

2018

Interim Report

二零一八年中中期報告



STOCK CODE 股份代號 : 376



云锋金融

This interim report, in both English and Chinese versions, is available on the Company's website at www.yff.com (the "**Company Website**").

Shareholders who have chosen or have been deemed consented to receive the corporate communications of the Company (the "**Corporate Communications**") via the Company Website and who for any reason have difficulty in receiving or gaining access to the interim report posted on the Company Website will promptly upon request be sent the interim report in printed form free of charge.

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BOARD OF DIRECTORS

Chairman

Mr. Yu Feng (*Non-Executive Director*)

Executive Directors

Ms. Li Ting (*Chief Executive Officer*)
Mr. Huang Xin

Non-Executive Directors

Mr. Ko Chun Shun, Johnson
Ms. Hai Olivia Ou

Independent Non-Executive Directors

Mr. Lin Lijun
Mr. Qi Daqing
Mr. Chu Chung Yue, Howard

AUDIT COMMITTEE

Mr. Chu Chung Yue, Howard (*Chairman*)
Mr. Lin Lijun
Mr. Qi Daqing

REMUNERATION COMMITTEE

Mr. Lin Lijun (*Chairman*)
Mr. Qi Daqing
Mr. Huang Xin
Mr. Chu Chung Yue, Howard

NOMINATION COMMITTEE

Mr. Yu Feng (*Chairman*)
Mr. Lin Lijun
Mr. Qi Daqing
Mr. Chu Chung Yue, Howard

AUTHORISED REPRESENTATIVES

Ms. Li Ting
Mr. Chan Man Ko

董事會

主席

虞鋒先生 (*非執行董事*)

執行董事

李婷女士 (*行政總裁*)
黃鑫先生

非執行董事

高振順先生
海歐女士

獨立非執行董事

林利軍先生
齊大慶先生
朱宗宇先生

審核委員會

朱宗宇先生 (*主席*)
林利軍先生
齊大慶先生

薪酬委員會

林利軍先生 (*主席*)
齊大慶先生
黃鑫先生
朱宗宇先生

提名委員會

虞鋒先生 (*主席*)
林利軍先生
齊大慶先生
朱宗宇先生

授權代表

李婷女士
陳文告先生

COMPANY SECRETARY

Mr. Chan Man Ko

AUDITOR

KPMG
Certified Public Accountants

BANKERS

The Hongkong and Shanghai Banking
Corporation Limited
China Citic Bank International
China Construction Bank (Asia)
Bank of China (Hong Kong)
Bank of Communications

REGISTERED AND PRINCIPAL OFFICE

Suites 3201-3204
One Exchange Square
8 Connaught Place
Hong Kong

SHARE REGISTRAR

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Shops 1712-1716 17th Floor, Hopewell Centre
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Wanchai, Hong Kong

WEBSITE

<http://www.yff.com>

STOCK CODE

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公司秘書

陳文告先生

核數師

畢馬威會計師事務所
執業會計師

主要往來銀行

香港上海滙豐銀行有限公司
中信銀行(國際)
中國建設銀行(亞洲)
中國銀行(香港)
交通銀行

註冊及主要辦事處

香港
康樂廣場八號
交易廣場一座
3201至3204室

股份過戶登記處

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

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<http://www.yff.com>

股票代號

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Management Discussion and Analysis

管理層討論及分析

The board of directors (the “Board”) of Yunfeng Financial Group Limited (the “Company”) submit herewith the unaudited condensed consolidated interim results and financial position of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2018 (the “First Half of 2018” or the “Period”), together with the comparative figures for the corresponding period in 2017 (the “Prior Period”).

BUSINESS REVIEW

Overview

For the First Half of 2018, the Group’s major sources of revenue includes subscription fees and management fees for products launched by the Group, platform fees for distribution of third-parties products, administration fee for employee stock ownership plan management services, brokerage commission income and corporate advisory fee income, etc. In addition, the Group generates other operating income and gains from its own general capital. The Group is still in the process of building its client base and scale of asset under management. The Group’s revenue and other operating income were HK\$15.5 million and HK\$77.4 million respectively, representing an increase of 63.2% and 1.3 times compared to the Prior Period respectively. The increase in revenue was mainly attributable to the increase in corporate finance consultancy service fee and securities brokerage commission during the Period. The operating income (mainly derived from Company’s own capital fund management) also increased significantly.

Apart from this, the amortization expense recorded in the First Half of 2018 in relation to share awards granted by the Company, amounted to HK\$112 million compared to HK\$44 million recorded in the Prior Period resulting in higher overall operating expenses than those in the Prior Period. Taking into account the above factors, the loss attributable to equity shareholders of the Company for the Period is HK\$186.3 million (Prior Period: HK\$236.6 million). If the amortization expense in relation to share awards granted by the Company is excluded, the net loss attributable to equity shareholders of the Company for the Period would be HK\$74.3 million (Prior Period: HK\$192.6 million) representing a significant decrease of HK\$118.3 million or 61.4% compared to the Prior Period.

雲鋒金融集團有限公司(「本公司」)董事會(「董事會」)謹此提呈本公司及其附屬公司(統稱「本集團」)截至二零一八年六月三十日止六個月(「二零一八年上半年」或「期內」)之未經審核簡明綜合中期業績及財務狀況，連同二零一七年同期(「去年同期」)之比較數字。

業務回顧

概述

於二零一八年上半年，本集團的主營業務收入來源包括發行產品的認購費及管理費、分銷第三方產品的平台費、員工持股服務管理費、經紀佣金收入及企業諮詢服務費等。除此之外，本集團自有資金亦產生若干收益。本集團仍在建立客戶量及擴大資產管理規模當中。本集團之主營業務收入及其他經營收入分別為1,550萬港元及7,740萬港元，分別較去年同期上升63.2%及上升1.3倍。主營業務收入上升主要是企業融資的顧問及諮詢服務收入及期內證券經紀佣金收入上升。同時，其他經營收入(主要來自自營資金收益)大幅上升。

此外，公司授出的員工股份獎勵計劃的費用攤銷合計1.12億港元亦在二零一八年中期入賬，去年同期則錄得4,400萬港元，導致整體經營開支高於去年同期。綜合上述原因，本公司期內的權益持有人應佔虧損為1.86億港元(去年同期：2.37億港元)。如不包括員工股份獎勵計劃的費用攤銷，期內本公司權益持有人應佔虧損估計為7,430萬港元，較去年同期的1.93億港元大幅減少1.18億港元或61.4%。

BUSINESS REVIEW (Continued)

Brokerage business

In the First Half of 2018, the Group launched eight version updates for “Youyu Stock” mobile application adding new features to help customers resolve investment problems encountered in different investment stages. The new features differentiated the Group from other competitors using artificial intelligence technological advantages including information intelligence recommendation function to retain and attract customers. The Group focused on its brokerage business through three major target client groups including retail clients, financial institutions and listed companies. The development of the retail client market was mainly through online cooperation and operation. For financial institution market, the Group’s focused on cooperation with the banks and other securities firms. For the listed companies market, the Group focused on service opportunities including employee stock ownership plan administration, corporate actions like share repurchase and reduction in holding and shares pledging by major shareholders. During the Period, the turnover of brokerage business amounted to HK\$2,554.7 million, representing an increase of 4.6 times as compared with the Prior Period.

Corporate finance consultancy service

The Group’s corporate finance business primarily provides financial consultancy service primarily to Hong Kong listed companies. In the First Half of 2018, the Group has completed 16 financial consultancy projects. During the Period, this business segment recorded an income of HK\$9.9 million, representing an increase of 83.3% as compared with the Prior Period.

Employee stock ownership plan administration

In the First Half of 2018, employee stock ownership plan administration (“ESOP”) brought new inflows of client assets to the Group and growth in client net assets value managed by the Group. As the Group’s important strategic business, the employee stock ownership team actively expanded the network and sought for suitable partners to attract new customers while successfully achieving synergy with other business lines. In terms of business development, the team reached out to customers with high potential through various seminars and roundtable conferences organised with different organisations.

業務回顧(續)

證券經紀業務

於二零一八年上半年，本集團推出8個『有魚股票』移動客戶端(APP)版本更新，各項新增功能，協助客戶解決不同投資階段所遇到的投資問題。透過人工智慧建立功能壁壘，如資訊智慧推薦功能，增加客戶留存能力，以形成差異化。管道合作方面，於上半年集中從零售、金融機構及上市公司三個方向拓展業務，零售管道的重點為線上合作與運營；金融機構管道主要是銀行及券商；上市公司管道則透過員工持股計劃管理、公司回購及減持、大股東質押進行管道合作。本集團期內證券經紀業務的交易總值為25.55億港元，較去年同期上升4.6倍。

企業融資顧問服務

本集團之企業融資業務專注向香港上市公司提供財務顧問服務。二零一八年上半年已完成16項財務顧問項目。此業務於期內錄得收入990萬港元，較去年同期上升83.3%。

員工持股計劃管理

於二零一八年上半年，員工持股計劃(「ESOP」)管理為集團帶來新資產流入及相關資產託管淨值增長。作為重要的策略性業務，員工持股團隊積極拓展網路，尋求合適夥伴導流客戶的同時，成功發揮與其他業務線的協同效應。管道發展方面，團隊已與不同機構合辦各類講座及圓桌會議，以向高潛客戶推廣業務。

BUSINESS REVIEW (Continued)

Wealth and asset management

Wealth management

In the First Half of 2018, the Group launched a total of 9 online versions for “Youyu Wealth” online mobile application with special features including fund comparison, six-dimensional map, and “Fish Recommended” selection etc. The special features were able to attract new customers and improve customer’s loyalty and retention. “Youyu Wealth” entered into distribution agreements with 21 global fund managers and offered more than 350 online selected fund products for subscription.

Asset management

On the other hand, our wealth management business has made substantial progress offline in fund management through forming strategic partnership with other reputable financial institutions to expedite the process to build up the scale of asset under management.

Offline Fund product managed or jointly managed by the Group 線下自營或共同管理的基金名稱

Investment focus 投資重點

Majik Access USD Fund 1 LP 有魚錦鯉美元基金1號	Third-party managed private credit funds — directly or indirectly invest in credit and real estate-related debt market sectors 第三方管理私募債權基金 — 直接或間接投資於信用及房地產相關債券市場
Majik Access USD Fund 2 LP 有魚錦鯉美元基金2號	Third-party managed distressed assets funds — specialising in different distressed credit strategies 第三方管理不良資產基金 — 從事不同的不良信貸策略
Majik Access USD Fund 3 LP 有魚錦鯉美元基金3號	Third-party managed collateralised loan obligations — investing in senior secured first lien bank loans, second lien loans, unsecured loans, and other debt obligations 第三方管理信貸掛鉤產品 — 投資優先擔保第一留置權銀行貸款，第二留置權貸款，無擔保貸款和其他債務

For the above fund products still opened for subscription, we continue to attract new professional investors. During the Period, we have successfully secured a handful of rare investment targets including credit linked note and distressed fund investment opportunities managed by top tier managers to facilitate further growth in the offline wealth management operation. As at 30 June 2018, the total capital commitment and investment acquired by the three offline products amounted to US\$187.9 million.

業務回顧(續)

財富及資產管理

財富管理

於二零一八年上半年，本集團為『有魚智投』線上移動客戶端(APP)推出共9個反覆運算上線版本，新功能包括基金比較，六維圖，有魚精選等，以特色吸引新客戶，增加客戶粘性及忠誠度。『有魚智投』已與21家全球基金管理人簽訂分銷協議；上線精選基金產品已超過350支。

資產管理

另一方面，我們的財富管理業務在線下基金管理通過與其他信譽良好的金融機構建立戰略合作夥伴關係，加快擴大資產管理規模，取得了實質性進展。

對於上述尚未結束接受認購的基金產品，我們繼續吸引新的專業投資者。於本期間，我們已成功鎖定少數罕見投資目標，包括信貸掛鉤票據及不良基金投資機會，由該領域的頂級管理人員管理，以進一步促進增長線下財富管理業務增長。截至二零一八年六月三十日，三種線下產品獲得的資本承諾和投資總額為1.88億美元。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

General capital management

The Group adopted the following capital usage and management strategies:

- 1) To achieve positive synergies between the Company's capital management and growth of its asset management business, and to facilitate external fundraising for such products, the Company intends to provide seed capital, as a direct investor or co-investor in fund products and high-quality early-stage private equity products developed by the Company;
- 2) Use as standby capital to support the securities brokerage business and the securities financing business when needed;
- 3) Towards acquisition or development of projects related to the Company's personal wealth management business or financial technologies development or into opportunities that provide synergies with other businesses of the Company; and
- 4) To increase effectiveness and returns in respect of the Company's capital management, and to improve cash flow management, the Company adopted a treasury management model that may involve (but not be limited to) holding fixed income instruments, high grade equity instruments and other financial investments.

For the First Half of 2018, the use of Group's general capital is as follows:

HK\$ million

		At 30 June 2018 二零一八年 六月 三十日	At 31 December 2017 二零一七年 十二月 三十一日	Change
Fixed bank deposits and cash (Note 1)	銀行定期存款及現金(附註1)	3,075.8	3,544.7	-13.2%
Mutual fund investment (Note 2)	共同投資基金(附註2)	323.5	326.7	-1.0%
Fixed income type of investment (Note 3)	固定收入類投資(附註3)	273.5	77.3	2.5 times 倍
Equity and option	權益類投資及權益工具	0.9	5.9	-84.7%
Majik Access USD Fund 3 LP (Note 4)	有魚錦鯉美元基金3號投資 (附註4)	180.2	199.0	-9.4%
Majik Access USD Fund 2 LP	有魚錦鯉美元基金2號投資	19.5	(3.0)	—
Interest in an associate	於聯營公司之權益	59.3	—	—
		3,932.7	4,150.6	-5.2%

業務回顧(續)

自有資金管理

本集團自有資金的使用及管理策略如下：

1. 為使自有資金與基金管理業務實現良性互動，藉此推動基金向外募資，本公司擬通過種子資金、先期投入及共投或跟投本公司發起的基金產品及尚處於成長期的高品質的私募基金產品；
2. 適時用於支持證券經紀業務及證券融資業務所需的資金；
3. 適時用於收購或開設與個人財富管理業務相關、金融科技領域相關，及為現有業務帶來協力的項目；及
4. 為提升公司資金使用效率及收益，優化現金流，將通過司庫的形式持有包括(但不限於)固定收益債券、優質的股本投資及其他財務投資。

二零一八年上半年，本集團自有資金使用概述如下：

百萬港元

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

General capital management (Continued)

Note 1: The amount includes US\$25 million committed for investing in Majik Access USD Fund 1 LP and US\$17 million for investing in Majik Access USD Fund 2 LP.

Note 2: This includes investments in more than five mutual fund investments managed by different fund management companies with abundant international investment experiences. The investment portfolio of the mutual funds mainly comprises fixed income securities and equity, with a higher proportion being fixed-income securities. The mutual funds are liquid assets which can be readily converted into cash.

Note 3: This includes both perpetual capital, note investment, leveraged bond linked note and trust products.

Note 4: The amount represents the Group's share of net asset in the fund after capital injection is made.

PROSPECTS

In the second half of 2018, the Group will continue to push forward on the completion of the acquisition of an equity interest in MassMutual Asia Limited ("MassMutual"). The uncertainties in the global economy related to instances like Sino-US trade war, and the Brexit are expected to adversely affect the market. The Group will remain flexible and adjust its strategy in light of market conditions.

業務回顧(續)

自有資金管理(續)

附註1：其中包括自有資金對有魚錦鯉美元基金1號2,500萬美元及對有魚錦鯉美元基金2號1,700萬美元投入承諾金額。

附註2：共投資超過五個共同基金，由不同且具有豐富國際投資經驗的資產管理公司管理。上述基金的投資組合包括固定收益證券及股票，當中固定收益證券的比重較高。共同基金具流動性且可隨時兌換成現金。

附註3：包括永續性資本，票據投資，槓桿票據及信託產品。

附註4：該金額代表集團在注資後於基金中的淨資產份額。

展望

二零一八年下半年，本集團將繼續推進收購美國萬通保險亞洲有限公司(萬通亞洲)股權的交割工作。展望全球經濟的不確定性包含中美貿易戰，英國脫歐等對市場產生不良影響，本集團將根據市場情況靈活調整策略。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL RESULT REVIEW

Significant financial information

Consolidated profit and loss analysis for the period ended 30 June

HK\$ million

財務回顧

重要財務數據

截至六月三十日止的綜合損益分析

百萬港元

		1H 2018 二零一八年 上半年	1H 2017 二零一七年 上半年	Change 變化
Revenue	收益	15.5	9.5	63.2%
Other operating income and gains	其他經營收入及收益	77.4	33.2	1.3 times 倍
Net loss on financial assets and financial liabilities at fair value through profit or loss	按公平值計入損益之金融資產及金融負債虧損淨額	(26.8)	(82.6)	-67.6%
Staff costs	員工成本	(193.7)	(122.1)	58.6%
Other operating expenses (including net provision for impairment loss)	其他經營支出 (包括減值撥備淨額)	(51.1)	(70.1)	-27.1%
		(178.7)	(232.1)	-23.0%
Finance cost	融資成本	(6.6)	(3.6)	83.3%
Loss before taxation	除稅前虧損	(185.3)	(235.7)	-21.4%
Income tax	所得稅	(1.0)	(1.0)	—
Loss for the period	本期間虧損	(186.3)	(236.7)	-21.3%
Loss for the period attributable to:	應佔本期間虧損：			
Equity shareholders of the Company	本公司權益持有人	(186.3)	(236.6)	-21.3%
Non-controlling interests	非控股權益	—	(0.1)	—
		(186.3)	(236.7)	-21.3%

Management Discussion and Analysis

管理層討論及分析

FINANCIAL RESULT REVIEW (Continued)

財務回顧(續)

Analysis on loss for the period

本期內虧損分析

HK\$ million

百萬港元

		1H 2018 二零一八年 上半年	1H 2017 二零一七年 上半年	Change 變化
Loss for the period	期內虧損	(186.3)	(236.7)	-21.3%
Adjust for the impact of the following profit or loss or expenses impact:	調整以下損益或費用影響：			
Less: Net loss on financial assets and liabilities at fair value through profit or loss	減：按公平值計入損益之金融資產及金融負債虧損淨額	26.8	82.6	-67.6%
Less: Staff share award amortisation expense	減：員工股份獎勵計劃攤銷費用	111.6	44.0	1.5 times 倍
Less: Legal and professional fee for acquisition of MassMutual	減：收購萬通亞洲法律及專業費用	1.8	18.7	-90.4%
		(46.1)	(91.4)	-49.6%

Revenue

收益

For the First Half of 2018, revenue amounted to HK\$15.5 million (2017: HK\$9.5 million), representing a 63.2% increase compared to that of the Prior Period as follows:

二零一八年上半年收益為1,550萬港元(二零一七年：950萬港元)，較去年同期增加63.2%，概述如下：

HK\$ million

百萬港元

		1H 2018 二零一八年 上半年	1H 2017 二零一七年 上半年	Change 變化
Brokerage commission	經紀佣金	2.8	0.6	3.7 times 倍
Consultancy and advisory fees	顧問及諮詢費	9.9	5.4	83.3%
Subscription, management and rebate fees income	認購、管理費及回扣收入	2.2	1.1	100%
Interest income from loan receivables	應收貸款利息收入	—	2.2	—
Interest income from clients and other service income	來自客戶之利息及其他服務收入	0.6	0.2	2.0 times 倍
		15.5	9.5	63.2%

FINANCIAL RESULT REVIEW (Continued)

Other operating income and gains

For the First Half of 2018, other operating income and gains amounted to HK\$77.4 million (2017: HK\$33.2 million), representing a 1.3 times increase compared to that of the Prior Period as follows:

HK\$ million

		1H 2018 二零一八年 上半年	1H 2017 二零一七年 上半年	Change 變化
Bank and other interest income	銀行及其他利息收入	55.9	27.3	104.8%
Handling and settlement fees	手續費及結算費用	0.6	0.2	2 times 倍
Dividend and distribution income	股息及分配收入	15.6	3.3	3.7 times 倍
Miscellaneous income	雜項收入	2.6	0.7	2.7 times 倍
Gain on deconsolidated fund and partial disposal of a consolidated fund	從合併基金的分拆中獲得的收益及視作合併基金的部分處置收益	2.7	—	—
Gain on disposal of a subsidiary	出售附屬公司的收益	—	0.8	—
Disposal gain of available-for-sale financial assets	出售可供出售金融資產收益	—	0.9	—
		77.4	33.2	1.3 times 倍

財務回顧(續)

其他經營收入及收益

二零一八年上半年其他經營收入及收益為7,740萬港元(二零一七年：3,320萬港元)，較去年同期增加1.3倍，概述如下：

百萬港元

	1H 2018 二零一八年 上半年	1H 2017 二零一七年 上半年	Change 變化
銀行及其他利息收入	55.9	27.3	104.8%
手續費及結算費用	0.6	0.2	2 times 倍
股息及分配收入	15.6	3.3	3.7 times 倍
雜項收入	2.6	0.7	2.7 times 倍
從合併基金的分拆中獲得的收益及視作合併基金的部分處置收益	2.7	—	—
出售附屬公司的收益	—	0.8	—
出售可供出售金融資產收益	—	0.9	—
	77.4	33.2	1.3 times 倍

Net loss on financial assets and financial liabilities at fair value through profit or loss

For the First Half of 2018, the net loss on financial assets and financial liabilities at fair value through profit or loss amounted to HK\$26.8 million (2017: HK\$82.6 million), representing a 67.6% decrease compared to that of Prior Period as follows:

HK\$ million

		1H 2018 二零一八年 上半年	1H 2017 二零一七年 上半年	Change 變化
Net unrealised loss on financial assets at fair value through profit or loss	按公平值計入損益之金融資產未實現虧損淨額	(18.1)	(16.3)	11.0%
Net realised loss on financial assets at fair value through profit or loss	按公平值計入損益之金融資產已實現虧損淨額	(1.5)	(64.7)	-97.7%
Fair value change of financial liabilities at fair value through profit or loss	按公平值計入損益之金融負債之公平值變動	(7.2)	(1.6)	3.5 times 倍
Total net loss on financial assets and financial liabilities at fair value through profit or loss	按公平值計入損益之金融資產及金融負債虧損淨額總額	(26.8)	(82.6)	-67.6%

按公平值計入損益之金融資產及金融負債虧損淨額

二零一八年上半年金融資產虧損為2,680萬港元(二零一七年：8,260萬港元)，較去年同期減少67.6%，概述如下：

百萬港元

	1H 2018 二零一八年 上半年	1H 2017 二零一七年 上半年	Change 變化
按公平值計入損益之金融資產未實現虧損淨額	(18.1)	(16.3)	11.0%
按公平值計入損益之金融資產已實現虧損淨額	(1.5)	(64.7)	-97.7%
按公平值計入損益之金融負債之公平值變動	(7.2)	(1.6)	3.5 times 倍
按公平值計入損益之金融資產及金融負債虧損淨額總額	(26.8)	(82.6)	-67.6%

Management Discussion and Analysis

管理層討論及分析

FINANCIAL RESULT REVIEW (Continued)

Staff costs

For the First Half of 2018, the staff costs amounted to HK\$193.7 million (2017: HK\$122.1 million), including the amortisation of share-based payment expense of HK\$111.6 million (2017: HK\$44 million). Excluding this expense, the staff costs increased by 5% compared to the Prior Period.

Other operating expenses

For the First Half of 2018, other operating expenses amounted to HK\$51.1 million, representing a 27.1% decrease compared to that of the Prior Period as follows:

HK\$ million

		1H 2018 二零一八年 上半年	1H 2017 二零一七年 上半年	Change 變化
Information, data and communication expenses	資訊、數據及通訊開支	(13.8)	(16.1)	-14.3%
Legal and professional fee expenses	法律及專業費用	(8.1)	(28.1)	-71.2%
Operating lease and related charges in respect of properties	物業之經營租約及相關費用	(14.9)	(14.8)	0.7%
Business promotion and marketing expenses	業務推廣及市場宣傳費用	(0.9)	(2.5)	-64.0%
Depreciation and amortisation	折舊及攤銷	(10.6)	(8.1)	30.9%
Net exchange gain	淨外匯收益	7.9	12.5	-36.8%
Others	其他費用	(10.7)	(13.0)	-17.7%
		(51.1)	(70.1)	-27.1%

財務回顧(續)

員工成本

二零一八年上半年員工成本為1.94億港元(二零一七年：1.22億港元)，當中含股份獎勵計劃相關攤銷費用金額為1.12億港元(二零一七年：4,400萬港元)，若扣除此費用，員工成本較去年同期增加5%。

其他經營支出

二零一八年上半年其他經營支出為5,110萬港元，較去年同期減少27.1%，概述如下：

百萬港元

		1H 2018 二零一八年 上半年	1H 2017 二零一七年 上半年	Change 變化
Information, data and communication expenses	資訊、數據及通訊開支	(13.8)	(16.1)	-14.3%
Legal and professional fee expenses	法律及專業費用	(8.1)	(28.1)	-71.2%
Operating lease and related charges in respect of properties	物業之經營租約及相關費用	(14.9)	(14.8)	0.7%
Business promotion and marketing expenses	業務推廣及市場宣傳費用	(0.9)	(2.5)	-64.0%
Depreciation and amortisation	折舊及攤銷	(10.6)	(8.1)	30.9%
Net exchange gain	淨外匯收益	7.9	12.5	-36.8%
Others	其他費用	(10.7)	(13.0)	-17.7%
		(51.1)	(70.1)	-27.1%

Management Discussion and Analysis

管理層討論及分析

FINANCIAL RESULT REVIEW (Continued)

財務回顧(續)

Changes in owner's equity

股東權益變動

HK\$ million

百萬港元

		2018 二零一八年
Balance at 1 January	一月一日之結存	4,139.3
Loss for the Period	本期間虧損	(186.3)
Others	其他	(5.5)
Balance at 30 June		3,947.5
Attributable to:	應佔權益：	
– Equity shareholders of the Company	– 本公司權益持有人	3,947.5
– Non-controlling interests	– 非控股權益	–
Total equity	權益總值	3,947.5

As at 30 June 2018, equity attributable to shareholders of the Company per share is HK\$1.63 (31 December 2017: HK\$1.71).

於二零一八年六月三十日，本公司權益持有人應佔權益為每股 1.63 港元(二零一七年十二月三十一日：1.71 港元)。

Liquidity, financial resources and capital structure

流動資金、財務資源及資本架構

As at 30 June 2018, the Group had fixed bank deposits with original maturity over 3 months and cash and cash equivalents amounting to HK\$3,182.5 million (31 December 2017: HK\$3,762.7 million) and had no bank or other borrowings. The Group generally financed its daily operations with internal resources.

於二零一八年六月三十日，本集團之到期期限多於三個月的銀行存款和現金及現金等值項目合共為 3,182,500,000 港元(二零一七年：3,762,700,000 港元)及並無銀行或其他借貸。本集團一般以內部資源作為其日常營運資金。

Foreign exchange risk

外匯風險

The Group has assets and liabilities denominated in currencies other than its functional currency and that are subject to fluctuation in foreign exchange amounts in the different currencies. The Group is exposed to currency risk arising from various currency exposures mainly to the extent of its bank balances in US dollar. Management of the Group monitors the foreign exchange exposure and will hedge significant foreign currency exposure should the need arise. During the First Half of 2018, the Group did not engage in the use of any financial instruments for hedging purposes, and there was no hedging instrument outstanding as at 30 June 2018.

本集團擁有以其功能貨幣以外之貨幣計值之資產及負債，並受到不同貨幣之外匯金額波動之影響。本集團面臨不同貨幣風險產生的貨幣風險，主要是以美元為單位的銀行結餘。本集團管理層監控外匯風險並在需要時對沖重大外匯風險。於二零一八年上半年，本集團並無運用任何金融工具作對沖用途，於二零一八年六月三十日亦無任何未平倉對沖工具。

Management Discussion and Analysis

管理層討論及分析

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATES

The Group did not have any material acquisitions or disposals of subsidiaries and associates during the Period except those set out in note 13 to the condensed consolidated interim financial report.

CHARGE ON ASSETS

At the end of the Period, the Group did not have any charges on assets, other than security deposits of HK\$30 million (2017: HK\$30 million) for bank overdraft facilities and bank deposit of HK\$78.5 million (2017: HK\$78.1 million) as collateral for performance linked note, a financial product, issued by the Group.

COMMITMENTS

As at 30 June 2018, rental payments for office premises under non-cancellable operating leases amounted to HK\$54.4 million (31 December 2017: HK\$24.5 million).

As at 30 June 2018, the Group has a total of HK\$1.1 million (31 December 2017: HK\$0.6 million) intangible asset and leasehold improvement capital commitment contracted but not provided for and US\$113.8 million other capital commitment (31 December 2017: US\$127 million) related to third party managed funds with US\$44.5 million (31 December 2017: US\$37 million) having been contributed.

As at 30 June 2018, the Group has a capital commitment to a joint venture for an amount of US\$20 million of which US\$2.7 million has been contributed.

As disclosed in the announcement of the Company dated 4 February 2016, Yunfeng Financial Markets Limited ("YFM") (formerly known as Reorient Financial Markets Limited), a wholly-owned subsidiary of the Company, entered into a joint venture agreement with Giant Investment Co., Ltd., and Jiangsu YuWell Technology Development Co., Ltd. ("Jiangsu Limited") on that day. As disclosed in the circular of the Company dated 29 April 2016, the joint venture agreement was superseded and replaced by the amended and restated joint venture agreement entered among YFM, Hangzhou Dr. Herbs Electronics Commerce Company Limited and Jiangsu Limited on 13 April 2016. Upon establishment of the joint venture after obtaining all necessary approval as defined and disclosed in the circular, YFM is committed to contribute RMB1,290,000,000 of the registered capital of the joint venture.

附屬公司及聯營公司之重大收購及出售事項

於期內，除了簡明綜合財務報告附註13所示外，本集團並無任何附屬公司及聯營公司之重大收購及出售事項。

資產抵押

於期末，除就銀行融資額度提供之保證金3,000萬港元(二零一七：3,000萬港元)及7,850萬港元(二零一七：7,810萬港元)銀行存款用於本集團發行業績掛鈎票據的抵押品外，本集團並無任何資產抵押。

承擔

於二零一八年六月三十日，根據辦公室物業之不可撤銷經營租約支付之租金為5,440萬港元(二零一七年：2,450萬港元)。

截至二零一八年六月三十日，本集團合共承擔110萬港元(二零一七年十二月三十一日：60萬港元)的已簽約但未於財務報表內撥備之無形資產及租賃物業裝修資本；及有關通過合併基金向第三方管理資金提供了1.14億美元(二零一七年十二月三十一日：1.27億美元)的資金承諾，其中4,450萬美元(二零一七年十二月三十一日：3,700萬美元)的資本已經出資。

於二零一八年六月三十日，本集團已向一家合營企業作出資本承諾，金額為2,000萬美元，已出資270萬美元。

誠如二零一六年二月四日刊發之本公司公告所披露，於當日，本公司的全資附屬公司雲鋒金融市場有限公司(「雲鋒金融市場」)(前稱瑞東金融市場有限公司)，與巨人投資有限公司及江蘇魚躍科技發展有限公司(「江蘇公司」)簽立有關成立合營公司的發起人協議。誠如二零一六年四月二十九日本公司通函所披露，於二零一六年四月十三日，雲鋒金融市場與杭州禾博士電子商務有限公司和江蘇公司簽立有關成立合營公司的經修訂及重列發起人協議取替及取代有關成立合營公司的發起人協議。誠如通函所定義及披露，雲鋒金融市場在合營公司取得所有必須的批准後為合營公司註冊資本承擔的出資金額為1,290,000,000人民幣。

COMMITMENTS (Continued)

As disclosed in the announcement of the Company dated 17 August 2017, the Company and the other Asian investors and MassMutual International LLC, entered into the Share Purchase Agreement pursuant to which the Company has conditionally agreed to acquire 60% of the issued share capital of MassMutual which is located in Hong Kong. The portion of the consideration payable by the Company is HK\$7,860 million of which HK\$5,200 million will be satisfied by the issue of an aggregate of 800,000,000 shares of the Company at the issue price of HK\$6.50 per share representing approximately 24.82% of the issued shares of the Company as enlarged by the issue of the shares.

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 30 June 2018 and 31 December 2017.

STAFFING AND REMUNERATION

As at 30 June 2018, the Group employed 235 (31 December 2017: 240) full-time employees mainly located in Hong Kong and the People's Republic of China and stringently abided by the relevant labour laws and regulations. To foster a motivated and skilled working team, the Group provides on-the-job training and competitive remuneration packages including salaries and discretionary bonuses for employees. During the Period, the Group also granted share awards to provide incentives to the employees as set out in note 27 to the condensed consolidated interim financial report.

The remuneration policy and package, including the share options and share awards (if any), of the Group's employees are maintained at market level and are reviewed annually by the management. There have been no significant changes in the employment, training or development policies of the Group since the publication of the annual report for the year ended 31 December 2017.

EVENTS AFTER REPORTING PERIOD

Details of events after reporting period are set out in Note 34 to the condensed consolidated interim financial report.

承擔(續)

誠如二零一七年八月十七日刊發之本公司公告所披露，本公司和美國萬通國際公司(「美國萬通國際」)達成交易，本公司和其他幾家亞洲投資者將收購美國萬通國際位於香港的萬通亞洲。本公司有條件同意收購萬通亞洲已發行的60%股本，對價78.6億港元，當中52億港元以本公司發行8億股新股(每股發行價6.50港元)支付，相當於本公司經擴大後發行股本約24.82%。

或然負債

於二零一八年六月三十日及二零一七年十二月三十一日，本集團並無任何重大或然負債。

員工及薪酬

於二零一八年六月三十日，本集團僱用235名(二零一七年十二月三十一日：240名)全職僱員主要位於香港及中華人民共和國，並嚴格遵守相關勞動法律和法規。為培養積極和熟練的工作團隊，集團提供在職培訓及有市場競爭力的僱員薪酬包括薪金及酌情花紅。於期內，本集團亦授出股份獎勵(如簡明綜合財務報告附註27所示)，向僱員提供激勵。

本集團僱員之薪酬政策及待遇(包括購股權及股份獎勵(如有))維持於市場水平，並每年由管理層進行檢討。目前集團的聘用，培訓和發展政策與截至二零一七年十二月三十一日年度報告出版時的政策沒有顯著變化。

報告期後的事件

報告期後的事件詳情載於簡明綜合財務報告附註34。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS

As at 30 June 2018, the interests and short positions of each director of Yunfeng Financial Group Limited (the "Company") (the "Director") and chief executive in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Part XV of the SFO or the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") under the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange, or known to the Company, were as follows:

Long positions in the ordinary shares of the Company ("Shares") and the underlying Shares:

董事及主要行政人員於本公司或任何相聯法團之股份、相關股份及債券中擁有之權益及／或淡倉

於二零一八年六月三十日，雲鋒金融集團有限公司(「本公司」)各董事(「董事」)及主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第 XV 部)之股份、相關股份及債券中擁有已記錄於本公司須根據證券及期貨條例第 352 條存置之登記冊內，或已根據證券及期貨條例第 XV 部或聯交所證券上市規則(「上市規則」)下上市公司董事進行證券交易的標準守則(「標準守則」)知會本公司及香港聯合交易所有限公司(「聯交所」)，或本公司已知悉之權益及淡倉如下：

於本公司普通股(「股份」)及相關股份之好倉：

Name of Director 董事姓名	Capacity/Nature of interests 身份／權益性質	Number of Shares held 所持股份數目	
		Long position 好倉	Percentage of shareholding 持股百分比
Mr. Yu Feng (Note 1) 虞鋒先生(附註1)	Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益	1,342,976,000	55.42%
Mr. Ko Chun Shun, Johnson (Note 2) 高振順先生(附註2)	Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益	159,180,726	6.57%
Ms. Li Ting 李婷女士	Beneficial owner/Beneficial interest 實益擁有人／實益權益	18,550,000	0.77%

Notes:

附註：

- Mr. Yu Feng, chairman of the Group and non-executive Director, was interested in 1,342,976,000 Shares through Jade Passion Limited ("Jade Passion"), a company which is owned as to 73.21% of its issued share capital by Key Imagination Limited ("Key Imagination"). 91% of the issued share capital of Key Imagination is owned by Yunfeng Financial Holdings Limited ("YFHL"), the issued share capital of which in turn, is owned as to 70.15% by Mr. Yu Feng.
- Mr. Ko Chun Shun, Johnson, a non-executive Director, was interested in 159,180,726 Shares through Gainhigh Holdings Limited ("Gainhigh"). 100% of the issued share capital of Gainhigh was held by Insula Holdings Limited, a company wholly-owned by Mr. Ko Chun Shun, Johnson.

- 本集團主席兼本公司非執行董事虞鋒先生透過 Jade Passion Limited (「Jade Passion」) 於 1,342,976,000 股股份中擁有權益，Key Imagination Limited (「Key Imagination」) 擁有 Jade Passion 已發行股本之 73.21%，雲鋒金融控股有限公司(「雲鋒金融控股」)擁有 Key Imagination 已發行股本之 91%，而虞鋒先生擁有雲鋒金融控股已發行股本之 70.15%。
- 本公司非執行董事高振順先生透過 Gainhigh Holdings Limited (「Gainhigh」) 於 159,180,726 股股份中擁有權益，而 Insula Holdings Limited (由高先生全資擁有) 持有 Gainhigh 之 100% 已發行股本。

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

董事及主要行政人員於本公司或任何相聯法團之股份、相關股份及債券中擁有之權益及／或淡倉(續)

Long positions in the shares and the underlying shares of associated corporations:

於相聯法團股份及相關股份之好倉：

Name of Associated Corporation 相聯法團名稱	Name of Director 董事姓名	Capacity/Nature of Interests 身份／權益性質	Number of Shares held in Associated Corporation 於相關法團所持股份數目	
			Long position 好倉	Percentage of shareholding 持股百分比
Yunfeng Financial Holdings Limited 雲鋒金融控股有限公司	Mr. Yu Feng 虞鋒先生	Beneficial owner/Beneficial interest 實益擁有人／實益權益	94	70.15%
Key Imagination Limited	Mr. Yu Feng (Note 1) 虞鋒先生(附註1)	Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益	9,100	91%
	Mr. Huang Xin (Note 2) 黃鑫先生(附註2)	Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益	900	9%
Jade Passion Limited	Mr. Yu Feng (Note 1) 虞鋒先生(附註1)	Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益	7,321	73.21%

Notes:

附註：

- (1) Mr. Yu Feng, chairman of the Group and non-executive Director, was interested in 9,100 shares, representing 91% of equity interest in Key Imagination through YFHL, the substantial shareholder of the Company. Mr. Yu Feng was also interested in 7,321 shares, representing 73.21% of equity interest in Jade Passion through Key Imagination. Both Key Imagination and Jade Passion are substantial shareholders of the Company.
- (2) Mr. Huang Xin, an executive Director, is the sole shareholder of Perfect Merit Limited which owns 900 shares, representing 9% of equity interest in Key Imagination.

- (1) 本集團主席兼本公司非執行董事虞鋒先生透過本公司之主要股東雲鋒金融控股於Key Imagination擁有9,100股股份，佔Key Imagination之91%股權。虞鋒先生亦透過Key Imagination於Jade Passion擁有7,321股股份，佔Jade Passion之73.21%股權。Key Imagination及Jade Passion均為本公司之主要股東。
- (2) 本公司之執行董事黃鑫先生為Perfect Merit Limited之唯一股東，Perfect Merit Limited擁有Key Imagination 900股股份，佔Key Imagination之9%股權。

Save as disclosed above, as at 30 June 2018, none of the Directors and chief executives of the Company and/or any of their respective associates had any interest or short position in the shares, underlying shares or debentures of the Company and/or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code adopted by the Company.

除上文所披露者外，於二零一八年六月三十日，概無本公司董事及主要行政人員及／或任何彼等各自之聯繫人士於本公司及／或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有任何已記錄於本公司須根據證券及期貨條例第352條存置之登記冊內，或已根據證券及期貨條例第XV部或本公司採納之標準守則已知會本公司及聯交所之權益或淡倉。

LONG-TERM INCENTIVE SCHEMES

The Company has adopted the share option scheme and share award schemes to recognise the contributions of certain employees and help to retain them for the Group's operations and further development.

Share Option Scheme

A share option scheme (the "Share Option Scheme") was adopted by the Company on 21 July 2011 with a useful life of ten years from the date of adoption. Summary of the Share Option Scheme is set out in the 2017 annual report.

During the six months ended 30 June 2018, no share options had been granted and as at 30 June 2018, no share options were outstanding.

Share Award Schemes

The Board had approved the adoption of two share award schemes respectively on 30 October 2014 (the "2014 Share Award Scheme") and on 12 December 2016 (the "2016 Share Award Scheme").

The maximum number of shares that can be issued or purchased under the 2016 Share Award Scheme and the 2014 Share Award Scheme is 10% of the Shares in issue from time to time (i.e. 242,332,639 Shares, representing 10% of total issued Shares as at the date of this report).

2014 Share Award Scheme

Since the date of adoption of 2014 Share Award Scheme (i.e. 30 October 2014) (the "2014 Adoption Date") and up to the date of this report, a total of 9,330,239 Shares have been awarded under the 2014 Share Award Scheme, representing about 2.09% of the total number of Shares in issue as at the 2014 Adoption Date and about 0.39% of the total issued Shares as at the date of this report.

During the six months ended 30 June 2018, no Shares had been granted under the 2014 Share Award Scheme and as at 30 June 2018, 26,667 Shares were held by the trustee under the 2014 Share Award Scheme.

長期激勵計劃

本公司已採納購股權計劃及股份獎勵計劃以認可部分員工的貢獻及為集團的營運及進一步發展保留員工。

購股權計劃

本公司於二零一一年七月二十一日採納購股權計劃(「購股權計劃」)，自採納日期起使用期限為十年。購股權計劃的概要載於二零一七年年報。

於截至二零一八年六月三十日止六個月，概無授出購股權，而於二零一八年六月三十日，概無購股權尚未行使。

股份獎勵計劃

董事會分別於二零一四年十月三十日(「二零一四年股份獎勵計劃」)及二零一六年十二月十二日(「二零一六年股份獎勵計劃」)批准通過兩項股份獎勵計劃。

根據二零一六年股份獎勵計劃及二零一四年股份獎勵計劃可發行或購買之最高股份數目為本公司不時發行股份數目的10%(即242,332,639股股份，相當於本報告日期已發行股份之10%)。

二零一四年股份獎勵計劃

自採納二零一四年股份獎勵計劃日期起(即二零一四年十月三十日)(「二零一四年採納日期」)及截至本報告日期，已根據二零一四年股份獎勵計劃授出合共9,330,239股股份，相當於二零一四年採納日期已發行股份數目總數約2.09%，及於報告日期已發行股份數目總數約0.39%。

於截至二零一八年六月三十日止六個月，概無根據二零一四年股份獎勵計劃授出股份，且於二零一八年六月三十日，信託人根據二零一四年股份獎勵計劃持有26,667股股份。

LONG-TERM INCENTIVE SCHEMES

(Continued)

2016 Share Award Scheme

Since the date of adoption of 2016 Share Award Scheme (i.e. 12 December 2016) (the “2016 Adoption Date”) and up to the date of this report, 9,330,239 Shares have been awarded pursuant to the 2014 Share Award Scheme while 43,040,000 Shares have been awarded pursuant to the 2016 Share Award Scheme, representing in aggregate about 2.18% of the total number of Shares in issue as at the 2016 Adoption Date and about 2.16% of the total issued Shares as at the date of this report.

During the six months ended 30 June 2018, 22,850,000 Shares had been awarded under the 2016 Share Award Scheme. Among these shares, a total of 18,550,000 Shares were awarded to Ms. Li Ting, being the executive Director and chief executive officer of the Company, and the Shares had been fully vested as at 30 June 2018. As at 30 June 2018, 15,395,000 Shares were held by the trustee under the 2016 Share Award Scheme. Details of movements in the number of shares awarded under the 2016 Share Award Scheme are disclosed in Note 27(ii) to the condensed consolidated interim financial report.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed in this report, at no time during the six months ended 30 June 2018 was the Company, or any of its subsidiaries or associated corporations, a party to any arrangement to enable the Directors (including their respective spouses and children under the age of 18) to acquire benefits by means of the acquisition of the shares or debentures of, the Company or any other body corporate.

長期激勵計劃(續)

二零一六年股份獎勵計劃

自採納二零一六年股份獎勵計劃日期起(即二零一六年十二月十二日)(「二零一六年採納日期」)及截至本報告日期,已根據二零一四年股份獎勵計劃授出9,330,239股股份及根據二零一六年股份獎勵計劃授出43,040,000股股份,相當於約二零一六年採納日期已發行股份數目總數約2.18%,及於報告日期已發行股份數目總數約2.16%。

截至二零一八年六月三十日止六個月,根據二零一六年股份獎勵計劃授出22,850,000股股份。於該等股份當中,合共18,550,000股股份授予本公司執行董事兼行政總裁,李婷女士。於二零一八年六月三十日,該等股份已全數歸屬。於二零一八年六月三十日,信託人根據二零一六年股份獎勵計劃持有15,395,000股股份。根據二零一六年股份獎勵計劃已授出獎勵股份數目之變動載於簡明綜合財務報告附註27(ii)。

董事購買股份之權利

除本報告所披露者外,於截至二零一八年六月三十日止六個月內任何時間,本公司或其任何附屬公司或相聯法團概無訂立任何安排,致令董事(包括彼等各自之配偶及18歲以下之子女)可藉購入本公司或其任何法團之股份或債券而獲利。

**SUBSTANTIAL SHAREHOLDERS' AND
OTHER PERSONS' INTERESTS IN SHARES**

主要股東及其他人士於股份之權益

As at 30 June 2018, the Company had been notified of the following substantial shareholders' and other persons' interests, being 5% or more of the Company's issued shares that are recorded in the register under Section 336 of the SFO.

於二零一八年六月三十日，本公司獲知會下列主要股東及其他人士權益，即根據證券及期貨條例第336條存置於登記冊內之本公司已發行股份中5%或以上之權益。

Name of Substantial Shareholder 主要股東姓名	Capacity/Nature of interests 身份／權益性質	Number of Shares held 所持股份數目	
		Long position 好倉	Percentage of shareholding 持股百分比
Mr. Yu Feng (Note 1) 虞鋒先生(附註1)	Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益	1,342,976,000	55.42%
Yunfeng Financial Holdings Limited (Note 1) 雲鋒金融控股有限公司(附註1)	Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益	1,342,976,000	55.42%
Key Imagination Limited (Note 1)(附註1)	Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益	1,342,976,000	55.42%
Jade Passion Limited (Note 1)(附註1)	Beneficial owner/Beneficial interest 實益擁有人／實益權益	1,342,976,000	55.42%
Massachusetts Mutual Life Insurance Company (Note 2)(附註2)	Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益	800,000,000	33.01%
MassMutual International LLC (Note 2)(附註2)	Beneficial owner/Beneficial interest 實益擁有人／實益權益	800,000,000	33.01%
Ms. Lian Yi (Note 3) 連軼女士(附註3)	Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益	167,872,000	6.93%
Clear Expert Limited (Note 3)(附註3)	Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益	167,872,000	6.93%
Violet Passion Holdings Limited (Note 3)(附註3)	Beneficial owner/Beneficial interest 實益擁有人／實益權益	167,872,000	6.93%
Mr. Ko Chun Shun, Johnson (Note 4) 高振順先生(附註4)	Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益	159,180,726	6.57%
Insula Holdings Limited (Note 4)(附註4)	Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益	159,180,726	6.57%
Gainhigh Holdings Limited (Note 4)(附註4)	Beneficial owner/Beneficial interest 實益擁有人／實益權益	159,180,726	6.57%

**SUBSTANTIAL SHAREHOLDERS' AND
OTHER PERSONS' INTERESTS IN SHARES**
(Continued)

Notes:

- (1) Mr. Yu Feng, chairman of the Group and a non-executive Director was interested in 1,342,976,000 Shares through Jade Passion, a company which is owned as to 73.21% of its issued share capital by Key Imagination. 91% of the issued share capital of Key Imagination is owned by YFHL, the issued share capital of which in turn, is owned as to 70.15% by Mr. Yu Feng.
- (2) MassMutual International LLC was interested in 800,000,000 shares, being the consideration shares to be allotted and issued to MassMutual International LLC upon completion of the Acquisition (refer to the circular of the Company dated 21 December 2017 for the definition). Massachusetts Mutual Life Insurance Company is the sole member of MassMutual International LLC.
- (3) Ms. Lian Yi was interested in 167,872,000 Shares through Violet Passion Holdings Limited, a wholly-owned subsidiary of Clear Expert Limited, which in turn is a company wholly-owned by Ms. Lian Yi.
- (4) Mr. Ko Chun Shun, Johnson, a non-executive Director, was interested in 159,180,726 Shares through Gainhigh. 100% of the issued share capital of Gainhigh was held by Insula Holdings Limited, a company wholly-owned by Mr. Ko Chun Shun, Johnson.

Save as disclosed above, as at 30 June 2018, there were no other persons 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 divisions 2 and 3 of the SFO, or which were recorded in the register to be kept by the Company under Section 336 of the SFO.

**PURCHASE, SALE OR REDEMPTION OF THE
LISTED SECURITIES OF THE COMPANY**

During the six months ended 30 June 2018, other than acting as an agent for clients of the Group and purchase of a total of 19,952,000 Shares on the market as well as from independent third parties by trustee under the 2016 Share Award Scheme, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

主要股東及其他人士於股份之權益(續)

附註：

- (1) 本集團主席兼本公司非執行董事虞鋒先生透過 Jade Passion 擁有 1,342,976,000 股股份之權益，Key Imagination 擁有 Jade Passion 已發行股本之 73.21%，雲鋒金融控股擁有 Key Imagination 已發行股本之 91%，而虞鋒先生擁有雲鋒金融控股已發行股本之 70.15%。
- (2) MassMutual International LLC 擁有 800,000,000 股股份(即將於收購事項完成後向 MassMutual International LLC 配發及發行的對價股份，定義見本公司日期為二零一七年十二月二十一日的通函)。Massachusetts Mutual Life Insurance Company 為 MassMutual International LLC 的唯一成員公司。
- (3) 連軼女士透過 Violet Passion Holdings Limited (Clear Expert Limited 之全資附屬公司) 於 167,872,000 股股份中擁有權益，而 Clear Expert Limited 則由連軼女士全資擁有。
- (4) 本公司非執行董事高振順先生透過 Gainhigh 於 159,180,726 股股份中擁有權益。Insula Holdings Limited (由高先生全資擁有之公司) 持有 Gainhigh 之 100% 已發行股本。

除上文所披露者外，於二零一八年六月三十日，概無其他人士於本公司之股份或相關股份中擁有須根據證券及期貨條例第 2 及第 3 部向本公司披露，或根據證券及期貨條例第 336 條記錄於本公司存置之登記冊內之權益或淡倉。

購買、出售或贖回本公司上市證券

於截至二零一八年六月三十日止六個月，除作為本集團客戶之代理及信託人根據二零一六年股份獎勵計劃於市場上及向獨立第三方購入合共 19,952,000 股本公司股份外，本公司或其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

CORPORATE GOVERNANCE

During the six months ended 30 June 2018, the Company has complied with the applicable code provisions of the Corporate Governance Code (the “CG Code”), as set out in Appendix 14 to the Listing Rules, except for certain deviations which are summarised below:

(a) Code Provision A.4.1

Code provision A.4.1 provides that non-executive directors should be appointed for a specific term, subject to re-election. The Company deviates from this provision because the non-executive Directors and independent non-executive Directors do not currently have specific terms of appointment. However, the articles of association of the Company states that one-third of the Directors for the time being or, if the number is not a multiple of three, then, the number nearest to but not less than one-third, shall retire from office by rotation, provided that every Director shall be subject to retirement by rotation at least once every three years at each annual general meeting, and offer themselves for re-election. As such, the Board considers that sufficient measures have been put in place to ensure the Company’s corporate governance practice in this aspect provides sufficient protection for the interests of shareholders to a standard commensurate with that of the code.

(b) Code Provision C.2.5

Internal audit is regarded as the third line of defence in the Group’s risk management and internal control systems and therefore the importance of such is highly regarded. Currently, there is no dedicated personnel for the internal audit function, internal reviews are carried out in lieu of internal audit jointly by various control functions in line with internal policies and procedures that have been formulated and established. Internal reviews are conducted quite frequently, details of which are disclosed in the section headed “Risk Management and Internal Control” of the corporate governance report included in the 2017 annual report. The Group also relies on any reports from the external audit to management and the Audit Committee in relation to any detected significant deficiencies in the Group’s internal control system.

企業管治

截至二零一八年六月三十日止六個月，本公司已遵守上市規則附錄十四所載之相關企業管治守則（「企業管治守則」）條文，惟下文所述之偏離除外：

(a) 守則條文第A.4.1條

根據守則條文第A.4.1條，非執行董事應以指定任期聘任並須接受重選。由於目前本公司之非執行董事及獨立非執行董事並無指定任期，故本公司偏離此條文。然而，根據本公司之組織章程細則，當時三分之一之在任董事（倘人數並非三之倍數，則最接近但不少於三分之一之人數）須輪值卸任。於每屆股東週年大會上，每位董事至少每三年須輪席退任一次，並膺選連任。因此，董事會認為此方面已採取足夠措施確保本公司之企業管治常規可充分保障股東之權益，並符合該守則條文所規定的標準。

(b) 守則條文第C.2.5條

內部審核被視為本集團風險管理及內部控制系統的第三道防線，因此，其重要性受到高度重視。目前有專門的內部審計職能人員，用以代替內部審計的內部審查根據已制訂及設立的內部政策及程序，通過各種控制職能聯合進行。內部審查的開展頻率較高，詳情載於二零一七年年報之企業管治報告「風險管理及內部控制」一節。本集團還依靠外部審計向管理層和審計委員會提供的有關任何已發現的內部控制系統的重大缺陷報告。

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS

The Company has adopted the code of conduct regarding director's securities transactions with terms no less exacting than the required standard set out in the Model Code. Following specific enquiry by the Company, all the Directors have confirmed that they have complied with the required standards as stated in the Model Code throughout the six months ended 30 June 2018.

AUDIT COMMITTEE

The audit committee of the Company is chaired by Mr. Chu Chung Yue, Howard, with members of Mr. Lin Lijun and Mr. Qi Daqing. The audit committee of the Company has adopted the terms of reference which are in line with the CG Code.

This unaudited condensed consolidated interim financial report of the Group for the six months ended 30 June 2018 has been reviewed by the audit committee of the Company.

CHANGES OF DIRECTORS' INFORMATION

The change of directors' information as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules is set out below:

Mr. Ko Chun Shun, Johnson was appointed as an executive director of Branding China Group Limited (stock code: 00863), a company listed on the Stock Exchange, on 16 April 2018.

Mr. Qi Daqing resigned as an independent non-executive director of Honghua Group Limited (stock code: 00196), a company listed on the Stock Exchange, on 1 January 2018.

Mr. Chu Chung Yue, Howard was appointed as an independent non-executive director of SHIS Limited (stock code: 01647), a company listed on the Stock Exchange, on 30 June 2018.

進行證券交易之行為守則

本公司已採納一套有關董事進行證券交易之行為守則，其條款不遜於標準守則所載之交易必守標準。經本公司作出具體查詢後，全體本公司董事已確認，彼等於截至二零一八年六月三十日止六個月一直遵守標準守則列明之交易必守標準。

審核委員會

本公司之審核委員會由朱宗宇先生擔任主席，成員包括林利軍先生及齊大慶先生。審核委員會已採納與企業管治守則一致之職權範圍。

審核委員會已審閱本集團截至二零一八年六月三十日止六個月之本未經審核簡明綜合中期財務報告。

董事資料之變動

根據上市規則第13.51B(1)條須予披露之董事資料變動如下：

高振順先生於二零一八年四月十六日獲委任為品牌中國有限公司(於聯交所上市之公司，股份代號：00863)之執行董事。

齊大慶先生於二零一八年一月一日辭任宏華集團有限公司(於聯交所上市之公司，股份代號：00196)之獨立非執行董事。

朱宗宇先生於二零一八年六月三十日獲委任為SHIS Limited(於聯交所上市之公司，股份代號：01647)之獨立非執行董事。

**REVIEW REPORT TO THE BOARD OF
DIRECTORS OF YUNFENG FINANCIAL
GROUP LIMITED**

(Incorporated in Hong Kong with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 26 to 84 which comprises the condensed consolidated statement of financial position of Yunfeng Financial Group Limited (the “Company”) as of 30 June 2018 and the related condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six months period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34, Interim financial reporting, issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of the interim financial report in accordance with Hong Kong Accounting Standard 34.

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

Scope of review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, Review of interim financial information performed by the independent auditor of the entity, issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

**審閱報告
致雲鋒金融集團有限公司董事會**

(於香港註冊成立的有限公司)

引言

我們已審閱載於第26頁至84頁雲鋒金融集團有限公司(「貴公司」)的中期財務報告，此中期財務報告包括於二零一八年六月三十日的簡明綜合財務狀況表和相關簡明綜合收益表、截至該日止六個月期間的簡明綜合全面收益表、簡明權益變動表和簡明綜合現金流量表及附註解釋。香港聯合交易所有限公司證券上市規則規定，中期財務報告的編制必須符合當中有關條文，以及由香港會計師公會頒佈的《香港會計準則》第34號「中期財務報告」。董事須負責根據《香港會計準則》第34號編制及呈報中期財務報告。

我們的責任是根據我們的審閱對中期財務報告作出結論，並按照雙方所協定的委聘條款僅向全體董事會報告。除此之外，我們的報告不可用作其他用途。我們不會就本報告的內容，對任何其他人士負責或承擔任何責任。

審閱範圍

我們已根據香港會計師公會頒佈的《香港審閱工作準則》第2410號「實體獨立核數師對中期財務信息的審閱」進行審閱。審閱中期財務報告包括由主要負責財務和會計事務的人員作出查詢，並應用分析性和其他審閱程序。由於審閱範圍遠少於根據香港審核準則進行審核的範圍，故不能保證我們會知悉在審核中可能發現的所有重大事項。因此，我們不會發表審核意見。

**REVIEW REPORT TO THE BOARD OF
DIRECTORS OF YUNFENG FINANCIAL
GROUP LIMITED (Continued)**
(Incorporated in Hong Kong with limited liability)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2018 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, Interim financial reporting.

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

17 August 2018

審閱報告
致雲鋒金融集團有限公司董事會(續)

(於香港註冊成立的有限公司)

結論

根據我們的審閱，我們並無發現任何事項令我們相信截至二零一八年六月三十日的中期財務報告在各重大方面未有根據《香港會計準則》第34號「中期財務報告」編制。

畢馬威會計師事務所
執業會計師

香港中環
遮打道10號
太子大廈8樓

二零一八年八月十七日

Condensed Consolidated Income Statement

簡明綜合收益表

for the six months ended 30 June 2018 截至二零一八年六月三十日止六個月
(Expressed in Hong Kong dollars) (以港幣列示)

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 (Unaudited) (未經審核) \$'000 千港元	2017 二零一七年 (Unaudited) (未經審核) \$'000 千港元
	Note 附註		
Revenue	4	15,492	9,457
Other operating income and gains	5	77,458	32,366
Disposal gains of available-for-sale financial assets		—	869
Net loss on financial assets and financial liabilities at fair value through profit or loss	6	(26,755)	(82,588)
Staff costs		(193,677)	(122,093)
Depreciation and amortisation		(10,631)	(8,134)
Other operating expenses		(39,945)	(62,014)
		(178,058)	(232,137)
Finance costs	7	(6,649)	(3,574)
Net (provision)/reversal for impairment loss	7	(602)	1
Loss before taxation	7	(185,309)	(235,710)
Income tax	8	(970)	(989)
Loss for the period		(186,279)	(236,699)
Loss for the period attributable to:			
— Equity shareholders of the Company		(186,279)	(236,554)
— Non-controlling interests		—	(145)
		(186,279)	(236,699)
Loss per share attributable to equity shareholders of the Company			
Basic and diluted (HK cents)	9	(7.8)	(9.8)

The notes on pages 33 to 84 form part of this interim financial report.

第33頁至84頁之附註組成本中期財務報告一部分。

Condensed Consolidated Statement of Comprehensive Income

簡明綜合全面收益表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月
(Expressed in Hong Kong dollars) (以港幣列示)

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 (Unaudited) (未經審核) \$'000 千港元	2017 二零一七年 (Unaudited) (未經審核) \$'000 千港元
Loss for the period	本期間虧損	(186,279)	(236,699)
Other comprehensive income for the period	本期間其他全面收益		
Item that will not be reclassified subsequently to profit or loss	其後不可重新分類至損益之項目：		
Equity investment at fair value through other comprehensive income-net movement in fair value reserve (non-recycling)	通過其他綜合收益公平值進行的股權投資 — 公平值儲備淨流動(不可重新分類)	(2,968)	—
Items that may be reclassified subsequently to profit or loss:	其後可重新分類至損益之項目：		
Exchange differences arising on translation of results of foreign operations	換算外國業務業績產生之匯兌差額	(959)	802
Available-for-sale financial assets: Change in fair value recognised during the period (note)	可供出售金融資產：本期間公平值的變動(註)	—	14,333
Available-for-sale financial assets: Reclassification adjustment for amounts transferred to profit of loss	可供出售金融資產：重新分類調整轉入損益金額	—	(869)
Total comprehensive income for the period	本期間全面收益總額	(190,206)	(222,433)
Total comprehensive income for the period attributable to:	應佔本期間全面收益總額：		
— Equity shareholders of the Company	— 本公司權益持有人	(190,206)	(222,323)
— Non-controlling interests	— 非控股權益	—	(110)
		(190,206)	(222,433)

Note: This amount arose under the accounting policies applicable prior to 1 January 2018. As part of the opening balance adjustments as at 1 January 2018 the balance of this reserve has been reclassified to fair value reserve (non-recycling) and will not be reclassified to profit or loss in any future periods. See note 3

註：該金額根據2018年1月1日之前適用的會計政策產生。作為2018年1月1日期初餘額調整的一部分，該儲備金餘額已重新分類為公平值儲備(不可重新分類)，在未來不會重新分類至任何期間的盈利或虧損。見附註3

The notes on pages 33 to 84 form part of this interim financial report.

第33頁至84頁之附註組成本中期財務報告一部分。

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

At 30 June 2018 於二零一八年六月三十日
(Expressed in Hong Kong dollars) (以港幣列示)

		At 30 June 2018 於二零一八年 六月三十日 (Unaudited) (未經審核)	At 31 December 2017 於二零一七年 十二月三十一日 (Audited) (經審核)
		\$'000 千港元	\$'000 千港元
	Note 附註		
Non-current assets	非流動資產		
Property and equipment	物業及設備	12	13,255
Goodwill and other intangible assets	商譽及其他無形資產	12	31,861
Other non-current assets	其他非流動資產	14	11,119
Available-for-sale financial assets	可供出售金融資產	15	—
Financial asset at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產	16	74,017
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	17	622,195
Interest in an associate	於聯營公司之權益	18	59,255
Deferred tax asset	遞延稅項資產		698
Total non-current assets	非流動資產總值		812,400
Current assets	流動資產		
Available-for-sale financial assets	可供出售金融資產	15	—
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	17	445,411
Note receivable	應收票據		78,466
Amount due from a joint venture	應收合營公司之款項		2,073
Accounts receivable and accrued income	應收賬款及應計收入	19	33,570
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	20	62,603
Bank balance — trust and segregated accounts	銀行結存 — 信託及獨立賬戶	21	373,376
Fixed bank deposits with original maturity over 3 months	到期期限多於三個月的銀行定期存款	21	520,042
Cash and cash equivalents	現金及現金等值項目	21	2,662,435
Total current assets	流動資產總值		4,177,976
Current liabilities	流動負債		
Accounts payable	應付賬款	22	387,119
Accrued expenses and other payables	應計費用及其他應付款項	23	68,776
Financial liabilities at fair value through profit or loss	按公平值計入損益之金融負債	24	79,177
Obligation under finance lease	融資租賃負債	25	7,722
Current taxation	當期稅項		43,909
Total current liabilities	流動負債總值		586,703
Net current assets	流動資產淨值		3,591,273

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

At 30 June 2018 於二零一八年六月三十日
(Expressed in Hong Kong dollars) (以港幣列示)

			At 30 June 2018 於二零一八年 六月三十日 (Unaudited) (未經審核) \$'000 千港元	At 31 December 2017 於二零一七年 十二月三十一日 (Audited) (經審核) \$'000 千港元
	Note 附註			
Non-current liabilities		非流動負債		
Financial liabilities at fair value through profit or loss	24	按公平值計入損益之金融負債	444,839	363,677
Obligation under finance lease	25	融資租賃負債	11,188	15,378
Deferred tax liabilities		遞延稅項負債	177	177
Total non-current liabilities		非流動負債總值	456,204	379,232
NET ASSETS		資產淨值	3,947,469	4,139,332
EQUITY		權益		
Share capital	26	股本	4,629,094	4,629,094
Other reserves		其他儲備	(681,625)	(489,762)
			3,947,469	4,139,332
Non-controlling interests		非控股權益	-	-
TOTAL EQUITY		權益總值	3,947,469	4,139,332

The notes on pages 33 to 84 form part of this interim financial report.

第33頁至84頁之附註組成本中期財務報告一部分。

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月
(Expressed in Hong Kong dollars) (以港幣列示)

Attributable to equity shareholders of the Company
本公司權益持有人應佔

	Share capital 股本 \$'000 千港元	Shares held by share award scheme 就股份獎勵計劃持有的股份 \$'000 千港元	Share-based payment reserve 以股份為基礎之付款儲備 \$'000 千港元	Asset revaluation reserve 資產重估儲備 \$'000 千港元	Fair value Reserve (recycling) 公平價值儲備(可重新分類) \$'000 千港元	Fair value Reserve (non-recycling) 公平價值儲備(不可重新分類) \$'000 千港元	Exchange reserve 匯兌儲備 \$'000 千港元	Statutory and capital reserve 法定及資本儲備 \$'000 千港元	Accumulated loss 累計虧損 \$'000 千港元	Sub-total 小計 \$'000 千港元	Non-controlling interests 非控股權益 \$'000 千港元	Total 總計 \$'000 千港元
Balance at 1 January 2017	4,499,548	(97)	70	2,650	(2,141)	-	(648)	219	(56,585)	4,443,016	1,107	4,444,123
Changes in equity for the six months ended 30 June 2017:												
Share issued under share award scheme 根據股份獎勵計劃發行之股份	129,546	(129,546)	-	-	-	-	-	-	-	43,953	-	43,953
Equity settled share-based transactions 以股份為基礎之結算儲備之交易	-	-	43,953	-	-	-	-	-	-	-	-	-
Shares vested and cancelled under share award scheme 根據股份獎勵計劃歸屬之股份	-	24,353	(26,039)	-	-	-	-	-	1,686	(236,554)	(145)	(236,699)
Loss for the period 本期虧損	-	-	-	-	-	-	-	-	(236,554)	14,231	35	14,266
Other comprehensive income for the period 本期間其他全面收益	-	-	-	-	13,464	-	767	-	-	-	-	-
Appropriation to statutory and capital reserve 劃撥至法定及資本儲備	-	-	-	-	-	-	-	871	(871)	-	-	-
Balance at 30 June 2017 and 1 July 2017	4,629,094	(105,290)	17,984	2,650	11,323	-	119	1,090	(292,324)	4,264,646	997	4,265,643
Changes in equity for the six months ended 31 December 2017:												
Share repurchased under share award scheme 根據股份獎勵計劃回購之股份	-	(260)	-	-	-	-	-	-	-	(260)	-	(260)
Equity settled share-based transactions 以股份為基礎之結算儲備之交易	-	-	12,759	-	-	-	-	-	-	12,759	-	12,759
Loss for the period 本期虧損	-	-	-	-	-	-	-	-	(142,500)	(142,500)	(107)	(142,607)
Other comprehensive income for the period 本期間其他全面收益	-	-	-	-	2,985	-	1,497	-	-	4,482	22	4,514
Disposal of a subsidiary 出售子公司	-	-	-	-	-	-	195	-	-	195	(912)	(717)
Appropriation to statutory and capital reserve 劃撥至法定及資本儲備	-	-	-	-	-	-	-	356	(356)	-	-	-
Balance at 31 December 2017	4,629,094	(105,550)	30,743	2,650	14,318	-	1,811	1,446	(435,180)	4,139,332	-	4,139,332
First adoption of HKFRS 9 (note 3) (附註3)	-	-	-	-	(14,318)	(684)	-	-	11,921	(3,081)	-	(3,081)
Adjusted balance at 1 January 2018	4,629,094	(105,550)	30,743	2,650	-	(684)	1,811	1,446	(423,259)	4,136,251	-	4,136,251
Changes in equity for the six months ended 30 June 2018:												
Share repurchased under share award scheme 根據股份獎勵計劃回購之股份	-	(110,209)	-	-	-	-	-	-	-	(110,209)	-	(110,209)
Equity settled share-based transactions 以股份為基礎之結算儲備之交易	-	-	111,633	-	-	-	-	-	-	111,633	-	111,633
Shares vested and cancelled under share award scheme 根據股份獎勵計劃歸屬之股份	-	132,529	(121,031)	-	-	-	-	-	(11,498)	-	-	-
Loss for the period 本期虧損	-	-	-	-	-	-	-	-	(186,279)	(186,279)	-	(186,279)
Other comprehensive income for the period 本期間其他全面收益	-	-	-	-	-	-	(959)	-	(7)	(3,927)	-	(3,927)
Appropriation to statutory and capital reserve 劃撥至法定及資本儲備	-	-	-	-	-	-	-	7	-	-	-	-
Balance at 30 June 2018	4,629,094	(83,230)	21,345	2,650	(3,632)	-	832	1,453	(621,043)	3,947,469	-	3,947,469

The notes on pages 33 to 84 form part of this interim financial report.

第33頁至84頁之附註組成本中期財務報告一部分。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月
(Expressed in Hong Kong dollars) (以港幣列示)

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 (Unaudited) (未經審核) \$'000 千港元	2017 二零一七年 (Unaudited) (未經審核) \$'000 千港元
Net proceeds from acquisition and disposal of financial assets at fair value through profit or loss	出售按公平值計入損益之金融資產之所得淨額	2,612	122,797
Increase in loan receivables	應收貸款增加	—	(77,805)
Increase in third-party interests in consolidated funds	合併資金中第三方利益增加	53,705	23,155
Other cash flows arising from operating activities	經營活動所產生之其他現金流	(213,676)	(142,034)
Net cash used in operating activities	經營活動所耗用之現金淨額	(157,359)	(73,887)
Investing activities	投資活動		
Fixed deposits placed with banks	設立銀行定期存款	1,058,850	(1,247,738)
Proceed from disposal of financial assets at fair value through profit or loss/available-for-sale investments (Note)	按公平值計入損益之金融資產／出售可供出售金融資產的所得款項(註)	224,008	40,865
Purchase of financial assets at fair value through profit or loss/available-for-sale investments (Note)	購買按公平值計入損益之金融資產／可供出售金融資產的款項(註)	(484,745)	(667,306)
Proceed from disposal of a subsidiary	出售附屬公司所得款項	—	800
Purchase of note investment	購買票據投資	(156,932)	—
Proceed from redemption of note investment	出售票據投資	78,466	—
Other cash flows arising from investing activities	其他投資活動所產生之現金流	9,032	18,396
Net cash generated from/(used in) investing activities	投資活動所產生/(耗用)之現金淨額	728,679	(1,854,983)

Note: This amount arose under the accounting policies applicable prior to 1 January 2018. As part of the opening balance adjustments as at 1 January 2018 the balance of available for sale investments has been reclassified to financial asset at fair value through profit or loss. The related cashflow activities of the related financial assets are considered as investing activities.

註：該金額根據2018年1月1日之前適用的會計政策產生。作為2018年1月1日期初餘額調整的一部分，可供出售投資的餘額已重新分類為以公允價值計量且其變動計入損益的金融資產。相關金融資產的相關現金流量活動被視為投資活動。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月
(Expressed in Hong Kong dollars) (以港幣列示)

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 (Unaudited) (未經審核) \$'000 千港元	2017 二零一七年 (Unaudited) (未經審核) \$'000 千港元
		Note 附註	
Financing activities	融資活動		
Repurchase of shares held under share award scheme	回購根據股份獎勵計劃持有的股份	(110,209)	—
Proceeds from issue of preference shares by a subsidiary	附屬子公司發行優先股之所得款淨額	25,769	120,265
Other cash flows arising from financing activities	融資活動所產生之其他現金流	(4,472)	(498)
Net cash (used in)/generated from financing activities	融資活動所(耗用)/產生之現金淨額	(88,912)	119,767
Net increase/(decrease) in cash and cash equivalents	現金及現金等值項目之增加/(減少)淨額	482,408	(1,809,103)
Cash and cash equivalents at 1 January	於一月一日之現金及現金等值項目	2,182,374	3,640,494
Effect of foreign exchange rate changes	匯率變動之影響	(2,347)	560
Cash and cash equivalents at 30 June	於六月三十日之現金及現金等值項目	2,662,435	1,831,951
		21	

The notes on pages 33 to 84 form part of this interim financial report.

第33頁至84頁之附註組成本中期財務報告一部分。

Notes to the condensed consolidated interim financial report

簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

1 GENERAL INFORMATION

Yunfeng Financial Group Limited is a limited liability company incorporated in Hong Kong, the shares of which are listed on The Stock Exchange of Hong Kong Limited. The condensed consolidated interim financial report for the period ended 30 June 2018 comprises the Company and its subsidiaries (collectively the “Group”) and the Group’s interest in an associate and a joint venture.

The condensed consolidated interim financial report is unaudited, but has been reviewed by the Company’s audit committee and the Company’s independent auditor, KPMG, in accordance with the Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). KPMG’s independent review report to the Board of Directors is included on pages 24 and 25. This condensed consolidated interim financial report has been approved for issuance by the Board on 17 August 2018.

The financial information relating to the financial year ended 31 December 2017 that is included in the interim financial report as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2017 to the Registrar of Companies in accordance with section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

1 一般資料

雲鋒金融集團有限公司乃於香港註冊成立之有限公司，其股份在香港聯合交易所有限公司上市。截至二零一八年六月三十日止期間之簡明綜合中期財務報表包括本公司及其附屬公司（統稱「本集團」）及本集團於聯營公司及合營公司之權益。

本簡明綜合中期財務報表未經審核，惟已由本公司之審核委員會及本公司之獨立核數師畢馬威會計師事務所根據香港會計師公會（「香港會計師公會」）所頒佈之《香港審閱業務準則》第2410號「獨立核數師對中期財務資訊的審閱」進行審閱。畢馬威會計師事務所致董事會之獨立審閱報告載於第24至25頁。此等簡明綜合中期財務報告已於二零一八年八月十七日獲董事會批准刊發。

中期財務報告載有截至二零一七年十二月三十一日止之財務資料作為比較資料，該等資料不構成本公司該財政年度之法定年度綜合財務報表，反之乃採自相關財務報表。根據香港公司條例（第622章）第436條而須披露之該等法定財務報表之其他資料如下：

本公司已根據《香港公司條例》第662(3)條及其附表6第3部分之要求，向公司註冊處處長呈交截至二零一七年十二月三十一日止年度之財務報表。

本公司核數師已就該等財務報表發出報告，當中並無保留意見，亦無提述任何核數師在不作保留意見之情況下，以注意事項的方式要求注意之事宜；亦無載有根據《香港公司條例》第406(2)，407(2)或(3)條所指之聲明。

Notes to the condensed consolidated interim financial report

簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

2 BASIS OF PREPARATION

(a) Statement of compliance

The condensed consolidated interim financial report for the six months ended 30 June 2018 has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard (“HKAS”) 34, *Interim financial reporting*, issued by the HKICPA. The condensed consolidated interim financial report should be read in conjunction with the Group’s audited consolidated financial statements for the year ended 31 December 2017, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

(b) Basis of measurement

The measurement basis used in the preparation of the condensed consolidated interim financial report is the historical cost basis except that financial assets at fair value through profit or loss are stated at their fair values.

The condensed consolidated interim financial report is presented in Hong Kong dollars (“HKD”), and all values are stated to the nearest thousand (HK\$’000s), unless otherwise stated.

(c) Use of estimates and judgements

The preparation of condensed consolidated interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses on a year to date basis. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

2 編製基準

(a) 遵例聲明

本截至二零一八年六月三十日止六個月之簡明綜合中期財務報告乃根據《香港聯合交易所有限公司證券上市規則》之適用披露條文編製，包括符合香港會計師公會所頒佈之《香港會計準則》第34號，中期財務報告。本簡明綜合中期財務報告應與本集團截至二零一七年十二月三十一日止年度之經審核綜合財務報表(根據香港財務報告準則編製)一併閱讀。

(b) 計量基準

編製本簡明綜合中期財務報告所採用之計量基準為歷史成本基準，惟按公平值計入損益之金融資產乃按公平值列賬。

本簡明綜合中期財務報告乃以港元(「港元」)列賬，除另有說明者外，所有數值均以最接近之千位(千港元)列值。

(c) 運用估計及判斷

編製符合香港會計準則第34號之簡明綜合中期財務報告時，管理層須作出判斷、估計及假設，有關判斷、估計及假設會影響會計政策之應用及年初至今的資產、負債、收入及開支之呈報金額。該等估計及相關假設乃建基於過往經驗及其他在有關情況下被認為合理之各種因素，從而作為判斷未能從其他來源確定之資產及負債之賬面值之基準。實際結果或會有別於該等估計。

Notes to the condensed consolidated interim financial report

簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

2 BASIS OF PREPARATION (Continued)

(c) Use of estimates and judgements (Continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in preparing the condensed consolidated interim financial report are the same as those applied in preparing the consolidated financial statements for the year ended 31 December 2017, as disclosed in the annual report and financial statements for the year ended 31 December 2017 except for the following which are first time being applied for the period:

Joint venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When the Group ceases to have joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset.

When an investment in a joint venture is held by, or is held indirectly through, a group entity that is a venture capital organisation and similar entities, the Group may elect to measure investments in those associates and joint ventures at fair value through profit or loss in accordance with HKFRS 9 Financial instruments.

2 編製基準(續)

(c) 運用估計及判斷(續)

本集團會持續檢討該等估計及相關假設。會計估計之修訂如只影響該修訂期，則於該修訂期內確認；修訂如影響本期間及未來期間，則於修訂期間及未來期間確認。

3 主要會計政策

除了以下第一次應用會計政策的內容，編製本簡明中期財務報告所應用之會計政策與編製截至二零一七年十二月三十一日止年度之綜合財務報表所應用之會計政策(誠如截至二零一七年十二月三十一日止年度之年報及財務報表所披露)一致：

合營公司

合營企業是一項共同安排，對共同控制該安排的各方擁有共同安排的淨資產的權利。共同控制是指按照合同約定分享對安排的控制權，只有在相關活動的決策需要共享控制權的各方一致同意時才存在。

當本集團不再對合營企業擁有共同控制權時，其被視為出售該被投資方的全部權益，而所產生的利得或損失在損益中確認。在重大影響力喪失之日保留在該前被投資公司的任何權益按公允價值確認，該金額被視為初始確認金融資產時的公允價值。

當合營企業的投資由作為風險投資機構及類似實體的集團實體持有或間接持有時，本集團可選擇以公允價值計量且其變動計入該等聯營企業及合營企業的投資根據香港財務報告準則第9號金融工具。

Notes to the condensed consolidated interim financial report

簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

3 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Joint venture (Continued)

The HKICPA has issued the following amendments to HKFRSs that are first effective for the current accounting period of the Group and the Company with the following amendments considered relevant to the Group:

- Amendments to HKAS 9, Financial instruments

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period, except for the amendments to HKFRS 9, Prepayment features with negative compensation which have been adopted at the same time as HKFRS 9. The Group has not applied any other new standard or interpretation that is not yet effective for the current accounting period.

The Group has been impacted by HKFRS 9 in relation to classification of financial assets and measurement of credit losses. Details of the changes in accounting policies are discussed below.

Under the transition methods chosen, the Group recognises cumulative effect of the initial application of HKFRS 9 as an adjustment to the opening balance of equity at 1 January 2018. Comparative information is not restated. The following table gives a summary of the opening balance adjustments recognised for each line item in the consolidated statement of financial position that has been impacted by HKFRS 9 and also the Group's financial assets under HKAS 39 and reconciles the carrying amounts of those financial assets determined in accordance with HKAS 39 to those determined in accordance with HKFRS 9.

3 主要會計政策(續)

合營公司(續)

香港會計師公會已頒布以下對香港財務報告準則的修訂，該等修訂於本集團及本公司的本會計期間首次生效，並作出以下與本集團有關的修訂：

- 《香港財務報告準則》第9號「金融工具」

本集團並無應用任何於本會計期間尚未生效的新準則或詮釋，惟香港財務報告準則第9號的修訂，具有負薪酬的預付款特徵已與香港財務報告準則第9號同時採納。本集團並無適用於當前會計期間尚未生效的任何其他新準則或解釋。

本集團已受香港財務報告準則第9號有關金融資產分類及信貸虧損計量的影響。會計政策變更的詳情將在下文討論。

根據所選擇的過渡方法，本集團確認首次應用香港財務報告準則第9號的累計影響作為2018年1月1日權益期初餘額的調整。比較資料並無重述。下表概述了已受香港財務報告準則第9號影響的綜合財務狀況表中每個項目確認的期初餘額調整以及本集團根據香港會計準則第39號確定的金融資產，並核對該等金融資產的賬面值。根據香港會計準則第39號，根據香港財務報告準則第9號釐定。

Notes to the condensed consolidated interim financial report

簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

Joint venture (Continued)

The following table shows the original measurement categories for each class of the Group's financial assets under HKAS 39 and reconciles the carrying amounts of those financial assets determined in accordance with HKAS 39 to those determined in accordance with HKFRS 9:

		Impact on initial application of HKFRS9 對初步應用香港財務報告準則第9號的影響			
		At 31 December 2017 於二零一七年 十二月三十一日 \$'000 千港元	Reclassification 重新分類調整 \$'000 千港元	Remeasurement 重新估值 \$'000 千港元	At 1 January 2018 於二零一八年 一月一日 \$'000 千港元
Financial assets carried at amortised cost	按攤銷成本之金融資產				
Current	流動				
Other receivables	其他應收賬款	58,718	-	(1,143)	57,575
Bank balance— trust and segregated account	銀行結存 — 信託及獨立賬戶	340,029	-	(37)	339,992
Fixed bank deposit with original maturity over 3 months	到期期限多於三個月的銀行定期存款	1,580,313	-	(1,813)	1,578,500
Cash and cash equivalents	現金及現金等值項目	2,182,374	-	(697)	2,181,677
Financial assets measured at FVOCI (non-recycling) ("FVOCI")	按公平值計入全面綜合收益之金融資產 ("FVOCI") (不可重新分類)				
Non-current	非流動				
— perpetual capital (note)	— 永續資本(附註)	-	76,989	-	76,989
Financial assets carried at FVPL ("FVPL")	按公平值計入損益之金融資產 ("FVPL")				
Fund investment	投資基金				
— current	— 流動	-	326,691	-	326,691
— non-current	— 非流動	-	295,797	-	295,797
Non-current credit link obligation notes	非流動信用聯繫票據	-	192,721	-	192,721
Financial assets classified as available-for-sales investment under HKAS 39	HKAS 39 可供出售金融資產				
— current	— 流動	326,691	(326,691)	-	-
— non-current	— 非流動	565,507	(565,507)	-	-
Deferred tax asset	遞延稅項資產	-	-	609	609
Reserves	儲備	(489,762)	-	(3,081)	(492,843)
Total equity:	權益總額	4,139,332	-	(3,081)	4,136,251

Note: Under HKAS 39, equity securities not held for trading were classified as available-for-sale financial assets. These equity securities are classified as at FVPL under HKFRS 9, unless they are eligible for and designated at FVOCI by the group. At 1 January 2018, the group designated its investment in perpetual capital at FVOCI (non-recycling), as the investment is held for strategic purposes.

3 主要會計政策(續)

合營公司(續)

下表顯示香港會計準則第39號下本集團各類金融資產的原始計量類別，並將根據香港會計準則第39號釐定的金融資產的賬面值與根據香港財務報告準則第9號釐定的金額確認：

附註：根據香港會計準則第39號，非持作買賣的股本證券分類為可供出售金融資產。該等股本證券根據香港財務報告準則第9號分類為FVPL，除非其符合資格並由集團指定按公平值計入其他全面收益。於二零一八年一月一日，集團指定其在按公平值計入其他全面收益(不可重新分類)的永久資本投資，因為該投資是為戰略目的而持有的。

Notes to the condensed consolidated interim financial report

簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

Joint venture (Continued)

The following table summarises the impact of transition to HKFRS 9 on accumulated loss and reserves and the related tax impact at 1 January 2018.

3 主要會計政策(續)

合營公司(續)

下表總結了於2018年1月1日過渡至香港財務報告準則第9號對累計虧損及儲備及相關稅項影響。

Accumulated loss		\$'000
累計虧損		千港元
Transferred from fair value reserve (recycling) relating to financial assets now measured at FVPL	從現在以按公平值計入損益計量的金融資產的(可重新分類)公允價值儲備轉移	15,002
Recognition of additional expected credit losses on financial assets measured at amortised cost	確認以攤餘成本計量的金融資產的額外預期信用損失	(3,690)
Deferred tax	遞延稅項	609
Net decrease in accumulated loss at 1 January 2018	於二零一八年一月一日累計虧損減少淨額	11,921
Fair value reserve (recycling)		\$'000
投資重估儲備(可重新分類)		千港元
Transferred to retained earnings relating to financial assets now measured at FVPL	轉移至現在以按公平值計入損益計量的金融資產相關的未分配利潤	(15,002)
Transferred to fair value reserve (non-recycling) relating to equity securities now measured at FVOCI	轉移至與現在以按公平值計入其他全面收益計量的股本證券相關的(不可重新分類)公允價值儲備	684
Net decrease in fair value reserve (recycling) at 1 January 2018	於二零一八年一月一日投資重估儲備(可重新分類)減少淨額	(14,318)
Fair value reserve (non-recycling)		\$'000
投資重估儲備(不可重新分類)		千港元
Transferred from fair value reserve (recycling) relating to equity securities now measured at FVOCI and decrease in fair value reserve (non-recycling)	從現在以投資重估儲備(可重新分類)股本證券相關的公允價值儲備轉移及減少(不可重新分類)公允價值儲備	(684)

Notes to the condensed consolidated interim financial report

簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

Further details of the nature and effect of the changes to previous accounting policies and the transition approach are set out below:

Classification of financial assets and financial liabilities

HKFRS 9 categories financial assets into three principal classification categories: measured at amortised cost, at FVOCI and FVPL. These supersede HKAS 39's categories of held-to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets measured at FVPL. The classification of financial assets under HKFRS 9 is based on the business model under which the financial asset is managed and its contractual cash flow characteristics.

Non-equity investments held by the group are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method;
- FVOCI – (recycling), if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss; or
- FVPL, if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

3 主要會計政策(續)

有關以往會計政策變更的性質和影響以及過渡方法的進一步詳情如下：

金融資產和金融負債的分類

香港財務報告準則第9號將金融資產分為三個主要分類類別：按攤銷成本，FVOCI及FVPL。這些取代香港會計準則第39號的持有至到期投資，貸款及應收款項，可供出售金融資產及按FVPL計量的金融資產。根據香港財務報告準則第9號，金融資產的分類乃基於管理金融資產的業務模式及其合約現金流量特徵。

集團持有的非股權投資分為以下其中之一計量類別：

- 按攤銷成本，如果投資是為了收取僅代表本金和利息的合同現金流量而持有的。投資的利息收入採用實際利率法計算；
- FVOCI(可重新分類)，如果投資的合同現金流量僅包括本金和利息的支付，並且持有投資是以通過收取合同現金流量和銷售來實現的商業模式為目標，其公允價值變動計入其他全面收益，但預計信用損失，利息收入(以實際利率法計算)和匯兌損益除外。當終止投資時，其他全面收益中累計的金額從權益重新分類至損益；
- FVPL，如果投資不符合以攤餘成本或FVOCI(可重新分類)計量的標準。投資的公允價值變動(包括利息)在損益中確認。

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3 SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Classification of financial assets and financial liabilities (Continued)

An investment in equity securities is classified as FVPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the group makes an election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI (non-recycling), are recognised in profit or loss as other income.

Under HKFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are not separated from the host. Instead, the hybrid instrument as a whole is assessed for classification.

Opening balance adjustment

Credit losses

HKFRS 9 replaces the "incurred loss" model in HKAS 39 with the expected credit loss ("ECL") model. The ECL model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises ECLs earlier than under the "incurred loss" accounting model in HKAS 39.

3 主要會計政策(續)

金融資產和金融負債的分類(續)

除非股權投資不是為交易目的而持有，並且在初始確認投資時，集團選擇指定FVOCI的投資(不可重新分類)以便隨後的公允價值變動為在其他綜合收益中確認，股權證券投資一般被歸類為FVPL。此類選擇是在每一個工具的基礎上進行的，但只有在投資符合發行人股權定義觀點下才可以進行。如果進行此類選舉，其他綜合收益中累計的金額將保留在公允價值儲備(不可重新分類)中，直至投資被處置為止。在處置時，公允價值儲備(不可重新分類)中累計的金額轉入保留溢利。它不會通過損益回收。股權證券投資的股息，無論是否歸類為FVPL或FVOCI(不可重新分類)，均在損益中確認為其他收入。

根據香港財務報告準則第9號，在主體為標準範圍內的金融資產的合約中嵌入的衍生工具並非與主機分開。相反，評估混合工具作為整體進行分類。

期初餘額調整

信用損失

香港財務報告準則第9號以預期信貸虧("ECL")模式取代香港會計準則第39號「已產生虧損」模式。ECL模型要求持續計量與金融資產相關的信用風險，因此早於香港會計準則第39號「已發生損失」會計模式確認ECL。

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3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

Opening balance adjustment (Continued)

Credit losses (Continued)

The Group applies the new ECL model to the following items:

- financial assets measured at amortised cost (including cash and cash equivalents, trade and other receivables);
- contract assets as defined in HKFRS 15;
- debt securities measured at FVOCI (recycling);
- financial guarantee contracts issued; and
- loan commitments issued, which are not measured at FVPL.

Financial assets measured at fair value, including units in bond funds, equity securities measured at FVPL, equity securities designated at FVOCI (non-recycling) and derivative financial assets, are not subject to the ECL assessment

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the group in accordance with the contract and the cash flows that the group expects to receive).

For undrawn loan commitments, expected cash shortfalls are measured as the difference between (i) the contractual cash flows that would be due to the group if the holder of the loan commitment draws down on the loan and (ii) the cash flows that the group expects to receive if the loan is drawn down.

3 主要會計政策(續)

期初餘額調整(續)

信用損失(續)

本集團將新的ECL模型應用於以下項目：

- 按攤銷成本計量的金融資產(包括現金及現金等價物，應收及其他應收款項)；
- 香港財務報告準則第15號所界定的合約資產；
- 以FVOCI(可重新分類)計量的債務證券；
- 簽發財務擔保合同；及
- 已發出不以FVPL計量的貸款承。

以公允價值計量的金融資產，包括債券基金單位，以FVPL計量的股本證券，FVOCI指定的股權證券(不可重新分類)及衍生金融資產，不需接受ECL評估。

ECL的測量

ECL是信用損失的概率加權估計。信貸損失按所有預期現金短缺的現值(即根據合約應付集團的現金流量與集團預期收到的現金流量)之間的差額計量。

對於未提取的貸款承諾，預期現金短缺以(i)貸款承諾持有人貸款時應支付集團的合同現金流量與(ii)如果貸款被提取，集團的預計會收到現金流量之間的差額計量。

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3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

Opening balance adjustment (Continued)

Measurement of ECLs (Continued)

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets, trade and other receivables and contract assets: effective interest rate determined at initial recognition or an approximation thereof;
- variable-rate financial assets: current effective interest rate;
- loan commitments: current risk-free rate adjusted for risks specific to the cash flows.

The maximum period considered when estimating ECLs is the maximum contractual period over which the group is exposed to credit risk. In measuring ECLs, the group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

3 主要會計政策(續)

期初餘額調整(續)

ECL的測量(續)

當攤銷預期的現金短缺有重要影響時，以下列折扣率攤銷：

- 固定利率金融資產，應收及其他應收款項及合約資產：於初步確認時或其近似值時釐定的實際利率；
- 浮動金融資產：當前實際利率；
- 貸款承諾：針對現金流量特定風險調整的當前無風險利率。

估計預期信用損失時考慮的最長期限是集團面臨信用風險的最長合同期。在測量ECL時，集團會考慮合理且可支持的信息，而無需過多的成本或努力。這包括有關過去事件，當前狀況和未來經濟狀況預測的信息。

ECL在以下其中一種基礎上測量：

- 12個月的預期信用損失：這些是預計在報告日期後12個月內可能發生的違約事件造成的損失；及
- 終身ECL：這些是預期由ECL模型適用的項目的預期壽命內的所有可能的默認事件導致的損失。

應收款項及合約資產的虧損撥備總是以等於終身ECL的金額計量。這些金融資產的預期信用損失使用基於集團歷史信用損失經驗的撥備矩陣進行估算，並根據債務人的特有因素進行調整，並對報告日期的當前和預測的一般經濟狀況進行評估。

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3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

Opening balance adjustment (Continued)

Measurement of ECLs (Continued)

For all other financial instruments (including loan commitments issued), the group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument (including a loan commitment) has increased significantly since initial recognition, the group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the group in full, without recourse by the group to actions such as realizing security (if any is held); or (ii) the financial asset is 90 days past due. The group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition: failure to make payments of principal or interest on their contractually due dates;

- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

3 主要會計政策(續)

期初餘額調整(續)

ECL的測量(續)

對於所有其他金融工具(包括已發行的貸款承諾)，本集團確認相當於12個月預期信用損失的損失準備金，除非自初始確認以來金融工具的信用風險顯著增加，在這種情況下，損失準備金計量等於終身ECL的金額。

信貸風險顯著增加

在評估自初始確認後金融工具的信用風險(包括貸款承諾)是否顯著增加時，集團將報告日期評估的金融工具違約風險與初始確認日評估的風險進行比較。在進行重新評估時，集團認為，當(i)借款人不可能完全支付其對集團的信貸義務，而集團沒有追求實現擔保(如果有的話)等行為時，就會發生違約事件；或(ii)該金融資產逾期90天。集團考慮了合理且可支持的定量和定性信息，包括歷史經驗和前瞻性信息，無需過多的成本或努力即可獲得。

尤其是，在評估自初始確認後信用風險是否顯著增加時，會考慮以下信息：未能在合同到期日支付本金或利息；

- 金融工具的外部或內部信用評級(如果有的)的實際或預期的顯著惡化；
- 債務人的經營業績實際或預期顯著惡化；
- 技術，市場，經濟或法律環境的現有或預測變化，對債務人履行其對本集團的義務的能力產生重大不利影響。

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3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

Opening balance adjustment (Continued)

Significant increases in credit risk (Continued)

For loan commitments, the date of initial recognition for the purpose of assessing ECLs is considered to be the date that the group becomes a party to the irrevocable commitment. In assessing whether there has been a significant increase in credit risk since initial recognition of a loan commitment, the group considers changes in the risk of default occurring on the loan to which the loan commitment relates.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt securities that are measured at FVOCI (recycling), for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve (recycling).

Basis of calculation of interest income on credit-impaired financial assets

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

3 主要會計政策(續)

期初餘額調整(續)

信貸風險顯著增加(續)

對於貸款承諾，為評估ECL而初始確認的日期被視為該集團成為不可撤銷承諾的一方的日期。在評估自初步確認貸款承諾以來信貸風險是否顯著增加時，本集團會考慮貸款承諾所涉及的貸款發生違約風險的變動。

根據金融工具的性質，對信用風險顯著增加的評估是在個人基礎上或集體基礎上進行的。當評估在集體基礎上進行時，金融工具根據共享信用風險特徵例如以過期狀態和信用風險評級去進行分組。

在每個報告日期重新計量預期信用損失，以反映自初始確認以來金融工具信用風險的變化。ECL金額的任何變動均確認為減值損益。本集團確認所有金融工具的減值損益，並通過損失準備金賬戶對其賬面金額進行相應調整，但以FVOCI(可重新分類)計量的債務證券投資除外，其他損失準備在其他金融工具中確認。綜合收益並累計於公允價值儲備(可重新分類)。

計算信貸減值金融資產的利息收入的基礎

利息收入乃根據金融資產的賬面總額計算，惟金融資產為信貸減值，在此情況下，利息收入乃根據金融資產的攤銷成本(即賬面值總額減虧損撥備)計算。

於各報告日期，本集團會評估金融資產是否為信貸減值。當一項或多項事件對金融資產的估計未來現金流量產生不利影響時，金融資產即為信用減值。

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3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

Opening balance adjustment (Continued)

Basis of calculation of interest income on credit-impaired financial assets (Continued)

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset or contract asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

Opening balance adjustment

As a result of this change in accounting policy, the group has recognised additional ECLs amounting to HK\$3,690,000, which decreased retained earnings by HK\$3,081,000 and increased gross deferred tax assets by HK\$609,000 at 1 January 2018.

3 主要會計政策(續)

期初餘額調整(續)

計算信貸減值金融資產的利息收入的基礎(續)

金融資產信用減值的證據包括以下可觀察事件：

- 債務人的重大財務困難；
- 違約，例如違約或違約利息或本金支付；
- 借款人很可能會進入破產或其他財務狀況重組；
- 技術，市場，經濟或法律環境的重大變化對債務人產生不利影響；或
- 由於發行人的財務困難，證券活躍市場的消失。

註銷政策

金融資產或合同資產的賬面總額在沒有實際可收回的情況下予以註銷(部分或全部)。通常這種情況是當集團確定債務人沒有可以產生足夠現金流以償還註銷金額的資產或收入來源。

先前已註銷的資產的後續追回確認為收回發生期間的回撥損益減值。

期初餘額調整

由於會計政策的這一變化，本集團已確認額外的預期信用損失為3,690,000港元，於二零一八年一月一日將留存收益減少3,081,000港元，並將遞延所得稅資產增加609,000港元。

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3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

Opening balance adjustment (Continued)

The following table reconciles the closing loss allowance determined in accordance with HKAS 39 as at 31 December 2017 with the opening loss allowance determined in accordance with HKFRS 9 as at 1 January 2018.

3 主要會計政策(續)

期初餘額調整(續)

下表核對根據香港會計準則第39號於二零一七年十二月三十一日釐定的期末虧損撥備及根據香港財務報告準則第9號於二零一八年一月一日釐定的開放虧損撥備。

		\$'000 千港元
Loss allowance at 31 December 2017 under HKAS39	根據香港會計準則第39號於二零一七年十二月三十一日的損失準備	34,613
Additional credit loss recognised at 1 January 2018 on:	於二零一八年一月一日確認的額外信貸損失：	
— Other receivable	— 其他應收賬款	1,143
— Bank balance — trust and segregate account	— 銀行結存 — 信託及獨立賬戶	37
— Fixed bank deposit with original maturity over 3 months	— 到期期限多於三個月的銀行定期存款	1,813
— Cash and cash equivalent	— 現金和現金等價物	697
Loss allowance at 1 January 2018	於二零一八年一月一日的損失準備	38,303

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4 REVENUE

The principal activities of the Group are wealth management, securities broking, employee stock ownership plan administration, corporate finance advisory and investment research, insurance brokerage and principal investment.

Revenue represents the gross amount recognised during the period. An analysis of the Group's revenue for the period is as follows:

4 收益

本集團之主要業務為財富管理、證券經紀、員工持股計劃管理、企業融資諮詢及投資研究、保險經紀和主要投資。

收益指期內已確認之總額。本集團於本期間之收益分析如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 \$'000 千港元	2017 二零一七年 \$'000 千港元
Brokerage commission	經紀佣金	2,817	618
Subscription, management and rebate fees income	認購、管理費及回扣收入	2,217	1,138
Consultancy and advisory fees	顧問及諮詢費	9,865	5,382
Interest income from loan receivables	來自應收貸款之利息收入	—	2,154
Interest income from clients and other service income	來自客戶之利息收入及其他服務收入	593	165
		15,492	9,457

5 OTHER OPERATING INCOME AND GAINS

5 其他經營收入及收益

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 \$'000 千港元	2017 二零一七年 \$'000 千港元
Bank and other interest income	銀行及其他利息收入	55,876	27,293
Handling and settlement fees	手續費及結算費用	656	241
Dividend and distribution income	股息及分配收入	15,588	3,324
Deemed gain from deconsolidation of a consolidated fund (note 13)	從合併基金的分拆中獲得的收益(附註13)	1,538	—
Deemed partial disposal gain of a consolidated fund	視作合併基金的部分處置收益	1,168	—
Gain on disposal of a subsidiary	出售附屬公司的收益	—	800
Other income	雜項收入	2,632	708
		77,458	32,366

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6 NET LOSS ON FINANCIAL ASSETS AND FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

6 按公平值計入損益之金融資產及金融負債之虧損淨額

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 \$'000 千港元	2017 二零一七年 \$'000 千港元
Net unrealised gain/(loss) on financial assets at fair value through profit or loss	按公平值計入損益之金融資產未變現收益／(虧損)淨額		
— Investment in unlisted funds	— 投資基金	58	—
— Credit link obligation note	— 信用聯繫票據	(15,025)	—
— Over the counter derivative contracts/options	— 場外交易金融衍生工具／購股權	(49)	(1,046)
— Equity investment listed outside Hong Kong	— 香港境外上市股權投資	(3,209)	(15,190)
— Unlisted jointly controlled fund investment	— 非上市共同控制基金投資	112	—
		(18,113)	(16,236)
Realised gain/(loss) on financial assets at fair value through profit or loss	按公平值計入損益之金融資產已變現收益／(虧損)		
— Investment in unlisted funds	— 非上市基金	(1,527)	—
— Over the counter derivative contracts/options	— 場外交易金融衍生工具／購股權	822	—
— Unlisted option issued by a Hong Kong listed company	— 香港上市公司發行的非上市購股權	—	(5,470)
— Exchange traded fund and equity investment listed in Hong Kong	— 香港上市股權投資及交易所交易基金	(772)	(59,253)
		(1,477)	(64,723)
Fair value change of financial liability at fair value through profit or loss	按公平值計入損益之金融負債變動		
		(7,165)	(1,629)
		(26,755)	(82,588)

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7 LOSS BEFORE TAXATION

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

7 除稅前虧損

除稅前虧損(已扣除/(轉回)下列各項):

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 \$'000 千港元	2017 二零一七年 \$'000 千港元
Finance cost	融資成本		
Finance lease obligation	融資租賃款項	221	401
Preference share liability	優先股負債	6,418	3,169
Other interest expense	其他融資成本	10	4
		6,649	3,574
Net provision/(reversal) for impairment loss	淨減值虧損之撥備/(轉回)		
Provision/ (reversal) for:	撥備/(回撥):		
— Other receivables	— 其他應收賬款	142	—
— Account receivables	— 應收賬款	61	(1)
— Bank balance — trust and segregated accounts	— 銀行結存 — 信託及獨立賬戶	29	—
— Fixed bank deposits with original maturity over 3 months	— 到期期限多於三個月的銀行定期存款	(393)	—
— Cash and cash equivalents	— 現金及現金等值項目	763	—
		602	(1)
Other items	其他項目		
Auditor's remuneration	核數師酬金	1,224	930
Information, data and communication expenses	資訊、數據及通訊開支	13,786	16,092
Legal and professional fees	法律及專業費用	8,125	28,113
Operating lease charges in respect of properties	物業之經營租約費用	14,924	14,151
Net exchange gain	匯兌收益淨額	(7,945)	(12,605)

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8 INCOME TAX

8 所得稅

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 \$'000 千港元	2017 二零一七年 \$'000 千港元
Tax (credit)/charge for the period	當期稅項(抵免)/支出		
Current tax expense — Hong Kong	當期稅項支出 — 香港所得稅	—	—
Current tax expense — Overseas	當期稅項支出 — 海外所得稅	1,037	464
Under-provision in respect of prior year	過往年度撥備不足	22	—
Deferred taxation	遞延稅項	(89)	525
		970	989

The provision for Hong Kong profits tax is calculated by applying the estimated annual effective tax rate at 16.5% (2017: 16.5%) to the six months ended 30 June 2018. Taxation for overseas subsidiaries is similarly calculated using the estimated annual effective rates of taxation that are expected to be applicable in the relevant countries.

截至二零一八年六月三十日止六個月香港所得稅撥備乃按本年度估計實際稅率之16.5% (二零一七年：16.5%)計算。海外附屬公司之稅項之計算方式相似，並採用預期相關國家稅適用之實際稅率。

9 LOSS PER SHARE

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company of HK\$186,279,000 (2017: HK\$236,554,000) and the weighted average number of shares in issue during the six months ended 30 June 2018 of 2,391,603,714 (2017: 2,420,145,399).

There were no potential dilutive ordinary shares for the six months ended 30 June 2018 and six months ended 30 June 2017, therefore basic loss per share equals to diluted loss per share.

9 每股虧損

每股基本虧損乃按本公司之普通權益持有人應佔虧損186,279,000港元(二零一七年：236,554,000港元)及截至二零一八年六月三十日止內已發行股份之加權平數均數2,391,603,714股(二零一七年：2,420,145,399股)計算。

截至二零一八年六月三十日止六個月及二零一七年六月三十日止六個月，概無潛在攤薄普通股，故每股基本虧損與每股攤薄虧損相同。

10 DIVIDEND

The Board does not recommend the payment of an interim dividend in respect of the six months ended 30 June 2018 (2017: nil).

10 股息

董事會並不建議派付截至二零一八年六月三十日止六個月之中期股息(二零一七年：無)。

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11 SEGMENT REPORTING

The operating segments have been determined based on the reports reviewed by the executive directors of the Company that are used for performance assessment and to make strategic decisions. The Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's operating segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of other operating segments.

As disclosed in the 2017 annual report, to monitor and measure the return of capital more effectively, management further decides to review the performance of wealth management division and the return of Group's capital including the capital invested in the products and funds managed by the wealth management segment separately going forward. Accordingly, comparative figures in prior interim period have been restated to conform to the current interim period's presentation.

The Group currently has four operating segments:

- (i) Securities brokerage — engages in securities brokerage and provision of custodian and other services;
- (ii) Wealth and asset management — provision of fund and asset management services as well as financing and investing solution for corporate clients and
- (iii) Consultancy and advisory services — provision of corporate advisory, placing and underwriting advisory services to corporate clients.
- (iv) Principal investment — utilize capital 1) to provide funding on developing financial products and the funds managed by wealth management team 2) to improve returns on the Group's capital and cash flow management based on treasury management model that may involve (but shall not be limited to) holding fixed income instruments, high grade equity instruments and other financial investments.

11 分部報告

經營分部乃根據本公司執行董事所審閱並用於評估表現及作出策略性決定之報告而釐定。本集團之經營業務乃根據其業務性質及所提供之產品及服務個別進行組織及管理。本集團各經營分部代表一個策略性業務單位，提供之產品及服務所承擔之風險及所得之回報與其他經營分部不同。

如2017年年報所披露，為了更有效地監督和衡量資本回報，管理層決定進一步分別評估財富管理部門的業績和集團資本(包括投資於財富管理部門管理的產品和基金的資本)的回報。於是，去年中期的比較數據已重新分類，以符合本期中期報告之呈現方式。

本集團現有四個經營分部：

- (i) 證券經紀 — 從事證券經紀業務，及提供託管服務和其他服務；
- (ii) 財富及資產管理 — 提供資金和資產管理服務，以及為企業客戶制定融資和投資解決方案；及
- (iii) 顧問及諮詢服務 — 為企業客戶提供企業諮詢，配售和承銷服務。
- (iv) 主要投資 — 資金運用1)為開發金融產品和財富管理團隊管理的基金提供資金2)這可能涉及(但不限於)持有固定資產收入工具，高級別股權工具和其他金融投資提高集團資本和現金流量管理的回報。

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11 SEGMENT REPORTING (Continued)

The accounting policies of the reportable segments are the same as those followed by the Group in the last annual financial statements.

Segment revenue represents the revenue generated by each operating segment from external customers. Inter-segment revenue represents inter-segment services which were transacted with reference to the normal commercial price made to third parties at the then prevailing market prices.

Segment results represent specific operating performance of the reported segments by allocating all specific and related operating and finance costs, excluding other corporate, general administrative, and financial expenses, taxation and non-operating costs. This is the measure reported to the chief operating decision maker, at the relevant times, for the purposes of resource allocation and performance assessment.

11 分部報告(續)

可報告分部之會計政策與本集團於最近年度財務報表所依循者相同。

分部收入指各經營分部自外部客戶產生之收入。分部間收入指參照按當時市價向第三方作出之一般商業價格而進行交易之分部間服務。

分部業績指呈報分部透過分配所有特定及相關經營及財務成本(不包括其他公司、一般行政及財政開支、稅項及非經營成本)計算之特定經營表現，此乃於有關時間匯報予主要經營決策者作資源分配及表現評估用途之衡量基準。

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11 SEGMENT REPORTING (Continued)

11 分部報告(續)

(a) Segment revenue and results

(a) 分部收入及業績

For the six months ended 30 June 2018

截至二零一八年六月三十日止六個月

		Securities brokerage 證券經紀 \$'000 千港元	Wealth and asset management 財富及 資產管理 \$'000 千港元	Consultancy and advisory services 顧問及 諮詢服務 \$'000 千港元	Principal investment 主要投資 \$'000 千港元	Total 總計 \$'000 千港元
Revenue from external parties	來自外部人士之收益	2,817	2,217	9,865	—	14,899
Interest income from clients	來自客戶之利息收入	41	—	—	—	41
Inter-segment revenue	分部間收入	—	1,924	696	—	2,620
Reportable segment revenue	可報告分部收入	2,858	4,141	10,561	—	17,560
Net loss on financial assets and financial liabilities at fair value through profit or loss	按公平值計入損益之 金融資產及金融負 債之虧損淨額	—	(870)	—	(25,885)	(26,755)
Allocated bank and other interest income	已分配銀行及其他利 息收入	49	362	—	34,629	35,040
Allocated other operating income and gains	已分配其他經營收入 及收益	656	—	—	39,105	39,761
Allocated operating costs	已分配經營成本	(10,386)	(19,360)	(5,339)	(2,677)	(37,762)
Allocated finance cost	已分配融資成本	(27)	(418)	—	(6,194)	(6,639)
Reportable segment (loss)/ profit	可報告分部(虧損)/ 利潤	(6,850)	(16,145)	5,222	38,978	21,205
Elimination of inter-segment (loss)/profit	可報告分部(虧損)/ 利潤對銷					(696)
Reportable segment profit derived from Group's external customers	來自外部人士之可報 告分部利潤					20,509
Unallocated revenue and other operating income and gains from external parties	來自外部人士之未分 配其他經營收入及 收益					3,206
Depreciation and amortisation	折舊和攤銷					(10,631)
Unallocated impairment provision	未分配減值虧損 撥備					(541)
Unallocated finance costs	未分配融資成本					(10)
Unallocated legal and professional expenses	未分配法律及專業 費用					(3,823)
Taxation	稅項					(970)
Other central administrative and unallocated operating costs (Note)	其他中央行政管理成 本及未分配經營成 本(附註)					(194,019)
Loss for the period	本期間虧損					(186,279)

Note: The other central administrative and unallocated operating cost includes administrative expenses, research and development costs, staff costs and data and technology related expenses related to the Group's financial technology activities.

附註：其他中央行政管理及未分配的經營成本主要包括行政管理費用及與金融技術有關的研發成本、人員成本及數據和開發技術的相關費用。

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11 SEGMENT REPORTING (Continued)

11 分部報告(續)

(a) Segment revenue and results (Continued)

(a) 分部收入及業績(續)

For the six months ended 30 June 2017
(restated)

截至二零一七年六月三十日止六個月
(重述)

		Securities brokerage 證券經紀 \$'000 千港元	Wealth Management 財富及 資產管理 \$'000 千港元	Consultancy and advisory services 顧問及 諮詢服務 \$'000 千港元	Principal Investment 主要投資 \$'000 千港元	Total 總計 \$'000 千港元
Revenue from external parties	來自外部人士之收益	618	1,138	5,382	—	7,138
Interest from client and interest from loan receivable	來自客戶之利息及 應貸款之利息收 收入	19	2,154	—	—	2,173
Inter-segment revenue	分部間收入	—	540	—	—	540
Reportable segment revenue	可報告分部收入	637	3,832	5,382	—	9,851
Net loss on financial assets at fair value through profit or loss	按公平值計入損益之 金融資產及金融負 債之虧損淨額	—	(1,047)	—	(81,541)	(82,588)
Allocated bank and other interest income	已分配銀行及其他 利息收入	—	95	—	27,190	27,285
Allocated other operating income and gains	已分配其他經營收入 及收益	384	156	—	4,194	4,734
Allocated operating costs	已分配經營成本	(14,382)	(35,540)	(13,877)	(540)	(64,339)
Allocated finance cost	已分配融資成本	(113)	(364)	—	(3,093)	(3,570)
Reportable segment loss	可報告分部虧損	(13,474)	(32,868)	(8,495)	(53,790)	(108,627)
Elimination of inter-segment loss	可報告分部虧損 對銷					—
Reportable segment loss derived from Group's external customers	來自外部人士之 可報告分部虧損					(108,627)
Unallocated revenue and other operating income and gains from external parties	來自外部人士之未分 配其他經營收入 及收益					1,362
Depreciation and amortisation	折舊和攤銷					(8,134)
Unallocated finance costs	未分配融資成本					(4)
Unallocated legal and professional expenses	未分配法律及專業 費用					(23,238)
Taxation	稅項					(989)
Other central administrative and unallocated operating costs	其他中央行政管理成 本及未分配經營 成本					(97,069)
Loss for the period	本期間虧損					(236,699)

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11 SEGMENT REPORTING (Continued)

(b) Segment assets and liabilities

As the assets and liabilities are regularly reviewed by the executive directors of the Company as a whole, the measure of total assets by operating segment is therefore not presented.

(c) Geographical segment information

The Group's customers, operation and administration are mainly located in Hong Kong and research and development on financial technologies divisions are located in PRC.

(d) Information about major customers

No customer account for more than 10% of the total revenue of the Group for the period ended 30 June 2018.

12 PROPERTY AND EQUIPMENT AND INTANGIBLE ASSETS

Acquisition and disposal of property and equipment

During the six months ended 30 June 2018, the Group acquired items of property and equipment with a cost of HK\$2,118,000 (2017: HK\$4,559,000).

Intangible assets

During the six months ended 30 June 2018, the Group acquired computer software with a cost of HK\$577,000 (2017: HK\$20,838,000).

13 DISPOSAL OF A SUBSIDIARY

During the six months ended 30 June 2018, the Group entered into a strategic fund management agreement with another well-established financial institution. By sharing the operating and financing decision making power through the agreement, the Group is no longer considered as the principal of Majik Access USD Fund 2 LP. On the date of deconsolidation, the Fund had HK\$13,265,000 FVPL asset, HK\$3,145,000 bank and cash and HK\$5,607,000 liabilities including interest of third party investors in the Fund. As a result of the deconsolidation, the Group has recorded the difference between disposed net asset attributable to the Group and the fair value on initial recognition of an investment in a joint venture as a disposal gain of HK\$1,538,000. From 1 January 2018 to date of deconsolidation, the Fund contributed loss of HK\$151,000 to the Group.

11 分部報告(續)

(b) 分部資產及負債

由於本公司執行董事定期整體審閱資產及負債，因此並無呈列按經營分部劃分之總資產及負債衡量基準。

(c) 地區分部資料

本集團之客戶、業務及行政管理主要位於香港，而集團的金融技術研發部則設立於中國。

(d) 有關主要客戶之資料

截至二零一八年六月三十日止期間，沒有客戶進行之交易佔本集團總收入的10%以上。

12 物業及設備及無形資產

購買及出售物業及設備

於截至二零一八年六月三十日止六個月，本集團購買物業及設備之成本為2,118,000港元(二零一七年：4,559,000港元)。

無形資產

於截至二零一八年六月三十日止六個月，本集團購買電腦軟件之成本為577,000港元(二零一七年：20,838,000港元)。

13 出售附屬公司

截至二零一八年六月三十日止六個月，本集團已與另一家成熟的金融機構訂立戰略基金管理協議。通過協議分享經營和融資決策權，本集團被視為不再是Majik Access USD Fund 2 LP的主要責任人。於拆分日期，本基金擁有13,265,000港元的按公平值計入損益之金融資產，3,145,000港元現金及5,607,000港元包括基金第三方投資者的權益的負債。由於拆分合併，本集團已錄得出售收益1,538,000港元為本集團應佔處置基金資產淨值與合營企業投資初步確認之公允價值之間的差額。自2018年1月1日至拆分日期，基金為本集團貢獻虧損151,000港元。

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14 OTHER NON-CURRENT ASSETS

14 其他非流動資產

		At 30 June 2018 於二零一八年 六月 三十日 \$'000 千港元	At 31 December 2017 於二零一七年 十二月 三十一日 \$'000 千港元
Statutory deposits with exchanges and clearing house	存放於交易所及結算所之法定按金	1,591	978
Rental deposits	租金按金	9,528	8,038
Other deposit for acquisition of leasehold improvement and equipment	其他用於購買租賃物業裝修和設備之按金	—	144
Other receivables, net of provisions (note 1)	其他應收款項(扣除撥備)(附註1)	—	—
		11,119	9,160

Note 1: For the six months period ended 30 June 2018 and 2017, there is no additional provision made or reversed to other receivable.

附註1：截至二零一八年六月三十日及截至二零一七年六月三十日六個月止期間，概無就其他應收款項追加或轉回撥備。

15 AVAILABLE-FOR-SALE FINANCIAL ASSETS

15 可供出售金融資產

		At 30 June 2018 於二零一八年 六月 三十日 \$'000 千港元	At 31 December 2017 於二零一七年 十二月 三十一日 \$'000 千港元
Current unlisted and measured at fair value	流動非上市按公平值計入		
— Investment funds (note i)	— 投資基金(附註i)	—	326,691
Non-current unlisted and measured at fair value	非流動非上市以公平價值計量的		
— Investment funds (note i)	— 投資基金(附註i)	—	295,797
— Credit link obligation note (note i)	— 信用聯繫票據(附註i)	—	192,721
— Perpetual capital (note ii)	— 永續資本(附註ii)	—	76,989
		—	565,507

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15 AVAILABLE-FOR-SALE FINANCIAL ASSETS (Continued)

Note i: This amount arose under the accounting policies applicable prior to 1 January 2018. As part of the opening balance adjustments as at 1 January 2018 the balances have been reclassified to financial assets at fair value through profit or loss as set out in note 17. Also see note 3 for further details.

Note ii: This amount arose under the accounting policies applicable prior to 1 January 2018. As part of the opening balance adjustments as at 1 January 2018 the balances have been reclassified to financial assets at fair value through other comprehensive income as set out in note 16. Also see note 3 for further details.

15 可供出售金融資產(續)

附註 i: 該金額根據2018年1月1日之前適用的會計政策產生。作為2018年1月1日期初餘額調整的一部分，餘額已重新分類為附註17所列的公允價值變動計入損益的金融資產。另見備註3了解更多詳情。

附註 ii: 該金額根據2018年1月1日之前適用的會計政策產生。作為2018年1月1日期初餘額調整的一部分，餘額已按照附註16所列的公允價值變動計入其他綜合收益的金融資產。另見備註3了解更多詳情。

16 FINANCIAL ASSET AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

16 按公平值計入其他全面收益之金融資產

		At 30 June 2018 於二零一八年 六月 三十日 \$'000 千港元	At 31 December 2017 於二零一七年 十二月 三十一日 \$'000 千港元
Non-current unlisted and measured at fair value, equity investment (non-recycling)	非流動非上市及按公平值計入股權投資(不可重新分類)		
— Perpetual capital	— 永續資本	74,017	—

Fair value of the Group's financial assets at fair value through other comprehensive income financial assets is determined in the manner described in note 28. In the opinion of the directors of the Company, the asset is not expected to be realised within one year from the end of the year.

本集團按按公平值計入其他全面收益之金融資產的公允價值按照附註28所述方式確定。本公司董事認為，該資產預計不會於年底後一年內變現。

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17 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

17 按公平值計入損益之金融資產

		At 30 June 2018 於二零一八年 六月 三十日 \$'000 千港元	At 31 December 2017 於二零一七年 十二月 三十一日 \$'000 千港元
Designated at fair value through profit or loss	指定按公平值計入損益		
Non-current unlisted and measured at fair value	非流動非上市按公平值計入		
— Investment funds (note 1)	— 投資基金(附註1)	347,357	—
— Credit link obligation note (note 1)	— 信用聯繫票據(附註1)	255,389	—
— Jointly controlled fund investment (note 2)	— 共同控制的基金投資(附註2)	19,449	—
		622,195	—
Current unlisted and measured at fair value	流動非上市按公平值計入		
— Trust products	— 信託產品	41,004	—
— Investment funds	— 投資基金	323,489	—
— Leveraged note investment	— 槓桿票據投資	79,988	—
Equity investment listed outside Hong Kong	香港境外上市股權投資	—	3,209
Held for trading	持作買賣		
— Over-the-counter derivative contract	— 場外交易金融衍生工具	930	2,727
		445,411	5,936

Note 1: The investments are held through the consolidated funds of the Group.

附註1：本集團透過合併基金持有的投資。

Note 2: On 28 February 2018, the Group has entered a strategic fund management agreement with another well-established financial institution. By sharing the operating and financing decision making power through the agreement, the Group is no longer considered to be the principal of Majik Access USD Fund 2 LP. After the deconsolidation, the Group elects to measure its investment in Majik Access USD Fund 2 LP held through a venture capital organisation, an indirect wholly owned subsidiary, at fair value through profit or loss as management measures the performance of this jointly controlled entity on a fair value basis and considered to be exempted from applying the equity method. The valuation process and fair value information for the joint venture measured at fair value through profit or loss set out in note 28. During the period, the Group has made an injection of approximately HK\$20,905,000 to the joint venture.

附註2：於二零一八年二月二十八日，本集團已與另一家成熟的金融機構訂立戰略基金管理協議。通過協議分享經營和融資決策權，本集團被視為不再是Majik Access USD Fund 2 LP的主要責任人。拆分後，本集團選擇以公允價值計量以風險投資公司(間接全資子公司)持有的Majik Access USD Fund 2 LP投資且其公允價值變動計入損益，因為管理層以公允價值計量衡量該共同控制實體的業績，並免除採用權益法。合營企業的估值程序和公允價值信息在附註28列出。期內，本集團已向合營企業提供約20,905,000港元的等值注資。

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18 INTEREST IN AN ASSOCIATE

On 20 June 2018, the Group has completed an acquisition of 16.67% equity interest in 北京慧金科技有限公司, (the "Investee") at a consideration of RMB50 million. The Group has the right to appoint one director to the board of the Investee which is comprised of 5 members. With the presence of the board representative, the Group is considered to have significant influence over the operating and financing decision of the investee.

18 於聯營公司之權益

於二零一八年六月二十日，本集團已完成收購北京慧金科技有限公司（「投資對象」）16.67%股權，代價為人民幣50,000,000元。由於本集團有權委任一名董事至由5名成員組成的投資對象董事會。由於本集團董事會代表的存在，本集團認為對投資對象的經營及融資決策具有重大影響力。

19 ACCOUNTS RECEIVABLE AND ACCRUED INCOME

19 應收賬款及應計收入

		At 30 June 2018 於二零一八年 六月 三十日 \$'000 千港元	At 31 December 2017 於二零一七年 十二月 三十一日 \$'000 千港元
Accounts receivable arising from securities brokerage	證券經紀產生之應收賬款		
— Cash clients	— 現金客戶	(i) 9,612	61,609
— Margin clients	— 保證金客戶	(ii) 1,879	26,120
— Clearing house, brokers and dealers	— 結算所、經紀及證券商	(iii) 10,075	10,632
— Clients for subscription of new shares in IPO	— 認購IPO新股客戶	(iv) 6,203	—
		27,769	98,361
Accounts receivable arising from consultancy and advisory services	顧問及諮詢服務產生之應收賬款	(v) 5,182	1,720
Accounts receivable arising from other business	其他服務之應收賬款	966	560
		33,917	100,641
Less: allowance for doubtful debts	減：呆賬撥備	(347)	(26,403)
		33,570	74,238

As of 30 June 2018, the balances of accounts receivable from consultancy and advisory services and other business with accrued fees of approximately HK\$4,809,000 (2017: HK\$1,455,000) for on-going advisory projects which have not been billed.

截至二零一八年六月三十日，來自諮詢及顧問服務及其他服務之應收賬款結餘，並沒有尚未計算的持續諮詢項目的應計費用約4,809,000港元（二零一七年：1,455,000港元）。

The fair value of accounts receivable approximates its carrying amount.

應收賬款之公平值與其賬面值相若。

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19 ACCOUNTS RECEIVABLE AND ACCRUED INCOME (Continued)

Notes:

- (i) As of 30 June 2018, there is no past due but not impaired receivable from cash clients represented client trades which are unsettled beyond the settlement date. No impairment loss was provided for these balances as either the Group held securities collateral for those balances with fair values in excess of the past due amounts or the balances have been settled subsequently.
- (ii) During the period, the Group has relaunched margin financing service after ceasing the service in 2004. The amount from margin clients in respect of margin service prior to the cession of this business in 2004, amounted to HK\$26,120,000, which had been fully impaired in prior year was written off during the period.
- (iii) Accounts receivable from clearing house, brokers and dealers are current. These represent pending trades arising from the business of dealing in securities, which are normally due within a few days after the trade dates.
- (iv) Accounts receivable from clients arising from financing of IPO subscriptions are required to settle their securities trading balance on allotment date determined under relevant market practices or exchange rules.
- (v) Accounts receivable from corporate clients represent accounts receivable arising from provision of corporate finance, consultancy and advisory services. Amount to HK\$1,256,000 (2017: HK\$1,550,000) of the accounts receivable are past due but not impaired. No reversal of provision for impairment loss has been made for the six months ended 30 June 2018 (2017: HK\$26,000).

19 應收賬款及應計收入(續)

附註：

- (i) 截至二零一八年六月三十日，在結算日之後尚未結算的客戶交易中，現金客戶沒有逾期但未減值的應收賬款。該等結餘並無提供減值虧損，原因是本集團持有的公允價值超過過期款項或餘額已於其後結算的結餘持有證券抵押品。
- (ii) 期內，本集團於二零零四年終止服務後重新推出保證金融資服務。於二零零四年終止保證金融資服務前已結轉保證金客戶應付保證金貸款金額為26,120,000港元在往年已全數減值，該金額於期內已全額註銷。
- (iii) 結算所、經紀及證券商應收賬款為即期。該款項指證券買賣業務產生之待結算交易，一般於交易日後數天內到期。
- (iv) 因首次公開發售認購融資而產生的客戶應收賬款須於相關市場慣例或交換規則下釐定的配發日結算其證券交易結餘。
- (v) 公司客戶的應收賬款是指因提供公司財務，諮詢和諮詢服務而產生的應收賬款。應收賬款金額1,256,000港元(二零一七年：1,550,000港元)已逾期但未減值。截至二零一八年六月三十日止六個月並無撥回減值撥備撥備(二零一七年：26,000港元)。

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19 ACCOUNTS RECEIVABLE AND ACCRUED INCOME (Continued)

(a) Ageing analysis of account receivable

The ageing analysis of accounts receivable, net of provisions for doubtful debts, at the end of the reporting period is as follows:

		At 30 June 2018 於二零一八年 六月 三十日 \$'000 千港元	At 31 December 2017 於二零一七年 十二月 三十一日 \$'000 千港元
Current	即期	32,314	72,688
Less than 1 month past due	逾期少於1個月	50	767
1 to 3 months past due	逾期1至3個月	756	262
More than 3 months but within 1 year past due	逾期3個月以上 但1年以內	450	521
Amounts past due	逾期款項	1,256	1,550
Total accounts receivable	應收賬款總額	33,570	74,238

(b) Balance with related parties

- (i) At 30 June 2018, there are accounts receivable of HK\$250,000 (2017: HK\$60,000 where our non-executive director, Mr. Ko Chun Shun, Johnson ("Mr. Ko") is a substantial shareholder) due from a company where Mr. Ko is a substantial shareholder and an executive director.

19 應收賬款及應計收入(續)

(a) 應收賬款之賬齡分析

於報告期末之應收賬款(扣除呆賬撥備)賬齡分析如下：

(b) 與關聯方的結餘

- (i) 於二零一八年六月三十日，應收本公司的非執行董事高振順先生(「高先生」)關聯公司之款項250,000港元(二零一七年：60,000港元高先生為該公司之主要股東)(高先生為該公司之主要股東及執行董事)。

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20 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

20 其他應收款項、按金及預付款項

		At 30 June 2018 於二零一八年 六月 三十日 \$'000 千港元	At 31 December 2017 於二零一七年 十二月 三十一日 \$'000 千港元
Deposits	按金	1,097	251
Prepayments	預付款項	7,695	6,683
Other receivables	其他應收款項	55,096	58,718
		63,888	65,652
Less: allowance for doubtful debts	減：呆賬撥備	(1,285)	—
		62,603	65,652

The fair values of other receivables approximate their carrying amounts. On 1 January 2018, the allowance for doubtful debts is provided upon adoption of HKFRS 9 with details disclosed in note 3. During the period, an additional provision of HK\$142,000 was made.

其他應收款項之公平值與其賬面值相若。於二零一八年一月一日，在採納香港財務報告準則第9號時提供呆賬撥備，並於附註3披露詳情。期內，額外撥備142,000港元。

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21 CASH AND CASH EQUIVALENTS, FIXED BANK DEPOSITS WITH ORIGINAL MATURITY OVER 3 MONTHS AND BANK BALANCE – TRUST AND SEGREGATED ACCOUNTS

21 現金及現金等值項目，到期期限多於三個月的銀行定期存款及銀行結存 – 信託及獨立賬戶

			At 30 June 2018 於二零一八年 六月 三十日 \$'000 千港元	At 31 December 2017 於二零一七年 十二月 三十一日 \$'000 千港元
Bank balance – trust and segregated accounts	銀行結存 – 信託及獨立賬戶			
Deposit with bank	銀行存款		373,441	340,029
Less: impairment allowance	減：呆賬撥備	(iv)	(65)	—
		(i)	373,376	340,029
Fixed bank deposits with original maturity over 3 months	到期期限多於三個月的銀行定期存款			
Deposit with bank	銀行存款	(iii)	521,463	1,580,313
Less: impairment allowance	減：呆賬撥備	(iv)	(1,421)	—
			520,042	1,580,313
Cash and cash equivalent	現金及現金等值項目			
Deposit with bank	銀行存款	(ii)	30,000	30,000
Fixed bank deposits with original maturity less than 3 months	到期期限少於三個月的銀行定期存款		2,474,390	1,739,627
Cash at bank and in hand	銀行及現金		159,504	412,747
Less: impairment allowance	減：呆賬撥備	(iv)	(1,459)	—
Cash and cash equivalent in the statement of financial position	在財務狀況表列示之現金及現金等值項目		2,662,435	2,182,374

Notes:

- (i) The Group maintains segregated accounts with authorised institutions to hold clients' money arising from its normal course of business of the regulated activities. The cash held on behalf of clients is restricted and governed by the Securities and Futures (Client Money) Rules under the Securities and Futures Ordinance.
- (ii) The Group has deposited HK\$30,000,000 with a bank as security deposit for bank overdraft facilities.
- (iii) As at 30 June 2018, fixed bank deposits, with original maturity over 3 months, amounted to HK\$78.5 million (2017: HK\$78.1 million) were deposited as collateral for fund-linked note, a financial product issued by the Group.
- (iv) The expected credit loss provision is made based on assessment as disclosed in note 3. During the period, an additional provision of HK\$399,000 was made.

附註：

- (i) 本集團於認可機構開立獨立賬戶，以持有其正常受規管活動業務過程中產生之客戶賬款。代客戶持有之現金受證券及期貨條例下之證券及期貨(客戶款項)規則限制及規管。
- (ii) 本集團已向銀行存入30,000,000港元，作為銀行透支融資之保證金。
- (iii) 於二零一八年六月三十日，到期期限多於三個月的銀行定期存款78,500,000港元(二零一七年：78,100,000港元)作為基金掛鈎票據(本集團發行的金融產品)之抵押品。
- (iv) 預期信貸損失準備根據附註3所披露的評估作出。期內，額外撥備共399,000港元。

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22 ACCOUNTS PAYABLE

22 應付賬款

		At 30 June 2018 於二零一八年 六月 三十日 \$'000 千港元	At 31 December 2017 於二零一七年 十二月 三十一日 \$'000 千港元
Accounts payable	應付賬款		
— Cash clients	— 現金客戶	384,585	400,247
— Brokers and dealers	— 經紀及證券商	2,534	52,328
		387,119	452,575

Included in accounts payable are amounts payable to clients and other institutions in respect of the trust and segregated bank balances received and held for clients and other institutions in the course of the conduct of regulated activities, which amount to HK\$371,521,000 (2017: HK\$ 391,043,000).

All of the accounts payable are aged and due within one month or on demand.

Balance with related parties

- (i) At 30 June 2018, accounts payable of HK\$230,000 (2017: HK\$ 230,000) are payable to Mr. Ko and HK\$1,746,000 (2017: HK\$ 1,746,000) are accounts payable to the related companies where Mr. Ko is a substantial shareholder on normal terms of brokerage business of the Group.
- (ii) At 30 June 2018, accounts payable of HK\$34,258,000 (2017: HK\$18,667,000) are payable to certain key management personnel on normal terms of brokerage and wealth management business of the Group.
- (iii) At 30 June 2018, accounts payable of HK\$41,000 (2017: nil) is payable to a company where our executive director, Mr. Huang Xin is the director and our chairman, Mr. Yu Feng ("Mr. Yu") is the substantial shareholder on normal terms of brokerage business of the Group.

應付賬款包括就於進行受規管活動過程中為客戶及其他機構收取及持有之信託及獨立銀行結存而應付客戶及其他機構之款項371,521,000港元(二零一七年：391,043,000港元)。

所有應付賬款之賬齡為於一個月內到期或按要求償還。

與關聯方的結餘

- (i) 截至二零一八年六月三十日，根據本集團經紀業務一般條款應付高先生之款項約230,000港元(二零一七年：230,000港元)及應付高先生關聯公司之款項1,746,000港元(二零一七年：1,746,000港元)(高先生為該等公司之主要股東)。
- (ii) 於二零一八年六月三十日，根據本集團經紀及財富管理業務一般條款應付關鍵管理人員的賬款為約34,258,000港元(二零一七年：18,667,000港元)。
- (iii) 於二零一八年六月三十日，根據本集團經紀業務一般條款應付一間(執行董事黃鑫先生為董事，而主席虞鋒先生「虞先生」為主要股東)關聯公司之款項約41,000港元(二零一七年：無)。

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23 ACCRUED EXPENSES AND OTHER PAYABLES

23 應計費用及其他應付款項

		At 30 June 2018 於二零一八年 六月 三十日 \$'000 千港元	At 31 December 2017 於二零一七年 十二月 三十一日 \$'000 千港元
Accrued staff costs	應計員工成本	3,997	33,245
Other payables and accruals	其他應付款項及應計費用	64,779	68,645
		68,776	101,890

All accrued expenses and other payables are to be settled within one year.

預期所有應計費用及其他應付款項將於一年內清償。

24 FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

24 按公平值計入損益之金融負債

		At 30 June 2018 於二零一八年 六月 三十日 \$'000 千港元	At 31 December 2017 於二零一七年 十二月 三十一日 \$'000 千港元
Liabilities designated at fair value through profit of loss	指定按公平值計入損益之負債		
Current	流動		
Fund-linked note (note 1)	表現掛鈎票據(附註1)	79,177	78,063
Non – current	非流動		
Preference share liability (note 2)	優先股負債(附註2)	233,708	207,071
Third-party interests in consolidated funds (note 3)	納入合併範圍的基金的 第三方權益(附註3)	211,131	156,606
		444,839	363,677

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24 FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Note:

1. The amount represents a financial product secured by bank deposit with principal amount of US\$10 million issued by the Group and the return of the product is linked to an underlying unlisted mutual fund. As the fund-linked note is due for settlement in July 2018, it is classified as current liability.
2. The total number of preference shares that can be issued under agreement is 500,000 shares for a total proceed of US\$50,000,000. The subsidiary is obliged to redeem all issued preference shares in 5 years starting from the initial issuance date of the preference shares. At liquidation, after all creditors' claim is satisfied, the asset of the subsidiary should be first distributed to preference shareholders by redeeming all issued shares together with any unpaid preferred share dividends. As the preference shares are due for settlement after more than a year from 30 June 2018, it is classified as a non-current liability. During the period, US\$3.3 million proceed obtained from the issue of preference shares at US\$100 per share by a subsidiary of the Group with the proceed being used to fulfil capital contribution to a consolidated fund managed by the Group.
3. The third party interests in consolidated fund consist of third-party unit holders' interest in the consolidated fund which is reflected as a liability as the fund is to be dissolved and return all capital to investor in seventh or eighth anniversary of the respective final closing date of the respective funds. As the end of term of the consolidated fund is more than a year from 30 June 2018, it is considered as a non-current liability.

24 按公平值計入損益之金融負債(續)

附註：

1. 該金額代表本集團發行本金為1,000萬美元由銀行存款擔保的金融產品，而產品的回報與一個相關非上市共同基金掛鉤。由於基金掛鉤票據將於二零一八年七月到期結算，因此分類為流動負債。
2. 根據協議可以發行的優先股總數達500,000股，總額為5,000萬美元。附屬公司有義務在初始發行日期開始的5年後贖回所有已發行優先股。在清算時，該附屬公司的資產在償還所有債權人的債權後，應首先分配給優先股股東，直至贖回已發行優先股分以及滿足未付的優先股股息。由於優先股在二零一八年六月三十日起超過一年後到期，其被歸類為非流動負債。期內，本集團一家附屬公司以每股100美元的優先股發行獲得330萬美元，並用於履行對本集團管理的合併基金的出資。
3. 合併資金中的第三方權益包括第三方單位持有人在合併資金中的權益，反映為基金將被解散的負債，並按照各自基金協議中規定從最後截止日期日期起7或8週年將所有資本返還給投資者。由於合併基金期限自二零一八年六月三十日起超過一年，因此被視為非流動負債。

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25 OBLIGATION UNDER FINANCE LEASE

The Group had obligations under finance leases repayable as follows:

25 融資租賃負債

本集團於融資租賃之責任如下：

		At 30 June 2018 於二零一八年六月三十日		At 31 December 2017 於二零一七年十二月三十一日	
		Present value of the minimum lease payment 現值的最低 租賃付款 \$'000 千港元	Total minimum lease payment 最低租賃 付款總額 \$'000 千港元	Present value of the minimum lease payment 現值的最低 租賃付款 \$'000 千港元	Total minimum lease payment 最低租賃 付款總額 \$'000 千港元
Within one year	一年以內	7,722	7,791	7,694	7,789
After one but within 2 years	一年後但兩年 內	3,837	4,018	4,438	4,528
After 2 years but within 5 years	兩年後但五年 內	7,351	8,076	10,940	11,951
		18,910	19,885	23,072	24,268
Less: finance cost	減：融資成本		(975)		(1,196)
Present value lease obligation	現值租賃負債		18,910		23,072

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26 SHARE CAPITAL

Movements of the Company's ordinary shares are set out below:

26 股本

本公司普通股之變動如下：

		At 30 June 2018 於二零一八年六月三十日		At 31 December 2017 於二零一七年十二月三十一日	
		Number of shares 股份數目	Amount 金額 \$'000 千港元	Number of shares 股份數目	Amount 金額 \$'000 千港元
Issued and fully paid:	已發行及繳足				
Balance brought forward	承前結存	2,423,326,394	4,629,094	2,399,336,394	4,499,548
Shares issued under share award scheme	根據股份獎勵計劃	—	—	23,990,000	129,546
Balance carried forward	發行之股份	2,423,326,394	4,629,094	2,423,326,394	4,629,094

Repurchase of Company's shares under share award scheme

During the period, the Group repurchased 19,952,000 number of Company ordinary share for a total consideration approximately of HK\$110,209,000 through Bank of Communications Trustee Limited for share award scheme purpose to be granted to the Group B Participant (Group B Grantees). The share repurchased is accounted for as shares held under share award scheme of the Company's reserve. The highest price paid per share repurchased is HK\$6 and the lowest price paid per share repurchased is HK\$5.5.

根據股票獎勵計劃回購本公司股份

期內，本集團透過交通銀行信託有限公司購回 19,952,000 股公司普通股，總代價約 110,209,000 港元，作為授予 B 組參與者 (B 組承授人) 的股份獎勵計劃用途。回購的股份按本公司儲備的股份獎勵計劃持有的股份入賬。回購的每股最高價格為 6 港元，每股回購的最低價格為 5.5 港元。

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27 EMPLOYEE SHARE-BASED ARRANGEMENTS

(i) Share award scheme

On 17 October 2014, the board of directors approved the adoption of the share award scheme (the “2014 Share Award Scheme”). The purpose of the 2014 Share Award Scheme is to (i) encourage or facilitate the holding of shares by the selected participants; (ii) encourage and retain such individuals to work with the Company and the Group and (iii) provide additional incentive for them to achieve performance goals, and the share award scheme took effect on 30 October 2014. The awarded shares are awarded by issuing new ordinary shares. Before vesting, the awarded shares are held in a trust set up by the scheme. During the period, there is neither new issue nor outstanding share award under the 2014 Share Award Scheme.

With similar purpose of 2014 Share Award Scheme, on 12 December 2016, the board of directors approved the adoption of 2016 Share Award Scheme (the “2016 Share Award Scheme”) and the Company issue of 23,990,000 new ordinary shares of the Company to TMF Trust (HK) Limited to be granted to the Group A Participant (Group A Grantees) as disclosed in the announcement of the Company dated 24 January 2017. The share was issued at value of HK\$5.4 per share.

During the Period, the Group repurchased 19,952,000 number of Company ordinary share through Bank of Communications Trustee Limited together with 48,000 shares already repurchased in 2017 for share award at a total consideration of approximately HK\$110,469,000. All 20,000,000 repurchased shares were granted to the Group B Participant (Group B Grantees).

The fair value of 2016 Share Award Scheme at the date of the grant are charged to staff costs and related expenses over the projected vesting period being the period for which the services from the employees are rendered with a corresponding credit to employee share-based payment reserve.

Upon vesting and transfer to the awardees, the related cost of the shares are credited to share held for share award scheme, and the related fair value of the shares are debited to share-based payment reserve.

27 僱員股份安排

(i) 股份獎勵計劃

於二零一四年十月十七日，董事會批准採納股份獎勵計劃(「2014股份獎勵計劃」)。2014股份獎勵計劃旨在(i)鼓勵或促進獲選參與者持有股份；(ii)鼓勵及挽留有關個別人士於本公司及本集團工作；及(iii)提供額外激勵予彼等達成表現目標，及股份獎勵計劃已於二零一四年十月三十日生效。獎勵股份乃透過發行新普通股授出。於歸屬前，該等獎勵股份由該計劃設立之受託人持有。期內，2014年股份獎勵計劃並無新發行或未發行股份獎勵。

與2014年股份獎勵計劃目的相似，於二零一六年十二月十二日，董事會批准通過2016年度股份獎勵計劃(「2016股份獎勵計劃」)，及誠如日期為二零一七年一月二十四日的公告所披露，向TMF Trust (HK) Limited受託人發行23,990,000股新普通股，以信託方式持有以每股5.4港元發行以授予A組承授人(A組承授人)。

於本期間，本集團以總代價約110,469,000港元通過交通銀行信託有限公司回購19,952,000股公司普通股連同48,000股已於2017年回購股份以進行股份獎勵。已向B組參與者(B組承授人)授予所有20,000,000股回購股份。

2016股份獎勵計劃獎勵股份於授出日期之公平值在預計歸屬期(即有關僱員提供服務之期間)內攤作員工成本及相關開支，並相應記入以股份為基礎之僱員付款儲備。

於歸屬及轉讓予獲授人後，該等股份之有關成本記入就股份獎勵計劃所持之股份，而該等股份之有關公平值則自以股份為基礎之付款儲備扣除。

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27 EMPLOYEE SHARE-BASED ARRANGEMENTS (Continued)

27 僱員股份安排(續)

(ii) Details of the 2016 Share Award Scheme (to Group A Grantee)

(ii) 授予A組承授人2016年股份獎勵計劃詳情

Date of approval by Board	Date of award	Awarded Sum	Number of shares issued	Number of awarded shares awarded	Average fair value per share	Vesting period
董事會批准日期	授出日期	獎勵金額 \$'000 千港元	已發行股份數目	已授出獎勵股份數目	每股平均公平值 HK\$ 港元	歸屬期
24 January 2017 二零一七年 一月二十四日	24 January 2017 二零一七年 一月二十四日	26,499	5,997,500	5,047,500	5.25	24 January 2017 – 4 May 2017 二零一七年一月二十四日至 二零一七年五月四日
24 January 2017 二零一七年 一月二十四日	24 January 2017 二零一七年 一月二十四日	26,499	5,997,500	5,047,500	5.25	24 January 2017 – 4 May 2018 二零一七年一月二十四日至 二零一八年五月四日
24 January 2017 二零一七年 一月二十四日	24 January 2017 二零一七年 一月二十四日	26,499	5,997,500	5,047,500	5.25	24 January 2017 – 4 May 2019 二零一七年一月二十四日至 二零一九年五月四日
24 January 2017 二零一七年 一月二十四日	24 January 2017 二零一七年 一月二十四日	26,499	5,997,500	5,047,500	5.25	24 January 2017 – 4 May 2020 二零一七年一月二十四日至 二零二零年五月四日
25 April 2018 二零一八年 四月二十五日	25 April 2018 二零一八年 四月二十五日	3,242	–	712,500	4.55	25 April 2018 – 4 May 2018 二零一八年四月二十五日至 二零一八年五月四日
25 April 2018 二零一八年 四月二十五日	25 April 2018 二零一八年 四月二十五日	3,242	–	712,500	4.55	25 April 2018 – 4 May 2019 二零一八年四月二十五日至 二零一九年五月四日
25 April 2018 二零一八年 四月二十五日	25 April 2018 二零一八年 四月二十五日	3,242	–	712,500	4.55	25 April 2018 – 4 May 2020 二零一八年四月二十五日至 二零二零年五月四日
25 April 2018 二零一八年 四月二十五日	25 April 2018 二零一八年 四月二十五日	3,242	–	712,500	4.55	25 April 2018 – 4 May 2021 二零一八年四月二十五日至 二零二一年五月四日

Details of the 2016 Share Award Scheme (to Group B Grantee)

授予B組承授人2016年股份獎勵計劃詳情

Date of approval by Board	Date of award	Awarded Sum	Number of shares issued	Number of awarded shares awarded	Average fair value per share	Vesting period
董事會批准日期	授出日期	獎勵金額 \$'000 千港元	已發行股份數目	已授出獎勵股份數目	每股平均公平值 HK\$ 港元	歸屬期
26 January 2018 二零一八年 一月二十六日	26 January 2018 二零一八年 一月二十六日	5,786	950,000	950,000	6.09	26 January 2018 – 2 February 2018 二零一八年一月二十六日至 二零一八年二月二日
21 May 2018 二零一八年 五月二十一日	21 May 2018 二零一八年 五月二十一日	94,298	19,050,000	19,050,000	4.95	21 May 2018 – 28 May 2018 二零一八年五月二十一日至 二零一八年五月二十八日

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27 EMPLOYEE SHARE-BASED ARRANGEMENTS (Continued)

27 僱員股份安排(續)

(iii) Details of the 2016 Share Award Scheme vested, cancelled and modification of service condition to Group A Grantee

(iii) 授予A組承授人2016年股份獎勵計劃歸屬，取消及服務條件修改詳情

Grant date on 24 January 2017

授出日期二零一七年一月二十四日

		Number of awarded shares awarded 授出的獎勵股數	Number of awarded shares vested 已歸屬獎勵股份數目	Number of awarded shares cancelled 已取消獎勵股份數目	Number of awarded shares forfeited 已沒收獎勵股份數目	Number of awarded share remains outstanding 仍未歸屬獲獎的份額
Vesting date	歸屬期	A	B	C	D	F=A-B-C-D
4 May 2017	二零一七年五月四日	5,047,500	4,510,000	450,000	—	87,500
4 May 2018	二零一八年五月四日	5,047,500	—	—	1,012,500	4,035,000
4 May 2019	二零一九年五月四日	5,047,500	—	—	1,012,500	4,035,000
4 May 2020	二零二零年五月四日	5,047,500	—	—	1,012,500	4,035,000
As of 31 December 2017	於二零一七年十二月三十一日	20,190,000	4,510,000	450,000	3,037,500	12,192,500
Movement for the period	當期變動					
4 May 2017	二零一七年五月四日	—	—	—	—	—
4 May 2018	二零一八年五月四日	—	3,372,500	—	575,000	—
4 May 2019	二零一九年五月四日	—	—	—	575,000	—
4 May 2020	二零二零年五月四日	—	—	—	575,000	—
		—	3,372,500	—	1,725,000	—
4 May 2017	二零一七年五月四日	5,047,500	4,510,000	450,000	—	87,500
4 May 2018	二零一八年五月四日	5,047,500	3,372,500	—	1,587,500	87,500
4 May 2019	二零一九年五月四日	5,047,500	—	—	1,587,500	3,460,000
4 May 2020	二零二零年五月四日	5,047,500	—	—	1,587,500	3,460,000
As of 30 June 2018	於二零一八年六月三十日	20,190,000	7,882,500	450,000	4,765,500	7,095,500

The awarded share remains outstanding due to service condition modification

由於服務條件修改，獎勵份額仍然未歸屬

Grant date on 25 April 2018

授出日期二零一八年四月二十五日

		Number of awarded shares awarded 授出的獎勵股數	Number of awarded shares vested 已歸屬獎勵股份數目	Number of awarded shares cancelled 已取消獎勵股份數目	Number of awarded shares forfeited 已沒收獎勵股份數目	Number of awarded share remains outstanding 仍未歸屬獲獎的份額
Vesting date	歸屬期	A	B	C	D	F=A-B-C-D
4 May 2018	二零一八年五月四日	712,500	712,500	—	—	—
4 May 2019	二零一九年五月四日	712,500	—	—	—	712,500
4 May 2020	二零二零年五月四日	712,500	—	—	—	712,500
4 May 2021	二零二一年五月四日	712,500	—	—	—	712,500
As of 30 June 2018	於二零一八年六月三十日	2,850,000	712,500	—	—	2,137,500

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27 EMPLOYEE SHARE-BASED ARRANGEMENTS (Continued)

(iv) Details of the 2016 Share Award Scheme vested, cancelled and modification of service condition to Group B Grantee

		Number of awarded shares awarded 授出的獎勵股數	Number of awarded shares vested 已歸屬獎勵股份數目	Number of awarded shares cancelled 已取消獎勵股份數目	Number of awarded shares forfeited 已沒收獎勵股份數目	Number of awarded share remains outstanding 仍未歸屬獲獎的份額
Vesting date	歸屬期	A	B	C	D	F=A-B-C-D
2 February 2018	二零一八年二月二日	950,000	950,000	—	—	—
28 May 2018	二零一八年五月二十八日	19,050,000	19,050,000	—	—	—
As of 30 June 2018	於二零一八年六月三十日	20,000,000	20,000,000	—	—	—

27 僱員股份安排(續)

(iv) 授予B組承授人2016年股份獎勵計劃歸屬，取消及服務條件修改詳情

28 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) Fair value hierarchy

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

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

28 以公平值計量之金融工具

(a) 公平值架構

下表呈列以經常性準則於報告期末計量之本集團金融工具公平值，乃根據香港財務報告準則第13號，公平值計量，所界定分類為三級公平值架構。公平值計量之級別參考估值方法所用之輸入數據之可觀察性及重要性而分類及釐定如下：

- 第一級估值：公平值僅使用第一級輸入數據(即於計量日期之相同資產或負債在活躍市場之未經調整報價)計算。
- 第二級估值：公平值使用第二級輸入數據(即未能達到第一級之可觀察輸入數據)，且並無使用重大不可觀察輸入數據計算。不可觀察輸入數據為並無市場數據之輸入數據。
- 第三級估值：公平值使用重大不可觀察之輸入數據計算。

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28 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

28 以公平值計量之金融工具(續)

(a) Fair value hierarchy (Continued)

The table below analyses financial instrument carried at fair value, by valuation method

(a) 公平值架構(續)

下表採用估值方法分析以公平價值計量的金融工具

		Fair value measurements as at 30 June 2018 categorised into			Fair value measurements as at 31 December 2017 categorised into		
		於二零一八年六月三十日之			於二零一七年十二月三十一日之		
		公平值計量歸類為			公平值計量歸類為		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
第一級	第一級	第一級	第一級	第一級	第一級		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
	千港元	千港元	千港元	千港元	千港元	千港元	
Recurring fair value measurement	經常性公平值計量						
Assets/(liabilities)	資產/(負債)						
Financial asset designated at fair value through profit or loss:	金融資產按公平值計入損益之指定投資：						
– Mutual fund investments	323,489	–	–	–	–	–	
– Private credit funds	–	–	347,357	–	–	–	
– Credit linked obligation note	–	–	255,389	–	–	–	
– Listed equity	–	–	–	3,209	–	–	
– Leveraged note investment	–	–	79,988	–	–	–	
– Trust products	–	–	41,004	–	–	–	
– Interest in a joint venture	–	–	19,449	–	–	–	
Held for trading:	持作買賣：						
– Unlisted fund/share option	–	930	–	–	2,727	–	
Financial asset at fair value through other comprehensive income	以公允價值計量且其他綜合收益的金融資產						
– Perpetual capital measured at fair value	–	74,017	–	–	–	–	
Available-for-sale financial assets	可供出售金融資產						
Overseas investment funds	海外投資基金						
– Mutual fund investments	–	–	–	326,691	–	–	
– Private credit funds	–	–	–	–	–	293,554	
Credit linked obligation note	–	–	–	–	–	192,721	
Perpetual capital measured at fair value	–	–	–	–	76,989	–	
Financial liabilities at fair value through profit or loss	金融負債以公允價值計入損益						
– Fund linked note	–	(79,177)	–	–	(78,063)	–	
– Preference share liability	–	–	(233,708)	–	–	(207,071)	
– Third-party interests in consolidated	–	–	(211,131)	–	–	(156,606)	
	323,489	(4,230)	298,348	329,900	1,653	122,598	

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28 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

(a) Fair value hierarchy (Continued)

There were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 except for a listed equity outside of Hong Kong with nil carrying value is transferred from level 1 to level 3 upon being delisted. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

(b) Valuation techniques and inputs used in Level 1 and Level 2 fair value measurements

For mutual funds, the Group determines the fair values based on the redeemable price quoted by fund manager. The Group determines the fair value of unlisted fund option based on broker's quote and the risk management team carries out independent assessment using option valuation model technique such as the Black-Scholes Option-Pricing model and appropriate assumptions including the underlying fund price for the option pricing reasonableness assessment. With reference to the quoted fair value of the unlisted fund option fund-linked note, the Group further determines the fair value of the fund-linked note. The Group determines the fair value of perpetual capital by making reference to the brokers' quote as there is over-the-counter markets for such financial instrument.

28 以公平值計量之金融工具(續)

(a) 公平值架構(續)

除一只在香港以外上市沒有賬面價值的股權在被除牌時由第一級轉為第三級，第一級與第二級之間並無轉移，或第三級亦並無轉入或轉出。本集團之政策是於報告期末確認發生於公平值架構級別之間之轉移。

(b) 第一級及第二級公平值計量所用之估值方法及輸入數據

本集團參考共同投資基金經理人提供的可贖回價格為共同投資基金的公平價值。本集團根據經紀人報價確定非上市基金期權的公允價值，風險管理團隊採用期權定價模型技術「柏力克－舒爾斯」期權定價模式等期權估值模式方法和適當假設(包括底層基金的基礎價格)進行獨立評估合理性評估。參考非上市基金期權基金掛鈎票據的公平值，本集團進一步釐定基金掛鈎票據的公平值。輸入數據以結算日之市場相關數據為基準。因為報告期末永續資本存在場外市場，本集團參考經紀報價確定永續資本的公平價值。

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28 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

(c) Valuation techniques and inputs used in Level 3 fair value measurements

The Group has determined that the fair value of private debt securities investment fund and interest in a joint venture holding based on the net asset value attributable to the Group determined by the respective fund managers. If such net asset value attributable to the Group is not yet readily available, adjustments to the fair value of the funds are made based on the latest net asset value with adjustments based on subsequent contribution made and distribution received by the Group. Regarding to credit link obligation note investment, the Group has determined the fair value based on valuation model and price quote provided by the arranger of the note with ongoing monitoring of our investment committee and risk management team in conjunction with additional information compiled by portfolio manager including performance and covenant compliance information as provided by the independent trustee. For the fund-linked note, the Group determined the fair value of the note based on the principal repayment terms, underlying reference fund price and option pricing model with appropriate assumptions. Regarding to the leveraged note investment and trust products, the Group determined their fair value based on recent transaction prices of those products.

28 以公平值計量之金融工具(續)

(c) 第三級公平值計量所用之估值方法及輸入數據

本集團根據基金經理提供的私人債務證券投資基金及不良資產基金淨資產值而確定私人債務證券投資基金及共同控制的基金投資的公平值。倘本集團應占之資產淨值尚未可供使用，本集團根據最新資產淨值並根據之後作出對基金之出資及基金作出分派及相關信息時間性對基金公平值作出適當調整。關於信用聯繫票據投資，在我們的投資委員會和風險管理團隊持續監督下，本集團連同由投資組合管理人編制的額外資料，包括由獨立受託人提供的表現及契約合規資訊，根據承銷商提供的估值模型和報價確定了公平值。就基金掛鉤票據而言，本集團根據本金還款條款，相關參考基準價格及期權定價模型以及適當假設確定票據的公允價值。就槓桿票據投資及信託產品而言，本集團根據該等產品的近期交易價格釐定其公平值。

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28 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

28 以公平值計量之金融工具(續)

(c) Valuation techniques and inputs used in Level 3 fair value measurements (Continued)

(c) 第三級公平值計量所用之估值方法及輸入數據(續)

The reconciliation of financial assets and liabilities under Level 3 fair value measurements is as follows:

在第三級公平值計量下的金融資產和負債的對賬如下：

Available-for-sale financial assets

可供出售金融資產

		2018 二零一八年 \$'000 千港元	2017 二零一七年 \$'000 千港元
At 1 January	於一月一日	488,518	24,430
Transferred to financial assets at fair value through profit or loss upon adoption of HKFRS 9	採納香港財務報告準則第9號轉為以公允價值計量且其變動計入損益的金融資產	(488,518)	—
Purchase	採購	—	329,147
Disposal	出售	—	—
Exchange alignment	外幣報表折算差額	—	1,147
Credited to other comprehensive income	計入其他綜合收益	—	11,791
At 30 June	於六月三十日	—	366,515

Financial assets at fair value through profit or loss (excluding interest in a joint venture)

金融資產以公允價值計入損益(不包括合營企業的權益)

		2018 二零一八年 \$'000 千港元	2017 二零一七年 \$'000 千港元
At 1 January	於一月一日	—	—
Transferred from available-for-sale financial assets upon adoption of HKFRS 9	採納香港財務報告準則第9號從可供出售金融資產轉移	488,518	—
Deconsolidation of a consolidated fund	拆併合併基金	(13,265)	—
Capital injection/purchase	注資/購買	137,462	—
Exchange alignment	外幣報表折算差額	1,790	—
Debited to income statement	扣自損益	(11,759)	—
At 30 June	於六月三十日	602,746	—

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28 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

28 以公平值計量之金融工具(續)

(c) Valuation techniques and inputs used in Level 3 fair value measurements (Continued)

(c) 第三級公平值計量所用之估值方法及輸入數據(續)

Interest in a joint venture

合營企業的權益

		2018 二零一八年 \$'000 千港元	2017 二零一七年 \$'000 千港元
At 1 January	於一月一日	—	—
Recognition of a joint venture	確認合營企業的權益	12,315	—
Capital injection	注資	6,996	—
Deemed gain on partial disposal	被視為部分處置的收益	26	—
Credited to income statement	扣自損益	112	—
At 30 June	於六月三十日	19,449	—

Financial liabilities at fair value through profit or loss

金融負債以公允值計入損益

		2018 二零一八年 \$'000 千港元	2017 二零一七年 \$'000 千港元
At 1 January	於一月一日	363,677	—
Share issued/contribution received	發行/已收到供款	84,749	143,421
Deconsolidation of a consolidated fund	拆併合併基金	(3,489)	—
Partial disposal of interest of a consolidated fund	被視為部分處置的收益	(1,168)	—
Distribution to third party investor	分配給第三方投資者	(8,262)	—
Exchange alignment	外幣報表折算差額	2,987	—
Charged to income statement	扣自損益	6,345	1,628
At 30 June	於六月三十日	444,839	145,049

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28 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

(c) Valuation techniques and inputs used in Level 3 fair value measurements (Continued)

Information about level 3 investment

Unlisted available-for-sale investment 非上市可供出售投資

Valuation technique 估值方法

Significant unobservable inputs 重要的不可觀察輸入數據

Credit linked obligation note
信用聯繫票據

Price quote
報價

Price quote
報價

Leveraged note investment/
trust products
槓桿票據投資／信託產品

Recent transaction price
近期交易價格

Recent transaction price
近期交易價格

Private credit funds and
interest in a joint venture
私募債權基金

Net asset value
資產淨值

Net asset value
資產淨值

Preference share liability
優先股負債

Discounted cashflow
折現現金流量

Expected distribution from
underlying fund investment
per annum and net asset
value of underlying fund
investment
基準基金每年投資預期分配及基
礎投資資產淨值

Third-party interests in
consolidated funds
納入合併範圍的基金的
第三方權益

Net asset value
資產淨值

Net asset value
資產淨值

28 以公平值計量之金融工具(續)

(c) 第三級公平值計量所用之估值方法及輸入數據(續)

第三級投資信息

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28 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

28 以公平值計量之金融工具(續)

(c) Valuation techniques and inputs used in Level 3 fair value measurements (Continued)

At 30 June 2018, for the fair value sensitivity analysis of level 3 investment, it is estimated that an increase/decrease of 10% in credit-linked note quoted price and in recent transaction price of leverage note investment, 5% in recent transaction price for trust products and 10% in net asset value of private fund investment by the Group, with all other variables held constant, would have increased/decreased the Group's loss after tax (and accumulated loss) as follows:

(c) 第三級公平值計量所用之估值方法及輸入數據(續)

於二零一八年六月三十日，就第三級投資的公平值敏感度分析而言，估計信貸掛鉤票據報價及近期交易價格及槓桿票據投資增加／減少10%，對於信託產品近期成交價格增加／減少5%，本集團私募基金投資資產淨值增加／減少10%，所有其他變量保持不變，將增加／減少本集團稅後虧損(及累計虧損)如下：

Change in the relevant equity price risk variable:	相關股價風險可變因素之變動：	2018 二零一八年		2017 二零一七年	
		%	Effect on loss after tax and accumulated loss 對除稅後虧損及累計虧損之影響 \$'000 千港元	%	Effect on loss after tax and accumulated loss 對除稅後虧損及累計虧損之影響 \$'000 千港元
Preference share liability	優先股負債				
Increase	增加	10	—	10	—
Decrease	減少	(10)	—	(10)	—
Third party interest in consolidated fund	納入合併範圍的基金的第三方權益				
Increase	增加	Note 註	20,919	Note 註	11,138
Decrease	減少	Note 註	(20,919)	Note 註	(11,138)
Private funds	私人基金投資				
Increase	增加	10	(34,791)	10	(25,580)
Decrease	減少	(10)	34,791	(10)	25,580
Leverage note investment	槓桿票據投資				
Increase	增加	10	(7,999)	—	N/A
Decrease	減少	(10)	7,999	—	N/A
Trust products	信託產品				
Increase	增加	5	(2,050)	—	N/A
Decrease	減少	(5)	2,050	—	N/A
Credit linked note	信用聯繫票據				
Increase	增加	10	(25,538)	3	(5,782)
Decrease	減少	(10)	25,538	(3)	5,782

Note: Weighted average of price change impact of the underlying asset

註：相關資產的價格變化影響的加權平均值

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29 COMMITMENTS

(a) Operating lease commitments

The total future minimum lease payments under non-cancellable operating lease on office premises properties are payable as follows:

	At 30 June 2018 於二零一八年 六月 三十日 \$'000 千港元	At 31 December 2017 於二零一七年 十二月 三十一日 \$'000 千港元
Within one year 一年內	21,999	18,801
After one year but within five years 一年後但五年內	32,431	5,711
	54,430	24,512

The Group leases a number of properties under operating leases. The leases run for an initial period of one to five years. None of the leases includes contingent rentals.

(b) Other commitments

As at 30 June 2018, the Group has a total of HK\$1.1 million (31 December 2017: HK\$0.6 million) intangible asset and leasehold improvement capital commitment contracted but not provided for and US\$113.8 million other capital commitment (31 December 2017: US\$127 million) related to third party managed funds with US\$44.5 million (31 December 2017: US\$37 million) having been contributed.

As at 30 June 2018, the Group has capital commitment to a joint venture for an amount of US\$20 million with US\$2.7 million has been contributed.

29 承擔

(a) 經營租賃承擔

根據不可撤銷辦公室租約之未來最低應付租賃款項總額如下：

	At 30 June 2018 於二零一八年 六月 三十日 \$'000 千港元	At 31 December 2017 於二零一七年 十二月 三十一日 \$'000 千港元
Within one year 一年內	21,999	18,801
After one year but within five years 一年後但五年內	32,431	5,711
	54,430	24,512

本集團根據經營租賃租用多個辦公室。租期初步為期一至五年。概無租賃包括或然租金。

(b) 資本承擔

截至二零一八年六月三十日，本集團合共承擔110萬港元(二零一七年十二月三十一日：60萬港元)的已簽約但未於財務報表內備撥之無形資產及租賃物業裝修資本承諾。本集團通過合併基金向第三方管理資金提供了1.14億美元(二零一七年十二月三十一日：1.27億美元)的資金承諾，其中4,450萬美元(二零一七年十二月三十一日：3,700萬美元)的資本已經出資。

於二零一八年六月三十日，本集團已向一家合營企業作出資本承諾，金額為2,000萬美元，已出資270萬美元。

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29 COMMITMENTS (Continued)

(b) Other commitments (Continued)

As disclosed in the announcement of the Company dated 4 February 2016, Yunfeng Financial Markets Limited (“YFM”) (formerly known as Reorient Financial Markets Limited), a wholly owned subsidiary of the Company, entered into a joint venture agreement with Giant Investment Co., Ltd., and Jiangsu YuWell Technology Development Co., Ltd. (“Jiangsu Limited”) on that day. As disclosed in the circular of the Company dated 29 April 2016, the joint venture agreement was superseded and replaced by the amended and restated joint venture agreement entered among YFM, Hangzhou Dr. Herbs Electronics Commerce Company Limited and Jiangsu Limited on 13 April 2016. Upon establishment of the joint venture after obtaining all necessary approval as defined and disclosed in the circular, YFM is committed to contribute RMB1,290,000,000 of the registered capital of the joint venture.

As disclosed in the announcement of the Company dated 17 August 2017, the Company and the other Asian investors and MassMutual International LLC, entered into the Share Purchase Agreement pursuant to which the Company has conditionally agreed to acquire 60% of the issued share capital of MassMutual Asia Limited which is located in Hong Kong. The portion of the consideration payable by the Company is HK\$7,860 million of which HK\$5,200 million will be satisfied by the issue of an aggregate of 800,000,000 shares of the Company at the issue price of HK\$6.50 per share representing approximately 24.82% of the issued share capital of the Company as enlarged by the issue of the shares.

30 CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 30 June 2018 and 31 December 2017.

29 承擔(續)

(b) 資本承擔(續)

誠如二零一六年二月四日刊發之本公司公告所披露，於當日，本公司的全資附屬公司雲鋒金融市場有限公司(「雲鋒金融市場」)(前稱瑞東金融市場有限公司)，與巨人投資有限公司及江蘇魚躍科技發展有限公司(「江蘇公司」)簽立有關成立合營公司的發起人協議。誠如二零一六年四月二十九日本公司通函所披露，於二零一六年四月十三日，雲鋒金融市場與杭州禾博士電子商務有限公司和江蘇公司簽立有關成立合營公司的經修訂及重列發起人協議取替及取代有關成立合營公司的發起人協議。誠如通函所定義及披露，雲鋒金融市場在合營公司取得所有必須的批准後為合營公司註冊資本承擔的出資金額為1,290,000,000人民幣。

誠如二零一七年八月十七日刊發之本公司公告所披露，本公司和美國萬通國際公司(「美國萬通國際」)達成交易，本公司和其他幾家亞洲投資者將收購美國萬通國際位於香港的美國萬通保險亞洲有限公司(萬通亞洲)。本公司有條件同意收購萬通亞洲已發行的60%股本，對價78.6億港元，當中52億港元以本公司發行8億股新股(每股6.50港元)支付，相當於本公司經擴大後發行股本約24.82%。

30 或然負債

於二零一八年六月三十日及二零一七年十二月三十一日，本集團並無任何重大或然負債。

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31 INTERESTS IN STRUCTURED ENTITIES

Interest in consolidated structure entities

The Group had consolidated certain structured entities, mainly funds related to wealth management operation. For those structured entities where the Group is involved as manager or as investor, the Group assesses the extent of controlling power according to relevant group accounting policies.

As at 30 June 2018, the net assets of consolidated fund entities amounted to HK\$642 million (2017: HK\$574 million) with net carrying interest held by the Group being HK\$431 million (2017: HK\$417 million).

Interests held by other investors in these consolidated structured entities, mainly fund entities were classified as financial liabilities at fair value through profit or loss of the consolidated statements of financial position with fair value change of financial liability at fair value through profit or loss presented in the consolidated income statements.

At period end, the Group reassessed the control of structured entities and decided whether the Group is still a principal.

Interest in unconsolidated structure entities

Among those structured entities held by the Group where the Group directly or indirectly involves as investment manager or in equivalent capacity, the Group regularly assesses and determines whether:

- the Group is acting as an agent or a principal in these investment funds;
- substantive removal rights held by other parties may remove the Group as an investment fund manager; and
- the investment interests held together with its remuneration from servicing and managing these structured entities create significant exposure to variability of returns in these investment funds

31 結構化實體的權益

合併結構化實體權益

本集團擁有若干合併入賬的結構化實體，主要包括為財富管理運營的基金產品。對於本集團作為管理人或投資者的該等結構化實體。本集團會根據相關的集團會計政策評估控制權。

於二零一八年六月三十日，綜合基金實體淨資產為6.42億港元(二零一七年：5.74億港元)，本集團持有淨資產為4.31億港元(二零一七年：4.17億港元)。

合併結算單位其他投資者持有的權益，主要為基金實體，歸類為綜合收益表的按公平值計入損益之金融負債虧損，在綜合財務狀況表歸類為按公平值計入損益之金融負債。

於期末，本集團重新評估對結構性實體的控制，並決定本集團是否仍為主要責任人。

未合併結構化實體權益

就本集團所持有並由本集團(作為投資經理)直接或間接參與的投資基金，本集團定期評估及確定：

- 本集團是否作為該等投資基金的代理或主事人；
- 其他各方是否持有可免除本集團作為投資基金經理職務之實質罷免權；及
- 所持投資權益連同服務及管理該等結構性實體的酬金是否使該等投資基金的回報承受重大變化風險

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31 INTERESTS IN STRUCTURED ENTITIES

(Continued)

Interest in unconsolidated structure entities

(Continued)

In the opinion of the directors, the variable returns that the Group to these structured entities is not significant and the Group is primarily acting as an agent. Therefore, the Group did not consolidate these structured entities.

The Group classified its investment in those unconsolidated entities as fair value through other comprehensive income investments with minimal loss exposure due to small investment amount involved.

32 MATERIAL RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the condensed consolidated interim financial report, the Group entered into the following material related party transactions.

31 結構化實體的權益(續)

未合併結構化實體權益(續)

董事認為，本集團於該等結構性實體的可變回報並不重大，及本集團主要擔當代理。因此，本集團並未合併這些結構化實體。

本集團將其於未納入綜合實體的投資分類為金融資產以公允值計入損益，因涉及的投資金額較小，故虧損風險極低。

32 重大關聯人士交易

除本簡明綜合中期財務報告其他部份所披露之關聯人士資料外，本集團進行以下重大關聯交易。

		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 \$'000 千港元	2017 二零一七年 \$'000 千港元
Brokerage commission (note (i))	經紀佣金(附註(i))	152	70
Fund management fee from a joint venture	合營企業基金管理費	634	—
Advisory fee income (note (ii))	諮詢費收入(附註(ii))	596	360
Interest expense (note (iii))	融資費用(附註(iii))	(135)	(60)

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32 MATERIAL RELATED PARTY TRANSACTIONS (Continued)

Note:

- (i) During the period ended 30 June 2018, the Group provided brokerage services to a company where our executive director, Mr. Huang Xin is the director and Mr. Yu is the substantial shareholder;

During the period ended 30 June 2017, the Group provided brokerage services to (i) a company where our executive director, Mr. Huang Xin is the director and Mr. Yu is the substantial shareholder; and (ii) companies where Mr. Ko is either a substantial shareholder or a substantial shareholder and an executive director.

- (ii) During the period ended 30 June 2018, the Group provided advisory services to companies where Mr. Ko is either a substantial shareholder or a substantial shareholder and an executive director.

During the period ended 30 June 2017, the Group provided advisory services to a company where Mr. Ko is a substantial shareholder.

- (iii) During the period ended 30 June 2018 and 30 June 2017, the Group provided securities custodian service to and incurred interest expense for cash custodian transactions with key management personnel.

33 COMPARATIVE FIGURES

Certain disclosure in relation to disposal gain of available for sales investment and impairment losses in the notes to the consolidated income statements are adjusted to conform to current year presentation.

34 NON-ADJUSTMENT EVENTS AFTER THE REPORTING PERIOD

During July 2018, the Group has made a US3.33 million capital contribution to the joint venture.

32 重大關聯人士交易(續)

附註：

- (i) 於二零一八年六月三十日報告期內，本集團向一間公司(其中本公司執行董事黃鑫先生為董事，而虞先生為主要股東)。

於二零一七年六月三十日報告期內，本集團向(i)一間公司(其中本公司執行董事黃鑫先生為董事，而虞先生為主要股東)；及(ii)一間公司(高先生為該公司之主要股東及執行董事)提供經紀服務。

- (ii) 於二零一八年六月三十日報告期內，本集團向一間公司(高先生為該公司之主要股東或該公司之主要股東及董事)提供諮詢服務。

於二零一七年六月三十日報告期內，本集團向一間公司(高先生為該等公司之主要股東)提供諮詢服務。

- (iii) 於二零一八年六月三十日及二零一七年六月三十日報告期內，本集團向重要管理人員提供證券託管服務及進行現金託管交易時產生的利息支出。

33 比較數字

有關可供出售投資之出售收益之若干披露及綜合收益表附註之減值虧損經調整以符合本年度呈列方式。

34 報告期後的非調整事件

於二零一八年七月期間，本集團已向合營企業出資333萬美元。

