



太和控股有限公司

TAI UNITED HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股票代號 : 718

2017 INTERIM REPORT 二零一七中期報告



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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Dr. Meng Zhaoyi (*Acting Chairman and Chief Executive Officer*)
Mr. Xu Ke
Mr. Ye Fei
Dr. Liu Hua
Mr. Wang Qiang
Mr. Chua Hwa Por
(appointed on 1 February 2017 and resigned on 11 July 2017)
Mr. Chen Weisong (resigned on 25 April 2017)

Independent Non-executive Directors

Mr. Mao Kangfu
Dr. Gao Bin
Ms. Liu Yan
Mr. Tang King Shing, *GBS, PDSM*
(appointed on 1 February 2017)

AUDIT COMMITTEE

Ms. Liu Yan (*Chairman*)
Mr. Mao Kangfu
Dr. Gao Bin
Mr. Tang King Shing, *GBS, PDSM*
(appointed on 1 February 2017)

REMUNERATION COMMITTEE

Dr. Gao Bin (*Chairman*)
Mr. Mao Kangfu
Ms. Liu Yan
Mr. Tang King Shing, *GBS, PDSM*
(appointed on 1 February 2017)

NOMINATION COMMITTEE

Dr. Gao Bin (*Chairman*)
Mr. Mao Kangfu
Ms. Liu Yan
Mr. Tang King Shing, *GBS, PDSM*
(appointed on 1 February 2017)

董事局

執行董事

孟昭億博士(代理主席及行政總裁)
徐可先生
葉非先生
柳驊博士
王強先生
蔡華波先生(於二零一七年二月一日獲委任及
於二零一七年七月十一日辭任)
陳偉松先生(於二零一七年四月二十五日辭任)

獨立非執行董事

冒康夫先生
高濱博士
劉艷女士
鄧竟成先生，金紫荊星章，香港警察卓越獎章
(於二零一七年二月一日獲委任)

審核委員會

劉艷女士(主席)
冒康夫先生
高濱博士
鄧竟成先生，金紫荊星章，香港警察卓越獎章
(於二零一七年二月一日獲委任)

薪酬委員會

高濱博士(主席)
冒康夫先生
劉艷女士
鄧竟成先生，金紫荊星章，香港警察卓越獎章
(於二零一七年二月一日獲委任)

提名委員會

高濱博士(主席)
冒康夫先生
劉艷女士
鄧竟成先生，金紫荊星章，香港警察卓越獎章
(於二零一七年二月一日獲委任)

Corporate Information

公司資料

COMPANY SECRETARY

Ms. Yam Wai Wah Jenny (appointed on 6 February 2017)
Mr. Cheng Sik Kong (resigned on 6 February 2017)

AUTHORISED REPRESENTATIVES

Mr. Ye Fei (appointed on 8 May 2017)
Ms. Yam Wai Wah Jenny (appointed on 6 February 2017)
Mr. Chen Weisong (resigned on 8 May 2017)
Mr. Cheng Sik Kong (resigned on 6 February 2017)

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 1206-1209, 12th Floor
Three Pacific Place
1 Queen's Road East
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN BERMUDA

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

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

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

公司秘書

任慧華女士(於二零一七年二月六日獲委任)
鄭錫光先生(於二零一七年二月六日辭任)

授權代表

葉非先生(於二零一七年五月八日獲委任)
任慧華女士(於二零一七年二月六日獲委任)
陳偉松先生(於二零一七年五月八日辭任)
鄭錫光先生(於二零一七年二月六日辭任)

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及香港主要營業地點

香港
皇后大道東1號
太古廣場3期
12樓1206-1209室

百慕達股份過戶登記總處

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

香港股份過戶登記分處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心22樓

Corporate Information

公司資料

AUDITORS

Deloitte Touche Tohmatsu
Certified Public Accountants
35th Floor, One Pacific Place
88 Queensway
Hong Kong

LEGAL ADVISERS

As to Bermuda law
Conyers Dill & Pearman

As to Hong Kong law
Sidley Austin

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
China Merchants Bank
Industrial and Commercial Bank of China (Asia) Limited

COMPANY'S WEBSITE

www.irasia.com/listco/hk/taiunited/index.htm

INVESTOR RELATIONS

Email: ir@taiunited.com

STOCK CODE

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核數師

德勤•關黃陳方會計師行
執業會計師
香港
金鐘道88號
太古廣場一座35樓

法律顧問

關於百慕達法律
康德明律師事務所

關於香港法律
盛德國際律師事務所

主要往來銀行

中國銀行(香港)有限公司
招商銀行
中國工商銀行(亞洲)有限公司

公司網站

www.irasia.com/listco/hk/taiunited/index.htm

投資者關係

電郵：ir@taiunited.com

股份代號

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Management Discussion and Analysis

管理層討論及分析

During the first half of 2017, the global economy has experienced an ongoing recovery, and the developed economies have generally enjoyed a smooth and steady growth. The economies of the United States of America (the “US”), the Eurozone and Japan are basically gaining improvement, while emerging economies, such as the People’s Republic of China (the “PRC”), India, etc., continued to lead the growth. However, the global recovery was rather imbalance. Accompanied by the discussion on, and implementation of, the downsizing of balance sheet by the US Federal Reserve, the uncertainties arising from Brexit and the development of geopolitical conflicts, the global economy was still exposed to numerous risks and full of uncertainties. Amid such macro-environment, Tai United Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) has been striving to diversify its business and expand its global footholds, as well as identify quality investment opportunities around the global market, with an aim to generate stable returns and create value growth for its shareholders.

OPERATION HIGHLIGHT

(1) Successful transformation to a non-bank financial institution

During the period, adhering to its basic principle of “establishing a strong foothold by innovation and improvement, investment with a macro-perspective and offering wealth-building services”, and based on its established development strategic plan, the Group continued to optimize its business structure and at the same time to enhance its profitability. By means of swift resources integration, the Company has been transformed to a non-bank financial institution involving business such as investment and assets management, engages in the provision of financial services and possesses with a platform with internationalized listing management standards.

With effect from 4 September 2017, the classification of industry of the Company under the Hang Seng Indexes Classification System will be changed from the sub-category of Specialty Chemicals under Materials to the sub-category of Investment & Asset Management under Financial Industry.

二零一七年上半年，世界經濟持續復蘇，發達經濟體總體發展平穩，美利堅合眾國（「美國」）、歐元區和日本經濟普遍回暖，中華人民共和國（「中國」）、印度等新興經濟體繼續引領增長。但全球復蘇並不平衡，伴隨美國聯儲局縮表計劃的討論及推進實施，英國脫歐帶來的不確定性及地緣政治衝突的發展，全球經濟仍然面臨不少的風險和不確定因素。在此大環境下，太和控股有限公司（「本公司」），連同其附屬公司（「本集團」）致力推動業務多元化及全球化佈局，於環球市場尋覓優質投資機會，以期為股東帶來整體穩定回報及價值增長。

經營亮點

(一) 順利轉型為非銀金融機構

本期內，本集團在既定發展戰略規劃的基礎上，秉承「立足創新求進，宏觀投資驅動，服務財富增值」的基本原則，堅持優化業務結構和提高盈利能力並舉，通過快速的資源整合，將公司轉型成為一家涵蓋投資及資產管理，同時提供金融服務、具備國際化上市管理標準平台的非銀行類金融機構。

自二零一七年九月四日起，本公司於恒生指數行業分類系統中的行業分類將由原材料業特殊化工用品業務子類別變更為金融業投資及資產管理業務子類別。

Management Discussion and Analysis

管理層討論及分析

OPERATION HIGHLIGHT (Continued)

(2) Steady improvement in financial performance

The Group has proactively tackled with the complicated and evolving market situation and maintained a moderate leverage level, resulting in satisfactory operating results with overall financial performance for the period significantly outperforming that of the same period in 2016. In the first half of 2017, the revenue of the Group was HK\$6,743 million, representing a growth of 183% as compared to the same period of 2016. The net profit was HK\$537 million. As at 30 June 2017, the total assets of the Group were HK\$12,881 million, representing an increase of 25% as compared over the end of last year, while the net assets were HK\$5,469 million, representing an increase of 29% as compared over the end of last year. During the period, the return on equity of the Group was 9.82%.

(3) A subsidiary gained the approval as a registered fund management company

Tai United Asset Management Pte. Ltd., an indirect wholly-owned subsidiary of the Company, was approved by the Monetary Authority of Singapore as a registered fund management company on 2 June 2017 to carry on fund management business in Singapore. This will further foster the overseas footholds of the Group and enrich the profile of its financial services segment.

Furthermore, the Company was included as a constituent of the MSCI Hong Kong Small Cap Index with effect from June 2017. Besides, with effect from 4 September 2017, the Company will be included as a constituent of Hang Seng Global Composite Index and Hang Seng Composite SmallCap Index and admitted in the List of Eligible Securities for Southbound Trading under Shenzhen Connect, respectively, demonstrating the investors' recognition and confidence of the Company's performance in the capital market.

* For identification purpose only

經營亮點(續)

(二) 財務表現穩步提升

本集團積極應對複雜多變的市場情況，保持適度的槓桿水平，實現了良好的經營業績，期內整體財務表現大幅優於二零一六年同期。二零一七年上半年，集團營業收入為6,743百萬港元，較二零一六年同期增長183%。淨利潤為537百萬港元。截至二零一七年六月三十日，集團總資產為12,881百萬港元，較去年末增長25%，淨資產為5,469百萬港元，較去年末增長29%。本期內，集團的股東權益回報率為9.82%。

(三) 屬下公司獲批成為註冊基金管理公司

本公司間接擁有的全資附屬公司新加坡太和資產管理有限公司*於二零一七年六月二日獲新加坡金融管理局*批准成為註冊基金管理公司，於新加坡從事基金管理業務。這將進一步完善集團的境外佈局，令集團的金融服務板塊更加充實。

此外，二零一七年六月起，本公司獲納入MSCI香港小型股指數成份股。自二零一七年九月四日起，本公司將分別獲納入為恒生環球綜合指數及恒生綜合小型股指數之成份股以及獲加入深港通下的港股通的股票名單，顯示投資者對本公司在資本市場的表現之認同和信心。

* 僅供識別

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

The major businesses of the Group include (i) investment and assets management; (ii) financial services; and (iii) other business.

(1) Investment and Assets Management

Distressed Debt Asset Management

Our onshore professional team has been proactively tapping into the value gap of distressed debt assets in the PRC, building up various investment channels and acquired quality distressed bank loan portfolio strategically through public tenders, in a bid to maximize its overall revenues by integrating features of individual debtor and collaterals for different disposal methods.

Distressed debt asset management business achieved sustainable expansion during the period by means of establishing partnership with an individual third party, to make diversified investment and reduce risk exposures. It also increased the returns by investment leverages and explored and sought for more diversified investment models for future operation of this segment.

As at the end of this period, the distressed debt assets held by the Group measured at fair value amounted to HK\$631 million, representing an increase of 39% over the end of previous year.

Property Investment

In order to seize the opportunities arising from the development of real estate in major developed regions both onshore and offshore, benefit from the long term rental returns and asset appreciation and enhance the diversity and stability of the Group's profit, the Group has commenced property investment in Hangzhou, Hong Kong and London. As at the end of this period, the investment properties held by the Group measured at fair value amounted to HK\$4,302 million, representing an increase of 19% over the end of previous year. Except for the new acquisition activities during the period, the increase in the total assets is also due to the assets appreciation brought by strong Great British Pound ("GBP") and Renminbi ("RMB").

業務回顧

本集團的主要業務領域包括：(i)投資及資產管理；(ii)金融服務；及(iii)其他業務。

(一) 投資及資產管理

不良債務資產管理

境內專業團隊在中國內地積極搜索不良資產價值窪地，推動渠道搭建工作，以公開招投標方式策略性地收購優質不良銀行貸款組合，結合債務人特徵及抵押物情況採取不同處置方案，以實現整體收益最大化。

不良債務資產管理業務在不斷擴展，本期內，更通過與一名獨立第三方創立合夥企業形式，對該業務進行投資，分散整體投資風險的同時，更有利地運用了槓桿提高投資效益，也為未來此板塊的業務運作探尋和嘗試更多元化的模式。

於本期末，集團持有的以公允價值計量的不良債務資產總額為631百萬港元，較去年末增長39%。

物業投資

為把握境內外主要發達地區房地產市場發展機會，受益長期租金回報及資產增值，增強集團總體收益的多元化與穩定性，集團於杭州、香港、倫敦開展物業投資業務。於本期末，集團持有的以公允價值計量的投資物業資產總額為4,302百萬港元，較去年末增加了19%。資產總額的提升，除了期內新的資產併購外，更受惠於英鎊（「英鎊」）及人民幣（「人民幣」）匯率的走強帶動資產增值。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

(1) Investment and Assets Management (Continued)

Commodity Trading

The Group attached great importance on non-ferrous metals and energy and chemical products, by capitalizing on its well-established supply chain relationship in the industry both at home and abroad and diversified banking products, it commenced spot commodity trading, supply chain management and risk-free arbitrage businesses. During the period, driven by the PRC's supply-side reform, real estate market expansion, expectation of US's booming infrastructure construction and growth in global demands, the investment sentiment of base metal market appears positive with prices of copper and aluminium seeing rise. During the period ended 30 June 2017, the revenue generated from commodity trading amounted to HK\$5,905 million, representing an increase of 152% over the same period of previous year.

Securities Investment

Leveraging on the strategic geographical location of Hong Kong and Singapore and the development of investment market in the PRC, the Company carried out securities investment business in secondary market with its internal funds. With listed shares of large-scale and quality companies as our primary investment targets, we aim to pursue capital appreciation and stable dividend income. As at the end of this period, the listed equity securities investment held by the Group amounted to HK\$2,087 million.

業務回顧(續)

(一) 投資及資產管理(續)

商品貿易

本集團聚焦流動性良好的有色金屬和能源化工產品，依託良好的境內外產業供應鏈關係和豐富的銀行產品，開展商品現貨貿易、供應鏈管理和無風險套利業務。期內，在中國「供給側改革」、房地產市場擴張、美國基建擴張預期以及全球需求增長的帶動下，基本金屬市場氣氛轉趨活躍，銅、鋁等價格上揚。於截至二零一七年六月三十日止期間，商品貿易營業收入總額達到5,905百萬港元，同比增長152%。

證券投資

受惠於香港、新加坡的區位優勢及中國投資市場的發展，本公司利用自有資金開展二級市場證券投資業務，專注投資大型優質企業股票，以獲得資本增值及股息收入為目標。於本期末，集團持有上市公司股票投資金額為2,087百萬港元。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

(2) Financial Services

As for the financial services segment, in 2016, the Group acquired the entire interest of a financial institution with type 1, 2 and 9 licences under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”) and a money lender’s licence in Hong Kong. During the period, we have taken a proactive stance in reinforcing our infrastructure and have made some achievements in transformation and upgrading. During the period, Tai United Insurance Brokers Limited has completed its change of name and strived to strengthen its client base and diversify channel resources.

A subsidiary of the Group obtained the licence for fund management company granted by the Monetary Authority of Singapore in June 2017. Together with abovementioned securities investment and assets management business, the financial services platform of the Group has been preliminary formed.

In the first half of 2017, the Group’s revenue generated from financial services was HK\$4 million.

(3) Other Business

Mining and Exploitation of Natural Resources

In early 2017, the Group engaged a professional mining consultant to prepare an updated feasibility study report on the tungsten mines and proactively explore a practical plan to exploit the tungsten mines. During the first half of 2017, in order to conduct a more reasonable and reliable plan for drilling and exploration in Mongolian mines, accurate estimation on the investment value and potential, the management has made a more detailed development plan for Mongolian mines during the period.

In July 2017, the Group has engaged a professional mining and resources technical adviser to conduct exploration on the mines, the result of which will be prepared as an updated resource estimation technical report in the second half of 2017. The board of directors of the Company (the “Board” or the “Directors”) will formulate a business plan based on the result of further research and make an announcement in due course.

* For identification purpose only

業務回顧(續)

(二) 金融服務

在金融服務板塊方面，集團於二零一六年收購了一家持有證券及期貨條例(香港法例第571章)(「證券及期貨條例」)項下第1、2、9類牌照以及放貸牌照的香港金融機構全部權益後，於本期內積極強化公司基礎建設，改造升級工作取得一定進展。期內，太和保險經紀有限公司完成名稱變更，努力儲備客戶及渠道資源。

本集團屬下公司於二零一七年六月獲得新加坡金融管理局*批准的基金管理公司牌照，協同上述證券投資及資產管理業務，集團金融服務平台已初步建成。

於二零一七年上半年，本集團來自金融服務的營業收入為4百萬港元。

(三) 其他業務

採礦及勘察天然資源

於二零一七年初，本集團已委任採礦專業人員就錫礦編制了一份更新的可行性研究報告，積極尋找可行方式對礦山進行開採。二零一七年上半年，為了更加合理和可靠地計劃蒙古礦的鑽探工作、準確估算項目的投資價值和潛力等，管理層在期內已對蒙古礦山定下了更加具體的發展計劃。

在二零一七年七月，本集團已經委任專業採礦及資源技術顧問對礦山進行勘探，探測工作結果將會於二零一七年下半年形成一份新的資源評估技術報告。本公司董事局(「董事局」或「董事」)將根據進一步研究情況擬訂業務發展方案，並於適當時間或有需要時另行公告有關事項。

* 僅供識別

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

(3) Other Business (Continued)

Sales of Medical Equipment and Other General Goods

The medical equipment and other general goods trading businesses have also shown steadily growth during the period. The revenue generated for the period amounted to HK\$9 million, representing an increase of 8% over the same period of previous year.

Material acquisitions

Acquisition of the entire issued share capital of Tai Infinite Holdings Group Limited and Excel Fine Holdings Limited (the "Tai Infinite Group")

On 5 January 2017, the Company, as the purchaser, entered into the sale and purchase agreement with its controlling shareholder, as the vendor, pursuant to which the Company has agreed to purchase the entire equity interest of the Tai Infinite Group and accepted the assignment of loans from the former shareholder of the Tai Infinite Group. The principal asset of the Tai Infinite Group is a commercial property located in Central, Hong Kong.

The acquisition has been completed on 24 March 2017 which was satisfied by the allotment and issuance of 446,742,544 ordinary shares of the Company.

Details of the acquisition of the Tai Infinite Group were set out in note 33 to the Condensed Consolidated Financial Statements of this interim report and the Company's circular dated 10 February 2017.

業務回顧(續)

(三) 其他業務(續)

銷售醫療設備及其他一般商品

醫療設備及其他一般商品貿易業務穩步發展，期內營業收入為9百萬港元，同比增長8%。

重大收購

收購太宏控股集團有限公司及Excel Fine Holdings Limited(「太宏集團」)的全部已發行股本

於二零一七年一月五日，本公司(作為買方)與最終控股股東(作為賣方)訂立買賣協議，根據此協議，本公司同意收購太宏集團全部股權及接納自太宏集團前股東轉讓之股東貸款。太宏集團之主要資產為位於香港中環之商業物業。

收購事項已於二零一七年三月二十四日完成，由本公司配發及發行446,742,544股普通股償付。

關於本公司收購太宏集團之事項，可參閱本中期報告簡明綜合財務報表附註33及本公司日期為二零一七年二月十日之通函。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

Material acquisitions (Continued)

Lapse of the subscription of new shares (the “Subscription”) of Hua Lien International (Holding) Company Limited (“Hua Lien”)

On 18 July 2016, Tai United Investments Limited (a wholly-owned subsidiary of the Company), as the subscriber (the “Subscriber”), and Hua Lien, as the issuer, entered into a conditional subscription agreement (the “Subscription Agreement”) pursuant to which the Subscriber had conditionally agreed to subscribe for, and Hua Lien had conditionally agreed to allot and issue, 3,700,000,000 subscription shares (representing approximately 55.3% of the enlarged issued share capital of Hua Lien upon issue of the subscription shares to the Company and the issue of an additional 800,000,000 placing shares to independent third parties therewith simultaneously) at the subscription price of HK\$0.16 per subscription share for a total subscription monies of approximately HK\$592 million.

On 27 March 2017, the conditions precedents of the Subscription Agreement have not been fulfilled or waived (as the case may be) by the long stop date specified in the Subscription Agreement and the Company has decided not to proceed with further negotiation to amend or extend the Subscription Agreement. The Subscription Agreement therefore had lapsed and the Subscription contemplated thereunder would not proceed. The Company had withdrawn its application for the whitewash waiver thereunder accordingly.

Details of the Subscription are set out in the joint announcement of the Company and Hua Lien dated 21 July 2016 and the announcements of the Company dated 10 August 2016, 29 September 2016, 28 October 2016, 30 November 2016 and 27 March 2017.

業務回顧(續)

重大收購(續)

認購華聯國際(控股)有限公司(「華聯」)的新股份(「認購事項」)失效

於二零一六年七月十八日，本公司的全資附屬公司Tai United Investments Limited(作為認購人，「認購人」)與華聯(作為發行人)訂立有條件認購協議(「認購協議」)，根據此協議，認購人有條件同意認購，且華聯有條件同意配發及發行，3,700,000,000股認購股份(相當於向本公司發行認購股份並同時向有關獨立第三方額外發行800,000,000股配售股份後的華聯經擴大已發行股本約55.3%)，認購價為每股認購股份0.16港元，總認購金額為約592百萬港元。

於二零一七年三月二十七日，由於認購協議所規定的最後完成日期前未能達成或豁免(視情況而定)認購協議的先決條件，故本公司決定不再進一步協商修訂或延長認購協議。因此，認購協議已失效，而根據該協議將進行的認購事項也不再進行。本公司已就此撤回其清洗豁免申請。

有關認購事項的詳情載於本公司與華聯於二零一六年七月二十一日之聯合公告以及本公司於二零一六年八月十日、二零一六年九月二十九日、二零一六年十月二十八日、二零一六年十一月三十日及二零一七年三月二十七日的公告。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

Capital structure

As at 30 June 2017, the Group's consolidated net asset was HK\$5,469 million, representing an increase of HK\$1,237 million as compared to that of HK\$4,232 million as at 31 December 2016.

On 24 March 2017, the Company issued 446,742,544 new shares as the consideration for the acquisition of the Tai Infinite Group. As at 30 June 2017, the Company has 5,250,019,852 shares of HK\$0.05 each in issue and the total equity attributable to owners of the Company was approximately HK\$5,466 million (31 December 2016: HK\$4,229 million).

Fund raising activities

The issuance and redemption of loan notes and warrants

On 28 September 2016, the Company entered into the loan notes subscription agreement (the "**Loan Notes Subscription Agreement**") with Cheer Hope Holdings Limited, Haitong International Investment Fund SPC (acting on behalf of and for the account of Haitong International Investment Fund SPC – Fund I SP) and Songhua Investment Holding Limited (collectively, the "**Investors**"), pursuant to which the Company conditionally agreed to issue, and the Investors conditionally agreed to subscribe for, the loan notes (the "**Loan Notes**") in the aggregate principal amount of not more than USD180 million (equivalent to approximately HK\$1,395 million) with an initial term of 2 years from the date of issue, which may be extended for a further term of one year by the Company with the consent of the Loan Notes holders (the "**Loan Notes Holders**"). The Loan Notes were fully subscribed by the Investors on 30 September 2016. The Company received net proceeds of approximately HK\$1,379 million.

財務回顧

資本結構

於二零一七年六月三十日，本集團的綜合資產淨值為5,469百萬港元，較於二零一六年十二月三十一日的綜合資產淨值4,232百萬港元增加1,237百萬港元。

於二零一七年三月二十四日，本公司已發行446,742,544股新股份，作為收購太宏集團的代價。於二零一七年六月三十日，本公司有5,250,019,852股每股面值0.05港元的已發行股份，而本公司擁有人應佔權益總額約為5,466百萬港元(二零一六年十二月三十一日：4,229百萬港元)。

集資活動

發行及贖回貸款票據與認股權證

於二零一六年九月二十八日，本公司與展望控股有限公司、Haitong International Investment Fund SPC(代表Haitong International Investment Fund SPC – Fund I SP並為其行事)及 Songhua Investment Holding Limited(統稱「投資者」)訂立貸款票據認購協議(「**貸款票據認購協議**」)，根據此協議，本公司有條件同意發行，而投資者有條件同意認購，本金總額不超過180百萬美元(相當於約1,395百萬港元)的貸款票據(「**貸款票據**」)，其初始期限為發行日期起計兩年，而本公司可於獲得貸款票據持有人(「**貸款票據持有人**」)同意後額外延期一年。全部貸款票據已於二零一六年九月三十日獲投資者認購。本公司已獲得所得款項淨額約1,379百萬港元。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Fund raising activities (Continued)

The issuance and redemption of loan notes and warrants (Continued)

Since there were no warrants (the “**Warrants**”) being granted by the date falling six calendar months after the first closing date of the Loan Notes (i.e. 30 March 2017), or any other date as agreed in writing between the Loan Notes Holders and the Company (the “**Warrants Long Stop Date**”), in accordance to the Loan Notes Subscription Agreement, the Loan Notes Holders exercised early redemption rights by giving a written notice of early redemption to the Company and all of the Loan Notes held by the Loan Notes Holders were due and repaid.

Details of the issuance and redemption of the Loan Notes and Warrants were set out in note 24 to the Condensed Consolidated Financial Statements of this interim report and the Company’s announcements dated 28 September 2016, 30 September 2016, 5 October 2016 and 5 January 2017 and the Company’s circular dated 15 December 2016.

財務回顧(續)

集資活動情況(續)

發行及贖回貸款票據與認股權證(續)

由於在首個貸款票據交割日期後滿六個曆月當日(即二零一七年三月三十日)或貸款票據持有人與本公司書面協議的任何其他日期(「**認股權證最後截止日期**」)並無根據貸款票據認購協議授出認股權證(「**認股權證**」)，貸款票據持有人透過向本公司發出提早贖回的書面通知行使提前贖回權，而貸款票據持有人所持有的所有貸款票據已到期並償還。

有關發行及贖回貸款票據與認股權證的詳情載於本中期報告簡明綜合財務報表附註24及本公司於二零一六年九月二十八日、二零一六年九月三十日、二零一六年十月五日及二零一七年一月五日的公告以及本公司日期為二零一六年十二月十五日的通函。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Fund raising activities (Continued)

Placing of new shares

On 15 December 2016, the Company and Haitong Securities Co., Ltd. (the “**Placing Agent**”) entered into a placing agreement (the “**Placing Agreement**”), pursuant to which the Company has conditionally agreed to place through the Placing Agent to subscribe for 300,000,000 placing shares (the “**Placing Shares**”) to not less than six places at a placing price (the “**Placing Price**”) of HK\$1.20 per placing share (the “**Placing**”), in order to broaden the shareholders’ base and the capital base of the Company and enhance its existing balance sheet strength. The Placing Price of HK\$1.20 per Placing Share represented (i) a premium of approximately 1.69% to the closing price of HK\$1.18 per Share as quoted on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 15 December 2016, being the date of the Placing Agreement; and (ii) a premium of approximately 7.72% to the average closing price of HK\$1.114 per share as quoted on the Stock Exchange for the five consecutive trading days up to and including the date of the Placing Agreement. The Company intended to apply the net proceeds for general working capital of the Group and financing future acquisition should such investment opportunities arise. On 30 December 2016, the Placing was completed and the total of 300,000,000 new shares with an aggregate nominal value of approximately HK\$15 million had been issued upon the Stock Exchange granting the listing of, and permission to deal in, the Placing Shares allotted and issued to not less than six places pursuant to the Placing Agreement. The Company received the net proceeds of approximately HK\$358 million.

As at the date of this interim report, the net proceeds from the Placing were used as to (i) approximately HK\$300 million for the repayment of the Loan Notes; and (ii) approximately HK\$58 million as general working capital.

財務回顧(續)

集資活動情況(續)

配售新股份

於二零一六年十二月十五日，本公司與海通國際證券有限公司(「**配售代理**」)訂立配售協議(「**配售協議**」)，根據該協議，本公司有條件同意透過配售代理向不少於六名承配人進行配售，以認購300,000,000股配售股份(「**配售股份**」)，配售價格(「**配售價格**」)為每股配售股份1.20港元(「**配售事項**」)，從而擴大本公司股東及資本基礎以及提升其現有資產負債表現。配售價每股配售股份1.20港元較股份(i)於二零一六年十二月十五日(即配售協議日期)於香港聯合交易所有限公司(「**聯交所**」)所報的收市價每股1.18港元溢價約1.69%；及(ii)直至及包括配售協議日期止最後五個連續交易日於聯交所所報的平均收市價每股1.114港元溢價約7.72%。本公司擬將所得款項淨額用作本集團的一般營運資金及於有關投資機會出現時用作未來收購事項提供資金。於二零一六年十二月三十日，配售事項已完成，總面值約15百萬港元的合共300,000,000股新股份在獲得聯交所批准上市及買賣後發行，根據配售協議，這些配售股份已配發及發行予不少於六名的承配人。本公司獲得的所得款項淨額約358百萬港元。

於本中期報告日期，配售事項所得款項淨額中(i)約300百萬港元用於償還貸款票據；及(ii)約58百萬港元用於一般營運資金。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Fund raising activities (Continued)

The issuance of note payable and other borrowings

In March 2017, the Group entered into a note instrument subscription agreement (the “**Note Agreement**”) with an independent third party (the “**Subscriber**”) pursuant to which the Group agreed to issue, and the Subscriber agreed to subscribe for, a 8% note (the “**8% Note**”) in the aggregate principal amount of USD80 million (equivalent to approximately HK\$621 million) with a term of 3 years from the date of issue. The 8% Note was fully subscribed by the Subscriber in March 2017.

In addition, in March 2017, the Group (the “**Borrower**”) entered into a loan agreement with another independent third party (the “**Lender**”), pursuant to which the Group agreed to borrow HK\$210 million from the Lender at an interest rate of 6% per annum with a term of 18 months upon signing of the loan agreement.

Details were set out in note 23 to the Condensed Consolidated Financial Statements of this interim report.

The proceeds raised from above will be applied to the repayment of Loan Notes and general working capital.

財務回顧(續)

集資活動情況(續)

發行應付票據及其他借貸

本集團於二零一七年三月與獨立第三方(「**認購方**」)訂立票據工具認購協議(「**票據協議**」)，據此，本集團同意發行及認購方同意認購8%之票據(「**8%票據**」)，本金總額為80百萬美元(相當於約621百萬港元)，年期為自發行日期起計三年。8%票據於二零一七年三月獲認購方悉數認購。

同時，本集團(「**借款方**」)於二零一七年三月與另一獨立第三方(「**貸款方**」)簽訂一項貸款協議，據此，本集團同意向貸款方借入210百萬港元，年期為自簽訂貸款協議起計18個月，貸款年利率為6%。

詳情載於本中期報告簡明綜合財務報表附註23。

上述獲取的資金，主要用於償還貸款票據及用於一般營運資金。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Liquidity and financial resources

As at 30 June 2017, the Group's bank balances and cash was HK\$917 million (31 December 2016: HK\$2,017 million), current assets of HK\$6,295 million (31 December 2016: HK\$4,460 million), current liabilities of HK\$4,885 million (31 December 2016: HK\$4,459 million). The current ratio was 1.29 times ^(Note 1) (31 December 2016: 1.00 time). As at the end of this period, the net current assets of the Group were HK\$1,410 million (31 December 2016: HK\$0.28 million).

As at 30 June 2017, the total debt financing of the Group was approximately HK\$3,286 million (31 December 2016: HK\$3,343 million), which including the current debt financing approximately HK\$2,455 million (31 December 2016: HK\$3,343 million), non-current debt financing approximately HK\$831 million (31 December 2016: nil).

The net debt ^(Note 2) of the Group was HK\$2,508 million (31 December 2016: HK\$1,498 million) and the total equity was HK\$5,469 million (31 December 2016: HK\$4,232 million). Therefore, the gearing ratio ^(Note 3) as at the end of the period was 0.31 (31 December 2016: 0.26).

Note 1: Current ratio = Current assets/Current liabilities

Note 2: Net debt = Borrowings + Loan Notes + Loans from a fellow subsidiary – Bank balances and cash

Note 3: Gearing ratio = Net debt/(Total equity + Net debt)

The objective of the Group's funding and treasury management activities is to ensure a sufficient liquidity to meet operation needs and various investment plans.

The Group regularly reviewed the capital structure and key ratios of The Securities and Futures Commission licensed subsidiaries to ensure that sufficient liquidity is maintained to meet the requirements of their business operations. During the period ended 30 June 2017 and up to the date of this interim report, all the licensed subsidiaries have complied with the liquidity requirements under the Securities and Futures (Financial Resources) Rules.

財務回顧(續)

流動資金及財務資源

於二零一七年六月三十日，本集團銀行結餘及現金917百萬港元(二零一六年十二月三十一日：2,017百萬港元)、流動資產6,295百萬港元(二零一六年十二月三十一日：4,460百萬港元)、流動負債4,885百萬港元(二零一六年十二月三十一日：4,459百萬港元)，流動比率1.29倍^(註1)(二零一六年十二月三十一日：1.00倍)。截至本期末，本集團流動資產淨值為1,410百萬港元(二零一六年十二月三十一日：0.28百萬港元)。

於二零一七年六月三十日，本集團債務融資總額約為3,286百萬港元(二零一六年十二月三十一日：3,343百萬港元)，當中流動債務融資額約2,455百萬港元(二零一六年十二月三十一日：3,343百萬港元)、非流動債務融資額約831百萬港元(二零一六年十二月三十一日：無)。

本集團淨債務^(註2)為2,508百萬港元(二零一六年十二月三十一日：1,498百萬港元)，權益總額5,469百萬港元(二零一六年十二月三十一日：4,232百萬港元)，因此，本期末之資產負債比率^(註3)為0.31(二零一六年十二月三十一日：0.26)。

註1：流動比率=流動資產/流動負債

註2：淨債務=借貸+貸款票據+同系附屬公司之貸款-銀行結餘及現金

註3：資產負債比率=淨債務/(權益總額+淨債務)

本集團融資及財務管理活動目標是確保足夠的資金流動性以滿足業務經營需要及各項投資計劃。

本集團定期審視獲證券及期貨監察委員會發牌的附屬公司的資本結構及主要比率，以確保其維持足夠的流動資金以滿足自身業務經營需求。截至二零一七年六月三十日止期間及直至本中期報告日期，所有持牌附屬公司已遵守《證券及期貨(財政資源)規則》中的流動資金規定。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Charges on group assets

Details were set out in note 32 to the Condensed Consolidated Financial Statements of this interim report.

Contingent liabilities

As at 30 June 2017, the Group had no material contingent liabilities (31 December 2016: nil).

Foreign exchange exposure

The Group's financial statements are denominated in Hong Kong dollars ("HKD"), while the Group is conducting business mainly in HKD, United States dollars ("USD"), GBP and RMB. Since exchange rates of HKD is pegged to the USD, there is no material exchange risk in respect of USD assets and transactions. However, the assets, liabilities and transactions of the United Kingdom and the PRC subsidiaries of the Group are mainly denominated in GBP and RMB respectively, there were exchange risks during financial settlement at the end of reporting period in this regard.

The Group has implemented policies and guidelines in relation to foreign exchange risk management. Meanwhile, the subsidiaries in the United Kingdom and the PRC are able to generate sufficient income to deal with their local currency expenses; therefore, the management of the Company considered that the Group's exposure to the potential foreign currency risk was relatively limited.

財務回顧(續)

集團資產抵押

詳情載於本中期報告簡明綜合財務報表附註32。

或然負債

於二零一七年六月三十日，本集團並無重大或然負債(二零一六年十二月三十一日：無)。

匯兌風險

本集團財務報表的報告幣種為港元(「港元」)，而本集團主要以港元、美元(「美元」)、英鎊及人民幣進行業務交易。由於港元匯率與美元匯率掛鈎，因此美元資產及交易並無重大匯兌風險。然而，本集團英國及中國附屬公司的資產、負債及交易主要分別以英鎊及人民幣計值，此方面在每個財務結算日作財務換算時則需面對匯兌風險。

本集團已實行政策及指引管理匯兌風險，同時，英國及中國附屬公司均能夠產生足夠收益以應付其當地貨幣的費用支出。因此，本公司管理層認為本集團所承受的潛在外匯風險相對有限。

Management Discussion and Analysis

管理層討論及分析

PROVISION OF GUARANTEE

On 15 December 2016, the Company had entered into the deed of guarantee (the “**Deed of Guarantee**”), pursuant to which the Company had agreed to provide a guarantee (the “**Guarantee**”) in favour of the shareholders of the non-voting participating redeemable shares in the capital of Haitong Global Investment SPC III (the “**Fund Portfolio Company**”), a segregated portfolio company incorporated under the laws of the Cayman Islands with limited liability, which designated as Class P Participating Shares in Haitong Dynamic Multi-Tranche Investment Fund IV S.P., a segregated portfolio created by the Fund Portfolio Company, for the performance of the guaranteed obligations under the Deed of Guarantee. The maximum liability of the Company under the Guarantee is USD103 million.

Details of the provision of Guarantee are set out in the Company’s announcement dated 15 December 2016.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2017, the Group had 140 (31 December 2016: 92) employees, of whom approximately 32.1% (31 December 2016: 54.3%) were located in Hong Kong and the rest were located in the PRC and overseas.

The Group recognises the employees as the key element that contributes to the Group’s success. The Group’s remuneration policies are formulated based on the individual performance and the salaries trends in various regions, which will be reviewed annually.

Apart from mandatory provident fund and medical insurance, the Company has adopted a share option scheme under which share options may also award to the Directors and eligible employees as an incentive with reference to the assessment of individual performance. The Board believes that the Group maintains an admirable relationship with the employees.

For details of the share option scheme, please refer to the section headed “Share Option Scheme” in this interim report on page 24.

提供擔保

於二零一六年十二月十五日，本公司訂立擔保契據（「**擔保契據**」），根據該契據，本公司已同意以 Haitong Global Investment SPC III（「**基金投資組合公司**」）股本中的無投票權參與可贖回股份的股東為受益人就履行擔保契據中的擔保責任提供擔保（「**擔保**」）。基金投資組合公司為一家根據開曼群島法律註冊成立的獨立投資組合有限公司，而無投票權參與可贖回股份被指定為 Haitong Dynamic Multi-Tranche Investment Fund IV S.P.（基金投資組合公司的獨立投資組合）的 P 類參與股份。本公司於擔保中的責任上限為 103 百萬美元。

有關提供擔保的詳情載於本公司於二零一六年十二月十五日的公告。

僱員及薪酬政策

於二零一七年六月三十日，本集團有 140 名僱員（二零一六年十二月三十一日：92 名），其中約 32.1%（二零一六年十二月三十一日：54.3%）位於香港，而餘下僱員位於中國及海外。

本集團認為僱員為本集團成功的關鍵。本集團的薪酬政策按每名員工的表現並根據不同地區的薪金情況而定，並會每年定期複審。

除強制性公積金及醫療保險外，本公司亦已採納購股權計劃，根據個別評估表現向董事及合資格僱員授出購股權以資獎勵。董事局認為，本集團與員工之間維持良好的關係。

有關購股權計劃詳情，請參閱本中期報告第 24 頁「購股權計劃」一節。

Management Discussion and Analysis

管理層討論及分析

INTERIM DIVIDEND

The Board has declared the payment of an interim dividend of HK1.81 cents (six months ended 30 June 2016: nil) per share for the six months ended 30 June 2017 (the “**2017 Interim Dividend**”), absorbing an amount of approximately HK\$95 million and will be payable on or before Tuesday, 31 October 2017 to the shareholders whose names appear on the registers of members of the Company on Friday, 29 September 2017.

PROSPECTS

The development paces of different economic entities vary albeit the global economy showing signs of recovery. The uncertainties arising from Brexit and the deterioration of geopolitical conflicts may bring downside risks towards the market.

Leveraging on the satisfactory results in the first half of this year, the Group will focus on strengthening the edges of each segment and enhancing its overall competitiveness. Furthermore, it will make timely adjustment in line with market changes and capture potential investment opportunities, in a bid to continue to optimize its assets allocation and reinforce management capability, aiming to achieve sustainable and organic development and bring valuable returns to the shareholders.

CLOSURE OF REGISTER OF MEMBERS

The registers of members of the Company will be closed from Wednesday, 27 September 2017 to Friday, 29 September 2017, both days inclusive, during which period no transfers of shares will be registered. In order to qualify for the 2017 Interim Dividend declared, all transfers of shares, duly accompanied by the relevant share certificates, must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, no later than 4:00 p.m. on Tuesday, 26 September 2017.

中期股息

董事局已宣佈就截至二零一七年六月三十日止六個月派付中期股息(「**二零一七年中期股息**」)每股1.81港仙(截至二零一六年六月三十日止六個月：無)，合計約95百萬港元，將於二零一七年十月三十一日(星期二)或之前派付予於二零一七年九月二十九日(星期五)名列本公司股東名冊之股東。

展望

儘管全球經濟表現好轉，不同經濟體發展步伐不一、英國脫歐因素及地緣政治局勢加劇所帶來的不確定性，可能給市場帶來下行風險。

在今年上半年實現良好經營業績的基礎上，集團將專注於鞏固各板塊業務優勢，有效提升企業整體競爭力。集團將審慎而靈活地應對市場變化，把握市場潛在投資機遇，繼續優化資產配置，加強風險管理能力，推動業務持續健康發展，為股東持續創造價值。

暫停辦理股份登記

本公司將於二零一七年九月二十七日(星期三)至二零一七年九月二十九日(星期五)(包括首尾兩日)暫停辦理股份過戶登記手續，期間概不會辦理任何股份過戶登記。為符合資格收取已宣派之二零一七年中期股息，所有填妥之股份過戶表格連同有關股票最遲須於二零一七年九月二十六日(星期二)下午四時前，送達本公司之香港股份過戶登記分處卓佳登捷時有限公司，地址為香港皇后大道東183號合和中心22樓。

Corporate Governance and Other Information

企業管治及其他資料

MODEL CODE FOR DIRECTORS' AND RELEVANT EMPLOYEES' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”), as amended from time to time, as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) as the code of conduct regarding Directors’ dealings in the Company’s securities.

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Model Code throughout the six months ended 30 June 2017.

The Company’s Model Code also applies to all employees who are likely to be in possession of inside information of the Company. No incident of non-compliance of the Model Code was noted by the Company during the six months ended 30 June 2017.

DIRECTORS’ AND CHIEF EXECUTIVES’ INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2017, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO as recorded in the register maintained 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, were as follows:

董事及相關僱員進行證券交易的標準守則

本公司已採納聯交所證券上市規則(「**上市規則**」)附錄十所載上市發行人董事進行證券交易的標準守則(「**標準守則**」)(經不時修訂)，作為董事進行本公司證券交易的行為守則。

經對全體董事作出具體查詢後，全體董事已確認各自於截至二零一七年六月三十日止六個月內一直全面遵守標準守則。

本公司的標準守則亦適用於所有可能獲得本公司內幕消息的僱員。截至二零一七年六月三十日止六個月，本公司沒有發現任何違反標準守則的事件發生。

董事及主要行政人員於本公司及其相關法團的股份、相關股份或債券的權益及淡倉

於二零一七年六月三十日，本公司董事及主要行政人員於本公司或其任何相聯法團(按證券及期貨條例第XV部的涵義)的股份、相關股份或債券中擁有根據證券及期貨條例第352條規定須存入及記錄於本公司所存置的登記冊內的權益及淡倉或根據標準守則須另行知會本公司及聯交所的權益及淡倉如下：

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DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS (Continued)

董事及主要行政人員於本公司及其相關法團的股份、相關股份或債券的權益及淡倉(續)

Long positions in the shares of the Company:

於本公司股份的好倉：

Name of Director	Nature of interest	Number of ordinary shares held	Approximate percentage of issued share capital of the Company
董事姓名	權益性質	所持普通股數目	佔本公司已發行股本的概約百分比 (Note 3) (附註3)
Mr. Chua Hwa Por ("Mr. Chua") (Note 1) 蔡華波先生(「蔡先生」) (附註1)	Interest of controlled corporations 受控制法團的權益	3,869,608,286 (Note 2) (附註2)	73.71%
Dr. Liu Hua 柳驊博士	Beneficial owner 實益擁有人	50,000,000	0.95%

Notes:

- Mr. Chua resigned as a Director with effect from 11 July 2017.
- Of these shares, 2,655,429,222 shares are held by Tai He Financial Group Limited and 1,214,179,064 shares are held by TAI Capital LLC, each of which is a company wholly owned by Mr. Chua.
- The percentage represented the number of shares held over the total number of issued shares of the Company as at 30 June 2017 of 5,250,019,852 shares.

附註：

- 蔡先生辭任董事，自二零一七年七月十一日起生效。
- 於該等股份中，2,655,429,222股股份由太和金融集團有限公司持有，而1,214,179,064股股份由TAI Capital LLC持有，兩間公司均為由蔡先生全資擁有的公司。
- 百分比指於二零一七年六月三十日所持股份數目佔本公司已發行股份總數5,250,019,852股的比例。

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DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS (Continued)

Save as disclosed above, as at 30 June 2017, so far as was known to any Director or chief executive of the Company, neither the Directors nor the chief executive had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code of the Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the heading "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares or Debentures of the Company and its Associated Corporations" above, at no time during the reporting period were rights to acquire benefits by means of the acquisition of shares, or underlying shares in, or debentures of the Company granted to any Director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors or chief executive of the Company to acquire such rights in any other body corporate.

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

So far as was known to the Directors and chief executives of the Company, as at 30 June 2017, the following persons (other than the Directors or chief executives of the Company) had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the SFO, or which were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO, or had otherwise notified the Company were as follows:

董事及主要行政人員於本公司及其相關法團的股份、相關股份或債券的權益及淡倉(續)

除上文所披露外，於二零一七年六月三十日，據本公司任何董事或主要行政人員所知，概無本公司董事或主要行政人員於本公司或其任何相聯法團（按證券及期貨條例第XV部的涵義）的股份、相關股份或債券中擁有根據證券及期貨條例第352條存置的登記冊所載的任何權益或淡倉，或根據上市規則標準守則須知會本公司及聯交所的任何權益或淡倉。

董事購買股份或債券的權利

除於「董事及主要行政人員於本公司及其相關法團的股份、相關股份或債券的權益及淡倉」所披露者外，於本報告期間，概無任何授予任何董事或其各自配偶或未成年子女購入本公司股份、或相關股份、或債券而獲益的權利，或由其行使該等權利；或由本公司或其任何附屬公司安排致令董事或主要執行人員可於其他法人團體獲得該等權利。

主要股東於股份及相關股份擁有的權益及淡倉

據本公司董事及主要行政人員所知，於二零一七年六月三十日，以下人士（本公司董事或主要行政人員除外）於本公司股份或相關股份中擁有根據證券及期貨條例須向本公司披露的任何權益或淡倉，或根據證券及期貨條例第336條存置的登記冊所載的任何權益或淡倉，或其他須知會本公司的任何權益或淡倉如下：

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SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (Continued)

主要股東於股份及相關股份擁有的權益及淡倉(續)

Long positions in the shares of the Company:

於本公司股份的好倉：

Name of Shareholder	Nature of interest	Number of ordinary shares held	Approximate percentage of issued share capital of the Company
股東姓名	權益性質	所持普通股數目	佔本公司已發行股本的概約百分比 (Note 3) (附註3)
Tai He Financial Group Limited (Note 1) 太和金融集團有限公司(附註1)	Beneficial owner 實益擁有人	2,655,429,222	50.58%
TAI Capital LLC (Note 1) TAI Capital LLC(附註1)	Beneficial owner 實益擁有人	1,214,179,064	23.13%
Haitong Securities Co., Ltd. ("HTS") (Note 2) 海通證券股份有限公司(「海通證券」) (附註2)	Interest of controlled corporation 受控制法團的權益	660,000,000	12.57%
Haitong International Holdings Limited ("HTIH") (Note 2) 海通國際控股有限公司 (「海通國際控股」)(附註2)	Security interest in shares 股份保證權益	660,000,000	12.57%
Haitong International Securities Group Limited ("HTISG") (Note 2) 海通國際證券集團有限公司 (「海通國際證券集團」)(附註2)	Interest of controlled corporation 受控制法團的權益	660,000,000	12.57%
Haitong International New Energy VIII Limited ("HTINEV") (Note 2) Haitong International New Energy VIII Limited (「HTINEV」)(附註2)	Security interest in shares 股份保證權益	660,000,000	12.57%

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SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (Continued)

Notes:

1. Each of Tai He Financial Group Limited and TAI Capital LLC is wholly owned by Mr. Chua.
2. Based on the disclosure of interest notices filed by each of HTS, HTIH, HTISG, HTINEV on 10 May 2017, these interests are held by HTINEV, which is wholly owned by Castle Range Developments Limited, which in turn is wholly owned by Haitong International (BVI) Limited. Haitong International (BVI) Limited is wholly owned by HTISG, which is in turn owned as to 61.78% by HTIH. HTIH is wholly owned by HTS.
3. The percentage represented the number of shares held over the total number of issued shares of the Company as at 30 June 2017 of 5,250,019,852 shares.

Save as disclosed above, as far as the Directors are aware, as at 30 June 2017, there was no other person who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the **"Share Option Scheme"**) on 17 September 2015 and shall be valid and effective for a period of ten years commencing from the date of adoption of the Share Option Scheme. The purpose of the Share Option Scheme is to enable the Company to grant options to selected eligible participants as incentives or rewards for their contribution or potential contribution to the Group and/or to recruit and retain high caliber eligible participants and to attract human resources that are valuable to the Group. A summary of the principal terms and conditions of the Share Options Scheme is set out below.

主要股東於股份及相關股份擁有的權益及淡倉(續)

附註：

1. 太和金融集團有限公司及TAI Capital LLC各自由蔡先生全資擁有。
2. 根據海通證券、海通國際控股、海通國際證券集團及HTINEV各自於二零一七年五月十日提交的權益披露通知，該等權益由HTINEV持有，HTINEV由堡峰發展有限公司全資擁有，而堡峰發展有限公司繼而由Haitong International (BVI) Limited全資擁有。Haitong International (BVI) Limited由海通國際證券集團全資擁有，而海通國際證券集團繼而由海通國際控股擁有61.78%權益。海通國際控股由海通證券全資擁有。
3. 百分比指於二零一七年六月三十日所持股份數目佔本公司已發行股份總數5,250,019,852股的比例。

除上文所披露外，據董事所知，於二零一七年六月三十日，概無人士(本公司董事或主要行政人員除外)於本公司股份及相關股份中擁有根據證券及期貨條例第XV部第2及第3分部條文須向本公司披露的權益或淡倉，或根據證券及期貨條例第336條存置的登記冊所載的任何權益或淡倉。

購股權計劃

本公司於二零一五年九月十七日採納一項購股權計劃(「購股權計劃」)，自購股權計劃採納日期起生效，為期十年。購股權計劃的目的為讓本公司向獲選合資格參與者授出購股權，以作為就他們對本公司所作出的貢獻或潛在貢獻的激勵或獎勵及／或招聘及留聘優秀合資格參與者及吸引本集團寶貴的人力資源。購股權計劃的主要條款及條件載列如下。

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SHARE OPTION SCHEME (Continued)

According to the Share Option Scheme, the Board may grant share options to the eligible participants as defined in the Share Option Scheme to subscribe for such number of shares as the Board may determine. Share options granted must be accepted within twenty one days inclusive of the day on which such offer was made. The amount payable to the Company on acceptance of the offer for the grant of an option is HK\$1.00.

The exercise price of share options shall be determined by the Board, which shall be at least the higher of (i) the closing price of the shares as stated in the daily quotation sheet by the Stock Exchange on the date of offer for the grant of option; (ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal value of a share.

Under the Share Option Scheme, the total number of shares which may be issued upon exercise of all options to be granted and any other share option schemes of the Company shall not in aggregate exceed 125,091,243 shares representing 10% of 1,250,912,436 shares in issue on 17 September 2015, being the date of approval and adoption of the Share Option Scheme provided that the Company may at any time seek approval from the shareholders of the Company to refresh the limit to 10% of the shares in issue as at the date of approval by the shareholders in general meeting where such limit is refreshed.

The maximum entitlement of each eligible participant under the Share Option Scheme in any 12-month period up to the date of grant must not exceed 1% of the shares in issue (as for certain connected persons, as defined in the Share Option Scheme, not exceed 0.1% of the shares in issue or the value of HK\$5 million), unless prior approval is obtained from the shareholders.

購股權計劃(續)

根據購股權計劃，董事局可向購股權計劃所界定的合資格參與者授出購股權以認購董事局可能厘定的有關股份數目。所授出購股權須於作出有關授出後二十一日(包括當天)內接納。在接納所授出的購股權時，承授人須就所獲授的購股權向本公司支付1.00港元的代價。

購股權的行使價由董事局釐定，須至少為：(i)於提出授出購股權當日聯交所每日報價表所列的股份收市價；(ii)緊接授出日期前五個營業日聯交所每日報價表所列的股份平均收市價；及(iii)股份的面值三者中的較高者。

因行使根據購股權計劃及本公司任何其他購股權計劃授出的所有購股權而可發行的股份數目總數不得超過125,091,243股股份，即於二零一五年九月十七日(批准及採納購股權計劃當日)本公司已發行股份1,250,912,436股的10%，但本公司可隨時於股東大會尋求股東批准將該限額更新為股東批准更新有關限額當日的已發行股份的10%。

除非另獲股東事先批准，否則根據購股權計劃每名合資格參與者於任何十二個月期間直至授出日期的最高配額不得超過已發行股份的1%(就若干關連人士(定義見購股權計劃)而言，不得超過發行股份的0.1%或5百萬港元的價值)。

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SHARE OPTION SCHEME (Continued)

The period during which a share option may be exercised will be determined by the Board at its absolute discretion, save that no share options can be exercised more than ten years after it has been granted. There is no general requirement that a share options must be held for any minimum period before it can be exercised. Subject to earlier termination by the Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of ten years and will expire on 16 September 2025.

At the annual general meeting of the Company held on 5 June 2017, the Company was authorised to refresh the scheme mandate limit to issue a maximum of 525,001,985 shares options under the Share Option Scheme. Notwithstanding the forgoing, the shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company at any time shall not exceed 30% of the shares in issue from time to time.

During the six months ended 30 June 2017, no share options were granted under the Share Option Scheme since its adoption on 17 September 2015. As at the date of this interim report, the total number of shares available for issue under the Share Option Scheme is 525,001,985, which represents 10% of the total number of shares in issue of the Company (i.e. 5,250,019,852 shares).

SPECIFIC PERFORMANCE OBLIGATIONS ON CONTROLLING SHAREHOLDERS

On 28 September 2016, the Company, as the borrower, entered into the facilities agreement (the “**Facilities Agreement**”) with Industrial and Commercial Bank of China (Asia) Limited, as the lender, (the “**Lender**”) in relation to the loan facilities in an aggregate principal amount of up to HK\$800 million (the “**Facilities**”), which includes terms imposing specific performance obligations on the controlling shareholder of the Company which constitute disclosure obligation pursuant to Rules 13.18 and 13.21 of the Listing Rules. The Facilities comprise of (i) an uncommitted term loan facility of up to HK\$500 million for a term of up to 36 months after the date on which the first advance is made thereunder; and (ii) a revolving loan facility of up to HK\$300 million for a term which may rollover to up to 12 months after the date on which the advance is made thereunder subject to review by the Lender from time to time.

購股權計劃(續)

董事局將全權酌情決定購股權的行使期限，但購股權於授出日期起計10年後不可行使。對於行使購股權前必須持有購股權的最短期限並無任何一般規定。受本公司於股東大會或董事局提早終止所規限，購股權計劃的有效期限為十年，並將於二零二五年九月十六日屆滿。

在本公司於二零一七年六月五日舉行的股東週年大會上，本公司獲授權更新計劃授權限額以根據購股權計劃發行最多525,001,985份購股權。儘管有上文所述的情況，根據購股權計劃及本公司任何其他購股權計劃所授出但尚未行使的所有尚未行使購股權獲行使時可予發行的股份在任何時候均不得超過不時已發行股份的30%。

截至二零一七年六月三十日止六個月，自購股權計劃於二零一五年九月十七日獲採納起，並無購股權據其授出。於本中期報告日期，根據購股權計劃可供發行的股份總數為525,001,985股，相當於本公司的已發行股份總數(即5,250,019,852股股份)的10%。

控股股東的特定履約責任

於二零一六年九月二十八日，本公司(作為借款人)與中國工商銀行(亞洲)有限公司(作為貸款人)(「**貸款人**」)就本金總額最多800百萬港元的貸款融資(「**該融資**」)訂立融資協議(「**融資協議**」)，當中載有施加予本公司控股股東的特定履約責任條款，該特定履約責任根據上市規則第13.18及13.21條構成披露責任。該融資包括(i)最多500百萬港元的無承諾定期貸款融資，自據此作出首次預付的日期起計為期最多36個月；及(ii)最多300百萬港元的循環貸款融資，可延期至自據此作出預付的日期起計最多12個月(可由貸款人不時審閱)。

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SPECIFIC PERFORMANCE OBLIGATIONS ON CONTROLLING SHAREHOLDERS (Continued)

Pursuant to the Facilities Agreement, among other things, upon the occurrence of any event that Mr. Chua, the ultimate controlling shareholder of the Company, ceases to:

- (a) directly or indirectly hold and beneficially own 30% or more of the total issued share capital of the Company; or
- (b) be entitled to exercise or control the exercise of 30% or more of the voting power at general meetings of the Company (save for any voting restrictions under the Listing Rules or the Code on Takeovers and Mergers in respect of any matter for which Mr. Chua (and person or persons controlled by him) is required to abstain from voting); or
- (c) control the largest block of total issued share capital or voting power at the general meetings of the Company,

the Company will be required to prepay all outstanding principal amount under the Facilities within the prescribed period. If the prepayment of the relevant amount is not made within the prescribed period, an event of default will occur in accordance with the Facilities Agreement.

In addition, Mr. Chua and certain companies controlled by him will provide certain collateral securities for the Facilities in favour of the Lender, including, (a) a personal guarantee by Mr. Chua in favour of the Lender; (b) the subordination of all the shareholder's loans advanced to the Company by Tai He Financial Group Limited, a company wholly-owned by Mr. Chua, to the Secured Debt (as defined in the Facilities Agreement); and (c) the mortgage of a commercial property owned by Excel Fine Holdings Limited, a company then ultimately wholly-owned by Mr. Chua, in favour of the Lender. Any breach of the obligations, undertakings and warranties given under the finance documents constituting these collateral securities which is not remedied within the prescribed grace period (if any) will constitute an event of default under the Facilities Agreement.

控股股東的特定履約責任(續)

根據融資協議，(其中包括)於以下任何事項發生時：蔡先生(本公司的最終控股股東)不再：

- (a) 直接或間接持有及實益擁有本公司已發行股本總額30%或以上；或
- (b) 有權於本公司股東大會行使或控制行使30%或以上的投票權(但根據上市規則或收購及合併守則就蔡先生(及其控制人士)須放棄投票的任何事項的任何投票限制除外)；或
- (c) 控制本公司已發行股本總額或股東大會投票權的最大份額，

則本公司將須於規定期間預付該融資項下的所有未償還本金額。如於規定期間未能預付有關金額，根據融資協議將屬違約事件。

此外，蔡先生及其控制的若干公司將以貸款人為受益人就該融資提供若干附屬抵押，包括(a)蔡先生以貸款人為受益人提供的個人擔保；(b)太和金融集團有限公司(蔡先生全資擁有的公司)向本公司提供的所有股東貸款後償至有抵押債項(定義見融資協議)；及(c)以貸款人為受益人按揭Excel Fine Holdings Limited(蔡先生當時最終全資擁有的公司)擁有的一間商業物業。倘違反構成該等附屬抵押的融資文件項下的責任、承諾及保證且於規定寬限期(如有)內未作補救，則構成融資協議項下的違約事件。

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企業管治及其他資料

SPECIFIC PERFORMANCE OBLIGATIONS ON CONTROLLING SHAREHOLDERS *(Continued)*

Details of the specific performance obligations on controlling shareholder are set out in the Company's announcement dated 28 September 2016.

On 24 March 2017, Excel Fine Holdings Limited became an indirect wholly-owned subsidiary of the Company. The Lender therefore granted consent to such change of ownership and agreed to amend, alter, modify and vary certain provisions of the Facilities Agreement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board is committed to maintaining statutory and regulatory standards and adhering to the principles of corporate governance with emphasizes on transparency, independence, accountability and responsibility. The Board reviews its corporate governance practices from time to time in order to meet the rising expectations of shareholders and comply with increasingly stringent regulatory requirements, and to fulfill its commitment to excellence in corporate governance.

During the six months ended 30 June 2017 and up to the date of this interim report, the Company has complied with all code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules, except for certain deviations disclosed herein.

Under code provision A.1.3 of the CG Code, notice of at least 14 days in advance should be given of a regular board meeting to give all directors an opportunity to attend. During the six months ended 30 June 2017, certain Board meetings were convened with less than 14 days' notice to enable the Board members to react timely and make expeditious decisions in respect of urgent corporate transaction and general business update which was significant in nature. As a result, the individual Board meeting was held with a shorter notice period than required with the consent of the Directors. The Board will do its best endeavour to meet the requirement of code provision A.1.3 of the CG Code in the future.

控股股東的特定履約責任(續)

有關控股股東的特定履約責任的詳情載於本公司於二零一六年九月二十八日的公告。

於二零一七年三月二十四日，Excel Fine Holdings Limited成為本公司間接全資附屬公司。因此，貸款人已同意有關擁有權變動，並同意修訂、更改、調整及修改該融資協議的若干條款。

遵守企業管治守則

董事局致力維持法定及監管標準，並秉持企業管治的原則，強調透明度、獨立性、問責性及負責制。為達到股東對企業管治水平不斷提升的期望及符合日趨嚴謹的監管要求，以及履行其良好企業管治的承諾，董事局將不時檢討其企業管治常規。

於截至二零一七年六月三十日止六個月止期間及截至本中期報告日期，除若干於本報告中所披露的偏離企業管治守則的情況外，本公司一直遵守上市規則附錄十四所載企業管治守則(「企業管治守則」)的所有守則條文。

根據企業管治守則的守則條文第A.1.3條，召開董事局定期會議應提前至少十四天發出通知，以令所有董事皆有機會抽空出席。截至二零一七年六月三十日止六個月，本公司召開若干次董事局會議，通知期少於十四天，以便董事局成員能及時就性質重大的緊急公司交易和一般業務最新發展作出響應及決策。因此，個別董事局會議在董事同意情況下，發出的通知期比有關規定較短。日後董事局將盡力遵守企業管治守則的守則條文第A.1.3條的規定。

Corporate Governance and Other Information

企業管治及其他資料

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (Continued)

Code provision A.2.1 of the CG Code stipulates that the roles of chairman of the Board and chief executive officer (the “CEO”) should be separate and should not be performed by the same individual. During the period ended 30 June 2017, Mr. Chua and Dr. Meng Zhaoyi (“**Dr. Meng**”) was the chairman of the Board and the CEO respectively. However, with effect from 11 July 2017, Mr. Chua ceased to act as the chairman of the Board and Dr. Meng was appointed as the acting chairman of the Board subsequently. Taking into consideration of the qualifications, skills and experience of Dr. Meng, the Company believes that Dr. Meng is capable to discharge the duties as an acting chairman of the Board. Furthermore, the Company is in the process of identifying a suitable candidate to be appointed as the new chairman of the Board and will keep shareholders of the Company informed of such appointment by a further announcement in due course.

Code provision A.4.1 of the CG Code stipulates that non-executive directors should be appointed for a specific term subject to re-election. Independent non-executive Directors are not appointed for a specific term. However, all Directors are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the bye-laws of the Company.

According to code provision A.6.7 of the CG Code, all independent non-executive directors and non-executive directors should attend general meetings of listed issuers. Mr. Mao Kangfu was unable to attend the 2017 annual general meeting and the special general meeting held on 27 February 2017 due to his other business engagements. Dr. Gao Bin was unable to attend the special general meeting held on 27 February 2017 due to his other business engagements.

遵守企業管治守則(續)

企業管治守則的守則條文第A.2.1條訂明，董事局主席與行政總裁(「行政總裁」)的角色應有區分，並不應由同一人兼任。於截至二零一七年六月三十日止期間，蔡先生及孟昭億博士(「孟博士」)分別任董事局主席及行政總裁。然而，自二零一七年七月十一日起，蔡先生不再擔任董事局主席，孟博士其後獲委任為董事局代理主席。考慮到孟博士所具備的資歷、技能及經驗，本公司相信孟博士有能力履行董事局代理主席的職責。此外，本公司正在物色合適候選人委任為董事局新主席，並會適時另行作出公告，以知會本公司股東有關委任。

企業管治守則的守則條文第A.4.1條訂明，非執行董事的委任應有指定任期，並須接受重選。獨立非執行董事並無按指定任期委任。然而，全體董事均須根據本公司的公司細則，於本公司的股東週年大會上輪值退任及重選連任。

根據企業管治守則的守則條文第A.6.7條，所有獨立非執行董事及非執行董事應出席上市發行人的股東大會。獨立非執行董事冒康夫先生因另有業務安排而未能出席二零一七年股東週年大會以及於二零一七年二月二十七日舉行的股東特別大會。高濱博士因另有業務安排而未能出席於二零一七年二月二十七日舉行的股東特別大會。

Corporate Governance and Other Information

企業管治及其他資料

UPDATE ON DIRECTORS' INFORMATION

1. Mr. Chua Hwa Por was appointed as the chairman of the Board and the executive Director with effect from 1 February 2017. Mr. Chua Hwa Por resigned as the chairman of the Board and the executive Director with effect from 11 July 2017. Subsequently, Dr. Meng was appointed as the acting chairman of the Board with effect from 11 July 2017.
2. Mr. Tang King Shing was appointed as the independent non-executive Director and member of the audit committee (the "Audit Committee"), remuneration committee and nomination committee of the Company with effect from 1 February 2017. He has been appointed as a non-executive director of Hong Kong International Construction Investment Management Group Co., Limited (stock code: 00687) on 15 July 2017.
3. Mr. Chen Weisong resigned as the executive Director and the chief financial officer of the Group with effect from 25 April 2017. Mr. Ye Fei, the existing executive Director, was appointed as the chief financial officer of the Group with effect from 25 April 2017.

Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

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

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.

AUDIT COMMITTEE

The Company has an Audit Committee which was established with specific written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Codes contained in Appendix 14 of the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process, assisting the Board to ensure effective risk management and internal control systems and providing advice and comments to the Board.

董事資料更新

1. 蔡華波先生獲委任為董事局主席兼執行董事，自二零一七年二月一日起生效。蔡華波先生辭任董事局主席兼執行董事，自二零一七年七月十一日起生效。其後，孟博士獲委任為董事局代理主席，自二零一七年七月十一日起生效。
2. 鄧竟成先生獲委任為獨立非執行董事以及本公司審核委員會（「審核委員會」）、薪酬委員會及提名委員會成員，自二零一七年二月一日起生效。彼於二零一七年七月十五日獲委任為香港國際建設投資管理集團有限公司（股份代號：00687）的非執行董事。
3. 陳偉松先生辭任執行董事及本集團財務總監，自二零一七年四月二十五日起生效。現任執行董事葉非先生獲委任為本集團財務總監，自二零一七年四月二十五日起生效。

除上文所披露者外，概無其他資料須根據上市規則第13.51B(1)條予以披露。

購買、出售或贖回本公司的上市證券

截至二零一七年六月三十日止六個月，本公司或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。

審核委員會

本公司根據上市規則第3.21條及上市規則附錄十四所載的企業管治守則設立審核委員會，並已訂立特定書面職權範圍。審核委員會的目的為審閱並監察本集團的財務報告程序，協助董事局確保風險管理及內部監控制度行之有效，並向董事局提供建議及意見。

Corporate Governance and Other Information

企業管治及其他資料

AUDIT COMMITTEE (Continued)

During the reporting period under review, the Audit Committee comprised four independent non-executive Directors, namely, Ms. Liu Yan, Mr. Mao Kangfu, Dr. Gao Bin and Mr. Tang King Shing; and Ms. Liu Yan is elected as the chairman of the Audit Committee. Mr. Tang King Shing, the independent non-executive Director, was appointed as a member of the Audit Committee from 1 February 2017.

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2017 has been reviewed by the Audit Committee and the members are of the opinion that such statements comply the applicable accounting standards and that adequate disclosures have been made.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express our sincere gratitude to the shareholders of the Company for their continued support and our Directors and staffs for their contribution to the Group's success.

By Order of the Board
Meng Zhaoyi
Acting Chairman and Chief Executive Officer

Hong Kong, 29 August 2017

審核委員會(續)

於本回顧報告期間，審核委員會由四名獨立非執行董事組成，即劉艷女士、冒康夫先生、高濱博士及鄧竟成先生；而劉艷女士獲選為審核委員會主席。獨立非執行董事鄧竟成先生於二零一七年二月一日獲委任為審核委員會成員。

審核委員會已審閱本集團截至二零一七年六月三十日止六個月的未經審核簡明綜合財務報表，而成員認為有關報表符合適用會計準則並已作出充足披露。

致謝

本人謹代表董事局藉此對本公司股東的持續支持以及董事及員工對本集團的成功所作出的貢獻深表謝意。

承董事局命
代理主席及行政總裁
孟昭億

香港，二零一七年八月二十九日

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

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

			Six months ended 30 June 截至六月三十日止六個月	
			2017 (unaudited) HK\$'000 二零一七年 (未經審核) 千港元	2016 (unaudited) HK\$'000 二零一六年 (未經審核) 千港元
		Notes 附註		
Revenue	收益	4	6,742,975	2,380,634
Other income	其他收入	6	17,040	2,067
Other gains and loss	其他收益及虧損	7	52,715	(16,882)
Purchases and changes in inventories	存貨之購買及變動		(5,982,840)	(2,341,661)
Employee benefits expenses	僱員福利開支		(45,060)	(12,288)
Other operating expenses	其他經營開支		(125,732)	(24,217)
Changes in fair value of investment properties	投資物業公允值變動	14	3,990	–
Impairment loss on mining rights	採礦權之減值損失	15	–	(217,083)
Share of results of an associate	分佔一間聯營公司業績		(35)	–
Finance costs	財務成本	8	(89,090)	(15,277)
Profit (loss) before tax	除稅前溢利(虧損)		573,963	(244,707)
Income tax (expense) credit	所得稅(開支)抵免	9	(37,303)	50,517
Profit (loss) for the period	期間溢利(虧損)	10	536,660	(194,190)
Other comprehensive income (expense):	其他全面收益(開支):			
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益之項目:</i>			
Exchange differences arising from translation of foreign operations	換算海外業務產生之匯兌差額		92,619	(1,876)
Share of exchange difference of an associate	分佔一間聯營公司匯兌差額		466	–
Reclassification of cumulative exchange differences to profit or loss upon disposal of an associate	於出售一間聯營公司時將累計匯兌差額重新分類至損益		(619)	–
Other comprehensive income (expense) for the period	期間其他全面收益(開支)		92,466	(1,876)
Total comprehensive income (expense) for the period	期間全面收益(開支)總額		629,126	(196,066)
Profit (loss) for the period attributable to:	以下人士應佔期間溢利(虧損):			
Owners of the Company	本公司擁有人		536,582	(193,923)
Non-controlling interests	非控股權益		78	(267)
			536,660	(194,190)
Total comprehensive income (expense) for the period attributable to:	以下人士應佔期間全面收益(開支)總額:			
Owners of the Company	本公司擁有人		628,875	(195,797)
Non-controlling interests	非控股權益		251	(269)
			629,126	(196,066)
Earnings (loss) per share – Basic (HK cents)	每股盈利(虧損) – 基本(港仙)	12	10.64	(12.59)

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況報表

於二零一七年六月三十日 At 30 June 2017

		Notes	30 June 2017 (unaudited) HK\$'000 二零一七年 六月三十日 (未經審核) 千港元	31 December 2016 (audited) HK\$'000 二零一六年 十二月三十一日 (經審核) 千港元
		附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	178,370	182,567
Investment properties	投資物業	14	4,301,727	3,625,760
Goodwill	商譽		12,014	12,014
Intangible assets	無形資產		31,725	32,366
Mining rights	採礦權	15	454,541	454,541
Interest in an associate	於一間聯營公司之權益	16	–	15,301
Loan note receivable	應收貸款票據	17	1,517,311	1,460,808
Available-for-sale investments	可供出售之投資		63,881	1,429
Pledged bank deposits	已抵押銀行存款		15,977	19,713
Other non-current assets	其他非流動資產		10,742	9,932
			6,586,288	5,814,431
Current assets	流動資產			
Inventories	存貨		2,233	1,834
Financial assets designated as at fair value through profit or loss	指定為按公允值計入損益之金融資產	18	631,443	452,600
Accounts receivable	應收賬款	19	602,761	85,063
Financial assets held for trading	持作買賣之金融資產	20	2,092,264	651,856
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項		65,896	410,467
Financial derivative contracts	金融衍生合約		42,947	–
Amount due from a related company	應收一間關聯公司之款項	21	78,058	–
Restricted bank deposits	受限制銀行存款		1,861,844	841,106
Bank balances and cash	銀行結餘及現金		917,314	2,016,662
			6,294,760	4,459,588
Current liabilities	流動負債			
Financial liabilities held for trading	持作買賣之金融負債	20	21,790	–
Financial derivative contracts	金融衍生合約		–	12,685
Accounts and bills payables	應付賬款及應付票據	22	2,212,389	910,591
Accrued liabilities and other payables	應計負債及其他應付款項		143,912	151,366
Borrowings	借貸	23	2,455,189	1,931,096
Amount due to ultimate holding company	應付最終控股公司之款項		–	14,728
Loan notes	貸款票據	24	–	1,412,116
Tax payables	應付稅項		51,894	26,724
			4,885,174	4,459,306
Net current assets	流動資產淨值		1,409,586	282
Total assets less current liabilities	總資產減流動負債		7,995,874	5,814,713

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況報表

於二零一七年六月三十日 At 30 June 2017

		Notes	30 June 2017 (unaudited) HK\$'000 二零一七年 六月三十日 (未經審核) 千港元	31 December 2016 (audited) HK\$'000 二零一六年 十二月三十一日 (經審核) 千港元
		附註		
Non-current liabilities	非流動負債			
Borrowings	借貸	23	830,904	–
Loan from a fellow subsidiary	同系附屬公司之貸款	25	139,394	171,444
Other non-current liabilities	其他非流動負債	26	1,302,944	1,165,586
Deferred tax liabilities	遞延稅項負債		253,706	245,453
			2,526,948	1,582,483
Net assets	資產淨值		5,468,926	4,232,230
Capital and reserves	資本及儲備			
Share capital	股本	27	262,501	240,164
Reserves	儲備		5,203,124	3,989,016
Equity attributable to owners of the Company	本公司擁有人應佔權益		5,465,625	4,229,180
Non-controlling interests	非控股權益		3,301	3,050
Total equity	權益總額		5,468,926	4,232,230

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔									
		Share capital	Share premium	Contributed surplus reserve	Deemed contribution reserve	Translation reserve	Statutory reserves	(Accumulated losses) retained profit	Subtotal	Non-controlling interests	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
				(Note a) 實繳	(Note b) 視作		(Note c)	(累計虧損)/			
		股本	股份溢價	盈餘儲備	注資儲備	匯兌儲備	法定儲備	保留溢利	小計	非控股權益	總額
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(附註a)		(附註b)			(附註c)				
At 1 January 2016 (unaudited)	於二零一六年一月一日 (未經審核)	75,054	1,157,281	52,743	-	2,598	-	(322,598)	965,078	3,153	968,231
Loss for the period	期內虧損	-	-	-	-	-	-	(193,923)	(193,923)	(267)	(194,190)
Exchange differences arising from translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	(1,874)	-	-	(1,874)	(2)	(1,876)
Total comprehensive expense for the period	期內全面開支總額	-	-	-	-	(1,874)	-	(193,923)	(195,797)	(269)	(196,066)
Capital contribution from non-controlling interest	非控股權益注資	-	-	-	-	-	-	-	-	6,000	6,000
At 30 June 2016 (unaudited)	於二零一六年六月三十日 (未經審核)	75,054	1,157,281	52,743	-	724	-	(516,521)	769,281	8,884	778,165
At 1 January 2017 (audited)	於二零一七年一月一日 (經審核)	240,164	4,341,585	52,743	7,312	(18,458)	-	(394,166)	4,229,180	3,050	4,232,230
Profit for the period	期間溢利	-	-	-	-	-	-	536,582	536,582	78	536,660
Exchange differences arising from translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	92,446	-	-	92,446	173	92,619
Share of exchange difference of an associate	分佔一間聯營公司匯兌差額	-	-	-	-	466	-	-	466	-	466
Reclassification of cumulative exchange differences to profit or loss upon disposal of an associate	於出售一間聯營公司時將累計匯兌差額重新分類至損益	-	-	-	-	(619)	-	-	(619)	-	(619)
Other comprehensive income for the period	期內其他全面收入	-	-	-	-	92,293	-	-	92,293	173	92,466
Total comprehensive income for the period	期間全面收入總額	-	-	-	-	92,293	-	536,582	628,875	251	629,126
Issued of ordinary shares for acquisition of subsidiaries (Note 33)	發行普通股股份收購附屬公司(附註33)	22,337	585,233	-	-	-	-	-	607,570	-	607,570
Transfer to statutory reserve	轉撥至法定儲備	-	-	-	-	-	8,813	(8,813)	-	-	-
At 30 June 2017 (unaudited)	於二零一七年六月三十日 (未經審核)	262,501	4,926,818	52,743	7,312	73,835	8,813	133,603	5,465,625	3,301	5,468,926

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

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

Notes:

- (a) The contributed surplus of the Group arose as a result of the Group reorganisation prior to its public listing on 2 October 1995 and represents the difference between the nominal value of the shares of the former holding company of the Group acquired pursuant to the Group reorganisation, over the nominal value of the shares of the Company issued in exchange therefore.
- (b) Deemed capital contribution reserve represents the initial fair value adjustment on loan from a fellow subsidiary which is unsecured, interest bearing at 4.75% per annum and repayable on 28 December 2018. Details disclosed in Note 25.
- (c) According to the relevant rules and regulations in the People's Republic of China (the "PRC"), each of the Company's PRC subsidiaries shall transfer 10% of their net income after taxation, based on the subsidiary's PRC statutory accounts, as statutory reserves, until the balance reaches 50% of the respective subsidiary's registered capital. Further appropriations can be made at the directors' discretion. The statutory reserves can be used to offset any accumulated losses or convert into paid-up capital of the respective subsidiary.

附註：

- (a) 本集團之實繳盈餘因本集團於一九九五年十月二日公開上市前進行集團重組而產生，乃指根據本集團重組而收購本集團前控股公司之股份面值，超出因該收購而發行之本公司股份面值之差額。
- (b) 視作注資儲備指來自一間同系附屬公司之貸款之初始公允值調整，該貸款為無抵押、按每年4.75%計息並須於二零一八年十二月二十八日償還。詳情於附註25披露。
- (c) 根據中華人民共和國(「中國」)之相關法律及法規，本集團每間中國附屬公司均須將其中國法定賬目所列除稅後淨收益之10%轉撥至法定儲備，直至其結餘達到該附屬公司註冊資本50%為止。但董事會可酌情作出額外撥款。有關附屬公司之法定儲備可用作抵銷累計虧損或轉為實繳股本。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

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

Six months ended 30 June

截至六月三十日止六個月

		2017 (unaudited) HK\$'000 二零一七年 (未經審核) 千港元	2016 (unaudited) HK\$'000 二零一六年 (未經審核) 千港元
OPERATING ACTIVITIES	經營業務		
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	102,998	(162,419)
Increase in financial assets designated as at fair value through profit or loss	指定為按公允值計入損益之金融資產增加	(148,666)	(386,394)
Increase in accounts receivable	應收賬款增加	(517,698)	(1,121)
Increase in financial assets held for trading	持作買賣金融資產增加	(991,573)	(676,754)
Increase in accounts and bills payables	應付賬款及應付票據增加	1,301,798	-
Other operating cash flows	其他經營現金流量	(21,224)	285,084
NET CASH USED IN OPERATING ACTIVITIES	經營業務所用之現金淨額	(274,365)	(941,604)
INVESTING ACTIVITIES	投資活動		
Placement of restricted bank deposits	存入受限制銀行存款	(1,034,364)	-
Advance to a related party	墊付予一名關連人士之款項	(78,058)	-
Acquisition of available-for-sales investments	收購可供出售投資	(62,065)	(38,981)
Acquisition of property, plant and equipment	收購物業、廠房及設備	(4,976)	(10,662)
Acquisition of other non-current assets	收購其他非流動資產	(810)	-
Refund of deposit paid for a potential acquisition	退還潛在收購之已付按金	322,322	-
Proceeds from disposal of investment properties	出售投資物業之所得款項	109,102	-
Withdrawal of restricted bank deposits	提取受限制銀行存款	23,330	-
Proceeds from disposal of interest in an associate	出售於一間聯營公司權益之所得款項	16,100	-
Withdrawal of pledged bank deposit	提取已抵押銀行存款	3,929	-
Interest received	已收利息	3,427	2,067
Investment in an associate	於一間聯營公司之投資	-	(8,400)
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用之現金淨額	(702,063)	(55,976)

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

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

		Six months ended 30 June 截至六月三十日止六個月	
		2017 (unaudited) HK\$'000 二零一七年 (未經審核) 千港元	2016 (unaudited) HK\$'000 二零一六年 (未經審核) 千港元
FINANCING ACTIVITIES			
Proceeds from issuance of note instrument	融資活動 發行票據工具之所得款項	621,656	–
Proceeds from margin financing	保證金融資之所得款項	488,854	40,245
Proceeds from other borrowings raised	其他籌集借貸之所得款項	313,036	–
Proceeds from third party's contributions in consolidated structured entities	第三方於綜合結構實體之 貢獻之所得款項	90,240	–
Repayment of loan notes	償還貸款票據	(1,441,537)	–
Repayment of bank borrowings	償還銀行借貸	(107,396)	–
Repayment of loan from a fellow subsidiary	償還一間同系附屬公司之貸款	(43,505)	–
Repayment of vendor financing loan	償還賣方融資貸款	(31,527)	–
Repayment to ultimate holding company	償還最終控股公司款項	(14,728)	–
Proceeds from loans from ultimate holding company	來自最終控股公司之貸款之 所得款項	–	1,066,000
Capital contribution from non-controlling interest	非控股權益注資	–	6,000
Advance from ultimate holding company	來自最終控股公司之墊款	–	4,798
Repayment of margin financing	償還保證金融資	–	(40,245)
NET CASH (USED IN) FROM FINANCING ACTIVITIES	融資活動(所用)所得之現金淨額	(124,907)	1,076,798
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及等同現金項目 (減少)增加淨額	(1,101,335)	79,218
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	期初之現金及等同現金項目	2,016,662	359,745
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外幣匯率變動之影響	1,987	(2,340)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD, represented by bank balances and cash	期終之現金及等同現金項目， 指銀行結餘及現金	917,314	436,623

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

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

1. BASIS OF PREPARATION

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

During the nine months ended 31 December 2016, the reporting period end date of the Company was changed from 31 March to 31 December because the directors of the Company (the “**Directors**”) determined to align the annual reporting period end date with the financial year end date of the Company’s principal operating subsidiaries established in the People’s Republic of China (the “**PRC**”). Such change is in response to the increase in operations and number of Company’s subsidiaries established and acquired in the PRC during recent years. The Directors consider that the change of the financial year end date will better facilitate the preparation of the consolidated financial statements of the Group. Accordingly, the condensed consolidated financial statements for the current interim period cover the six months ended 30 June 2017 and the corresponding comparative amounts shown in the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and related notes covered 1 January 2016 to 30 June 2016.

2. PRINCIPAL ACCOUNTING POLICIES

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

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2017 are the same as those followed in the preparation of the Group’s annual financial statements for the nine months ended 31 December 2016.

1. 編製基準

太和控股有限公司(「**本公司**」)及其附屬公司(統稱「**本集團**」)之簡明綜合財務報表乃按照由香港會計師公會(「**香港會計師公會**」)頒佈之香港會計準則第34號中期財務報告及香港聯合交易所有限公司證券上市規則附錄16之適用披露規定編製。

於截至二零一六年十二月三十一日止九個月，本公司之報告期間結算日由三月三十一日更改為十二月三十一日，原因是本公司董事(「**董事**」)決定使年度報告期間結算日與其於中華人民共和國(「**中國**」)成立之主要營運附屬公司之財政年度結算日一致。有關變動乃因應對近年來本公司於中國成立及收購之附屬公司之營運及數目增加。董事認為，財政年度結算日變動將更便於編製本集團之綜合財務報表。因此，本中期期間之簡明綜合財務報表涵蓋截至二零一七年六月三十日止六個月，而於簡明綜合損益及其他全面收益表、簡明綜合權益變動表、簡明綜合現金流量表及相關附註所示之相應比較金額涵蓋二零一六年一月一日至二零一六年六月三十日期間。

2. 主要會計政策

本簡明綜合財務報表乃根據歷史成本為基礎編製，惟投資物業及若干金融工具以公允值計量(倘適用)。

除下文所述者外，編製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所採用之會計政策及計算方法與本集團編製截至二零一六年十二月三十一日止九個月之年度財務報表所採納者一致。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

In the current interim period, the Group has applied, for the first time, the following amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA that are relevant for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to HKFRS 12	As part of the Annual Improvements to HKFRSs 2014 – 2016 Cycle

The application of the above amendments to HKFRSs in the current interim period has had no material effect on the amounts reported and/or disclosures set out in these condensed consolidated financial statements. Additional disclosures about changes in liabilities arising from financing activities, including both changes from cash flows and non-cash changes on application of amendments to HKAS 7 will be provided in the consolidated financial statements for the year ending 31 December 2017.

Also, in the current interim period, the Group invested in listed funds held for trading in Singapore with portfolios of identified financial instruments that the Group manages together and principally for the purpose of selling in near term. Certain listed funds held for trading in Singapore are classified as financial liabilities at fair value through profit or loss (“FVTPL”) and are measured at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any interest paid on the financial liabilities. Fair value is determined in the manner described in Note 28.

2. 主要會計政策(續)

於本中期期間，本集團首次應用下列由香港會計師公會頒佈之且為編製本集團簡明綜合財務報表相關之香港財務報告準則(「香港財務報告準則」)修訂本：

香港會計準則第7號修訂本	披露計劃
香港會計準則第12號修訂本	確認未變現虧損之遞延稅項資產
香港財務報告準則第12號修訂本	香港財務報告準則於二零一四年至二零一六年週期之年度改進之一部分

於本中期期間，應用上述香港財務報告準則修訂本對此等簡明綜合財務報表所呈報金額及／或所載列之披露事項並無重大影響。有關因應用香港會計準則第7號修訂本而自融資活動產生之負債變動(包括自現金流量產生之變動以及非現金變動)之額外披露將於截至二零一七年十二月三十一日止年度之綜合財務報表內提供。

此外，於本中期期間，本集團於新加坡投資持作買賣之上市基金，與本集團的已識別金融工具組合整體管理且主要以近期銷售為目的。於新加坡持作買賣之若干上市基金分類為按公允值計入損益(「按公允值計入損益」)之金融負債，並以公允值計量，而任何產生自重新計量之收益或虧損均於損益確認。於損益確認之收益或虧損淨額不包括就金融負債已付之任何利息。公允值乃按附註28所述之方式釐定。

Notes to the Condensed Consolidated Financial Statements

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

3. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing the condensed consolidated financial statements for the six months ended 30 June 2017, the critical judgments in applying the Group's accounting policies and the key sources of estimation uncertainty made by the Directors were the same as those applied in the preparation of the Group's annual financial statements for the nine months ended 31 December 2016, except for the following critical accounting judgment which are newly applied during the current interim period:

Control over 杭州宏農投資管理合夥企業(有限合夥) Hangzhou Hong Nong Limited Partnership* ("Hong Nong LP")

During the six months ended 30 June 2017, 西藏宏融資產管理有限公司 Tibet Hong Rong Asset Management Co. Ltd* ("**Tibet Hong Rong**") and 浙江太融資產管理有限公司 Zhejiang Tai Rong Asset Management Co. Ltd* ("**Zhejiang Tai Rong**"), wholly-owned subsidiaries of the Group, entered into a limited partnership agreement with 浙江浙農錦城資產管理有限公司 ("**Investor**"), an independent third party, in relation to the establishment of a limited partnership called Hong Nong LP with total registered capital of RMB120,010,000. Zhejiang Tai Rong, the Investor and Tibet Hong Rong acted as general partner, senior-tranche limited partner and junior-tranche limited partner of Hong Nong LP, respectively.

3. 重大會計判斷及估計不確定性之主要來源

於編製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時，董事應用本集團會計政策及估計不確定性之主要來源作出之重要判斷與編製本集團截至二零一六年十二月三十一日止九個月之年度財務報表所應用者相同，惟下列於本中期間新應用之重大會計判斷除外：

對杭州宏農投資管理合夥企業(有限合夥)(「宏農合夥」)之控制權

於截至二零一七年六月三十日止六個月，西藏宏融資產管理有限公司(「**西藏宏融**」)和本集團全資附屬公司浙江太融資產管理有限公司(「**浙江太融**」)與一名獨立第三方浙江浙農錦城資產管理有限公司(「**投資者**」)訂立有限合夥協議，內容有關成立一間名為宏農合夥之有限合夥企業，總註冊資本為人民幣120,010,000元。浙江太融、投資者及西藏宏融分別擔任宏農合夥之一般合夥人、優先層有限合夥人以及次級層有限合夥人。

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3. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Control over 杭州宏農投資管理合夥企業(有限合夥) Hangzhou Hong Nong Limited Partnership* (“Hong Nong LP”) (Continued)

Pursuant to the limited partnership agreement, Zhejiang Tai Rong and Tibet Hong Rong collectively invested 33.3% registered capital of Hong Nong LP amounting to RMB40,010,000 (equivalent to approximately HK\$45,233,000). In making the judgment on control over Hong Nong LP, the Directors assessed whether or not the Group has achieved control based on HKFRS 10 “Consolidated Financial Statements” and considering the facts that i) the Group acted in the capacity of general partner who has the rights to direct the investment decision and the relevant operating activities of Hong Nong LP; ii) the purpose of setting up Hong Nong LP was initiated by the Group which solely for acquisition of distressed debt assets; iii) in accordance with the limited partnership agreement, the Group could receive the residual value from Hong Nong LP after repaying the invested capital, amounting to RMB80,000,000 (equivalent to approximately to HK\$90,240,000), and the target return, which is 10% fixed interest income of the invested capital, back to the Investor; and iv) the Group agreed to provide the guarantee in favour of the Investor for the performance of the Hong Nong LP with the maximum liabilities of RMB24,000,000. After the assessment of above facts of the limited partnership agreement, the Directors concluded that Hong Nong LP created significance exposure to variability of returns to the Group and the Group also has to compensate any potential loss to the Investor up to RMB24,000,000, which is 30% of the capital invested by the Investor, and concluded that the Group has control over Hong Nong LP under HKFRS 10 and the Group has consolidated the assets and liabilities of Hong Nong LP since its establishment during the period.

* The English name is for identification purpose only.

3. 重大會計判斷及估計不確定性之主要來源(續)

對杭州宏農投資管理合夥企業(有限合夥)(「宏農合夥」)之控制權(續)

根據有限合夥協議，浙江太融及西藏宏融合共投資宏農合夥33.3%之註冊資本，為數人民幣40,010,000元(相當於約45,233,000港元)。在就宏農合夥之控制權作出判斷時，董事評估本集團是否基於香港財務報告準則第10號綜合財務報表已取得控制權，並考慮以下事實：i)本集團擔任一般合夥人，並有權指示宏農合夥的投資決策及營運活動；ii)本集團發起設立宏農合夥之目的純粹為了收購不良債務資產；iii)根據有限合夥協議，本集團可收取宏農合夥於償還已投資資本為人民幣80,000,000元(相當於約90,240,000港元)及將相當於已投資資本之10%固定利息收入之目標回報退回投資者後之剩餘價值；及iv)本集團同意就最高負債人民幣24,000,000元之履約向投資者提供保證。在評估有限合夥協議之上述事實後，董事認為宏農合夥對本集團產生回報變動性有重大風險以及本集團亦須向投資者補償任何潛在損失之上限最高為人民幣24,000,000元，即投資者已投資資本的30%，並認為本集團於期內已根據香港財務報告準則第10號對宏農合夥有控制權及本集團已將宏農合夥自成立以來之資產及負債綜合入賬。

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4. REVENUE

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

4. 收益

本集團於本期間收益之分析如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2017 (unaudited) HK\$'000 二零一七年 (未經審核) 千港元	2016 (unaudited) HK\$'000 二零一六年 (未經審核) 千港元
Sale of metal-related products	銷售金屬相關產品	2,980,325	725,717
Sale of petrochemical products	銷售石化產品	2,924,925	1,615,721
Changes in fair value of financial assets (liabilities) held for trading	持作買賣之金融資產(負債)之公允值變動	569,523	6,408
Effective interest income and arrangement fee income from loan note receivable (Note 17)	應收貸款票據之實際利息收入及安排費用收入(附註17)	108,338	-
Changes in fair value of financial assets designated as at fair value through profit or loss	指定為按公允值計入損益之金融資產之公允值變動	73,993	24,243
Property rental income	物業租金收入	72,346	-
Sale of medical equipment and other general goods	銷售醫療設備及其他一般商品	9,204	8,545
Service fees, commission and broking income from financial services business	金融服務業務服務費、佣金及經紀收入	4,321	-
		6,742,975	2,380,634

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5. SEGMENT INFORMATION

Information reported to the chief operating decision maker (“**CODM**”), being the Chief Executive Officer of the Company, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided and the activities engaged, is set out below.

For management purpose, the Group is currently organised into seven (six months ended 30 June 2016: five) operating divisions summarised as follows:

- (i) Financial services segment – provision of securities and margin financing, trading and brokerage of futures contracts, asset management and money lending business to customers in Hong Kong;
- (ii) Securities investment segment – trading equity securities and derivatives in the PRC, Hong Kong and Singapore;
- (iii) Commodity trading segment – trading of petrochemical products and metal-related products in Singapore;
- (iv) Property investment segment – property investment and leasing of properties in the PRC, Hong Kong and the United Kingdom (the “**UK**”);
- (v) Distressed debt asset management segment – managing of assets arising from acquisition of distressed debts assets in the PRC;
- (vi) Mining and exploitation of natural resources segment – mining and production of tungsten resources activities in the Republic of Mongolia (“**Mongolia**”); and
- (vii) Sales of medical equipment and other general goods segment – trading of medical equipment and other general goods in the PRC.

5. 分部資料

向主要營運決策者(「**主要營運決策者**」)，即本公司行政總裁呈報以分配資源及評估分部表現之資料，集中於已付運或已提供之貨物或服務類型及所從事之業務，載列如下。

就管理而言，本集團現時已成立七個(截至二零一六年六月三十日止六個月：五個)經營分部，概述如下：

- (i) 金融服務分部—於香港向客戶提供證券及保證金融資、期貨合約買賣及經紀、資產管理及放貸業務；
- (ii) 證券投資分部—於中國、香港及新加坡買賣股本證券及衍生工具；
- (iii) 商品貿易分部—於新加坡買賣石化產品及金屬相關產品；
- (iv) 物業投資分部—於中國、香港及英國(「**英國**」)之物業投資及租賃物業；
- (v) 不良債務資產管理分部—於中國收購不良債務資產而產生之資產管理；
- (vi) 採礦及勘探天然資源分部—於蒙古共和國(「**蒙古**」)之採礦及生產鎢礦資源活動；及
- (vii) 銷售醫療設備及其他一般商品分部—於中國買賣醫療設備及其他一般商品。

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5. SEGMENT INFORMATION (Continued)

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segments.

Six months ended 30 June 2017 (unaudited)

		Financial services HK\$'000	Securities investment HK\$'000	Commodity trading HK\$'000	Property investment HK\$'000	Distressed debt asset management HK\$'000	Mining and exploitation of natural resources HK\$'000	Sales of medical equipment and other general goods HK\$'000	Total HK\$'000
		金融服務 千港元	證券投資 千港元	商品貿易 千港元	物業投資 千港元	不良債務 資產管理 千港元	採礦及勘探 天然資源 千港元	醫療設備及 其他一般商品 銷售 千港元	總計 千港元
Segment revenue	分部收益	112,659	569,523	5,905,250	72,346	73,993	-	9,204	6,742,975
Segment results	分部業績	62,941	529,909	(5,444)	46,358	61,987	(16,702)	(127)	678,922
Share of results of an associate	分佔一間聯營公司業績								(35)
Foreign exchange gains, net	匯兌收益·淨額								36,037
Gain on disposal of an associate	出售一間聯營公司收益								987
Unallocated finance costs	未分配財務成本								(63,070)
Central administration costs	中央行政開支								(78,878)
Profit before tax	除稅前溢利								573,963

5. 分部資料(續)

分部收益及業績

以下為按經營及可呈報分部劃分之本集團收益及業績之分析。

截至二零一七年六月三十日止六個月(未經審核)

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)

		Securities investment HK\$'000	Commodity trading HK\$'000	Distressed debt asset management HK\$'000	Mining and exploitation of natural resources HK\$'000	Sales of medical equipment and other general goods HK\$'000	Total HK\$'000
		證券投資 千港元	商品貿易 千港元	不良債務 資產管理 千港元	採礦及勘探 天然資源 千港元	設備及其他 一般商品 銷售 千港元	總計 千港元
Segment revenue	分部收益	6,408	2,341,438	24,243	-	8,545	2,380,634
Segment results	分部業績	(4,794)	4,087	22,570	(217,800)	13	(195,924)
Foreign exchange losses, net	匯兌虧損·淨額						(16,882)
Unallocated finance costs	未分配財務成本						(13,590)
Central administration costs	中央行政開支						(18,311)
Loss before tax	除稅前虧損						(244,707)

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5. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in both periods.

Segment result represents the profit earned or loss incurred before tax by each segment without allocation of central administration costs including Directors' emoluments, legal and professional fees, office rentals and other operating expenses, foreign exchange gains (losses), net, unallocated finance costs, gain on disposal of an associate and share of results of an associate. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segment:

5. 分部資料(續)

分部收益及業績(續)

上文所呈報之分部收益乃指外部客戶產生之收益。於兩個期間概無分部間銷售。

分部業績乃指於未分配中央行政開支(包括董事薪酬、法律及專業費用、辦公室租金及其他經營開支、匯兌收益(虧損)淨額、未分配財務成本、出售一間聯營公司之收益及分佔一間聯營公司業績)前各分部除稅所賺取之溢利或產生之前虧損。就資源分配及評估分部表現而言，此乃向主要營運決策者呈報之方法。

分部資產及負債

本集團按經營及可呈報分部劃分之資產及負債之分析如下：

	30 June 2017 (unaudited) HK\$'000 二零一七年 六月三十日 (未經審核) 千港元	31 December 2016 (audited) HK\$'000 二零一六年 十二月三十一日 (經審核) 千港元
Segment assets		
Financial services	1,963,139	2,063,330
Securities investment	2,593,860	1,846,081
Commodity trading	2,485,215	1,194,036
Property investment	4,373,411	3,664,866
Distressed debt asset management	636,670	497,256
Mining and exploitation of natural resources	454,585	454,584
Sales of medical equipment and other general goods	8,921	8,898
Total segment assets	12,515,801	9,729,051
Interest in an associate	-	15,301
Available-for-sale investments	63,881	1,429
Deposit paid for a potential acquisition	-	315,225
Amount due from a related company	78,058	-
Unallocated property, plant and equipment	164,805	163,272
Unallocated intangible assets	4,130	4,130
Other unallocated corporate assets	54,373	45,611
Consolidated total assets	12,881,048	10,274,019
分部資產		
金融服務	1,963,139	2,063,330
證券投資	2,593,860	1,846,081
商品貿易	2,485,215	1,194,036
物業投資	4,373,411	3,664,866
不良債務資產管理	636,670	497,256
採礦及勘察天然資源	454,585	454,584
銷售醫療設備及其他一般商品	8,921	8,898
分部資產總額	12,515,801	9,729,051
於一間聯營公司之權益	-	15,301
可供出售之投資	63,881	1,429
潛在收購之已付按金	-	315,225
應收一間關聯公司之款項	78,058	-
未分配物業、廠房及設備	164,805	163,272
未分配無形資產	4,130	4,130
其他未分配公司資產	54,373	45,611
綜合資產總額	12,881,048	10,274,019

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5. SEGMENT INFORMATION (Continued)

Segment assets and liabilities (Continued)

		30 June 2017 (unaudited) HK\$'000 二零一七年 六月三十日 (未經審核) 千港元	31 December 2016 (audited) HK\$'000 二零一六年 十二月三十一日 (經審核) 千港元
Segment liabilities	分部負債		
Financial services	金融服務	1,326,500	1,290,291
Securities investment	證券投資	833,633	388,365
Commodity trading	商品貿易	2,224,562	809,927
Property investment	物業投資	1,262,670	1,250,212
Distressed debt asset management	不良債務資產管理	141,009	40,409
Mining and exploitation of natural resources	採礦及勘察天然資源	93,571	93,158
Sales of medical equipment and other general goods	銷售醫療設備及其他一般商品	2,179	797
Total segment liabilities	分部負債總額	5,884,124	3,873,159
Amount due to ultimate holding company	應付最終控股公司之款項	–	14,728
Loan notes	貸款票據	–	1,412,116
Loan from a fellow subsidiary	同系附屬公司之貸款	139,394	171,444
Unallocated secured borrowings	未分配已抵押借貸	1,330,393	498,471
Other unallocated corporate liabilities	其他未分配公司負債	58,211	71,871
Consolidated total liabilities	綜合負債總額	7,412,122	6,041,789

For the purpose of monitoring segment performances and allocating resources between segments:

- all assets are allocated to reportable segments other than interest in an associate, available-for-sale investments, deposit paid for a potential acquisition, amount due from a related company, unallocated property, plant and equipment, unallocated intangible assets and other unallocated corporate assets (including primarily unallocated bank balances and cash).
- all liabilities are allocated to reportable segments other than amount due to ultimate holding company, loan notes, loan from a fellow subsidiary, unallocated secured borrowings and other unallocated corporate liabilities.

5. 分部資料(續)

分部資產及負債(續)

		30 June 2017 (unaudited) HK\$'000 二零一七年 六月三十日 (未經審核) 千港元	31 December 2016 (audited) HK\$'000 二零一六年 十二月三十一日 (經審核) 千港元
Segment liabilities	分部負債		
Financial services	金融服務	1,326,500	1,290,291
Securities investment	證券投資	833,633	388,365
Commodity trading	商品貿易	2,224,562	809,927
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Distressed debt asset management	不良債務資產管理	141,009	40,409
Mining and exploitation of natural resources	採礦及勘察天然資源	93,571	93,158
Sales of medical equipment and other general goods	銷售醫療設備及其他一般商品	2,179	797
Total segment liabilities	分部負債總額	5,884,124	3,873,159
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Unallocated secured borrowings	未分配已抵押借貸	1,330,393	498,471
Other unallocated corporate liabilities	其他未分配公司負債	58,211	71,871
Consolidated total liabilities	綜合負債總額	7,412,122	6,041,789

就監管分部表現及在分部之間分配資源而言：

- 除於一間聯營公司之權益、可供出售之投資、潛在收購之已付按金、應收一間關聯公司之款項、未分配物業、廠房及設備、未分配無形資產及其他未分配公司資產(主要包括未分配銀行結餘及現金)外，所有資產均分配至可呈報分部。
- 除應付最終控股公司之款項、貸款票據、同系附屬公司之貸款、未分配已抵押借貸及其他未分配公司負債外，所有負債均分配至可呈報分部。

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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 (unaudited) HK\$'000 二零一七年 (未經審核) 千港元	2016 (unaudited) HK\$'000 二零一六年 (未經審核) 千港元
Interest income from:	來自以下各項之利息收入：		
– restricted bank deposits	– 受限制銀行存款	13,412	–
– bank and other deposits	– 銀行及其他存款	3,086	2,067
Sundry income	雜項收入	542	–
		17,040	2,067

7. OTHER GAINS AND LOSS

7. 其他收益及虧損

		Six months ended 30 June 截至六月三十日止六個月	
		2017 (unaudited) HK\$'000 二零一七年 (未經審核) 千港元	2016 (unaudited) HK\$'000 二零一六年 (未經審核) 千港元
Foreign exchange gains (losses), net	匯兌收益(虧損)，淨額	36,037	(16,882)
Gain on fair value changes of financial derivative contracts	金融衍生合約之公允值變動收益	55,950	–
Gain on disposal of an associate	出售一間聯營公司收益	987	–
Profits attributable to the third parties' interests in consolidated structured entities	第三方於綜合結構實體之權益應佔溢利	(40,259)	–
		52,715	(16,882)

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

8. FINANCE COSTS

8. 財務成本

		Six months ended 30 June 截至六月三十日止六個月	
		2017 (unaudited) HK\$'000 二零一七年 (未經審核) 千港元	2016 (unaudited) HK\$'000 二零一六年 (未經審核) 千港元
Interest expenses on	下列各項的利息開支		
– loans from ultimate holding company	– 來自最終控股公司之貸款	–	13,575
– secured bank borrowings	– 有抵押銀行借貸	41,006	–
– margin financing	– 保證金融資	8,848	1,687
– vendor financing loan	– 賣方融資貸款	1,102	–
– loan notes	– 貸款票據	29,421	–
Imputed interest expense on loan from a fellow subsidiary	同系附屬公司貸款的推算 利息開支	6,007	–
Others	其他	2,706	15
		89,090	15,277

9. INCOME TAX EXPENSE (CREDIT)

9. 所得稅開支(抵免)

		Six months ended 30 June 截至六月三十日止六個月	
		2017 (unaudited) HK\$'000 二零一七年 (未經審核) 千港元	2016 (unaudited) HK\$'000 二零一六年 (未經審核) 千港元
Current tax:	現行稅項：		
PRC Enterprise Income tax (“EIT”)	中國企業所得稅(「企業所得稅」)	14,432	73
Singapore Corporate Tax (“CIT”)	新加坡企業稅(「企業稅」)	5,325	–
Hong Kong Profits Tax	香港利得稅	11,085	–
UK Profits Tax	英國利得稅	3,205	–
Overprovision in prior year:	於上年度超額撥備：		
Hong Kong Profits Tax	香港利得稅	(348)	–
Deferred tax	遞延稅項	3,604	(50,590)
		37,303	(50,517)

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9. INCOME TAX EXPENSE (CREDIT) (Continued)

Hong Kong Profits Tax and Singapore CIT are calculated at 16.5% and 17.0%, respectively, on the estimated assessable profit for both periods.

Under the Law of the PRC on EIT (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the PRC EIT rate of subsidiaries of the Company operating in the PRC was 25% or at a lower concessionary rate of 9% for subsidiaries operating in the Tibet Autonomous Region for both periods.

Subsidiaries incorporated in Mongolia are subject to Mongolian income tax which is calculated at the rate of 10% on the first 3 billion Mongolian Turgrik (“**MNT**”) of estimated taxable income and 25% on the amount in excess thereof. No provision for Mongolian income tax has been made in the condensed consolidated financial statement as there are no assessable profits for both periods.

UK Profits Tax is calculated at 19% (six months ended 30 June 2016: 20%) of estimated assessable profit for the six months ended 30 June 2017.

9. 所得稅開支(抵免)(續)

香港利得稅及新加坡企業稅乃分別根據兩個期間的估計應課稅溢利分別按16.5%及17.0%計算。

根據中國企業所得稅法(「**企業所得稅法**」)及企業所得稅法實施條例，於兩個期間，本公司於中國經營的附屬公司的中國企業所得稅率為25%或於西藏自治區經營的附屬公司為9%之較低優惠稅率。

於蒙古註冊成立的附屬公司須繳納蒙古國所得稅，該所得稅乃以估計應課稅收入首3,000,000,000蒙古圖格里克(「**蒙古圖格里克**」)按10%的稅率計算，超出部份按25%的稅率計算。由於兩個期間並無產生應課稅溢利，因此並未於簡明綜合財務報表內就蒙古所得稅作出撥備。

英國利得稅乃根據截至二零一七年六月三十日止六個月的估計應課稅溢利按19%(截至二零一六年六月三十日止六個月：20%)計算。

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10. PROFIT (LOSS) FOR THE PERIOD

Profit (loss) for the period has been arrived after charging (crediting):

Cost of inventories recognised as an expense	已確認為開支之存貨成本
Depreciation of property, plant and equipment	物業、廠房及設備折舊
Amortisation of intangible assets	無形資產攤銷
Operating lease rental in respect of office premises	有關辦公室物業之經營租賃租金
Gross rental income from investment properties	投資物業所得租金收入總額
Less: direct operating expenses arising from investment properties that generated rental income	減：產生租金收入之投資物業所產生之直接經營開支

10. 期間溢利(虧損)

期間溢利(虧損)乃經扣除(計入)下列各項後達致：

Six months ended 30 June
截至六月三十日止六個月

2017 (unaudited) HK\$'000 二零一七年 (未經審核) 千港元	2016 (unaudited) HK\$'000 二零一六年 (未經審核) 千港元
5,982,840	2,341,661
13,681	464
666	-
15,079	8,971
(72,346)	-
6,485	-
(65,861)	-

11. DIVIDEND

Subsequent to the end of the reporting period, an interim dividend of HK\$0.0181 per share (six months ended 30 June 2016: Nil) with total amount of approximately HK\$95,000,000 in respect of the six months ended 30 June 2017 (six months ended 30 June 2016: Nil) has been proposed by the Directors.

11. 股息

於報告期於報告期結束後，董事提呈就截至二零一七年六月三十日止六個月宣派中期股息每股0.0181港元(截至二零一六年六月三十日止六個月：無)，合共約95,000,000港元(截至二零一六年六月三十日止六個月：無)。

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12. EARNINGS (LOSS) PER SHARE

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

		Six months ended 30 June 截至六月三十日止六個月	
		2017 (unaudited) HK\$'000 二零一七年 (未經審核) 千港元	2016 (unaudited) HK\$'000 二零一六年 (未經審核) 千港元
Earnings (loss)	盈利(虧損)		
Profit (loss) for the period attributable to owners of the Company for the purpose of basic earnings (loss) per share	用於計算每股基本盈利(虧損)的本公司擁有人應佔期內溢利(虧損)	536,582	(193,923)

12. 每股盈利(虧損)

本公司擁有人應佔的每股基本盈利(虧損)乃根據下列數據計算：

		Six months ended 30 June 截至六月三十日止六個月	
		2017 (unaudited) '000 二零一七年 (未經審核) 千股	2016 (unaudited) '000 二零一六年 (未經審核) 千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of calculation of basic earnings (loss) per share	用於計算每股基本盈利(虧損)的普通股加權平均數	5,045,160	1,540,572

For the six months ended 30 June 2017, the weighted average number of shares for the purpose of basic earnings per share has been adjusted for the issuance of shares which form the consideration for the acquisition of Tai Infinite Holdings Group Limited and Excel Fine Holdings Limited (the "Tai Infinite Group") in March 2017. Details of the acquisition are set out in Note 33.

截至二零一七年六月三十日止六個月，用於計算每股基本盈利的普通股加權平均數已就於二零一七年三月發行股份以構成收購太宏控股集團有限公司及Excel Fine Holdings Limited(「太宏集團」)代價之一部分作出調整。收購事項詳情載於附註33。

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簡明綜合財務報表附註

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

12. EARNINGS (LOSS) PER SHARE (Continued)

For the six months ended 30 June 2016, the weighted average number of shares for the purpose of basic loss per share has been adjusted retrospectively to reflect the bonus element arising from share subscriptions and share placing of the Company's new ordinary shares in November and December 2016, respectively.

No diluted earnings (loss) per share for both periods were presented as there were no potential ordinary shares in issue for both periods.

13. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2017, the Group had addition of property, plant and equipment of approximately HK\$9,226,000 (six months ended 30 June 2016: HK\$10,662,000) and approximately HK\$4,250,000 of property, plant and equipment were acquired through acquisition of Tai Infinite Group. Details of the acquisition of subsidiaries are set out in Note 33.

14. INVESTMENT PROPERTIES

12. 每股盈利(虧損)(續)

截至二零一六年六月三十日止六個月，用於計算每股基本虧損的普通股加權平均數已作出追溯調整，以分別反映於二零一六年十一月及十二月就本公司新普通股進行股份認購及股份配售所產生的紅利因素。

由於兩個期間並無已發行潛在普通股，故概無呈列兩個期間每股攤薄盈利(虧損)。

13. 物業、廠房及設備變動

截至二零一七年六月三十日止六個月，本集團添置物業、廠房及設備約9,226,000港元(截至二零一六年六月三十日止六個月：10,662,000港元)及透過收購太宏集團購置物業、廠房及設備約4,250,000港元。收購附屬公司之詳情載於附註33。

14. 投資物業

FAIR VALUE	公允值	HK\$'000 千港元
At 1 April 2016 (audited)	於二零一六年四月一日(經審核)	–
Additions	添置	1,261,374
Acquired through acquisition of subsidiaries	透過收購附屬公司獲得	2,049,856
Changes in fair value recognised in profit or loss	於損益內確認之公允值變動	304,430
Exchange realignment	匯兌調整	10,100
At 31 December 2016 (audited)	於二零一六年十二月三十一日(經審核)	3,625,760
Acquired through acquisition of subsidiaries (Note 33)	透過收購附屬公司獲得(附註33)	606,529
Changes in fair value recognised in profit or loss	於損益內確認之公允值變動	3,990
Disposals	出售	(109,102)
Exchange realignment	匯兌調整	174,550
At 30 June 2017 (unaudited)	於二零一七年六月三十日(未經審核)	4,301,727

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14. INVESTMENT PROPERTIES (Continued)

All of the Group's property interests held to earn rentals or for capital appreciation are measured using the fair value model and are classified and accounted for as investment properties.

The fair values of the Group's investment properties at 30 June 2017 was approximately to HK\$4,301,727,000 (31 December 2016: HK\$3,625,760,000) and have been arrived at on the basis of valuations carried out by the management and APAC Asset Valuation and Consulting Limited ("APAC"), an independent qualified professional valuer not connected with the Group, respectively.

The valuations of the Group's commercial and residential properties in UK at 30 June 2017 have been performed by the management of the Group with reference to the valuation techniques adopted as of 31 December 2016 which carried out by Jones Lang LaSalle Corporation Appraisal and Advisory Limited, ("JLL") and GVA Grimley Limited, independent qualified professional valuers not connected with the Group, respectively, and the valuation of the Group's hotel facility in the PRC at 30 June 2017 has been performed by APAC.

In addition, the valuation of the Group's commercial property in Hong Kong at 30 June 2017 has been performed by the management of the Group with reference to the valuation technique as of 24 March 2017, date of acquisition, which carried out by JLL.

14. 投資物業(續)

本集團所有持有以賺取租金或作資本增值之物業權益乃使用公允價值模式計量並分類及入賬作為投資物業。

本集團之投資物業於二零一七年六月三十日之公允價值約為4,301,727,000港元(二零一六年十二月三十一日: 3,625,760,000港元), 乃由本集團管理層及與本集團並無關連之獨立合資格專業估值師亞太資產評估及顧問有限公司(「亞太」)分別進行之估值釐定。

本集團位於英國之商業及住宅物業於二零一七年六月三十日之估值由本集團管理層作出, 乃參考於二零一六年十二月三十一日與本集團並無關連之獨立合資格專業估值師仲量聯行企業評估及諮詢有限公司(「仲量聯行」)及GVA Grimley Limited所採用的估值技術釐定, 而本集團於中國的酒店設施於二零一七年六月三十日之估值則由亞太進行。

此外, 本集團位於香港之商業物業於二零一七年六月三十日之估值乃由本集團管理層經參考仲量聯行於二零一七年三月二十四日(收購日期)之估值技術後進行。

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14. INVESTMENT PROPERTIES (Continued)

The valuation was arrived at by reference to market evidence of transaction prices for similar properties in the same location and conditions and where appropriate by capitalisation of rental income from properties.

The Group's investment properties with a carrying value of HK\$2,691,727,000 as 30 June 2017 (31 December 2016: HK\$2,062,800,000) were pledged to secure bank borrowings with total outstanding amount of approximately HK\$1,560,005,000 (31 December 2016: HK\$1,598,250,000). Details of charges over the borrowings are disclosed in Note 32.

Details of the Group's investment properties and information under Level 3 fair value hierarchy as at 30 June 2017 and 31 December 2016 is as follows:

14. 投資物業(續)

估值乃參考位於相同位置及環境之類似物業交易價之市場憑證，並資本化物業租賃收入(倘適用)計算。

於二零一七年六月三十日，本集團賬面值為2,691,727,000港元(二零一六年十二月三十一日：2,062,800,000港元)之投資物業已被抵押，以作為未償還總額約為1,560,005,000港元(二零一六年十二月三十一日：1,598,250,000港元)的銀行借貸之擔保。借貸之抵押詳情於附註32披露。

於二零一七年六月三十日及二零一六年十二月三十一日，本集團投資物業之詳情及第三層公允價值層級資料如下：

	30 June 2017 (unaudited) HK\$'000 二零一七年 六月三十日 (未經審核) 千港元	31 December 2016 (audited) HK\$'000 二零一六年 十二月三十一日 (經審核) 千港元
Commercial property units located in UK	1,051,043	988,425
Residential property units located in UK	1,040,684	1,074,375
A hotel facility located in the PRC	1,610,000	1,562,960
Commercial property units located in HK	600,000	-
	4,301,727	3,625,760

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14. INVESTMENT PROPERTIES (Continued)

The following table gives information about how the fair values of these investment properties are determined (in particular, the valuation techniques and inputs used), as well as the fair value hierarchy into which the fair value measurements are categorised based on the degree to which the inputs to the fair value measurements is observable.

14. 投資物業(續)

下表列載該等投資物業公允值之釐定方式之資料(尤其是估值技術及所用輸入數據), 以及根據計算公允值計量時輸入數據之可觀察程度所歸入之公允值層級。

Investment properties held by the Group in the condensed consolidated statement of financial position 簡明綜合財務狀況報表內 中本集團持有之投資物業	Valuation technique(s) and key input(s) 估值技術及 主要輸入數據	Key observable input(s) 主要可觀察輸入數據	Significant unobservable input(s) 重大不可觀察輸入數據	Relationship of unobservable inputs to fair value 不可觀察輸入數據與 公允值之關係
Commercial property units located in UK 位於英國之商業物業單位	Income approach Key inputs are: – Term yield – Market rent of comparable properties	Monthly market rent per square foot from GBP3.85 to GBP4.17 每平方呎月市場租金為 3.85英鎊至4.17英鎊	Key and unobservable inputs are: – Term yield: 5.33% – Market rent of comparable properties, by taking accounts of the accessibility, size, locations and condition and environment of properties 主要及不可觀察輸入數據為: – 有期回報率: 5.33% – 可資比較物業之市場租金, 當中參考可達度、大小、位置及條件以及物業環境	– The lower the term yield, the higher the fair value. – The higher the market rent, the higher the fair value. – 有期回報率越低, 公允值越高。 – 市場租金越高, 公允值越高。
Residential property units located in UK 位於英國之住宅物業單位	Market comparable approach Key input is recent market prices per square foot of comparable properties 市場比較法 主要輸入數據為可資比較物業之每平方呎近期市場價格	Recent market price of GBP3,000 per square foot 近期市場價格為每平方呎 3,000英鎊	Key and unobservable input is market price per square foot of comparable properties, by taking accounts of the accessibility, size, locations and condition and environment of properties 主要及不可觀察輸入數據為可資比較物業之每平方呎市價, 當中參考可達度、大小、位置及條件以及物業環境	– The higher the market price per square foot, the higher the fair value. – 每平方呎市價越高, 公允值越高。
A hotel facility located in the PRC 位於中國之酒店設施	Income approach Key inputs are: – Term yield – Reversionary yield – Gross rental income derived from the existing leases 收益法 主要輸入數據為: – 有期回報率 – 復歸回報率 – 源自現有租賃之租金收入總額	Gross monthly rental income of RMB6,600,000 月租金收入總額為 人民幣6,600,000元	Key and unobservable inputs are: – Term yield: 1.0% to 4.5% – Reversionary yield: 1.5% to 5.0% 主要及不可觀察輸入數據為: – 有期回報率: 1.0%至4.5% – 復歸回報率: 1.5%至5.0%	– The lower the term yield and reversionary yield, the higher the fair value. – 有期回報率及復歸回報率越低, 公允值越高
Commercial property units located in HK 位於香港之商業物業單位	Market comparable approach Key input is recent market prices per square foot of comparable properties 市場比較法 主要輸入數據為可資比較物業之每平方呎近期市場價格	Recent market price of HK\$62,827 per square foot 近期市場價格為每平方呎 62,827港元	Key and unobservable input is market price per square foot of comparable properties, by taking accounts of the accessibility, size, locations and condition and environment of properties 主要及不可觀察輸入數據為可資比較物業之每平方呎市價, 當中參考可達度、大小、位置及條件以及物業環境	– The higher the market price per square foot, the higher the fair value. – 每平方呎市價越高, 公允值越高。

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14. INVESTMENT PROPERTIES (Continued)

There has been no change from the valuation technique used during six months ended 30 June 2017. In estimating the fair values of the investment properties for disclosure purpose, the highest and the best use of the investment properties is their current use.

There were no transfers out of level 3 during the six months ended 30 June 2017.

15. MINING RIGHTS

The mining rights represent the rights to conduct mining activities of the four tungsten mines in the locations of Nogoonnur Soum and Tsengel Soum of Bayan-Ulgii Aimag in Mongolia, and have remaining legal lives of 15 to 20 years, expiring in July 2031, March 2033, December 2035 and July 2036, respectively (the “**Tungsten Mines**”). The mining licenses are issued by Mineral Resources and Petroleum Authority of Mongolia and may be extended for two successive additional periods of 20 years each. There are no active mining operation of the Group has taken place yet during the six months ended 30 June 2017. The Group engaged a qualified mineral technical adviser to prepare an updated resource estimation technical report for the Tungsten Mines and plan to engage a Mongolian professional firm to update the feasibility study report and the environmental impact assessment report based on the updated resource estimation technical report in second half of 2017.

The Directors were of the view that no impairment loss for the six months ended 30 June 2017 (six months ended 30 June 2016: impairment loss recognised of HK\$217,083,000) need to be recognised for the mining rights in the condensed consolidated statement of profit or loss and other comprehensive income as the Directors did not notice any negative findings about the amount of tungsten reserve based on exploitation work conducted by the qualified mineral technical adviser up to report date. The Group also engaged an independent qualified professional valuer not connected with the Group, JLL, to perform the valuation of the mining rights at 30 June 2017 based on the previous resource estimation technical report and the latest feasibility study report and the environmental impact assessment report prepared and issued in first half of 2017 and the results of the valuation conducted by JLL support the Directors' view.

14. 投資物業(續)

於截至二零一七年六月三十日止六個月，所用估值技術概無變動。於估計作披露用途之投資物業公允值時，投資物業之最高及最佳用途為其現有用途。

於截至二零一七年六月三十日止六個月，概無自第三層轉出。

15. 採礦權

採礦權指可於蒙古巴彥烏列蓋省瑙貢諾爾市及臣格勒市四個礦山進行採礦活動之權利，剩餘法定年期為十五年至二十年，分別於二零三一年七月、二零三三年三月、二零三五年十二月及二零三六年七月屆滿(「**鎢礦**」)。採礦牌照由蒙古礦物資源及石油局(Mineral Resources and Petroleum Authority of Mongolia)發出，或可延長連續兩個期間，每次延期20年。於截至二零一七年六月三十日止六個月，本集團尚未進行活躍採礦業務。本集團已委聘一名合資格礦產技術顧問以就上述鎢礦編製最新資源估測技術報告並計劃於二零一七年下半年委聘一間蒙古專業公司基於最新資源估測技術報告以更新可行性研究報告及環境影響評估報告。

由於董事根據截至本報告日期合資格礦產技術顧問所進行的開採工程所得鎢礦儲量並無任何負面發現，故董事認為於截至二零一七年六月三十日止六個月毋須於簡明綜合損益及其他全面收益表就採礦權確認減值虧損(截至二零一六年六月三十日止六個月：已確認減值虧損217,083,000港元)。本集團亦委聘一名獨立合資格專業估值師仲量聯行(與本集團概無關連)，基於在二零一七年上半年編製及刊發之上一份資源估測技術報告及最新可行性研究報告及環境影響評估報告對於二零一七年六月三十日之採礦權作出估值，而仲量聯行進行的估值之結果支持董事之觀點。

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簡明綜合財務報表附註

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

16. INTEREST IN AN ASSOCIATE

16. 於一間聯營公司之權益

		30 June 2017 (unaudited) HK\$'000 二零一七年 六月三十日 (未經審核) 千港元	31 December 2016 (audited) HK\$'000 二零一六年 十二月三十一日 (經審核) 千港元
Cost of unlisted interest in an associate	於一間聯營公司之非上市權益成本	–	15,194
Share of post-acquisition income and other comprehensive income	應佔收購後收益及其他全面收益	–	107
		–	15,301

On 22 May 2017, the Group had entered into a share transfer agreement with an independent third party to dispose of its entire 40% equity interests in Shanghai Jilan Investment LP 上海驥瀾投資中心(有限合夥)*, which engaged in investment holding activities, at a cash consideration of RMB14,000,000 (equivalent to approximately HK\$16,100,000). The disposal was completed in May 2017 and has resulted in the Group recognising a gain on disposal of approximately RMB873,000 (equivalent to approximately HK\$987,000) in profit or loss.

於二零一七年五月二十二日，本集團與一名獨立第三方訂立股權轉讓協議，以現金代價人民幣14,000,000元(相當於約16,100,000港元)出售其於上海驥瀾投資中心(有限合夥)全部40%的股權，上海驥瀾投資中心(有限合夥)從事投資控股活動。出售事項已於二零一七年五月完成，令致本集團於損益確認出售收益約人民幣873,000元(相當於約987,000港元)。

* The English name is for identification purpose only.

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17. LOAN NOTE RECEIVABLE

17. 應收貸款票據

		HK\$'000 千港元
At 1 April 2016 (audited)	於二零一六年四月一日(經審核)	–
Loan notes subscribed	已認購之貸款票據	1,550,800
Loan note arrangement fee receipt in advance	預收貸款票據安排費用款項	(93,051)
Arrangement fee income recognised in profit or loss	於損益確認之安排費用收入	3,059
At 31 December 2016 (audited)	於二零一六年十二月三十一日(經審核)	1,460,808
Arrangement fee income recognised in profit or loss	於損益確認之安排費用收入	46,143
Exchange realignment	匯兌調整	10,360
At 30 June 2017 (unaudited)	於二零一七年六月三十日(未經審核)	1,517,311

During the nine months ended 31 December 2016, the Group entered into a subscription agreement with Haitong Global Investment SPC III (“**Haitong Global**”) pursuant to which the Group agreed to subscribe for 50,000 Class R participating shares at a total consideration of US\$50,000,000 (equivalent to approximately HK\$387,700,000) of Haitong Dynamic Multi-Tranche Investment Fund IV S.P. (“**Haitong Dynamic Fund**”).

There are two classes of non-voting shares in the capital of the Haitong Dynamic Fund, namely Class P participating shares and Class R participating shares and the shareholder of Class P participating shares is a company controlled by Haitong International Securities Group Limited, an independent third party not connected with the Group. The principal of the Class P participating shares is US\$150,000,000 (equivalent to approximately HK\$1,163,100,000) and Haitong Global has appointed Hai Tong Asset Management (HK) Limited as its investment manager of Haitong Dynamic Fund.

During the nine months ended 31 December 2016, Haitong Dynamic Fund has entered into a subscription agreement with an independent third party (“**the Borrower**”) pursuant to which the Borrower agreed to subscribe for loan note with a principal amount of US\$200,000,000 (equivalent to approximately HK\$1,550,800,000) at a fixed interest rate of 8% per annum with a maturity period of 2 years. Arrangement fee and advisory fee shall be charged on principal amount at 6% upon issuance of the loan note and the thirteenth month from the loan note issue date amounting to HK\$93,051,000, respectively. The loan note receivables are unsecured and guaranteed by the controlling shareholder of the Borrower.

截至二零一六年十二月三十一日止九個月，本集團與 Haitong Global Investment SPC III (“**Haitong Global**”) 訂立認購協議，據此，本集團同意以總代價 50,000,000 美元（相當於約 387,700,000 港元）認購 Haitong Dynamic Multi-Tranche Investment Fund IV S.P. (“**Haitong Dynamic Fund**”) 之 50,000 股 R 類參與股份。

Haitong Dynamic Fund 之股本中有兩類無投票權股份，即 P 類參與股份及 R 類參與股份，而 P 類參與股份之股東為一間與本集團概無關連之獨立第三方海通國際證券集團有限公司控制之公司。P 類參與股份之本金為 150,000,000 美元（相當於約 1,163,100,000 港元），而 Haitong Global 已委任海通資產管理（香港）有限公司為其 Haitong Dynamic Fund 之投資管理人。

截至二零一六年十二月三十一日止九個月，Haitong Dynamic Fund 與一名獨立第三方 (“**借款人**”) 訂立認購協議，據此，借款人同意認購本金額為 200,000,000 美元（相當於約 1,550,800,000 港元）的貸款票據，固定年利率為 8%，於兩年到期。安排費用及顧問費須分別在貸款票據發行時及自貸款票據發行日期起計的第十三個月按本金額之 6% 支付，金額為 93,051,000 港元。應收貸款票據為無抵押且由借款方控股股東擔保。

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17. LOAN NOTE RECEIVABLE (Continued)

Effective interest income and arrangement fee income generated from the loan note receivable amounted to HK\$62,195,000 (six months ended 30 June 2016: Nil) and HK\$46,143,000 (six months ended 30 June 2016: Nil), respectively, have been recognised in profit or loss during the six months ended 30 June 2017. The balances of loan note receivables are within credit period and neither past due nor impaired as of 30 June 2017 and 31 December 2016.

18. FINANCIAL ASSETS DESIGNATED AS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group acquired distressed debt assets through public tenders in the PRC with collaterals, including residential, industrial and commercial buildings and land use rights located in the PRC. Such distressed debt assets are accounted for as financial assets designated at fair value through profit or loss according to their investment management strategy. The changes in fair value of financial assets designated as at fair value through profit or loss comprise realised gains from disposal of distressed debt assets and their unrealised fair value changes. Any interest income arising from such assets are also included in the changes in their fair values.

As at 30 June 2017, the fair value of the distressed debt assets was determined with reference to a valuation report prepared by JLL, an independent qualified professional valuer not connected with the Group, amounting to approximately HK\$631,443,000 (31 December 2016: HK\$452,600,000).

17. 應收貸款票據(續)

截至二零一七年六月三十日止六個月，應收貸款票據產生之實際利息收入及安排費用分別為62,195,000港元(截至二零一六年六月三十日止六個月：無)及46,143,000港元(截至二零一六年六月三十日止六個月：無)已於損益內確認。應收貸款票據結餘介乎信貸期內，且於二零一七年六月三十日及二零一六年十二月三十一日並無逾期或減值。

18. 指定為按公允值計入損益的金融資產

本集團在中國透過公開招標收購附有抵押品(包括位於中國的住宅、工業及商業樓宇及土地使用權)的不良債務資產。有關不良債務資產根據其投資管理策略入賬為指定為按公允值計入損益的金融資產。指定為按公允值計入損益的金融資產的公允值變動包括出售不良債務資產的已變現收益及其未變現公允值變動。任何由該等資產產生的利息收入亦計入其公允值變動。

於二零一七年六月三十日，經參考獨立合資格專業估值師及與本集團並無關連之仲量聯行編製之估值報告而釐定的不良債務資產的公允值約為631,443,000港元(二零一六年十二月三十一日：452,600,000港元)。

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19. ACCOUNTS RECEIVABLE

19. 應收賬款

		30 June 2017 (unaudited) HK\$'000 二零一七年 六月三十日 (未經審核) 千港元	31 December 2016 (audited) HK\$'000 二零一六年 十二月三十一日 (經審核) 千港元
Accounts receivable arising from the sales of medical equipment and other general goods	銷售醫療設備及其他一般商品產生的應收賬款	4,147	2,907
Accounts receivable arising from the sales of petrochemical products and metal-related products	銷售石化產品及金屬相關產品產生的應收賬款	529,879	-
Accounts receivable arising from property rental income	物業租金收入產生的應收賬款	12,024	-
Accounts receivable arising from the business of dealing in securities:	證券交易業務產生的應收賬款：		
– cash clients	– 現金客戶	1,293	529
– margin clients	– 融資客戶	28,994	29,847
– clearing house, brokers and dealers	– 結算所、經紀及交易商	4,228	-
Accounts receivable arising from the business of dealing in futures and options:	期貨及期權交易業務產生的應收賬款：		
– clients	– 客戶	-	26,045
– clearing houses, brokers and dealers	– 結算所、經紀及交易商	22,236	25,775
		602,801	85,103
Impairment loss in relation to: Accounts receivable arising from the business of dealing in securities: – margin clients	以下項目的減值損失： 證券交易業務產生的應收賬款： – 融資客戶	 (40)	 (40)
Total	總計	602,761	85,063
Analysed of reporting purposes:	就呈現目的分析：		
Secured	有抵押	28,954	29,807
Unsecured	無抵押	573,807	55,256
Total	總計	602,761	85,063

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

19. ACCOUNTS RECEIVABLE (Continued)

The Group allows a credit period of 30 to 120 days (31 December 2016: 30 to 120 days) to its customers in relation to sales of medical equipment and other general goods and sales of petrochemical products and metal-related products depending on the type of products sold.

The property rental income receivable from tenants is due for settlement upon issuance of invoices.

The settlement terms of accounts receivable arising from the business of dealing in securities are two days after trade date or at specific terms agreed with clearing houses, brokers and dealers, and accounts receivable arising from the business of dealing in futures and options are one day after trade date or at specific terms agreed with clearing houses, brokers and dealers.

Accounts receivable from margin and cash clients arising from the business of dealing in securities, futures and options are repayable on demand subsequent to settlement date. No ageing analysis is disclosed as in the opinion of the Directors, the ageing analysis does not give additional value in view of the nature of broking business.

The following is an aged analysis of accounts receivable presented at the end of the reporting period, based on the invoice dates in relation to sales of medical equipment and other general goods, sales of petrochemical products and metal-related products and property rental income which approximated the respective revenue recognition dates:

		30 June 2017 (unaudited) HK\$'000 二零一七年 六月三十日 (未經審核) 千港元	31 December 2016 (audited) HK\$'000 二零一六年 十二月三十一日 (經審核) 千港元
Within 30 days	30天內	538,881	631
31 – 90 days	31至90天	5,454	1,207
91 – 120 days	91至120天	–	185
Over 120 days	120天以上	1,715	884
		546,050	2,907

No movements in the impairment allowance for bad and doubtful debts during the six months ended 30 June 2017 and 2016.

19. 應收賬款(續)

本集團按所售產品類型就銷售醫療設備及其他一般商品以及銷售石化產品及金屬相關產品授予其客戶30至120天(二零一六年十二月三十一日：30至120天)之信貸期。

應收租戶之物業租金收入於出具發票後到期結算。

買賣證券業務產生之應收賬款之結算期為交易日後兩天或按與結算所、經紀及交易商之具體協議條款而定，而期貨及期權買賣業務產生之應收賬款之結算期為交易日後一天，或按與結算所、經紀及交易商之具體協議條款而定。

於結算日後，融資及現金客戶買賣證券、期貨及期權業務產生之應收賬款須應要求償還。鑒於經紀業務之性質，董事認為賬齡分析並無額外價值，故並未披露其賬齡分析。

以下為於報告期末按與銷售醫療設備及其他一般商品、銷售石化產品及金屬相關產品以及物業租金收入有關的發票日期(與各自收入確認日期相若)呈列的應收賬款賬齡分析：

截至二零一七年及二零一六年六月三十日止六個月呆壞賬減值撥備概無變動。

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20. FINANCIAL ASSETS (LIABILITIES) HELD FOR TRADING

20. 持作買賣之金融資產(負債)

		30 June 2017 (unaudited) HK\$'000 二零一七年 六月三十日 (未經審核) 千港元	31 December 2016 (audited) HK\$'000 二零一六年 十二月三十一日 (經審核) 千港元
Financial assets held for trading:	持作買賣之金融資產：		
Listed equity securities held for trading:	持作買賣之上市股本證券：		
– in Hong Kong	– 於香港	2,038,224	651,856
– in the PRC	– 於中國	48,645	–
		2,086,869	651,856
Listed funds held for trading in Singapore (Note)	於新加坡持作買賣之上市基金 (附註)	5,395	–
		2,092,264	651,856
Financial liabilities held for trading:	持作買賣之金融負債：		
Listed funds held for trading in Singapore (Note)	於新加坡持作買賣之上市基金 (附註)	21,790	–

Note: The listed funds includes indices tracking markets and forward foreign currency exchange contracts.

附註：上市基金包括追蹤市場指數及遠期外匯合約。

21. AMOUNT DUE FROM A RELATED COMPANY

21. 應收一間關聯公司款項

The amount represents an advance to Huacheng International Resources Pte. Ltd (“**Huacheng**”), in which the ultimate controlling shareholder of the Company has control over Huacheng. The amount is unsecured, interest-free and denominated in United States dollar and the amount was fully repaid by Huacheng in July 2017.

該款項指墊付予華宸國際能源有限公司(「**華宸**」)之款項，本公司最終控股股東對華宸有控制權。該款項為無抵押，免息及以美元計息，並已於二零一七年七月由華宸悉數償還。

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22. ACCOUNTS AND BILLS PAYABLES

22. 應付賬款及應付票據

		30 June 2017 (unaudited) HK\$'000 二零一七年 六月三十日 (未經審核) 千港元	31 December 2016 (audited) HK\$'000 二零一六年 十二月三十一日 (經審核) 千港元
Accounts payable arising from the business of dealing in securities:	證券交易業務產生的應付賬款：		
– clearing house, brokers and dealers	– 結算所、經紀及交易商	–	26,022
– cash clients	– 現金客戶	5,520	5,582
– margin clients	– 融資客戶	46,463	48,634
Accounts payable to clients arising from the business of dealing in futures and options	期貨及期權交易業務產生的應付客戶的賬款	43,908	40,340
Bills payable arising from the purchase of petrochemical products and metal-related products	採購石化產品及金屬相關產品產生的應付票據	2,116,498	790,013
		2,212,389	910,591

No ageing analysis for accounts payable arising from the business of dealing in securities, futures and options is disclosed as in the opinion of the Directors, the ageing analysis does not give additional value in view of the nature of these businesses.

證券、期貨及期權交易業務產生的應付賬款並無披露賬齡分析，乃因董事認為賬齡分析就該等業務之性質而言並無額外價值。

The following is an aged analysis of bills payables arising from the purchase of petrochemical products and metal-related products based on the bills issuance dates at the end of the reporting period:

基於報告期末發票發出日期之採購石化產品及金屬相關產品產生的應付票據之賬齡分析如下：

		30 June 2017 (unaudited) HK\$'000 二零一七年 六月三十日 (未經審核) 千港元	31 December 2016 (audited) HK\$'000 二零一六年 十二月三十一日 (經審核) 千港元
31 – 90 days	31至90天	195,147	294,989
91 – 150 days	91至150天	930,408	405,153
More than 151 days but within 1 year	超過151天但於1年內	990,943	89,871
		2,116,498	790,013

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23. BORROWINGS

23. 借貸

		30 June 2017 (unaudited) HK\$'000 二零一七年 六月三十日 (未經審核) 千港元	31 December 2016 (audited) HK\$'000 二零一六年 十二月三十一日 (經審核) 千港元
Secured variable-rate bank borrowings (Note (a))	有抵押浮息銀行借貸 (附註(a))	1,560,005	1,598,250
Less: loan raising costs	減：貸款籌集成本	(7,296)	(8,865)
		1,552,709	1,589,385
Secured margin financing (Note (b))	有抵押保證金融資(附註(b))	799,444	310,590
Secured vendor financing loan (Note (c))	有抵押賣方融資貸款(附註(c))	-	31,121
Secured note payable (Note (d))	有抵押應付票據(附註(d))	620,904	-
Other borrowings (Note (e))	其他借貸(附註(e))	313,036	-
		3,286,093	1,931,096
Analysed of reporting purposes:	就呈報目的分析：		
Secured	有抵押	2,973,057	1,931,096
Unsecured	無抵押	313,036	-
		3,286,093	1,931,096

Notes:

- (a) As at 30 June 2017, the variable-rate bank borrowings of approximately HK\$1,060,005,000 (31 December 2016: HK\$1,098,250,000) carried interest at the London Interbank Offered Rates ("LIBOR") plus a margin of 1.8% to 2.65% per annum, which the effective interest rates are ranged from 2.31% to 3.01% (31 December 2016: 2.39% to 3.01%) per annum. The remaining variable-rate borrowing of approximately HK\$500,000,000 (31 December 2016: HK\$500,000,000) carried interest at the Hong Kong Interbank Offered Rates ("HIBOR") plus a margin of 2.8% carried per annum, which the effective interest rate is 3.82% (31 December 2016: 3.36%) per annum.
- (b) The margin financing was arranged with securities brokers which are independent third parties. As at 30 June 2017, the variable-rate margin financing of approximately HK\$318,760,000 (31 December 2016: HK\$302,820,000) carried interest at the Hong Kong banks' prime rate minus a margin of 2.8% per annum and repayable on demand and the effective interest rate is 2.45% per annum (31 December 2016: 2.45%). The remaining fixed rate margin financing of approximately HK\$480,684,000 (31 December 2016: HK\$7,770,000), carried at effective interest rates ranging from 1.83% to 8.25% (31 December 2016: 4.0% to 6.7%) per annum and repayable on demand.
- (c) As at 31 December 2016, the vendor financing loan were arranged in relation to the purchase of distressed debt assets, carried at effective interest rate at 10.5% per annum and repayable within one year. The vendor financing loan has been settled during the six months ended 30 June 2017.
- (d) During the six months ended 30 June 2017, the Group entered into a note instrument subscription agreement (the "Note Agreement") with an independent third party (the "Subscriber") pursuant to which the Group agreed to issue and the Subscriber agreed to subscribe for a 8% note (the "8% Note") in the aggregate principal amount of US\$80,000,000 (equivalent to approximately HK\$621,656,000) with a term of 3 years from the date of issue. The 8% Note was fully subscribed by the Subscriber in March 2017.

附註：

- (a) 於二零一七年六月三十日，浮息銀行借貸約1,060,005,000港元(二零一六年十二月三十一日：1,098,250,000港元)按倫敦銀行同業拆息率(「倫敦銀行同業拆息率」)加1.8%至2.65%之年利率計息，其實際年利率乃介乎2.31%至3.01%(二零一六年十二月三十一日：2.39%至3.01%)。餘下浮息借貸約500,000,000港元(二零一六年十二月三十一日：500,000,000港元)按香港銀行同業拆息率(「香港銀行同業拆息率」)加2.8%之年利率計息，其實際年利率為3.82%(二零一六年十二月三十一日：3.36%)。
- (b) 保證金融資乃與證券經紀(為獨立第三方)安排。於二零一七年六月三十日，浮息保證金融資約318,760,000港元(二零一六年十二月三十一日：302,820,000港元)按香港銀行最優惠利率減2.8%之利率計息並須按要求償還，其實際年利率為2.45%(二零一六年十二月三十一日：2.45%)。餘下定息保證金融資約480,684,000港元(二零一六年十二月三十一日：7,770,000港元)按實際年利率介乎1.83%至8.25%(二零一六年十二月三十一日：4.0%至6.7%)計息並須按要求償還。
- (c) 於二零一六年十二月三十一日，就購置不良債務資產安排賣方融資貸款按實際年利率10.5%計息並須於一年內償還。賣方融資貸款於截至二零一七年六月三十日止六個月已結清。
- (d) 於截至二零一七年六月三十日止六個月，本集團與獨立第三方(「認購方」)訂立票據工具認購協議(「票據協議」)，據此，本集團同意發行及認購方同意認購8%之票據(「8%票據」)，本金總額為80,000,000美元(相當於約621,656,000港元)，年期為自發行日期起計三年。8%票據於二零一七年三月獲認購方悉數認購。

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

23. BORROWINGS (Continued)

- (e) The other borrowings were arranged with independent third parties of approximately HK\$313,036,000 (31 December 2016: Nil) which are unsecured, carried at fixed interest rate ranging from 5.00% to 7.39% per annum and repayable within a period of one to two years. One of these borrowings amounted to HK\$210,000,000 was guaranteed by a former director of the Company.

23. 借貸(續)

- (e) 其他借貸為與獨立第三方安排之約313,036,000港元(二零一六年十二月三十一日：無)，為無抵押及以年利率介乎5.00%至7.39%計息，並須於一至兩年期間內償還。該等借貸中其中一筆為數210,000,000港元之借貸由本公司一名前董事擔保。

		30 June 2017 (unaudited) HK\$'000 二零一七年 六月三十日 (未經審核) 千港元	31 December 2016 (audited) HK\$'000 二零一六年 十二月三十一日 (經審核) 千港元
The carrying amounts of the above borrowings are repayable (Note):	上述借貸的賬面值須在一年內償還(附註)：		
Within one year	一年內	1,054,782	564,141
More than one year, but not exceeding two years	一年以上，但不超過兩年	210,000	-
More than two years, but not exceeding three years	兩年以上，但不超過三年	620,904	-
		1,885,686	564,141
The carrying amount of secured borrowings that contains a repayment on demand clause (shown under current liabilities) but contractually repayable as follows:	包含一項按要求條文償還的款項(列示為流動負債)的已抵押借貸的賬面值按合約須在以下時間償還：		
Within one year	一年內	411,464	393,955
More than one year, but not exceeding two years	一年以上，但不超過兩年	100,000	105,969
More than two years, but not exceeding three years	兩年以上，但不超過三年	324,071	317,906
More than three years, but not exceeding four years	三年以上，但不超過四年	564,872	549,125
		1,400,407	1,366,955
		3,286,093	1,931,096
Less: amounts due within one year shown under current liabilities	減：在一年內到期並列示為流動負債的金額	(2,455,189)	(1,931,096)
Amounts shown under non-current liabilities	列示為非流動負債的金額	830,904	-

Note: The amounts due are based on scheduled repayment dates set out in the loan agreements.

Detail of charges over the borrowings are disclosed in Note 32.

附註：應付款項乃根據貸款協議所載的預定還款日期計算。

有關借貸質押之詳情於附註32披露。

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24. LOAN NOTES

24. 貸款票據

		HK\$'000 千港元
At 1 April 2016 (audited)	於二零一六年四月一日(經審核)	–
Loan notes issued	已發行貸款票據	1,395,000
Add: loss on initial recognition of loan notes	加：初始確認貸款票據之虧損	440
Add: interest expense recognised in profit or loss	加：於損益確認之利息開支	30,626
Less: transaction costs incurred	減：已產生之交易成本	(13,950)
At 31 December 2016 (audited)	於二零一六年十二月三十一日(經審核)	1,412,116
Add: interest expense recognised in profit or loss	加：於損益確認之利息開支	29,421
Less: redemption of loan notes	減：贖回貸款票據	(1,441,537)
At 30 June 2017 (unaudited)	於二零一七年六月三十日(未經審核)	–

On 28 September 2016, the Company entered into the loan notes and warrants subscription agreement (the “**Loan Notes Subscription Agreement**”) with Cheer Hope Holdings Limited, Songhua Investment Holding Limited and Haitong International Investment Fund SPC (“**the Loan Notes Holders**”) pursuant to which the Company conditionally agreed to issue, and the Loan Notes Holders conditionally agreed to subscribe for, the loan notes in the aggregate principal amount of not more than US\$180,000,000 (equivalent to approximately HK\$1,395,000,000) (the “**Loan Notes**”) with an initial term of 2 years from the date of issue, which may be extended for a further term of one year by the Company with the consent of the Loan Notes Holders. The Loan Notes were fully subscribed by the Loan Notes Holders on 30 September 2016.

Pursuant to the Loan Notes Subscription Agreement, in consideration of the subscription of the Loan Notes by the Loan Notes Holders, the Company conditionally agreed to grant the warrants to the Loan Notes Holders. The Warrant Holders can subscribe for up to 279,000,000 shares of the Company at an initial warrant shares subscription price of HK\$1.0 per warrant share during the warrants subscription period. The warrant shares subscription price is subject to adjustment according to the terms and conditions of the warrants instrument.

As at 31 December 2016, the Company has not yet fulfilled all the substantive conditions precedent for granting the warrants to the Loan Notes Holders pursuant to the Loan Notes Subscription Agreement, the Directors considered that the probability of fulfilling all substantive conditions and issuing the warrants within the Warrants Long Stop Date is remote.

於二零一六年九月二十八日，本公司與展望控股有限公司、Songhua Investment Holding Limited 及 Haitong International Investment Fund SPC(「**貸款票據持有人**」)訂立貸款票據認購協議(「**貸款票據認購協議**」)，據此，本公司有條件同意發行而貸款票據持有人有條件同意認購本金總額不多於180,000,000美元(相等於約1,395,000,000港元)之貸款票據(「**貸款票據**」)，初始期限自發行日期起計為期兩年，可由本公司經貸款票據持有人同意後進一步延長一年。貸款票據已於二零一六年九月三十日獲貸款票據持有人悉數認購。

根據貸款票據認購協議，作為貸款票據持有人認購貸款票據之代價，本公司有條件同意授予貸款票據持有人認股權證。認股權證持有人於認股權證認購期內可按初始認股權證股份認購價每股認股權證股份1.0港元認購最多279,000,000股本公司股份。認股權證股份認購價可根據認股權證文據之條款及條件調整。

於二零一六年十二月三十一日，本公司並無就根據貸款票據認購協議向貸款票據持有人授出認股權證達成所有實質先決條件，董事認為，達成所有實質條件及於認股權證最後截止日期內發行認股權證之可能性極其微小。

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24. LOAN NOTES (Continued)

During the six months ended 30 June 2017, the management of the Group has negotiated with the Loan Notes Holders for not granting any warrants and the Loan Notes Holders agreed to exercise their rights to demand for immediate repayment of the Notes at No Warrant Early Redemption Price at the end of Warrant Long Stop Date, which is 30 March 2017 and therefore, considering the facts above, the Loan Notes has been accounted for as a straight bond carried at 9.1% interest per annum and repayable on 30 March 2017. On 30 March 2017, the Company redeemed the Loan Notes from the Loan Notes Holders, at a consideration including interest of approximately HK\$1,441,537,000.

25. LOAN FROM A FELLOW SUBSIDIARY

The loan from a fellow subsidiary with carrying amount of HK\$139,394,000 (31 December 2016: HK\$171,444,000) is unsecured, interest bearing at 4.75% per annum, repayable on 28 December 2018 and denominated in RMB. The loan is measured at amortised cost, based on the present value of the estimated future cash outflow discounted using the effective interest rate of 7% per annum and the initial fair value adjustment on loan from a fellow subsidiary is recognised as deemed capital contribution.

26. OTHER NON-CURRENT LIABILITIES – INTERESTS IN CONSOLIDATED STRUCTURED ENTITIES

As at 30 June 2017, the Group had consolidated a limited partnership and an investment fund structured entity (collectively called “**Structured Entities**”) as disclosed in Notes 3 and 17, respectively. For the Structured Entities where the Group involves as investors, the Group assesses whether the investments it held creates exposure to variability of returns from the activities of the Structured Entities that is of such significance and the guarantee given to the other investors for Structured Entities that it indicates that the Group is a principal.

Third-party interests in consolidated Structured Entities consist of third-party shareholders’ interests in consolidated Structured Entities which are reflected as a liability since they can be put back to the Group for cash. The realisation of net assets attributable to third-party shareholders’ interests in consolidated Structured Entities cannot be predicted with accuracy since these represent the interest of third-party shareholders in consolidated Structured Entities that are subject to the actions of third-party shareholders.

24. 貸款票據(續)

於截至二零一七年六月三十日止六個月，本集團管理層已與貸款票據持有人就不授出任何認股權證進行磋商，而貸款票據持有人同意於認股權證最後截止日期（即二零一七年三月三十日）結束時行使其權利要求按未授出認股權證提早贖回價即時償還票據，因此，考慮到上述事實，貸款票據將按9.1%之年利率列賬為普通債券及須於二零一七年三月三十日償還。於二零一七年三月三十日，本公司自貸款票據持有人贖回貸款票據，代價包括利息約1,441,537,000港元。

25. 同系附屬公司之貸款

來自一間同系附屬公司之賬面值為139,394,000港元（二零一六年十二月三十一日：171,444,000港元）的貸款為無抵押、按4.75%之年利率計息、須於二零一八年十二月二十八日償還及以人民幣計值。該貸款的攤銷成本計量，是採用7%之實際年利率法，來貼現估計未來現金流，及就來自一間同系附屬公司之貸款之初始公允值調整已確認為視作注資。

26. 其他非流動負債－於已合併結構性實體之權益

誠如附註3及17分別披露，於二零一七年六月三十日，本集團持有已合併有限合伙企業及結構性投資基金實體（統稱「**結構性實體**」）。對於本集團作為投資者的結構性實體，本集團評估其持有之投資是否會為結構性實體活動回報之可變性帶來重大影響及向其他投資者作出擔保而指示本集團為主事人並產生風險承擔。

因第三方於已合併結構性實體之權益包括第三方股東於已合併結構性實體之權益可被收回至本集團以作現金，故其反映為負債。第三方股東於已合併結構性實體之權益應佔資產淨值之變現未能獲精確預知，原因為其指須受第三方股東行動所規限的第三方股東於合併結構性實體之權益。

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26. OTHER NON-CURRENT LIABILITIES – INTERESTS IN CONSOLIDATED STRUCTURED ENTITIES (Continued)

For the six months ended 30 June 2017, profits attributable to the third parties interests of approximately of HK\$40,259,000 (six months ended 30 June 2016: Nil) in consolidated Structured Entities is presented in other gains and loss in the condensed consolidated statement of profit or loss and other comprehensive income and the third parties' interests in consolidated Structured Entities, including the principal and profits shared from the Structured Entities, amounted to approximately HK\$1,302,944,000 (31 December 2016: HK\$1,165,586,000) as at 30 June 2017 are included in other non-current liabilities in the condensed consolidated statements of financial position.

27. SHARE CAPITAL

Issued and fully paid ordinary shares at HK\$0.05 per share

At 1 January 2016 and 30 June 2016 (unaudited)

Subscription of new shares on 7 November 2016

Placement of new shares on 30 December 2016

At 31 December 2016 (audited)

Issue of shares on 24 March 2017 (Note)

At 30 June 2017 (unaudited)

按每股0.05港元之已發行及繳足普通股

於二零一六年一月一日及二零一六年六月三十日 (未經審核)

於二零一六年十一月七日認購新股份

於二零一六年十二月三十日配售新股份

於二零一六年十二月三十一日 (經審核)

於二零一七年三月二十四日發行股份(附註)

於二零一七年六月三十日 (未經審核)

Note: On 24 March 2017, the Company issued 446,742,544 ordinary shares which form the consideration for the acquisition of Tai Infinite Group. Details of the acquisition of subsidiaries are set out in Note 33.

26. 其他非流動負債－於已合併結構性實體之權益(續)

於截至二零一七年六月三十日止六個月，第三方於已合併結構性實體之權益應佔溢利約40,259,000港元(截至二零一六年六月三十日止六個月：無)於簡明綜合損益及其他全面收益表內的其他收益及虧損呈列，及於二零一七年六月三十日第三方於已合併結構性實體之權益包括結構性實體之本金額及分佔溢利約1,302,944,000港元(二零一六年十二月三十一日：1,165,586,000港元)已計入簡明綜合財務狀況報表內的其他非流動負債。

27. 股本

Number of shares '000	Share capital HK\$'000
股份數目 千股	股本 千港元

1,501,093	75,054
3,002,185	150,110
300,000	15,000
4,803,278	240,164
446,743	22,337
5,250,021	262,501

附註：於二零一七年三月二十四日，本公司發行446,742,544股普通股作為收購太宏集團代價之一部分。收購附屬公司之詳情於附註33披露。

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28. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

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

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

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

28. 金融工具的公允值計量

本集團以經常性基準按公允值計量的金融資產及金融負債的公允值

本集團部分金融資產及金融負債於各報告期末按公允值計量。下表載列有關如何釐定該等金融資產及金融負債的公允值(尤其是所使用的估值技術及輸入數據), 以及公允值計量按照公允值計量的輸入數據的可觀察程度進行分類的公允值層級(1至3級)的資料。

- 第1級公允值計量指以在活躍市場就相同資產或負債取得之報價(未經調整)所進行之計量。
- 第2級公允值計量指以第1級報價以外之資產或負債之可觀察輸入數據, 無論是直接(即價格)或間接(即按價格推算)所進行之計量。
- 第3級公允值計量指透過運用並非基於可觀察市場數據之資產或負債輸入數據(不可觀察輸入數據)之估值技術所進行之計量。

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28. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

28. 金融工具的公允值計量(續)

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

本集團以經常性基準按公允值計量的金融資產及金融負債的公允值(續)

Financial assets/ financial liabilities 金融資產/金融負債	Fair value as at 於以下日期的公允值		Fair value hierarchy 公允值層級	Valuation technique(s) and key input(s) 估值技術及主要輸入數據	Relationship of unobservable inputs to fair value 不可觀察輸入數據與公允值之關係
	30 June 2017 HK\$'000 二零一七年 六月三十日 千港元	31 December 2016 HK\$'000 二零一六年 十二月三十一日 千港元			
Financial assets held for trading 持作買賣之金融資產	Asset – 2,092,264 資產 – 2,092,264	Asset – 651,856 資產 – 651,856	Level 1 第一層級	Quoted bid prices in an active market 活躍市場所報買入價	N/A 不適用
Financial liabilities held for trading 持作買賣之金融負債	Liability – 21,790 負債 – 21,790	Liability – Nil 負債 – 零	Level 1 第一層級	Quoted bid prices in an active market 活躍市場所報買入價	N/A 不適用
Financial derivative contracts 金融衍生合約	Asset – 42,947 資產 – 42,947	Liability – 12,685 負債 – 12,685	Level 2 第二層級	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates 已折現現金流量。未來現金流量乃基於遠期匯率(從報告期末的可觀察的遠期匯率所得)及合約遠期利率	N/A 不適用
Distressed debt assets classified as financial assets designated as at FVTPL	Asset – 631,443	Asset – 452,600	Level 3 第三層級	Market comparable approach The key inputs comparable market transaction price per square meter of comparable properties and future construction cost to complete and repossession discount rate.	The higher the comparable market transaction price per square meter of comparable properties, the higher fair value. The higher the future construction cost to complete, the lower fair value.
分類為指定按公允值計入損益賬之金融資產之不良債務資產	資產 – 631,443	資產 – 452,600	第三層級	市場比較法 可資比較物業每平方米主要輸入數據可資比較市場交易價、未來完工建築成本及收回折現率。	The higher the repossession discount rate, the lower the fair value. 可資比較物業每平方米市場交易價越高，公允值越高。 未來完工建築成本越高，公允值越低。 收回折現率越高，公允值越低。

There were no transfers in different levels of the fair value hierarchy between Level 1, 2 and 3 during the six months ended 30 June 2017 and 2016.

於截至二零一七年及二零一六年六月三十日止六個月，公允值等級第一、二及三層級之間並無不同等級間轉換。

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28. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Reconciliation of Level 3 fair value measurements of financial assets

28. 金融工具的公允值計量(續)

金融資產第三層級公允值計量之對賬

		Distressed debt assets classified as financial assets designated as at FVTPL HK\$'000 分類為指定按公允值計入損益之金融資產之不良債務資產 千港元
As at 1 April 2016 (audited)	於二零一六年四月一日(經審核)	-
Recognised in profit or loss	於損益確認	150,068
Purchases	購置	710,056
Disposals	出售	(389,007)
Exchange realignment	匯兌調整	(18,517)
As at 31 December 2016 (audited)	於二零一六年十二月三十一日(經審核)	452,600
Recognised in profit or loss	於損益確認	73,993
Purchases	購買	323,393
Disposals	出售	(234,902)
Exchange realignment	匯兌調整	16,359
As at 30 June 2017 (unaudited)	於二零一七年六月三十日(未經審核)	631,443

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29. OTHER COMMITMENTS

On 18 July 2016, the Company entered into a subscription agreement with Hua Lien International (Holding) Company Limited (“**Hua Lien**”), pursuant to which the Company conditionally agreed to subscribe a total of 3,700,000,000 shares in Hua Lien at the subscription price of HK\$0.16 per share. The consideration of approximately HK\$592,000,000 will be settled in cash by the way of the loan borrowed from the ultimate holding company.

On 27 March 2017, the Directors considered that the conditions precedent of the subscription agreement have not been fulfilled by the long stop date specified in the subscription agreement and the Directors has decided not to proceed with further negotiation to amend or extend the subscription agreement. The subscription agreement therefore has lapsed and the subscription contemplated thereunder will not be proceeded.

As at 30 June 2017, the Group has no other material commitment.

29. 其他承擔

於二零一六年七月十八日，本公司與華聯國際(控股)有限公司(「**華聯**」)訂立認購協議，本公司有條件同意以每股0.16港元認購價認購合共3,700,000,000股華聯股份。代價約592,000,000港元將透過向最終控股公司借入貸款之方式以現金結付。

於二零一七年三月二十七日，董事認為認購協議先決條件於認購協議內規定的最後截止日期前仍未獲達成，且董事決定不會就修訂或延長認購協議進行進一步磋商。因此，上述認購協議已失效，且其項下擬進行之認購事項將不會進行。

於二零一七年六月三十日，本集團並無其他重大承擔。

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30. OPERATING LEASES

The Group as lessor

Property rental income earned during the six months ended 30 June 2017 was approximately HK\$72,346,000 (six months ended 30 June 2016: Nil). The investment properties are expected to generate an average rental yield of 5.44% on ongoing basis. Almost all of the properties held have committed tenants for the next one to ten years.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

30. 經營租約

本集團作為出租人

截至二零一七年六月三十日止六個月期間內賺取之物業租金收入為約72,346,000港元(截至二零一六年六月三十日止六個月：無)。投資物業預期將持續產生5.44%的平均租金收益率。所持全部物業中大部分租戶已承諾租用下一年至十年。

於報告期末，本集團就以下未來最低租金付款與租戶訂立合約：

		30 June 2017 (unaudited) HK\$'000 二零一七年 六月三十日 (未經審核) 千港元	31 December 2016 (audited) HK\$'000 二零一六年 十二月三十一日 (經審核) 千港元
Within one year	一年內	148,138	142,011
In the second to fifth years inclusive	第二至第五年(包括首尾兩年)	592,551	568,042
Over five years	五年以上	630,891	682,021
		1,371,580	1,392,074

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30. OPERATING LEASES (Continued)

The Group as lessee

Minimum lease payments paid under operating lease in respect of office premises during the six months ended 30 June 2017 was approximately HK\$15,079,000 (six months ended 30 June 2016: HK\$8,971,000).

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rental premises which fall due as follows:

Within one year	一年內
In the second to fifth years inclusive	第二至第五年(包括首尾兩年)

Operating lease payments represent rentals payable by the Group for certain of its office premises. Leases for properties are negotiated for a term ranging from three to five years with fixed rentals.

30. 經營租約(續)

本集團作為承租人

截至二零一七年六月三十日止六個月內，根據經營租約就辦公室物業已付最低租金付款約15,079,000港元(二零一六年六月三十日：8,971,000港元)。

於報告期末，本集團根據於下列期間到期之不可撤銷經營租約就出租物業之未來最低租金付款承擔：

30 June 2017 (unaudited) HK\$'000 二零一七年 六月三十日 (未經審核) 千港元	31 December 2016 (audited) HK\$'000 二零一六年 十二月三十一日 (經審核) 千港元
24,202	24,130
20,264	34,880
44,466	59,010

經營租約付款指本集團就其若干辦公室物業應付之租金。物業租約經磋商按固定租金為期介乎三至五年。

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31. MATERIAL RELATED PARTY DISCLOSURES

Apart from details of the balances with related parties disclosed in the condensed consolidated statement of financial position and other details disclosed elsewhere in the condensed consolidated financial statements, the Group has not entered into any significant transactions with related parties during the six months ended 30 June 2017 and 2016:

Compensation of key management personnel

The remuneration of the Directors, being the key management personnel, is determined by the remuneration committee having regard to the performance of individuals and market trends and summarised as follow:

31. 重大關連人士披露

除簡明綜合財務狀況報表所披露之與關連人士之結餘之詳情及簡明綜合財務報表其他章節所披露之其他詳情外，本集團於截至二零一七年及二零一六年六月三十日止六個月並無訂立任何重大關連人士交易：

主要管理人員之薪酬

董事(即主要管理人員)之薪酬乃由薪酬委員會經考慮個人表現及市場趨勢後釐定並概述如下：

Six months ended 30 June 截至六月三十日止六個月

		2017 (unaudited) HK\$'000 二零一七年 (未經審核) 千港元	2016 (unaudited) HK\$'000 二零一六年 (未經審核) 千港元
Short term employee benefits	短期僱員福利	13,604	3,537
Contribution of retirement benefit scheme	退休福利計劃供款	85	23
		13,689	3,560

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32. CHARGES ON ASSETS

The Group has the following charges on assets for bills payables and certain borrowings as set out in Notes 22 and 23 as at 30 June 2017 and 31 December 2016:

32. 資產抵押

本集團於二零一七年六月三十日及二零一六年十二月三十一日擁有以下為應付票據及若干借款提供擔保的資產的抵押(誠如附註22及23所載):

		30 June 2017 (unaudited) HK\$'000 二零一七年 六月三十日 (未經審核) 千港元	31 December 2016 (audited) HK\$'000 二零一六年 十二月三十一日 (經審核) 千港元
Investment properties	投資物業		
– Commercial property units located in UK (Note 1)	– 位於英國之商業物業單位(附註1)	1,051,043	988,425
– Residential property units located in UK (Note 2)	– 位於英國之住宅物業單位(附註2)	1,040,684	1,074,375
– Commercial property units located in HK (Note 3)	– 位於香港之商業物業單位(附註3)	600,000	–
		2,691,727	2,062,800
Restricted bank deposits (Note 4)	受限制銀行存款(附註4)	1,861,844	841,106
Pledged bank deposits (Note 1)	已抵押銀行存款(附註1)	15,977	19,713
Financial assets held for trading (Note 5)	持作買賣金融資產(附註5)	1,615,508	651,856
Financial assets designated as at fair value through profit or loss (Note 6)	指定為按公允值計入損益的金融資產(附註6)	–	215,041
		6,185,056	3,790,516

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32. CHARGES ON ASSETS (Continued)

Notes:

- (1) The investment property, pledged bank deposits and together with a floating charge over all the assets of a subsidiary of the Group were pledged to a bank to secure for a bank borrowing with an outstanding amount of approximately HK\$588,943,000 (31 December 2016: HK\$573,000,000).
- (2) The investment property, insurance proceeds and together with a floating charge over all the assets of certain subsidiaries of the Group were pledged to a bank to secure for a bank borrowing with an outstanding amount of approximately HK\$471,062,000 (31 December 2016: HK\$525,250,000).
- (3) The investment property (31 December 2016: investment properties held by the ultimate controlling shareholder) were pledged to a bank to secure a bank borrowing with an outstanding amount of approximately HK\$500,000,000 (31 December 2016: HK\$500,000,000). This borrowing also guaranteed by the ultimate controlling shareholder.
- (4) The restricted cash were pledged to secure for bills payable arising from the purchase of petrochemical products and metal-related products with an outstanding amount of approximately HK\$2,116,498,000 (31 December 2016: HK\$790,013,000).
- (5) The financial assets held for trading was pledged to securities brokers to secure for margin financing with an outstanding amount of approximately HK\$799,444,000 (31 December 2016: HK\$310,590,000).
- (6) The distressed debt assets were pledged to secure for vendor financing loan with an outstanding amount of approximately HK\$31,121,000 as at 31 December 2016.

In addition to above charges, the Group's 8% Note with an outstanding amount of approximately HK\$620,904,000 was secured by all the shares of two wholly-owned subsidiaries, Best Future Investments Limited and Tai United Financial Group Limited.

32. 資產抵押(續)

附註：

- (1) 本集團投資物業、已抵押銀行存款連同一間附屬公司所有資產設立的浮動押記被抵押予銀行，作為未償還銀行借貸約588,943,000港元(二零一六年十二月三十一日：573,000,000港元)之擔保。
- (2) 本集團投資物業、保險所得款項連同本集團若干附屬公司所有資產設立的浮動押記被抵押予銀行，作為未償還銀行借貸471,062,000港元(二零一六年十二月三十一日：525,250,000港元)之擔保。
- (3) 本集團約500,000,000港元(二零一六年十二月三十一日：500,000,000港元)之未償還銀行借貸乃由本集團之投資物業抵押(二零一六年十二月三十一日：由最終控股股東持有之投資物業)。該借貸亦由最終控股股東提供擔保。
- (4) 受限制現金被抵押以擔保購買未償還金額約2,116,498,000港元(二零一六年十二月三十一日：790,013,000港元)之石化產品及金屬相關產品所產生應付票據。
- (5) 持作買賣金融資產被抵押予證券經紀人，作為於二零一六年十二月三十一日未償還保證金融資約799,444,000港元(二零一六年十二月三十一日：310,590,000港元)之擔保。
- (6) 不良債務資產被抵押作為未償還賣方融資貸款約31,121,000港元之擔保。

除上述押記外，本集團未償還金額約為620,904,000港元之8%票據由兩間全資附屬公司(即佳將投資有限公司及太和金融集團有限公司)之所有股份抵押

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33. ACQUISITION OF SUBSIDIARIES

On 5 January 2017, the Company entered into the sale and purchase agreement with the ultimate controlling shareholder (the “Vendor”), pursuant to which the Company has agreed to purchase the entire equity interest of the Tai Infinite Group and to accept the assignment of loans from the former shareholder of the Tai Infinite Group. The principal asset of the Tai Infinite Group is a commercial property located in Central, Hong Kong.

The acquisition has been completed on 24 March 2017 (the “Completion Date”) and the consideration was satisfied by the allotment and issuance of 446,742,544 ordinary shares of the Company with par value of HK\$0.05 each were issued. The fair value of the ordinary shares of the Company issued, determined using the published price available at the Completion Date amounted to HK\$1.36, was amounted to HK\$607,570,000, representing HK\$22,337,000 as share capital and HK\$585,233,000 as share premium.

As the Tai Infinite Group did not operate any business prior to the Completion Date and accordingly, the Group considers the nature of this acquisition as acquisitions of assets in substance and the consideration has been attributed to the individual assets acquired and liabilities assumed based on the relative fair values of the individual items.

Details of the above were set out in the Company’s announcements dated 5 January 2017 and 24 March 2017, respectively.

33. 收購附屬公司

於二零一七年一月五日，本公司與最終控股股東（「賣方」）訂立買賣協議，據此，本公司同意收購太宏集團全部股權及接納自太宏集團前股東轉讓之貸款。太宏集團之主要資產為位於香港中環之商業物業。

收購事項已於二零一七年三月二十四日（「完成日期」）完成，代價由本公司配發及發行每股面值0.05港元之446,742,544股普通股償付。本公司已發行普通股之公允值乃根據完成日期可得所報價格每股1.36港元釐定，為數607,570,000港元，其中22,337,000港元計為股本及585,233,000港元計為股份溢價。

由於太宏集團於完成日期前並無經營任何業務，故本集團認為收購事項之性質實質上為收購資產，而其代價根據單獨項目相關公允值單獨歸屬於所收購之資產及所承擔之負債。

上述事項詳情分別載於本公司二零一七年一月五日及二零一七年三月二十四日之公告。

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33. ACQUISITION OF SUBSIDIARIES (Continued)

The relative fair values of assets acquired and liabilities assumed at the acquisition date are analysed as follows:

33. 收購附屬公司(續)

於收購日期所收購之資產及所承擔之負債之相關公允值分析如下：

		HK\$'000 千港元
Investment properties	投資物業	606,529
Property, plant and equipment	物業、廠房及設備	4,250
Intangible asset	無形資產	25
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	310
Accrued liabilities and other payables	應計負債及其他應付款項	(2,568)
Tax payables	應付稅項	(976)
Loans from former shareholders	來自前股東之貸款	(493,503)
Total identifiable net assets acquired	所收購可識別資產淨值總額	114,067
Assignment of loans from former shareholders	自前股東轉讓之貸款	493,503
Consideration settled by shares allotment as at acquisition date	於收購日期股份配發之已結清代價	607,570

