At 30 June 2016	於二零一六年六月三十日	3,489,562,556	174,478

All issued shares rank pari passu in all respects including all rights as to dividends, voting and return of capital.

所有已發行股份在所有方面享有同等權利，包括有關股息、投票及資本退還之所有權利。

19. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the period:

19. 關連人士交易

除該等財務報表其他地方詳述之交易及結餘外，本集團於期內與關連人士進行之重大交易如下：

		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)
Mr. Wu Siu Lam, William	胡少霖先生		
– Commission and brokerage income from securities dealing	– 證券交易之佣金及經紀收入	2	3
King Lion Group Limited (note)	King Lion Group Limited (附註)		
– Interest expense	– 利息開支	276	195

Note:

Interest expense of HK\$276,000 (2016: HK\$195,000) payable to King Lion Group Limited, a substantial shareholder of the Company, was arising from the loans advanced from this entity during the period of HK\$20,000,000 (2016: HK\$20,000,000), which were fully repaid during the period.

附註：

本公司主要股東 King Lion Group Limited 於期內墊付之貸款 20,000,000 港元（二零一六年：20,000,000 港元）產生之應付該實體之利息開支 276,000 港元（二零一六年：195,000 港元）已於期內悉數償還。

19. RELATED PARTY TRANSACTIONS (Continued)

Compensation of key management personnel

		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)
Short-term employee benefits	短期僱員福利	2,208	2,060
Post-employment benefits	退休福利	106	106
		2,314	2,166

20. FAIR VALUE MEASUREMENT

Some of the Group's financial instruments are measured at fair value for financial reporting purposes. For financial instruments traded in active markets, which included securities listed on a stock exchange, their fair value is based on quoted market prices for identical instruments at the reporting date. For financial instruments that are not traded in an active market, which included unlisted investment funds and derivative financial instruments, their fair value is determined by using valuation techniques. Specific valuation techniques used to value these financial instruments included value as reported by the fund administrators or other techniques, such as valuations performed by external valuation specialists. When the Group engage third party qualified valuers to perform the valuation, management would work closely with the qualified external valuers.

19. 關連人士交易（續）

主要管理層人員薪酬

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)
2,208	2,060
106	106
2,314	2,166

20. 公平值計量

就財務申報目的而言，本集團若干金融工具乃以公平值計量。於活躍市場買賣之金融工具（包括於證券交易所上市之證券）之公平值乃按於報告日期相同工具之市場報價計算。並非於活躍市場買賣之金融工具（包括非上市投資基金及衍生金融工具）之公平值乃使用估值技術釐定。對該等金融工具進行估值所使用的特定估值技術包括基金管理人提供之估值或其他技術，如外部估值專家所進行的估值。當本集團委聘第三方合資格估值師進行估值時，管理層將與合資格外部估值師緊密合作。

20. FAIR VALUE MEASUREMENT (Continued)

For financial reporting purpose, fair value measurements are categorised into three levels based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety. The fair value hierarchy has the following levels:

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

20. 公平值計量（續）

就財務報告而言，公平值計量根據公平值計量輸入值之可觀察程度及公平值計量輸入值對其整體之重要性分為三級。公平值等級制度分層如下：

- 第一級：可識別資產或負債於活躍市場之報價（未經調整）；
- 第二級：資產或負債直接（即價格）或間接（即價格衍生）可觀察之輸入值，第一層包括之報價除外；及
- 第三級：資產或負債並非根據可觀察市場數據之輸入值（不可觀察輸入值）計算。

20. FAIR VALUE MEASUREMENT (Continued)

Financial instruments measured at fair value

The following table presents the Group's financial instruments measured at fair value on a recurring basis in the condensed consolidated statement of financial position according to the fair value hierarchy:

		Level 1 第一級 HK\$'000 千港元 (note (a)) (附註(a))	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元 (note (b)) (附註(b))	Total 總計 HK\$'000 千港元
At 30 June 2017 (Unaudited)	於二零一七年 六月三十日 (未經審核)				
Financial assets at fair value through profit or loss	按公平值計入損益 之金融資產				
- Listed equity securities	- 上市股本證券	43,980	-	-	43,980
- Unlisted investment funds	- 非上市投資基金	-	-	24,846	24,846
- Derivative component of SYHL Bonds	- 盛源控股債券之 衍生工具部分	-	-	-	-
		43,980	-	24,846	68,826
At 31 December 2016 (Audited)	於二零一六年 十二月三十一日 (經審核)				
Financial assets at fair value through profit or loss	按公平值計入損益之 金融資產				
- Listed equity securities	- 上市股本證券	135,110	-	-	135,110
- Unlisted investment funds	- 非上市投資基金	-	-	97,047	97,047
- Derivative component of SYHL Bonds	- 盛源控股債券之 衍生工具部分	-	-	-	-
		135,110	-	97,047	232,157

20. 公平值計量 (續)

按公平值計量之金融工具

下表呈列本集團根據公平值等級制度於簡明綜合財務狀況表以循環基準按公平值計量之金融工具：

20. FAIR VALUE MEASUREMENT (Continued)

Financial instruments measured at fair value (Continued)

There were no transfers between levels 1 and 2 or transfers into or out of level 3 in the reporting periods. The Group's policy is to recognise transfers between levels of fair value hierarchy at the date of the event or change in circumstances that caused the transfer.

(a) Financial instruments in Level 1

The fair value of the listed equity securities is based on the quoted market prices at the reporting date. The quoted market price used for the listed equity securities held by the Group is the current bid price.

(b) Financial instruments in Level 3

Unlisted investment funds

The fair value was determined with reference to the reported net asset value of the investment funds. Generally, a change in the net asset value of the investment fund is accompanied by a directionally similar change to the fair value measurement.

20. 公平值計量（續）

按公平值計量之金融工具（續）

於報告期內，第一級與第二級之間並無轉移，第三級亦並無轉入或轉出。本集團的政策是於致使轉移的事件或情況發生當日確認公平值級別之間的轉移。

(a) 第一級中的金融工具

上市股本證券之公平值乃基於報告日期之市場報價得出。本集團持有之上市股本證券所採用之市場報價為現行市場買入價。

(b) 第三級中的金融工具

非上市投資基金

公平值乃經參考已呈報之投資基金之資產淨值釐定。一般而言，投資基金資產淨值之變動會導致公平值計量出現類似方向變動。

20. FAIR VALUE MEASUREMENT (Continued)

Financial instruments measured at fair value (Continued)

(b) Financial instruments in Level 3 (Continued)

Unlisted investment funds (Continued)

The reconciliation from the opening to the closing balances during the reporting periods is as follows:

20. 公平值計量 (續)

按公平值計量之金融工具 (續)

(b) 第三級中的金融工具 (續)

非上市投資基金 (續)

報告期初與期終之結餘對賬如下：

		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)
At 1 January	於一月一日	97,047	167,131
Payments for purchases	就購買付款	-	14,516
Proceeds from sales	銷售所得款項	(74,195)	(14,516)
Changes in fair value recognised in "Other gains and losses" in the condensed consolidated profit or loss	已於簡明綜合損 益之「其他收益及 虧損」內確認 之公平值變動		
- Realised gains or losses	- 確認收益或虧損	(95)	4,516
- Unrealised gains or losses	- 未確認收益或 虧損	2,089	(28,091)
		1,994	(23,575)
At 30 June	於六月三十日	24,846	143,556

20. FAIR VALUE MEASUREMENT (Continued)

Financial instruments measured at fair value (Continued)

(b) Financial instruments in Level 3 (Continued)

Derivative component embedded in SYHL Bonds

The reconciliation from the opening to the closing balances during the reporting periods is disclosed in note 17 to these financial statements. Fair value was determined by using the Binomial Option Pricing Model. Details of the parameters used in the model are as follows:

Parameters 參數	30 June 2017 二零一七年 六月三十日 (Unaudited) (未經審核)	31 December 2016 二零一六年 十二月三十一日 (Audited) (經審核)
Share price of the Company 本公司之股價	HK\$0.24 0.24 港元	HK\$0.29 0.29 港元
Exercise price 行使價	HK\$0.35 0.35 港元	HK\$0.35 0.35 港元
Remaining life of the derivative 衍生工具之剩餘年期	0.38 – 0.50 year 0.38 – 0.50 年	0.88 – 1.00 year 0.88 – 1.00 年
Risk-free rate 無風險利率	0.34% – 0.37%	0.89% – 0.91%
Expected volatility 預期波幅	52.64% – 53.99%	41.93% – 44.78%
Expected dividend yield 預期股息率	0.00%	0.00%

Generally, a change in the Company's share price and volatility is accompanied by a directionally similar change to the fair value measurement whilst a change in the risk-free rate is accompanied by a directionally opposite change to the fair value measurement.

20. 公平值計量 (續)

按公平值計量之金融工具 (續)

(b) 第三級中的金融工具 (續)

盛源控股債券內含之衍生工具部分

報告期初與期終結餘之對賬披露於該等財務報表附註17。公平值乃採用二項式期權定價模型釐定。模型所用之參數之詳情如下：

一般而言，本公司股價及波幅之變動會導致公平值計量出現類似方向變動，而無風險利率之變動則會導致公平值計量出現反方向變動。

20. FAIR VALUE MEASUREMENT (Continued)

Financial instruments measured at amortised cost

The fair value of the financial assets and financial liabilities at amortised cost under current assets and current liabilities, respectively, is not materially different from their carrying amount as they are all short term in nature, except as follows:

20. 公平值計量（續）

按攤銷成本計量之金融工具

流動資產及流動負債項下按攤銷成本入賬之金融資產及金融負債均為短期，故其公平值與其各自賬面值並無重大差別，以下各項除外：

		Carrying amount 賬面值		Fair value 公平值	
		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)	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)
Financial liabilities	金融負債				
Liability component of convertible bonds	可換股債券負債部分				
- SYFS Bonds	- SYFS 債券	45,000	41,695	45,000	41,600
- SYHL Bonds	- 盛源控股債券	135,443	124,107	133,053	130,200
		180,443	165,802	178,053	171,800

The liability component of the convertible bonds are categorised under level 3 in the fair value hierarchy. Their fair values are estimated by discounting the expected future cash flows using an equivalent market interest rate for a similar convertible bond with consideration of the Group's own non-performance risk.

可換股債券之負債部分乃根據公平值等級制度第三級分類。其公平值經計及本集團自身不履約風險後，採用類似可換股債券之同等市場利率折現預期未來現金流量進行估計。

INTERIM DIVIDEND

中期股息

The directors of the Company (the “**Directors**”) do not recommend the payment of interim dividend for the six months ended 30 June 2017 (six months ended 30 June 2016: Nil).

本公司董事（「**董事**」）不建議派發截至二零一七年六月三十日止六個月之中期股息（截至二零一六年六月三十日止六個月：無）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS AND FINANCIAL REVIEW

For the six months ended 30 June 2017, the revenue of the Group decreased to approximately HK\$32.6 million, representing 6.3% decrease as compared with approximately HK\$34.8 million for the six months ended 30 June 2016. Loss for the six months ended 30 June 2017 was approximately HK\$123.0 million, as compared with loss of approximately HK\$52.5 million for the six months ended 30 June 2016. Such increase in loss is primarily attributable to the impairment loss on interest in an associate, Xinhua (Daqing) Merchandise Exchange Company Limited (“**XHME**”).

The Group shared the associate's losses of approximately HK\$29.1 million and recognised impairment loss of approximately HK\$41.9 million on its interests in the associate. In December 2016, the board of directors of XHME had resolved to restructure its business lines for local compliance purpose which involved the suspension of a material line of business. During the six months ended 30 June 2017 and up to the date of approval of the interim financial statements of the Company, the business operation of XHME was still under suspension and there was no information on the restoration of the operation of the business lines. The Group has carried out an impairment assessment of its interest in XHME as of 30 June 2017 with the assistance

業務及財務回顧

截至二零一七年六月三十日止六個月，本集團之收益減少至約32,600,000港元，較截至二零一六年六月三十日止六個月之約34,800,000港元減少6.3%。截至二零一七年六月三十日止六個月之虧損約為123,000,000港元，而截至二零一六年六月三十日止六個月之虧損約為52,500,000港元。有關虧損增加主要由於於一間聯營公司新華（大慶）商品交易所有限公司（「**新商所**」）之權益之減值虧損所致。

本集團分佔聯營公司之虧損約29,100,000港元，並就其於該聯營公司之權益確認減值虧損約41,900,000港元。於二零一六年十二月，新商所董事會議決進行業務重組（當中涉及暫停主要業務營運）以符合當地規定。於截至二零一七年六月三十日止六個月及直至本公司中期財務報表批准日期，新商所之業務營運依舊暫停及並無有關恢復業務營運之任何資料。本集團已在獨立估值師協助下對其截至二零一七年六月三十日於新商所之權益進行減值評估。根據評估，本集團於新商所之權益之可收回金額釐

BUSINESS AND FINANCIAL REVIEW (Continued)

of an independent valuer. Based on the valuation, the recoverable amount of the Group's interests in XHME was determined to be approximately HK\$3.5 million and accordingly, an impairment loss of approximately HK\$41.9 million was recognised and included in the condensed consolidated statement of profit or loss and other comprehensive income. The Directors believed that such non-cash impairment provision would be in the interest of the Company.

During the six months ended 30 June 2017, investor sentiment in Hong Kong became more positive due to the improved global economy and the better-than-expected economic performance in Mainland China. In the first half of 2017, the Hang Seng Index rose 3,764 points or 17.1% to close at 25,764 points. However, the pace of interest rates hikes in the United States, the progress of Brexit talks, fear of terrorist attacks, and geopolitical tensions across the world increased the uncertainty and volatility of the global economic and political environments.

During the six months ended 30 June 2017, the total revenue of Sheng Yuan Financial Services Group Limited and its subsidiaries (the **"SYFS Group"**) decreased by nearly 6.9% to approximately HK\$32.4 million (2016: approximately HK\$34.8 million).

For securities business, the revenue from securities brokerage and financial services during the six months ended 30 June 2017 increased to approximately HK\$8.4 million (2016: approximately HK\$6.2 million). Such increase in revenue was mainly due to increase in the daily average turnover of Hong Kong stocks market and rose of the Hang Seng Index in light of the global economic improvement.

業務及財務回顧（續）

定為約3,500,000港元，相應確認減值虧損約41,900,000港元並計入簡明綜合損益及其他全面收益表。董事認為，有關非現金減值撥備符合本公司之利益。

截至二零一七年六月三十日止六個月，全球經濟改善，中國內地的經濟表現好於預期，香港投資者的情緒變得更為積極。於二零一七年上半年，恒生指數上升3,764點或17.1%，報收於25,764點。然而，美國加息步伐、英國脫歐談判進展、對恐怖襲擊的擔憂及全球範圍的地緣政治緊張均加劇了全球經濟及政治環境的不確定性及波動性。

Sheng Yuan Financial Services Group Limited 及其附屬公司（「**SYFS集團**」）在截至二零一七年六月三十日止六個月之總收入下跌近6.9%至約32,400,000港元（二零一六年：約34,800,000港元）。

證券業務方面，於截至二零一七年六月三十日止六個月，來自證券經紀及金融服務之收益增加至約8,400,000港元（二零一六年：約6,200,000港元）。有關收益增加主要是由於全球經濟改善令香港證券市場日平均營業額增加及恒生指數上升所致。

BUSINESS AND FINANCIAL REVIEW (Continued)

For asset management business, Sheng Yuan Asset Management Limited ("**SYAM**") acts as the fund manager or investment adviser for 12 funds and 8 discretionary accounts. The total assets under management of SYAM have substantially increased by nearly 112.8% to more than HK\$10.0 billion (2016: HK\$4.7 billion) as of 30 June 2017. During six months ended 30 June 2017, SYAM recorded segment revenue of approximately HK\$24.4 million (2016: HK\$28.6 million), representing a decrease of nearly 14.7%.

From 2014 onwards, SYFS Group has expanded its proprietary trading business and mainly invested in second – tier listed shares in Hong Kong market. Due to the volatility of such stocks in the first half of 2017, the segment loss from proprietary trading business for the six months ended 30 June 2017 was approximately HK\$38.0 million (2016: HK\$27.6 million).

As the recovery of the commodity market remains slow, the Group has continued to suspend its trading business for the six months ended 30 June 2017. The segment loss for trading business for the six months ended 30 June 2017 was approximately HK\$1.8 million (2016: segment loss of HK\$2.8 million).

業務及財務回顧 (續)

資產管理業務方面，盛源資產管理有限公司（「**盛源資產管理**」）作為基金管理人或投資顧問管理的基金已達12隻，管理的專戶達8個。截至二零一七年六月三十日，盛源資產管理所管理之資產總額大幅增長近112.8%至逾100億港元（二零一六年：47億港元）。於截至二零一七年六月三十日止六個月，盛源資產管理錄得分部收入減少近14.7%至約24,400,000港元（二零一六年：28,600,000港元）。

自二零一四年起，SYFS集團擴展其自營買賣業務，並主要投資香港市場之二線上市股份。由於有關股份於二零一七年上半年波動，於截至二零一七年六月三十日止六個月，自營買賣業務帶來之分部虧損約為38,000,000港元（二零一六年：27,600,000港元）。

由於商品市場復甦依然緩慢，本集團於截至二零一七年六月三十日止六個月繼續暫停其貿易業務。截至二零一七年六月三十日止六個月，貿易業務之分部虧損約為1,800,000港元（二零一六年：分部虧損2,800,000港元）。

BUSINESS AND FINANCIAL REVIEW (Continued)

On 9 April 2014, Sheng Yuan Financial Services Group Limited (“**SYFS**”), a direct wholly-owned subsidiary of the Company, entered into a subscription agreement (the “**Subscription Agreement**”) with the several subscribers, pursuant to which the subscribers conditionally agreed to subscribe for and SYFS conditionally agreed to issue the convertible Bonds at an aggregate consideration of HK\$45 million (the “**Convertible Bonds**”). Details of the Subscription Agreement and the Convertible Bonds has been set out in the announcement and circular of the Company dated 9 April 2014 and 16 May 2014 respectively.

On 15 June 2017, the Company received conversion notices from Team Effort Investments Limited (“**Team Effort**”) in respect of the exercise of the conversion rights attached to the Convertible Bonds in the aggregate amount of HK\$45,000,000 held by Team Effort at the conversion price of HK\$10,000 per conversion share. Subsequent to the issue and allotment of 4,500 conversion shares upon full conversion of the Convertible Bonds at the conversion price, a total of 4,500 conversion shares will be issued, representing 45% of the issued share capital of SYFS as enlarged by the issue and allotment of the conversion shares. The Company's equity interest in SYFS will be reduced to approximately 55% and SYFS will become a non-wholly owned subsidiary of the Company. Up to the reporting date, the issue of the conversion shares was yet to be completed.

業務及財務回顧（續）

於二零一四年四月九日，本公司之直接全資附屬公司Sheng Yuan Financial Services Group Limited（「**SYFS**」）與數名認購人訂立認購協議（「**認購協議**」）。據此，有關認購人有條件同意認購，而SYFS有條件同意發行可換股債券，總代價為45,000,000港元（「**可換股債券**」）。認購協議及可換股債券之詳情已分別載於本公司日期為二零一四年四月九日及二零一四年五月十六日之公告及通函。

於二零一七年六月十五日，本公司接獲Team Effort Investments Limited（「**Team Effort**」）之轉換通知，內容有關按換股價每股換股股份10,000港元行使Team Effort所持總額為45,000,000港元之可換股債券所附帶之轉換權。按換股價悉數轉換可換股債券而發行及配發4,500股換股股份後，將發行合共4,500股換股股份，佔SYFS經發行及配發換股股份擴大後之已發行股本之45%。本公司於SYFS之股本權益將消減至約55%，而SYFS將成為本公司之非全資附屬公司。截至報告日期，發行換股股份尚待完成。

PROSPECTS

To capture the opportunities in increasing demand for foreign investment from Mainland China enterprises, the Group is planning to establish overseas platforms for investment to facilitate the global expansion of Mainland China enterprises.

To facilitate the diversification and expansion of business development in PRC, the Group will continue to search opportunities in Mainland China including but not limited to the setting up joint ventures investments through the “Mutual Recognition of Hong Kong and China Fund Programs”, which can further enlarge the investment options and investment scopes of investors in Hong Kong and Mainland China, CEPA, QFII (“**Qualified Foreign Institutional Investor**”) or QDII (“**Qualified Domestic Institutional Investor**”) frameworks by allowing the Group to access the huge and fast-growing financial markets and enabling the Group to engage in a full spectrum of securities and financial business in PRC. It is believed that the formation of such investments would offer a good opportunity for the Group to embark on a new milestone in its business development in financial services industry.

前景

為抓住中國內地企業對外投資需求不斷增長的機遇，本集團現正計劃建立海外投資平台，以促進中國內地企業的全球擴張。

為促進於中國的分散及擴充業務發展，本集團將繼續於中國內地尋找機會，包括但不限於透過「中港基金互認計劃」，可以進一步增加中港兩地投資者的投資選擇及投資範圍，CEPA、QFII（「**合資格境外機構投資者**」）或QDII（「**合資格境內機構投資者**」）等框架設立合營公司投資，這將令本集團進入巨大及快速發展的金融市場及使本集團可於中國從事全牌照範圍內的證券及金融業務。本集團相信，該等投資的設立將為本集團提供良好機遇，在金融服務行業的業務發展中取得新的里程碑。

ACQUISITIONS AND DISPOSALS

There was no material acquisition or disposal during the six months ended 30 June 2017.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2017, cash and bank balances in general accounts and maintained by the Group were approximately HK\$92.6 million, representing a decrease of approximately 26.8% from approximately HK\$126.5 million as at 31 December 2016. Balances in trust and segregated accounts were approximately HK\$340.0 million (31 December 2016: HK\$301.1 million). Trade and other receivables and prepayments were approximately HK\$69.6 million as at 30 June 2017 (31 December 2016: HK\$32.0 million), which mainly represented increased receivables from money leading business. Trade and other payables and accruals were approximately HK\$354.8 million as at 30 June 2017 (31 December 2016: HK\$419.5 million), which was due to decrease in other payable from asset management business.

收購及出售

於截至二零一七年六月三十日止六個月，概無任何重大收購或出售。

流動資金及財務資源

於二零一七年六月三十日，本集團維持現金及銀行結餘（屬一般賬戶）約92,600,000港元，較二零一六年十二月三十一日之約126,500,000港元減少約26.8%。信託及獨立賬戶之結餘約為340,000,000港元（二零一六年十二月三十一日：301,100,000港元）。於二零一七年六月三十日，貿易及其他應收賬款以及預付款項約為69,600,000港元（二零一六年十二月三十一日：32,000,000港元），主要源於來自貸款業務之應收賬款增加。於二零一七年六月三十日，貿易及其他應付賬款以及應計費用約為354,800,000港元（二零一六年十二月三十一日：419,500,000港元），乃由於資產管理業務之其他應付賬款減少所致。

LIQUIDITY AND FINANCIAL RESOURCES (Continued)

The Group's current assets and current liabilities as at 30 June 2017 were approximately HK\$572.1 million (31 December 2016: HK\$693.1 million) and approximately HK\$537.5 million (31 December 2016: HK\$611.8 million) respectively. No borrowings as at 30 June 2017 (31 December 2016: HK\$26.4 million). The gearing of the Group, measured as total debts to total assets, remained healthy at approximately 30.7% as at 30 June 2017 (31 December 2016: 24.7%). As at 30 June 2017, the Group recorded net assets of approximately HK\$50.7 million (31 December 2016: HK\$166.4 million), which was mainly due to the loss recorded during the six months ended 30 June 2017. During the six months ended 30 June 2017, the Group financed its operation with internally generated cash flow and funds from convertible bonds issued.

FOREIGN EXCHANGE EXPOSURE

The Group's transactions are mainly denominated in Hong Kong dollars, United States dollars ("USD"), and Renminbi ("RMB"). The Group has not implemented any foreign currencies hedging policies. However, the Group's management will closely monitor exchange rate movement and will take appropriate actions to reduce the risks.

CAPITAL STRUCTURE

During the six months ended 30 June 2017, 20,000,000 shares of the Company were issued upon exercise of share options.

流動資金及財務資源 (續)

本集團於二零一七年六月三十日之流動資產及流動負債分別約為572,100,000港元(二零一六年十二月三十一日: 693,100,000港元)及約537,500,000港元(二零一六年十二月三十一日: 611,800,000港元)。於二零一七年六月三十日,並無借貸(二零一六年十二月三十一日: 26,400,000港元)。於二零一七年六月三十日,本集團之資產負債比率(按總債務對總資產計算)約為30.7%(二零一六年十二月三十一日: 24.7%),維持於穩健水平。於二零一七年六月三十日,本集團錄得資產淨值約50,700,000港元(二零一六年十二月三十一日: 166,400,000港元),主要是由於截至二零一七年六月三十日止六個月錄得虧損所致。於截至二零一七年六月三十日止六個月,本集團以內部現金流量及已發行可換股債券之資金為其業務提供資金。

外匯風險

本集團之交易主要以港元、美元(「美元」)及人民幣(「人民幣」)列值。本集團並無實行任何外幣對沖政策。然而,本集團管理層將密切監控匯率變動,並將採取適當行動減低風險。

資本架構

於截至二零一七年六月三十日止六個月,因行使購股權而已發行20,000,000股本公司股份。

CONTINGENT LIABILITIES

As at 30 June 2017, the Group did not have any material contingent liabilities.

PLEDGE OF ASSETS

As at 30 June 2017, the Group did not have any pledged assets.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2017, the Group employed 51 employees. The remuneration policy and package of the Group's employees are maintained at market level and are reviewed annually by management. In addition to basic salary, discretionary bonuses, mandatory pension fund and medical insurance scheme, share options may also be granted to eligible employees at the discretion of the Board and are subject to the performance of the individual employees as well as the Group.

或然負債

於二零一七年六月三十日，本集團並無任何重大或然負債。

抵押資產

於二零一七年六月三十日，本集團並無任何抵押資產。

僱員及薪酬政策

於二零一七年六月三十日，本集團聘用51名僱員。本集團僱員之薪酬政策及待遇維持在市場水平，並由管理層每年檢討。除基本薪金、酌情花紅、強制性公積金及醫療保險計劃外，董事會亦會根據個別僱員表現及本集團業績，酌情向合資格僱員授出購股權。

DIRECTORS' INTERESTS IN SHARES 董事於股份之權益

At 30 June 2017, the interests and short positions of the Directors and chief executive of the Company in the shares capital and underlying shares and convertible notes of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”), were as follows:

於二零一七年六月三十日，董事及本公司主要行政人員於本公司或其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股本、相關股份及可換股票據中擁有並已記錄於本公司根據證券及期貨條例第352條須予存置之登記冊之權益及淡倉，或根據上市發行人之董事進行證券交易的標準守則（「標準守則」）須另行知會本公司及聯交所之權益及淡倉如下：

LONG POSITION – ORDINARY SHARES OF HK\$0.05 EACH OF THE COMPANY

好倉 – 本公司每股面值0.05港元之普通股

Name of Director	Capacity	Number of shares held	Percentage of the issued share capital of the Company 佔本公司已 發行股本百分比
董事姓名	身份	所持有股份數目	
Mr. Wu Siu Lam, William 胡少霖先生	Beneficial owner 實益擁有人	9,395,354	0.26%

Save as disclosed above, as at 30 June 2017, none of the Directors or chief executive had registered an interest or short position in the shares, underlying shares or convertible notes of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於二零一七年六月三十日，概無董事或主要行政人員已作登記，表示其於本公司或其任何相聯法團之股份、相關股份或可換股票據中擁有根據證券及期貨條例第352條之規定須予記錄之權益或淡倉或根據標準守則須另行知會本公司及聯交所之權益或淡倉。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than the share option scheme of the Company, at no time during the Interim Period was the Company or any of its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate and none of their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the Interim Period.

董事收購股份或債券之權利

除本公司購股權計劃外，於本中期期間內任何時間，本公司或其任何附屬公司概無訂立任何安排，致使本公司董事可藉收購本公司或任何其他法團之股份或債券而獲益，且彼等之配偶或十八歲以下之子女並無擁有可認購本公司證券之任何權利，亦無於本中期期間內行使任何有關權利。

DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors have an interest in any business constituting a competing business to the Group.

董事於競爭業務之權益

概無董事於任何與本集團業務構成競爭之業務中擁有任何權益。

SUBSTANTIAL SHAREHOLDERS' INTERESTS

主要股東權益

As at 30 June 2017, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that, other than interest disclosed above in respect of certain Directors and chief executive, the following shareholders had notified the Company of their relevant interests in the shares, underlying shares and convertible notes of the Company.

於二零一七年六月三十日，根據本公司遵照證券及期貨條例第336條存置之主要股東登記冊所示，除上文所披露有關若干董事及主要行政人員所擁有之權益外，下列股東已知會本公司彼等於本公司股份、相關股份及可換股票據之相關權益。

LONG POSITION – ORDINARY SHARES OF HK\$0.05 EACH OF THE COMPANY

好倉 – 本公司每股面值0.05港元之普通股

Name of shareholders	Capacity	Number of shares held	Percentage of the issued share capital of the Company 佔本公司已發行股本百分比
董事姓名	身份	所持有股份數目	
King Lion Group Limited (Note 1)	Beneficial owner 實益擁有人	1,011,000,000	28.38%
King Lion Group Limited (附註1)			
Mr. Lu Xing (Note 2)	Interest of corporation controlled 受控法團權益	420,000,000	11.79%
路行先生 (附註2)			
Redhead Investments Limited (Note 2)	Beneficial owner 實益擁有人	300,000,000	8.42%
Redhead Investments Limited (附註2)			
Front Riches Investments Limited (Note 3)	Beneficial owner 實益擁有人	370,000,000	10.39%
拓富投資有限公司 (附註3)			

LONG POSITION – ORDINARY SHARES OF HK\$0.05 EACH OF THE COMPANY (Continued)

Notes:

- (1) King Lion Group Limited is wholly owned by Smart Chant Limited which in turn is wholly owned by Mr. Gao Yongzhi.
- (2) Redhead Investments Limited, is wholly-owned by Mr. Lu Xing, which in turn held 300,000,000 shares of the Company. In addition, Mr. Lu Xing also owned the entire share capital of Ascher Group Limited and Headwind Holdings Limited which in turn held 100,000,000 shares and 20,000,000 shares of the Company respectively.
- (3) Front Riches Investments Limited is a corporation controlled by Mr. Hu Yishi.

Other than the interests disclosed above, the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO discloses no other person as having a notifiable interest or short position in the shares, underlying shares and convertible bonds of the Company as at 30 June 2017.

好倉 – 本公司每股面值0.05港元之普通股（續）

附註：

- (1) King Lion Group Limited 由 Smart Chant Limited 全資擁有，而 Smart Chant Limited 則由 Gao Yongzhi 先生全資擁有。
- (2) Redhead Investments Limited 由路行先生全資擁有，而 Redhead Investments Limited 則持有本公司 300,000,000 股股份。此外，路行先生亦擁有 Ascher Group Limited 及 Headwind Holdings Limited 之全部股本，而該兩間公司則分別持有本公司 100,000,000 股股份及 20,000,000 股股份。
- (3) 拓富投資有限公司為由胡翼時先生控制之法團。

除上文所披露之權益外，根據本公司遵照證券及期貨條例第336條存置之主要股東登記冊所披露，於二零一七年六月三十日，概無其他人士於本公司股份、相關股份及可換股債券中擁有須予知會之權益或淡倉。

SHARE OPTIONS SCHEME

The Company adopted a share option scheme on 24 September 2004 (the “**2004 Scheme**”). Pursuant to an ordinary resolution passed at the special general meeting of the Company held on 15 October 2014, the Company adopted a new share option scheme (the “**2014 Scheme**”), the purpose of which is to enable the Group to grant share options to the eligible participants as incentives or rewards for their contribution to the Group. No further option shall be granted under the 2004 Scheme but the options granted under the 2004 Scheme prior to its expiry shall remain valid and exercisable in accordance with the terms of the respective grants. No share option has been granted under the 2014 Scheme and the movements of the share options granted under the 2004 Scheme during the Interim Period were as follows:

購股權計劃

於二零零四年九月二十四日，本公司採納一項購股權計劃（「**二零零四年計劃**」）。根據本公司於二零一四年十月十五日舉行之股東特別大會上通過之一項普通決議案，本公司採納一項新購股權計劃（「**二零一四年計劃**」），二零一四年計劃旨在使本集團向合資格參與者授出購股權，作為彼等為本集團作出貢獻之獎勵或回報。概無根據二零零四年計劃進一步授出購股權，惟根據二零零四年計劃於其屆滿前授出之購股權根據相關授出之條款仍將有效及可予行使。本公司並無根據二零一四年計劃授出任何購股權及於本中期期間，根據二零零四年計劃授出之購股權之變動如下：

Grantees	Date of grant	Exercise price (HK\$)	Vesting period	Exercisable period	Outstanding as at 1 January 2017 於二零一七年一月一日尚未行使	Exercised during the period 於期內已行使	Cancelled/ Lapsed during the period 於期內已取消/失效	Outstanding as at 30 June 2017 於二零一七年六月三十日尚未行使
承授人	授出日期	行使價 (港元)	歸屬期	行使期				
Ms. Cheng Kit Sum, Clara 鄭潔心女士	20/6/2014 二零一四年六月二十日	0.2450	Nil 無	20/6/2014-20/6/2017 二零一四年六月二十日至二零一七年六月二十日	8,000,000	-	(8,000,000)	-
Mr. Lo Ka Wai 羅嘉偉先生	20/6/2014 二零一四年六月二十日	0.2450	Nil 無	20/6/2014-20/6/2017 二零一四年六月二十日至二零一七年六月二十日	2,000,000	-	(2,000,000)	-
Mr. Wu Fred Fong 胡晃先生	20/6/2014 二零一四年六月二十日	0.2450	Nil 無	20/6/2014-20/6/2017 二零一四年六月二十日至二零一七年六月二十日	2,000,000	-	(2,000,000)	-
Employees in aggregate 僱員合計	25/8/2011 二零一一年八月二十五日	0.2800	Nil 無	25/8/2011-25/8/2021 二零一一年八月二十五日至二零二一年八月二十五日	480,000	-	-	480,000
	25/8/2011 二零一一年八月二十五日	0.2800	25/8/2011-24/8/2012 二零一一年八月二十五日至二零一二年八月二十四日	25/8/2012-25/8/2021 二零一二年八月二十五日至二零二一年八月二十五日	720,000	-	-	720,000
	20/6/2014 二零一四年六月二十日	0.2450	Nil 無	20/6/2014-20/6/2017 二零一四年六月二十日至二零一七年六月二十日	40,000,000	(20,000,000)	(20,000,000)	-
					53,200,000	(20,000,000)	(32,000,000)	1,200,000
Total number of shares available for issue at period end date 於本期間結算日可發行股份總數					53,200,000			1,200,000
Total number of shares available for issue as a percentage to issued shares 可發行股份總數佔已發行股份百分比					1.50%			0.03%

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

購買、出售或贖回本公司上市證券

During the six months ended 30 June 2017, neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

於截至二零一七年六月三十日止六個月，本公司及其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

CORPORATE GOVERNANCE

The Company is committed to maintain high standard of corporate governance standards and procedures to safeguard the interests of all shareholders and to enhance accountability and transparency. The Company has complied with the code on corporate governance practices (the “**Code**”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) during the six months ended 30 June 2017 except the following deviations:

The Code provision A.2.1 stipulates that the role of the Chairman and the Chief Executive Officer should be separated and should not be performed by the same individual. Although the Company does not have a Chairman, all major decisions are made in consultation with the Board members and the senior management of the Company. There are three independent non-executive Directors in the Board. The Board considers that there is sufficient balance of power and the current arrangement maintains a strong management position of the Company.

企業管治

本公司致力維持高水平之企業管治標準及程序，以保障全體股東之利益，以及加強公司問責性及提高透明度。本公司於截至二零一七年六月三十日止六個月一直遵守香港聯合交易所有限公司證券上市規則（「**上市規則**」）附錄十四所載之《企業管治常規守則》（「**守則**」），惟下列偏離情況除外：

守則條文第A.2.1條訂明主席及行政總裁之職能應有所區分及不應由同一人擔任。儘管本公司並無設主席職位，但所有重大決策均經諮詢本公司董事會成員及高級管理層後作出。董事會有三名獨立非執行董事。董事會認為已有足夠之權力平衡，且現有之安排可維持本公司管理層之強勢地位。

Under the Code provision A.6.7, independent non-executive directors and other non-executive directors should attend general meetings. Dr. Huan Guocang, Mr. Lo Ka Wai and Mr. Wu Fred Fong, all are independent non-executive Directors, were unable to attend the annual general meeting of the Company held on 26 May 2017 as they had other business commitments.

CHANGES OF DIRECTOR'S INFORMATION

Changes in information of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules is set out below.

Mr. Lo Ka Wai, an independent non-executive Director, has been resigned as an executive director of National United Resources Holdings Limited with effect from 19 May 2017.

AUDIT COMMITTEE

The audit committee of the Company currently comprises Mr. Lo Ka Wai (Chairman), Dr. Huan Guocang and Mr. Wu Fred Fong, all of whom are independent non-executive Directors with appropriate professional qualifications and experience in financial matters. The audit committee has reviewed with management the accounting principles and practices adopted by the Group and discussed the internal control and financial reporting matters. The interim results and the unaudited financial statements for the six months ended 30 June 2017 have been reviewed by the audit committee and the external auditor.

根據守則條文第A.6.7條，獨立非執行董事及其他非執行董事應出席股東大會。獨立非執行董事宦國蒼博士、羅嘉偉先生及胡晃先生因有其他事務需要處理而均未能出席本公司於二零一七年五月二十六日舉行之股東週年大會。

董事資料變動

根據上市規則第13.51B(1)條須予披露之董事資料變動載列如下。

自二零一七年五月十九日起，獨立非執行董事羅嘉偉先生已辭任國家聯合資源控股有限公司執行董事。

審核委員會

本公司審核委員會目前由羅嘉偉先生（主席）、宦國蒼博士及胡晃先生組成。彼等均為獨立非執行董事，並具有合適專業資歷及財務方面之經驗。審核委員會已與管理層審閱本集團採納之會計原則及慣例，並討論內部監控及財務報告事宜。審核委員會及外聘核數師已審閱截至二零一七年六月三十日止六個月之中期業績及未經審核財務報表。

REMUNERATION COMMITTEE

The remuneration committee of the Company is responsible for making recommendations to the Board on the Company's policy and packages of employment for the Directors and senior management. It comprises three independent non-executive Directors. The present members are Mr. Wu Fred Fong (Chairman), Dr. Huan Guocang and Mr. Lo Ka Wai.

NOMINATION COMMITTEE

The nomination committee of the Company is required, amongst other things, to review the structure, size and composition of the Board and make recommendations for changes as necessary, to identify individuals suitably qualified to become board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships, to assess the independence of independent non-executive Directors, and to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors in particular the Chairman and the Chief Executive Officer. It comprises three independent non-executive Directors. The present members are Dr. Huan Guocang (Chairman), Mr. Lo Ka Wai and Mr. Wu Fred Fong.

薪酬委員會

本公司薪酬委員會負責就本公司董事及高級管理層之聘用政策及待遇向董事會提供意見。薪酬委員會由三名獨立非執行董事組成。現任成員為胡晃先生（主席）、宦國蒼博士及羅嘉偉先生。

提名委員會

本公司提名委員會須（其中包括）檢討董事會之架構、規模及組成，並於必要時就任何變動提出推薦意見，物色具備合適資格可擔任董事會成員之人士，並甄選提名有關人士出任董事或就此向董事會提出推薦意見，評核獨立非執行董事之獨立性，以及就有關董事委任或重新委任及董事（尤其是主席及行政總裁）繼任計劃之相關事宜向董事會提出推薦意見。提名委員會由三名獨立非執行董事組成。現任成員為宦國蒼博士（主席）、羅嘉偉先生及胡晃先生。

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

董事進行證券交易的標準守則

The Company has adopted the Model Code of the Listing Rules as a code of conduct of the Company for directors' securities transactions. Having made specific enquiry of all Directors, the Directors have complied with the required standard set out in the Model Code and the Company's code of conduct regarding directors' securities transactions throughout the six months ended 30 June 2017.

BOARD OF DIRECTORS

As at the date of this report, the Board consists of Mr. Wu Siu Lam, William, Ms. Cheng Kit Sum, Clara and Mr. Qiu Bin (all being executive Directors), Dr. Huan Guocang, Mr. Lo Ka Wai and Mr. Wu Fred Fong (all being independent non-executive Directors).

By Order of the Board
Sheng Yuan Holdings Limited
Wu Siu Lam, William

Executive Director and Chief Executive Officer

Hong Kong, 28 August 2017

本公司已採納上市規則的標準守則作為本公司董事進行證券交易之操守準則。本公司已向全體董事作出具體查詢，各董事於截至二零一七年六月三十日止六個月一直遵守標準守則所載規定標準，以及本公司有關董事進行證券交易之操守準則。

董事會

於本報告日期，董事會成員包括執行董事胡少霖先生、鄭潔心女士及邱斌先生；以及獨立非執行董事宦國蒼博士、羅嘉偉先生及胡晃先生。

承董事會命
盛源控股有限公司
執行董事兼行政總裁
胡少霖

香港，二零一七年八月二十八日

盛源控股有限公司

SHENG YUAN HOLDINGS LIMITED