



香港教育

(國際)投資集團有限公司

Hong Kong Education (Int'l) Investments Ltd.

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(於開曼群島註冊成立及於百慕達存續之有限公司)

Stock Code 股份代號: 1082



ANNUAL REPORT 2018 年報

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Corporate Information 公司資料

EXECUTIVE DIRECTORS

Tsang Ka Wai (appointed on 24 October 2017)
Yip Chung Yin Jeffrey (appointed on 10 November 2017)
Wong King Hoi (appointed on 10 November 2017)
Lee Wai Lok Ignatious
(resigned with effect from 9 November 2017)
Wong Yuk Tong (retired with effect from 19 December 2017)
Wu Mei Chu (resigned with effect from 21 December 2017)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Jor Stephanie Wing Yee (appointed on 10 November 2017)
Leung Ki Chi James (appointed on 19 January 2018)
Fenn David (appointed on 10 May 2018)
Pun Kwok Shan (resigned with effect from 26 October 2017)
Ong Chi King (resigned with effect from 9 November 2017)
Lee Shu Fai (retired with effect from 19 December 2017)
Fong Chak Kiu (appointed on 24 October 2017 and
resigned with effect from 10 May 2018)

COMPANY SECRETARY

Lam Yick Tung Philip (appointed on 21 December 2017)

AUDIT COMMITTEE

Jor Stephanie Wing Yee (*Chairman*)
Leung Ki Chi James
Fenn David

REMUNERATION COMMITTEE

Jor Stephanie Wing Yee (*Chairman*)
Yip Chung Yin Jeffrey
Fenn David

NOMINATION COMMITTEE

Fenn David (*Chairman*)
Tsang Ka Wai
Jor Stephanie Wing Yee

執行董事

曾家偉 (於2017年10月24日獲委任)
葉頌賢 (於2017年11月10日獲委任)
黃敬凱 (於2017年11月10日獲委任)
李偉樂 (於2017年11月9日辭任)

王玉棠 (於2017年12月19日退任)
胡美珠 (於2017年12月21日辭任)

獨立非執行董事

左穎怡 (於2017年11月10日獲委任)
梁其智 (於2018年1月19日獲委任)
范德偉 (於2018年5月10日獲委任)
潘國山 (於2017年10月26日辭任)
王子敬 (於2017年11月9日辭任)
李樹輝 (於2017年12月19日退任)
方澤翹 (於2017年10月24日獲委任
並於2018年5月10日辭任)

公司秘書

林翼東 (於2017年12月21日獲委任)

審核委員會

左穎怡 (*主席*)
梁其智
范德偉

薪酬委員會

左穎怡 (*主席*)
葉頌賢
范德偉

提名委員會

范德偉 (*主席*)
曾家偉
左穎怡

AUTHORISED REPRESENTATIVES

Yip Chung Yin Jeffrey
Lam Yick Tung Philip

AUDITORS

Baker Tilly Hong Kong Limited
Certified Public Accountants

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Rooms 1006-7, 10/F.
China United Centre
28 Marble Road
North Point
Hong Kong

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Bank of China (Hong Kong) Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

COMPANY WEBSITE

www.hkeduii.com

STOCK CODE

1082

授權代表

葉頌賢
林翼東

核數師

天職香港會計師事務所有限公司
執業會計師

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

香港總辦事處及主要營業地點

香港
北角
馬寶道28號
華匯中心
10樓1006-7室

主要往來銀行

香港上海滙豐銀行有限公司
中國銀行(香港)有限公司

主要股份過戶登記處

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

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓

公司網站

www.hkeduii.com

股份代號

1082

Management Discussion and Analysis

管理層討論及分析

Hong Kong Education (Int'l) Investments Limited ("Company") and its subsidiaries ("Group") faced a challenging operating environment due to fierce competition in the educational services industry in the last financial year. The declining number of candidates participating in the Diploma of Secondary Education Examination ("DSE") and the difficulty in tutor recruitment and retention has led to tough market conditions during the year ended 30 June 2018 ("Year").

For the Year, the Group recorded revenue of approximately HK\$109.03 million, representing a decrease of approximately 29.14% compared to the previous year. Loss attributable to owners of the Company for the Year amounted to approximately HK\$8.25 million (2017: loss of approximately HK\$333.33 million). During the Year, the Group recorded gain arising from change in fair value of financial assets at FVTPL of approximately HK\$31.52 million (2017: loss of approximately HK\$210.58 million). In addition, gain on disposal of subsidiaries and an associate of approximately HK\$13.73 million and HK\$55.83 million were recorded respectively. On the other hand, the Group has impaired (i) available-for-sale investments of approximately HK\$23.77 million; and (ii) loan and other receivables, in aggregate, of approximately HK\$15.14 million during the Year.

Although revenue has decreased as compared to the previous year, the Group remained one of the leading private tuition providers in Hong Kong. The Group maintained its emphasis on optimizing the provision of private educational services. In line with diversified business strategy, the Group invested in skill courses business by acquiring Wind Fly Dragon Int'l Limited ("Wind Fly"), which specializes in providing a wide range of dancing classes. The Group is confident that the acquisition will bolster the long-term competitiveness of its operation and the businesses will bring synergy effect to the Group.

香港教育(國際)投資集團有限公司(「本公司」)及其附屬公司(「本集團」)於上一個財政年度因教育服務行業競爭激烈而身處艱難的經營環境。於截至2018年6月30日止年度(「本年度」)，報考中學文憑考試(「中學文憑考試」)的考生人數不斷下跌以及導師招募及留聘工作困難導致市況艱巨。

於本年度，本集團錄得收入約109,030,000港元，較去年減少約29.14%。本公司擁有人應佔本年度虧損約8,250,000港元(2017年：虧損約333,330,000港元)。於本年度，本集團錄得按公平值計入損益的金融資產的公平值變動收益約31,520,000港元(2017年：虧損約210,580,000港元)。此外，亦錄得出售附屬公司及一間聯營公司收益分別約13,730,000港元及55,830,000港元。另一方面，本集團於本年度已就(i)可供出售投資約23,770,000港元；及(ii)貸款及其他應收款項合共約15,140,000港元作出減值。

儘管收入較去年有所下滑，本集團仍為香港領先私人教育供應商之一。本集團一如既往注重提供優質私人教育服務。為配合多元化業務策略，本集團透過收購千里飛龍國際有限公司(「千里飛龍」)(其專門提供各類舞蹈課程)，投資於技能課程業務。本集團堅信收購事項將大幅提升其長期經營競爭力，及該業務將為本集團帶來協同效應。

This year has been a challenging yet remarkable year for the Group. Looking ahead, the Group remains optimistic about the development prospect of the educational services industry. The Group will continue to strengthen its core businesses by enhancing education quality and sustaining good reputation in the industry.

BUSINESS REVIEW

Provision of private educational services

Secondary Tutoring Services

The operating environment of secondary tutoring industry in Hong Kong was challenging. Affected by the 334 education reform, a drop in birth rate, and an increasing trend of studying abroad, the market demand for secondary tutoring service continued to shrink significantly. This brought huge impact to the Group's secondary tutoring service business segment. Facing the severe atmosphere, the Group actively fine-tuned its marketing strategy and further enhanced its teaching quality to increase market competitiveness. During the Year, the Group recorded revenue of approximately HK\$71.64 million, representing a decrease of approximately 33.92% as compared with last year.

本年度對本集團而言乃充滿挑戰而又意義非凡的一年。展望未來，本集團對教育服務行業的發展前景保持樂觀取態。本集團將繼續通過提升教育質素及維持於業界的良好聲譽強化其核心業務。

業務回顧

提供私人教育服務

中學補習服務

香港中學補習行業之經營環境充滿挑戰。受334教育改革、出生率下降、及海外升學趨勢上升等因素影響，中學補習服務的市場需求持續大幅下滑，此對本集團中學補習服務業務分部構成嚴重的影響。面對嚴峻的市況，本集團積極完善其市場推廣策略及進一步提升其教學質素以增強其市場競爭力。於本年度，本集團錄得收入約71,640,000港元，較去年下降約33.92%。

Management Discussion and Analysis 管理層討論及分析

The following table sets forth the number of course enrolments, the number of tutors and the average course fees of each category of secondary tutoring courses for the two years ended 30 June 2018:

下表載述於截至2018年6月30日止兩個年度各類中學補習課程的課程報名人次、導師人數及平均學費：

		Year ended 30 June 截至6月30日止年度	
		2018	2017
Number of course enrolments (<i>in thousands</i>)	課程報名人次 (以千計)		
Regular courses	常規課程	95	138
Intensive courses	精讀班	10	13
Summer courses	暑期課程	15	25
T.I.P.S. courses	應試技巧班	4	8
Special courses	專科課程	10	11
Number of tutors (<i>Note 1</i>)	導師人數 (附註1)		
Regular courses	常規課程	37	42
Intensive courses	精讀班	33	34
Summer courses	暑期課程	37	42
T.I.P.S. courses	應試技巧班	23	28
Special courses	專科課程	23	26
Average course fees (<i>HK\$</i>) (<i>Note 2</i>)	平均學費 (港元) (附註2)		
Regular courses	常規課程	538	560
Intensive courses	精讀班	563	572
Summer courses	暑期課程	454	487
T.I.P.S. courses	應試技巧班	596	631
Special courses	專科課程	261	312

Note 1: Tutors may provide secondary tutoring services for all or certain categories of courses. Thus, the sum of the number of tutors for the provision of regular courses, intensive courses, summer courses, T.I.P.S. courses and special courses is not equal to the total number of tutors for the year.

附註1：導師可為所有或若干類別的課程提供中學補習服務。因此，本年度內提供常規課程、精讀班、暑期課程、應試技巧班及專科課程的導師人數總和，並不等於導師總人數。

Note 2: Being revenue divided by course enrolments for the year.

附註2：即本年度收入除以課程報名人次。

As of 30 June 2018, the Group had 8 learning centres operated under the brand of “Modern Education” 現代教育。

於2018年6月30日，本集團有8間以「現代教育」品牌營運的教育中心。

English Language Training and Test Preparation Courses

Over the past ten years, the Group has been delivering high-quality English language training and preparation courses to students and professionals. These courses, such as International English Language Testing System (IELTS) and Test of English for International Communication (TOEIC), help students improve their English skills and prepare for the standardized international English examinations. During the Year, the Group recorded revenue of approximately HK\$11.24 million, representing a decrease of approximately 49.90% as compared with last year, and there were approximately 6,700 (2017: approximately 14,000) course enrollments during the Year. The significant decrease in number of enrollments was mainly due to the reduction in the number of students referred from external agents. The Group continued to raise its teaching quality. In addition, the Group has been closely monitoring changes in the market and exploring the feasibility of further cooperation with existing or potential agents and strategic alliances in order to boost the revenue in this segment.

Primary Tutoring Services, Skill Courses and Test Preparation Courses

Early childhood education has shown enormous positive economic and social impacts as the Group has striven to expand its primary tutoring services. It is as important as secondary and tertiary education. Parents are willing to send their children for primary tutoring services in the hope of boosting their grades and enhancing the competitiveness for Secondary School Places Allocation. In addition, due to long working hours for parents and an increasing number of cross-border students, the private primary tuition market has certainly grown over recent years. The Group has continued to improve its educational quality in order to diversify and deepen the student learning experience. As of 30 June 2018, there were 7 directly-owned education centres and 36 franchised centres operated under the brand “Modern Bachelor Education” 現代小學士。During the Year, there were approximately 14,400 (2017: approximately 12,700) course enrollments recorded from directly-owned learning centres and total revenue contributed by the franchised centres to the Group was approximately HK\$4.51 million (2017: approximately HK\$4.50 million). The Group will make continuous investment in this business segment and explore opportunities for further cooperation with potential business partners to lay a foundation for greater market share and income source.

英語培訓及應試課程

過去十年間，本集團一直向學生及專業人士提供優質英語培訓及應試課程。該等課程（如國際英語測驗系統（雅思）及國際交流英語考試（TOEIC））有助學生提升英語技能及應付標準化的國際英語考試。於本年度，本集團錄得收入約11,240,000港元，較去年下降約49.90%，並錄得本年度課程報名人次約6,700名（2017年：約14,000名）。課程報名人次大幅減少乃主要由外部代理轉介的學生人數減少所致。本集團持續提升其教學質素。此外，本集團一直緊密監察市場變動並探尋與現有或潛在代理人以及戰略同盟進一步合作的可行性，藉此提高此分部的收入。

小學輔導服務、展藝課程及應試課程

幼兒教育對經濟及社會的影響是巨大而正面的，而本集團致力擴展其小學輔導服務。其重要性與中等及高等教育一樣。家長願意讓其子女接受小學輔導服務，以期提升他們的成績及獲取中學學位分配的競爭力。此外，受家長工時過長及跨境學生人數日益遞增影響，私人小學輔導市場於過去數年亦得到一定程度的發展。本集團不斷提升其教學質素以豐富及深化學生的學習經驗。截至2018年6月30日，「現代小學士」品牌旗下有7個直營教育中心及36個特許經營中心。於本年度，本集團錄得直營教育中心的課程報名人次約14,400名（2017年：約12,700名），而特許經營中心為本集團貢獻總收入約4,510,000港元（2017年：約4,500,000港元）。本集團將繼續投資此業務分部並探索與潛在業務夥伴進一步合作的機會，藉以為擴大市場份額及收入來源奠定堅實基礎。

Management Discussion and Analysis 管理層討論及分析

Dance tuition services

On 30 April 2018, the Group completed the acquisition of Wind Fly, which is running Shelly Lo Jazz & Ballet School, a professional dancing college for the provision of a wide range of courses including ballet, jazz dance, yoga, Latin dance and belly dance. Apart from the adult market, there has also been an increase in the number of teenagers and children participating in dance exercises. Dance is one of the approved activities under physical education under the New Senior Secondary School Curriculum in Hong Kong. The Group is optimistic about the professional dancing college and believes crossover programs between the business segments could generate synergy effect. The Group will actively explore other cooperation opportunities in this segment and work closely with potential strategic partners to drive more revenue. During the Year, the Group recorded revenue from dance tuition services of approximately HK\$2.44 million.

Investments

Properties Investments

During the Year, the Group has completed the disposal of its interest in two properties.

- (i) On 28 August 2017, the Group has completed the disposal of 60% of the issued share capital of Ultimate Elite Investments Limited and its subsidiary ("UE Group"), at an aggregate consideration of approximately HK\$89,568,000 (after adjustment) with an independent third party purchaser and other parties, with its interest in the properties held by UE Group situated at (i) Offices A–H, J–N & P on 21/F (Whole Floor); and (ii) Car parking space Nos. P47, P48 and P49 on the basement floor of Kings Wing Plaza 1, No. 3 On Kwan Street, Sha Tin, New Territories. An audited gain on such disposal of approximately HK\$13.63 million was recorded during the Year.

舞蹈教學服務

於2018年4月30日，本集團完成收購千里飛龍，其經營一間專業舞蹈學校羅逸雅芭蕾舞爵士舞學校，提供包括芭蕾舞、爵士舞、瑜伽、拉丁舞及肚皮舞在內的多種課程。除成人市場外，參加舞蹈訓練的青少年及兒童人數亦見增加。舞蹈乃香港新高中課程中經批准之體育教學活動之一。本集團對專業舞蹈學校寄予厚望，並相信業務分部間之聯乘項目可產生協同效應。本集團將積極探索此分部的其他合作機會並與潛在戰略夥伴緊密合作，以增加更多收入。於本年度，本集團錄得舞蹈教學服務收入約2,440,000港元。

投資

物業投資

於本年度內，本集團已完成出售其於兩項物業的權益。

- (i) 於2017年8月28日，本集團完成向一名獨立第三方買家及其他訂約方出售Ultimate Elite Investments Limited及其附屬公司（「UE集團」）已發行股本的60%，總代價約89,568,000港元（調整後），連同其於UE集團持有位於新界沙田安群街3號京瑞廣場1期(i)21樓A–H、J–N及P室辦公室（全層）；及(ii)地下室層第P47、P48及P49號停車位之物業的權益。本年度就該出售錄得經審核收益約13,630,000港元。

(ii) On 29 September 2017, the Group has completed the disposal of the entire interest of a wholly-owned subsidiary of the Group, at an aggregate consideration of approximately HK\$30,366,000 (after adjustment), with its interest in the property situated at Office No. 1303 on 13th Floor of Argyle Centre Phase I, No. 688 Nathan Road and No. 65 Argyle Street, Mong Kok, Kowloon. An audited gain on such disposal of HK\$100,000 was recorded during the Year.

Subsequent to the above completions, no property has been held by the Group as at 30 June 2018.

Assets Investments

Financial assets at fair value through profit or loss ("FVTPL")

The Group has adopted a diversification attitude and allocated more resources in securities investment during the Year. The Group acquired listed securities in 7 listed companies in Hong Kong and disposed of several listed securities in its investment portfolio during the Year. As at 30 June 2018, the Group had financial assets at FVTPL with a fair value of approximately HK\$74.65 million.

(ii) 於2017年9月29日，本集團完成出售其全資附屬公司的全部權益，總代價約30,366,000港元（調整後），連同其位於九龍旺角彌敦道688號及亞皆老街65號旺角中心一期13樓1303室物業的權益。本年度就該出售錄得經審核收益100,000港元。

於上述事項完成後，本集團於2018年6月30日概無持有任何物業。

資產投資

按公平值計入損益（「按公平值計入損益」）的金融資產

於本年度，本集團採取多元化的態度並分配更多資源於證券投資。於本年度，本集團收購香港7間上市公司的上市證券，並出售其投資組合中的若干上市證券。於2018年6月30日，本集團按公平值計入損益的金融資產的公平值為約74,650,000港元。

Management Discussion and Analysis 管理層討論及分析

Details of the significant investments in the portfolio under financial assets at FVTPL as at 30 June 2018 are as follows:

於2018年6月30日，按公平值計入損益的金融資產組合內的重大投資詳情如下：

Description of investment	Principal businesses	Number of shares held	Percentage held to the total issued share capital of the company/ investment	Investment cost/cost of acquisition	Fair value as at 30 June 2018	Percentage to the Group's audited total assets as at 30 June 2018
投資概述	主要業務	所持股份數目	佔公司已發行股本／投資總額的持股份比 (approximately) (概約)	投資成本／收購成本 HK\$'000 千港元	於2018年6月30日的公平值 HK\$'000 千港元	於2018年6月30日佔本集團經審核總資產的百分比 (approximately) (概約)
Significant investments						
重大投資						
Convoy Global Holdings Limited ("Convoy") (stock code: 1019)	Independent financial advisory business, money lending business, proprietary investment business, asset management business, corporate finance advisory services and securities dealing.	348,904,000	2.67%	122,116	38,100	12.06%
康宏環球控股有限公司 (「康宏」) (股份代號: 1019)	獨立理財顧問業務、借貸業務、自營投資業務、資產管理業務、企業融資顧問服務及證券買賣。					
Other investments						
其他投資						
EJE (Hong Kong) Holdings Limited ("EJE Holdings") (stock code: 8101)	Manufacture of custom-made furniture, design, manufacture and sale of mattress and soft bed products, securities investment, property investment and money lending in Hong Kong.	47,500,000	1.64%	4,060	11,638	3.68%
壹家壹品(香港)控股有限公司 (「壹家壹品」) (股份代號: 8101)	於香港從事訂製傢具製造、設計、製造及銷售床墊及軟床產品、證券投資、物業投資及借貸。					
Other listed shares*	—	—	—	20,824	15,433	4.88%
其他上市股份*						
Unlisted convertible bonds	—	—	—	9,300	8,998	2.85%
非上市可換股債券						
Heemin Capital Global Enhanced Yield Bond Fund ("Heemin Bond Fund")	Invest in low-risk investment grade bonds (above BB- S&P credit rating) worldwide to generate stable but more attractive income than those offered by bond market in the Greater China region.	64 participating shares	—	503	477	0.15%
	於全球投資低風險投資級債券(標準普爾信貸評級為BB-以上)以帶來比大中華地區債券市場更穩定及具吸引力的收入。	64 股參與股份				
Grand total for financial assets at FVTPL				156,803	74,646	23.62%
按公平值計入損益的金融資產總計						

* Other listed shares included 5 companies whose shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited ("Stock Exchange") and 2 companies whose shares are listed on GEM of Stock Exchange.

* 其他上市股份包括5家股份於香港聯合交易所有限公司(「聯交所」)主板上市的公司及2家股份於聯交所GEM上市的公司。

During the Year, the Group recorded a gain on the change in fair value of financial assets at FVTPL of approximately HK\$31.52 million. Such gain consists of net realised gain of approximately HK\$31.37 million and net unrealised gain of approximately HK\$0.15 million on fair value changes in financial assets at FVTPL as detailed below.

於本年度內，本集團錄得按公平值計入損益的金融資產的公平值變動收益約31,520,000港元。以下示列有關收益包括按公平值計入損益的金融資產的公平值變動的已變現收益淨額約31,370,000港元及未變現收益淨額約150,000港元。

Description of investments (stock code)	投資概述 (股份代號)	Realised fair value gain/(loss) for the Year 本年度已 變現公平值 收益 / (虧損) HK\$'000 千港元	Unrealised fair value gain/(loss) for the Year 本年度 未變現公平值 收益 / (虧損) HK\$'000 千港元
Convoy (1019) (Note 1)	康宏 (1019) (附註1)	28,306	(2,024)
EJE Holdings (8101)	壹家壹品 (8101)	2,845	7,577
Universe International Financial Holdings Limited ("Universe Int'l") (1046) (Note 2)	寰宇國際金融控股有限公司 ("寰宇國際") (1046) (附註2)	(740)	—
Heemin Bond Fund (Note 3)	Heemin Bond Fund (附註3)	677	(25)
Unlisted convertible bonds	非上市可換股債券	—	(302)
Other listed shares*	其他上市股份*	284	(5,077)
Grand total	總計	31,372	149

* Other listed shares included 7 companies whose shares are listed on the Main Board of the Stock Exchange and 4 companies whose shares are listed on GEM of the Stock Exchange.

* 其他上市股份包括7家股份於聯交所主板上市的公司及4家股份於聯交所GEM上市的公司。

Notes:

附註:

- The Group disposed of an aggregate of 351,092,000 shares of Convoy for an aggregate consideration of approximately HK\$68,682,000 during the Year.
- The Group disposed of an aggregate of 9,000,000 shares of Universe Int'l for an aggregate consideration of HK\$7,450,000 during the Year.
- The Group redeemed of an aggregate of approximately 7,686 participating shares of Heemin Bond Fund in June and July 2017 at an aggregate redemption price of US\$7,850,540.

- 本集團於本年度出售合共351,092,000股康宏股份，總代價為約68,682,000港元。
- 本集團於本年度出售合共9,000,000股寰宇國際股份，總代價為7,450,000港元。
- 本集團於2017年6月及7月贖回Heemin Bond Fund合共約7,686股參與股份，總贖回價為7,850,540美元。

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Available-for-sale investments

The Group also held significant investments under available-for-sale investments as at 30 June 2018 as below:

可供銷售投資

於2018年6月30日，本集團亦於可供銷售投資項下持有重大投資如下：

Description of investment	Principal businesses	Number of shares held	Percentage held to the total issued share capital of the company/ investment	Investment cost/cost of acquisition	Carrying amount as at 30 June 2018	Percentage to the Group's audited total assets as at 30 June 2018
投資概述	主要業務	所持股份數目	佔公司已發行股本／投資總額的持股份百分比 (approximately) (概約)	投資成本／收購成本 HK\$'000 千港元	於2018年6月30日的賬面值 HK\$'000 千港元	2018年6月30日經審核總資產的百分比 (approximately) (概約)
Significant investments						
重大投資						
Unlisted securities of a company ("Investee") incorporated outside Hong Kong	Dealing in securities, securities advisory, corporate finance advisory, asset management and wealth management services and money lending in Hong Kong.	–	–	30,831	16,114	5.10%
一間於香港境外註冊成立之公司（「被投資方」）之非上市證券	於香港從事證券買賣、證券顧問、企業融資顧問、資產管理及財富管理服務以及借貸。					
Other investments						
其他投資						
GET Holdings Limited [#] ("GET") (stock code: 8100)	Research, develop and distribute computer software, mobile phone applications and toolbar advertisement; invest in securities; money lending; provide corporate management solutions and IT contract services.	21,858,235	4.92%	51,037	9,181	2.90%
智易控股有限公司 [#] （「智易」）（股份代號：8100）	研發及分銷電腦軟件、流動電話應用程式及工具欄廣告；證券投資；借貸；提供企業管理解決方案及資訊科技合約服務。					
Grand total for the available-for-sale investments				81,868	25,295	8.00%
可供銷售投資總計						

[#] During the Year, the Group disposed of 26,010,000 shares of GET at an aggregate consideration of HK\$13,375,500. The Company further disposed of all the remaining 21,858,235 shares of GET held by it after the reporting period. Please refer to note 47 to the consolidated financial statements for further details.

[#] 於本年度，本集團出售26,010,000股智易股份，總代價為13,375,500港元。於報告期後，本公司進一步出售其持有的剩餘21,858,235股智易股份。有關進一步詳情，請參閱綜合財務報表附註47。

During the Year, the Group has fully impaired an unlisted investment fund established in the Cayman Islands of approximately HK\$9.05 million due to the uncertainty in the prospect of this investment, the management considered that the probability to fully recover investment in the investment fund would be remote.

Performance and future prospects of the Company's significant investments

(1) Convoy

The Convoy shares has been halted since 7 December 2017 and remain suspended up to the date of this report. The Group noted from the announcement of Convoy dated 1 August 2018 that, since the shares of Convoy have been suspended from trading on the Stock Exchange for less than 12 months as at 1 August 2018 ("Effective Date"), under Rule 6.01A(2)(b)(i) of the Listing Rules, the Stock Exchange may cancel listing of Convoy if the trading in its shares has remained suspended for 18 continuous months from the Effective Date. Therefore, if Convoy fails to resume trading in its shares by 31 January 2019, the Stock Exchange may proceed to cancel the listing of Convoy, subject to the Stock Exchange's right to impose a shorter specific remedial period under Rule 6.10 of the Listing Rules if appropriate.

In addition, there were a number of changes in the directorship of Convoy and a number of litigations involving Convoy and its subsidiaries, whether as plaintiff or defendant during the recent year. The Directors noted from the announcement of Convoy dated 19 March 2018 that the publication of annual results and annual report for the year ended 31 December 2017 of Convoy will be delayed and the board of directors of Convoy expected that Convoy and its subsidiaries may record a loss substantially worse than the loss recorded in the previous financial year. Up to the date of this report, no further financial information of Convoy has been updated. The Directors would continue to closely monitor the situation of Convoy and formulate appropriate strategies to protect the interest of the Group.

於本年度，因投資前景之不確定性，本集團已悉數減值於開曼群島成立之非上市投資基金約9,050,000港元，管理層認為於投資基金之投資悉數收回的可能性極微。

本公司重大投資的表現及未來前景

(1) 康宏

康宏股份已自2017年12月7日暫停買賣並於直至本報告日期仍然停牌。本集團自日期為2018年8月1日康宏公佈注意到，由於康宏股份於2018年8月1日（「生效日期」）已於聯交所暫停買賣少於12個月，根據上市規則第6.01A(2)(b)(i)條，倘股份買賣自生效日期起連續18個月停牌，聯交所可取消康宏之上市地位。因此，倘康宏於2019年1月31日未能恢復其股份買賣，聯交所可能進行取消康宏之上市地位，惟聯交所有權根據上市規則第6.10條施加較短的特定補救期（倘適用）。

此外，於最近一年，康宏的董事職位發生多次變動，且康宏及其附屬公司（不論作為原告或被告）涉及若干訴訟。董事自日期為2018年3月19日康宏公佈中知悉，康宏將延遲刊發截至2017年12月31日止年度之年度業績及年度報告，康宏之董事會預期康宏及其附屬公司可能錄得遠高於上一個財政年度所錄得的虧損。直至本報告日期，康宏並無更新進一步財務資料。董事將持續密切監察康宏之狀況並制定適當策略以保障本集團權益。

(2) Unlisted securities of the Investee

According to the subscription agreement entered into among Fastek Investments Limited (“Fastek”), an indirect wholly-owned subsidiary of the Company, being the subscriber, the Investee and the guarantor in November 2016, the guarantor has guaranteed to Fastek that the consolidated net profit after tax (“NPAT”) of the Investee and its subsidiaries (“Investee Group”) for the year ended 31 December 2017 should be not less than HK\$28,000,000, failing which the guarantor shall pay to Fastek the shortfall in cash with a multiplier. Based on the financial information provided from the management of the Investee Group (“Investee Management”), the consolidated NPAT of the Investee Group for the year ended 31 December 2017 reached not less than HK\$28,000,000 and has met the profit guarantee.

However, the Directors noted from the financial information provided from the Investee Management that the unaudited financial results of the Investee Group for the six months ended 30 June 2018 has a downtrend and a significant drop in revenue as compared to the year of 2017 and recorded a loss for the period. The Investee Management explained that the drop in revenue is due to the fluctuation and uncertainties of the Hong Kong stock market (including the IPO market) in the first half of year 2018 and other unfavourable factors which significantly and adversely impacted the Investee’s business. The Investee Management is actively modifying the business strategies for the second half of year 2018 to lead the Investee Group out of the red.

(2) 被投資方之非上市證券

根據Fastek Investments Limited (「Fastek」，本公司之間接全資附屬公司，為認購方)、被投資方及擔保人於2016年11月訂立之認購協議，擔保人已向Fastek擔保被投資方及其附屬公司(「被投資集團」)於截至2017年12月31日止年度的綜合除稅後純利(「除稅後純利」)將不少於28,000,000港元，倘保證無法實現，則擔保人須以現金向Fastek支付倍計差額。根據被投資集團管理層(「被投資方管理層」)提供的財務資料，被投資集團於截至2017年12月31日止年度的綜合除稅後純利達致不少於28,000,000港元並已履行溢利保證。

然而，董事自被投資方管理層所提供之財務資料中知悉，相較於2017年，被投資集團截至2018年6月30日止六個月的未經審核財務業績有所下滑且收益大幅下降並錄得期內虧損。被投資方管理層作出解釋，收益下滑乃因香港股票市場(包括首次公開發售市場)於2018年上半年出現波動及不確定性以及存在其他不利因素，其對被投資方業務產生了重大不利影響。被投資方管理層正積極修改2018年下半年的業務策略，以帶領被投資集團走出困境。

Other Investments

(i) Early Education

Since the ban on “doubly non-permanent resident babies” in 2012, the number of students from cross border family has been decreasing continuously. As a consequence, market demand for the early education in Hong Kong has continued to shrink significantly. This also brought negative impact to this business segment. Full Profit Hong Kong Development Limited and its subsidiary (“Full Profit Group”), being joint ventures of the Group, are specialized in providing management and consultancy services in early education. During the Year, the drop in student enrollment has led to a decrease in revenue to the Full Profit Group. The Group will work closely with the joint venture partner and monitor changes in the market and strive to develop alternative quality early childhood programs to diversify revenue of Full Profit Group.

(ii) Investment in associate

Interactive Entertainment China Cultural Technology Investments Limited (“IE China”), whose shares are listed on GEM of the Stock Exchange (stock code: 8081), was accounted for as an associate of the Group (owned as to approximately 26.66% by the Group) during the Year. On 6 April 2018, the Group through Fastek entered into a sale and purchase agreement with a vendor, an independent third party, to dispose of its entire interest in IE China, representing approximately 26.66% of the issued share capital of IE China, at the aggregate consideration of HK\$66,860,892. Details of the disposal were disclosed in the announcement and the circular of the Company dated 6 April 2018 and 25 May 2018 respectively. Completion of the disposal took place on 15 June 2018 and the Group ceased to hold any interest in IE China with effect on the same date.

其他投資

(i) 早期教育

自2012年頒佈「雙非嬰兒」禁令以來，來自跨境家庭之學生數目不斷下降，因此，香港早期教育之市場需求持續大幅下滑。此狀況亦對此業務分部產生負面影響。本集團之合營公司盈豐香港發展有限公司及其附屬公司（「盈豐集團」）專門提供早期教育方面的管理及諮詢服務。於本年度，入讀學生人數下降導致盈豐集團收入減少。本集團將與合營公司夥伴緊密合作，監察市場變動並致力開發其他優質早期教育項目以多元化盈豐集團的收入。

(ii) 於聯營公司的投資

互娛中國文化科技投資有限公司（「互娛中國」，其股份於聯交所GEM上市（股份代號：8081）），已於本年度入賬為本集團的聯營公司（本集團擁有約26.66%權益）。於2018年4月6日，本集團透過Fastek與賣方（獨立第三方）訂立買賣協議，出售其於互娛中國的全部權益，相當於互娛中國已發行股本約26.66%，總代價為66,860,892港元。該出售事項之詳情乃分別披露於本公司日期為2018年4月6日的公佈及日期為2018年5月25日的通函內。該出售事項於2018年6月15日完成，及自該日起，本集團於互娛中國不再持有任何權益。



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Money Lending Business

China Rich Finance Limited, an indirect wholly-owned subsidiary of the Group, is a holder of money lender's license under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). The Group has adopted money lending policies and procedures for handling and/or monitoring the money lending business in compliance with the Money Lenders Ordinance.

During the Year, the Group recorded loan interest income of approximately HK\$3.46 million (2017: approximately HK\$2.98 million) from granting loans to both corporate and individual clients. The outstanding principal amount of loan receivables as at 30 June 2018 was approximately HK\$31.30 million (2017: approximately HK\$26.08 million).

FINANCIAL REVIEW

Revenue

During the Year, the Group recorded revenue of approximately HK\$109.03 million, representing a decrease of approximately 29.14% as compared with approximately HK\$153.86 million recorded last year. Such decrease was primarily due to the decrease in revenue from secondary tutoring services to approximately HK\$71.64 million, representing a decrease of approximately 33.92% as compared to approximately HK\$108.41 million recorded last year. In addition, there was a drop in the revenue from English language training and test preparation courses to approximately HK\$11.24 million, representing a decrease of approximately 49.90% as compared to approximately HK\$22.44 million recorded last year. Due to the suspension of the secondary day school education, no revenue from secondary day school education was recorded during the Year.

On the other hand, revenue from primary tutoring services, skill courses and test preparation courses (including franchising income) was approximately HK\$19.67 million, representing an increase of approximately 12.82% as compared to approximately HK\$17.44 million recorded last year.

借貸業務

本集團之間接全資附屬公司漢富財務有限公司為香港法例第163章放債人條例下放債人牌照的持有人。本集團已遵守放債人條例，採納有關處理及／或監控借貸業務的借貸政策及程序。

於本年度，本集團於向企業及個人客戶授出貸款方面錄得貸款利息收入約3,460,000港元（2017年：約2,980,000港元）。於2018年6月30日，尚未償還的應收貸款的本金額約31,300,000港元（2017年：約26,080,000港元）。

財務回顧 收入

於本年度內，本集團的收入約109,030,000港元，較去年錄得的約153,860,000港元減少約29.14%。有關減少的主要原因為來自中學補習服務的收入減少至約71,640,000港元，較去年錄得的約108,410,000港元減少約33.92%。此外，來自英語培訓及應試課程的收入下降至約11,240,000港元，較去年錄得的約22,440,000港元減少約49.90%。由於暫停正規日校課堂，於本年度內並無錄得來自正規日校課堂的收入。

另一方面，來自小學輔導服務、展藝課程及應試課程（包括特許經營收入）的收入約19,670,000港元，較去年錄得的約17,440,000港元增加約12.82%。

During the Year, the Group recorded loan interest income from the money lending business of approximately HK\$3.46 million (2017: approximately HK\$2.98 million), representing an increase of approximately 16.33% as compared to last year. Due to the disposal of relevant subsidiaries during the Year, the Group recorded rental income of approximately HK\$0.57 million (2017: approximately HK\$1.44 million) from investment properties.

Other income, gains and losses

For the Year, the Group's other income, gains and losses recorded net gain of approximately HK\$55.89 million (2017: net gain of approximately HK\$6.15 million). Such significant increase was due to the net effect of, among other things, (i) a gain on disposal of subsidiaries of approximately HK\$13.73 million; (ii) a gain on disposal of an associate of approximately HK\$55.83 million; and (iii) the impairment loss on loan and other receivables, in aggregate, of approximately HK\$15.14 million being recorded during the Year.

Staff costs

The Group's staff costs decreased by approximately HK\$16.82 million or approximately 29.02% compared with the last financial year. Such decrease was mainly attributable to the decrease in Directors' remuneration and other staff salaries during the Year.

Tutor contractor fee

The Group's tutor contractor fee decreased by approximately HK\$16.09 million or approximately 36.73% compared with the last financial year. Such decrease was in line with the decline in revenue derived from secondary tutoring services.

Operating lease payments

The Group's operating lease payments decreased by approximately HK\$4.17 million or approximately 11.02% compared with the previous year. Such decrease was due to the decrease in monthly rental payments of the Group as a result of the reduction in number of secondary learning centres.

於本年度內，本集團錄得來自借貸業務的貸款利息收入約3,460,000港元（2017年：約2,980,000港元），較去年增加約16.33%。由於本年度內出售相關附屬公司，本集團錄得投資物業之租金收入約570,000港元（2017年：約1,440,000港元）。

其他收入、收益及虧損

於本年度，本集團的其他收入、收益及虧損錄得淨收益約55,890,000港元（2017年：淨收益約6,150,000港元）。有關大幅增加乃由於（其中包括）本年度錄得(i)出售附屬公司收益約13,730,000港元；(ii)出售一間聯營公司收益約55,830,000港元；及(iii)貸款及其他應收款項減值虧損合共約15,140,000港元之淨影響所致。

員工成本

本集團的員工成本較上一個財政年度減少約16,820,000港元或約29.02%。有關減少乃主要由於本年度內董事酬金及其他員工薪金減少所致。

導師承包費

本集團的導師承包費較上一個財政年度減少約16,090,000港元或約36.73%。有關減少與來自中學補習服務的收入減少一致。

經營租賃付款

本集團的經營租賃付款較去年減少約4,170,000港元或約11.02%。有關減少乃由於中學學習中心數目減少而導致本集團每月租金付款減少所致。

Management Discussion and Analysis 管理層討論及分析

Marketing expenses

The Group's marketing expenses decreased by approximately HK\$4.09 million or approximately 25.89% compared with last year. Such decrease was mainly attributable to the reduction in media placement and various marketing activities during the Year.

Other operating expenses

The Group's other operating expenses decreased by approximately HK\$2.98 million or approximately 7.14% compared with the previous year. During the Year, the Group recorded a drop in various operating expenses, in which building management fees, consultancy fee, repair and maintenance, sales commission paid to external party, share-based payment expenses and sundry expenses, in aggregate, decreased by approximately HK\$12.22 million. On the other hand, there was an increase in legal and professional fee by approximately HK\$5.11 million as compared with last year and a write off of promissory note receivable of approximately HK\$5.53 million was recorded for the Year.

Finance costs

The Group incurred finance costs of approximately HK\$3.42 million from loan notes and bank borrowings during the Year (2017: approximately HK\$16.60 million).

Loss attributable to owners of the Company

Loss attributable to owners of the Company for the Year was approximately HK\$8.25 million (2017: loss of approximately HK\$333.33 million). The decrease in loss was mainly due to the net effect of, among other things, (i) a gain arising on change in fair value of financial assets at FVTPL of approximately HK\$31.52 million (2017: loss of approximately HK\$210.58 million); (ii) gain on disposal of subsidiaries and associate of approximately HK\$13.73 million and HK\$55.83 million respectively; (iii) impairment loss on available-for-sale investments of approximately HK\$23.77 million; and (iv) impairment loss on loan and other receivables of approximately HK\$15.14 million.

市場推廣開支

本集團的市場推廣開支較去年減少約4,090,000港元或約25.89%。有關減少乃主要由於本年度的媒體投放及多個市場推廣活動減少所致。

其他經營開支

本集團的其他經營開支較去年減少約2,980,000港元或約7.14%。於本年度，本集團各種經營支出均有下降，其中樓宇管理費、諮詢費、維修及保養、向外部方支付銷售佣金、以股份為基礎的付款開支及雜項開支合共減少約12,220,000港元。另一方面，法律及專業費用較去年增加約5,110,000港元及於本年度錄得撇銷應收承兌票據約5,530,000港元。

財務費用

於本年度內，本集團自貸款票據以及銀行借款產生財務費用約3,420,000港元（2017年：約16,600,000港元）。

本公司擁有人應佔虧損

本公司擁有人應佔本年度虧損約8,250,000港元（2017年：虧損約333,330,000港元）。虧損減少主要由於（其中包括）(i)按公平值計入損益的金融資產的公平值變動收益約31,520,000港元（2017年：虧損約210,580,000港元）；(ii)出售附屬公司及聯營公司收益分別約13,730,000港元及55,830,000港元；(iii)可供出售投資減值虧損約23,770,000港元；及(iv)貸款及其他應收款項減值虧損約15,140,000港元之淨影響所致。

LOOKING FORWARD

Going forward, the Group will further consolidate its education business and accelerate the expansion of its primary tutoring services and skills courses segment. Due to intensifying competition for the admission to elite secondary schools and universities and the increasing demand for private tutoring services from working parents, the Group is confident in the growth prospect of the education industry. In order to achieve sustainable growth and positive performance amidst fierce competition, the Group will enhance the quality of educational services by provision of comprehensive learning materials and recruitment of professional tutors. Meanwhile, the Group will also improve the course design and format of delivery, and maintain reasonable courses fees. The Group will take cautious steps to carry out business expansion and operation enhancement in order to unleash market potentials.

The commitment to all-round development of students is another important strategy of the Group. Dancing is included in the New Senior Secondary School Curriculum of physical education as one of the approved activities. To cater for the future development of this segment, the Group will continue to explore new market opportunities and expand the scope of educational services. Despite tough market conditions ahead, the Group will further strengthen its comparative advantages in tackling difficulties and challenges.

LIQUIDITY AND FINANCIAL RESOURCES

The Group has established an appropriate liquidity risk management system to manage its short, medium and long-term funding and to satisfy its liquidity management requirements.

As at 30 June 2018, the Group's total balance of cash and cash equivalents amounted to approximately HK\$42.71 million (30 June 2017: approximately HK\$16.28 million), of which 95.35% is held in Hong Kong dollars and 4.65% is held in Renminbi. Current ratio (defined as total current assets divided by total current liabilities) was 8.53 times (30 June 2017: 1.96 times).

As at 30 June 2018, the gearing ratio of the Group was 8.74% (30 June 2017: 37.79%). Gearing ratio is total debts divided by the sum of total equity and total debts. Total debts refer to total liabilities minus the sum of tax payable, deferred tax liabilities and dividend payable (if any).

前景

展望未來，本集團將進一步整合其教育業務並加快其小學輔導服務及技能課程分部之擴張。由於獲中學名校及大學錄取之競爭日益激烈以及在職家長對私營補習服務之需求日益上升，故本集團對教育行業之增長前景充滿信心。為於激烈的競爭環境中實現持續增長及錄得良好業績，本集團將通過提供全面的學習素材及招募專業導師以提高教育服務質素。與此同時，本集團亦將改善課程設計及傳授方式，並維持課程價格於合理水平。本集團將採取謹慎措施進行業務擴張及營運優化，以期釋放市場潛力。

本集團另一項重要策略為致力於學生的全面發展。舞蹈乃獲列入新高中課程中經批准之體育教學活動之一。為迎合該分部的未來發展，本集團將繼續探索新市場機遇及拓展教育服務範圍。儘管未來市況甚艱，本集團將進一步加強其應對困難及挑戰的比較優勢。

流動資金及財政資源

本集團已建立適當的流動資金風險管理制度以管理其短期、中期及長期資金及滿足其流動資金管理需求。

於2018年6月30日，本集團的現金及現金等價物的總結餘約42,710,000港元（2017年6月30日：約16,280,000港元），其中95.35%以港元持有及4.65%以人民幣持有。流動比率（界定為總流動資產除以總流動負債）為8.53倍（2017年6月30日：1.96倍）。

於2018年6月30日，本集團的資本負債比率為8.74%（2017年6月30日：37.79%）。資本負債比率為總負債除以總權益及總負債之和。總負債為債務總額減去應付稅項、遞延稅項負債及應付股息（如有）之和。

FUND RAISING ACTIVITIES

Previous fund raising activity

The Group had no fund raising activity during the Year. The Company has fully utilised the net proceeds from the rights issue of the Company completed on 7 August 2015. During the Year, the remaining balance from the net proceeds of the rights issue in the amount of approximately HK\$6.14 million (as disclosed in the annual report of the Company for the year ended 30 June 2017) has been utilised as intended for the payment of interest and/or repayment of principal of the loan notes issued by the Company on 17 December 2015.

CAPITAL STRUCTURE AND TREASURY POLICIES

The Group consistently employed a prudent treasury policy during its development and generally financed its operations and business development with internally generated resources and equity and/or debt financing activities. The Group also adopted flexible and prudent fiscal policies to effectively manage the Group's assets and liabilities and strengthen its financial position.

EXPOSURE TO FOREIGN EXCHANGE RISK

The income and expenditure of the Group are mainly denominated in Hong Kong dollars and as such the impact of foreign exchange exposure of the Group was considered minimal. Hence, no hedging or other arrangements to reduce the currency risk have been implemented.

EMPLOYEE AND REMUNERATION POLICIES

As at 30 June 2018, the Group had a total of 309 employees (30 June 2017: 196 employees). They receive competitive remuneration packages that are constantly monitored with reference to the market circumstances, with incentives such as discretionary bonuses based on the Group's and individual performance. The Group provides comprehensive benefits packages and career development opportunities.

Pursuant to a share option scheme adopted by the Company on 11 June 2011 ("Share Option Scheme"), the Board may grant options to eligible persons, including employees and Directors, to subscribe for shares of the Company. During the Year, no share options have been granted by the Company pursuant to the Share Option Scheme.

集資活動

前次募集資金

本集團於本年度並無進行集資活動。本公司已悉數動用於2015年8月7日完成之本公司供股所得款項淨額。於本年度，供股所得款項淨額之餘額約6,140,000港元（誠如本公司截至2017年6月30日止年度的年報所披露）已按擬定用途動用，用於支付本公司於2015年12月17日發行之貸款票據之利息及／或償還本金。

資本架構及庫務政策

本集團於其發展的同時一直採取審慎的庫務政策，一般以內部產生資源及股本及／或債務融資活動為其營運及業務發展提供資金。本集團亦採用靈活審慎的財務政策，以有效地管理本集團的資產及負債以及加強其財務狀況。

外匯風險

本集團的收入及開支主要以港元結算，因此本集團認為外匯風險影響極低。故此，並無實施對沖或其他安排以減低貨幣風險。

僱員及薪酬政策

於2018年6月30日，本集團的僱員總數為309人（2017年6月30日：196人）。彼等獲給予具競爭力的薪酬待遇，而該等薪酬待遇乃參考市況持續監察，並根據本集團及個人表現獲發酌情花紅等獎勵。本集團為員工提供全面的福利待遇及事業發展機會。

根據本公司於2011年6月11日採納的購股權計劃（「購股權計劃」），董事會可向合資格人士（包括僱員及董事）授出購股權以認購本公司股份。於本年度，本公司概無根據購股權計劃授出任何購股權。

CONTINGENT LIABILITIES

As at 30 June 2018, the Group had no significant contingent liabilities (30 June 2017: nil).

CAPITAL COMMITMENTS

As at 30 June 2018, there was no capital commitments contracted for but not provided in the consolidated financial statements (30 June 2017: HK\$9.75 million).

CHARGES ON THE GROUP'S ASSETS

The Group had neither asset pledged nor any general banking facility as at 30 June 2018 (30 June 2017: investment properties which was classified as “Assets associated with disposal group classified as held for sale” with carrying value of HK\$151.50 million were pledged to secure general banking facilities granted to the Group).

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Year.

MATERIAL ACQUISITIONS AND DISPOSALS

During the Year, the Group had the following material acquisition and disposals:

- (i) On 1 June 2017, the Group through Rosy Lane Investments Limited (a wholly-owned subsidiary of the Company, as vendor) (“Rosy Lane”) and the Company (as guarantor) entered into a memorandum of understanding with (among other parties) Keen Elite Developments Limited (as purchaser), an independent third party, to dispose of 60% of the issued share capital of Ultimate Elite Investments Limited, which directly held 100% of the issued share capital of Vision Smart Limited (i.e. the UE Group) at a cash consideration of HK\$89,568,000 (after adjustment). The conditional sale and purchase agreement was entered amongst the parties on 31 July 2017. Details of the disposal were disclosed in the announcements of the Company dated 1 June 2017, 17 July 2017, 31 July 2017 and 28 August 2017. Completion of the disposal took place on 28 August 2017 and the Group has ceased to hold any interest in the UE Group.

或然負債

於2018年6月30日，本集團概無重大或然負債（2017年6月30日：無）。

資本承擔

於2018年6月30日，概無已訂約但未於綜合財務報表內撥備的相關資本承擔（2017年6月30日：9,750,000港元）。

本集團資產抵押

於2018年6月30日，本集團並無已抵押資產或任何一般銀行信貸（2017年6月30日：賬面值為151,500,000港元的投資物業（分類為「與分類為持作出售的出售組合相關的資產」）已作抵押，以取得授予本集團一般銀行信貸）。

購買、出售或贖回本公司的上市證券

於本年度內，本公司及其任何附屬公司概無購買、出售或贖回任何本公司的上市證券。

重大收購及出售

於本年度內，本集團有下列重大收購及出售：

- (i) 於2017年6月1日，本集團透過Rosy Lane Investments Limited（「Rosy Lane」，本公司之全資附屬公司，作為賣方）及本公司（作為擔保人）與（除其他訂約方外）獨立第三方，傑建發展有限公司（作為買方）訂立諒解備忘錄，以出售Ultimate Elite Investments Limited已發行股本的60%，其直接持有Vision Smart Limited已發行股本的100%（即UE集團），現金代價為89,568,000港元（調整後）。有條件買賣協議乃由訂約方於2017年7月31日訂立。出售的詳情披露於本公司日期為2017年6月1日、2017年7月17日、2017年7月31日及2017年8月28日的公佈內。出售於2017年8月28日完成，本集團不再於UE集團持有任何權益。

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- (ii) On 27 June 2017 and 28 July 2017, Wise Action Limited (“Wise Action”), an indirect wholly-owned subsidiary of the Company, served notice to redeem its interest in Heemin Bond Fund respectively in the amount of US\$3,875,000 and US\$3,975,540, representing approximately 3,794 and 3,892 participating shares in Heemin Bond Fund, both at the redemption price of US\$1,021.36 per participating share. Details of the redemptions were set out in the announcement of the Company dated 28 July 2017.
- (iii) On 24 August 2017 and 25 August 2017, Fastek disposed of an aggregate of 26,010,000 shares of GET for an aggregate consideration of HK\$13,375,500 (excluding stamp duty and related expenses). Details of the disposals were set out in the announcement of the Company dated 25 August 2017.
- (iv) During the period from August 2017 to October 2017, Fastek disposed of an aggregate of 351,092,000 shares of Convoy on the market through the Stock Exchange for an aggregate consideration of approximately HK\$68,682,000 (excluding stamp duty and related expenses). Details of the disposals were set out in the announcements of the Company dated 13 September 2017, 20 September 2017, 29 September 2017 and 20 October 2017. Given that a substantial loss in fair value of the shares of Convoy (“Convoy Shares”) held by the Group was recorded during the year ended 30 June 2017, on 20 October 2017, the Company proposed to seek the approval from Shareholders for the disposal of the Convoy Shares on the market through the Stock Exchange at the minimum selling price of not less than HK\$0.19 per Convoy Shares. On 23 January 2018, the Board decided not to proceed with the proposed disposal since trading of the Convoy Shares has been suspended since 7 December 2017 and there were a number of changes of directors and management of Convoy and Convoy and its subsidiaries are involved in a number of litigations, and the Company considered that there was inadequate publicly available information for the Company to provide all necessary information to allow the Shareholders to make a properly informed decision. For details, please refer to the announcements of the Company dated 20 October 2017 and 23 January 2018.
- (ii) 於2017年6月27日及2017年7月28日，本公司之間接全資附屬公司智僑有限公司（「智僑」）發出通知以贖回其於Heemin Bond Fund的權益，分別為3,875,000美元及3,975,540美元，相當於Heemin Bond Fund約3,794股及3,892股參與股份，贖回價均為每股參與股份1,021.36美元。有關贖回之詳情載於本公司日期為2017年7月28日之公佈內。
- (iii) 於2017年8月24日及2017年8月25日，Fastek出售智易股份合共26,010,000股，總代價為13,375,500港元（不含印花稅及相關費用）。有關出售之詳情載於本公司日期為2017年8月25日之公佈內。
- (iv) 於2017年8月至2017年10月期間，Fastek透過聯交所於市場出售合共351,092,000股康宏股份，總代價約68,682,000港元（不含印花稅及相關費用）。有關出售之詳情載於本公司日期為2017年9月13日、2017年9月20日、2017年9月29日及2017年10月20日之公佈內。鑒於本集團所持康宏股份（「康宏股份」）之公平值於截至2017年6月30日止年度錄得大幅虧損，於2017年10月20日，本公司建議尋求股東批准透過聯交所於市場上以最低售價不低於每股康宏股份0.19港元出售康宏股份。於2018年1月23日，董事會決定不再繼續進行建議出售事項，原因為康宏股份自2017年12月7日起已暫停買賣，且康宏之董事及管理層出現若干變動以及康宏及其附屬公司涉及若干訴訟，故而本公司認為其擁有之公開可得資料不足以提供所有必要資料以讓股東作出適當知情決定。有關詳情請參閱本公司日期為2017年10月20日及2018年1月23日之公佈。

- (v) During the Year, Fastek disposed of an aggregate of 9,000,000 shares in Universe Int'l on the market through the Stock Exchange for an aggregate consideration of HK\$7,450,000 (excluding stamp duty and related expenses). Details of the disposal were set out in the announcement of the Company dated 8 November 2017.
- (vi) On 6 April 2018, the Group through Fastek (as vendor) and the Company (as guarantor) entered into a conditional sale and purchase agreement with Ms. Cheng Hei Yu (as purchaser), an independent third party, to dispose of 1,422,572,191 shares of IE China representing approximately 26.66% of the issued share capital of IE China at a cash consideration of approximately HK\$66,861,000. Details of the disposal were disclosed in the announcement and circular of the Company dated 6 April 2018 and 25 May 2018 respectively. Completion of the disposal took place on 15 June 2018 and the Group ceased to hold any interest in IE China with effect on the same date.
- (vii) On 22 December 2017, Motion King Holdings Limited (an indirect wholly-owned subsidiary of the Company, as potential purchaser) and Azure Swan Limited ("Azure Swan", as potential vendor), an independent third party, entered into a memorandum of understanding in relation to the possible acquisition of the entire issued share capital in Wind Fly by the Group. On 13 April 2018, the Group through Diligent Lush Holdings Limited, an indirect wholly-owned subsidiary of the Company, as purchaser entered into a conditional sale and purchase agreement with Azure Swan as vendor and the guarantor to acquire the entire issued share capital of Wind Fly at the consideration of HK\$34,000,000. Details of the acquisition were disclosed in the announcement of the Company dated 22 December 2017 and 13 April 2018. Completion of the acquisition took place on 30 April 2018 and Wind Fly has become an indirect wholly-owned subsidiary of the Company.
- (v) 於本年度內，Fastek透過聯交所於市場上出售合共9,000,000股寰宇國際股份，總代價為7,450,000港元（不含印花稅及相關費用）。有關出售之詳情載於本公司日期為2017年11月8日之公佈內。
- (vi) 於2018年4月6日，本集團透過Fastek（作為賣方）及本公司（作為擔保人）與獨立第三方鄭熹榆女士（作為買方）訂立有條件買賣協議，以出售互娛中國1,422,572,191股股份，相當於互娛中國已發行股本約26.66%，現金代價約66,861,000港元。有關出售事項之詳情分別披露於本公司日期為2018年4月6日的公佈及日期為2018年5月25日的通函內。出售事項於2018年6月15日完成，及自該日起，本集團不再於互娛中國持有任何權益。
- (vii) 於2017年12月22日，Motion King Holdings Limited（本公司之間接全資附屬公司，作為潛在買方）與獨立第三方Azure Swan Limited（「Azure Swan」，作為潛在賣方）就本集團可能收購千里飛龍全部已發行股本訂立諒解備忘錄。於2018年4月13日，本集團透過本公司之間接全資附屬公司蔚勤控股有限公司（作為買方）與Azure Swan（作為賣方）及擔保人訂立有條件買賣協議，以收購千里飛龍的全部已發行股本，代價為34,000,000港元。有關收購之詳情乃披露於本公司日期為2017年12月22日及2018年4月13日之公佈內。收購於2018年4月30日完成，而千里飛龍成為本公司之間接全資附屬公司。

Save as disclosed above, the Group had no other material acquisitions or disposals of subsidiaries, associates and joint ventures during the Year.

FUTURE PLANS FOR MATERIAL INVESTMENT

As at 30 June 2018, the Group did not have any other plans for material investment or capital assets save as disclosed in this report.

除上述所披露者外，本集團於本年度內並無其他重大收購或出售附屬公司、聯營公司及合營公司。

重大投資的未來計劃

於2018年6月30日，除本報告所披露者外，本集團並無任何其他重大投資或資本資產的計劃。

Profiles of Directors and Senior Management

董事及高級管理層履歷

EXECUTIVE DIRECTORS

Mr. Tsang Ka Wai, aged 31, is an executive Director. Mr. Tsang was appointed as an executive Director on 24 October 2017. Mr. Tsang obtained a Bachelor of Economics and Finance Degree from the University of Hong Kong in 2010. Mr. Tsang has been a senior manager of a publisher of a newspaper focusing on finance and investments news since 2015.

Mr. Yip Chung Yin Jeffrey, aged 43, is an executive Director. Mr. Yip was appointed as an executive Director on 10 November 2017. Mr. Yip has over 15 years of experience in the information technology and marketing sectors, in particular, online marketing, offline events organizing and big data analysis.

Mr. Wong King Hoi, aged 31, is an executive Director. Mr. Wong was appointed as an executive Director on 10 November 2017. Mr. Wong obtained a Bachelor of Nursing degree from the University of Hong Kong in 2011. Mr. Wong was the president of a newspaper in Hong Kong which focused on finance and investments from 2015 to 2017 and is currently a financial columnist in various newspapers and magazines in Hong Kong. Mr. Wong has over 10 years of experience in the investment sector.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Jor Stephanie Wing Yee, aged 36, was appointed as an independent non-executive Director on 10 November 2017. Ms. Jor obtained a Bachelor of Engineering (Honours) degree and a Bachelor of Commerce degree from the University of Auckland, New Zealand in 2005. Ms. Jor is qualified as a Chartered Financial Analyst of the CFA Institute and as a Chartered Accountant of the Chartered Accountants Australia and New Zealand. Ms. Jor has over 12 years of experience in the accounting and finance sector, in particular, corporate finance and financial advisory services.

Mr. Leung Ki Chi James, aged 42, was appointed as an independent non-executive Director on 19 January 2018. Mr. Leung obtained a Master of Commerce degree from Macquarie University, Australia and a Bachelor of Business (Accounting) degree from the Central Queensland University, Australia in 1999 and 1998 respectively. Mr. Leung is a member of the Hong Kong Institute of Certified Public Accountants and the CPA Australia. Mr. Leung has over 16 years of experience in the accounting and finance sector, in particular, internal control and corporate financial management.

執行董事

曾家偉先生，31歲，為執行董事。曾先生於2017年10月24日獲委任為執行董事。曾先生於2010年獲得香港大學經濟及金融學學士學位。曾先生自2015年起於一家專門於財經及投資新聞的報章出版商任職高級經理。

葉頌賢先生，43歲，為執行董事。葉先生於2017年11月10日獲委任為執行董事。葉先生於資訊科技及市場營銷領域擁有逾15年經驗，尤其於網絡營銷、組織線下活動及大數據分析方面。

黃敬凱先生，31歲，為執行董事。黃先生於2017年11月10日獲委任為執行董事。黃先生於2011年獲得香港大學護理學學士學位。黃先生於2015至2017年間曾任香港一家以金融及投資為主的報社社長，彼目前為香港各大報章雜誌的財經專欄作家。黃先生於投資界擁有逾10年經驗。

獨立非執行董事

左穎怡女士，36歲，於2017年11月10日獲委任為獨立非執行董事。左女士於2005年獲得新西蘭奧克蘭大學工程學（榮譽）學士學位及商學學士學位。左女士取得特許財務分析師公會之特許財務分析師資格，以及澳洲及新西蘭特許會計師公會之特許會計師資格。左女士於會計及金融領域擁有逾12年經驗，尤其於企業融資及財務顧問服務方面。

梁其智先生，42歲，於2018年1月19日獲委任為獨立非執行董事。梁先生分別於1999年及1998年取得澳洲麥覺理大學（Macquarie University）之商學碩士學位，以及澳洲中央昆士蘭大學（Central Queensland University）之商業（會計）學士學位。梁先生為香港會計師公會及澳洲會計師公會之會員。梁先生於會計及金融領域擁有逾16年經驗，尤其於內部監控及企業融資管理方面。

INDEPENDENT NON-EXECUTIVE DIRECTORS

(Continued)

Mr. Fenn David, aged 38, was appointed as an independent non-executive Director on 10 May 2018. Mr. Fenn obtained his bachelor of laws degree with honours from the University of Hong Kong in December 2002. He was awarded the postgraduate certificate in laws by The University of Hong Kong in June 2003. Mr. Fenn further obtained a master of laws degree in banking and finance from University College London, University of London in the United Kingdom in November 2006. Mr. Fenn was admitted as a solicitor in Hong Kong in September 2005 and is specialised in the field of securities compliance, disputes resolution, winding-up and restructuring. He has been appointed as an adjudicator of the Registration of Persons Tribunal of Hong Kong since November 2013, a disciplinary panel member of the Hong Kong Institute of Certified Public Accountants since February 2016, and a member of the Appeal Panel (Housing) of the Transport and Housing Bureau of Hong Kong since April 2017. He is currently an independent non-executive director of Stream Ideas Group Limited, a limited company whose shares are listed on GEM of the Stock Exchange (stock code: 8401).

SENIOR MANAGEMENT

Mr. Lam Yick Tung Philip, aged 44, joined the group in November 2017. He is currently the financial controller and the company secretary of the Company. Mr. Lam holds a Bachelor of Arts degree and a Master of Commerce degree from the University of New South Wales, Australia. Mr. Lam is a member of the Hong Kong Institute of Certified Public Accountants and the CPA Australia. Mr. Lam has over 16 years of experience in the accounting and finance sector, in particular, financial advisory services.

獨立非執行董事 (續)

范德偉先生，38歲，於2018年5月10日獲委任為獨立非執行董事。范先生於2002年12月於香港大學取得其法律榮譽學士學位，彼於2003年6月獲香港大學頒發法律深造證書。范先生更於2006年11月在英國倫敦大學旗下的倫敦大學學院取得銀行及金融法律碩士學位。范先生於2005年9月在香港成為認可律師，專注證券合規、爭議解決、清盤及重組領域。彼自2013年11月起獲委任為香港人事登記審裁處的審裁員、自2016年2月起獲委任為香港會計師公會的紀律小組成員及自2017年4月起獲委任為香港運輸及房屋局上訴委員會（房屋）成員。范先生現為股份於聯交所GEM上市之源想集團有限公司（股份代號：8401）的獨立非執行董事。

高級管理層

林翼東先生，44歲，於2017年11月加入本集團，現任本公司的之財務總監及公司秘書。林先生獲得澳洲新南威爾斯大學文學士學位及商業碩士學位。林先生為香港會計師公會及澳洲會計師公會之會員。林先生於會計及財務領域擁有逾16年經驗，尤其於財務諮詢服務方面。

Report of the Directors

董事會報告

The directors (“Directors”) of Hong Kong Education (Int’l) Investments Limited (“Company”) present their annual report and the audited consolidated financial statements of the Company and its subsidiaries (“Group”) for the year ended 30 June 2018 (“Year”).

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of the principal subsidiaries as of 30 June 2018 are set out in note 44 to the consolidated financial statements.

BUSINESS REVIEW

A fair review of the business of the Group as well as discussion and analysis of the Group’s performance during the Year and the material factors underlying its financial performance can be found in the section headed “Management Discussion and Analysis” in this annual report. These discussions form part of this report of the Directors.

Principal Risks and Uncertainties

The principal risks and uncertainties related to the business of the Group are as below:

Talent search risk

The Group depends on its tutors to provide tutoring services to its students who look for quality test-taking skills, unique complementary teaching methods and stable tutor-student relationship. The service contracts of the Group’s tutors with the Group may not be renewed upon expiry. The business may be adversely affected if the Group is unable to recruit other experienced tutors or retain the tutors to support the tutoring services. The Group will keep searching quality tutors to join us and will engage new tutors in order to reduce the concentration of revenue generated from our existing tutors who received the highest tutor contractor fees.

香港教育（國際）投資集團有限公司（「本公司」）董事（「董事」）謹此提呈本公司及其附屬公司（「本集團」）截至2018年6月30日止年度（「本年度」）的年度報告及經審核綜合財務報表。

主要業務

本公司的主要業務為投資控股。主要附屬公司於2018年6月30日的主要業務詳情載於綜合財務報表附註44。

業務回顧

本集團業務的中肯回顧及本集團於本年度的表現的討論及分析，以及與財務表現相關的重大因素，載於本年報「管理層討論及分析」一節。該等討論構成本董事會報告的一部分。

主要風險及不確定因素

與本集團業務有關的主要風險及不確定因素如下：

人才搜尋風險

本集團依賴導師向尋求出色的應試技巧、獨特輔助性的教學方法及穩定的師生關係之學生提供補習服務。本集團導師與本集團的服務合約於到期時可能不會續約。倘本集團未能招聘其他有經驗導師或挽留導師支持補習服務，則業務可能會受到不利影響。本集團將繼續尋找優質導師加入我們，並將委聘新導師，以減低對收取最高導師費的現有導師所產生收益的集中度。

Business interruption risk

The Group rents education centres for its business to provide tutoring services to students. Renewal of leases of education centres at reasonable price is important for stable development of the business. The leases may not be renewed upon expiry and relocation of education centres may be needed. The business may be adversely affected if the Group is unable to maintain the existing education centres or to find suitable locations for new education centres. The Group will renew such leases or licences situated in prime locations in a timely manner before their expiration and maintain an updated portfolio of potential premises as back up options in order to minimise the adverse effect on business re-location.

Competitor risk

The industry in which the Group operates is in fierce competition. Decrease in the number of students and increase of small-scale tutoring centres in the market have deteriorated the market competition. The Group also faces significant competition in major programmes offered and geographical locations operated by its competitors. If the Group fails to retain and attract students, the market share may drop and the profitability may be adversely affected. The Group will enhance its competitive advantage through maintaining of a high-quality teaching team and a good brand image continuously in order to keep and further increase its market share.

Infringement risk

Protection of intellectual property rights is of great significance in society and to the Group's business. Generally, the laws and regulations affecting the Group include the Trade Marks Ordinance (Chapter 559 of the Laws of Hong Kong ("HK Laws") ("Trade Marks Ordinance")) and Copyright Ordinance (Chapter 528 of the HK Laws ("Copyright Ordinance")). Violation of such laws and regulations may expose the Group to litigation risks, which will adversely affect the financial position as well as the brand image of the Group. The Group will stay alert to the relevant legal issues and update its internal policies when necessary to avoid any breach of the regulatory requirements.

In addition, the financial risk management objectives and policies of the Group are shown in note 6 to the consolidated financial statements.

業務中斷風險

本集團租用教育中心進行業務，向學生提供補習服務。以合理價格續簽教育中心的租約對業務的穩定發展十分重要。租約於到期時可能不會續約並可能需要搬遷教育中心。倘本集團未能維持現有教育中心或為新教育中心物色合適的位置，則業務可能會受到不利影響。本集團將及時於到期前重續黃金地段的有關租約或牌照，並保存一份有潛力地段的最新組合資料作後備選擇，以盡量減低對業務搬遷的不利影響。

競爭對手風險

本集團經營所在行業競爭激烈。學生數目不斷減少而市場上小型補習中心增加，令市場競爭惡化。本集團與其競爭對手就提供主要課程及地理位置亦面對重大競爭。倘本集團未能挽留及吸引學生，其市場份額可能下降，而盈利能力可能受到不利影響。本集團將通過不斷維持高素質的教學團隊及良好的品牌形象來提高競爭優勢，以保持及進一步提高市場份額。

侵權風險

保護知識產權於社會及對本集團業務極為重要。一般而言，影響本集團的法律法規包括香港法例第559章《商標條例》（「商標條例」）及香港法例第528章《版權條例》（「版權條例」）。違反有關法律法規可能導致本集團面臨訴訟風險，將對本集團財務狀況及品牌形象構成不利影響。本集團將繼續留意相關法律事宜，並在必要時更新其內部政策，以避免任何違反監管要求。

此外，本集團的財務風險管理目標及政策載於綜合財務報表附註6。

Environmental Policies and Performance

The Group is committed to long term environmental sustainability. We strive to encourage higher environmental protection awareness at our offices and education centres by promoting the culture to consume electricity and natural resources wisely among our employees. The Group also commits to the principle and practice of recycling and reduction. The Group implements green office practices such as encouraging the use of recycled paper for printing and copying, double-sided printing and copying, reducing energy consumption by switching off idle lightings, air-conditioning and electronic and electrical appliances.

The Group will continually review its green practices to integrate environmental, health and safety management and compliance considerations into operational processes. The Group also promotes green awareness amongst and maintains dialogue with employees and business partners. The Group is determined to improve environmental performance of the daily business operations towards establishing a sustainable environment.

Compliance with Laws and Regulations

The Group recognises the importance of compliance with regulatory requirements and has taken measures to minimise the risk of non-compliance with such requirements which may otherwise lead to adverse impact on business operation and financial position of the Group. The Group, which has on-going review on the newly enacted laws and regulations and has established various management systems and measures such as internal control procedures and staff training, constantly monitors the operation of its business to ensure compliance with the relevant laws and regulations.

On the corporate level, the Group has complied with the requirements under the Rules (“Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) including the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) under the Listing Rules and the Securities and Futures Ordinance (Chapter 571 of the HK Laws (“SFO”)), relating to, among others, disclosure of information, dealings in securities, and corporate governance.

環境政策及表現

本集團致力於長遠環境可持續性。我們於辦公室及教育中心透過鼓勵員工明智用電及使用天然資源，致力提高環保意識。本集團亦承諾回收及節約的原則及措施。本集團實行綠色辦公室措施，如鼓勵使用環保紙打印及影印、雙面打印及影印、關掉不必要照明、空調及電子以及電器以減少能源消耗等。

本集團將繼續檢討其環保慣例，以於營運過程中綜合環境、健康及安全管理以及合規考慮。本集團亦於僱員及業務夥伴間宣傳環保意識及與彼等保持溝通。本集團致力改善日常業務營運的環保工作表現，以期建立可持續發展的環境。

遵守法律及法規

本集團意識到遵守監管要求的重要性，並努力盡量減低不遵守有關要求的風險，因不合規可能對本集團的業務經營及財務狀況構成不利影響。本集團持續審閱新頒佈的法律法規，並已制定內部控制程序及員工培訓等各種管理制度和措施，不斷監督業務經營，以確保遵守有關法律法規。

就企業層面而言，本集團已遵守香港聯合交易所有限公司（「聯交所」）《證券上市規則》（「上市規則」）（包括上市規則項下的上市發行人董事進行證券交易的標準守則（「標準守則」））及香港法例第571章《證券及期貨條例》（「證券及期貨條例」）項下有關（其中包括）資料披露、證券交易及企業管治之規定。

On the operational level, the Group has complied with the Personal Data (Privacy) Ordinance (Chapter 486 of the HK Laws) and the guidelines recommended by the Office of the Privacy Commissioner for Personal Data when collecting and processing data from students. The Group has also paid attention to the Copyright Ordinance when preparing and delivering teaching materials. Besides, the Group has complied with the Education Ordinance (Chapter 279 of the HK Laws) in application of applicable certificates for running education centres and the Trade Descriptions Ordinance (Chapter 362 of the HK Laws) in preparation and publication of advertisements.

On the human resources level, the Group has abided by the Employment Ordinance (Chapter 57 of the HK Laws), Employees' Compensation Ordinance (Chapter 282 of the HK Laws) Minimum Wage Ordinance (Chapter 608 of the HK Laws), Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the HK Laws), equal opportunity legislations (including Sex Discrimination Ordinance (Chapter 480 of the HK Laws), Disability Discrimination Ordinance (Chapter 487 of the HK Laws), Family Status Discrimination Ordinance (Chapter 527 of the HK Laws) and Race Discrimination Ordinance (Chapter 602 of the HK Laws)) and Occupational Safety and Health Ordinance (Chapter 509 of the HK Laws) to safeguard the health, safety, interests and benefits of the Group's employees. Details of the Group's compliance with relevant laws and regulations are set out in the Environmental, Social and Governance Report which is set out on pages 58 to 73 of this annual report.

To the best knowledge of the Directors, the Group has complied with the relevant laws and regulations during the Year. The Group is not aware of any material breach or non-compliance with the laws and regulations that have a significant impact on the business and operations of the Group.

Relationship with Employees, Customers and Suppliers

(a) Employees

The Group believes that employees are valuable assets. The Group provides competitive remuneration packages to attract and motivate the employees. The Group regularly reviews the remuneration package of the employees and makes necessary adjustments to conform to the market standard. The Group is also passionately committed to developing the staff and provides them with rewarding career paths and people-friendly working environment.

就經營層面而言，本集團於收集及處理學生資料時已遵守香港法例第486章《個人資料（私隱）條例》及個人資料私隱專員公署建議的指引。本集團於編製及派發教材時亦已注意版權條例。此外，本集團於申請營運教育中心所適用證書時亦已遵守香港法例第279章《教育條例》，並於製作及刊登廣告時遵守香港法例第362章《商品說明條例》。

就人力資源層面而言，本集團已遵守香港法例第57章《僱傭條例》、香港法例第282章《僱員補償條例》、香港法例第608章《最低工資條例》、香港法例第485章《強制性公積金計劃條例》、平等機會法例（包括香港法例第480章《性別歧視條例》、香港法例第487章《殘疾歧視條例》、香港法例第527章《家庭崗位歧視條例》及香港法例第602章《種族歧視條例》）及香港法例第509章《職業安全及健康條例》，以保障本集團僱員的健康、安全及利益。有關本集團遵守相關法律法規的詳情載於本年報第58至73頁所載環境、社會及管治報告內。

就董事所深知，本集團已於本年度遵守相關法律及法規。本集團並不知悉有任何嚴重違反或不遵守法律法規而對本集團業務及經營有重大影響的情況。

與僱員、客戶及供應商的關係

(a) 僱員

本集團深信，僱員是寶貴的資產。本集團為僱員提供具競爭力的薪酬待遇以作招攬及鼓勵。本集團定期檢討僱員薪酬待遇，並因應市場標準作出必要調整。本集團亦致力培養員工，為他們提供良好的晉升機會及以人為本的工作環境。

(b) Customers

The Group strives to achieve corporate sustainability in providing quality services to our customers. To ensure continuous improvement of the quality of services, the Group regularly reviews its teaching materials in order to meet the students' demand and the market trend. The Group believes that maintaining good relationship with students can help strengthen its market competitiveness in the industry.

(c) Suppliers

The Group understands the importance to work closely with our suppliers (who are mainly our tutors) to ensure the sustainability of our business. The Group has established long standing relationships with our suppliers and ensure they share our commitment to quality and ethics.

(b) 客戶

本集團致力為客戶提供優質服務以實現企業可持續發展。為確保持續提升服務質素，本集團會定期檢討教材，以滿足學生需求及市場趨勢。本集團相信與學生保持良好關係有助於加強在行業內的市場競爭力。

(c) 供應商

本集團深知與供應商（主要為我們的導師）緊密合作以確保業務可持續發展的重要性。本集團已與供應商建立長遠的合作關係，並確保彼等遵守我們對質素及道德的承諾。

SEGMENT INFORMATION

An analysis of the Group's operation for the Year by business activities is set out in note 7 to the consolidated financial statements and the paragraphs headed "Business Review" under the section of "Management Discussion and Analysis" of this annual report.

RESULTS AND DIVIDENDS

The results of the Group for the Year are set out in the consolidated financial statements on pages 86 to 87 of this annual report.

The board of the Company ("Board") does not recommend the payment of a final dividend for the Year (2017: nil).

FIVE-YEAR FINANCIAL SUMMARY

A summary of the published consolidated results and assets and liabilities of the Group for the last five financial years is set out on page 240 of this annual report. This summary does not form part of the audited consolidated financial statements.

DONATIONS

Charitable donations made by the Group during the Year amounted to HK\$123,816 (2017: HK\$437,870).

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the Year are set out in note 15 to the consolidated financial statements.

分部資料

本集團於本年度按業務活動劃分的經營分析載於綜合財務報表附註7及本年報的「管理層討論及分析」一節中的「業務回顧」段落。

業績及股息

本集團於本年度的業績載於本年報第86至87頁的綜合財務報表。

本公司董事會（「董事會」）不建議就本年度派付末期股息（2017年：無）。

五年財務概要

本集團於過去五個財政年度的已刊發綜合業績及資產與負債概要載於本年報第240頁。該概要並不構成經審核綜合財務報表的一部份。

捐贈

於本年度內，本集團作出慈善捐贈123,816港元（2017年：437,870港元）。

物業、廠房及設備

本集團於本年度在物業、廠房及設備的變動詳情載於綜合財務報表附註15。

SHARE CAPITAL

Details of movements in the share capital of the Company during the Year are set out in note 35 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the bye-laws of the Company ("Bye-laws") or the laws of Bermuda, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders of the Company ("Shareholders").

TAX RELIEF

The Company is not aware of any relief on taxation available to the Shareholders by reason of their holdings of the shares of the Company ("Shares"). If the Shareholders are unsure about the taxation implications of purchasing, holding, disposing of, dealing in, or exercising of any rights in relation to the Shares, they are advised to consult their professional advisers.

RESERVES

Details of movements in the reserves of the Group and the Company during the Year are set out in the consolidated statement of changes in equity on page 91 of this annual report and the statement of financial position of the Company in note 46 to the consolidated financial statements respectively.

DISTRIBUTABLE RESERVES

Details of movements in the reserves available for distribution of the Company during the Year are set out in note 46 to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

Income from the Group's five largest customers in aggregate contributed to less than 30% of the Group's total income during the Year.

During the Year, tutor contractor fee paid/payable to the Group's top five tutors, who entered into service contracts with the Group, accounted for 55.07% of the Group's total tutor contractor fee for the Year (2017: 62.10%), and tutor contractor fee paid/payable to the Group's topmost tutor accounted for 25.18% of the Group's total tutor contractor fee for the Year (2017: 23.87%). None of the Directors, their close associates as well as substantial Shareholders (which to the knowledge of the Directors own more than 5% of the Company's issued share capital) was anyone out of such top five tutors (2017: none).

股本

本公司於本年度的股本變動詳情載於綜合財務報表附註35。

優先購買權

本公司之公司細則（「公司細則」）或百慕達的法例項下並無要求本公司須按比例向本公司現有股東（「股東」）提呈發售新股份的優先購買權條文。

稅項寬免

本公司並不知悉股東因持有本公司股份（「股份」）而可獲任何稅項寬免。倘股東對購買、持有、出售、買賣或行使任何有關股份之權利的稅務影響存疑，彼等應諮詢其專業顧問。

儲備

本集團及本公司於本年度內的儲備變動詳情分別載於本年報第91頁的綜合權益變動表及綜合財務報表附註46的本公司財務狀況表。

可供分派儲備

本公司於本年度內的可供分派儲備變動詳情載於綜合財務報表附註46。

主要客戶及供應商

源自本集團五大客戶的收入合共佔本集團於本年度的總收入不足30%。

於本年度內，已付／應付本集團首五名導師（該等導師已與本集團訂立服務合約）的導師承包費佔本集團於本年度的導師承包費總額的55.07%（2017年：62.10%），而已付／應付本集團首名導師的導師承包費佔本集團於本年度的導師承包費總額的25.18%（2017年：23.87%）。概無董事、其緊密聯繫人以及主要股東（據董事所知擁有本公司已發行股本5%以上）為該等首五名導師中的任何人士（2017年：無）。

Contracts with the other five largest suppliers of the Group, excluding the independent tutors, combined by values which are not of a capital nature, contributed to less than 30% of the total value of supplies purchased by the Group during the Year.

DIRECTORS

The Directors during the Year and as at the date of this annual report are as follows:

Executive Directors:

Mr. Tsang Ka Wai (appointed on 24 October 2017)
Mr. Yip Chung Yin Jeffrey (appointed on 10 November 2017)
Mr. Wong King Hoi (appointed on 10 November 2017)
Mr. Lee Wai Lok Ignatious
(resigned with effect from 9 November 2017)
Mr. Wong Yuk Tong (retired with effect from 19 December 2017)
Ms. Wu Mei Chu (resigned with effect from 21 December 2017)

Independent Non-Executive Directors:

Ms. Jor Stephanie Wing Yee (appointed on 10 November 2017)
Mr. Leung Ki Chi James (appointed on 19 January 2018)
Mr. Fenn David (appointed on 10 May 2018)
Mr. Pun Kwok Shan (resigned with effect from 26 October 2017)
Mr. Ong Chi King (resigned with effect from 9 November 2017)
Mr. Lee Shu Fai (retired with effect from 19 December 2017)
Mr. Fong Chak Kiu (appointed on 24 October 2017 and
resigned with effect from 10 May 2018)

Pursuant to Bye-law 84 of the Bye-laws, at each annual general meeting of the Company ("Annual General Meeting"), one-third of the Directors for the time being (or, if their number is not a multiple of three, 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 at least once every three years and the retiring Directors shall be eligible for re-election. Mr. Tsang Ka Wai and Ms. Jor Stephanie Wing Yee will retire and, being eligible, offer themselves for re-election at the forthcoming Annual General Meeting.

本集團與其他五大供應商（不包括獨立導師）的合約價值總額（非資本性質）佔本集團於本年度內所採購貨品的總價值不足30%。

董事

於本年度內及於本年報日期止，董事如下：

執行董事：

曾家偉先生（於2017年10月24日獲委任）
葉頌賢先生（於2017年11月10日獲委任）
黃敬凱先生（於2017年11月10日獲委任）
李偉樂先生（於2017年11月9日辭任）

王玉棠先生（於2017年12月19日退任）
胡美珠女士（於2017年12月21日辭任）

獨立非執行董事：

左穎怡女士（於2017年11月10日獲委任）
梁其智先生（於2018年1月19日獲委任）
范德偉先生（於2018年5月10日獲委任）
潘國山先生（於2017年10月26日辭任）
王子敬先生（於2017年11月9日辭任）
李樹輝先生（於2017年12月19日退任）
方澤翹（於2017年10月24日獲委任
並於2018年5月10日辭任）

根據公司細則第84條，於本公司每屆股東週年大會（「股東週年大會」）上，三分之一在任董事（或倘董事人數並非三之倍數，則最接近但不少於三分之一的數目）須輪席退任，惟每位董事均須至少每三年退任一次，而退任董事均可符合資格膺選連任。曾家偉先生及左穎怡女士將於應屆股東週年大會上退任，惟符合資格並願意膺選連任。

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Pursuant to Rule 3.13 of the Listing Rules, the Company has received from each of Ms. Jor Stephanie Wing Yee, Mr. Leung Ki Chi James and Mr. Fenn David an annual confirmation of independence. Based on these confirmations, the Company considers each of such Directors to be independent.

獨立非執行董事之獨立性

根據上市規則第3.13條，本公司已收到左穎怡女士、梁其智先生及范德偉先生各自就其獨立性而作出的年度確認函。根據該等確認函，本公司認為該等董事均屬獨立人士。

DIRECTORS' SERVICE CONTRACTS

Each of the Directors has entered into either a service contract or a letter of appointment with the Company as follows.

董事的服務合約

各董事已與本公司訂立以下服務合約或委任函件。

Name 姓名	Contract type 合約類型	Directorship term 董事任期	Prior notice of termination 終止之事先通知
Mr. Tsang Ka Wai 曾家偉先生	Service contract 服務合約	Fixed term of three years commenced on 24 October 2017 自2017年10月24日起計固定期限為三年	Two-month notice in writing 兩個月書面通知
Mr. Yip Chung Yin Jeffrey 葉頌賢先生	Service contract 服務合約	Fixed term of three years commenced on 10 November 2017 自2017年11月10日起計固定期限為三年	Two-month notice in writing 兩個月書面通知
Mr. Wong King Hoi 黃敬凱先生	Service contract 服務合約	Fixed term of three years commenced on 10 November 2017 自2017年11月10日起計固定期限為三年	Two-month notice in writing 兩個月書面通知
Ms. Jor Stephanie Wing Yee 左穎怡女士	Letter of appointment 委任函件	Fixed term of three years commenced on 10 November 2017 自2017年11月10日起計固定期限為三年	Two-month notice in writing 兩個月書面通知
Mr. Leung Ki Chi James 梁其智先生	Letter of appointment 委任函件	Fixed term of three years commenced on 19 January 2018 自2018年1月19日起計固定期限為三年	Two-month notice in writing 兩個月書面通知
Mr. Fenn David 范德偉先生	Letter of appointment 委任函件	Fixed term of three years commenced on 10 May 2018 自2018年5月10日起計固定期限為三年	Two-month notice in writing 兩個月書面通知

These appointments are subject to directors' retirement from office and retirement by rotation under the Bye-laws. None of the Directors proposed for re-election at the forthcoming Annual General Meeting has entered into a service contract with the Company or any of its subsidiaries which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

UPDATE OF INFORMATION PURSUANT TO RULE 13.51(B)

Since 1 February 2018, the emolument payable to Mr. Yip Chung Yin Jeffrey, an executive Director, has been increased from HK\$30,000 per month to HK\$50,000 per month due to his increased duties and work load in the business and other aspects of the Group. Save as disclosed, there is no information relating to the Directors which is required to be disclosed pursuant to Rule 13.51(B)(1) of the Listing Rules.

DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and the senior management of the Group are set out on pages 24 to 25 of this annual report.

DIRECTOR'S INTERESTS IN CONTRACTS

The Company or its subsidiaries entered into a number of transactions with entities in which an executive Director had substantial shareholding. On 30 April 2016, Mr. Lee Wai Lok Ignatious ("Mr. Lee"), a former executive Director (resigned with effect from 9 November 2017) and the sole shareholder of Sense Publishing Company Limited ("Sense Publishing"), and Sense Publishing entered into a service contract with the Group, pursuant to which Sense Publishing agreed to (i) procure Mr. Lee to provide tutoring services to students of the Group; and (ii) grant a sole, exclusive and non-transferable licence to the Group to use and reproduce the teaching materials prepared by Mr. Lee for the tutorial courses organised by the Group for secondary school students and conducted by teaching assistants with the said teaching materials for a term of three years from 1 July 2016 to 30 June 2019. Further details of the transaction are disclosed in note 43 to the consolidated financial statements.

有關委任須遵守公司細則項下董事退任及輪席退任的規定。概無擬在應屆股東週年大會上重選連任的董事與本公司或其任何附屬公司訂立一年內本公司不作賠償（法定賠償除外）則不可終止的服務合約。

根據第13.51(B)條更新資料

自2018年2月1日起，應付執行董事葉頌賢先生的每月酬金金額已由30,000港元上調至50,000港元，原因是其於本集團業務及其他方面的職責及工作量已有所增加。除所披露者外，概無有關董事的資料須根據上市規則第13.51(B)(1)條作出披露。

董事及高級管理層

本集團各董事及高級管理層的履歷詳情載於本年報第24至25頁。

董事於合約的權益

本公司或其附屬公司已與一名執行董事於其中擁有重大股權的實體訂立多項交易。於2016年4月30日，李偉樂先生（「李先生」）為明覺堂出版有限公司（「明覺堂出版」）的前任執行董事（自2017年11月9日起辭任）及唯一股東，而明覺堂出版與本集團訂立服務合約，據此，明覺堂出版同意(i)促使李先生向本集團學生提供補習服務；及(ii)授出唯一、獨家及不可轉讓特許權予本集團使用及複製李先生所編製的教材，以用於本集團為中學生而設，並由教學助理在所指教材輔助下進行的補習課程，為期三年，於2016年7月1日開始及於2019年6月30日屆滿。有關此項交易的進一步詳情於綜合財務報表附註43披露。

Save as disclosed above, no transaction, arrangement or contract of significance, to which the Company or any of its subsidiaries was a party, and in which a Director or an entity connected with a Director had a material interest, directly or indirectly, subsisted during or at the end of the Year, nor was there any contract of significance in relation to the Group's business between the Company or any of its subsidiaries and a controlling Shareholder or any of its subsidiaries.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2018, none of the Directors or chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as the share option scheme of the Company disclosed in note 36 to the consolidated financial statements, at no time during the Year and up to the date of this annual report was the Company or any of its subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for equity or debt securities of the Company or any other body corporate, nor had exercised any such right.

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

As at 30 June 2018, the Company has not been notified of any person (other than the Directors or chief executive of the Company) who had or was deemed or taken to have any interests or short positions in the Shares or underlying Shares which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or which would fall to be disclosed to the Company and the Stock Exchange under provisions of Divisions 2 and 3 of Part XV of the SFO.

除上文所披露者外，於本年度內或結束時，概無本公司或其任何附屬公司為訂約方而董事或與一名董事有關的一間實體直接或間接擁有重大權益的任何重大交易、安排或合約，而本公司或其任何附屬公司與控股股東或其任何附屬公司之間亦無訂立對本集團業務而言屬重大的任何合約。

董事及主要行政人員於股份、相關股份及債券的權益及淡倉

於2018年6月30日，概無董事或本公司主要行政人員於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債券中擁有根據證券及期貨條例第352條須記入本公司所存置登記冊的權益或淡倉；或根據標準守則須知會本公司及聯交所的權益或淡倉。

董事購買股份或債券的權利

除於綜合財務報表附註36內披露的本公司購股權計劃外，於本年度內及截至本年報日期止任何時間內，本公司或其任何附屬公司概無訂立任何安排，以使董事可藉由收購本公司或任何其他法人團體的股份或債券而獲得利益，而董事或任何彼等的配偶或18歲以下子女亦概無獲授予可認購本公司或任何其他法人團體的股份或債務證券的權利，亦尚未行使任何有關權利。

主要股東或其他人士於股份及相關股份的權益及淡倉

於2018年6月30日，就本公司所知，並無人士（本公司董事或主要行政人員除外）於股份或相關股份中擁有或被視為或當作擁有根據證券及期貨條例第336條須記入本公司存置的登記冊的任何權益或淡倉，或根據證券及期貨條例第XV部第2及3分部須向本公司及聯交所披露的任何權益或淡倉。

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into by the Company or subsisted during the Year.

NON-COMPETITION UNDERTAKINGS

As set out in the prospectus of the Company dated 20 June 2011, according to the non-competition deed (“Non-competition Deed”) entered between the Company and the then controlling shareholders of the Company (“Controlling Shareholders”) and certain non-competing covenants (“Non-Competing Covenants”) on 7 June 2011, the non-compete period under the Non-Competition Deed refers to the period during which:

- (a) in the case of the Controlling Shareholders, any of the Controlling Shareholders or his/its respective associate is a controlling shareholder of the Company within the meaning of the Listing Rules in force from time to time;
- (b) in the case of the other Non-Competing Covenants, any of them is interested in 5% or more of the total issued share capital of the Company from time to time or such Non-Competing Covenant is a Director or member of the senior management of the Group; and
- (c) the Shares are and remain listed on the Stock Exchange.

Mr. Lee resigned as an executive Director with effect from 9 November 2017 and Beautiful Choice Investments Limited (“Beautiful Choice”, a company wholly-owned by Mr. Lee) ceased to be a shareholder interested in 5% or more of the total issued share capital of the Company with effect from 23 October 2017. Accordingly, the non-compete period for Mr. Lee and Beautiful Choice respectively expired on 9 November 2017 and 23 October 2017. As at 30 June 2018, the non-compete period has expired for all covenants of the Non-Competition Deed.

PERMITTED INDEMNITY PROVISION

During the Year and up to 1 April 2018, permitted indemnity provision (as defined in section 9 of the Companies (Directors’ Report) Regulation (Chapter 622D of the HK Laws)) was in force for the benefit of the Directors.

管理合約

於本年度內，本公司概無已訂立或存在任何有關本公司整體或任何重大部份業務的管理及行政合約。

不競爭契諾

誠如本公司日期為2011年6月20日的招股章程所載，根據本公司與本公司當時之控股股東（「控股股東」）及若干不競爭契諾承諾人（「不競爭契諾承諾人」）於2011年6月7日訂立之不競爭契據（「不競爭契據」），不競爭契據項下之不競爭期間指涉及下列之期間：

- (a) 就控股股東而言，任何控股股東或其各自之聯繫人為本公司控股股東（定義見不時生效之上市規則）；
- (b) 就其他不競爭契諾承諾人而言，任何彼等擁有本公司不時已發行股本總額之5%或以上權益或有關不競爭契諾承諾人為董事或本集團高級管理層成員；及
- (c) 本公司股份於及維持於聯交所上市。

李先生自2017年11月9日起辭任執行董事，而Beautiful Choice Investments Limited（「Beautiful Choice」，由李先生全資擁有之公司）自2017年10月23日起不再為持有本公司已發行股本總額5%或以上之股東。因此，李先生及Beautiful Choice之非競爭期間已分別於2017年11月9日及2017年10月23日到期。於2018年6月30日，所有不競爭契據之不競爭期間均已到期。

獲准許的彌償條文

有關惠及董事之獲准許的彌償條文（定義見香港法例第622D章（公司（董事報告）規例第9條））於本年度及截至2018年4月1日生效。

EMOLUMENT POLICY OF THE GROUP

The emolument policy for the employees of the Group is set up by the management on the basis of their merit, qualifications and competence, and comparable market statistics. The Directors' fees and other emoluments shall be subject to shareholders' approval at general meetings or determined by the Board with the recommendation of the Remuneration Committee with reference to the Directors' duties, responsibilities and performance and the results of the Group. The employees and directors of the Group may be rewarded with share options for the securities of the Company under the share option scheme of the Company as detailed in the section headed "EQUITY LINKED AGREEMENTS – Share option scheme" below.

EQUITY LINKED AGREEMENTS

Save as disclosed below, during the Year, the Company has not entered into any other equity-linked agreement (as defined in section 6 of the Companies (Director's Report) Regulation (Chapter 622D of the HK Laws)).

Share option scheme

The Company adopted a share option scheme ("Scheme") pursuant to a resolution passed on 11 June 2011 so as to attract and retain the best available personnel and to provide additional incentive to the eligible participants under the Scheme. Pursuant to the Scheme, the Board is authorised, at its absolute discretion and subject to the terms of the Scheme, to grant options to subscribe for the shares of the Company (in such form then existing and subject to adjustment) to any employees (full-time or part-time), directors, consultants, supplier(s), customer(s), joint venture partner(s), business associate(s) and advisor(s) of the Group. The Scheme shall be valid and effective for a period of ten years commencing on 4 July 2011 ("Effective Date") and expiring on the business day immediately preceding the 10th anniversary of the adoption date of the Scheme, i.e. 10 June 2021.

本集團薪酬政策

本集團僱員的薪酬政策乃由管理層根據僱員的表現優劣、資歷及才幹以及可資比較市場統計數據而設定。董事的袍金及其他酬金須獲股東於股東大會批准或由董事會根據薪酬委員會經參考董事的職責、責任及表現以及本集團業績後作出的建議而釐定。本集團僱員及董事可根據本公司購股權計劃獲授可認購本公司證券的購股權，詳情載於下文「股本掛鈎協議—購股權計劃」一節。

股本掛鈎協議

除下文所披露者外，於本年度，本公司並無訂立任何其他股本掛鈎協議（定義見香港法例第622D章《公司（董事報告）規例》第6條）。

購股權計劃

本公司根據於2011年6月11日通過的決議案採納購股權計劃（「該計劃」），以吸引及挽留最佳員工，並向該計劃項下的合資格參與人提供額外獎勵。根據該計劃，董事會獲授權按酌情基準及根據該計劃的條款，向本集團任何僱員（全職或兼職）、董事、顧問、供應商、客戶、合營夥伴、業務夥伴及諮詢人授出可認購本公司股份（以當時之形式並可予調整）的購股權。該計劃由2011年7月4日（「生效日期」）起十年內有效及生效並於緊接該計劃採納日期第十個週年日的前一個營業日（即2021年6月10日）屆滿。

An offer for the grant of options must be accepted within 21 days inclusive of the day on which such offer is made. The amount payable for the grant of an option by the grantee to the Company on acceptance of the offer is HK\$1.00. The subscription price of a share of the Company in respect of any particular option granted under the Scheme shall be a price solely determined by the Board and notified to a participant and shall be at least the highest of: (i) the closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option; (ii) the average of the closing prices of the shares of the Company as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the date of grant of the option; and (iii) the nominal value of a share of the Company on the date of grant of the option.

The initial total number of shares of the Company which may be issued upon exercise of all options to be granted under the Scheme and any other share option schemes of the Company must not exceed 10% of the shares in issue on the Effective Date. The Company may at any time refresh such limit, subject to the Shareholders' approval and issue of a circular in compliance with the Listing Rules, provided that the total number of shares of the Company which may be issued upon exercise of all outstanding options granted and yet to be exercised under all the share option schemes of the Company does not exceed 30% of the shares of the Company in issue from time to time. The total number of shares of the Company issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period up to and including the date of grant must not exceed 1% of the shares of the Company then in issue unless approved by the Shareholders in accordance with the Listing Rules.

An option may be exercised in accordance with the terms of the Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

授出購股權之要約須於作出有關要約後21日內（包括當日）接納。承授人於接納要約時，須就授出購股權向本公司支付金額1.00港元。根據該計劃授出之任何特定購股權所涉及本公司股份之認購價須由董事會全權釐定並通知參與人，惟認購價須最少為以下之最高者：(i)本公司股份於授出購股權當天於聯交所每日報價表所報之收市價；(ii)本公司股份於緊接授出購股權當天前五個營業日於聯交所每日報價表所報之平均收市價；及(iii)本公司股份於授出購股權當天之面值。

根據該計劃及本公司任何其他購股權計劃將授出之購股權獲悉數行使後可能發行之本公司初步股份總數，不得超過生效日期已發行股份之10%。本公司可隨時更新有關限額，惟須獲股東批准，並遵照上市規則刊發通函，前提為根據本公司所有購股權計劃已授出但尚未行使的全部購股權獲行使而可能發行的本公司股份總數，不得超過不時已發行本公司股份的30%。於授出日期前任何十二個月之期間，因授予各參與人的購股權（包括已行使及尚未行使的購股權）獲行使而已發行及將予發行的本公司股份總數不得超過本公司當時之已發行股份的1%，除非遵照上市規則獲股東批准，則另作別論。

購股權可根據該計劃條款於董事會釐定之期限內隨時獲行使，惟該期限不得超過授出日期起計十年，並須受限於有關提前終止條文。

On 23 January 2017, options to subscribe for 45,631,488 new ordinary shares of HK\$0.05 each in the share capital of the Company were granted under the Scheme. During the Year, none of such share options was exercised. All of the 45,631,488 share options have lapsed on 22 January 2018 under the conditions of grant. During the Year, save as disclosed above, no share option was granted, outstanding, cancelled, lapsed or exercised under the Scheme.

As at the date of this annual report, the total number of securities available for issue under the Scheme was 54,757,088 Shares of HK\$0.05 each, which represented 10% of the total issued Shares.

Further details of the Scheme and details of movements in the share options are set out in note 36 to the consolidated financial statements of this annual report.

OTHER RELATED PARTY TRANSACTIONS

The related party transactions for the Year set out in note 43 to the consolidated financial statements, the tutor contractor fee to Mr. Lee and the loan interest income from Progress Ever Limited constituted connected transactions or continuing connected transaction under Chapter 14A of the Listing Rules. The Directors confirm that the Company has, where applicable, complied with the disclosure and independent shareholders' approval requirements in accordance with Chapter 14A of the Listing Rules.

PENSION SCHEME

Details of the pension scheme of the Group are set out in note 45 to the consolidated financial statements.

EVENTS AFTER THE REPORTING PERIOD

Details of the significant events occurring after the reporting period of the Group are set out in note 47 to the consolidated financial statements.

CORPORATE GOVERNANCE

The Company has applied the principles in and adopted the code provisions of the corporate governance code set out in Appendix 14 to the Listing Rules as its own corporate governance code ("CG Code"). During the Year, the Company has complied with all the provisions of the CG Code except for the deviations as disclosed in the Corporate Governance Report which is set out on pages 41 to 57 of this annual report.

於2017年1月23日，已根據該計劃授出可認購本公司股本中45,631,488股每股面值0.05港元新普通股的購股權。於本年度，該等購股權概未獲行使。所有該等45,631,488份購股權已根據授出條件於2018年1月22日失效。於本年度，除上文所披露者外，該計劃項下概無購股權獲授出、尚未行使、已註銷、失效或已行使。

於本年報日期，該計劃項下可供發行的證券總數為54,757,088股每股面值0.05港元的股份，佔已發行股份總數的10%。

該計劃的進一步詳情及購股權變動的詳情載於本年報綜合財務報表附註36。

其他關連人士交易

綜合財務報表附註43所載本年度的關連人士交易（向李先生支付導師承包費以及來自恆茂有限公司的貸款利息）根據上市規則第14A章構成關連交易或持續關連交易。董事確認，本公司已於適用情況下遵守上市規則第14A章項下的披露及獨立股東的批准規定。

退休金計劃

本集團的退休金計劃詳情載於綜合財務報表附註45。

報告期後事項

本集團於報告期後的重大事項詳情載於綜合財務報表附註47。

企業管治

本公司已應用上市規則附錄14所載企業管治守則中的原則及採納其守則條文作為其本身的企業管治守則（「企業管治守則」）。於本年度內，本公司已遵守企業管治守則的所有條文，惟本年報第41至57頁所載的企業管治報告所披露的偏離事項除外。

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules during the Year and as at the date of this annual report.

AUDITORS

The consolidated financial statements for the two years ended 30 June 2017 were audited by HLB Hodgson Impey Cheng Limited ("HLB"), who resigned as the auditors of the Group on 23 May 2018.

The consolidated financial statements for the year ended 30 June 2018 were audited by Baker Tilly Hong Kong Limited ("Baker Tilly"), who were appointed as the auditors on 23 May 2018 to fill the casual vacancy following the resignation of HLB. Baker Tilly will retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Baker Tilly as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

On behalf of the Board

Yip Chung Yin Jeffrey

Executive Director

Hong Kong, 26 September 2018

足夠公眾持股量

根據本公司公開獲得的資料及據董事所知，本公司於本年度及本年報日期維持上市規則所規定不少於本公司已發行股份25%的足夠公眾持股量。

核數師

截至2017年6月30日止兩個年度的綜合財務報表已經國衛會計師事務所有限公司（「國衛」）審核，其已於2018年5月23日辭任本集團核數師。

截至2018年6月30日止年度的綜合財務報表已經天職香港會計師事務所有限公司（「天職」）審核，天職於2018年5月23日獲委任為核數師以填補國衛辭任後出現之臨時空缺。天職將於應屆股東週年大會上退任，惟符合資格並願意接受續聘。一項續聘天職為本公司核數師的決議案將於應屆股東週年大會上提呈。

代表董事會

執行董事

葉頌賢

香港，2018年9月26日

Corporate Governance Report

企業管治報告

The board (“Board”) of directors (“Directors”) of Hong Kong Education (Int’l) Investments Limited (“Company”) is committed to maintaining a high standard of corporate governance within a sensible framework with an emphasis on the principles of transparency, accountability and independence. The Board believes that good corporate governance is essential to the success of the Company and its subsidiaries (“Group”) and the enhancement of shareholders’ value.

CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles in and adopted the code provisions of the corporate governance code set out in Appendix 14 to the Rules (“Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) as its own corporate governance code (“CG Code”). During the year ended 30 June 2018 (“Year”), the Company has complied with all the provisions of the CG Code and the Listing Rules except for the deviations as disclosed below:

Following the resignation of Mr. Lee Wai Lok Ignatious (“Mr. Lee”) as a Director and the chief executive officer of the Company (“CEO”) on 9 November 2017, the role of the CEO was and remains outstanding as at the date of this annual report, which constitutes deviation from Code Provision A.2.1 of the CG Code. Following the resignations of Mr. Lee and Mr. Ong Chi King (who also resigned as a Director on 9 November 2017), the Company had only two independent non-executive Directors and two members of the audit committee of the Company (“Audit Committee”), who did not have the appropriate professional qualifications or accounting or related financial management expertise, and there were only two members and without a chairman for the remuneration committee of the Company (“Remuneration Committee”). This constituted non-compliance with the minimum number requirement and requirement of professional qualifications under Rules 3.10(1), 3.10(2) and 3.21 of the Listing Rules, and non-compliance with the requirement that the Remuneration Committee must be chaired by an independent non-executive Director under Rule 3.25 of the Listing Rules. Please refer to the Company’s announcement dated 9 November 2017 for further details.

香港教育（國際）投資集團有限公司（「本公司」）董事（「董事」）會（「董事會」）致力於切合實際的框架內維持高水平的企業管治，而企業管治着重透明度、問責性及獨立性的原則。董事會相信，良好企業管治對本公司及其附屬公司（「本集團」）的成功及提升股東價值至為重要。

企業管治常規

本公司已應用香港聯合交易所有限公司（「聯交所」）《證券上市規則》（「上市規則」）附錄14所載企業管治守則的原則及採納其守則條文作為其本身的企業管治守則（「企業管治守則」）。於截至2018年6月30日止年度（「本年度」）內，本公司已遵守企業管治守則的所有條文，惟下文所披露的偏離事項除外：

繼李偉樂先生（「李先生」）於2017年11月9日辭任董事及本公司行政總裁（「行政總裁」）後，於本年報日期，行政總裁一職仍然懸空，其構成偏離企業管治守則之守則條文第A.2.1條。於李先生及王子敬先生（亦於2017年11月9日辭任董事）辭任後，本公司僅有兩名獨立非執行董事及本公司審核委員會（「審核委員會」）只有兩名成員，而彼等並不具備合適的專業資格或會計或相關財務管理專業知識，且薪酬委員會僅有兩名成員而沒有主席出任。此構成不符合上市規則第3.10(1)、3.10(2)及3.21條有關最低人數及專業資格的規定，亦不符合上市規則第3.25條有關薪酬委員會必須由獨立非執行董事出任主席的規定。有關進一步之詳情，請參閱本公司日期為2017年11月9日之公佈。

Following the appointment of Mr. Yip Chung Yin Jeffrey, Mr. Wong King Hoi and Ms. Jor Stephanie Wing Yee each as a Director on 10 November 2017, the Board comprised five executive Directors and three independent non-executive Directors. As a result, the composition of the Board, the Audit Committee and the Remuneration Committee has met with the requirements under Rules 3.10(1), 3.10(2), 3.21 and 3.25 of the Listing Rules. Please refer to the Company's announcement dated 10 November 2017 for further details.

Following the retirement of Mr. Wong Yuk Tong as a Director and the chairman of the Board ("Chairman") at the annual general meeting of the Company held on 19 December 2017, the role of the Chairman was and remains outstanding as at the date of this annual report, which constitutes deviation from Code Provision A.2 of the CG Code. In addition, following the retirement of Mr. Wong Yuk Tong and Mr. Lee Shu Fai (who also retired as a Director on 19 December 2017), the Company had only two independent non-executive Directors and two members for the Audit Committee. This constituted non-compliance with the minimum number requirement under Rule 3.10(1) and Rule 3.21 of the Listing Rules. Please refer to the Company's announcement dated 19 December 2017 for further details.

Following the appointment of Mr. Leung Ki Chi James as a Director on 19 January 2018, the Board comprised three executive Directors and three independent non-executive Directors. As a result, the composition of the Board and the Audit Committee has met with the requirements under Rules 3.10(1) and 3.21 of the Listing Rules. Please refer to the Company's announcement dated 19 January 2018 for further details.

As at the date of this report, the positions of the Chairman and the CEO remained vacated as the Company has not been able to identify suitable candidates for the positions.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiries of the Directors, each of the Directors confirmed his/her compliance with the required standard set out in the Model Code throughout their term of office during the Year.

於葉頌賢先生、黃敬凱先生及左穎怡女士於2017年11月10日獲委任為董事後，董事會由五名執行董事及三名獨立非執行董事組成。因此，董事會、審核委員會及薪酬委員會之組成已符合上市規則第3.10(1)、3.10(2)、3.21及3.25條之規定。有關進一步之詳情，請參閱本公司日期為2017年11月10日之公佈。

繼王玉棠先生於2017年12月19日本公司舉行之股東週年大會上退任董事及董事會主席（「主席」）後，於本年報日期，主席一職仍然懸空，其構成偏離企業管治守則之守則條文第A.2條。此外，於王玉棠先生及李樹輝先生（亦於2017年12月19日退任董事）退任後，本公司僅有兩名獨立非執行董事及兩名審核委員會成員。此構成不符合上市規則第3.10(1)及3.21條有關最低人數的規定。有關進一步之詳情，請參閱本公司日期為2017年12月19日之公佈。

於2018年1月19日梁其智先生獲委任為董事後，董事會由三名執行董事及三名獨立非執行董事組成。因此，董事會及審核委員會之組成已符合上市規則第3.10(1)及3.21條之規定。有關進一步之詳情，請參閱本公司日期為2018年1月19日之公佈。

於本報告日期，由於本公司尚未物色適合人選出任主席及行政總裁之職位，有關職位仍然懸空。

董事的證券交易

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易的標準守則（「標準守則」）作為有關董事進行證券交易的操守準則。經向董事作出特定查詢後，各董事已確認彼於本年度內一直遵守標準守則所載的規定準則。

BOARD OF DIRECTORS

As at the date of this annual report, the Board comprises six members, three of whom are executive Directors, namely Mr. Tsang Ka Wai, Mr. Yip Chung Yin Jeffrey and Mr. Wong King Hoi. The other three members are independent non-executive Directors, namely Ms. Jor Stephanie Wing Yee, Mr. Leung Ki Chi James and Mr. Fenn David.

The biographical details of the Directors are set out in “Profiles of Directors and Senior Management” on pages 24 to 25 of this annual report.

Responsibilities of the Board

The Board is responsible for the leadership and control of the Company and overseeing the Group's businesses, strategic decisions and performance. The Board has established various Board committees and has delegated to these Board committees various responsibilities as set out in their respective terms of reference. All Directors have carried out their duties in good faith and in compliance with the standards of applicable laws and regulations, and have acted in the interests of the Company and its shareholders (“Shareholders”) as a whole at all times.

The Board takes responsibility for all major matters of the Company including: the approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflicts of interest), financial information, appointment of Directors and other significant financial and operational matters. During the Year, 14 Board meetings were held to perform the above mentioned duties and responsibilities.

All Directors have full and timely access to all relevant information as well as the advice and services of the company secretary of the Company (“Company Secretary”), with a view to ensuring that Board procedures and all applicable rules and regulations are followed. Each Director is normally able to seek independent professional advice in appropriate circumstances at the Company's expense, upon making request to the Board.

董事會

於本年報日期，董事會由六名成員組成，其中三名為執行董事，即曾家偉先生、葉頌賢先生及黃敬凱先生。其他三名成員為獨立非執行董事，即左穎怡女士、梁其智先生及范德偉先生。

各董事的履歷詳情載於本年報第24至25頁的「董事及高級管理層履歷」一節內。

董事會責任

董事會負責領導及控制本公司以及監督本集團業務、策略決定及表現。董事會已設立多個董事委員會，並授予此等董事委員會載於其職權範圍內的各項責任。全體董事已真誠地履行其責任及遵守適用之法例及法規，並一直按符合本公司及其股東（「股東」）整體利益的方式行事。

董事會負責本公司的所有主要事宜，包括批准及監管所有政策事宜、整體策略及預算、內部監控及風險管理制度、重大交易（尤其可能涉及利益衝突者）、財務資料、委任董事及其他重大財務及營運事宜。於本年度內，已舉行十四次董事會會議，以履行上述職責及責任。

所有董事均可全面及適時地取得一切相關資料以及本公司之公司秘書（「公司秘書」）的意見與服務，以確保遵行董事會程序及所有適用規則及規例。各董事一般可於適當情況下，經向董事會提出要求後尋求獨立專業意見，有關開支由本公司承擔。

Management Functions

While the Board is responsible for the overall strategic direction and governance by considering and approving the Group's strategies, policies and business plan, the functions of implementing the approved strategy and policies as well as managing the day-to-day operations and administration are delegated to the executive management. The functions and work tasks are periodically reviewed by the Board.

Appointments of the Directors are subject to retirement from office and retirement by rotation under the bye-laws of the Company ("Bye-laws") and the CG Code.

In accordance with the CG Code, any new Director appointed to fill a causal vacancy shall be subject to election by shareholders at the first general meeting after the appointment, and according to the Bye-laws, any new Director appointed as an addition to the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting. Pursuant to the Bye-laws, at every annual general meeting of the Company one-third of the Directors (or, if their number is not three or 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 (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director is eligible for re-election at that general meeting.

DIRECTORS' CONTINUOUS PROFESSIONAL DEVELOPMENT

Directors' training is an ongoing process. During the Year, all of the Directors received regular updates and presentations on changes and developments of the Group's business and the legislative and regulatory environments in which the Group operates. All Directors are also encouraged to attend relevant training courses. Effective from September 2012, all Directors are required to provide the Company with his or her training record on a yearly basis. During the Year, each of Mr. Tsang Ka Wai, Mr. Yip Chung Yin Jeffrey, Mr. Wong King Hoi, Ms. Jor Stephanie Wing Yee, Mr. Leung Ki Chi James and Mr. Fenn David participated in appropriate continuous professional development activities by ways of attending training or reading materials relevant to the Company's business, amendments on Companies Ordinance (Chapter 622 of the HK Laws) and the Listing Rules, or directors' duties and responsibilities.

管理功能

董事會的職責在於集團的整體策略方向及管治，具體工作包括審議及通過本集團的策略、政策及業務計劃，至於執行已通過的策略及政策以及日常營運管理及行政管理等職能則授權執行管理層進行。授權職能及工作任務會由董事會作定期審查。

董事的委任須遵守本公司的公司細則（「公司細則」）及企業管治守則項下董事退任及輪席退任的規定。

根據企業管治守則，任何獲委任以填補臨時空缺的新任董事均須於獲委任後的首次股東大會上接受股東選舉，而根據公司細則，任何獲委任作為董事會增補之新任董事之任期僅直至本公司之下屆股東週年大會為止，並屆時可符合資格於該大會上膺選連任。根據公司細則，於本公司每屆股東週年大會上，三分之一董事（或倘董事人數並非三或三之倍數，則最接近但不少於三分之一的數目）須輪席退任，惟每位董事（包括按特定任期獲委任之董事）均須至少每三年輪席退任一次。退任董事符合資格於該屆股東大會上膺選連任。

董事的持續專業發展

董事培訓為一個持續過程。於本年度內，所有董事定期獲取有關本集團業務及本集團營運所在法例及監管環境的變動以及發展之最新資料及簡介。本公司亦鼓勵所有董事參加相關培訓課程。自2012年9月起，所有董事須每年向本公司提供其培訓記錄。於本年度內，曾家偉先生、葉頌賢先生、黃敬凱先生、左穎怡女士、梁其智先生及范德偉先生各自通過出席培訓或閱讀與本公司業務、香港法例第622章《公司條例》及上市規則的修訂或與董事職務及職責有關的材料等方式參加合適的持續專業發展活動。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Under Code Provision A.2.1 of the CG Code, the roles of the chairman and the chief executive officer should be separate and should not be performed by the same individual.

During the Year, Mr. Wong Yuk Tong performed the role of the Chairman until his retirement on 19 December 2017. Mr. Wong provided leadership for the Board and was responsible for chairing meetings, managing the operations of the Board and ensuring that all major and appropriate issues were discussed by the Board in a timely and constructive manner. He was also responsible for the strategic management of the Group and for formulating the Group's overall corporate direction and focus.

During the Year, Mr. Lee performed the role of the CEO until his resignation on 9 November 2017. Mr. Lee was responsible for the overall management and operations of the Group. He was also responsible for running the businesses of the Group and implementing the Group's strategic plans and business goals.

As at the date of this annual report, the positions of the Chairman and the CEO remained vacated as the Company has not been able to identify suitable candidates for the positions.

Since 19 December 2017 when the position of Chairman has remained vacated, to facilitate discussion of all key and appropriate issues by the Board in a timely manner, the executive Directors have actively co-ordinated with the senior management of the Company to provide adequate, complete and reliable information to all Directors for consideration and review.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Board has during the Year met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors, representing at least one-third of the Board under the CG Code with at least one independent non-executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise, except for the deviations as detailed under the section headed "CORPORATE GOVERNANCE PRACTICES" in this Corporate Governance Report. All independent non-executive Directors were appointed for a specific term of three years.

主席及行政總裁

根據企業管治守則的守則條文第A.2.1條的規定，其訂明主席及行政總裁的職務應分開且不應由同一人擔任。

於本年度內，主席一職由王玉棠先生擔任，直至彼於2017年12月19日退任為止。王先生領導董事會，負責主持會議及管理董事會的運作，並確保所有重要及適當事項均由董事會作出適時及建設性的討論。彼亦負責本集團的策略性管理及制定本集團的整體目標及任務。

於本年度內，行政總裁一職由李先生擔任，直至彼於2017年11月9日退任為止。李先生負責本集團的整體管理及營運。彼亦負責經營本集團的業務，並履行本集團的策略性計劃及業務目標。

於本年報日期，主席及行政總裁的職位仍然懸空，此乃由於本公司尚未能為相關職位物色到合適人員。

自2017年12月19日起，主席職位仍然懸空，為適時促進董事會就所有主要及合適事宜進行討論，執行董事已積極與本公司高級管理層協調，向所有董事提供充足、完整及可靠資料以供審議及審閱。

獨立非執行董事

於本年度內，董事會一直遵守上市規則有關委任至少三名獨立非執行董事的規定，即根據企業管治守則至少董事會的三分之一為獨立非執行董事，且當中至少一名獨立非執行董事具有適當專業資格或會計或相關財務管理專業知識，惟本企業管治報告「企業管治常規」一節詳述的偏離事項除外。所有獨立非執行董事均按三年之特定任期獲委任。

Pursuant to Rule 3.13 of the Listing Rules, the Company has received a written confirmation of independence from each of the independent non-executive Directors. The Company considers all independent non-executive Directors to be independent in accordance with the independence guidelines set out in the Listing Rules.

COMPANY SECRETARY

Mr. Lam Yick Tung Philip was appointed as the Company Secretary on 21 December 2017 and is responsible for facilitating the Board processes, as well as communications among Board members, with Shareholders and management. During the Year, Mr. Lam has taken not less than 15 hours of the relevant professional training to update his skills and knowledge.

REMUNERATION COMMITTEE

As at the date of this annual report, the Remuneration Committee comprises one executive Director and two independent non-executive Directors, namely Ms. Jor Stephanie Wing Yee (chairman of the Remuneration Committee), Mr. Yip Chung Yin Jeffrey and Mr. Fenn David.

The primary duties of the Remuneration Committee include (but without limitation): (i) making recommendations to the Board on the policy and structure for all remuneration of the Directors and the senior management and on the establishment of a formal and transparent procedure for developing policies on such remuneration; (ii) determining the remuneration packages of all individual executive Directors and the senior management and making recommendations to the Board of the remuneration of non-executive Directors; and (iii) reviewing and approving compensation payable to the executive Directors and the senior management for any loss or termination of office or appointment to ensure that it is consistent with the relevant contractual terms and is otherwise fair and not excessive.

根據上市規則第3.13條，本公司已收到各現任獨立非執行董事的年度書面確認函。本公司認為，根據上市規則載列的獨立性指引，所有獨立非執行董事均屬獨立。

公司秘書

林翼東先生於2017年12月21日獲委任為公司秘書並負責促成董事會程序，以及在董事會成員與股東及管理層間進行溝通。於本年度內，林先生已接受不少於15個小時的相關專業培訓以更新其技能及知識。

薪酬委員會

於本年報日期，薪酬委員會由一名執行董事及兩名獨立非執行董事組成，即左穎怡女士（薪酬委員會主席）、葉頌賢先生及范德偉先生。

薪酬委員會的主要職責包括（但不限於）：(i)就所有董事及高級管理層的整體薪酬政策及架構以及為制定薪酬政策而設立正式透明的程序以向董事會提供推薦建議；(ii)釐定全體各執行董事及高級管理層的薪酬待遇，並就非執行董事的薪酬向董事會提供推薦建議；及(iii)檢討及批准就任何損失或終止職位或委任而向執行董事及高級管理層支付賠償以確保遵守相關合約條款，倘未能按有關條款釐定，賠償亦須公平合理。

Director Remuneration Policy

During the Year, the Remuneration Committee held six meetings to review the remuneration policy and remuneration packages of the Directors and the senior management and assessed the performance of the executive Directors in accordance with the Remuneration Committee's written terms of reference. Emoluments payable to the executive Directors are subject to shareholders' approval at general meetings or determined by the Board with reference to such executive Director's duties, responsibilities and performance and the results of the Group. No executive Director can be involved in deciding his or her own remuneration.

The annual remuneration of the members of the senior management by bands for the Year is set out below:

Remuneration bands

薪酬組別

Number of Individual

人數

Nil to HK\$1,000,000

零至1,000,000港元

1

Details of the remuneration of each Director for the Year are set out in note 11 to the consolidated financial statements.

董事薪酬政策

於本年度內，薪酬委員會舉行六次會議以根據薪酬委員會的書面職權範圍審閱薪酬政策及董事與高級管理層的薪酬組合以及評估執行董事的表現。應付執行董事的酬金須經股東於股東大會上批准或由董事會經參考該執行董事的職務、職責及表現及本集團業績釐定。概無執行董事可參與釐定其自身薪酬。

於本年度，按組別劃分之高級管理層成員之年度薪酬載列如下：

本年度各董事薪酬詳情載於綜合財務報表附註11。

NOMINATION COMMITTEE

As at the date of this annual report, the Nomination Committee comprises one executive Director and two independent non-executive Directors, namely Mr. Fenn David (chairman of the Nomination Committee), Mr. Tsang Ka Wai and Ms. Jor Stephanie Wing Yee.

The major functions of the Nomination Committee is to assist the Board to identify suitable individuals qualified to become Board members, assess the independence of independent non-executive Directors, propose re-election of retiring Directors, review the structure, size and composition of the Board and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy.

提名委員會

於本年報日期，提名委員會由一名執行董事及兩名獨立非執行董事組成，即范德偉先生（提名委員會主席）、曾家偉先生及左穎怡女士。

提名委員會的主要職能為協助董事會物色合資格成為董事會成員的合適人選、評估獨立非執行董事的獨立性、建議重選退任董事、檢討董事會的架構、人數及組成，並就任何建議變動向董事會作出建議，以配合本公司的企業策略。

Board Diversity Policy

The Board adopted a board diversity policy (“Policy”) with effect from 1 September 2013. The Company continuously seeks to enhance the effectiveness of the Board and to maintain the highest standards of corporate governance and recognises and embraces the benefits of diversity in the Board. A diversity of perspectives can be achieved through engaging directors in possession of diversified skills, regional and industry experience, educational background, race, gender and other qualities, etc. The composition, experience and balance of skills of the Board are regularly reviewed to ensure that the Board retains a core of members with longstanding knowledge of the Group alongside new Director(s) appointed from time to time who bring fresh perspectives and diverse experience to the Board. The Board appointments will continue to be made on a merit basis and candidates will be considered against objective criteria, with due regard for the benefits of diversity in the Board. The Board will continue to review the Policy to ensure its continued effectiveness on an annual basis.

During the Year, the Nomination Committee held five meetings to nominate new Directors, review the structure, size and composition of the Board, and review the arrangement for re-election of all the retiring Directors at the forthcoming general meetings of the Company and the terms of reference of the Nomination Committee.

AUDIT COMMITTEE

As at the date of this annual report, the Audit Committee comprises three independent non-executive Directors, namely Ms. Jor Stephanie Wing Yee (chairman of the Audit Committee), Mr. Leung Ki Chi James and Mr. Fenn David. The primary duties of the Audit Committee are to assist the Board by providing an independent review of the effectiveness of the financial reporting process, internal control and risk management systems of the Group, overseeing the audit process and performing other duties and responsibilities as assigned by the Board.

During the Year, the Audit Committee held three meetings to review the annual and interim results of the Group and terms of reference of the Audit Committee, make recommendations to the Board and the management in respect of the Group’s financial reporting and internal control procedures, and recommend new auditors for the Group.

董事會多元化政策

董事會自2013年9月1日起已採納一項董事會多元化政策（「政策」）。本公司不斷尋求提升董事會之效率，維持最高標準之企業管治，並明白及擁護董事會多元化的利益。多元化方面可透過委任擁有多元化技能、區域及行業經驗、教育背景、種族、性別及其他特質等多項條件之董事達致。董事會之組成、經驗及技能平衡乃經定期檢討，以確保董事會保留對本集團具有長期認識之核心成員外，同時就不時委任新任董事以為董事會帶來全新視野及不同經驗。董事會成員的委任將繼續以用人唯賢的準則，根據客觀標準考慮可擔任董事會成員的人選，並適當考慮董事會成員多元化的好處。董事會將持續檢討政策以確保其每年持續有效。

於本年度內，提名委員會已舉行五次會議以提名新任董事、檢討董事會的架構、人數及組成，以及檢討於本公司應屆股東大會上所有退任董事的重選安排及提名委員會的職權範圍。

審核委員會

於本年報日期，審核委員會由三名獨立非執行董事組成，即左穎怡女士（審核委員會主席）、梁其智先生及范德偉先生。審核委員會的主要職責為協助董事會就本集團的財務申報程序、內部監控及風險管理制度的有效性提供獨立審閱、監察審核過程以及履行董事會指派的其他職務與職責。

於本年度內，審核委員會舉行三次會議以審閱本集團之全年及中期業績及審核委員會的職權範圍，以及就本集團之財務報告及內部監控程序向董事會及管理層作出推薦意見，以及向本集團推薦新任核數師。

The Audit Committee has also reviewed, with the management and the Company's auditors, the Group's significant internal controls and financial matters in accordance with the Audit Committee's written terms of reference and made relevant recommendations to the Board. The Audit Committee's review covered the audit scope and findings, external auditor's independence and performance, the Group's accounting principles and practices, the Listing Rules and statutory compliance, connected transactions, internal controls, risk management, financial reporting matters (including the interim and annual financial reports for the Board's approval) and the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function as well as their training programmes and budget.

CORPORATE GOVERNANCE FUNCTIONS

The Board is collectively responsible for performing the corporate governance duties with written terms of reference equivalent to Code Provision D.3.1 of the CG Code. During the Year, the corporate governance policies of the Company were reviewed by the Board. The Board also reviewed the training and continuous professional development of the Directors and the senior management, the Company's compliance with the CG Code, disclosure in this Corporate Governance Report and the policy on compliance with legal and regulatory requirements.

審核委員會亦已按照審核委員會的書面職權範圍，與管理層及本公司的核數師共同檢討本集團的重要內部監控及財務事宜，並向董事會提供相關建議。審核委員會的檢討範圍包括審核範疇及結果、外部核數師的獨立性及表現、本集團所採納的會計原則及常規、上市規則及法定合規事項、關連交易、內部監控、風險管理、財務申報事宜（包括提呈董事會核准的中期及年度財務報告），以及本公司會計及財務匯報部門的資源是否充足，其員工是否具備足夠資歷及經驗，以及其培訓課程及相關預算是否足夠。

企業管治職能

董事會共同負責依據企業管治守則的守則條文第D.3.1條之書面職權範圍履行企業管治職責。於本年度內，本公司的企業管治政策經由董事會檢討。董事會亦審閱董事及高級管理層之培訓及持續專業發展、本公司有關企業管治守則之遵守情況、於本企業管治報告之披露以及符合法例及法規規定之政策。

ATTENDANCE OF DIRECTORS AT MEETINGS

The attendance of the Directors at the general meetings of the Company, meetings of the Board, the Audit Committee, the Remuneration Committee and the Nomination Committee during the Year are set out below:

董事出席會議之情況

於本年度內，各董事出席本公司股東大會、董事會會議、審核委員會會議、薪酬委員會會議及提名委員會會議之情況列載如下：

		Number of meetings attended/held 出席／舉行會議次數					
Director 董事		Annual General meeting 股東週年大會	Special General meetings 股東特別大會	Board meetings 董事會會議	Audit Committee meetings 審核委員會會議	Remuneration Committee meetings 薪酬委員會會議	Nomination Committee meeting 提名委員會會議
Executive Directors 執行董事							
Mr. Wong Yuk Tong	王玉棠先生	1/1	N/A不適用	4/4	N/A不適用	N/A不適用	3/3
Mr. Lee Wai Lok, Ignatious	李偉樂先生	N/A不適用	N/A不適用	3/3	N/A不適用	2/2	N/A不適用
Ms. Wu Mei Chu	胡美珠女士	1/1	N/A不適用	5/5	N/A不適用	N/A不適用	N/A不適用
Mr. Tsang Ka Wai	曾家偉先生	1/1	1/1	12/12	N/A不適用	N/A不適用	2/2
Mr. Yip Chung Yin Jeffrey	葉頌賢先生	0/1	1/1	10/10	N/A不適用	3/3	N/A不適用
Mr. Wong King Hoi	黃敬凱先生	1/1	1/1	9/10	N/A不適用	N/A不適用	N/A不適用
Independent non-executive Directors 獨立非執行董事							
Mr. Ong Chi King	王子敬先生	N/A不適用	N/A不適用	3/3	1/1	2/2	N/A不適用
Mr. Lee Shu Fai	李樹輝先生	0/1	N/A不適用	4/4	1/1	3/3	3/3
Mr. Pun Kwok Shan	潘國山先生	N/A不適用	N/A不適用	2/2	1/1	1/1	2/2
Mr. Fong Chak Kiu	方澤翹先生	1/1	N/A不適用	10/10	1/1	4/5	3/3
Ms. Jor Stephanie Wing Yee	左穎怡女士	0/1	1/1	10/10	2/2	3/3	2/2
Mr. Leung Ki Chi James	梁其智先生	N/A不適用	1/1	7/7	2/2	N/A不適用	N/A不適用
Mr. Fenn David	范德偉先生	N/A不適用	1/1	2/2	1/1	N/A不適用	N/A不適用

ACCOUNTABILITY AND AUDIT

The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Group for the Year. The Directors have prepared the consolidated financial statements of the Group on a going concern basis, and have selected appropriate accounting policies and applied them consistently, with applicable disclosures required under the Listing Rules and pursuant to the relevant statutory requirements.

The reporting responsibilities of the Company's external auditors, Baker Tilly Hong Kong Limited ("Baker Tilly"), are set out in the section headed "Independent Auditor's Report" on pages 74 to 85 of this annual report.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board is responsible for maintaining the effectiveness of the risk management and internal control systems of the Group which are designed to manage and mitigate risks, rather than eliminate risks, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has reviewed the risk management and internal control systems of the Group, which covers financial, operational, compliance procedural and risk management functions, and considered the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function. The Board concluded that the risk management and internal control systems are adequate and effective.

Main Features of Risk Management and Internal Control Systems

The key elements of the Group's risk management and internal control systems include the establishment of a risk register to monitor the identified risks, the assessment and evaluation of risks, the continuous updating of risk responses for the key risks identified to ensure the effectiveness of the mitigation procedures are in place. Furthermore, a risk matrix approach is adopted to determine the significance of the risk after evaluation of the risk in accordance with the likelihood and impact of the risk event identified.

問責性及核數

董事知悉彼等編製本集團本年度的綜合財務報表的責任。董事已按持續經營基準編製本集團綜合財務報表，並已貫徹選用合適之會計政策，亦已根據上市規則及根據相關法定規例作出規定之適用披露。

本公司外聘核數師天職香港會計師事務所有限公司（「天職」）之申報責任載於本年報第74至85頁之「獨立核數師報告」一節內。

內部監控及風險管理

董事會對維持本集團風險管理及內部監控系統的效用負責，該系統乃為管理及降低風險而設，而非消除風險，並僅可就重大失實陳述或損失作出合理而非絕對的保證。

董事會已對本集團風險管理及內部監控系統進行檢討，當中涵蓋財務、營運、合規程序及風險管理功能，並考慮資源充足性、員工資歷及經驗、培訓計劃以及本公司會計及財務申報職能的預算。董事會之結論為風險管理及內部監控系統適宜及充分有效。

風險管理及內部監控系統的主要特徵

本集團風險管理及內部監控系統的主要元素包括建立風險名冊監察已識別風險、評估風險、持續更新對各項已識別主要風險的應對措施，以確保緩和措施的有效性。此外，本集團採納風險矩陣法，於根據已識別風險事件發生的可能性及影響作出風險評估，以釐定風險是否重大。

While the Board has the overall responsibility to ensure that sound and effective internal controls are maintained, the management is responsible for designing and implementing internal control systems to manage all kinds of risks faced by the Group. The operating units and support functions are facilitated and coordinated by the management, and ensure that risk management processes and mitigation plans follow good practices and guidelines established in their day-to-day operations.

The Group's risk management activities are performed by management on an ongoing process. The effectiveness of the Group's risk management and internal control systems is evaluated at least annually to update the progress of risk monitoring efforts.

Process used to identify, evaluate and manage significant risks

The Group develops a preliminary inventory of events that could influence the achievement of the Group's business objectives. The Group identifies outside and inside events by reviewing its external and internal environment and stakeholders, which have an influence or potential influence on the Group's ability to achieve its strategy and business objectives.

The risks identified are evaluated with a risk matrix which prioritises risks according to the likelihood of their occurrence and the significance of their impact on the achievement of the Group's business objectives. Following the review of the risk matrix, the Group selects and deploys the corresponding risk responses and investigates the mitigation procedures to be executed to ensure the identified significant risks were managed to an acceptable level.

Process used to review the effectiveness of the Risk Management and Internal Control Systems

The Board has reviewed the need for an internal audit function and are of the view that in light of the size, nature and complexity of the business of the Group, it would be more cost effective to appoint external independent professionals to perform internal audit function for the Group in order to meet its needs. The Board continues to review the need for an internal audit function annually.

董事會有整體責任確保維持良好有效的內部監控，而管理層則須負責設計及實施內部監控系統，以管理本集團面臨的各種風險。管理層會協助推進並整合營運單位及支援功能，以確保風險管理程序及緩和計劃以遵守日常營運中所建立的良好慣例及指引。

本集團之風險管理活動由管理層持續進行。至少每年就本集團風險管理及內部監控系統之成效進行評估，以了解風險監測工作之最新進度。

識別、評估及管理重大風險所用的程序

本集團列出可能影響本集團實現業務目標的事件的初步清單。本集團透過檢討其外部及內部環境及持份者，以識別外部及內部事件，有關事件對本集團達成其策略及業務目標的能力產生影響或潛在影響。

已識別風險乃根據風險矩陣進行評估，該矩陣根據風險發生的可能性及其對本集團達成業務目標影響的重大性排列風險的優先排序。於檢討風險矩陣之後，本集團選擇及開展相應的風險應對措施，並調查將予實施的緩解程序以確保已識別的的重大風險受到管理，達致可接受的水平。

檢討風險管理及內部監控系統有效性所用的程序

董事會已檢討內部審計職能之需要，且認為基於本集團業務之規模、性質及複雜程度，為符合其需要，委任外部獨立專業人士執行內部審計職能對本集團而言更具成本效益。董事會每年持續檢討內部審計職能的需求。

During the Year, an independent consultant (“Consultant”) was engaged to perform a review on the risk management and internal control systems. The Consultant has reported findings and areas for improvement to the Board and management. The Board and management are of the view that no material defects are noted in the Group’s risk management and internal control systems. The recommendations from the Consultant are properly followed up by the Group to ensure that they are implemented within a reasonable period of time. The Board considers the Group’s risk management and internal control systems are adequate and effective and no significant control failings or weaknesses was identified for the Year.

Inside Information Policy

The Group has established policies for the handling and dissemination of inside information for purposes of strengthening the confidentiality of inside information, maintaining the fairness of information disclosure and protecting the legal interests and rights of the investors. The Group is in compliance with Part XIVA and relevant parts of the Securities and Futures Ordinance (Chapter 571 of the HK Laws) and the Listing Rules. The Group has reasonable measures on keeping the sensitive information confidential and ensure that the inside information of the Group is disseminated to the public timely, completely and accurately. In addition, each personnel is granted a specific level of access to the price sensitive and inside information. The Directors, senior management and employees are informed with the latest regulatory updates.

AUDITORS’ REMUNERATION

The fees paid or payable to the Company’s auditors, Baker Tilly, for their audit and non-audit services provided for the Year were HK\$680,000 and HK\$220,000 respectively. The non-audit services refers to the services provided by Baker Tilly who acted as the reporting accountants of the Company in respect of the Company’s disposal of IE China, which constituted a very substantial disposal for the Company under Chapter 14 of the Listing Rules.

於本年度，本集團已委聘獨立顧問（「顧問」）對風險管理及內部監控系統進行檢討。顧問已向董事會及管理層報告調查結果及有待改進的地方。董事會及管理層認為，並未發現本集團風險管理及內部監控系統的重大失誤。本集團對顧問之建議作出適當的跟進，以確保其於合理時間內得以實行。董事會認為本集團的風險管理及內部監控系統適宜及充分有效，於本年度並無發現重大監控失誤或缺陷。

內部資料政策

本集團已制定處理及傳播內部資料的政策，以加強內部資料的保密性、維持公平的資料披露並保護投資者的法定權益及利益。本集團遵守香港法例第571章《證券及期貨條例》第XIVA部及相關部分以及上市規則。本集團已採取合理措施，保持敏感資料機密，並確保本集團的內部資料及時、完整及準確傳遞予公眾。此外，每位人員均被授予獲取價格敏感及內部資料的特定權限。董事、高級管理層及僱員均獲告知最新的監管資料。

核數師薪酬

就本公司核數師天職於本年度提供的審核及非審核服務而已付或應付予彼等的費用分別為680,000港元及220,000港元。非審核服務指天職作為本公司申報會計師就本公司出售互娛中國（其構成上市規則第14章項下本公司之非常重大出售事項）提供的服務。

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Company maintains a two-way communication channel to report the performance of the Company to the Shareholders and investors. Annual reports, accounts and interim reports containing full details of the Company's activities are despatched to the Shareholders and investors. Such reports and other announcements of the Company can be accessed on the websites of the Stock Exchange and the Company.

To ensure disclosures are made to the Shareholders and investors effectively, and to ensure that the same information is made available to the public at the same time, price sensitive information is released in the form of official announcements in accordance with the Listing Rules.

In addition, the Company maintains contact with the Shareholders through annual general meetings or other general meetings, and encourages the Shareholders to attend those meetings.

Notice of general meeting is sent by mail to the registered Shareholders. Agenda and resolutions are set out in the notice of general meeting.

A proxy form for use at a general meeting of the Company is enclosed with the notice. Shareholders who do not intend or are unable to be present at the meeting should fill out the form and return the same to the branch share registrar and transfer office of the Company in Hong Kong, so as to appoint a representative, another Shareholder or the chairman of the meeting as their proxy.

與股東及投資者之溝通

本公司使用雙向的溝通渠道，向其股東及投資者匯報本公司的表現。本公司年報、賬目及中期報告載有本公司活動的詳細資料，該等報告及賬目會寄發予股東及投資者。本公司的有關報告及其他公佈可於聯交所網站及本公司網站查閱。

為向股東及投資者提供有效披露，以及確保公眾人士可同時獲取相同資料，股價敏感資料會根據上市規則的規定以正式公佈方式發放。

此外，本公司透過股東週年大會或其他股東大會與股東一直保持溝通並鼓勵股東參與該等大會。

登記股東以郵寄方式收取股東大會通告，而股東大會通告載有議程及決議案。

通告隨附本公司股東大會適用的代表委任表格。不擬或未能出席大會的股東應填妥代表委任表格並交回本公司的香港股份過戶登記分處，以委任一名代表、另一名股東或大會主席擔任彼等的代表。

SHAREHOLDERS' RIGHTS

Procedures for shareholders to convene a general meeting

The following procedures are subject to the Company's Bye-laws, the Companies Act 1981 of Bermuda ("Act") and applicable legislation and regulation.

1. An annual general meeting of the Company shall be held in each year. General meeting, other than an annual general meeting, shall be called a special general meeting and may be held in any part of the world as may be determined by the Board.
2. Shareholder or Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Company's registered office or head office in Hong Kong at Rooms 1006-7, 10/F., China United Centre, 28 Marble Road, North Point, Hong Kong, for the attention to the Board or the Company Secretary, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting the requisitionists themselves may do so in accordance with the Act.
3. The written requisition must state the purposes of the meeting, and must be signed by the requisitionists and may consist of several documents in like form, each signed by one or more of the requisitionists. The requisition will be verified with the Company's branch share registrar and upon their confirmation that the requisition is proper and in order, the Company will ask the Board to convene a special general meeting by serving sufficient notice in accordance with the statutory requirements to all the registered Shareholders. On the contrary, if the requisition has been verified as not in order, the Shareholders concerned will be advised of this outcome and accordingly, a special general meeting will not be convened as requested.

股東的權利

股東召開股東大會的程序

下列程序須受本公司之公司細則、百慕達1981年公司法（「公司法」）及適用法律法規所規限。

1. 本公司須每年舉行股東週年大會。股東大會（股東週年大會除外）應被稱為股東特別大會並可於董事會可能釐定之世界任何地方舉行。
2. 任何一名或多名於遞呈要求日期持有不少於本公司繳足股本（賦予於本公司股東大會上投票權）十分之一之股東於任何時候有權透過向本公司註冊辦事處或香港總辦事處（地址為香港北角馬寶道28號華匯中心10樓1006-7室）發出書面要求，註明收件人為董事會或公司秘書，要求董事會召開股東特別大會，以處理有關要求中指明的任何事項。有關大會應於遞呈有關要求後兩個月內舉行。倘於遞呈後二十一日內，董事會未有召開有關大會，則遞呈要求人士可根據公司法自行召開有關大會。
3. 書面要求必須列明會議目的，及必須由遞呈要求人士簽署，且可由多份格式相似並各自經一名或多名遞呈要求人士簽署之文件組成。要求將由本公司之股份過戶登記分處核實，及於其確認要求屬適當且符合程序後，則本公司將要求董事會根據法定規定透過向所有登記股東發出充分通知後召開股東特別大會。相反，倘有關要求經核實為不符合程序，相關股東將獲通知該結果，而董事會將不會應要求召開股東特別大會。

Procedures for shareholders to put forward proposals

The following procedures are subject to the Company's Bye-laws, the Act and applicable legislation and regulation.

1. Either (i) the Shareholders holding not less than one-twentieth of the total voting rights of those Shareholders having the right to vote at such meeting; or (ii) not less than one hundred Shareholders, at the expenses of the Shareholders concerned, can submit a written requisition to move a resolution at a general meeting or a statement of not more than 1,000 words with respect to the matter referred to in the proposed resolution or the business to be dealt with at a particular general meeting.
2. The written requisition must be signed by the requisitionists concerned and deposited at the Company's registered office or head office in Hong Kong at Rooms 1006-7, 10/F., China United Centre, 28 Marble Road, North Point, Hong Kong, for the attention of the Company Secretary, not less than six weeks before the meeting in the case of a requisition requiring notice of a resolution and not less than one week in the case of any other requisition.
3. The requisition will be verified with the Company's branch share registrar and upon their confirmation that the requisition is proper and in order, the Company Secretary will ask the Board to (i) include the resolution in the agenda for the annual general meeting; or (ii) convene a special general meeting by serving sufficient notice in accordance with the statutory requirements to all the registered Shareholders, provided that the requisitionists concerned have deposited a sum reasonably sufficient to meet the Company's expenses in giving effect thereto.

股東提出建議的程序

下列程序須受本公司之公司細則、公司法及適用法律法規所規限。

1. 任何(i)於有關大會上持有投票權之該等股東之總投票權不少於二十分之一的股東；或(ii)不少於100名股東，可提交擬於股東大會上動議決議案之書面要求，或就於特定股東大會提呈之決議案所述事項或將予處理之事務作出不超過1,000字之陳述，費用由有關股東承擔。
2. 書面要求須由有關遞呈要求人士簽署，並於有關大會舉行前不少於六個星期（如屬要求發出決議案通知的要求）及不少於一個星期（如屬任何其他要求）送交本公司註冊辦事處或香港總辦事處（地址為香港北角馬寶道28號華匯中心10樓1006-7室），註明收件人為公司秘書。
3. 要求將由本公司之股份過戶登記分處核實，並於其確認要求屬適當且符合程序後，公司秘書將要求董事會(i)將決議案加入股東週年大會之議程；或(ii)透過根據法定規定向所有登記股東發出充分通知後召開股東特別大會，惟有關遞呈要求人士須已存入一筆合理的款項足以應付本公司為令有關要求生效之費用。

Procedures for shareholders to propose a person for election as a Director

The following procedures are subject to the Company's Bye-laws, the Act and applicable legislation and regulation.

If a Shareholder wishes to nominate a person ("Candidate") to stand for election as a Director at the general meeting, documents including, (i) a written notice signed by the concerned Shareholder expressing his/her intention to propose the Candidate for election as a Director at the general meeting; (ii) a written notice signed by the Candidate indicating his/her willingness to be elected, together with the Candidate's biographical details as required to be disclosed under Rule 13.51(2) of the Listing Rules; and (iii) the Candidate's written consent to the publication of his/her personal data, must be validly lodged at the Company's registered office or head office in Hong Kong at Rooms 1006-7, 10/F., China United Centre, 28 Marble Road, North Point, Hong Kong or at Tricor Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong within the period specified in the Bye-laws (the period for lodgment of such notices shall commence on the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting).

Detailed procedures for the Shareholders to propose a Candidate for election as a Director are available on the Company's website at www.hkeduii.com.

Procedures for sending enquiries to the Board

Specific enquiries by Shareholders requiring the Board's attention can be sent in writing to the Company Secretary at the Company's head office in Hong Kong at Rooms 1006-7, 10/F., China United Centre, 28 Marble Road, North Point, Hong Kong. Other general enquiries can be directed to the Company through those communication channels as shown on the Company's website at www.hkeduii.com.

CONSTITUTIONAL DOCUMENT

There is no change in the Company's constitutional documents during the Year.

股東提名人士參選董事的程序

下列程序須受本公司之公司細則、公司法及適用法律法規所規限。

倘股東有意提名人士（「候選人」）在股東大會上參選董事，須在公司細則規定之期限內（遞交有關通知之期限應在寄發有關此項選舉的股東大會通告翌日開始，而結束日期不得遲於有關股東大會日期前七日），向本公司註冊辦事處或香港總辦事處（地址為香港北角馬寶道28號華匯中心10樓1006-7室）或本公司香港股份過戶登記分處卓佳證券登記有限公司（地址為香港皇后大道東183號合和中心22樓）有效送達的文件包括：(i)表明其欲於股東大會上提名候選人參選董事並由有關股東簽署的書面通知書；(ii)候選人已簽署之書面通知書，表明其願意參選，連同根據上市規則第13.51(2)條規定須予披露的候選人的履歷詳情；及(iii)候選人同意其個人資料被披露的書面同意書。

股東提名候選人參選董事的程序詳情可於本公司網站 www.hkeduii.com 查閱。

向董事會作出查詢的程序

股東如欲向董事會作出特別查詢，可以書面形式致函公司秘書，並寄發至本公司的香港總辦事處（地址為香港北角馬寶道28號華匯中心10樓1006-7室）。其他一般查詢可透過本公司網站 www.hkeduii.com 所示的該等聯絡方式送交本公司。

憲章文件

於本年度，本公司之憲章文件概無變動。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

As a company based in and serving Hong Kong, Hong Kong Education (Int'l) Investments Limited ("Company", and its subsidiaries collectively as the "Group") is fully committed to environmental protection and corporate social responsibilities and is equipped with strict corporate governance practices. Pursuant to the requirement of the Environmental, Social and Governance Reporting guide in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Stock Exchange"), the Group has prepared this report ("ESG Report") relating to environmental, social and governance ("ESG") impacts and policies of the Group.

The scope of this ESG Report covers the Group's initiatives on introducing the concept of ESG to internal and external stakeholders, putting them into daily practices, and summarising the results for the reporting period. It is also the management's intention to provide an overview of the Group's direction in managing ESG related issues, driving for ESG enhancement initiatives in our daily operations, and communicating the Group's ESG performance results with stakeholders. The reporting period of this ESG report is from 1 July 2017 to 30 June 2018 ("Reporting Period"). During the Reporting Period, the Group was principally engaged in the provision of private educational services, investment in securities, property investments and money lending business. We consider the provision of private educational services our core business and this ESG Report mainly covers discussions relating to this business.

STAKEHOLDER ENGAGEMENT AND MATERIALITY IDENTIFICATION

The Company set out below its efforts to minimise the negative influence of the Group's operations on the environment, to promote employees' well-being and to contribute to the local community.

In addition, the Group engaged and commissioned a professional firm to draft the ESG Report, and conducted a materiality analysis in the form of a management interview during the drafting process. The sustainability related issues which are particularly material to the Group were identified during the process and reported in the later part of this ESG Report.

作為一間以香港為基地和服務對象的公司，香港教育（國際）投資集團有限公司（「本公司」，連同其附屬公司統稱「本集團」）全面致力於環保及企業社會責任，並已制定嚴格的企業管治常規。根據香港聯合交易所有限公司（「聯交所」）證券上市規則附錄27環境、社會及管治報告指引的規定，本集團已就本集團有關環境、社會及管治（「環境、社會及管治」）之影響及政策編製本報告（「環境、社會及管治報告」）。

本環境、社會及管治報告的範圍涵蓋本集團有關向內外部持份者介紹環境、社會及管治概念、於日常營運中實踐有關概念及簡述報告期間結果的積極行動。管理層亦旨在概述本集團在管理環境、社會及管治相關事宜、於日常營運過程中推動環境、社會及管治改善措施及與持份者溝通本集團環境、社會及管治表現結果方面的方針。本環境、社會及管治報告的報告期間自2017年7月1日至2018年6月30日止（「報告期間」）。於報告期間，本集團主要從事提供私人教育服務、證券投資、物業投資及借貸業務。我們認為提供私人教育服務為我們的核心業務，而本環境、社會及管治報告主要涵蓋有關此業務的討論。

持份者參與及重要性識別

下文載列本公司為將本集團業務對環境的負面影響降至最低、促進僱員的福祉及為本地社區作出的貢獻。

此外，本集團委聘及委託一間專業機構起草環境、社會及管治報告以及在起草過程中與管理層以訪談的形式進行重要性分析。在此過程中，已識別對本集團實屬重大的可持續發展相關事項，並已於本環境、社會及管治報告的後半部分作出相關呈報。

The following table shows the key stakeholders of the Group as well as how the Group communicate with them through a variety of channels.

下表列示本集團的主要持份者及本集團如何通過多種渠道與彼等進行溝通。

Internal Stakeholders
內部持份者

- The board of directors (“Board”) 董事會 (「董事會」)
- The management (“Management”) 管理層 (「管理層」)
- Other employees 其他僱員

External Stakeholders
外部持份者

- Shareholders 股東
- Investors 投資者
- Customers 客戶
- Suppliers 供應商
- Local Community Groups 本地社群

Engagement methods:

Meetings, interviews, direct mail and e-mail, staff performance appraisal interviews, internal newsletters, annual general meeting, special general meetings, announcements and circulars.

參與方式：

會議、訪談、投寄直接郵件及電子郵件、員工表現評核訪談、內部通訊、股東週年大會、股東特別大會、公告及通函。

Table 1. Engaged Stakeholder list and methods

表1. 參與持份者名單及方式

ENVIRONMENT

The Group is committed to supporting the young generation for their prosperous future, and providing them with the best education. On the other hand, the Group is determined to minimise its impact to the environment resulting from its business operations for the wellbeing of the community.

環境

本集團致力於支持年輕一代追求美好前程及為彼等提供最好的教育。另一方面，本集團竭力將其業務營運對環境造成的影響降至最低以造福社群。

The Group conducted a materiality assessment to identify the environmental impact resulting from its daily activities. As the Group is mainly operating in an indoor environment (such as classrooms and offices located in commercial buildings), the following are identified as the key areas which the Group’s operations may adversely impact the environment:

本集團為識別日常活動所造成的環境影響進行了重要性分析。由於本集團主要在室內環境（如位於商業大樓的教室及辦公室）營運，以下方面獲識別為本集團經營業務可能對環境構成不利影響的主要領域：

- Electricity consumption;
- Paper consumption;
- Non-hazardous wastes; and
- Water consumption.

- 電力消耗；
- 紙張消耗；
- 無害廢棄物；及
- 水消耗。

As the Group’s principal activities did not involve industrial activity, combustion or other heavy energy related operations, the impact caused to the environment is not significant.

由於本集團的主要活動並無涉及工業活動、燃燒或其他高度能源相關營運，所以對環境造成的影響並不重大。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Greenhouse Gas Emission

The Group measured its greenhouse air emissions across all its administrative offices and education centres, and results indicated that there is no air emission (as regards pollutants regulated under the laws of Hong Kong) emitted or discharged into the air, land or sea as a result of the Group's operations in the Reporting Period.

Carbon Emission

As discussed in the previous section, the Group does not generate direct air pollutant through its operation. Instead, the Group indirectly generates carbon dioxide from its electricity consumption in the classrooms and office premises. The Group is actively managing and exploring measures to reduce carbon emission and has achieved success for the past 3 years mainly by means of reducing electricity consumption. As shown in Chart 1 below, the amount of carbon emission has been steadily decreasing for 3 consecutive years. During the Reporting Period, the carbon emission for the Group from electricity consumption was 510tCO₂e. The Group will continue to monitor its greenhouse gas emissions from electricity consumption data which is available on the electricity bills and the sustainability report from the electricity provider to achieve better results.

The Group will also continue to manage the consumption pattern of electricity, and work with its employees to enhance overall performance and minimise future carbon footprint. Please refer to the paragraph headed "Use of Resources" in this ESG Report for the Group's policies on electricity conservation and the results achieved.

溫室氣體排放

本集團已對所有行政辦公室及教育中心的溫室氣體排放量進行計量，結果顯示本集團於報告期內的經營業務概無向大氣、土壤或海洋排放屬香港法律所規管污染物類別的廢氣。

碳排放

誠如上一節所論述，本集團經營業務並無直接產生空氣污染物。相反，本集團於教室及辦公室的電力消耗間接產生二氧化碳。本集團積極管理及探尋可減少碳排放的措施，且於過往三年主要透過減少電力消耗方式已取得減排成效。如下文圖1所示，碳排放量已連續三年錄得穩定下降。於報告期間，本集團電力消耗的相關碳排放為510噸二氧化碳當量。本集團將繼續透過電費單的電力消耗數據及電力供應商的可持續發展報告監控其溫室氣體排放，以爭取更佳表現。

本集團亦將繼續管理其電力消耗模式，並與其僱員一同協力提升整體表現及減少未來碳足跡。請參閱本環境、社會及管治報告「資源運用」一段，了解本集團節約用電的相關政策及已取得的成果。

Group Carbon Emission Performance
本集團碳排放狀況

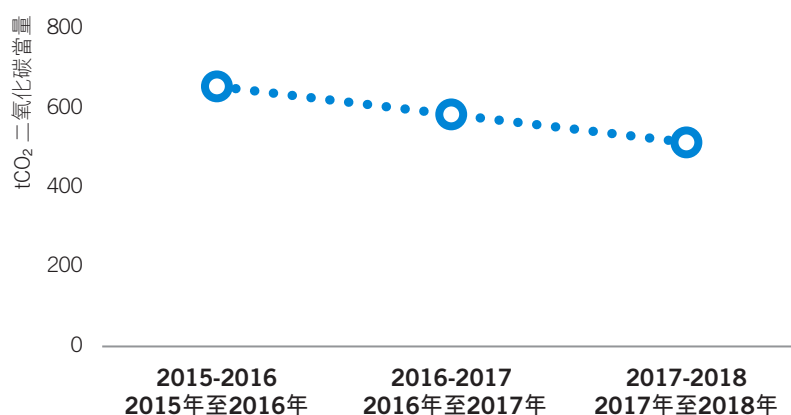


Chart 1. Carbon Emission Performance
圖1. 碳排放狀況

Waste Management

As the Group's principal businesses are operated in an indoor environment in commercial buildings, the Group does not involve, generate, discharge or handle any form of hazardous waste into the air, land or sea. The Group generate non-hazardous wastes mainly in the form of general wastes and recyclable wastes.

Since the majority of the generated wastes are office general wastes (i.e.: paper), the focus of the Group's waste reduction policy focuses on promoting reduction of paper consumption and paper recycling, and the appropriate use of recycled paper in workplaces, such as:

- promote efficient printing to avoid unnecessary print-outs by setting computer defaults to double-sided printing and making double-sided printing and copying when possible;
- use recycled paper for internal communication in workplaces where possible;
- drive for a paper-less and e-platform working environment through communications via emails and e-format documents instead of hard copies; and
- deploy recycling bins to collect used paper products, such as waste paper and envelopes where possible.

廢棄物管理

由於本集團於商業大廈室內開展主要業務，其並不涉及、產生、排放或處理任何形式的有害廢棄物進入空氣、陸地或海洋。本集團產生的無害廢棄物主要為一般廢棄物及可回收廢棄物。

由於產生的廢棄物大部分為辦公室一般廢棄物（如紙張），本集團的減廢政策側重於提倡減少紙張消耗及紙張回收，以及於工作場所適當使用再造紙。如：

- 透過將電腦設置為雙面列印和在可行情況下使用雙面列印和複印以提倡高效列印以避免不必要的打印；
- 盡可能在工作場所使用再造紙作內部溝通；
- 透過電郵及電子格式文檔以取代印製文本進行溝通，努力創建一個無紙化的電子工作環境；及
- 放置回收箱盡可能收集用過的紙張產品，如廢紙及信封。

Use of Resources

As an environmental-friendly organisation, the Group has been promoting the culture of “Wise Resource Consumption” of natural resources for years, and its employees are mindful of their consumption of natural resources, especially in respect of electricity, water and paper, which are the major consumables for the Group's and its franchisees' operations in the education business. The Group's operations do not involve the use of packaging materials. “Wise Resource Consumption” includes electricity conservation practices, and measures to reduce water and paper consumption. These practices were successfully implemented in various indoor premises of the Group throughout the Reporting Period. Green tips were provided to employees as constant reminders for responsible use of natural resources.

The Group is pleased to present its consumption data of natural resources in the Reporting Period as follows:

資源運用

作為一個注重環保的機構，本集團多年來一直提倡「智慧資源消耗」天然資源的文化，而僱員則注重其對天然資源的消耗，尤其是電力、水及紙張方面，而此三項要素乃為本集團及其特許經營商於教育業務中之主要消耗品。本集團的業務並無涉及使用包裝材料。「智慧資源消耗」包括節電措施及減少水及紙張消耗措施。該等措施已於報告期間於各室內場所成功推行。僱員亦獲提供環保小貼士以持續提醒彼等以負責任態度使用天然資源。

本集團欣然呈列報告期間的天然資源消耗數據如下：

Consumption Item 消耗項目	Unit 單位	Total Amount 總量
Electricity 電力	kWh 千瓦時	948,361
Water 水	m ³ 立方米	683
Detergent 洗滌劑	L 升	259
Paper 紙張	kg 千克	1,910,979
Electricity Consumption Intensity 電力消耗密度	kWh/customer 每名客戶所佔千瓦時	6.04
Water Consumption Intensity 水消耗密度	m ³ /customer 每名客戶所佔立方米	0.004

Table 2. 2017-2018 Resource Consumption Summary
表2. 2017年至2018年資源消耗量概要

The Environment and Natural Resources

The Group is constantly reminding its employees to be cautious about excessive or unnecessary consumption behaviours, especially on electricity and water consumption.

Energy

As part of the “Wise Resource Consumption” policy, various measures are enforced to ensure energy (i.e. mainly electricity) is utilized efficiently. For example:

- use notices posted in the office premises to remind employees to turn off electronic or electrical equipment after use or before leaving office (including lights, photocopier, computer screen, etc.);
- introduce natural light and use energy-saving lightings wherever it is feasible;
- clean the air filter of air-conditioners regularly to ensure cool air flow efficiency;
- put the computer in sleep mode instead of using a screen saver; and
- set the air conditioner to 25.5°C for an energy efficient environment instead of excessive cooling.

The result of the Group’s previous three reporting period in energy consumption can be found as below:

環境及天然資源

本集團持續提醒僱員審慎對待過量或非必要消耗行為，特別是電力及水消耗。

能源

作為「智慧資源消耗」政策的一部分，我們已強制執行各種措施以確保能源（主要為電力）的有效使用。例如：

- 在辦公室張貼通知，提醒僱員在使用後及離開辦公室前關掉電子或電器設備，如電燈、打印機、電腦屏幕等；
- 盡可能引入自然光及使用節能燈具；
- 定期清潔空調的空氣過濾器，確保冷氣流動順暢；
- 電腦使用睡眠模式以取代屏幕保護程式；及
- 將空調溫度設置為攝氏25.5度的節能環境，避免過冷。

本集團於過往3個報告期間之能源消耗狀況如下：

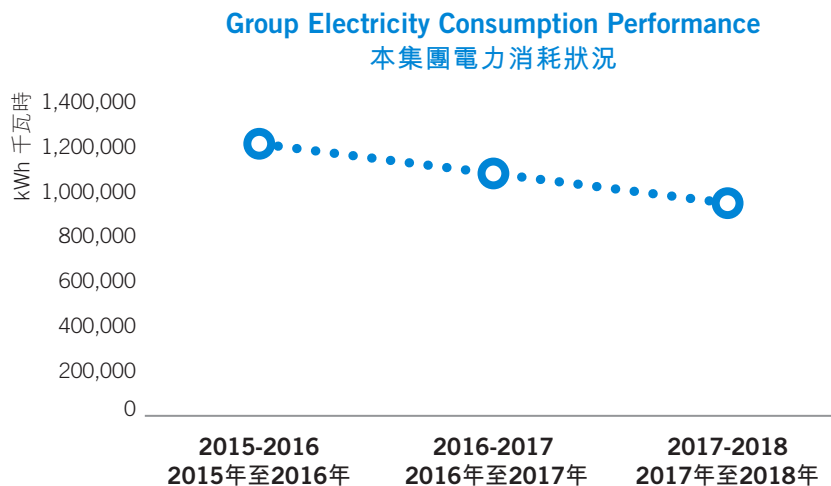


Chart 2. Electricity Consumption Performance
圖2. 電力消耗狀況

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

Water

The main sources of water consumption for the Group are through toilet flushing, water tap and drinking water. The Group engages external janitors to regularly clean the water taps and toilet bowls. The Group encounters no difficulty in sourcing water that is fit for such purposes. Employees are reminded to reduce water consumption with good practices, where tips and slogans posted in resting areas and toilets to:

- control water flow at the tap to avoid over usage;
- turn off tap when applying soap; and
- perform regular maintenance on water taps to get rid of wastage.

The result of the Group's previous three reporting period in water consumption can be found as below:

水

本集團用水的主要源頭為洗手間沖廁水、水龍頭自來水及飲用水。本集團聘請外部清潔工定期清潔水龍頭及馬桶。本集團於採購適合此用途的水源時並無遭遇任何困難。於休息區及洗手間有張貼小貼士及標語，提醒僱員培養良好習慣節約用水，以：

- 控制水龍頭的水流量，避免過量使用；
- 於塗抹肥皂時關閉水龍頭；及
- 對水龍頭作定期維修保養，杜絕浪費。

本集團於過往3個報告期間之用水狀況如下：

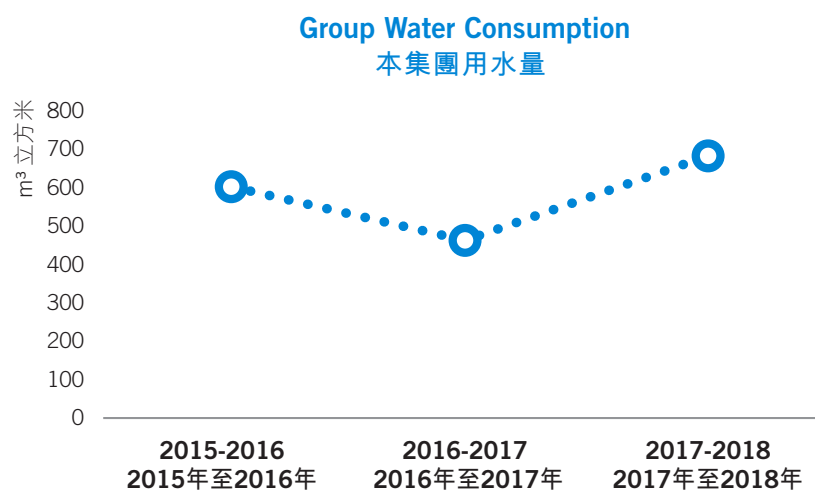


Chart 3. Water Consumption Performance
圖3. 用水狀況

The Group will keep monitoring and improving performance on consumption level and further initiatives shall be implemented if necessary.

本集團將繼續監控和改善消耗程度的狀況，並於必要時採取進一步措施。

SOCIAL

The Group is committed to providing the best education environment to the future generation. It also understands the importance of a quality staff team and in particular its tutors in the private education services industry. The management upholds the belief that human resource is the most valuable asset of the Company, and thus offers competitive remuneration packages, and other fringe benefits in order to retain and attract high-calibre talents.

The Group's core human resource principle is built under the vision to treat all employees equally and fairly, and comply with all related employment laws and regulations. The Group will continue to monitor and improve in areas whenever needed, and continue to grow sustainably and in a socially responsible manner.

EMPLOYMENT AND LABOUR PRACTICES

Results from the materiality assessment show that topics relating to "Employee" is the upmost vital attribute for the Group. The Group understands success heavily relies on team members' experience, and the quality and stability of the workforce. The Group thus aims to attract, develop and maintain the best team of professional teaching staff, and to provide a healthy working environment for all employees with work-life balance. The Group's *Staff Handbook* is issued and provided as a guidance for employees, stating goals, policies and procedures and conducts to be followed by the Group, its management and the employees.

The relevant laws and regulations that have significant impact on the Group relate to those on compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare during the Reporting Period. The Group's employment contracts and the *Staff Handbook* are strictly in compliance with the statutory requirements, including provisions of Employment Ordinance (Chapter 57 of the Laws of Hong Kong ("HK Laws")), Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the HK Laws), Minimum Wage Ordinance (Chapter 608 of the HK Laws), Sex Discrimination Ordinance (Chapter 480 of the HK Laws), Disability Discrimination Ordinance (Chapter 487 of the HK Laws), Family Status Discrimination Ordinance (Chapter 527 of the HK Laws) and Race Discrimination Ordinance (Chapter 602 of the HK Laws). The Group is not aware of any non-compliance with the relevant laws and regulations relating to employment matters during the Reporting Period.

社會

本集團致力為年輕一代提供最好的教育環境，並深諳優質員工團隊，尤其是導師於私立教育服務行業的重要性。管理層秉持人力資源乃本公司最寶貴資產的信念，因此提供具有競爭力的薪酬待遇和其他福利，以期挽留和招攬高質素人才。

本集團的核心人力資源原則是根據平等公平地對待所有僱員和遵守所有相關僱傭法例及法規的願景而建立。本集團將繼續監察及在有需要的地方作出改善，並繼續以可持續發展和富有社會責任感的方式謀求增長。

就業及勞工條例

從重要性評估結果顯示，與「僱員」相關的議題對本集團而言是至關重要。本集團明白成功主要依賴團隊成員的經驗和員工團隊的質素及穩定性。因此，本集團的目標是招攬、培養及挽留由專業教職員組成的最優秀隊伍，同時為全體僱員提供工作與生活平衡的健康工作環境。本集團發出《員工手冊》並提供予僱員作為指引，當中列明本集團的目標、政策及程序以及本集團、其管理層及僱員將予遵循的守則。

於報告期間，對本集團有重大影響的相關法例法規牽涉補償及解僱、招聘及晉升、工作時數、休息時間、平等機會、多元化、反歧視及其他福利和待遇。本集團的僱傭合約及員工手冊嚴格遵守法定規定，包括香港法例（「香港法例」）第57章僱傭條例、香港法例第485章強制性公積金計劃條例、香港法例第608章最低工資條例、香港法例第480章性別歧視條例、香港法例第487章殘疾歧視條例、香港法例第527章家庭崗位歧視條例及香港法例第602章種族歧視條例等條文。於報告期間，本集團並不知悉有關僱傭事宜的任何違反相關法律法規的情況。

Remuneration

The Group operates its business with a competitive remuneration scheme in order to attract and retain talents. The Group participates in Mandatory Provident Fund Scheme for all qualified employees. Our employees' remuneration is determined with reference to the prevailing market level in line with their competence, qualifications and experience. Annual reviews are conducted to ensure the remuneration packages are fair and consistently applied to all employees. Monthly salary payments and the MPF contribution have been made within the prescribed timeframe for the Reporting Period. Multiple incentives and rewards are also offered to motivate and recognise excellent work performance in forms of discretionary bonus.

The Directors' fees and other emoluments shall be subject to shareholders' approval at general meetings or determined by the Board with the recommendation of the remuneration committee of the Company with reference to their individual performance, the Group's operating results and as well as market practice and conditions. Also, no Director or any of his/her associates is entitled to participate in deciding his/her own remuneration.

Equal Opportunities, Diversity and Anti-Discrimination

Being an employer who emphasises on equal opportunity, the Group is committed to adopting a competence-based strategy in human resources related matters. The Group has no discrimination against any employee on grounds of gender, disability, pregnancy, family status, race, religion, age, sexual orientation, national origin, trade union membership or other conditions when deciding their terms of employment or offering them training and promotion opportunities.

The Group values talent and employs the best fit for the positions. The Group recruit talents by means of public recruitment. Equal opportunity is provided to each employee through the Group's appraisal, remuneration and incentive system. The following charts provide an overview of the employees' gender, mode of employment and age distribution for the Reporting Period:

薪酬

本集團以富競爭力的薪酬計劃經營業務，以招攬和挽留人才。本集團為所有合資格僱員參加強制性公積金計劃。我們的僱員薪酬乃參考與其能力、資格及經驗相符的當前市場水平而釐定。薪酬待遇會作年度檢討，確保其公平性及貫徹應用於全體僱員。報告期間的月薪付款及強積金供款一直根據規定時限繳納。我們亦提供酌情花紅等形式的多重獎勵及獎金，以激勵和表彰出色的工作表現。

董事的袍金及其他酬金須經股東於股東大會上批准或須由董事會按本公司薪酬委員會於參照董事的個人表現、本集團的經營業績以及市場慣例及狀況後作出的推薦建議釐定。此外，概無董事或其任何聯繫人士有權參與釐定其自身薪酬。

平等機會、多元化及反歧視

作為一名注重平等機會的僱主，本集團致力於在人力資源相關事宜方面採取基於能力的策略。於決定僱員的僱傭條款或為僱員提供培訓及晉升機會時，本集團對任何僱員並無任何基於性別、殘疾、懷孕、家庭狀況、種族、宗教、年齡、性取向、國籍、工會會籍或其他情況的歧視行為。

本集團重視人才並為崗位配置最合適的人才。本集團透過公開招聘的方式招聘人才。透過評核、薪酬及獎勵制度，本集團向每名僱員提供平等機會。下圖列示報告期間員工的性別、僱傭類型及年齡分佈概覽：

Employee Distribution by Gender
按性別劃分的僱員分佈情況

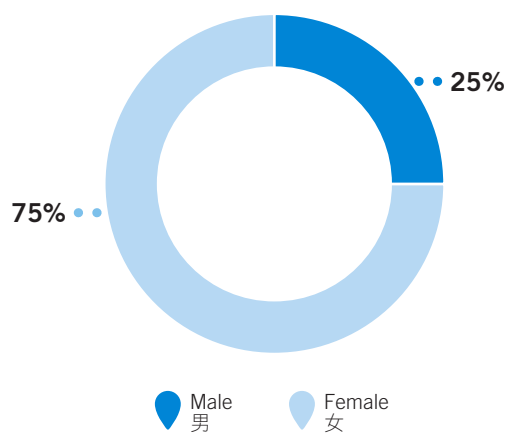


Chart 4. Gender Distribution
圖4. 性別分佈情況

Employee Distribution by Mode of Employment
按僱傭類型劃分的僱員分佈情況

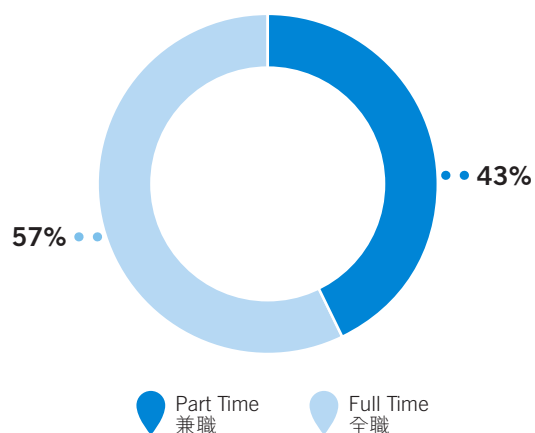


Chart 5. Employment Type Distribution
圖5. 僱傭類型分佈情況

Employee Distribution by Age
按年齡劃分的僱員分佈情況

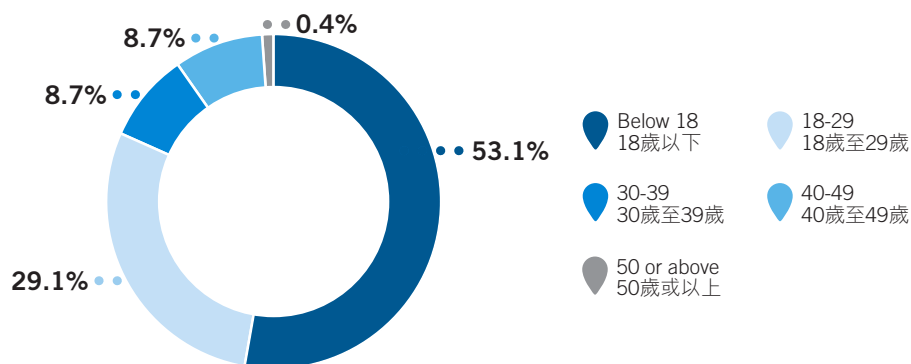


Chart 6. Age Distribution
圖6. 年齡分佈情況

During the Reporting Period, the Group's employee turnover rate is approximately 19%.

於報告期間，本集團的僱員流失率約19%。

Occupational Health and Safety

Since the Group's principal business is providing private educational services in Hong Kong, which are conducted mostly in classrooms and office premises located in commercial buildings in Hong Kong, the working environment of our employees are generally non-hazardous. Nevertheless, the Group adheres to Occupational Safety and Health Ordinance (Chapter 509 of the HK Laws) and is dedicated to providing a safe and healthy working environment for the employees. In order to maintain a high occupational safety and health standard in all of the premises, we have the following measures in place:

- put up notices to remind employees for proper use of electrical equipment, such as microwave oven and photocopier, etc.;
- post notices in the centres to remind employees beware of slippery floor;
- send guidelines to employees through e-mail to remind proper use of computers and encourage employees to do relaxing exercise;
- notices posted to remind employees keep hygiene and maintain unobstructed passageway in the office premises and centres; and
- continuously monitor and improve the safety and health performance of working environments.

職業健康及安全

由於本集團的主要業務為於香港提供私人教育服務，而該等業務主要在香港商業大廈內的教室及辦公室內開展，因此僱員的工作環境通常並無危害。然而，本集團遵守香港法例第509章職業安全及健康條例，並竭力為僱員提供安全及健康的工作環境。為於所有經營場所維持高水平的職業安全及健康標準，我們已落實以下措施：

- 張貼告示以提醒僱員正確使用微波爐及複印機等電器設備；
- 在中心內張貼告示以提醒僱員小心地面濕滑；
- 通過電郵向僱員發出指引，提醒正確使用電腦並鼓勵僱員做鬆弛運動；
- 張貼告示以提醒僱員保持衛生，並保障辦公室及中心的通道暢順；及
- 持續監察及改善工作環境的安全及健康表現。

In addition, the Group promotes a healthy and work-life balance culture, and help employees gain meaningful experience on community work. The Group encourages employees to actively participate in outdoor exercises and outdoor weekend activities are also organised for employees (e.g. charity running event and volunteering activities). The Group is in full compliance with all related laws and regulations in the Reporting Period.

Development and Training

It is important for the Group to keep high-calibre staff and professionals to sustain its business growth. As an educational service provider, the Group aims to grow together with its employees, and culture of life-long learning is highly encouraged throughout the Group. Employees are encouraged to enrich careers and personal knowledge through self-learning or attending courses according to their interests. The Group offers various learning channels to the employees for their subscriptions according to their interests. They may attend courses during work hours with pre-approval from supervisors. The Group offers all full-time staff who have passed probation period two free courses organised by the Group. In addition, any full-time staff with at least a full year's service may reimburse their training course fees from the Group on a discretionary basis. Internally, the Company arranges monthly training courses for different departments and relates to different knowledge and professional skills.

此外，本集團提倡健康及工作與生活平衡的文化以及幫助僱員獲取有意義的社區工作體驗。本集團鼓勵僱員積極參與戶外活動，並為僱員組織週末戶外活動，如慈善跑活動及義工活動。於報告期間，本集團全面遵守所有相關法例及法規。

發展及培訓

本集團保留高質素員工及專業人士對維持其業務增長而言至關重要。作為教育服務提供者，本集團旨在與僱員一同成長，並在其內部大力提倡終生學習的文化。我們鼓勵員工透過自學或按興趣報讀課程以豐富其職場及個人知識。本集團為僱員提供各種學習渠道以供其按個人興趣報讀。彼等亦可經主管事先批准後在工作時間報讀課程。本集團為所有通過試用期的全職員工提供兩項由本集團組織的免費課程。此外，本集團可酌情為任何服務期至少滿一年的全職員工報銷其培訓課程費用。就內部而言，本公司每月為不同部門安排有關不同知識及專業技能的培訓課程。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

During the Reporting Period, all Directors received regular updates and information relevant to the Group's business and the Directors' duties and responsibilities. The Directors are also encouraged to participate in appropriate continuous professional development activities either by seminars, conferences or courses on subjects relating to corporate governance, legal and regulatory changes organised by professional bodies. There were a total number of 58 employees, receiving a total of 760 hours of training during the Reporting Period as below:

於報告期間，全體董事均獲取有關本集團業務以及董事職責及責任的定期更新情況及資訊。我們亦鼓勵董事參與專業機構所舉辦與主題有關企業管治、法例及監管變動的研討會、會議或課程等適當的持續專業發展活動。於報告期間，以下合共58名僱員接受了總計760個培訓時數：

Employee Trained Distribution by Gender
按性別劃分的受訓僱員分佈情況

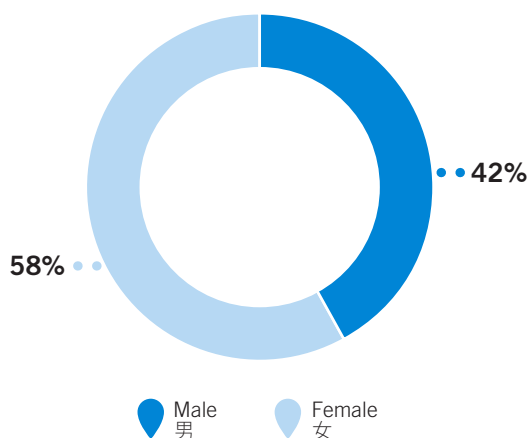


Chart 7. Employee Trained Distribution by Gender
圖7. 按性別劃分的受訓僱員分佈情況

Employee Trained Distribution by Grade
按職級劃分的受訓僱員分佈情況

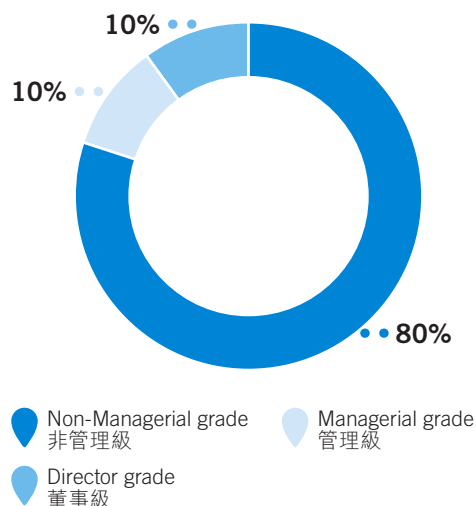


Chart 8. Employee Trained Distribution by Grade
圖8. 按職級劃分的受訓僱員分佈情況

Labour Standards

The Group is cautious to all requirements in terms of labour standards, and additional measures are applied to ensure all operations are in full compliance. In order to protect the employees' right on rest and vacation, the Group stipulates in explicit terms within the labour contract about working hours, rest and leave entitlement, labour protection and working conditions. Such policies are set according to Employment Ordinance (Chapter 57 of the HK Laws) and the Employee's Compensation Ordinance (Chapter 282 of the HK Laws). The Group is also committed to prohibiting any act of forced labour, and the Group provides an appropriate grievance mechanism for resolving any issues related to labour rights.

勞工準則

本集團謹慎對待所有有關勞工準則的規定，並採取額外措施確保所有營運均屬合規。為保障僱員休息和休假的權利，本集團在勞工合約中以清晰條款規定工作時數、休息及休假權利、勞工保障以及工作條件。有關政策乃根據香港法例第57章僱傭條例及香港法例第282章僱員補償條例制定。本集團亦致力禁止任何強迫勞工行為，並提供解決任何勞工權益相關問題的適當申訴機制。

During the Reporting Period, the Group has complied with the Employment of Young Persons (Industry) Regulations under the Employment Ordinance (Chapter 57 of HK Laws). The Group has satisfied with the regulation requirements by fixing the working hours within 48 hours per week, avoiding overtime work, restricting the working hours from 7am to 7pm per day, providing appropriate meal and rest time and arranging at least 1 rest day per week for protection of young employees.

The Group is in full compliance with all labour standards related laws and regulations during the Reporting Period.

Employees, Customers, Suppliers and Other Stakeholders

The Group values relationship with our customers and suppliers, and it strives to provide best products and services through inputs from all parties. The Group has maintained a stable team of tutors who are registered teachers, as well as other professionals, for its business of providing private educational services to predominantly primary and secondary school students in Hong Kong. The Group adopts an open communication channel for both its suppliers and customers. For example, the management of the Company are in touch with the tutors on a regular basis to ensure the teaching materials and curricula used are kept abreast with the official curricula. On the other hand, the Group has a customer hotline with designated staff assigned for handling customers' and potential customers' enquiries, comments and complaints. Follow-up actions with appropriate actions are arranged by the relevant departments or suppliers of the Group to address such complaints. The Group also conducts regular revisions to ensure the quality of our services can meet customers' expectation. The Company's active participation not only helps bridge customer expectation with quality teaching, but also improves relationship with different tutors and other business partners in the supply chain, and ultimately contribute to corporate sustainability.

於報告期間，本集團已遵守香港法例第57章僱傭條例項下的僱用青年（工業）規例。本集團通過規定每星期不超過48小時的工作時數、避免超時工作、限制工作時間在每日上午7時正至下午7時正之間、提供適當的用膳及休息時間及安排每星期至少一個休息日，滿足法例要求以保障青年僱員。

於報告期間，本集團全面遵守所有勞工準則相關法例及法規。

僱員、客戶、供應商及其他持份者

本集團重視與客戶及供應商的關係，並致力於透過各方的投入提供最佳產品及服務。本集團因應其主要向香港中小學生提供私人教育服務的業務，維持一支穩固的導師團隊（均為註冊教師）和其他專業人士。本集團為其供應商及客戶採納開放的溝通渠道。舉例來說，本公司管理層與導師定期聯絡，確保所使用的教材和課程貼合官方課程。另一方面，本集團設有客戶熱線，並指派特定員工負責處理客戶和潛在客戶的詢問、意見和投訴。有關部門或本集團供應商會安排作出適當行動跟進，以便解決有關投訴。本集團亦會定期作出修改，確保我們的服務質素能滿足客戶期望。本公司的積極參與不僅有助將客戶期望與優質教學對接，亦有利於改善不同導師與供應鏈中其他業務夥伴的關係，最終有利於企業的可持續發展。

Supply Chain Management

The Group relies on suppliers to provide general office supplies, such as drinking water, photocopiers, copy paper and stationery. It is the Group's objective to work and procure from reputable and ethical suppliers, and especially in the ESG aspect. One of the examples is the Fuji Xerox (Hong Kong) Limited ("Fuji Xerox"). Our main printing paper supplier, Fuji Xerox, has earned the reputation of being one of the performers in the ESG area which has enforced a detailed sustainability programme. The Group shall review the procurement process regularly and targets to keep procuring from suppliers who share the same ESG vision with the Group.

Product Responsibility

Generally, the laws and regulations affecting the Group includes the Trade Marks Ordinance (Chapter 559 of the HK Laws), Copyright Ordinance (Chapter 528 of the HK Laws) and Trade Descriptions Ordinance (Chapter 362 of the HK Laws) in terms of the Group's principal business as a private education services provider. The Group has complied with the relevant laws and regulations relating to advertising and labelling matters in relation to educational services provided to our students. The Group tries its best to ensure the advertisements and promotional materials are accurate, ethical, honest and convey clear messages to potential customers.

The Group has also fully complied with the Personal Data (Privacy) Ordinance (Chapter 486 of the HK Laws) during the Reporting Period. The Group protects the privacy and confidentiality of personal data collected from its employees, customers, business partners, and other identifiable individuals. Personal data are only accessible by certain authorised employees. Such employees are instructed to handle confidential information based on internal protocols with due care. Information is only collected and used in a responsible and non-discriminatory manner, and for the purposes consistent with those identified in the documents requesting such personal information.

供應鏈管理

本集團依賴供應商提供一般辦公室用品，如飲用水、打印機、影印紙及文具。本集團的目標為與有聲譽及道德的供應商合作和向彼等採購，在環境、社會及管治方面尤其如此。富士施樂（香港）有限公司（「富士施樂」）便是其中之一。我們的主要印刷紙供應商富士施樂已贏得最佳環境、社會及管治表現者之一的美譽。富士施樂已推行詳細的可持續發展計劃。本集團將定期審閱採購流程，並將目標定為堅持向與本集團有相同環境、社會及管治願景的供應商進行採購。

產品責任

一般而言，就本集團作為私人教育服務提供者的主要業務而言，影響本集團的法例及法規包括香港法例第559章商標條例、香港法例第528章版權條例及香港法例第362章商品說明條例。本集團已遵守有關向學生提供教育服務的廣告及標籤事宜之相關法例法規。本集團竭力確保廣告及宣傳材料為準確、符道德、合誠信，並向潛在客戶傳遞明確信息。

於報告期間，本集團亦全面遵守香港法例第486章個人資料（私隱）條例。本集團保障向其僱員、客戶、業務夥伴及其他可識別人士所收集個人資料的私隱及保密性。僅若干獲授權僱員可獲取個人資料。該等僱員須根據內部協議審慎處理保密資料。我們僅以負責任及非歧視的方式收集及使用資料，並按照需要個人資料的文件所訂明的目的使用有關資料。

Anti-Corruption

The Group strictly complies with all relevant laws and regulations on the Prevention of Bribery Ordinance (Chapter 201 of the HK Laws). The Group requested all employees, as part of the internal training, to carefully read the “Employee Professional Conduct” chapter in the Staff Handbook. All employees are expected to conduct their duties with integrity and self-discipline, and to abstain from engaging in bribery, extortion, fraud and money laundering activities or any activities which might exploit the Group’s interest and affect related business decision or independent judgment in the course of business operation. The Group also established a whistleblowing channel, which allows employees to report any inappropriate conduct and irregularity, which may violate the relevant policies and guidelines.

During the Reporting Period, the Group is not aware of any non-compliance with the laws and regulations which have a significant impact on the Company relating to bribery, extortion, fraud and money laundering.

COMMUNITY

The Group understands that both generating profit to its shareholders, and being socially responsible to the community are equally important. The Group has committed itself to making genuine efforts in supporting local charitable organization and engaging in community services.

During the Reporting Period, the Group continued receiving the award of the “Caring Company Logo” from Hong Kong Council of Social Service for the sixth consecutive year. The award is a repeated recognition for the Group’s contributions to the society. The Group will continue to make a genuine effort to support charitable events. During the Reporting Period, the Group contributed a total of HK\$123,816 on supporting the local charities which are dedicated to providing welfare, educational, recreational and healthcare services to the community.

反貪污

本集團嚴格遵守所有有關香港法例第201章防止賄賂條例的相關法例及法規。本集團要求全體僱員（作為內部培訓的一部分）仔細閱讀員工手冊中的「僱員專業操守」一章。預期全體僱員均會亦誠實自律地履行職責，不參與賄賂、勒索、欺詐或洗錢活動或任何可能剝奪本集團利益並影響業務營運過程中的相關商業決策或獨立判斷。本集團亦設立了舉報渠道，供僱員報告任何不適當行為以及可能違反相關政策及指引的違規情況。

於報告期間，本集團並不知悉任何涉及賄賂、勒索、欺詐及洗錢並對本公司造成重大影響的違反法例及法規的情況。

社區

本集團明白為其持份者營利以及為社區承擔社會責任二者均相當重要。本集團已致力作出各種努力，支持本地慈善組織及投身於社區服務。

於報告期間，本集團連續第六年繼續獲香港社會服務聯會頒贈「商界展關懷標誌」。該獎項再次肯定本集團對社會的貢獻。本集團將繼續竭力支持慈善活動。於報告期間，本集團就支持致力於為社區提供福利、教育、康樂及醫療服務的本地慈善機構捐獻合共123,816港元。

Independent Auditor's Report

獨立核數師報告



BAKER TILLY

HONG KONG | 天職香港

TO THE SHAREHOLDERS OF
HONG KONG EDUCATION (INT'L) INVESTMENTS LIMITED
(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of Hong Kong Education (Int'l) Investments Limited ("Company") and its subsidiaries (collectively referred to as "Group") set out on pages 86 to 239, which comprise the consolidated statement of financial position as at 30 June 2018, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

致香港教育（國際）投資集團有限公司
（於開曼群島註冊成立及於百慕達存續之有限公司）
列位股東

意見

吾等已審核載列於第86至239頁香港教育（國際）投資集團有限公司（「貴公司」）及其附屬公司（統稱「貴集團」）的綜合財務報表，該等綜合財務報表包括於2018年6月30日的綜合財務狀況表，及截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註（包括主要會計政策概要）。

吾等認為，該等綜合財務報表已根據香港會計師公會（「香港會計師公會」）頒佈的香港財務報告準則（「香港財務報告準則」）真實而公平地反映 貴集團於2018年6月30日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已按照香港公司條例的披露要求而妥善編製。

意見基礎

吾等按照香港會計師公會頒佈的香港審計準則（「香港審計準則」）進行審核工作。根據該等準則，吾等的責任於本報告核數師就審核綜合財務報表的責任中進一步詳述。根據香港會計師公會頒佈的專業會計師道德守則（「守則」），吾等獨立於 貴集團，並已遵循守則履行其他道德責任。吾等相信，吾等所獲得的審核憑證能充足及適當地為吾等的意見提供基礎。

OTHER MATTER

The consolidated financial statements of the Group for the year ended 30 June 2017 were audited by another independent auditor who expressed an unmodified opinion on those consolidated financial statements on 27 September 2017.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Acquisition of Wind Fly Dragon Int'l Limited ("Wind Fly") and impairment assessment of goodwill

Refer to Notes 3 and 4 to the consolidated financial statements for the Group's accounting policies and accounting estimates and judgements and refer to Note 40 to the consolidated financial statements for detailed disclosures of the acquisition of Wind Fly recognised by the Group during the year ended 30 June 2018.

其他事項

本集團截至2017年6月30日止年度的綜合財務報表已由其他獨立核數師審核，其於2017年9月27日並無對該等綜合財務報表作出修改意見。

關鍵審核事項

關鍵審核事項是根據吾等的專業判斷，認為對吾等審核本期綜合財務報表最為重要的事項。該等事項乃於吾等審核整體綜合財務報表及達成吾等對其的意見時進行處理，而吾等不會對該等事項提供單獨的意見。

1. 收購千里飛龍國際有限公司（「千里飛龍」）以及商譽的減值評估

有關 貴集團的會計政策以及會計估計及判斷，請參閱綜合財務報表的附註3及4，以及有關 貴集團於截至2018年6月30日止年度確認收購千里飛龍的詳細披露情況，請參閱綜合財務報表的附註40。

KEY AUDIT MATTERS (Continued)

1. Acquisition of Wind Fly Dragon Int'l Limited ("Wind Fly") and impairment assessment of goodwill (Continued)

The key audit matter

關鍵審核事項

During the year ended 30 June 2018, the Group acquired 100% equity interest in Wind Fly at a consideration of HK\$34,000,000. As at the date of acquisition, the fair value of the identifiable net assets of Wind Fly amounted to approximately HK\$8,552,000, resulting in goodwill of approximately HK\$25,448,000.

The Group engaged an independent external valuation expert to perform the valuation on assessing the fair value of Wind Fly. Significant estimation and judgement were involved in the assessment of fair value of Wind Fly and significant estimate and judgement involved in determination of the recoverable amount of the cash generating unit to which goodwill has been allocated.

於截至2018年6月30日止年度，貴集團以34,000,000港元的代價收購了千里飛龍的全部股權。於收購日期，千里飛龍可識別資產淨值的公平值約8,552,000港元，產生商譽約25,448,000港元。

貴集團於評估千里飛龍的公平值時委聘一名獨立外部估值專家進行估值。對千里飛龍的公平值進行評估時涉及重大的估計及判斷，以及於釐定獲分配商譽的現金產生單位的可收回金額時涉及重大的估計及判斷。

關鍵審核事項 (續)

1. 收購千里飛龍國際有限公司(「千里飛龍」)以及商譽的減值評估 (續)

How the matter was addressed in our audit

吾等於審核中如何處理事項

Our audit procedures included:

- evaluating the independence, competence, capabilities and objectivity of the external valuation expert engaged by management;
- evaluating the valuation methodologies and assumptions including comparing source and market data used in the underlying assumptions for the valuation of Wind Fly with reference to comparable companies;
- assessing the appropriateness of the key assumptions used for calculating the recoverable amount of the cash generating unit as adopted by management for the goodwill impairment assessment; and
- evaluating the appropriateness of the relevant disclosures in respect of the acquisition of Wind Fly and impairment assessment of goodwill in the consolidated financial statements.

吾等的審核程序包括：

- 評估管理層委聘的外部估值專家的獨立性、職權、能力及客觀性；
- 評估估值方法及假設，包括對經參考可資比較公司後對千里飛龍進行估值的相關假設所用的資料來源及市場數據進行比較；
- 評核管理層為進行商譽減值評估所採納並用於計算現金產生單位的可收回金額的關鍵假設的適宜性；及
- 評估綜合財務報表中有關收購千里飛龍及商譽減值評估的相關披露的適宜性。

KEY AUDIT MATTERS (Continued)

2. Valuation of financial instruments classified as Level 3 under fair value hierarchy

Refer to Notes 3 and 4 to the consolidated financial statements for the Group's accounting policies and accounting estimates and judgements and refer to Notes 20 and 26 to the consolidated financial statements for detailed disclosures of financial instruments recognised by the Group as at 30 June 2018. Further details of the valuation technique(s) and unobservable input(s) of financial instruments classified as Level 3 under fair value hierarchy are disclosed in Note 6 to the consolidated financial statements.

The key audit matter

關鍵審核事項

As at 30 June 2018, the Group had available-for-sale investments and financial assets at fair value through profit or loss amounting approximately HK\$16,114,000 and HK\$47,098,000 respectively, in aggregate representing 21.93% of the net assets of the Group as at 30 June 2018. In which listed equity securities of approximately HK\$38,100,000 included in financial assets at fair value through profit or loss were suspended shares which represented 13.22% of the net assets of the Group as at 30 June 2018. The remaining HK\$25,112,000 are unlisted investments held by the Group as at 30 June 2018. These financial instruments are valued with inputs that were not based on available observable market data and were classified as Level 3 fair value financial instruments as at 30 June 2018.

於2018年6月30日，貴集團擁有分別約16,114,000港元及47,098,000港元的可供銷售投資及按公平值計入損益的金融資產，合共佔貴集團於2018年6月30日資產淨值的21.93%。其中，按公平值計入損益的金融資產包括上市股本證券（為停牌股份）約38,100,000港元，佔貴集團於2018年6月30日資產淨值的13.22%。餘下的25,112,000港元為貴集團於2018年6月30日持有的非上市投資。該等金融工具乃按並非基於可獲得的可觀察市場數據的輸入數據進行估值，且於2018年6月30日獲分類為第三級公平值金融工具。

關鍵審核事項（續）

2. 獲分類為第三級公平值級別的金融工具的估值

有關貴集團的會計政策以及會計估計及判斷，請參閱綜合財務報表的附註3及4，以及有關貴集團於2018年6月30日確認金融工具的詳細披露情況，請參閱綜合財務報表的附註20及26。有關獲分類為第三級公平值級別的金融工具的估值方法及不可觀察輸入數據的進一步詳情，披露於綜合財務報表的附註6。

How the matter was addressed in our audit

吾等於審核中如何處理事項

Our audit procedures included:

- evaluating the independence, competence, capabilities and objectivity of the external valuation experts engaged by management;
- assessing and evaluating the appropriateness of the valuation methodologies used by the independent external valuers in estimating the fair value and key assumptions used by management in different valuation models by reviewing the contract terms and the relevant market conditions and businesses of each Level 3 financial instrument;

吾等的審核程序包括：

- 評估管理層委聘的外部估值專家的獨立性、職權、能力及客觀性；
- 透過查閱合約條款以及各項第三級金融工具的相關市況及業務，評核及評估獨立外部估值師於估計管理層於不同估值模式所用公平值及關鍵假設時使用的估值方法的適宜性；

KEY AUDIT MATTERS (Continued)

2. Valuation of financial instruments classified as Level 3 under fair value hierarchy (Continued)

The key audit matter 關鍵審核事項

The Group considered the aggregate amount of Level 3 financial instruments is material to the consolidated financial statements of the Group as at 30 June 2018.

In light of the unquoted and illiquid nature of these Level 3 financial instruments, the assessment of fair value was highly subjective and required a number of significant estimates and critical judgements to be made by management. The fair value of each of these unlisted investments and those suspended shares were based on the best available information to management and do not necessarily represent amounts which might ultimately be realised. The fair value of these Level 3 financial instruments were subject to change depending on future circumstances and cannot be accurately determined until each of them is disposed.

貴集團認為第三級金融工具的總值對於 貴集團於2018年6月30日的綜合財務報表而言屬重大。

鑒於該等第三級金融工具的無報價及非流動性質，公平值的評估具有極高的主觀性，並需要管理層作出多項重大估計及重要判斷。每項該等非上市投資以及該等停牌股份的公平值乃基於管理層盡可能可得的資訊釐定，並不一定代表可能最終實現的金額。該等第三級金融工具的公平值可能會因應未來情況而有所變動，而在出售每項金融工具前無法準確確定其公平值。

關鍵審核事項 (續)

2. 獲分類為第三級公平值級別的金融工具的估值 (續)

How the matter was addressed in our audit 吾等於審核中如何處理事項

- reviewing the contractual agreements, relevant legal document and the calculation made by management and obtaining the investment confirmation to verify the existence and accuracy of the Group's ownership and/or number of shares in each Level 3 financial instrument; and
 - evaluating the appropriateness and adequacy of the disclosures of the valuation of the financial instruments in the consolidated financial statements.
-
- 查閱合約協議、相關法律文件，檢查管理層進行的計算，並獲得投資確認書，以核實 貴集團每項第三級金融工具的所有權及／或股份數目的存在及準確性；及
 - 評估綜合財務報表中對金融工具估值的披露的適宜性及充足性。

KEY AUDIT MATTERS *(Continued)*

2. Valuation of financial instruments classified as Level 3 under fair value hierarchy *(Continued)*

The key audit matter

關鍵審核事項

There is a risk that inaccurate judgements made in the assumptions and the key unobservable inputs of the valuation models could lead to an inaccurate valuation of the unlisted investments and those suspended shares. In turn, the amounts at which these financial instruments were carried in the consolidated statement of financial position, the net change in fair value of financial assets at fair value through profit or loss and impairment loss on available-for-sale investments in the consolidated statement of profit or loss and other comprehensive income could be materially misstated.

存在假設及估值模式的關鍵不可觀察輸入數據所作的的不準確判斷或會導致對非上市投資及該等停牌股份的不準確估值的風險。從而，這可能會導致該等金融工具在綜合財務狀況表的金額以及在綜合損益及其他全面收益表的按公平值計入損益的金融資產的公平值變動淨額及可供銷售投資的減值虧損的金額出現重大錯報。

關鍵審核事項 (續)

2. 獲分類為第三級公平值級別的金融工具的估值 (續)

How the matter was addressed in our audit

吾等於審核中如何處理事項

KEY AUDIT MATTERS (Continued)

3. Impairment assessment of trade and other receivables, promissory note receivable and loan receivables

Refer to Notes 3 and 4 to the consolidated financial statements for the Group's accounting policies and accounting estimates and judgements and refer to Notes 22, 23 and 24 to the consolidated financial statements for detailed disclosures of trade and other receivables, promissory note receivable and loan receivables recognised by the Group as at 30 June 2018.

The key audit matter 關鍵審核事項

As at 30 June 2018, the Group's trade and other receivables, promissory note receivable and loan receivables amounted to approximately HK\$27,197,000, HK\$48,000,000 and HK\$31,760,000 respectively.

In determining whether there is objective evidence of impairment loss over these receivables and consider whether the impairment provision for trade and other receivables, promissory note receivable and loan receivables is adequate require management judgement.

於2018年6月30日，貴集團擁有分別約27,197,000港元、48,000,000港元及31,760,000港元的貿易及其他應收款項、應收承兌票據及應收貸款。

於釐定是否存在該等應收款項有減值虧損的客觀證據以及考慮貿易及其他應收款項、應收承兌票據及應收貸款的減值撥備是否足夠時，需要管理層作出判斷。

關鍵審核事項 (續)

3. 貿易及其他應收款項、應收承兌票據及應收貸款減值評估

有關 貴集團的會計政策以及會計估計及判斷，請參閱綜合財務報表的附註3及4，以及有關 貴集團於2018年6月30日確認貿易及其他應收款項、應收承兌票據及應收貸款的詳細披露情況，請參閱綜合財務報表的附註22、23及24。

How the matter was addressed in our audit 吾等於審核中如何處理事項

Our audit procedures included:

- understanding, evaluating and validating the key controls over impairment assessment of the receivables, which relates to management's identification of events that triggered the provision for impairment of the receivables and estimation of the amount of provisions;
- carrying out procedures, on a sample basis, to test the accuracy of the aging of the receivables as at the end of the reporting period;

吾等的審核程序包括：

- 了解、評估及核實關於應收款項減值評估的關鍵控制措施，該等措施有關管理層對觸發應收款項減值撥備的事件的識別以及對撥備金額的估計；
- 以抽樣的方式執程序，以測試應收款項於報告期末的賬齡的準確性；

KEY AUDIT MATTERS (Continued)

3. Impairment assessment of trade and other receivables, promissory note receivable and loan receivables (Continued)

The key audit matter

關鍵審核事項

In determining the impairment provision of trade and other receivables, promissory note receivable and loan receivables, the recoverability of these receivables was assessed by the management taking into account the credit quality and likelihood of their collection.

於釐定貿易及其他應收款項、應收承兌票據及應收貸款的減值撥備時，管理層已評核該等應收款項的可收回性，並已計及信貸質素以及收回的可能性。

關鍵審核事項 (續)

3. 貿易及其他應收款項、應收承兌票據及應收貸款減值評估 (續)

How the matter was addressed in our audit

吾等於審核中如何處理事項

- evaluating the management's process for reviewing the collectability of the receivables by reference to the credit quality, likelihood of their collection and the past settlement history and records;
- Tracing a sample of the actual cash settlements during the year to bank receipts; and
- Tracing a sample of the post year end subsequent settlements to bank receipts.
- 評估管理層經參考信貸質素、收回的可能性及過往結算歷史及記錄後檢討應收款項的收回情況的流程；
- 根據銀行收據抽樣追蹤於年內的實際現金結算；以及
- 根據銀行收據抽樣追蹤於年終後的其後結算。

OTHER INFORMATION

The directors of the Company (“Directors”) are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor’s report thereon (“other information”).

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’s financial reporting process.

其他資料

貴公司董事（「董事」）須對其他資料負責。其他資料包括載入年報的資料，但不包括綜合財務報表及吾等的核數師報告（「其他資料」）。

吾等對綜合財務報表作出的意見並不包括其他資料，吾等亦不會對其他資料發表任何形式的核證結論。

就吾等審核綜合財務報表而言，吾等的責任為閱讀其他資料，並於此過程中，考慮其他資料是否與綜合財務報表或吾等於審核中所得知的情況有重大抵觸，或似乎有重大錯誤陳述。基於吾等已執行的工作，倘吾等認為此其他資料有重大錯誤陳述，吾等須報告有關事實。就此，吾等毋須作出報告。

董事及管治人員就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製綜合財務報表，以令綜合財務報表作出真實而公平的列報，及落實董事認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

於編製綜合財務報表時，董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及採用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或除此之外並無其他實際可行的辦法。

管治人員負責監督 貴集團的財務申報程序。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

核數師就審核綜合財務報表須承擔的責任

吾等的目標為合理確定此等綜合財務報表整體而言是否不存在由於欺詐或錯誤而導致的重大錯誤陳述，並發出載有吾等意見的核數師報告。本報告僅根據百慕達1981年公司法第90條向作為實體的閣下作出，不作其他用途。吾等概不就本報告內容向任何其他人士承擔或負上任何責任。

合理確定屬高層次的核證，惟概不保證根據香港審計準則進行的審核工作總能察覺所存在的重大錯誤陳述。錯誤陳述可因欺詐或錯誤而產生，倘個別或整體在合理預期情況下可影響使用者根據該等綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

根據香港審計準則進行審核時，吾等運用專業判斷，並於整個審核過程中保持專業懷疑態度。吾等亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險、設計及執行審核程序以應對該等風險，以及獲取充足和適當的審核憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部控制的情況，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審核有關的內部控制，以設計適當的審核程序，但並非為對貴集團內部控制的有效性發表意見。
- 評估董事所採用會計政策的合適性及作出會計估計和相關披露的合理性。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also: (Continued)

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

核數師就審核綜合財務報表須承擔的責任 (續)

根據香港審計準則進行審核時，吾等運用專業判斷，並於整個審核過程中保持專業懷疑態度。吾等亦：(續)

- 對董事採用持續經營為會計基礎的恰當性作出結論，並根據所獲得的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘吾等認為存在重大不確定性，吾等須於核數師報告中提請注意綜合財務報表中的相關披露，或倘有關披露不足，則修訂吾等的意見。吾等的結論乃基於截至核數師報告日期所獲得的審核憑證。然而，未來事項或情況可能導致貴集團無法持續經營。
- 評估綜合財務報表的整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易及事項。
- 就貴集團內實體或業務活動的財務資料獲取充足及適當的審核憑證，以就綜合財務報表發表意見。吾等須負責集團審核的方向、監督及執行。吾等須為吾等的審核意見承擔全部責任。

吾等與管治人員就（其中包括）審核的計劃範圍、時間安排及重大審核發現進行溝通，該等發現包括吾等在審核過程中識別的內部控制的任何重大缺失。

吾等亦向管治人員作出聲明，說明吾等已符合有關獨立性的相關道德要求，並與彼等溝通可能被合理認為會影響吾等獨立性的所有關係及其他事宜，以及相關防範措施（如適用）。

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF
THE CONSOLIDATED FINANCIAL STATEMENTS**

(Continued)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement director on the audit resulting in this independent auditor's report is Tong Wai Hang.

核數師就審核綜合財務報表須承擔的責任 (續)

從與管治人員溝通的事項中，吾等釐定對本期間綜合財務報表的審核至關重要因而構成關鍵審核事項的事項。吾等在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，倘合理預期在報告中溝通某事項造成的負面後果超出產生的公眾利益，則吾等決定不應在報告中溝通有關事項。

出具獨立核數師報告的審核項目董事為湯偉行。

Baker Tilly Hong Kong Limited
Certified Public Accountants

Hong Kong, 26 September 2018

Tong Wai Hang
Practising Certificate Number P06231

天職香港會計師事務所有限公司
執業會計師

香港，2018年9月26日

湯偉行
執業證書編號P06231

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 30 June 2018 截至2018年6月30日止年度

		NOTES 附註	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Revenue	收入	7	109,027	153,859
Other income, gains and losses	其他收入、收益及虧損	8	55,885	6,147
Staff costs	員工成本	10	(41,140)	(57,956)
Tutor contractor fee	導師承包費	10	(27,708)	(43,793)
Operating lease payments	經營租賃付款	10	(33,624)	(37,789)
Marketing expenses	市場推廣開支		(11,708)	(15,798)
Printing costs	印刷費用		(294)	(302)
Depreciation and amortisation	折舊及攤銷		(8,793)	(7,685)
Change in fair value of investment properties	投資物業的公平值變動		-	7,800
Change in fair value of financial assets at fair value through profit or loss	按公平值計入損益的金融資產的公平值變動		31,521	(210,580)
Impairment loss on available-for-sale investments	可供銷售投資的減值虧損	20	(23,771)	(3,997)
Loss in respect of interest in an associate	有關於一間聯營公司所佔權益的虧損	18	-	(117,115)
Other operating expenses	其他經營開支		(38,710)	(41,688)
Finance costs	財務費用	9	(3,415)	(16,598)
Share of results of joint ventures	應佔合營公司業績	19	(16)	401
Share of results of associates	應佔聯營公司業績	18	(16,924)	54,982
Loss before tax	除稅前虧損	10	(9,670)	(330,112)
Income tax credit (expense)	所得稅抵免(開支)	12	1,438	(814)
Loss for the year	年度虧損		(8,232)	(330,926)
Other comprehensive income (expense), net of income tax	其他全面收入(開支)，扣除所得稅			
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益的項目：			
Exchange differences arising on translating foreign operations	換算海外經營業務時產生的匯兌差額		54	(12)
Reclassification adjustment on exchange differences released upon disposal of associates	出售聯營公司時撥回的匯兌差額的重新分類調整		(1,037)	106
Fair value (loss) gain on revaluation of available-for-sale investments	重估可供銷售投資的公平值(虧損)收益		(2,717)	6,594
Reclassification adjustment upon disposal of available-for-sale investments	出售可供銷售投資時的重新分類調整		(2,168)	-
Reclassification adjustment upon impairment of available-for-sale investments	可供銷售投資減值時的重新分類調整		(7,884)	3,843
Share of other comprehensive income of an associate	應佔一間聯營公司之其他全面(開支)收入		(12,978)	4,545
Reclassification adjustment on investment revaluation reserve released upon disposal of an associate	出售一間聯營公司時撥回的投資重估儲備的重新分類調整		9,470	-

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 30 June 2018 截至2018年6月30日止年度

		NOTES 附註	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Other comprehensive (expense) income for the year, net of income tax	年度其他全面（開支）收入，扣除所得稅		(17,260)	15,076
Total comprehensive expense for the year	年度全面開支總額		(25,492)	(315,850)
(Loss) profit for the year attributable to:	以下人士應佔年度（虧損）溢利：			
Owners of the Company	本公司擁有人		(8,246)	(333,326)
Non-controlling interests	非控股權益		14	2,400
			(8,232)	(330,926)
Total comprehensive (expense) income for the year attributable to:	以下人士應佔年度全面（開支）收入總額：			
Owners of the Company	本公司擁有人		(25,506)	(318,250)
Non-controlling interests	非控股權益		14	2,400
			(25,492)	(315,850)
Loss per share	每股虧損	13		
– Basic (HK\$)	– 基本（港元）		(0.02)	(0.64)
– Diluted (HK\$)	– 攤薄（港元）		(0.02)	(0.64)

Consolidated Statement of Financial Position

綜合財務狀況表

At 30 June 2018 於2018年6月30日

		NOTES 附註	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	25,464	24,851
Goodwill	商譽	16	25,508	60
Other intangible assets	其他無形資產	17	495	692
Interests in associates	於聯營公司的權益	18	–	31,297
Interests in joint ventures	於合營公司的權益	19	6,422	7,999
Available-for-sale investments	可供銷售投資	20	25,295	83,283
Non-current deposits	非流動按金	21	7,954	8,043
			91,138	156,225
Current assets	流動資產			
Trade and other receivables	貿易及其他應收款項	22	27,197	26,198
Promissory note receivable	應收承兌票據	23	48,000	50,000
Loan receivables	應收貸款	24	31,760	27,089
Amount due from an associate	應收一間聯營公司款項	25	612	291
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產	26	74,646	152,223
Bank balances and cash	銀行結餘及現金	27	42,709	16,284
			224,924	272,085
Assets associated with disposal group classified as held for sale	與分類為持作出售的出售組合相關的資產	28	–	158,527
			224,924	430,612
Current liabilities	流動負債			
Other payables and accruals	其他應付款項及應計費用	29	9,638	24,105
Deferred income	遞延收入		10,851	4,804
Current tax liabilities	即期稅項負債		13	156
Amounts due to related parties	應付關聯方款項	30	5,868	495
Bank borrowings	銀行借款	31	–	14,400
Loan notes	貸款票據	32	–	150,500
			26,370	194,460
Liabilities associated with disposal group classified as held for sale	與分類為持作出售的出售組合相關的負債	28	–	25,703
			26,370	220,163
Net current assets	流動資產淨值		198,554	210,449
Total assets less current liabilities	總資產減流動負債		289,692	366,674

Consolidated Statement of Financial Position 綜合財務狀況表

At 30 June 2018 於2018年6月30日

		NOTES 附註	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	33	169	202
Provision for long service payments	長期服務金撥備	34	1,267	1,599
			1,436	1,801
Net assets	資產淨值		288,256	364,873
Capital and reserves	資本及儲備			
Share capital	股本	35	27,379	27,379
Reserves	儲備		261,387	286,893
Equity attributable to owners of the Company	本公司擁有人應佔權益		288,766	314,272
Non-controlling interests	非控股權益		(510)	50,601
Total equity	權益總額		288,256	364,873

The consolidated financial statements on pages 86 to 239 were approved and authorised for issue by the Board of Directors on 26 September 2018 and are signed on its behalf by:

載於第86至239頁的綜合財務報表已於2018年9月26日獲董事會批准及授權刊發，並由下列人士代表簽署：

Yip Chung Yin Jeffrey
葉頌賢
Director
董事

Tsang Ka Wai
曾家偉
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 30 June 2018 截至2018年6月30日止年度

		Attributable to owners of the Company 本公司擁有人應佔										Attributable to non-controlling interests 非控股權益應佔	Total 總計
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 實繳盈餘 HK\$'000 千港元 (Note i) (附註i)	Merger reserve 合併儲備 HK\$'000 千港元 (Note ii) (附註ii)	Capital reserve 股本儲備 HK\$'000 千港元 (Note iii) (附註iii)	Investment revaluation reserve 投資重估儲備 HK\$'000 千港元	Share options reserve 購股權儲備 HK\$'000 千港元	Translation reserve 匯兌儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Subtotal 小計 HK\$'000 千港元		
At 1 July 2016	於2016年7月1日	22,816	349,499	386,954	(28,321)	446	-	-	(166)	(170,526)	560,702	48,170	608,872
Loss for the year	年度虧損	-	-	-	-	-	-	-	-	(333,326)	(333,326)	2,400	(330,926)
Exchange differences arising on translating foreign operations	換算海外經營業務時產生的匯兌差額	-	-	-	-	-	-	-	(12)	-	(12)	-	(12)
Reclassification adjustment on exchange differences released upon disposal of an associate	出售一間聯營公司時撥回的匯兌差額的重新分類調整	-	-	-	-	-	-	-	106	-	106	-	106
Fair value gain on revaluation of available-for-sale investments	重估可供銷售投資的公平值收益	-	-	-	-	-	6,594	-	-	-	6,594	-	6,594
Reclassification adjustment upon impairment of available-for-sale investments	可供銷售投資減值時的重新分類調整	-	-	-	-	-	3,843	-	-	-	3,843	-	3,843
Share of other comprehensive income of an associate	應佔一間聯營公司之其他全面收益	-	-	-	-	-	3,950	-	595	-	4,545	-	4,545
Total comprehensive income (expense) for the year	年度全面收入(開支)總額	-	-	-	-	-	14,387	-	689	(333,326)	(318,250)	2,400	(315,850)
Issue of ordinary shares	發行普通股股份	4,563	55,940	-	-	-	-	-	-	-	60,503	-	60,503
Transaction costs attributable to issue of new ordinary shares	發行新普通股應佔交易成本	-	(2,251)	-	-	-	-	-	-	-	(2,251)	-	(2,251)
Recognition of equity-settled share-based payments	確認以權益結算以股份為基礎的付款	-	-	-	-	-	-	13,568	-	-	13,568	-	13,568
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	-	-	-	-	-	31	31
At 30 June 2017	於2017年6月30日	27,379	403,188	386,954	(28,321)	446	14,387	13,568	523	(503,852)	314,272	50,601	364,873

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 30 June 2018 截至2018年6月30日止年度

		Attributable to owners of the Company 本公司擁有人應佔										Attributable to non-controlling interests 非控股權益應佔	Total 總計
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 實繳盈餘 HK\$'000 千港元 (附註 i)	Merger reserve 合併儲備 HK\$'000 千港元 (附註 ii)	Capital reserve 股本儲備 HK\$'000 千港元 (附註 iii)	Investment revaluation reserve 投資重估儲備 HK\$'000 千港元	Share options reserve 購股權儲備 HK\$'000 千港元	Translation reserve 匯兌儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Subtotal 小計 HK\$'000 千港元		
At 1 July 2017	於2017年7月1日	27,379	403,188	386,954	(28,321)	446	14,387	13,568	523	(503,852)	314,272	50,601	364,873
Loss for the year	年度虧損	-	-	-	-	-	-	-	-	(8,246)	(8,246)	14	(8,232)
Exchange differences arising on translating foreign operations	換算海外經營業務時產生的匯兌差額	-	-	-	-	-	-	-	54	-	54	-	54
Reclassification adjustment on exchange differences released upon disposal of an associate	出售一間聯營公司時撥回的匯兌差額的重新分類調整	-	-	-	-	-	-	-	(1,037)	-	(1,037)	-	(1,037)
Fair value loss on revaluation of available-for-sale investments	重估可供銷售投資的公平值虧損	-	-	-	-	-	(2,717)	-	-	-	(2,717)	-	(2,717)
Reclassification adjustment upon disposal of available-for-sale investments	出售可供銷售投資減值時的重新分類調整	-	-	-	-	-	(2,168)	-	-	-	(2,168)	-	(2,168)
Reclassification adjustment upon impairment of available-for-sale investments	可供銷售投資減值時的重新分類調整	-	-	-	-	-	(7,884)	-	-	-	(7,884)	-	(7,884)
Share of other comprehensive (expense) income of an associate	應佔一間聯營公司之其他全面(開支)收益	-	-	-	-	-	(13,420)	-	442	-	(12,978)	-	(12,978)
Reclassification adjustment on investment revaluation reserve released upon disposal of an associate	出售一間聯營公司時撥回的投資重估儲備的重新分類調整	-	-	-	-	-	9,470	-	-	-	9,470	-	9,470
Total comprehensive (expense) income for the year	年度全面(開支)收入總額	-	-	-	-	-	(16,719)	-	(541)	(8,246)	(25,506)	14	(25,492)
Share options lapsed	購股權失效	-	-	-	-	-	-	(13,568)	-	13,568	-	-	-
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	-	-	-	-	-	(51,125)	(51,125)
At 30 June 2018	於2018年6月30日	27,379	403,188	386,954	(28,321)	446	(2,332)	-	(18)	(498,530)	288,766	(510)	288,256

Notes:

附註:

- (i) The contributed surplus of the Group represented the credit arising from the cancellation of share premium account and the reduction of share capital of the Company in May 2015. The balance may be utilised by the Directors in accordance with the Company's bye-laws and all applicable laws, including to eliminate the accumulated losses of the Company.
- (ii) The merger reserve represented the difference between the nominal value of the shares of Sino Network Group Limited ("Sino Network") and the Company issued in exchange for the entire issued share capital of Express Education Limited in 2010 and Sino Network pursuant to group reorganisation in 2011.
- (iii) The capital reserve represented capital contribution arising from transfers of interest in subsidiaries to shareholders and waiver of amount due to a shareholder in prior periods.
- (i) 本集團之實繳盈餘指本公司於2015年5月因註銷股份溢價賬及削減股本時所產生之進賬。董事可根據本公司之公司細則及所有適用之法例予以使用該結餘，包括用以抵銷本公司之累計虧損。
- (ii) 合併儲備指Sino Network Group Limited (「Sino Network」)與本公司根據集團重組於2010年就換取Express Education Limited及於2011年就換取Sino Network的全部已發行股本而發行的股份的面值之間的差額。
- (iii) 股本儲備指於過往期間向股東轉讓於附屬公司的權益所產生的注資及豁免應付一名股東的款項。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 30 June 2018 截至2018年6月30日止年度

		NOTES 附註	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Cash flows from operating activities	經營活動所得的現金流量			
Loss before tax	除稅前虧損		(9,670)	(330,112)
Adjustments for:	就以下項目作出調整：			
Share of results of joint ventures	應佔合營公司業績		16	(401)
Share of results of associates	應佔聯營公司業績		16,924	(54,982)
Bank and other interest income	銀行及其他利息收入	8	(5,357)	(2,582)
Finance costs	財務費用	9	3,415	16,598
Change in fair value of financial assets at fair value through profit or loss	按公平值計入損益的 金融資產的公平值變動		(31,521)	210,580
Change in fair value of investment properties	投資物業的公平值變動		–	(7,800)
Gain on bargain purchase from acquisition of a subsidiary	自收購一間附屬公司的 收購議價收益	8	–	(1)
Gain on disposal of subsidiaries	出售附屬公司的收益	8	(13,731)	(17)
Gain on disposal of associates	出售聯營公司的收益	8	(55,826)	(2,212)
Gain on disposal of a joint venture	出售合營公司的收益	8	(1)	–
Loss on disposal of available-for-sale investments	出售可供銷售投資虧損	8	3,053	–
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備的虧損	8	34	1,288
Loss in respect of interest in an associate	有關於一間聯營公司 所佔權益的虧損	18	–	117,115
Depreciation of property, plant and equipment	物業、廠房及設備折舊	15	8,262	7,487
Amortisation of other intangible assets	其他無形資產攤銷	17	531	198
Impairment loss on goodwill	商譽減值虧損	16	559	–
Impairment loss on other intangible assets	其他無形資產減值虧損	17	2,626	–
Impairment loss on available-for-sale investments	可供銷售投資減值虧損	20	23,771	3,997
Impairment loss on a loan receivable	應收貸款減值虧損	24	7,493	–
Impairment loss on other receivables	其他應收款項之減值虧損	22	7,643	–
Write off of promissory note receivable	撇銷應收承兌票據	23	5,529	–
Reversal of provision for long service payments	長期服務金撥備撥回	34	(295)	(175)
Expense recognised in respect of equity-settled share-based payments	確認於以權益結算以 股份為基礎付款的開支		–	13,568
Dividend received from listed held-for-trading investments	已收上市持作買賣 投資的股息		95	96

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 30 June 2018 截至2018年6月30日止年度

		NOTES 附註	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量		(36,450)	(27,355)
Decrease in deposits, trade and other receivables	按金、貿易及其他應收款項減少		6,033	10,097
(Increase) decrease in loan receivables	應收貸款(增加)減少		(16,364)	13,747
Decrease in amounts due from related parties	應收關聯方款項減少		—	822
Decrease (increase) in listed held-for-trading investments	上市持作買賣投資減少(增加)		57,031	(1,578)
(Decrease) increase in other payables and accruals	其他應付款項及應計費用(減少)增加		(15,825)	9,051
Increase (decrease) in deferred income	遞延收入增加(減少)		1,923	(3,071)
Decrease in long service payments	長期服務金減少		(37)	(83)
Cash (used in) generated from operations	營運(所用)所得的現金		(3,689)	1,630
Hong Kong Profits Tax paid	已付香港利得稅		(86)	(1,054)
Net cash (used in) generated from operating activities	經營活動(所用)所得的現金淨額		(3,775)	576
Cash flows from investing activities	投資活動所得的現金流量			
Interest received	已收利息		1,778	4,088
Dividends received from a joint venture	已收一間合營公司的股息		1,500	2,000
Advance to an associate	向一間聯營公司墊款		(321)	(296)
Proceeds from disposal of associates	出售聯營公司所得款項		65,654	4,051
Proceeds from disposal of a joint venture	出售一間合營公司所得款項		62	—
Proceed from partial redemption of promissory note receivable	部分贖回應收承兌票據所得款項		—	3,000
Purchase of available-for-sale investments	購買可供銷售投資		—	(50,721)
Purchase of financial assets designated at fair value through profit or loss	購買指定按公平值計入損益的金融資產		(9,300)	(60,927)
Purchase of property, plant and equipment	購買物業、廠房及設備		(4,978)	(12,784)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		—	1
Proceeds from disposal of available-for-sale investments	出售可供銷售投資所得款項		18,395	—
Proceeds from disposal of financial assets designated at fair value through profit or loss	出售按公平值計入損益的金融資產所得款項		61,240	—
Payments for purchase of shares to acquire an associate	就購買股份以收購一間聯營公司的付款		—	(32,510)
Net cash (outflow) inflow on acquisition of subsidiaries	收購附屬公司現金(流出)流入淨額	40	(3,158)	143
Net cash inflow (outflow) on disposal of subsidiaries	出售附屬公司現金流入(流出)淨額	41	95,300	(423)
Net cash generated from (used in) investing activities	投資活動所得(所用)的現金淨額		226,172	(144,378)

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 30 June 2018 截至2018年6月30日止年度

		NOTES 附註	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Cash flows from financing activities	融資活動所得的現金流量			
Proceeds from issue of ordinary shares	發行普通股所得款項		–	60,503
Payment of transaction costs attributable to issue of new ordinary shares	支付發行新普通股應佔交易成本		–	(2,251)
Repayment to related parties	償還關聯方款項	39	(158)	(100)
New bank borrowings raised	新增銀行借款		–	132,700
Repayment of bank borrowings	償還銀行借款	39	(14,400)	(110,100)
Repayment of loan notes	償還貸款票據	39	(150,000)	–
Repayment of promissory note payable	償還應付承兌票據	39	(29,000)	–
Interest paid	已付利息	39	(3,894)	(12,594)
Net cash (used in) generated from financing activities	融資活動(所用)所得的現金淨額		(197,452)	68,158
Net increase (decrease) in cash and cash equivalents	現金及現金等價物增加(減少)淨額		24,945	(75,644)
Cash and cash equivalents at beginning of the year	年初的現金及現金等價物		17,710	93,366
Effects of exchange rate changes	匯率變動的影響		54	(12)
Cash and cash equivalents at end of the year	年終的現金及現金等價物		42,709	17,710
Analysis of cash and cash equivalents at end of the year:	年終的現金及現金等價物分析:			
Bank balances and cash	銀行結餘及現金		42,709	16,284
Bank balances included in disposal group held for sale	計入持作出售的出售組合的銀行結餘		–	1,426
			42,709	17,710

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

1. GENERAL

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 26 January 2011 and continued in Bermuda on 7 May 2015 (Bermuda time). The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and, with effect from 13 February 2018, its principal place of business in Hong Kong has been changed to Rooms 1006-7, 10th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong. Its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited ("Stock Exchange") since 4 July 2011.

The Company acts as an investment holding company while its principal subsidiaries are principally engaged in the provision of private educational services, investment in securities, property investments and money lending business.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the same as the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

Amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time in the current year:

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

Except as described below, the application of the amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

1. 一般資料

本公司於2011年1月26日於開曼群島註冊成立及於2015年5月7日（百慕達時間）於百慕達存續為一家獲豁免之有限公司。本公司的註冊辦事處位於Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda，而其於香港的主要營業地點已更改為香港北角馬寶道28號華匯中心10樓1006-7室，自2018年2月13日起生效。其股份自2011年7月4日已於香港聯合交易所有限公司（「聯交所」）主板上市。

本公司為一間投資控股公司，而其主要附屬公司主要從事提供私人教育服務、投資證券、物業投資及借貸業務。

綜合財務報表以本公司的功能貨幣港元（「港元」）呈列。

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂

於本年度強制生效的香港財務報告準則的修訂

本集團已於本年度首次應用下列由香港會計師公會（「香港會計師公會」）頒佈的香港財務報告準則的修訂：

香港會計準則第7號的修訂	披露計劃
香港會計準則第12號的修訂	就未變現虧損確認遞延稅項資產
香港財務報告準則第12號的修訂	作為2014年至2016年週期香港財務報告準則之年度的改進的部份

除下述者外，於本年度應用上述經修訂香港財務報告準則對本集團於本年度及過往年度的財務表現及狀況及／或綜合財務報表所載的披露並無重大影響。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Amendments to HKAS 7 “Disclosure Initiative”

The Group has applied these amendments for the first time in the current year. The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both cash and non-cash changes. In addition, the amendments also require disclosures on changes in financial assets if cash flows from those financial assets were, or future cash flows will be, included in cash flows from financing activities.

Specifically, the amendments require the following activities to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.

A reconciliation between the opening and closing balances of these items is provided in Note 39. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior year. Apart from the additional disclosure in Note 39, the application of these amendments has had no impact on the Group's consolidated financial statements.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

香港會計準則第7號「披露計劃」的修訂

本集團於本年度首次應用該等修訂本。該等修訂本規定實體提供使財務報表使用者能夠評估融資活動所產生的負債變動的披露資料，包括現金及非現金變動。此外，該等修訂本亦規定倘該等金融資產所得現金流量計入或未來現金流量將計入融資業務之現金流量，則須披露該等金融資產之變動。

具體而言，有關修訂規定須披露以下事項：(i) 融資現金流量的變動；(ii) 因取得或喪失附屬公司控制權或其他業務而出現的變動；(iii) 匯率變動的影響；(iv) 公平值變動；及(v) 其他變動。

有關該等項目之年初與年終結餘對賬刊於附註39。根據該等修訂之過渡條文，本集團並無披露過往年度之比較資料。除附註39之額外披露外，應用該等修訂並無對本集團之綜合財務報表造成影響。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and revised HKFRSs in issue but not yet effective

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRS 9	Financial Instruments ¹
HKFRS 15	Revenue from Contracts with Customers and the related amendments ¹
HKFRS 16	Leases ²
HKFRS 17	Insurance Contracts ⁴
HK(IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration ¹
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments ²
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions ¹
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts ¹
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014 – 2016 Cycle ¹
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ²
Amendments to HKAS 40	Transfers of Investment Property ¹
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015 – 2017 Cycle ²

- ¹ Effective for annual periods beginning on or after 1 January 2018.
- ² Effective for annual periods beginning on or after 1 January 2019.
- ³ Effective for annual periods beginning on or after a date to be determined.
- ⁴ Effective for annual periods beginning on or after 1 January 2021.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

已頒佈但尚未生效的新訂及經修訂香港財務報告準則

本集團並未提早應用下列已頒佈但尚未生效的新訂及經修訂香港財務報告準則：

香港財務報告準則第9號	金融工具 ¹
香港財務報告準則第15號	客戶合約收入及相關修訂 ¹
香港財務報告準則第16號	租賃 ²
香港財務報告準則第17號	保險合約 ⁴
香港（國際財務報告詮釋委員會）— 詮釋第22號	外幣交易及預付代價 ¹
香港（國際財務報告詮釋委員會）— 詮釋第23號	所得稅處理的不確定性 ²
香港財務報告準則第2號的修訂	以股份為基礎支付交易的分類及計量 ¹
香港財務報告準則第4號的修訂	與香港財務報告準則第4號保險合約一併應用香港財務報告準則第9號金融工具 ¹
香港財務報告準則第9號的修訂	具有負補償的提前付款特徵 ²
香港財務報告準則第10號及香港會計準則第28號的修訂	投資者與其聯營公司或合營公司之間的資產出售或注資 ³
香港會計準則第28號的修訂	作為2014年至2016年週期香港財務報告準則之年度改進的部份 ¹
香港會計準則第28號的修訂	於聯營公司及合營公司的長期權益 ²
香港會計準則第40號的修訂	轉讓投資物業 ¹
香港財務報告準則的修訂	2015年至2017年週期香港財務報告準則之年度改進 ²

- ¹ 於2018年1月1日或之後開始的年度期間生效。
- ² 於2019年1月1日或之後開始的年度期間生效。
- ³ 於尚待確定日期或之後開始之年度期間生效。
- ⁴ 於2021年1月1日或之後開始的年度期間生效。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 9 “Financial Instruments”

HKFRS 9 introduced new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirements of HKFRS 9 which are relevant to the Group are:

- All recognised financial assets that are within the scope of HKFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at fair value through other comprehensive income (“FVTOCI”). All other financial assets are measured at their fair value at subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held-for-trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

香港財務報告準則第9號「金融工具」

香港財務報告準則第9號就金融資產、金融負債分類及計量、一般對沖會計及金融資產減值規定引入新規定。

香港財務報告準則第9號與本集團相關之主要規定載列如下：

- 於香港財務報告準則第9號範圍內所有已確認金融資產其後須按攤銷成本或公平值計量。具體而言，目的為收取合約現金流量的業務模式內持有的債務投資，及合約現金流量僅為支付本金及未償還本金之利息的債務投資，一般於其後會計期間結束時按攤銷成本計量。於目的為同時收回合約現金流量及出售金融資產的業務模式內持有的債務工具，以及合約條款令於特定日期產生的現金流量僅為支付本金及未償還本金之利息的債務工具，一般按公平值計入其他全面收益（「按公平值計入其他全面收益」）計量。所有其他金融資產均於其後會計期間按公平值計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回選擇，於其他全面收益呈報並非持作買賣的股權投資公平值的其後變動，僅股息收入一般於損益確認。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 9 “Financial Instruments” (Continued)

Key requirements of HKFRS 9 which are relevant to the Group are: (Continued)

- In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39 “Financial Instruments: Recognition and Measurement”. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Based on the Group’s financial instruments and risk management policies as at 30 June 2018, the Directors anticipate the following potential impact on initial application of HKFRS 9:

Classification and measurement:

- Debt instruments classified as promissory note receivable and loan receivables carried at amortised cost as disclosed in Note 23 and 24 respectively. These are held within a business model whose objective is to collect the contractual cash flows that are solely payments of principal and interest on the principal outstanding. Accordingly, the financial assets will continue to be subsequently measured at amortised cost upon the application of HKFRS 9; and

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

香港財務報告準則第9號「金融工具」（續）

香港財務報告準則第9號與本集團相關之主要規定載列如下：（續）

- 就金融資產減值而言，與香港會計準則第39號「金融工具：確認及計量」項下按已產生信貸虧損模式計算相反，香港財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損的變動入賬，以反映信貸風險自初始確認以來的變動。換言之，毋須再待發生信貸事件方確認信貸虧損。

根據本集團於2018年6月30日的金融工具及風險管理政策，董事預期首次應用香港財務報告準則第9號將產生以下潛在影響：

分類及計量：

- 按攤銷成本列值並獲分類為應收承兌票據及應收貸款之債務工具分別於附註23及24披露。彼等以收取僅為支付本金及未償還本金之利息的合約現金流量作為目的之業務模式下持有。因此，於採用香港財務報告準則第9號時，金融資產將繼續按攤銷成本作後續計量；及

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

HKFRS 9 "Financial Instruments" (Continued)

Classification and measurement: (Continued)

- Listed equity securities and unlisted equity interest classified as available-for-sale investments carried at fair value as disclosed in Note 20. These securities qualified for designation as measured at FVTOCI under HKFRS 9. Accordingly, these financial assets will continue to be subsequently measured at FVTOCI under HKFRS 9, however, the fair value gains or losses accumulated in the investment revaluation reserve amounting to approximately HK\$2,332,000 as at 1 July 2018 will no longer be subsequently reclassified to profit or loss under HKFRS 9, which is different from the current treatment. This will affect the amounts recognised in the Group's profit or loss and other comprehensive income but will not affect total comprehensive income.

All other financial assets and financial liabilities will continue to be measured on the same bases as are currently measured under HKAS 39.

Impairment:

In general, the Directors anticipate that the application of the expected credit loss model of HKFRS 9 will result in earlier provision of credit losses which are not yet incurred in relation to the Group's financial assets measured at amortised costs and other items that subject to the impairment provisions upon application of HKFRS 9 by the Group.

Based on the assessment by the Directors, if the expected credit loss model were to be applied by the Group, there would be no material impact on the accumulated amount of impairment loss to be recognised by the Group as at 1 July 2018 as compared to the accumulated amount recognised under HKAS 39 mainly attributable to expected credit losses provision on trade and other receivables, promissory note receivable, loan receivables and amount due from an associate.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

香港財務報告準則第9號「金融工具」（續）

分類及計量：（續）

- 上市股本證券及非上市股本權益分類為按公平值列值之可供銷售投資，於附註20披露。根據香港財務報告準則第9號，該等證券合資格指定為按公平值計入其他全面收益計量。因此，根據香港財務報告準則第9號，該等金融資產將繼續按公平值計入其他全面收益作後續計量，然而，於2018年7月1日於投資重估儲備中累計之公平值收益或虧損金額約2,332,000港元其後將根據香港財務報告準則第9號不再重新分類至損益，此有別於目前之處理方式。此將影響於本集團損益及其他全面收入內確認之金額，惟不會影響全面收入總額。

所有其他金融資產及金融負債將繼續按香港會計準則第39號項下的現行計量方式計量。

減值：

一般而言，董事預期應用香港財務報告準則第9號的預期信貸虧損模式將導致本集團於應用香港財務報告準則第9號後，就本集團按攤銷成本計量的金融資產以及其他須作減值撥備的項目而尚未產生的信貸虧損提前計提撥備。

根據董事的評估，倘若本集團須應用預期信貸虧損模式，則本集團於2018年7月1日將予確認的累計減值虧損金額將較根據香港會計準則第39號確認的累計金額，並無產生重大影響，主要歸因於貿易及其他應收款項、應收承兌票據、應收貸款及應收一間聯營公司款項之預期信貸虧損撥備。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 15 “Revenue from Contracts with Customers”

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 “Revenue”, HKAS 11 “Construction Contracts” and the related interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

In 2016, the HKICPA issued “Clarifications to HKFRS 15” in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

Based on the existing business model as at 30 June 2018, the Directors anticipate that the application of HKFRS 15 in the future may result in more disclosures, however, the Directors do not anticipate that the application of HKFRS 15 will have a material impact on the timing and amounts of revenue recognised in the respective reporting periods.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

香港財務報告準則第15號「客戶合約收入」

香港財務報告準則第15號獲頒佈，其確立實體對客戶合約所產生的收入進行會計處理的單一全面模式。香港財務報告準則第15號將於生效後取代現有收入確認指引，包括香港會計準則第18號「收入」、香港會計準則第11號「建造合約」及相關詮釋。

香港財務報告準則第15號的核心原則為實體應確認以描述向客戶轉讓承諾貨物或服務的收入金額，以反映該實體預期就交換該等貨物或服務有權獲得的代價。具體而言，該準則引入收入確認的五個步驟：

- 第1步： 確定與客戶的合約
- 第2步： 確定合約內的履約責任
- 第3步： 釐定交易價格
- 第4步： 將交易價格分攤至合約內的履約責任
- 第5步： 當（或於）實體履行履約責任時確認收入

根據香港財務報告準則第15號，當（或於）履行履約責任時，即與特定履約責任相關的貨物或服務的「控制權」轉移予客戶時，實體確認收入。香港財務報告準則第15號已就特別情況的處理方法收錄更多說明指引。此外，香港財務報告準則第15號要求作出廣泛披露。

於2016年，香港會計師公會頒佈「對香港財務報告準則第15號的澄清」，內容關於確認履約責任、委託人與代理方考慮事項以及許可申請指引。

根據於2018年6月30日之現有業務模式，董事預計香港財務報告準則第15號在未來的應用可能會導致更多披露，但董事並未預期香港財務報告準則第15號的應用將對各報告期內確認的收益的時間和金額產生重大影響。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 16 “Leases”

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 “Leases” and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents operating lease payments as operating cash flows. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as operating and financing cash flows by the Group respectively.

In contrast to lessee accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

香港財務報告準則第16號「租賃」

香港財務報告準則第16號為租賃安排的識別以及出租人及承租人的會計處理引入一套綜合模式。當香港財務報告準則第16號於生效時將取代香港會計準則第17號「租賃」及相關詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制以區分租賃及服務合約。除短期租賃及低值資產的租賃外，經營租賃及融資租賃的差異自承租人會計處理中移除，並由承租人須就所有租賃確認使用權資產及相應負債的模式所取代。

使用權資產初步按成本計量，並隨後以成本（惟若干例外情況除外）減累計折舊及減值虧損計量，並就任何重新計量之租賃負債而作出調整。租賃負債初步按租賃付款（非當日支付）的現值計量。其後，租賃負債會就（其中包括）利息及租賃付款以及租賃修訂的影響而作出調整。就現金流量分類而言，本集團現時將經營租賃付款呈列為經營現金流量。於應用香港財務報告準則第16號後，有關租賃負債的租賃付款將分配為本金及利息部份，其將由本集團分別以經營及融資現金流量呈列。

與承租人會計處理方法相反，香港財務報告準則第16號大致保留香港會計準則第17號內出租人的會計規定，並繼續規定出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號要求作出詳盡的披露。

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 16 “Leases” (Continued)

As at 30 June 2018, the Group has non-cancellable operating lease commitments of approximately HK\$86,975,000 as disclosed in Note 37. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

In addition, the Group currently considers refundable rental deposits paid of approximately HK\$14,016,000 (see Note 22) as rights and obligations under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost and such adjustments are considered as additional lease payments. Adjustments to refundable rental deposits paid would be included in the carrying amount of right-of-use assets.

Furthermore, the application of new requirements may result in changes in measurement, presentation and disclosure as indicated above.

Except as described above, the Directors anticipate that the application of other new and amendments to HKFRSs and Interpretations will have no material impact on the Group's consolidated financial statements in the future.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

香港財務報告準則第16號「租賃」（續）

於2018年6月30日，本集團有不可撤銷的經營租賃承擔約86,975,000港元（於附註37披露）。初步評估顯示該等安排將符合租賃的定義。於應用香港財務報告準則第16號後，本集團將就所有該等租賃確認使用權資產及相應負債，除非其合資格為低價值或短期租賃則除外。

此外，本集團現時認為已支付的可退還租金按金約14,016,000港元（見附註22）為適用香港會計準則第17號的租賃項下的權利及義務。根據香港財務報告準則第16號的租賃付款定義，該等按金並非與相關資產使用權有關的付款，因此，該等按金的賬面值可調整至攤銷成本及該等調整被視為額外租賃付款。已支付的可退還租金按金的調整將計入使用權資產的賬面值。

此外，應用新規定可能會導致上文所列示的計量、呈報及披露變動。

除上文所述者外，董事預期應用其他新訂及經修訂的香港財務報告準則及詮釋將不會對本集團日後的綜合財務報表構成重大影響。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 “Share-based Payment”, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 “Inventories” or value in use in HKAS 36 “Impairment of Assets”.

A fair value measurement of a non-financial asset take into account a market participants ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

3. 重大會計政策

綜合財務報表根據由香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則（「上市規則」）及香港公司條例所規定之適用披露事項。

綜合財務報表乃按歷史成本法編製，惟誠如下文會計政策所闡釋，於各報告期末若干金融工具乃按公平值計算。

歷史成本一般按為換取貨物及服務所提供代價的公平值計算。

公平值乃於計量日期市場參與者於有秩序交易中出售資產可收取或轉讓負債須支付的價格，而不論該價格是否可直接觀察或使用其他估值方法來估計。於估計資產或負債的公平值時，本集團會考慮市場參與者於計量日期對資產或負債定價時所考慮的資產或負債特點。該等綜合財務報表中作計量及／或披露用途的公平值乃按此基準釐定，惟香港財務報告準則第2號「以股份為基礎的付款」範圍內的以股份付款的交易、香港會計準則第17號範圍內的租賃交易，以及與公平值相似但並非公平值的项目計量（例如香港會計準則第2號「存貨」的可變現淨值或香港會計準則第36號「資產減值」的使用價值）除外。

非金融資產的公平值計量乃經計及一名市場參與者利用資產最高及最佳用途或出售予另一名將利用資產最高及最佳用途的市場參與者而產生經濟利益的能力。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

3. 重大會計政策 (續)

此外，就財務呈報而言，公平值計量根據公平值計量的輸入數據可觀察程度及公平值計量的輸入數據對其整體的重要性分類為第一、第二或第三級，詳情如下：

- 第一級輸入數據為實體於計量日期可存取之同類資產或負債於活躍市場之報價（未經調整）；
- 第二級輸入數據為就資產或負債直接或間接地可觀察之輸入數據（第一級包括之報價除外）；及
- 第三級輸入數據為資產或負債之不可觀察輸入數據。

主要會計政策載列如下。

綜合賬目基準

綜合財務報表包括本公司及受本公司及其附屬公司控制的實體的財務報表。本公司於以下情況即擁有控制權：

- 對被投資方擁有權力；
- 對所參與被投資方的可變動回報承擔風險或擁有權利；及
- 有能力利用其權力以影響其回報。

倘事項及狀況顯示上文列示三項控制元素的一項或多項有變，本集團會重新評估其是否控制被投資方。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

3. 重大會計政策 (續)

綜合賬目基準 (續)

倘本集團於被投資方的投票權未能佔大多數，則當投票權足以賦予本公司實際能力以單方面指示被投資方的相關活動時即對被投資方擁有權力。本集團於評估本集團於被投資方的投票權是否足以賦予其權力時考慮所有相關事實及情況，包括：

- 相對其他投票權持有人所持投票權的數量及分散情況，本集團持有投票權的數量；
- 本集團、其他投票權持有人或其他人士持有的潛在投票權；
- 其他合約安排產生的權利；及
- 需要作出決定時，本集團目前能夠或不能指示相關活動的任何額外事實及情況（包括於過往股東大會上之投票模式）。

附屬公司綜合入賬於本集團取得有關附屬公司的控制權時開始，並於本集團失去有關附屬公司的控制權時終止。具體而言，於本年度所收購或出售的附屬公司的收入及開支自本集團取得控制權當日起計入綜合損益及其他全面收益表，直至本集團不再控制有關附屬公司當日為止。

損益及其他全面收益的每個項目乃歸屬於本公司擁有人及非控股權益。附屬公司的全面收益總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益產生虧損結餘。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity including reserves and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted after re-attribution of the relevant equity component, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39, or when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

3. 重大會計政策 (續)

綜合賬目基準 (續)

如有需要，會對附屬公司的財務報表作出調整，以使其會計政策與本集團之會計政策一致。

所有集團內公司間的資產及負債、權益、收入、開支及現金流量（與本集團成員公司間之交易有關）均於綜合賬目時全數對銷。

本集團於現有附屬公司的擁有權權益的變動

本集團於現有附屬公司的擁有權權益出現變動但並無導致本集團失去該等附屬公司的控制權，則以權益交易入賬。本集團的相關權益部分（包括儲備與非控股權益）的賬面值均會予以調整，以反映其於附屬公司的相關權益的變動。非控股權益於重新歸於相關權益部分後所調整的金額與所付或所收代價的公平值間的差額，均直接於權益確認並歸屬於本公司擁有人。

倘本集團失去附屬公司的控制權，則收益或虧損會於損益表確認，並按(i)所收代價的公平值及任何保留權益的公平值的總額與(ii)本公司擁有人應佔該附屬公司的資產（包括商譽）及負債賬面值間的差額計算。先前於其他全面收益就該附屬公司確認的所有金額，會按猶如本集團已直接出售該附屬公司的相關資產或負債入賬（即按適用香港財務報告準則所訂明／允許而重新分類至損益或轉撥至另一權益類別）。於失去控制權當日在前附屬公司保留的任何投資的公平值，會被視為根據香港會計準則第39號初步確認其後入賬的公平值，或（如適用）初步確認於聯營公司或合營公司的投資成本。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 “Income Taxes” and HKAS 19 “Employee Benefits” respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 “Non-current Assets Held for Sale and Discontinued Operations” are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer’s previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer’s previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

3. 重大會計政策 (續)

業務合併

收購業務乃採用收購法入賬。於業務合併中轉讓的代價以公平值計量，乃按本集團轉讓資產的收購日期公平值、本集團向被收購方的前擁有人產生的負債及本集團發行股權以換取被收購方的控制權的總額計算。收購相關成本一般於產生時在損益中確認。

於收購日期，所收購的可識別資產及所承擔的負債均以其公平值確認，惟：

- 遞延稅項資產或負債及有關僱員福利安排的資產或負債已分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；
- 涉及被收購方以股份為基礎的付款安排或為取代被收購方以股份為基礎的付款安排而訂立的本集團以股份為基礎的付款安排的負債或股本工具於收購日期按香港財務報告準則第2號計量（見下文會計政策）；及
- 按香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」分類為持作銷售之資產（或出售類別）按該準則予以計量。

商譽之計量為所轉讓代價、於被收購方的任何非控股權益金額及收購方之前持有被收購方的股權（如有）的公平值的總和超出於收購日期所收購的可識別資產及承擔的負債金額的淨額的部分。倘（重新評估後）所收購的可識別資產及所承擔的負債金額的淨額超出所轉讓代價，於被收購方任何非控股權益的金額及收購方先前持有被收購方權益（如有）的公平值的總和，超出部分即時於損益中確認為議價購買收益。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments made against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured to fair value at subsequent reporting dates, with the corresponding gain or loss being recognised in profit or loss.

3. 重大會計政策 (續)

業務合併 (續)

屬現時擁有權權益且於清盤時賦予其持有人按比例應佔相關附屬公司淨資產的非控股權益，可初步按公平值或非控股權益應佔被收購方可識別資產淨值的已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他種類的非控股權益乃按其公平值計量。

倘本集團於業務合併中轉讓的代價包括或然代價安排產生的資產或負債，或然代價按其收購日期公平值計量並視為於業務合併中所轉讓代價之一部份。或然代價的公平值變動（合資格作為按計量期調整）可追溯調整，並就商譽作出相應調整。計量期調整為於「計量期間」（不能超過自收購日期起計一年）就於收購日期存在的事實及情況獲得的其他資料產生的調整。

或然代價（不符合為計量期調整）之隨後入賬乃取決於或然代價如何劃分。劃分為權益的或然代價並非於隨後報告日期重新計量，而其隨後結算於權益內入賬。劃分為資產或負債的或然代價按隨後報告日期的公平值重新計量，而相應的收益或虧損於損益中確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interests were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as at the acquisition date that, if known, would have affected the amounts recognised at that date.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

3. 重大會計政策 (續)

業務合併 (續)

倘業務合併分階段完成，則本集團過往所持有被收購方的股本權益會於收購當日（即本集團獲得控制權當日）重新計量公平值，所產生的收益或虧損（如有）於損益確認。過往於其他全面收益確認被收購方於收購當日前的權益所產生之金額會重新分類至損益，該權益被出售時，此類處理方法將會適用。

倘業務合併的初步會計處理於合併發生的報告期末尚未完成，則本集團呈報未完成會計處理的項目的臨時數額。該等臨時數額會於計量期間（見上文）內調整，並確認額外資產或負債，以反映所取得於收購當日存在而據所知可能已影響該日確認款額的相關事實與情況的新資訊。

商譽

收購一項業務產生的商譽乃按於業務收購日期所確立的成本（見上文會計政策）減累計減值虧損（如有）列賬。

就減值測試而言，商譽乃分配至預期從合併的協同效應中獲利的本集團各現金產生單位（或現金產生單位組別），即就內部管理而言監察商譽的最低層面及不大於經營分部。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill (Continued)

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of an associate and a joint venture is described below.

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

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.

3. 重大會計政策 (續)

商譽 (續)

已獲分配商譽之現金產生單位 (或現金產生單位之組別) 每年或於單位有可能出現減值之跡象時更頻繁地進行減值測試。就於某個呈報期之收購所產生之商譽而言，商譽已獲分配之現金產生單位 (或現金產生單位之組別) 於該呈報期末之前進行減值測試。當可收回金額少於該單位之賬面值，則減值虧損首先被分配以削減任何商譽之賬面值，其後以單位 (或現金產生單位之組別) 各資產之賬面值為基準按比例分配到該單位之其他資產。

若出售有關現金產生單位，商譽的應佔金額乃計入釐定出售收益或虧損之金額內。

本集團有關收購聯營公司及合營公司產生的商譽的政策載述如下。

於聯營公司及合營公司的投資

聯營公司是指本集團對其有重大影響力的實體。重大影響是指參與被投資方的財務和經營決策的權力，而不是控制或共同控制這些政策的制訂。

合營公司指一項聯合安排，對安排擁有共同控制權的訂約方據此對聯合安排的資產淨值擁有權利。共同控制是指按照合約約定對某項安排所共有的控制，共同控制僅在當相關活動要求共同享有控制權的各方作出一致同意的決定時存在。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates and joint ventures (Continued)

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is or the portion so classified is accounted for in accordance with HKFRS 5. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale shall be accounted for using the equity method. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

3. 重大會計政策 (續)

於聯營公司及合營公司的投資 (續)

聯營公司及合營公司的業績及資產與負債以權益會計法計入此等綜合財務報表，除非有關投資（或當中部分）分類為持作銷售，於此情況下，則按香港財務報告準則第5號入賬。聯營公司或合營公司並未分類為持作銷售的投資的任何保留部分應使用權益法入帳。根據權益法，於聯營公司或合營公司的投資初步按成本於綜合財務狀況表確認，並於其後作出調整以確認本集團應佔該聯營公司或合營公司的損益及其他全面收益。當本集團應佔聯營公司或合營公司的虧損超出本集團於該聯營公司或合營公司的權益時（包括實質上成為本集團於該聯營公司或合營公司投資淨額一部分的任何長期權益），本集團終止確認其所佔的進一步虧損。僅於本集團已產生法律或推定責任，或已代表該聯營公司或合營公司支付款項的情況下，方會進一步確認虧損。

聯營公司或合營公司的投資自被投資方成為聯營公司或合營公司當日起採用權益法入賬。於收購聯營公司或合營公司的投資時，投資成本超過本集團分佔該被投資方可識別資產及負債公平淨值之任何部分乃確認為商譽，並計入投資的賬面值。倘本集團分佔可識別資產及負債於重新評估後的公平淨值高於投資成本，則會於收購投資的期間即時在損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investments in associates and joint ventures

(Continued)

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset within the scope of HKAS 39, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate or joint venture and the fair value of any retained interest and any proceeds from disposing the relevant interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

3. 重大會計政策 (續)

於聯營公司及合營公司的投資 (續)

香港會計準則第39號的規定獲應用以釐定是否需要確認有關本集團投資於聯營公司或合營公司的任何減值虧損。於有需要時，投資的全部賬面值（包括商譽）將會根據香港會計準則第36號作為單一資產進行減值測試，方法為比較其可收回金額（使用價值及公平值減銷售成本的較高者）與其賬面值。被確認的任何減值虧損均形成投資賬面值的一部分。該減值虧損的任何撥回根據香港會計準則第36號確認，惟受可收回投資金額隨後增加規限。

當本集團對聯營公司不再有重大影響或對合營公司不再有共同控制權，則入賬列為出售該被投資公司之全數權益，產生之收益或虧損於損益中確認。當本集團保留於前聯營公司或合營公司之權益及該保留權益為香港會計準則第39號範圍內一項金融資產，則本集團按於該日之公平值計量該保留權益，而公平值乃視為其初步確認時之公平值。聯營公司或合營公司之賬面值與任何保留權益之公平值及出售該聯營公司或合營公司相關部分之任何所得款項之間之差額，乃計入釐定出售聯營公司或合營公司之收益或虧損。此外，本集團就該聯營公司或合營公司先前確認於其他全面收益之所有數額（按相同基準），猶如直接出售該聯營公司或合營公司之相關資產或負債予以入賬。因此，倘該聯營公司或合營公司先前確認於其他全面收益之收益或虧損會在相關資產或負債出售時重新分類至損益中，則本集團會在不再使用權益法時將此收益或虧損由權益重新分類至損益（如重新分類之調整）。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates and joint ventures (Continued)

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

3. 重大會計政策 (續)

於聯營公司及合營公司的投資 (續)

倘聯營公司投資變成合營公司投資或合營公司投資變成聯營公司投資，本集團會繼續採用權益法。該擁有權權益之改變毋須對公平值重新計量。

倘本集團減少擁有聯營公司或合營公司之權益，但本集團繼續採用權益法時，本集團則會將先前就該項擁有權權益削減確認於其他全面收益之收益或虧損部分重新分類至損益中，前提為該收益或虧損於有關資產或負債出售時亦會重新分類至損益中。

倘一集團實體與本集團之聯營公司或合營公司進行交易時，所產生之溢利及虧損僅於有關聯營公司或合營公司之權益與本集團無關之情況下，方會確認於本集團之綜合財務報表中。

持作銷售的非流動資產

倘彼等之賬面值將主要透過銷售交易而非持續使用收回，則有關之非流動資產及出售組別分類為持作銷售。僅在資產（或出售組別）可按其當時之情況並根據銷售此類資產（或出售組別）的通常及慣用條款即時銷售及銷售很可能進行時，此條件方可作實。管理層必須致力於銷售，預期在從分類當日起一年內確認為已完成銷售。

當本集團承諾一項涉及喪失對附屬公司的控制權的銷售計劃並且滿足上述條件時，則該附屬公司的所有資產及負債均應歸類為持作銷售，不論交易後本集團是否在其前附屬公司中保留任何非控股權益。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Non-current assets held for sale (Continued)

When the Group is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an associate or joint venture, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale from the time when the investment (or a portion of the investment) is classified as held for sale.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

Franchising income includes initial fees and continuing franchise fees. Initial fees are recognised when the Group has performed substantially all initial services and other obligations required of the franchisor (the Group) under the franchise agreements. Continuing franchise fees represent fees charged for the use of continuing rights granted by a franchise agreement, or for other services provided during the period of a franchise agreement, are recognised as revenue as the services are provided or the rights are used.

Income from provision of tutoring and education services is recognised when the tutoring and educational services are rendered.

Supporting services and advertising fee income is recognised when the supporting services and advertising services are rendered.

3. 重大會計政策 (續)

持作銷售的非流動資產 (續)

當本集團承諾進行涉及出售於聯營公司或合營公司之投資或部分投資之出售計劃且符合上述條件時，將予出售之該項投資或部分投資分類為持作出售，而當投資（或部份投資）獲分類持作出售時，本集團將不再就該分類為持作出售之部分使用權益法。

分類為持作銷售的非流動資產（及出售組別）乃按彼等的先前賬面值與公平值減銷售成本兩者的較低者計量。

收入確認

收入按已收或應收代價的公平值計量。收入就估計客戶退貨、回扣及其他類似撥備作出扣減。

當收入數額能可靠地計量；而未來經濟利益將可能流入本集團，且符合以下所述的本集團各業務的特定準則時，本集團便會確認收入。

特許經營收入包括首次費及持續特許經營費。首次費於本集團已履行特許經營協議所規定特許人（本集團）的絕大部份首次服務及其他義務時確認。持續特許經營費指因使用特許經營協議授予的持續權利或於特許經營協議期間提供其他服務而收取之費用，於提供服務或使用權利期間確認為收益。

來自補習及教育服務的收入乃於提供補習及教育服務時確認。

支援服務收入及廣告費收入乃於提供支援服務及廣告服務時確認。

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For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Dividend income from investments is recognised when the shareholder's right to receive payment have been established.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

The Group's accounting policy for recognition of revenue from operating leases is described in the accounting policy for "Leasing" below.

Deferred income

Deferred income represents the tuition fee received in advance. Deferred income is recognised as revenue when the tuition services are rendered.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset.

3. 重大會計政策 (續)

收入確認 (續)

當股東收取款項的權利確立時，投資的股息收入予以確認。

利息收入乃參考未償還本金，按時間比例基準及適用實際利率計算，實際利率乃於初步確認時按金融資產的預計年期將估計日後現金收入折讓至該資產賬面淨值的比率。

本集團有關確認來自經營租賃收益的會計政策詳述於下文「租賃」會計政策。

遞延收入

遞延收入指預收學費。遞延收入乃於提供補習服務時確認為收入。

租賃

當租賃的條款將絕大部分的擁有權風險及回報轉移予承租人時，有關租賃即分類為融資租賃。所有其他租賃則分類為經營租賃。

本集團作為出租人

根據融資租賃應收承租人的款項會按本集團於租賃的淨投資金額確認為應收款項。融資租賃收入被分配至會計期間，以反映本集團於有關租賃的未償還淨投資的定期回報率。

經營租賃的租金收入於相關租賃期間以直線法於損益確認。於協商及安排經營租賃時引致之初步直接成本乃加至租賃資產之賬面金額。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing (Continued)

The Group as lessee

Operating lease payments, including the cost of acquiring land held under operating leases, are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the Group's interests.

3. 重大會計政策 (續)

租賃 (續)

本集團作為承租人

經營租賃付款（包括經營租賃項下的收購土地成本）乃按租期以直線基準確認為開支，除非另有系統基準更能代表租賃資產經濟效益損耗之時間模式則作別論。經營租賃項下產生之或然租金於產生期間確認為開支。

倘訂立經營租賃時收取租賃優惠，則有關優惠確認為負債。優惠總利益以直線法確認為租金開支減少，除非另有系統基準更能代表租賃資產經濟效益損耗之時間模式則作別論。

外幣

編製各獨立集團實體的財務報表時，以該實體的功能貨幣以外的貨幣（外幣）進行的交易，按交易當日的匯率確認。於報告期末，以外幣列值的貨幣項目以當日的匯率重新換算。以公平值列賬並以外幣列值的非貨幣項目按釐定公平值日期的適用匯率重新換算。按歷史成本以外幣入賬的非貨幣項目，不予重新換算。

結算貨幣項目及重新換算貨幣項目產生之匯兌差額會於產生期間於損益內確認，惟應收或應付海外業務之貨幣項目之匯兌差額，既無計劃結算且出現之可能性亦不大（因此為海外業務淨投資之一部分），初步於其他全面收益確認，並於出售或部分出售本集團之權益時由權益重新分類至損益除外。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

3. 重大會計政策 (續)

外幣 (續)

就呈列綜合財務報表而言，本集團經營業務的資產及負債乃按於各報告期末的適用匯率換算為本集團的列賬貨幣（即港元）。收入及開支項目乃按該期內的平均匯率進行換算，惟倘期內匯率顯著波動則除外，於該情況下，則採用交易日期當日現行匯率。所產生的匯兌差額（如有）會於其他全面收益中確認並於權益中匯兌儲備項下累計（倘適用，則撥歸非控股權益）。

於出售海外業務（即出售本集團於海外業務之全部權益，或涉及失去對一間附屬公司（包括海外業務）之控制權之出售，或出售部分於共同安排或一間聯營公司（包括海外業務，其保留權益變為金融資產）中之權益）時，就本公司擁有人應佔該業務而於權益內累計之所有匯兌差額重新分類至損益。

此外，有關出售部份附屬公司且不會引致本集團失去附屬公司控制權，按比例份額之累計匯兌差額會再分配到非控股權益及不會於損益內確認。至於所有其他部分出售（即聯營公司或共同安排之部份出售且不引致本集團失去重大影響力或共同控制），按比例份額之累計匯兌差額會重新分類至損益。

透過收購海外業務所產生之商譽及按公平值調整所收購的可識別資產將被視作該海外業務之資產及負債，並按各報告期末之現行匯率換算。由此產生之匯兌差額乃於其他全面收益內確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those asset until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Short-term employee benefits and retirement benefit costs

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the period in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are carried at their present values.

Payments to Mandatory Provident Fund Scheme and state-managed retirement benefit schemes are recognised as an expense in profit or loss as and when employees have rendered services that entitling them to the contributions.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

3. 重大會計政策 (續)

借款成本

因收購、興建或生產需要長時間籌備方可作其擬定用途或銷售的合資格資產所產生的直接借款成本，乃計入該等資產的成本中，直至該等資產已大致上可作其擬定用途或銷售為止。

所有其他借款成本於其產生期間的損益中確認。

短期僱員福利及退休福利成本

薪金、年度花紅、帶薪年假、定額供款退休計劃的供款以及非貨幣福利之成本於僱員提供相關服務之期間內計提。倘付款或結算遭延遲且其影響屬重大，則該等款項按其現值列賬。

向強制性公積金計劃及國家營辦之退休福利計劃支付之款項乃於僱員提供之服務令其獲得供款時於損益中確認為開支。

撥備

倘本集團因過往事項致使現時負有責任（法律或推定責任），並很可能須結付該責任，且能就該數額作出可靠估計時，須確認撥備。

確認為撥備的金額為於報告期末對履行現時責任所需代價的最佳估計，並經計及該項責任所附帶的風險及不確定因素計量。當使用估計現金流量計算撥備以結清現時責任，則其賬面值為該等現金流量的現值（當金錢時間值影響為重大）。

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For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Provisions (Continued)

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provision for long service payments

Provision for long service payments under the requirements of the Hong Kong Employment Ordinance is recognised when the employees have rendered services entitling them to the benefits. The amounts recognised are determined at the management's best estimate of the future cash outflow for settlement of the obligations and measured on a discounted basis, if the effect is material.

Share-based payments arrangements

For grants of share options that are conditional upon satisfying specified vesting conditions, the fair value of services received is determined by reference to the fair value of share options granted at the date of grant and is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share options reserve).

For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to accumulated losses.

3. 重大會計政策 (續)

撥備 (續)

當結算撥備所需之部分或全部經濟利益預期可自第三方收回時，如實質上確定將可獲償付及應收款項金額可作可靠計量時，則應收款項確認為資產。

長期服務金撥備

按照香港僱傭條例規定的長期服務金撥備於僱員提供的服務令其獲得福利時確認。所確認金額乃按管理層對未來現金流出以履行責任的最佳估計釐定並按已折讓基準計量（倘影響屬重大）。

以股份為基礎付款之安排

就授出附帶符合特定歸屬條件之購股權而言，所獲取服務之公平值乃參考於授出日期已授出購股權之公平值而釐定並於歸屬期間以直線基準支銷，而權益（購股權儲備）亦會相應增加。

就於授出日期即時歸屬之購股權而言，已授出購股權之公平值即時於損益列作開支。

於購股權獲行使時，先前於購股權儲備中確認之款項將轉撥至股份溢價。當購股權於歸屬日期後被沒收或於屆滿日期仍未行使，則先前於購股權儲備中確認之款項將轉撥至累計虧損。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from (loss before tax) as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

3. 重大會計政策 (續)

稅項

所得稅開支指現時應付稅項及遞延稅項之總和。

現時應付稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益表中所報「除稅前虧損」不同，乃由於包括其他年度應課稅或可扣稅收入或開支及不能課稅或扣稅的項目。本集團的本期稅項負債乃按報告期末已實行或大致上已實行的稅率計算。

遞延稅項乃按綜合財務報表的資產及負債賬面值與計算應課稅溢利所用相應稅基間的臨時差額確認。遞延稅項負債通常會就所有應課稅臨時差額確認。遞延稅項資產通常於有頗大機會在日後出現可用以扣減暫時差額的應課稅溢利時就所有可扣減暫時差額確認。若於一項交易中，因業務合併以外原因之初始確認資產及負債而引致的臨時差額既不影響應課稅溢利亦不影響會計溢利，則不會確認該等遞延稅項資產及負債。此外，倘因初步確認商譽而產生暫時差額，遞延稅項負債不會被確認。

遞延稅項負債乃按因有關於附屬公司及聯營公司的投資，及於合營公司的權益的應課稅臨時差額而確認，惟若本集團可控制臨時差額撥回及臨時差額有可能未必於可見將來撥回的情況除外。與該等投資及權益相關的可扣減臨時差額產生的遞延稅項資產僅於可能將有足夠應課稅溢利以應用臨時差額利益且預期於可見將來撥回時方始確認。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred taxes for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3. 重大會計政策 (續)

稅項 (續)

遞延稅項資產的賬面值乃於各報告期末檢討，並扣減至不再有足夠應課稅溢利可抵銷全部或部分將收回的資產為止。

遞延稅項資產及負債按預期清付負債或變現資產期間適用的稅率，按於報告期末已實施或大致實施稅率（及稅法）計量。

遞延稅項負債及資產的計量反映於報告期末本集團預期收回或清付其資產及負債賬面值的方式而引致的稅務後果。

就計量以公平值模式計算的投資物業的遞延稅項而言，其賬面值乃假設透過出售而全數收回，除非有關假設被駁回。當投資物業可予折舊並於目的為隨時間消耗該等投資物業所包含的絕大部分經濟利益（而非透過出售）的商業模式下持有，有關假設會被駁回。

本年度之即期及遞延稅項

即期及遞延稅項於損益中確認，惟倘其與於其他全面收益或直接於權益確認的項目相關，在此情況下，則即期及遞延稅項亦會分別於其他全面收益或直接於權益中確認。倘即期稅項或遞延稅項於業務合併中初次入賬時產生，則稅務影響乃計入業務合併之賬目。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

3. 重大會計政策 (續)

物業、廠房及設備

物業、廠房及設備乃按成本減其後的累計折舊及其後的累計減值虧損(如有)於綜合財務狀況報表列賬。

資產按其估計可使用年限以直線法撇銷成本並扣除其剩餘價值確認折舊。估計可使用年期、剩餘價值及折舊方法於各報告期末予以檢討，任何估計變動的影響將按前瞻基準列賬。

物業、廠房及設備項目於出售後或當預期持續使用該資產將不會產生未來經濟利益時終止確認。因出售或報廢物業、廠房及設備項目產生的任何盈虧，乃按該資產的出售所得款項與賬面值差額釐定並於損益確認。

無形資產

獨立收購的無形資產

獨立收購且具有限可使用年期之無形資產會按成本減累計攤銷及任何累計減值虧損列值。具有限可使用年限之無形資產攤銷按直線法在其估計可使用年期確認。估計可使用年期及攤銷方法於各報告期末檢討，任何估計變動之影響按前瞻基準入賬。獨立收購且具無限可使用年期之無形資產會按成本減任何其後累計減值虧損列值。(見下文有關有形及無形資產之減值虧損之會計政策)。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets (Continued)

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair values at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at cost less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Alternatively, intangible assets acquired in a business combination with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above)

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

3. 重大會計政策 (續)

無形資產 (續)

於一項業務合併中所收購的無形資產

於一項業務合併中所收購的無形資產與商譽分開確認並初步按收購日期的公平值(視為彼等的成本)確認。

於初步確認後，於一項業務合併中所收購及使用年期有限之無形資產乃按成本減累計攤銷及任何累計減值虧損呈報，其基準與分開購入之無形資產相同。另外，於一項業務合併中收購且具無限可使用年期之無形資產會按成本減任何其後累計減值虧損列值(見下文有關有形及無形資產之減值虧損之會計政策)。

無形資產於出售或預期使用或出售不會產生未來經濟利益時終止確認。終止確認無形資產產生之盈虧乃按出售所得款項淨額與資產賬面值間之差額計算，並於資產終止確認時於損益確認。

有形及無形資產(商譽除外)之減值(見上文有關商譽的會計政策)

於報告期末，本集團審閱其具有限可使用年期之有形及無形資產之賬面值，以釐定該等資產有否任何減值虧損跡象。倘出現任何該等跡象，則會估計資產之可收回金額，以釐定減值虧損之程度(如有)。倘不能估計個別資產之可收回金額，則本集團將估計資產所屬現金產生單位之可收回金額。當可識別合理及一致之分配基準時，企業資產亦將分配至個別現金產生單位或另行分配至最小現金產生單位組別，其合理及一致之分配基準可被識別。

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Impairment on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above) (Continued)

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3. 重大會計政策 (續)

有形及無形資產（商譽除外）之減值（見上文有關商譽的會計政策）（續）

具無限可使用年期之無形資產及尚未可供使用之無形資產將最少每年進行一次減值測試，並於出現資產可能減值之跡象時進行測試。

可收回金額為公平值減出售成本及使用價值兩者間之較高者。評估使用價值時，估計未來現金流量乃以稅前貼現率貼現至其現值，該貼現率反映市場現時所評估之金錢時間值及資產特定風險，而估計未來現金流量並未被調整。

倘資產（或現金產生單位）之估計可收回金額低於其賬面值，則資產（或現金產生單位）之賬面值將被調低至其可收回金額。於分配減值虧損時，首先分配減值虧損以減少任何商譽的賬面值（若適用），其後按照單位內各資產之賬面值比例分配至其他資產。資產賬面值不會下調至低於公平值減去出售成本（若可計量）之所得數額、其使用價值（若可釐定）及零之最高者。本應分配至該資產的減值虧損金額按比例分配至該單位之其他資產。減值虧損乃即時於損益確認。

倘減值虧損其後撥回，則資產（或現金產生單位）之賬面值將上調至其經修訂估計可收回金額，惟經上調之賬面值不得超出倘資產（或現金產生單位）於過往年度並無確認減值虧損時所確定之賬面值。減值虧損撥回乃即時於損益確認。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss ("FVTPL"), available-for-sale ("AFS") financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

3. 重大會計政策 (續)

金融工具

倘集團實體成為工具合約條文的訂約方，則確認金融資產及金融負債。

金融資產及金融負債初步以公平值釐定。收購或發行金融資產及金融負債應佔的直接交易成本（按公平值計入損益的金融資產及金融負債除外）乃於初步確認時在金融資產或金融負債的公平值加入或扣除（視乎情況而定）。收購按公平值計入損益的金融資產或金融負債應佔的直接交易成本，應即時於損益中確認。

金融資產

金融資產分類為以下具體類別：按公平值計入損益（「按公平值計入損益」）的金融資產、可供銷售（「可供銷售」）金融資產及貸款及應收款項。分類視乎金融資產之性質及目的而定，並於初步確認時予以釐定。所有以一般方式買賣之金融資產均按買賣日期基準確認及終止確認。一般方式買賣指須於市場規管或慣例所設定時限內交付資產之金融資產買賣。

實際利率法

實際利率法為計算於相關期間債務工具攤銷成本及分配利息收入的方法。實際利率為將於債務工具的預期使用年期或較短年期（倘適用）精確貼現估計未來現金收入（包括組成實際利率整體一部分的所有已付或已收費用及分點、交易成本及其他溢價或折讓）至初始確認時的賬面淨值的利率。

債務工具利息收入乃按實際利率基準確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is (i) held for trading, (ii) it is designated as at FVTPL, or (iii) contingent consideration that may be received by an acquirer as part of a business combination to which HKFRS 3 applies.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading or contingent consideration that may be received by acquirer as part of a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

3. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

按公平值計入損益的金融資產

當金融資產為(i)持作買賣，(ii)指定按公平值計入損益，或(iii)收購方可能收取之或然代價(作為香港財務報告準則第3號適用之業務合併之一部份)，即為按公平值計入損益之金融資產。

倘屬以下事項，則金融資產分類為持作買賣：

- 收購的主要原因為於短期內出售；或
- 於初始確認時，該金融資產為本集團共同管理之已識別金融工具組合之部分，且近期實際出現短期獲利回吐模式；或
- 其屬非指定為對沖工具且並無對沖工具效用的衍生工具。

金融資產(除持作買賣的金融資產或收購方可能收取作為業務合併一部分的或然代價外)於初始確認時，可被指定為按公平值計入損益的金融資產，倘：

- 有關指定消除或大幅減低可能出現的計量或確認不一致的情況；或
- 該金融資產構成一組金融資產或金融負債或兩者的一部分，並根據本集團既定風險管理或投資策略按公平值基準管理及評估其表現，而分類資料則按該基準由內部提供；或
- 該金融資產構成包含一種或以上內含衍生工具之合約的一部分，而香港會計準則第39號允許整份合併合約(資產或負債)指定為按公平值計入損益。

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For the year ended 30 June 2018 截至2018年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Financial assets at FVTPL (Continued)

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the consolidated statement of profit or loss and other comprehensive income. Fair value is determined in the manner described in Note 6.

AFS financial assets

AFS financial assets are non-derivatives that are either designated as available-for-sale or are not classified as (a) loans and receivables, (b) held-to-maturity investments, or (c) financial assets at FVTPL.

Equity and debt securities held by the Group that are classified as AFS financial assets and are traded in an active market are measured at fair value at the end of each reporting period. Changes in the carrying amount of AFS monetary financial assets relating to interest income calculated using the effective interest method, and changes in foreign exchange rates, if applicable are recognised in the profit or loss. Dividends on AFS equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established. Other changes in the carrying amount of AFS financial assets are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss (see the accounting policy in respect of impairment loss on financial assets below).

AFS equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment losses at the end of each reporting period (see the accounting policy in respect of impairment on financial assets below).

3. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

按公平值計入損益的金融資產 (續)

按公平值計入損益之金融資產以公平值計量，重新計量之任何收益或虧損於損益確認。於損益確認的淨收益或虧損包括金融資產產生的任何股息或利息並列於綜合損益及其他全面收益表內。公平值乃按附註6所述的方式釐定。

可供銷售金融資產

可供銷售金融資產為指定為可供銷售或未被分類為(a)貸款及應收款項、(b)持至到期投資或(c)按公平值計入損益的金融資產的非衍生工具。

本集團所持分類為可供銷售金融資產並於活躍市場上買賣的股本及債務證券按於各報告期末的公平值計量。與使用實際利率法計算有關利息收入之可供銷售貨幣性金融資產之賬面值變動，以及外幣匯率（如適用）變動於損益中確認。可供銷售股本工具的股息於本集團收取有關股息的權利確立時於損益確認。可供銷售金融資產賬面值之其他變動於其他全面收益確認，並累計至投資重估儲備。當有關投資被出售或釐定為已減值時，過往於投資重估儲備中累計的累計收益或虧損會重新分類至損益（見下文有關金融資產減值虧損的會計政策）。

缺乏活躍市場的市場報價且公平值難以可靠地被計量的可供銷售股本投資，及與該等缺乏報價股本投資掛鉤並須以交付此等股本投資作結算的衍生工具，於各報告期末按成本減任何已識別減值虧損計量（見下文有關金融資產減值的會計政策）。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, loan receivables, promissory note receivable, amounts due from related parties, amount due from an associate, and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment (see the accounting policy in respect of impairment on financial assets below).

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

Impairment on financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For AFS equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

3. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

貸款及應收款項

貸款及應收款項指未於活躍市場內報價而附帶固定或可議定付款的非衍生金融資產。於初步確認後，貸款及應收款項（包括貿易及其他應收款項、應收貸款、應收承兌票據、應收關聯方款項、應收一間聯營公司款項及銀行結餘及現金）乃使用實際利率法按攤銷成本減任何減值計量（見下文有關金融資產減值之會計政策）。

利息收入以應用實際利率法確認，惟確認利息不重大之短期應收款項除外。

金融資產減值

按公平值計入損益以外的金融資產於各報告期末評定是否有減值跡象。當有客觀證據顯示金融資產的預期未來現金流量因於初步確認該金融資產後發生的一項或多項事件而受到影響時，該金融資產即被視為減值。

就可供銷售股本投資而言，證券公平值大幅或長時間低於其成本被視為減值之客觀證據。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment on financial assets (Continued)

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods (see the accounting policy below).

3. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

就所有其他金融資產而言，減值的客觀證據可包括：

- 發行人或交易對手出現重大財政困難；或
- 違反合同，如利息或本金違約拖欠；或
- 借款人有可能面臨破產或財務重組；或
- 財務困難而使金融資產失去活躍市場。

應收款項組合減值之客觀證據可能包括本集團過往之收款經驗，組合中超過所授予之平均信用期延遲付款之次數增加，國家或當地經濟環境出現與欠繳應收款項有關之可觀察變化。

就以攤銷成本列值之金融資產而言，減值虧損之金額乃按該資產的賬面值與按金融資產之原先實際利率折讓的估計未來現金流量的現值間的差額確認。

就按成本列賬的金融資產而言，減值虧損金額按資產賬面值與按類似金融資產的當時市場回報率貼現估計未來現金流量現值間的差額計量。該減值虧損不會於隨後期間撥回（見下文的會計政策）。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment on financial assets (Continued)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period in which the impairment takes place.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity investments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investment revaluation reserve. In respect of AFS debt investments, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

3. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

所有金融資產的減值虧損會直接於金融資產的賬面值中作出扣減，惟貿易應收款項除外，其賬面值會透過撥備賬作出扣減。撥備賬的賬面值變動於損益確認。當貿易應收款項被視為不可收回時，其將於撥備賬內撇銷。過往已撇銷的款項如其後收回，將計入損益內。

倘可供銷售金融資產被視為已減值，則之前於其他全面收益確認的累計收益或虧損於減值發生的期間重新分類至損益。

就按已攤銷成本計量的金融資產而言，如在隨後期間減值虧損金額減少，而有關減少在客觀上與確認減值後發生的事件有關，則先前已確認的減值虧損將透過損益予以撥回，惟該投資於減值被撥回當日的賬面值，不得超過無確認減值下的已攤銷成本。

有關可供銷售股本投資，先前於損益確認之減值虧損不會透過損益撥回。公平值於減值虧損後之任何增加均會在其他全面收益中確認，並累計於投資重估儲備項下。有關可供銷售債務投資，其後如果投資公平值之增加客觀上可能與確認減值虧損後發生之事項有聯繫，則該減值虧損會透過損益撥回。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest expense is recognised on an effective interest basis.

Financial liabilities at amortised cost

Financial liabilities (including other payables and accruals, amounts due to related parties, bank borrowings and loan notes) are subsequently measured at amortised cost, using the effective interest method.

3. 重大會計政策 (續)

金融工具 (續)

金融負債及股本工具

由集團實體發行的債務及股本工具根據合約安排的內容及金融負債與股本工具的定義分類為金融負債或股本工具。

股本工具

股本工具指證明於實體資產經扣除其所有負債後的剩餘權益的任何合約。本集團發行的股本工具按已收所得款項（扣除直接發行成本）確認。

實際利率法

實際利率法為計算於相關期間金融負債攤銷成本及分配利息開支的方法。實際利率為按金融負債的預期使用年期或較短年期（倘適用）精確貼現估計未來現金付款（包括組成實際利率整體一部分的所有已付或已收費用、交易成本及其他溢價或折讓）至初始確認時的賬面淨值的利率。利息開支乃按實際利率基準確認。

按攤銷成本計量的金融負債

金融負債（包括其他應付款項及應計費用、應付關聯方款項、銀行借貸及貸款票據）其後以實際利率法按攤銷成本計量。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

3. 重大會計政策 (續)

金融工具 (續)

終止確認

僅於資產現金流量之合約權利屆滿時，或將金融資產及該資產的所有權之絕大部分風險及回報轉讓予另一實體時，本集團方會終止確認金融資產。倘本集團並無轉讓亦無保留擁有權的絕大部分風險及回報並繼續控制被轉讓資產，本集團確認其於資產之保留權益，並就可能需支付之款項確認為相關負債。若本集團保留已轉移金融資產所有權的絕大部分風險及回報，本集團繼續確認該項金融資產，亦就所收到的所得款項確認抵押借款。

於終止確認金融資產時，該項資產的賬面值與已收及應收代價及於其他全面收入確認並於權益中累計的累計盈虧的總和間的差額，於損益中確認。

本集團於及僅於其責任已被解除、取消或屆滿時，終止確認金融負債。終止確認的金融負債的賬面值與已付及應付代價間的差額於損益中確認。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包含手頭現金及活期存款，以及可隨時轉換成已知現金款項之短期高流動投資，受不重大風險之價值變動所規限，並擁有於獲得後一般於三個月以內到期的短促到期日，其可按要求支付並組成本集團現金管理之重要部分。

就綜合財務狀況表而言，現金及現金等價物包含手頭現金及銀行現金，包括定期存款及與現金性質相近而不受限制使用之資產。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
- (i) has control or joint control of the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group.
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

3. 重大會計政策 (續)

關聯方

- (a) 倘屬以下人士，則該人士或該人士之近親與本集團有關聯：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司之主要管理層成員。
- (b) 倘符合下列任何條件，則該實體與本集團有關聯：
- (i) 該實體與本公司屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關聯）。
 - (ii) 一間實體為另一實體之聯營公司或合營企業（或另一實體為集團旗下成員公司之聯營公司或合營企業之成員公司）。
 - (iii) 兩間實體均為同一第三方之合營企業。
 - (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
 - (v) 實體為本集團或與本集團有關聯之實體就僱員利益設立之離職福利計劃。
 - (vi) 實體受(a)內所識別人士控制或共同控制。
 - (vii) (a)(i)內所識別人士對實體有重大影響力或屬該實體（或該實體之母公司）之主要管理層成員。
 - (viii) 該實體或該實體所在集團之任何成員，為本集團或其母公司提供主要管理人員服務。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties (Continued)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's chief operating decision makers for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

3. 重大會計政策 (續)

關聯方 (續)

個人的近親指於其與該實體進行交易時，預期可能影響該人士或受該人士影響的家族成員。

分部報告

經營分部及於綜合財務報表呈報之各分部項目的金額乃從為向本集團各項業務及地理位置分配資源及評估其業績而定期向本集團首席經營決策者提供的財務資料當中識別出來。

個別重要的經營分部不會合計以供財務報告之用，但如該等分部的產品和服務性質、生產工序性質、客戶類別或階層、分銷產品或提供服務的方法以至監管環境的本質等經濟特性均屬類似，則作別論。個別不重要的經營分部如果符合以上大部分條件，則可以合計為一個報告分部。

報告期後事項

提供有關本集團於報告期末之狀況之額外資料或顯示持續經營假設並不適當之報告期後事項為調整事項，並反映於綜合財務報表。並非調整事項之報告期後事項，如屬重大時乃於綜合財務報表附註披露。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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.

Critical accounting judgement

The following are the critical judgements, apart from those involving estimations (see below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Deferred taxation on investment properties

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment properties that are measured using the fair value model, the Directors have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, in measuring the Group's deferred taxation on investment properties, the Directors have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is not rebutted. As a result, the Group has not recognised any deferred taxes on changes in fair value of investment properties as the Group is not subject to any income taxes on disposal of its investment properties.

4. 重要會計判斷及估計涉及不確定性的主要來源

於應用附註3所述的本集團會計政策時，董事須對未能輕易自其他途徑確定的資產及負債的賬面值作出判斷、估計及假設。所作出的估計及相關假設乃以過往經驗及其他被視為相關的因素為基準。實際結果可能與該等估計不同。

其估計及相關假設會持續進行檢討。倘對會計估計的修訂僅影響進行修訂的期間，則於該期間確認，或倘修訂影響目前及未來期間，則於修訂期間及未來期間確認。

重要會計判斷

下述為董事於應用本集團的會計政策過程中作出且對在綜合財務報表內所確認金額有最重大影響的重要判斷（下列涉及估計者除外）。

投資物業的遞延稅項

就計算以公平值模式計量的投資物業產生的遞延稅項負債或遞延稅項資產而言，董事已審閱本集團的投資物業組合，並得出結論，本集團所持有投資物業之業務模式並非隨時間（而非透過銷售）消耗投資物業所包含的絕大部分經濟利益。因此，在計量本集團投資物業的遞延稅項時，董事判定透過銷售全數收回採用公平值模式計量的投資物業的賬面值的假設不被推翻。由於本集團無須就出售其投資物業繳付任何所得稅，故本集團並無就投資物業的公平值變動確認任何遞延稅項。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Critical accounting judgement (Continued)

Impairment assessment for goodwill and other intangible assets

The Group tests annually whether goodwill and other intangible assets have suffered any impairment in accordance with accounting policies stated in Note 3. The recoverable amounts have been determined based on value-in-use calculations or fair value less costs to sell, whichever are higher. These calculations require the use of judgments and estimates.

Judgement is required to determine key assumptions adopted in the valuation models for impairment review purpose. Changing the assumptions selected by management in assessing impairment could materially affect the result of the impairment test and as a result affect the Group's financial condition and results of operations. If there is a significant adverse change in the key assumptions applied, it may be necessary to take additional impairment charge to the consolidated statement of comprehensive income. Please refer to Notes 16 and 17 for details.

Impairment assessment for available-for-sale investments

The Group follows the guidance of HKAS 39 to determine when an equity available-for-sale investment is impaired. This determination requires significant judgement. In making this judgement, the Group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and short-term business outlook for the investee and historical price volatility of these investments.

4. 重要會計判斷及估計涉及不確定性的主要來源 (續)

重要會計判斷 (續)

商譽及其他無形資產減值評估

本集團根據附註3所載之會計政策按年測試商譽及其他無形資產是否遭致任何減值。可收回金額乃根據使用價值計算或公平值減出售成本（以較高者為準）釐定。該等計算須作出判斷及估計。

釐定用作減值檢討的估值模式所採用之主要假設需要加以判斷。改變管理層選定用來評估減值的假設可能會對減值測試的結果產生重大影響，並因此影響本集團的財務狀況及經營業績。倘所使用主要假設出現重大不利變動，則可能需要在綜合全面收益表中扣除額外減值。有關詳情謹請參閱附註16及17。

可供出售投資之減值評估

本集團遵循香港會計準則第39號有關釐定股份權益可供出售之投資出現減值之指引。該釐定涉及作出重大判斷，在作出判斷時，本集團會評估（其中包括）一項投資之公允值低於其成本值之持續期間及幅度；及被投資公司之財務狀況是否健全及短期業務展望，以及該等投資之歷史價格是否波動。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment assessment of interest in an associate

The management of the Group carries out review on impairment on the interest in an associate whenever events or changes in circumstances indicate that its carrying amount may not be recoverable by comparing its recoverable amount.

In determining whether the interest in an associate is impaired, it requires an estimation of its recoverable amount. The market value of interest in an associate is determined based on the closing price as at the end of the reporting period. Where the recoverable amount of the Group's interest in an associate is less than the carrying amount, an impairment loss may arise.

During the year ended 30 June 2017, the management concluded that there was impairment loss on interest in an associate of approximately HK\$100,507,000 (see Note 18) as the recoverable amount of the interest in an associate was lower than its carrying amount.

Impairment assessment of trade and other receivables, loan receivables and promissory note receivable

The Group's management determines the provision for impairment of trade and other receivables, loan receivables and promissory note receivable based on the credit history of its customers and borrowers, the current market condition, and the valuation of the pledged collaterals, if any. Management reassesses the trade and other receivables, loan receivables and promissory note receivable regularly. The provision could change significantly as a result of changes in the financial position and payment status of the counterparties and in response to national or local economic conditions.

4. 重要會計判斷及估計涉及不確定性的主要來源 (續)

估計涉及不確定性的主要來源

下文載列於報告期末有關未来的主要假設及估計涉及不確定性的其他主要來源，而不確定性存在導致下一個財政年度的資產及負債賬面值須作出重大調整的重大風險。

於一間聯營公司權益的減值評估

倘發生事件或情況變動顯示其賬面值可能無法收回時，本集團管理層就於一間聯營公司之權益進行減值檢討，方法為將其可收回金額作比較。

釐定於一間聯營公司權益是否出現減值時，需估計其可收回金額。於一間聯營公司權益的市值乃按報告期末的收市價釐定。倘本集團於一間聯營公司權益之可收回金額低於賬面值，則可能出現減值虧損。

截至2017年6月30日止年度，管理層認為，由於一間聯營公司權益之可收回金額低於賬面值，因此於一間聯營公司權益之減值虧損約100,507,000港元（見附註18）。

貿易及其他應收款項、應收貸款及應收承兌票據的減值評估

本集團管理層基於客戶及借款人的信貸記錄、目前市況及已質押抵押品估值（如有）釐定貿易及其他應收款項、應收貸款及應收承兌票據的減值撥備。管理層定期重新評估貿易及其他應收款項、應收貸款及應收承兌票據。由於對手財務狀況及還款狀況會因應全球或本地經濟而變動，撥備可能大幅變動。

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Impairment assessment of trade and other receivables, loan receivables and promissory note receivable (Continued)

As at 30 June 2018, the impairment loss on other receivables (see Note 22) and loan receivables (see Note 24) amounting to approximately HK\$7,626,000 (2017: nil) and approximately HK\$7,493,000 (2017: nil) respectively.

Provision for long service payments

The provision for long service payments is based on the best estimate of the future payments required to settle the obligations under the Hong Kong Employment Ordinance in relation to the employees of the Group in Hong Kong.

In making this judgement, the management mainly considers the number of current employees who have achieved the required number of years of service to the Group, at the end of the reporting period, who are eligible for long service payments under the Hong Kong Employment Ordinance, the employee turnover rate as well as salary growth. Any change in these estimates will affect the provision to be recognised.

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The Directors determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where observable market data are not available, the Group engages independent qualified professional valuers to perform the valuation and works closely with the independent qualified professional valuers to establish the appropriate valuation techniques and inputs to the model.

The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of certain types of financial instruments. The use of valuation models and assumptions in valuing these financial instruments is subjective and requires varying degrees of judgement. Note 6 provide detailed information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of various assets and liabilities.

4. 重要會計判斷及估計涉及不確定性的主要來源 (續)

估計涉及不確定性的主要來源 (續)

貿易及其他應收款項、應收貸款及應收承兌票據的減值評估 (續)

於2018年6月30日，其他應收款項（見附註22）及應收貸款（見附註24）減值虧損分別約7,626,000港元（2017年：無）及約7,493,000港元（2017年：無）。

長期服務金撥備

長期服務金撥備乃根據對須履行按照香港僱傭條例有關本集團於香港僱員的責任所作出未來付款的最佳估計計算。

在作出此判斷時，管理層主要考慮於報告期末，符合所需服務本集團年資並合資格獲得香港僱傭條例項下的長期服務金的目前僱員人數、僱員流失率以及薪金增長。此等估計的任何變動將影響予以確認的撥備。

公平值計量及估值程序

本集團部分資產及負債就財務呈報目的按公平值計量。董事為公平值計量釐定適當的估值技巧及輸入數據。

於估計一項資產或一項負債的公平值時，本集團使用可獲得的市場可觀察數據。當無法獲得可觀察市場數據時，本集團委任獨立合資格專業估值師進行估值並與獨立合資格專業估值師緊密合作，為估值模型建立適當的估值技巧及輸入數據。

於估計若干類別金融工具之公平值時，本集團採用包括並非根據可觀察市場數據之輸入數據之估值技術。就此等金融工具的估值所使用的估值模式及假設乃屬主觀性，並須作出不同程度之判斷。附註6提供有關釐定各類資產及負債之公平值所用之估值技巧、輸入數據及主要假設之詳細資料。

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5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The management reviews the capital structure on a regular basis. As part of this review, the Directors consider the cost of capital and the risks associated with each class of capital, and will balance its overall capital structure through the payment of dividends, new shares issues and debt financing.

The capital structure of the Group consists of cash and cash equivalents and total equity (comprising issued share capital, reserves and accumulated losses) (2017: debts net of cash and cash equivalents and total equity).

The net debt to equity ratio as at 30 June 2017 was as follows:

5. 資本風險管理

本集團管理其資本，以確保本集團之實體將可持續經營，同時透過優化債務及權益結餘為股東帶來最大回報。本集團之總體策略與上年度維持不變。

管理層定期檢討資本架構。作為本檢討的一部分，董事考慮資本成本與各類別資本有關的風險，並將透過派付股息、發行新股及債務融資平衡其整體資本架構。

本集團資本架構包括現金及現金等價物及總權益（包括已發行股本、儲備及累計虧損）（2017年：扣除現金及現金等價物及總權益的債務）。

於2017年6月30日之淨資本負債比率如下：

		HK\$'000 千港元
Debts (Note i)	債務 (附註i)	164,900
Less: Cash and cash equivalents	減：現金及現金等價物	(16,284)
Net debt	淨債務	148,616
Equity (Note ii)	權益 (附註ii)	364,873
Net debt to equity ratio	淨資本負債比率	41%

Notes:

- (i) Debts included bank borrowings and loan notes of the Group as detailed in Notes 31 and 32 respectively.
- (ii) Equity includes all capital, reserves and non-controlling interests.

附註：

- (i) 債務包括來自本集團的銀行借款及貸款票據，誠如附註31及32分別所詳述。
- (ii) 權益包括全部資本、儲備及非控股權益。

6. FINANCIAL INSTRUMENTS

Categories of financial instruments

6. 金融工具

金融工具類別

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Financial assets	金融資產		
Fair value through profit or loss	按公平值計入損益		
Equity securities classified as held-for-trading	分類為持作買賣的股本證券	65,171	91,126
Financial assets designated at fair value through profit or loss	指定按公平值計入損益的金融資產	9,475	61,097
Loans and receivables (including cash and cash equivalents)	貸款及應收款項（包括現金及現金等價物）	156,655	122,414
Available-for-sale investments	可供銷售投資	25,295	83,283
Financial liabilities	金融負債		
Amortised cost	已攤銷成本	9,679	180,472

Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale investments, trade and other receivables, promissory note receivable, loan receivables, amount due from an associate, financial assets at fair value through profit or loss, bank balances and cash, other payables, amounts due to related parties, bank borrowings and loan notes. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate the effects of these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

There has been no change to the types of the Group's exposure in respect of financial instruments or the manner in which it manages and measures the risks.

財務風險管理目標及政策

本集團的主要金融工具包括可供銷售投資、貿易及其他應收款項、應收承兌票據、應收貸款、應收一間聯營公司款項、按公平值計入損益的金融資產、銀行結餘及現金、其他應付款項、應付關聯方款項、銀行借款及貸款票據。該等金融工具的詳情於各附註中披露。有關該等金融工具的風險及如何減輕該等風險之影響的政策載於下文。管理層管理及監察該等風險，以確保適時及有效地實施適當措施。

就金融工具或其管理及計量風險之方式而言，本集團承受之風險類別並無變動。

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6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Interest rate risk

The Group's bank balances have exposure to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on bank balances. The Group is also exposed to fair value interest rate risk related primarily to its fixed-rate promissory note receivable, loan receivables and unlisted convertible bonds. The Directors consider the Group's exposure of the fair value interest rate risk on fixed-rate promissory note receivable, loan receivables and unlisted convertible bonds and the cash flow interest rate risk on its bank balances are insignificant. Therefore, no sensitivity analysis is presented.

Equity price risk

The Group is exposed to equity price risk through its investments in listed equity securities which included in available-for-sale investments (see Note 20) and financial assets at fair value through profit or loss (see Note 26). The management manages this exposure by maintaining a portfolio of investments with different risks. The Group's equity price risk is mainly concentrated on listed equity securities.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risk at the end of the reporting period.

If the prices of the respective listed equity securities had been 10% (2017: 10%) higher/lower:

- the post-tax loss for the year would decrease/increase by approximately HK\$2,260,000 (2017: HK\$7,609,000) as a result of the change in fair value of listed security investments; and
- the investment revaluation reserve for the year would increase/decrease by approximately HK\$918,000 (2017: HK\$3,551,000) as a result of change in fair value of the listed security investments.

6. 金融工具 (續)

財務風險管理目標及政策 (續)

利率風險

由於銀行結餘之現行市場利率之波動，本集團之銀行結餘承受現金流量利率風險。本集團亦承受主要與固定利率應收承兌票據、應收貸款及非上市可換股債券有關的公平值利率風險。董事認為，本集團就其固定利率應收承兌票據、應收貸款及非上市可換股債券承受的公平值利率風險及其銀行結餘承受的現金流量利率風險並不重大。因此，並無呈列敏感度分析。

證券價格風險

本集團因其計入可供銷售投資（見附註20）的上市股本證券投資及按公平值計入損益的金融資產（見附註26）而承受證券價格風險。管理層透過持有具多元風險之投資組合管理此風險。本集團之證券價格風險主要集中於上市股本證券。

敏感度分析

以下敏感度分析是根據於報告期末所承受之證券價格風險釐定。

倘各上市股本證券之價格已上升／下跌10%（2017年：10%），則：

- 上市證券投資之公平值變動將導致年度之除稅後虧損減少／增加約2,260,000港元（2017年：7,609,000港元）；及
- 上市證券投資之公平值變動將導致年度之投資重估儲備增加／減少約918,000港元（2017年：3,551,000港元）。

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is the carrying amount of those assets in the consolidated statement of financial position. Except for the financial assets described as below, the management considers the credit risk on the remaining financial assets to be minimal. In order to minimise the credit risk, the management of the Group has monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual receivable at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

Bank balances are placed with various authorised institutions. Accordingly, the Directors consider the credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-ratings agencies.

The Group has no significant concentration of credit risk on trade and other receivables with exposure spread over a number of counterparties.

As at 30 June 2018, the Group has concentration of credit risk over promissory note receivable as the promissory note receivable is due from one (2017: one) counterparty.

As at 30 June 2018, the Group has concentration of credit risk over loan receivables as 97% (2017: 77%) of the loan receivables is due from the Group's three (2017: three) largest borrowing customers.

The Group does not have significant concentration of credit risk on investments in listed equity securities as counterparties are diversified.

6. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險

由於交易對手未能履行彼等之責任，則本集團須承擔之最大信貸風險（將造成本集團財務損失）為於綜合財務狀況表呈列的資產賬面值。除下述的金融資產外，管理層認為餘下金融資產的信貸風險有限。為將信貸風險降至最低，本集團管理層已監控程序，以確保採取跟進行動收回逾期債務。此外，本集團於各報告期末檢討各個別應收款項的可收回金額，以確保就不能收回的金額作出足夠減值虧損。就此而言，董事認為本集團的信貸風險已大幅降低。

銀行結餘存放於多間獲授權機構。因此，董事認為，由於對手方均為獲國際信貸評級機構賦予高信貸評級之銀行，故流動資金之信貸風險有限。

由於本集團的信貸風險分散於眾多對手方，故本集團就貿易及其他應收款項並無承受高度集中信貸風險。

於2018年6月30日，由於應收承兌票據乃來自一名（2017年：一名）對手方，本集團就應收承兌票據承受集中信貸風險。

於2018年6月30日，由於應收貸款的97%（2017年：77%）乃來自本集團三名（2017年：三名）最大借款客戶，本集團就應收貸款承受集中信貸風險。

由於對手方眾多，故本集團並無就上市股本證券投資承受重大集中信貸風險。

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For the year ended 30 June 2018 截至2018年6月30日止年度

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

The Group invested in unlisted convertible bonds classified as financial assets at fair value through profit or loss. The credit risk of the issuer of this instrument is monitored by the Group regularly. The fair value of the unlisted convertible bonds was estimated by an independent firm of professional valuer.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade and other receivables, promissory note receivable, loan receivables, listed equity securities and unlisted convertible bonds are disclosed in Notes 20, 22, 23, 24 and 26.

Apart from the exposures to the concentration of credit risk mentioned as above, the Group does not have any other significant concentration of credit risk.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents which are deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

As at 30 June 2018, the Group has no available short and medium term banking facilities (2017: the Group had available short and medium term banking facilities of HK\$32,000,000, excluding banking facilities available to the disposal group as detailed in Note 28).

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay and includes both interest and principal cash flows for non-derivative financial liabilities.

6. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險 (續)

本集團投資於分類為按公平值計入損益的金融資產的非上市可換股債券。本集團定期監察此工具發行人的信貸風險。非上市可換股債券的公平值乃由獨立專業估值師行估值。

有關本集團就貿易及其他應收款項、應收承兌票據、應收貸款、上市股本證券及非上市可換股債券承擔之信貸風險之進一步量化數據乃於附註20、22、23、24及26中披露。

除上述承擔的集中信貸風險外，本集團並無任何其他重大集中信貸風險。

流動資金風險

於管理流動資金風險時，本集團監督及維持現金及現金等價物處於管理層認為充足的水平，以撥付本集團的營運及減低現金流量波動的影響。

於2018年6月30日，本集團並無可供使用之短期及中期銀行信貸(2017年：本集團可供使用之短期及中期銀行信貸額度為32,000,000港元，不包括附註28所詳述可供出售組合使用之銀行信貸額度)。

下表載列本集團的非衍生金融負債餘下合約到期的詳情。列表乃根據本集團須還款的最早日期，按金融負債的未貼現現金流量而編製，包括非衍生金融負債的利息及本金現金流量。

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綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

6. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies
(Continued)

Liquidity risk (Continued)

The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from market interest rates prevailing at the end of the reporting period.

6. 金融工具 (續)

財務風險管理目標及政策 (續)

流動資金風險 (續)

下表載有利息及本金現金流量。在利息流量按浮動利率計息的範圍內，未折現金額乃自報告期末的現行市場利率得出。

		Weighted average interest rate 加權平均 利率 %	On demand or within 1 year 按要求或 1年內 HK\$'000 千港元	More than 1 year but not more than 5 years 1年以上但 不超過5年 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
As at 30 June 2018	於2018年6月30日					
<i>Non-derivative financial liabilities</i>	<i>非衍生金融負債</i>					
Other payables	其他應付款項	N/A不適用	3,811	–	3,811	3,811
Amounts due to related parties	應付關聯方款項	N/A不適用	5,868	–	5,868	5,868
			<u>9,679</u>	<u>–</u>	<u>9,679</u>	<u>9,679</u>
 As at 30 June 2017	 於2017年6月30日					
<i>Non-derivative financial liabilities</i>	<i>非衍生金融負債</i>					
Other payables	其他應付款項	N/A不適用	15,077	–	15,077	15,077
Amounts due to related parties	應付關聯方款項	N/A不適用	495	–	495	495
Variable-rate bank borrowings	浮息銀行借款	2.4%	14,400	–	14,400	14,400
Loan notes	貸款票據	11%	156,000	–	156,000	150,500
			<u>185,972</u>	<u>–</u>	<u>185,972</u>	<u>180,472</u>

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For the year ended 30 June 2018 截至2018年6月30日止年度

6. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments

This note provides information about how the Group determines fair values of various financial assets.

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

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

Financial assets 金融資產	Fair value as at 於下列日期的公平值		Fair value hierarchy 公平值 級別	Valuation technique(s) and key input(s) 估值方法及 關鍵輸入數據
	30 June 2018 2018年6月30日 HK\$'000 千港元	30 June 2017 2017年6月30日 HK\$'000 千港元		
Available-for-sale investments (Note 20) 可供銷售投資 (附註20)				
– Listed equity securities – 上市股本證券	9,181	35,514	Level 1 第一級	Quoted bid prices in an active market 活躍市場所報買入價
– Unlisted equity interest – 非上市股本權益	16,114	38,715	Level 3 第三級	Market approach 市場法 Major significant unobservable inputs: (i) Price-to-book ("P/B") ratio of comparable listed companies; and (ii) Discount for lack of marketability 主要重大不可觀察輸入數據： (i) 可比較上市公司的市賬率 （「市賬率」）；及 (ii) 就缺乏市場流通性折讓

6. 金融工具 (續)

金融工具之公平值計量

此附註就有關本集團如何釐定若干金融資產的公平值提供資料。

根據經常性基準按公平值計量的本集團金融資產的公平值

本集團部分金融資產於各報告期末按公平值計量。下表所載資料說明如何釐定該等金融資產之公平值（尤其是所用估值方法及輸入數據）。

6. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

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

6. 金融工具 (續)

金融工具之公平值計量 (續)

根據經常性基準按公平值計量的本集團金融資產
的公平值 (續)

Financial assets 金融資產	Fair value as at 於下列日期的公平值		Fair value hierarchy 公平值 級別	Valuation technique(s) and key input(s) 估值方法及 關鍵輸入數據
	30 June 2018 2018年6月30日 HK\$'000 千港元	30 June 2017 2017年6月30日 HK\$'000 千港元		
Financial assets at fair value through profit or loss (Note 26) 按公平值計入損益的金融資產 (附註26)				
<i>Equity securities classified as held-for-trading 分類為持作買賣的股本證券</i>				
– Listed equity securities – 上市股本證券	27,071	91,126	Level 1 第一級	Quoted bid prices in an active market 活躍市場所報買入價
– Suspended listed equity security – 暫停上市股本證券	38,100	–	Level 3 第三級	Index Return Method 指數回報法
				Major significant unobservable inputs: (i) Change in share price of comparable listed companies during the suspension period; and (ii) Discount for lack of marketability
				主要重大不可觀察輸入數據: (i) 暫停買賣期間可比較上市公 司的股價變動; 及 (ii) 就缺乏市場流通性折讓

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6. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

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

6. 金融工具 (續)

金融工具之公平值計量 (續)

根據經常性基準按公平值計量的本集團金融資產
的公平值 (續)

Financial assets 金融資產	Fair value as at 於下列日期的公平值		Fair value hierarchy 公平值 級別	Valuation technique(s) and key input(s) 估值方法及 關鍵輸入數據
	30 June 2018 2018年6月30日 HK\$'000 千港元	30 June 2017 2017年6月30日 HK\$'000 千港元		
Financial assets at fair value through profit or loss (Note 26) (Continued) 按公平值計入損益的金融資產 (附註26) (續)				
<i>Financial assets designated at fair value through profit or loss</i> 指定按公平值計入損益的金融資產				
– Unlisted investment fund – 非上市投資基金	477	61,097	Level 2 第二級	Quoted price based on net asset value 基於資產淨值的報價
– Unlisted convertible bonds – 非上市可換股債券	8,998	–	Level 3 第三級	Discounted cash flow model for debt component and the Black-Scholes Model 貼現現金流量模式 (債務部分) 及 柏力克-舒爾斯模式 Major significant unobservable input: Discount rate 主要重大不可觀察輸入數據: 貼 現率

There was no change in valuation techniques during the year ended 30 June 2018. The Directors believe that the estimated fair values resulting from the valuation technique(s), which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in the profit or loss and other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period.

於截至2018年6月30日止年度估值方法並無變動。董事認為估值方法得出之估計公平值 (於綜合財務狀況表入賬) 及相關公平值變動 (於損益及其他全面收益入賬) 為合理，亦為於報告期末最恰當之價值。

6. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

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

Below is a summary of relationship of unobservable input(s) to fair value, significant unobservable inputs to the valuation of financial instruments together with a quantitative analysis as at 30 June 2018:

Financial assets	Valuation technique	Relationship of unobservable input(s) to fair value	Significant unobservable Input(s)	Range/amount	Sensitivity of fair value to the input(s)
金融資產	估值方法	不可觀察輸入數據與公平值的關係	重大不可觀察輸入數據	範圍／金額	輸入數據公平值之敏感度
Unlisted equity interest – approximately HK\$16,114,000	Market approach	Higher the P/B ratio, higher the fair value and vice versa	P/B ratio	1.30 times	5% increase (decrease) in the P/B ratio would result in increase (decrease) in fair value of approximately HK\$806,000
		Higher the discount rate of lack of marketability, lower the fair value and vice versa	Discount for lack of marketability	20%	5% increase (decrease) in the discount rate of lack of marketability would result in (decrease) increase in fair value of approximately HK\$201,000
非上市股本權益— 約16,114,000港元	市場法	市賬率越高，公平值越高，反之亦然	市賬率	1.30倍	市賬率增加（減少）5%會導致公平值增加（減少）約806,000港元
		缺乏市場流通性的折讓率越高，公平值越低，反之亦然	就缺乏市場流通性折讓	20%	缺乏市場流通性的折讓率增加（減少）5%會導致公平值（減少）增加約201,000港元

6. 金融工具（續）

金融工具之公平值計量（續）

根據經常性基準按公平值計量的本集團金融資產的公平值（續）

於2018年6月30日，不可觀察輸入數據與公平值的關係、金融工具估值之重大不可觀察輸入數據連同定量分析的概要如下：

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6. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

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

6. 金融工具 (續)

金融工具之公平值計量 (續)

根據經常性基準按公平值計量的本集團金融資產
的公平值 (續)

Financial assets 金融資產	Valuation technique 估值方法	Relationship of unobservable input(s) to fair value 不可觀察輸入數據與公平 值的關係	Significant unobservable Input(s) 重大不可觀察 輸入數據	Range/amount 範圍/金額	Sensitivity of fair value to the input(s) 輸入數據公平值之敏感度
Suspended listed equity security – approximately HK\$38,100,000	Index Return Method	Higher the share price of the comparable companies, higher the fair value and vice versa	Change in share price of comparable companies during the suspension period	-19.40% to 0.44%	5% increase (decrease) in share price of comparable companies would result in increase (decrease) in fair value of approximately HK\$137,000
		Higher the discount rate of lack of marketability, lower the fair value and vice versa	Discount for lack of marketability	30%	5% increase (decrease) in the discount rate of lack of marketability would result in (decrease) increase in fair value of approximately HK\$817,000
暫停上市股本證券— 約38,100,000港元	指數回報法	可比較公司的股價越高， 公平值越高，反之亦然	暫停買賣期間可比較 公司的股價變動	-19.40%至 0.44%	可比較公司的股價增加（減少） 5%會導致公平值增加（減少） 約137,000港元
		缺乏市場流通性的 折讓率越高，公平值 越低，反之亦然	就缺乏市場 流通性折讓	30%	缺乏市場流通性的折讓率增加 （減少）5%會導致公平值 （減少）增加約817,000港元
Unlisted convertible bonds – approximately HK\$8,998,000	Discounted cash flows model for debt component and the Black-Scholes Model	Higher the discount rate, lower the fair value and vice versa	Discount rate	11.58% to 11.77%	5% increase (decrease) in the discount rate would result in (decrease) increase in fair value of approximately HK\$52,000
非上市可換股債券— 約8,998,000港元	貼現現金流量模式 （債務部分）及 柏力克—舒爾斯模式	貼現率越高，公平值 越低，反之亦然	貼現率	11.58%至 11.77%	貼現率增加（減少）5%會導致 公平值（減少）增加 約52,000港元

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6. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments
(Continued)

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

Fair value hierarchy

6. 金融工具 (續)

金融工具之公平值計量 (續)

根據經常性基準按公平值計量的本集團金融資產
的公平值 (續)

公平值級別

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 30 June 2018	於2018年6月30日				
Available-for-sale investments	可供銷售投資				
– Listed equity securities	– 上市股本證券	9,181	–	–	9,181
– Unlisted equity interest	– 非上市股本權益	–	–	16,114	16,114
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產				
– Listed equity securities excluding suspended shares (included in equity securities classified as held-for-trading)	– 不包括暫停買賣股份的 上市股本證券 (計入分類 為持作買賣的股本證券)	27,071	–	–	27,071
– Suspended shares (included in equity securities classified as held-for-trading)	– 暫停買賣股份 (計入分類 為持作買賣的股本證券)	–	–	38,100	38,100
– Unlisted investment fund (included in financial assets designated at fair value through profit or loss)	– 非上市投資基金 (計入指定 按公平值計入損益的 金融資產)	–	477	–	477
– Unlisted convertible bonds (included in financial assets designated at fair value through profit or loss)	– 非上市可換股債券 (計入指定按公平值計入 損益的金融資產)	–	–	8,998	8,998
		<u>36,252</u>	<u>477</u>	<u>63,212</u>	<u>99,941</u>
As at 30 June 2017	於2017年6月30日				
Available-for-sale investments	可供銷售投資				
– Listed equity securities	– 上市股本證券	35,514	–	–	35,514
– Unlisted equity interest	– 非上市股本權益	–	–	38,715	38,715
Financial assets at fair value through profit or loss	按公平值計入損益的 金融資產				
– Listed equity securities (included in equity securities classified as held-for-trading)	– 上市股本證券 (計入分類 為持作買賣的股本證券)	91,126	–	–	91,126
– Unlisted investment fund (included in financial assets designated at fair value through profit or loss)	– 非上市投資基金 (計入指定 按公平值計入損益的 金融資產)	–	61,097	–	61,097
		<u>126,640</u>	<u>61,097</u>	<u>38,715</u>	<u>226,452</u>

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6. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

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

There were no transfers between Level 1 and 2 and no transfers into or out of Level 3 during the year ended 30 June 2017.

There were no transfers between Level 1 and 2 during the year ended 30 June 2018. During the year ended 30 June 2018, there was a transfer of fair value measurement from Level 1 into Level 3 for an equity security classified as held-for-trading. The details of movements in fair value measurements in Level 3 are as follows:

Reconciliation of Level 3 fair value measurements

		2018		2017	
		Financial assets at fair value through profit or loss 按公平值 計入損益的 金融資產 HK\$'000 千港元	Available- for-sale investments 可供銷售 投資 HK\$'000 千港元	Financial assets at fair value through profit or loss 按公平值 計入損益的 金融資產 HK\$'000 千港元	Available- for-sale investments 可供銷售 投資 HK\$'000 千港元
At beginning of the year	於年初	–	38,715	–	–
Addition	添置	9,300	–	–	30,831
Transfer from Level 1 to Level 3 (Note)	由第一級轉入第三級 (附註)	58,267	–	–	–
Change in fair value recognised in profit or loss (included in change in fair value of financial assets at fair value through profit or loss)	於損益確認之公平值變動 (計入按公平值計入損益的金融資產之公平值變動)	(20,469)	–	–	–
Impairment loss on available-for-sale investments	可供銷售投資的減值虧損	–	(14,717)	–	–
Change in fair value recognised in other comprehensive income (included in investment revaluation reserve)	於其他全面收益確認之公平值變動 (計入投資重估儲備)	–	–	–	7,884
Reclassification adjustment upon impairment of available-for-sale investments	可供銷售投資減值時的重新分類調整	–	(7,884)	–	–
At end of the year	於年末	47,098	16,114	–	38,715

6. 金融工具 (續)

金融工具之公平值計量 (續)

根據經常性基準按公平值計量的本集團金融資產的公平值 (續)

截至2017年6月30日止年度，第一級與第二級之間並無任何轉移，亦無轉入或轉出第三級。

截至2018年6月30日止年度，第一級與第二級之間並無任何轉移。截至2018年6月30日止年度，分類為持作買賣的股本證券的公平值計量由第一級轉入第三級。第三級公平值計量的變動詳情如下：

第三級公平值計量的對賬

6. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

Reconciliation of Level 3 fair value measurements

(Continued)

Note: The transfer from Level 1 to Level 3 is due to the suspension of share trading of an equity security, Convoy Global Holdings Limited (a company listed on the Main Board of the Stock Exchange with stock code: 1019), since 7 December 2017. The suspended shares ("Convoy Shares") is included in the equity securities classified as held-for-trading as at 30 June 2018 and 2017. The Group's policy is to recognise transfer into and transfer out of Level 3 as at the date of event or change in circumstances that caused the transfer.

The Group did not have any financial liabilities measured at fair value as at 30 June 2018 and 2017.

Fair value of the Group's financial assets and liabilities that are not measured at fair value on a recurring basis

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

7. REVENUE AND SEGMENT INFORMATION

The Group's operating and reporting segments have been identified on the basis of internal management reports prepared in accordance with the accounting policies conform to HKFRSs, that are regularly reviewed by the executive Directors, being the chief operating decision maker ("CODM") of the Group, in order to allocate resources to segments and to assess their performances.

The Group's operations have been organised based on four operating divisions as described below. Similarly, the information reported to the CODM is also prepared on such basis. No operating segments identified by the CODM have been aggregated in arriving the reportable segments of the Group.

6. 金融工具 (續)

金融工具之公平值計量 (續)

第三級公平值計量的對賬 (續)

附註： 由第一級轉入第三級乃由於自2017年12月7日以來康宏環球控股有限公司（一間於聯交所主板上市之公司，股份代號：1019）的股本證券暫停股份買賣。於2018年及2017年6月30日，暫停買賣股份（「康宏股份」）計入分類為持作買賣的股本證券。本集團的政策是於事件發生之日或導致轉移的情況發生時，確認轉入及轉出第三級。

本集團於2018年及2017年6月30日並無任何按公平值計量之金融負債。

並非根據經常性基準按公平值計量的本集團金融資產及負債的公平值

董事認為按已攤銷成本於綜合財務報表記賬的金融資產及金融負債的賬面值與其公平值相若。

7. 收入及分部資料

本集團的經營及報告分部已根據符合香港財務報告準則的會計政策編製的內部管理報告基準予以識別，有關報告由作為本集團的首席經營決策者（「首席經營決策者」）的執行董事定期審閱以向分部分配資源及評估其表現。

本集團的經營已按於下文所述的四個經營分部予以組成。同時，向首席經營決策者報告的資料亦已根據有關基準編製。在達致本集團可報告分部時，並無綜合首席經營決策者所識別的經營分部。

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For the year ended 30 June 2018 截至2018年6月30日止年度

7. REVENUE AND SEGMENT INFORMATION (Continued)

Specifically, the Group's reportable and operating segments are as follows:

- Provision of private educational services – secondary tutoring services, secondary day school education, primary tutoring services, skill courses and test preparation courses, franchising income, English language training and test preparation courses and dance tuition services
- Investments in securities – trading of securities
- Property investments – investments of properties for rental income and capital appreciation
- Money lending – providing loans as money lender

Other operating segments which do not meet the quantitative thresholds prescribed by HKFRS 8 “Operating Segments” for determining reportable segments are combined as “Others”.

During the year ended 30 June 2018, the Group acquired two subsidiaries with businesses which are included in the “Provision of private educational services” segment.

7. 收入及分部資料 (續)

具體而言，本集團的可報告及經營分部如下：

- 提供私人教育服務 – 中學補習服務、正規日校課堂、小學輔導服務、展藝課程及應試課程、特許經營收入、英語培訓及應試課程以及舞蹈教學服務
- 投資證券 – 買賣證券
- 物業投資 – 投資物業以賺取租金收入及資本增值
- 借貸 – 作為貸款人提供貸款

未符合香港財務報告準則第8號「經營分部」有關釐定可報告分部的量化標準的其他經營分部則合併為「其他」。

截至2018年6月30日止年度，本集團收購兩間附屬公司，其業務已計入「提供私人教育服務」分部。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

7. REVENUE AND SEGMENT INFORMATION (Continued)

(a) Segment revenue and results

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

For the year ended 30 June 2018

7. 收入及分部資料 (續)

(a) 分部收入及業績

本集團按經營及可報告分部分類的收入及業績分析如下：

截至2018年6月30日止年度

		Provision of private educational services 提供私人 教育服務 HK\$'000 千港元	Investment in securities 投資證券 HK\$'000 千港元	Property investments 物業投資 HK\$'000 千港元	Money lending 借貸 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Consolidated 總計 HK\$'000 千港元
Segment revenue (revenue from external customers)	分部收入 (來自外部客戶收入)	104,994	–	570	3,463	–	109,027
Segment results	分部業績	(40,712)	34,510	431	(4,175)	(3)	(9,949)
Loss on disposal of available-for-sale investments	出售可供銷售 投資的虧損						(3,053)
Impairment loss on available-for-sale investments	可供銷售投資的 減值虧損						(23,771)
Gain on disposal of subsidiaries	出售附屬公司的收益						13,731
Gain on disposal of an associate	出售一間聯營公司的收益						55,826
Gain on disposal of a joint venture	出售一間合營公司的收益						1
Finance costs	財務費用						(3,415)
Share of results of joint ventures	應佔合營公司業績						(16)
Share of results of associates	應佔聯營公司業績						(16,924)
Unallocated corporate income	未分配公司收入						5,357
Unallocated corporate expenses	未分配公司開支						(27,457)
Loss before tax	除稅前虧損						(9,670)

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For the year ended 30 June 2018 截至2018年6月30日止年度

7. REVENUE AND SEGMENT INFORMATION (Continued)

(a) Segment revenue and results (Continued)

For the year ended 30 June 2017

		Provision of private educational services 提供私人 教育服務 HK\$'000 千港元	Investment in securities 投資證券 HK\$'000 千港元	Property investments 物業投資 HK\$'000 千港元	Money lending 借貸 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Consolidated 總計 HK\$'000 千港元
Segment revenue (revenue from external customers)	分部收入 (來自外部客戶收入)	149,439	-	1,443	2,977	-	153,859
Segment results	分部業績	(16,701)	(210,704)	6,548	2,816	(8)	(218,049)
Impairment loss on available-for-sale investments	可供銷售投資的 減值虧損						(3,997)
Gain on disposal of associates	出售聯營公司的收益						2,212
Loss in respect of interest in an associate	有關於一間聯營公司所佔 權益的虧損						(117,115)
Finance costs	財務費用						(16,598)
Share of results of joint ventures	應佔合營公司業績						401
Share of results of associates	應佔聯營公司業績						54,982
Unallocated corporate income	未分配公司收入						2,582
Unallocated corporate expenses	未分配公司開支						(34,530)
Loss before tax	除稅前虧損						(330,112)

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 3. The CODM assesses segment results using a measure of operating loss whereby certain items are not included in arriving at the segment results of the operating segments (i.e. loss on disposal of available-for-sale investments, impairment loss on available-for-sale investments, gain on disposal of subsidiaries, associates and a joint venture, loss in respect of interest in an associate, finance costs, share of results of joint ventures and associates, unallocated corporate income and expenses).

經營分部之會計政策與附註3所述本集團之會計政策相同。首席經營決策者以經營虧損的計量來評估分部業績，當中若干項目並未包括在達致經營分部的分部業績內，即出售可供銷售投資的虧損、可供銷售投資的減值虧損、出售附屬公司、聯營公司及一間合營公司的收益、有關於一間聯營公司所佔權益的虧損、財務費用、應佔合營公司及聯營公司業績、未分配公司收入及開支。

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綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

7. REVENUE AND SEGMENT INFORMATION
(Continued)

(b) Segment assets and liabilities

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

As at 30 June 2018

7. 收入及分部資料 (續)

(b) 分部資產及負債

本集團按經營及可報告分部分類的資產及負債分析如下：

於2018年6月30日

		Provision of private educational services 提供私人 教育服務 HK\$'000 千港元	Investment in securities 投資證券 HK\$'000 千港元	Property investments 物業投資 HK\$'000 千港元	Money lending 借貸 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Consolidated 總計 HK\$'000 千港元
Assets	資產						
Segment assets	分部資產	77,582	76,516	-	34,261	-	188,359
Unallocated assets	未分配資產						
Bank balances and cash	銀行結餘及現金						40,208
Promissory note receivable	應收承兌票據						48,000
Interests in joint ventures	於合營公司的權益						6,422
Available-for-sale investments	可供銷售投資						25,295
Other corporate assets	其他公司資產						7,778
							316,062
Liabilities	負債						
Segment liabilities	分部負債	27,149	-	-	50	-	27,199
Unallocated liabilities	未分配負債						
Current tax liabilities	即期稅項負債						13
Deferred tax liabilities	遞延稅項負債						169
Other corporate liabilities	其他公司負債						425
							27,806

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For the year ended 30 June 2018 截至2018年6月30日止年度

7. REVENUE AND SEGMENT INFORMATION (Continued)

(b) Segment assets and liabilities (Continued)

As at 30 June 2017

7. 收入及分部資料 (續)

(b) 分部資產及負債 (續)

於2017年6月30日

		Provision of private educational services 提供私人 教育服務 HK\$'000 千港元	Investment in securities 投資證券 HK\$'000 千港元	Property investments 物業投資 HK\$'000 千港元	Money lending 借貸 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Consolidated 總計 HK\$'000 千港元
Assets	資產						
Segment assets	分部資產	48,957	152,223	–	27,256	9	228,445
Assets associated with disposal group classified as held for sale	與分類為持作出售的出售 組別相關的資產	–	–	158,527	–	–	158,527
Unallocated assets	未分配資產						
Bank balances and cash	銀行結餘及現金						16,138
Promissory note receivable	應收承兌票據						50,000
Interests in associates	於聯營公司的權益						31,297
Interests in joint ventures	於合營公司的權益						7,999
Available-for-sale investments	可供銷售投資						83,283
Other corporate assets	其他公司資產						11,148
							586,837
Liabilities	負債						
Segment liabilities	分部負債	16,105	2,629	–	50	6	18,790
Liabilities associated with disposal group classified as held for sale	與分類為持作出售的出售 組別相關的負債	–	–	25,703	–	–	25,703
Unallocated liabilities	未分配負債						
Current tax liabilities	即期稅項負債						156
Deferred tax liabilities	遞延稅項負債						202
Bank borrowings	銀行借款						14,400
Loan notes	貸款票據						150,500
Other corporate liabilities	其他公司負債						12,213
							221,964

7. REVENUE AND SEGMENT INFORMATION

(Continued)

(b) Segment assets and liabilities (Continued)

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

- all assets are allocated to the operating segments other than bank balances and cash (other than those included in the money lending segment), promissory note receivable, interests in associates and joint ventures, available-for-sale investments and other corporate assets; and
- all liabilities are allocated to the operating segments other than current tax liabilities, deferred tax liabilities, bank borrowings, loan notes and other corporate liabilities.

7. 收入及分部資料 (續)

(b) 分部資產及負債 (續)

就監控分部表現及於分部之間分配資源的目的而言：

- 除銀行結餘及現金（計入借貸分部者除外）、應收承兌票據、於聯營公司及合營公司的權益、可供銷售投資及其他公司資產外，所有資產均分配至經營分部；及
- 除即期稅項負債、遞延稅項負債、銀行借款、貸款票據及其他公司負債外，所有負債均分配至經營分部。

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For the year ended 30 June 2018 截至2018年6月30日止年度

7. REVENUE AND SEGMENT INFORMATION (Continued)

(c) Other segment information

7. 收入及分部資料 (續)

(c) 其他分部資料

		Provision of private educational services 提供私人 教育服務 HK\$'000 千港元	Investment in securities 投資證券 HK\$'000 千港元	Property investments 物業投資 HK\$'000 千港元	Money lending 借貸 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Consolidated 總計 HK\$'000 千港元
For the year ended 30 June 2018	截至2018年6月30日止年度						
Capital additions	資本添置	(4,837)	(141)	–	–	–	(4,978)
Depreciation and amortisation	折舊及攤銷	(7,947)	(845)	–	–	(1)	(8,793)
Reversal of provision for long service payments	長期服務金撥備撥回	295	–	–	–	–	295
Change in fair value of financial assets at fair value through profit or loss	按公平值計入損益的 金融資產的公平值變動	–	31,521	–	–	–	31,521
Impairment loss on goodwill	商譽減值虧損	(559)	–	–	–	–	(559)
Impairment loss on other intangible assets	其他無形資產減值虧損	(2,626)	–	–	–	–	(2,626)
Impairment loss on other receivables	其他應收款項減值虧損	(7,643)	–	–	–	–	(7,643)
Impairment loss on a loan receivable	應收貸款減值虧損	–	–	–	(7,493)	–	(7,493)
For the year ended 30 June 2017	截至2017年6月30日止年度						
Capital additions	資本添置	(10,467)	(2,317)	–	–	–	(12,784)
Depreciation and amortisation	折舊及攤銷	(6,964)	(719)	–	–	(2)	(7,685)
Reversal of provision for long service payments	長期服務金撥備撥回	175	–	–	–	–	175
Change in fair value of investment properties	投資物業的公平值變動	–	–	7,800	–	–	7,800
Change in fair value of financial assets at fair value through profit or loss	按公平值計入損益的 金融資產的公平值變動	–	(210,580)	–	–	–	(210,580)

The Group's assets, revenue and results for the year derived from activities located outside Hong Kong are less than 10% of the Group's total assets, revenue and results for the year.

No individual customer accounted for over 10% of the Group's total revenue during both years.

本集團於本年度來自位於香港以外地區的業務的資產、收入及業績少於本集團於本年度的總資產、收入及業績的10%。

於兩個年度內，概無個別客戶佔本集團總收入超過10%。

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For the year ended 30 June 2018 截至2018年6月30日止年度

7. REVENUE AND SEGMENT INFORMATION

(Continued)

(d) Revenue from major services

7. 收入及分部資料 (續)

(d) 主要服務收入

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Secondary tutoring services	中學補習服務	71,640	108,412
Secondary day school education	正規日校課堂	–	1,150
Primary tutoring services, skill courses and test preparation courses	小學輔導服務、展藝課程及 應試課程	15,162	12,933
Franchising income	特許經營收入	4,509	4,503
English language training and test preparation courses	英語培訓及 應試課程	11,243	22,441
Dance tuition services	舞蹈教學服務	2,440	–
Rental income	租金收入	570	1,443
Loan interest income	貸款利息收入	3,463	2,977
Total revenue	總收入	109,027	153,859

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For the year ended 30 June 2018 截至2018年6月30日止年度

8. OTHER INCOME, GAINS AND LOSSES

8. 其他收入、收益及虧損

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Interest income on	來自下列各項的利息收入		
– promissory note receivable	– 應收承兌票據	5,035	2,581
– unlisted convertible bonds	– 非上市可換股債券	314	–
– bank deposits	– 銀行存款	4	1
– other interest income	– 其他利息收入	4	–
(Loss) gain on disposal of	出售下列各項的(虧損)收益		
– property, plant and equipment	– 物業、廠房及設備	(34)	(1,288)
– subsidiaries	– 附屬公司	13,731	17
– associates	– 聯營公司	55,826	2,212
– a joint venture	– 一間合營公司	1	–
– available-for-sale investments	– 可供銷售投資	(3,053)	–
Gain on bargain purchase from acquisition of a subsidiary	收購一間附屬公司的 議價收購收益	–	1
Supporting services income	支援服務收入	605	1,619
Impairment loss on	來自下列各項的減值虧損		
– goodwill	– 商譽	(559)	–
– other intangible assets	– 其他無形資產	(2,626)	–
– other receivables	– 其他應收款項	(7,643)	–
– a loan receivable	– 應收貸款	(7,493)	–
Others	其他	1,773	1,004
		55,885	6,147

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For the year ended 30 June 2018 截至2018年6月30日止年度

9. FINANCE COSTS

9. 財務費用

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Interest expenses on bank and other borrowings	銀行及其他借貸的利息開支	135	594
Effective interest expense on loan notes	貸款票據的實際利息開支	3,070	16,004
Interest expenses on promissory note payable (Note)	應付承兌票據的利息開支 (附註)	210	—
		3,415	16,598

Note:

The interest expenses on promissory note payable arising from the issuance of promissory note payable for the acquisition of a subsidiary by the Group during the year ended 30 June 2018 (see Note 40). The promissory note was issued by the Group on 30 April 2018 and subsequently fully repaid by the Group on 22 June 2018.

附註：

於截至2018年6月30日止年度本集團就收購一間附屬公司發行應付承兌票據所產生的應付承兌票據的利息開支（見附註40）。該承兌票據乃由本集團於2018年4月30日發行，並其後由本集團於2018年6月22日悉數償還。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

10. LOSS BEFORE TAX

Loss before tax has been arrived at after charging (crediting):

10. 除稅前虧損

除稅前虧損已扣除(計入)下列項目：

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Directors' emoluments (Note 11)	董事酬金(附註11)	3,554	9,253
Other staff costs	其他員工成本	36,212	40,056
Other staff's retirement benefit scheme contributions	其他員工的退休福利計劃供款	1,526	1,565
Share-based payments to other staff	向其他員工支付的以股份為基礎付款	—	7,299
		41,292	58,173
Tutor contractor fee to a Director (Note 11)	向一名董事支付的導師承包費(附註11)	(152)	(217)
Staff costs	員工成本	41,140	57,956
Auditors' remuneration	核數師薪酬	680	680
Write off of promissory note receivable	撇銷應收承兌票據	5,529	—
Other share-based payment expenses	其他以股份為基礎付款的開支	—	2,921
Reversal of provision for long service payments	長期服務金撥備撥回	(295)	(175)
Gross rental income from investment properties	投資物業租金總收入	(570)	(1,443)
Less: direct operating expenses incurred for investment properties that generated rental income during the year	減：於年內產生租金收入的投資物業產生的直接經營開支	9	43
		(561)	(1,400)

Tutor contractor fee is calculated based on (i) certain percentage of revenue derived from secondary tutoring services and English language training and test preparation courses; and (ii) fixed hourly rate on primary tutoring services, skill courses and test preparation courses.

Operating lease payments represent the minimum lease payments under operating leases paid or payable to lessors which mainly are independent third parties.

導師承包費乃根據(i)來自中學補習服務及英語培訓及應試課程收入的若干百分比；及(ii)小學輔導服務、展藝課程及應試課程之每小時固定收費計算。

經營租賃付款指根據經營租賃向出租人(主要為獨立第三方)已付或應付的最低租賃付款。

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For the year ended 30 June 2018 截至2018年6月30日止年度

**11. DIRECTORS' AND CHIEF EXECUTIVE'S
EMOLUMENTS AND THE FIVE HIGHEST PAID
EMPLOYEES AND TUTORS**

**11. 董事及主要行政人員的酬金及五位最高薪酬
僱員及導師**

		2018	2017
		HK\$'000	HK\$'000
		千港元	千港元
Directors' fees	董事袍金	463	600
Other emoluments to Directors	向董事支付的其他酬金		
– basic salaries, allowances and other benefits in kind	– 基本薪金、津貼及其他實物福利	2,733	4,912
– discretionary bonus	– 酌情花紅	154	140
– retirement benefit scheme contributions	– 退休福利計劃供款	52	36
– share-based payments	– 以股份為基礎付款	–	3,348
		3,402	9,036
Tutor contractor fee to a Director	向一名董事支付的導師承包費	152	217
		3,554	9,253

The bonus is determined with reference to the operating results, individual performance and comparable market statistics during both years.

花紅乃經參考於兩年內的經營業績、個人表現及可比較市場統計數據而釐定。

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For the year ended 30 June 2018 截至2018年6月30日止年度

11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND THE FIVE HIGHEST PAID EMPLOYEES AND TUTORS (Continued)

Details of emoluments paid by the Group to the Directors and chief executive are as follows:

11. 董事及主要行政人員的酬金及五位最高薪酬 僱員及導師 (續)

本集團向董事及主要行政人員支付的酬金詳情如下：

		Other emoluments 其他酬金						
		Directors' fee	Basic salaries, allowances and other benefits in kind	Discretionary bonus	Tutor contractor fee	Retirement benefit scheme contributions	Share-based payments	Total
Notes 附註		董事袍金 HK\$'000 千港元	基本薪金、津貼及其他實物福利 HK\$'000 千港元	酌情花紅 HK\$'000 千港元	導師承包費 HK\$'000 千港元	退休福利計劃供款 HK\$'000 千港元	以股份為基礎付款 HK\$'000 千港元	總計 HK\$'000 千港元
Year ended 30 June 2018	截至2018年6月30日止年度							
Mr. Yip Chung Yin Jeffrey	葉頌賢先生 (i)	-	331	-	-	12	-	343
Mr. Tsang Ka Wai	曾家偉先生 (ii)	-	149	-	-	7	-	156
Mr. Wong King Hoi	黃敬凱先生 (i)	-	139	-	-	7	-	146
Ms. Jor Stephanie Wing Yee	左穎怡女士 (i)	77	-	-	-	-	-	77
Mr. Leung Ki Chi James	梁其智先生 (iii)	54	-	-	-	-	-	54
Mr. Fenn David	范德偉先生 (iv)	17	-	-	-	-	-	17
Mr. Fong Chak Kiu	方澤翹先生 (v)	66	-	-	-	-	-	66
Mr. Wong Yuk Tong	王玉棠先生 (vi)	112	-	-	-	-	-	112
Ms. Wu Mei Chu	胡美珠女士 (vii)	-	415	154	-	11	-	580
Mr. Lee Wai Lok, Ignatious ("Mr. Lee")	李偉樂先生 (「李先生」) (viii)	-	1,699	-	152	15	-	1,866
Mr. Pun Kwok Shan	潘國山先生 (ix)	38	-	-	-	-	-	38
Mr. Ong Chi King	王子敬先生 (viii)	43	-	-	-	-	-	43
Mr. Lee Shu Fai	李樹輝先生 (vi)	56	-	-	-	-	-	56
Total	總計	463	2,733	154	152	52	-	3,554

Notes:

- (i) Appointed on 10 November 2017
- (ii) Appointed on 24 October 2017
- (iii) Appointed on 19 January 2018
- (iv) Appointed on 10 May 2018
- (v) Appointed on 24 October 2017 and resigned on 10 May 2018
- (vi) Retired on 19 December 2017
- (vii) Resigned on 21 December 2017
- (viii) Resigned on 9 November 2017
- (ix) Resigned on 26 October 2017

附註：

- (i) 於2017年11月10日獲委任
- (ii) 於2017年10月24日獲委任
- (iii) 於2018年1月19日獲委任
- (iv) 於2018年5月10日獲委任
- (v) 於2017年10月24日獲委任並於2018年5月10日辭任
- (vi) 於2017年12月19日退休
- (vii) 於2017年12月21日辭任
- (viii) 於2017年11月9日辭任
- (ix) 於2017年10月26日辭任

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綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND THE FIVE HIGHEST PAID EMPLOYEES AND TUTORS (Continued)

Details of emoluments paid by the Group to the Directors and chief executive are as follows: (Continued)

11. 董事及主要行政人員的酬金及五位最高薪酬僱員及導師 (續)

本集團向董事及主要行政人員支付的酬金詳情如下：(續)

		Other emoluments 其他酬金						
		Directors' fee	Basic salaries, allowances and other benefits in kind 基本薪金、津貼及其他實物福利	Discretionary bonus 酌情花紅	Tutor contractor fee 導師承包費	Retirement benefit scheme contributions 退休福利計劃供款	Share-based payments 以股份為基礎付款	Total 總計
		董事袍金 HK\$'000 千港元	實物福利 HK\$'000 千港元	酌情花紅 HK\$'000 千港元	導師承包費 HK\$'000 千港元	退休福利計劃供款 HK\$'000 千港元	以股份為基礎付款 HK\$'000 千港元	總計 HK\$'000 千港元
Year ended 30 June 2017	截至2017年6月30日止年度							
Mr. Wong Yuk Tong	王玉棠先生	240	45	–	–	–	–	285
Ms. Wu Mei Chu	胡美珠女士	–	943	79	–	18	1,674	2,714
Mr. Lee	李先生	–	3,834	61	217	18	1,674	5,804
Mr. Pun Kwok Shan	潘國山先生	120	–	–	–	–	–	120
Mr. Ong Chi King	王子敬先生	120	45	–	–	–	–	165
Mr. Lee Shu Fai	李樹輝先生	120	45	–	–	–	–	165
Total	總計	600	4,912	140	217	36	3,348	9,253

Mr. Lee was also the chief executive of the Company for the year ended 30 June 2017.

截至2017年6月30日止年度，李先生亦為本公司主要行政人員。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND THE FIVE HIGHEST PAID EMPLOYEES AND TUTORS (Continued)

The five highest paid individuals of the Group during the year, two (2017: two) were Directors whose remuneration are set out above. Details of the remuneration for the year of the remaining three (2017: three) highest paid individuals are as follows:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Basic salaries, allowances and other benefits in kind	基本薪金、津貼及其他 實物福利	2,326	2,444
Discretionary bonus	酌情花紅	111	114
Tutor contractor fee	導師承包費	–	1,066
Retirement benefit scheme contributions	退休福利計劃供款	46	51
Share-based payments	以股份為基礎付款	–	2,921
		2,483	6,596

The number of the highest paid individuals who are not Directors whose remuneration fell within the following bands is as follows:

		2018 Number of individuals 人數	2017 Number of individuals 人數
HK\$500,001 to HK\$1,000,000	500,001港元至1,000,000港元	2	–
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	–
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	–	3
		3	3

During the year ended 30 June 2017, certain non-Director and non-chief executive highest paid employees were granted share options, in respect of their services to the Group under the share option scheme of the Company. Details of the share option scheme are set out in Note 36.

11. 董事及主要行政人員的酬金及五位最高薪酬 僱員及導師 (續)

本集團於本年度之五位最高薪酬人士中，兩名（2017年：兩名）為董事，彼等之薪酬詳情載於上文。餘下三名（2017年：三名）最高薪酬人士之本年度薪酬詳情如下：

薪酬於以下範圍之非董事之最高薪酬人士人數如下：

於截至2017年6月30日止年度，若干非董事及非主要行政人員之最高薪酬僱員根據本公司購股權計劃就其為本集團提供之服務獲授購股權。購股權計劃詳情載於附註36內。

11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND THE FIVE HIGHEST PAID EMPLOYEES AND TUTORS (Continued)

Details of tutor contractor fee of the five highest paid tutors (excluding Directors) during the year are as follows:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Tutor contractor fee	導師承包費	15,258	27,195

The tutor contractor fees to the five highest paid tutors (excluding Directors) were within the following bands:

		2018 Number of individuals 人數	2017 Number of individuals 人數
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	3	–
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	–	2
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	1	–
HK\$4,500,001 to HK\$5,000,000	4,500,001港元至5,000,000港元	–	1
HK\$6,500,001 to HK\$7,000,000	6,500,001港元至7,000,000港元	1	–
HK\$7,000,001 to HK\$7,500,000	7,000,001港元至7,500,000港元	–	1
HK\$10,000,001 to HK\$10,500,000	10,000,001港元至10,500,000港元	–	1
		5	5

No emoluments were paid by the Group to the Directors or the five highest paid employees and tutors as an inducement to join or upon joining the Group or as compensation for loss of office.

During the years ended 30 June 2018 and 2017, none of the Directors waived their emoluments on a voluntary basis.

Salaries, allowance and other benefits in kind paid to or for the executive Directors are generally emoluments paid or receivable in respect of those persons' other services in connection with the management of the affairs of the Company and its subsidiaries.

11. 董事及主要行政人員的酬金及五位最高薪酬 僱員及導師 (續)

於年內，五位最高薪酬導師（不包括董事）的導師承包費詳情如下：

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Tutor contractor fee	導師承包費	15,258	27,195

五位最高薪酬導師（不包括董事）的導師承包費介乎以下範圍：

		2018 Number of individuals 人數	2017 Number of individuals 人數
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	3	–
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	–	2
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	1	–
HK\$4,500,001 to HK\$5,000,000	4,500,001港元至5,000,000港元	–	1
HK\$6,500,001 to HK\$7,000,000	6,500,001港元至7,000,000港元	1	–
HK\$7,000,001 to HK\$7,500,000	7,000,001港元至7,500,000港元	–	1
HK\$10,000,001 to HK\$10,500,000	10,000,001港元至10,500,000港元	–	1
		5	5

本集團並無向董事或五位最高薪酬僱員及導師支付酬金作為吸引加入或於加入本集團時的酬金或作為離職補償。

於截至2018年及2017年6月30日止年度，概無董事自願放棄其酬金。

已付或就執行董事支付的薪金、津貼及其他實物福利一般為就與管理本公司及其附屬公司事務相關的其他服務人士的已付或應收酬金。

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For the year ended 30 June 2018 截至2018年6月30日止年度

12. INCOME TAX

12. 所得稅

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Current tax:	即期稅項：		
Hong Kong Profits Tax	香港利得稅		
– Provision for the year	– 年內撥備	–	178
– Over-provision in respect of prior years	– 過往年度超額撥備	(57)	(40)
The People's Republic of China ("PRC")	中華人民共和國(「中國」)		
Enterprise Income Tax	企業所得稅	–	–
		(57)	138
Deferred tax (Note 33)	遞延稅項(附註33)	(1,381)	676
Total income tax (credit) expense recognised in profit or loss	於損益確認之所得稅 (抵免)開支總額	(1,438)	814

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

香港利得稅根據兩個年度之估計應課稅溢利按16.5%的稅率計算。

The provision for PRC Enterprise Income Tax is based on the estimated taxable income for PRC taxation purposes at the rate of taxation applicable to each year. Subsidiaries established in the PRC were subject to Enterprise Income Tax at 25% for both years.

中國企業所得稅撥備乃根據中國稅項之估計課稅收入按各年度所適用之稅率計算。於中國成立之附屬公司於兩個年度均按25%繳納企業所得稅。

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For the year ended 30 June 2018 截至2018年6月30日止年度

12. INCOME TAX (Continued)

The tax charge for the year can be reconciled to loss before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

12. 所得稅 (續)

本年度的稅項支出與綜合損益及其他全面收益表列示的除稅前虧損對賬如下：

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Loss before tax	除稅前虧損	(9,670)	(330,112)
Tax at the Hong Kong Profits Tax rate of 16.5% (2017: 16.5%)	按香港利得稅稅率16.5% (2017年：16.5%) 計算的稅項	(1,595)	(54,468)
Tax effect of income not taxable for tax purpose	毋須課稅收入的稅務影響	(17,571)	(2,155)
Tax effect of expenses not deductible for tax purpose	不可扣稅支出的稅務影響	9,460	60,747
Tax effect of share of results of associates	應佔聯營公司業績的稅務影響	2,792	(9,072)
Tax effect of share of results of joint ventures	應佔合營公司業績的稅務影響	2	(66)
Utilisation of deductible temporary differences not recognised	動用未確認可扣減暫時性差額	(592)	(470)
Tax effect of deductible temporary differences recognised	已確認可扣減暫時性差額的稅務影響	–	1,106
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	6,582	6,298
Tax effect of tax losses recognised	已確認稅項虧損的稅務影響	–	(397)
Utilisation of tax losses previously not recognised	動用過往未確認的稅項虧損	(328)	(658)
Over-provision in prior years	過往年度超額撥備	(57)	(40)
Others	其他	(131)	(11)
Income tax (credit) expense for the year	年度所得稅 (抵免) 開支	(1,438)	814

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

13. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company for both years are based on the following data:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Loss for the purpose of basic and diluted loss per share	就計算每股基本及攤薄虧損而言的虧損		
Loss for the year attributable to owners of the Company	本公司擁有人應佔年度虧損	(8,246)	(333,326)
		Number of shares 股份數目	Number of shares 股份數目
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	就計算每股基本及攤薄虧損而言之普通股加權平均數	547,570,880	518,568,973

No adjustment has been made in calculating the diluted loss per share amount presented for the year ended 30 June 2018 as there were no dilutive potential ordinary shares in issue during the year.

No adjustment has been made in calculating the diluted loss per share amount presented for the year ended 30 June 2017 in respect of the share options outstanding as the options had an anti-dilutive effect on the basic loss per share amounts presented.

14. DIVIDENDS

The Board does not recommend the payment of a final dividend for the year ended 30 June 2018 (2017: nil).

13. 每股虧損

本公司擁有人於兩個年度應佔之每股基本及攤薄虧損乃根據以下數據計算：

由於年內沒有發行攤薄潛在普通股，故於計算截至2018年6月30日止年度呈列之每股攤薄虧損金額時並無作出調整。

由於未行使購股權對所呈列的每股基本虧損具反攤薄作用，故於計算就截至2017年6月30日止年度呈列之每股攤薄虧損金額時並無作出調整。

14. 股息

董事會不建議就截至2018年6月30日止年度支付末期股息（2017年：無）。

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15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Leasehold improvements 租賃裝修 HK\$'000 千港元	Furniture and fixtures 傢俬及裝置 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Computer equipment 電腦設備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST	成本					
At 1 July 2016	於2016年7月1日	27,787	4,923	8,132	5,834	46,676
Additions	添置	8,382	1,076	472	2,854	12,784
Disposals/write off	出售／撇銷	(6,714)	(912)	(1,380)	(35)	(9,041)
Disposal of subsidiaries	出售附屬公司	—	—	(6)	(28)	(34)
At 30 June 2017 and 1 July 2017	於2017年6月30日及 2017年7月1日	29,455	5,087	7,218	8,625	50,385
Additions	添置	4,002	365	295	316	4,978
Acquisition of subsidiaries (Note 40)	收購附屬公司 (附註40)	3,589	200	23	119	3,931
Disposals/write off	出售／撇銷	(195)	—	(283)	(5)	(483)
At 30 June 2018	於2018年6月30日	36,851	5,652	7,253	9,055	58,811
ACCUMULATED DEPRECIATION	累計折舊					
At 1 July 2016	於2016年7月1日	12,368	3,035	6,298	4,101	25,802
Depreciation expense	折舊開支	5,133	582	667	1,105	7,487
Eliminated on disposals/write off	出售／撇銷時抵銷	(5,543)	(871)	(1,304)	(34)	(7,752)
Disposal of subsidiaries	出售附屬公司	—	—	(1)	(2)	(3)
At 30 June 2017 and 1 July 2017	於2017年6月30日及 2017年7月1日	11,958	2,746	5,660	5,170	25,534
Depreciation expense	折舊開支	5,759	698	594	1,211	8,262
Eliminated on disposals/write off	出售／撇銷時抵銷	(198)	—	(246)	(5)	(449)
At 30 June 2018	於2018年6月30日	17,519	3,444	6,008	6,376	33,347
CARRYING AMOUNTS	賬面值					
At 30 June 2018	於2018年6月30日	19,332	2,208	1,245	2,679	25,464
At 30 June 2017	於2017年6月30日	17,497	2,341	1,558	3,455	24,851

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For the year ended 30 June 2018 截至2018年6月30日止年度

15. PROPERTY, PLANT AND EQUIPMENT (Continued)

Depreciation is provided to write off the cost of property, plant and equipment over their estimated useful lives, using the straight-line method, at the following rates per annum:

Leasehold improvements	20% – 30%
Furniture and fixtures	20% – 30%
Office equipment	20%
Computer equipment	20%

15. 物業、廠房及設備 (續)

物業、廠房及設備的成本值以直線法折舊，按其估計可用年期予以撇銷，每年的折舊率如下：

租賃裝修	20% – 30%
傢俬及裝置	20% – 30%
辦公室設備	20%
電腦設備	20%

16. GOODWILL

16. 商譽

		CGU 1 現金產生 單位1 HK\$'000 千港元	CGU 2 現金產生 單位2 HK\$'000 千港元	CGU 3 現金產生 單位3 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST	成本				
At 1 July 2016, 30 June 2017 and 1 July 2017	於2016年7月1日、2017年 6月30日及2017年7月1日	60	–	–	60
Arising from acquisition of subsidiaries (Note 40)	來自收購附屬公司 (附註40)	–	25,448	559	26,007
At 30 June 2018	於2018年6月30日	60	25,448	559	26,067
ACCUMULATED AMORTISATION AND IMPAIRMENT	累計攤銷及減值				
At 1 July 2016, 30 June 2017 and 1 July 2017	於2016年7月1日、2017年 6月30日及2017年7月1日	–	–	–	–
Impairment loss recognised	已確認減值虧損	–	–	559	559
At 30 June 2018	於2018年6月30日	–	–	559	559
CARRYING AMOUNTS	賬面值				
At 30 June 2018	於2018年6月30日	60	25,448	–	25,508
At 30 June 2017	於2017年6月30日	60	–	–	60

16. GOODWILL (Continued)

For the purposes of impairment testing, goodwill has been allocated to three cash generating units (“CGUs”) which are engaged in money lending business (“CGU 1”), private educational services (“CGU 2”) and IT services (“CGU 3”), respectively.

CGU 1 – Money lending business

Based on the result of impairment test, no impairment loss on goodwill allocated to CGU 1 is recognised during the years ended 30 June 2018 and 2017.

CGU 2 – Private educational services (dance tuition services)

The recoverable amount of CGU 2 has been determined based on fair value less costs of disposal (“FVLCD”). In determining the FVLCD of CGU 2, the management has adopted the market approach (Level 3 fair value measurements), which have adopted price-to-book (“P/B”) multiple in the valuation. Several companies with business scopes and operations similar to those of CGU 2 were adopted as comparable companies (“Comparable Companies”). The Comparable Companies were selected mainly with reference to the following selection criteria:

- the Comparable Companies selected are principally engaged in provision of providing indoor physical education classes (e.g. dance, fitness and yoga);
- the Comparable Companies have sufficient listing and operating histories; and
- the financial information of the Comparable Companies is available to the public.

Key assumptions used in the FVLCD calculation of CGU 2 for the year ended 30 June 2018 included the P/B multiple of 1.96, marketability discount of 20% and control premium of 25%.

16. 商譽 (續)

為進行減值測試，商譽已分配至三個現金產生單位（「現金產生單位」），分別為從事借貸業務（「現金產生單位1」）、私人教育服務（「現金產生單位2」）及資訊科技服務（「現金產生單位3」）。

現金產生單位1－借貸業務

根據減值測試結果，截至2018年及2017年6月30日止年度並無就分配至現金產生單位1的商譽確認減值虧損。

現金產生單位2－私人教育服務（舞蹈教學服務）

現金產生單位2之可收回金額按公平值減出售成本（「公平值減出售成本」）釐定。釐定現金產生單位2的公平值減出售成本時，管理層已採納市場法（第三級公平值計量），於估值時採用市賬（「市賬」）倍數。採用業務範圍及營運與現金產生單位2類似的若干公司作為可比較公司（「可比較公司」）。可比較公司乃主要參考以下甄選標準選擇：

- 所選擇的可比較公司主要從事提供室內體能教育課程（如舞蹈、健身及瑜伽）；
- 可比較公司具備充足的上市及營運歷史；及
- 可比較公司的財務資料可供公眾查閱。

計算現金產生單位2於截至2018年6月30日止年度的公平值減出售成本時使用的主要假設包括1.96市賬倍數、市場流通性折讓20%及控制權溢價25%。

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For the year ended 30 June 2018 截至2018年6月30日止年度

16. GOODWILL (Continued)

CGU 2 – Private educational services (dance tuition services) (Continued)

The Directors are of the opinion that based on the FVLCD of CGU 2, there is no impairment of goodwill allocated to CGU 2 during the year ended 30 June 2018. The Directors believe that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount of the unit to exceed its recoverable amount as at 30 June 2018.

CGU 3 – IT services

Due to uncertain operating environment, the estimated recoverable amount of CGU 3 was below its carrying amount and goodwill allocated to this unit was fully impaired during the year ended 30 June 2018 and included in “Other income, gains and loss”.

16. 商譽 (續)

現金產生單位2－私人教育服務（舞蹈教學服務）（續）

董事認為，根據現金產生單位2的公平值減出售成本，截至2018年6月30日止年度分配至現金產生單位2的商譽並無減值。董事相信，可收回金額所依據的主要假設的任何合理可能變動將不會導致該單位於2018年6月30日的賬面值超過其可收回金額。

現金產生單位3－資訊科技服務

由於經營環境不明朗，現金產生單位3的估計可收回金額低於其賬面值及分配至該單位的商譽於截至2018年6月30日止年度已悉數減值並計入「其他收入、收益及虧損」。

17. OTHER INTANGIBLE ASSETS

17. 其他無形資產

		Trademark	Franchise rights	IT systems	Total
		商標	特許權	資訊科技系統	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
COST	成本				
At 1 July 2016, 30 June 2017 and 1 July 2017	於2016年7月1日、2017年6月30日及2017年7月1日	2,957	1,979	–	4,936
Arising from acquisition of a subsidiary (Note 40)	來自收購附屬公司(附註40)	–	–	2,960	2,960
At 30 June 2018	於2018年6月30日	2,957	1,979	2,960	7,896
ACCUMULATED AMORTISATION AND IMPAIRMENT	累計攤銷及減值				
At 1 July 2016	於2016年7月1日	2,957	1,089	–	4,046
Amortisation expense	攤銷費用	–	198	–	198
At 30 June 2017 and 1 July 2017	於2017年6月30日及2017年7月1日	2,957	1,287	–	4,244
Impairment loss recognised	已確認減值虧損	–	–	2,626	2,626
Amortisation expense	攤銷費用	–	197	334	531
At 30 June 2018	於2018年6月30日	2,957	1,484	2,960	7,401
CARRYING AMOUNTS	賬面值				
At 30 June 2018	於2018年6月30日	–	495	–	495
At 30 June 2017	於2017年6月30日	–	692	–	692

The Group's trademark protects the design and specification of "BACHELOR EDUCATION CENTRE LIMITED" logo, and was assessed to have an indefinite useful life. On the date of acquisition (i.e. 31 December 2010), the fair value of this trademark is assessed using an income approach under the relief from royalty method by an independent qualified professional valuer.

本集團的商標保護「BACHELOR EDUCATION CENTRE LIMITED」標誌的設計及規格，並被評定為具有無限可使用年期。於收購日期（即2010年12月31日），此商標的公平值乃由一名獨立合資格專業估值師採用權利金節省法的收入法作出評估。

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17. OTHER INTANGIBLE ASSETS (Continued)

Franchise rights represent the right to use the name “BACHELOR EDUCATION CENTRE LIMITED” under contractual franchise agreements in the business of primary tutoring services. The amortisation period of franchise rights is 10 years.

Due to uncertain operating environment, the estimated recoverable amount of the IT systems was below its carrying amount and was fully impaired during the year ended 30 June 2018 and included in “Other income, gains and loss”.

17. 其他無形資產 (續)

特許權指根據小學輔導服務業務的合約特許協議使用「BACHELOR EDUCATION CENTRE LIMITED」名稱的權利。特許權的攤銷期為10年。

由於經營環境不明朗，資訊科技系統的估計可收回金額低於其賬面值及於截至2018年6月30日止年度已悉數減值並計入「其他收入、收益及虧損」。

18. INTERESTS IN ASSOCIATES

18. 於聯營公司之權益

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Cost of investments	投資成本		
– Listed	– 上市	–	92,030
– Unlisted	– 非上市	5	5
Share of post-acquisition results and reserves, net of dividends received	應佔收購後業績及儲備 (扣除已收股息)	(5)	56,377
Less: Loss in respect of interest in an associate	減：就於聯營公司權益的虧損	–	(117,115)
Balance at end of the year	於年末結餘	–	31,297

18. INTERESTS IN ASSOCIATES (Continued)

Particulars of the Group's associates at 30 June 2018 are as follows:

Name of associate 聯營公司名稱	Place of incorporation/ operation 註冊成立／ 營運地點	Proportion of nominal value of issued capital held by the Group 本集團所持已發行 股本面值比例		Proportion of voting power held 所持投票權 比例		Principal activities 主要業務
		2018	2017	2018	2017	
Modern Legend Management Consultant of Education Limited ("Modern Legend") (Note i) *	Hong Kong/ Hong Kong	50%	50%	50%	50%	Investment holding and its subsidiary is principally engaged in the provision of private educational and training services in the PRC
現代智高教育管理諮詢有限公司(「現代智高」) (附註i) *	香港／香港	50%	50%	50%	50%	投資控股及其附屬公司主要於中國從事提供私人教育及培訓服務
Interactive Entertainment China Cultural Technology Investments Limited ("IE China") (Note ii) *	Cayman Islands and continued in Bermuda/Hong Kong	N/A	26.66%	N/A	26.66%	Investment holding and its subsidiaries are principally engaged in mobile internet cultural business and provision of IT services, provision of hospitality and related services in Australia, money lending business and assets investments business
互娛中國文化科技投資有限公司(「互娛中國」) (附註ii) *	開曼群島並於百慕達存續／香港	不適用	26.66%	不適用	26.66%	投資控股及其附屬公司主要從事移動互聯網文化業務及提供資訊科技服務、於澳洲提供酒店及相關服務、借貸業務及資產投資業務

* Neither Baker Tilly Hong Kong Limited nor another member firm of Baker Tilly International is the auditor of these associates.

* 天職香港會計師事務所有限公司及天職國際的其他成員公司均非該等聯營公司的核數師。

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18. INTERESTS IN ASSOCIATES (Continued)

Notes:

- (i) On 18 November 2016, Modern Legend was incorporated and the Group subscribed 50% equity interest of Modern Legend. The Group has ability to exercise significant influence through its shareholding.
- (ii) IE China is a company incorporated in the Cayman Islands and continued in Bermuda and its shares are listed on GEM of the Stock Exchange, acts as an investment holding company and its subsidiaries (collectively, "IE China Group") are principally engaged in the mobile internet cultural business and provision of IT services, provision of hospitality and related services in Australia, money lending business and assets investments business.

On 9 September 2016, Fastek Investments Limited ("Fastek"), an indirect wholly-owned subsidiary of the Company, and a vendor, an independent third party of the Company, entered into the sales and purchase agreement pursuant to which Fastek agreed to purchase and the vendor agreed to sell 492,576,511 IE China Shares ("Sale Share(s)"), representing approximately 10% of the total issued share capital of IE China as at 9 September 2016, at consideration of approximately HK\$32,510,000 (i.e. approximately HK\$0.066 per Sale Share). As a result, the Group held approximately 28.88% of the then total issued share capital of IE China and has ability to exercise significant influence through its shareholding. The Group reclassified the interests in IE China from held-for-trading investments to interest in an associate and accounted for using the equity method of accounting during the year ended 30 June 2017. On the date that IE China became an associate of the Group, the Directors performed a purchase price allocation of the total cost, including deemed costs represented by the fair value of the interests previously classified as held-for-trading investments, against the Group's share of the net fair value of the acquired assets and liabilities with reference to valuations carried out by an independent qualified professional valuer. As a result, a gain on bargain purchase of approximately HK\$216,549,000 was recognised in profit or loss at the date of acquisition and included in the determination of the Group's share of the results of the associate for the year ended 30 June 2017.

On 20 September 2016, 22 September 2016 and 27 September 2016, several shareholders of IE China had exercised their share options and the Group's shareholding over IE China had diluted from approximately 28.88% to approximately 26.66%. Loss on deemed disposal arising from the above share dilution of approximately HK\$16,608,000 was recognised in profit or loss during the year ended 30 June 2017.

18. 於聯營公司之權益 (續)

附註：

- (i) 於2016年11月18日，現代智高獲註冊成立，本集團認購現代智高的50%股權。本集團能夠透過其股權行使重大影響力。
- (ii) 互娛中國為一間於開曼群島註冊成立及於百慕達存續之公司，其股份於聯交所GEM上市，作為投資控股公司及其附屬公司（統稱「互娛中國集團」）主要從事移動互聯網文化業務及提供資訊科技服務、於澳洲提供酒店及相關服務、借貸業務及資產投資業務。

於2016年9月9日，本公司的間接全資附屬公司 Fastek Investments Limited（「Fastek」）與賣方（本公司的獨立第三方）訂立買賣協議，據此，Fastek同意購買而賣方同意出售492,576,511股互娛中國股份（「銷售股份」），佔互娛中國於2016年9月9日已發行股本總額約10%，代價為約32,510,000港元（即每股銷售股份約0.066港元）。因此，本集團持有互娛中國當時已發行股本總數約28.88%，能夠透過其股權行使重大影響力。本集團截至2017年6月30日止年度將於互娛中國的權益由持作買賣投資重新分類至於聯營公司的權益，並採用權益會計法列賬。於互娛中國成為本集團的聯營公司當日，董事就對本集團應佔所收購資產及負債公平淨值的總成本（包括過往分類為持作買賣投資的權益以公平值呈列的視作成本）所作之購買價分配，乃經參考一名獨立合資格專業估值師進行的估值。因此，議價收購收益約216,549,000港元於收購日期於損益確認，並計入釐定本集團截至2017年6月30日止年度之應佔聯營公司業績。

於2016年9月20日、2016年9月22日及2016年9月27日，互娛中國數名股東行使其購股權，本集團於互娛中國的股權由約28.88%攤薄至約26.66%。上述股份攤薄產生的視作出售的虧損約16,608,000港元於截至2017年6月30日止年度於損益確認。

18. INTERESTS IN ASSOCIATES (Continued)

Notes: (Continued)

(ii) (Continued)

As at 30 June 2017, the Directors noted the downward trend of IE China's share price. Therefore, the Directors performed an impairment assessment on the interest in IE China. Based on the assessment, an impairment loss of approximately HK\$100,507,000 was recognised during the year ended 30 June 2017. The fair value of the Group's interest in the associate was determined by reference to the quoted market price of the shares in IE China as at 30 June 2017.

On 6 April 2018, Fastek has entered into an agreement with Ms. Cheng Hei Yu ("Ms. Cheng"), an independent third party, for the disposal of all shares held by Fastek in IE China to Ms. Cheng. Pursuant to the agreement, the aggregate consideration for the disposal of all shares held by Fastek in IE China is approximately HK\$66,861,000, representing approximately HK\$0.047 per share. The disposal of IE China was completed on 15 June 2018 and resulting in a gain on disposal of an associate of approximately HK\$55,826,000.

All of these associates are accounted for using the equity method in these consolidated financial statements.

Summarised financial information of a material former associate

Summarised financial information of the former associate of the Group is set out below. The summarised financial information below represents amounts shown in the former associate's financial statements prepared in accordance with HKFRSs.

IE China Group

18. 於聯營公司之權益 (續)

附註：(續)

(ii) (續)

於2017年6月30日，董事知悉互娛中國股價的下行趨勢。因此，董事就於互娛中國的權益進行減值評估。基於評估，減值虧損約100,507,000港元於截至2017年6月30日止年度確認。本集團於聯營公司權益的公平值乃經參考互娛中國股份於2017年6月30日的市場報價釐定。

於2018年4月6日，Fastek與一名獨立第三方鄭熹榆女士（「鄭女士」）就向鄭女士出售Fastek於互娛中國所持全部股份訂立協議。根據協議，出售Fastek於互娛中國所持全部股份的總代價約66,861,000港元，相等於每股約0.047港元。出售互娛中國於2018年6月15日完成，產生出售一間聯營公司的收益約55,826,000港元。

所有該等聯營公司於綜合財務報表中均採用權益法入賬。

重大前聯營公司之財務資料概要

本集團前聯營公司之財務資料概要載列如下。下文所述之財務資料概要乃指前聯營公司根據香港財務報告準則編製之財務報表中所示金額。

互娛中國集團

		As at 30 June 2017 於2017年 6月30日 HK\$'000 千港元
Current assets	流動資產	455,566
Non-current assets	非流動資產	531,224
Current liabilities	流動負債	299,676
Non-current liabilities	非流動負債	178,107

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18. INTERESTS IN ASSOCIATES (Continued)

Summarised financial information of a material former associate (Continued)

IE China Group (Continued)

18. 於聯營公司之權益 (續)

重大前聯營公司之財務資料概要 (續)

互娛中國集團 (續)

		For the period from 1 July 2017 to 15 June 2018 自2017年7月1日 至2018年6月15日 止期間 HK\$'000 千港元	For the period from 9 September 2016 to 30 June 2017 自2016年9月9日 至2017年6月30日 止期間 HK\$'000 千港元
Revenue	收入	428,345	308,299
Loss from continuing operations	來自持續經營業務的虧損	(64,781)	(602,118)
Post-tax profit from discontinued operations	來自已終止經營業務的除稅後溢利	—	513
Loss for the period	期內虧損	(64,781)	(601,605)
Other comprehensive (expense) income for the period	期內其他全面(開支)收益	(48,514)	16,598
Total comprehensive expense for the period	期內全面開支總額	(113,295)	(584,647)
Dividend received from the associate	已收聯營公司股息	—	—

18. INTERESTS IN ASSOCIATES (Continued)

Summarised financial information of a material former associate (Continued)

IE China Group (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the former associate recognised in the consolidated financial statements as at 30 June 2017:

18. 於聯營公司之權益 (續)

重大前聯營公司之財務資料概要 (續)

互娛中國集團 (續)

上述財務資料概要與於2017年6月30日的綜合財務報表內所確認於前聯營公司之權益賬面值之對賬：

		As at 30 June 2017 於2017年 6月30日 HK\$'000 千港元
Net assets of IE China Group	互娛中國集團之資產淨額	509,007
Less: Non-controlling interests	減：非控股權益	(465)
Equity attributable to owners of IE China	互娛中國擁有人應佔權益	508,542
Proportion of the Group's ownership interest in IE China Group	本集團於互娛中國集團擁有 權益之比例	26.66%
Impairment loss	減值虧損	(100,507)
Other adjustments	其他調整	(3,773)
Carrying amount of the Group's interest in IE China Group	本集團於互娛中國集團之 權益之賬面值	31,297

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For the year ended 30 June 2018 截至2018年6月30日止年度

18. INTERESTS IN ASSOCIATES (Continued)

Information of an associate that is not individually material

The Group's share of post-tax loss	本集團應佔除稅後虧損
The Group's share of other comprehensive expense	本集團應佔其他全面開支
The Group's share of total comprehensive expense	本集團應佔全面開支總額
Aggregate carrying amount of the Group's interest in the associate	本集團於聯營公司之權益之總賬面值

The Group has discontinued recognition of its share of losses of an associate. The amount of unrecognised share of result of the associate, extracted from the relevant management accounts of the associate, for the year and cumulatively, are as follows:

Unrecognised share of loss of an associate for the year	年內未確認應佔一間聯營公司之虧損
Cumulative unrecognised share of losses of an associate	累計未確認應佔一間聯營公司之虧損

18. 於聯營公司之權益 (續)

個別並不重大的聯營公司資料

2018 HK\$'000 千港元	2017 HK\$'000 千港元
—	(5)
—	—
—	(5)
—	—

本集團已終止確認其應佔一間聯營公司之虧損。年內及累計未確認應佔該聯營公司之業績金額(摘錄自該聯營公司之相關管理賬目)如下:

2018 HK\$'000 千港元	2017 HK\$'000 千港元
(358)	(192)
(550)	(192)

Notes to the Consolidated Financial Statements
綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

19. INTERESTS IN JOINT VENTURES

19. 於合營公司之權益

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Cost of unlisted investments	非上市投資成本	14,000	14,250
Share of post-acquisition results, net of dividends received	應佔收購後業績 (扣除已收股息)	(7,578)	(6,251)
Balance at end of the year	於年末結餘	6,422	7,999

At 30 June 2018, the Group had interests in the following joint ventures:

於2018年6月30日，本集團於以下合營公司擁有權益：

Name of joint venture 合營公司名稱	Place of incorporation and operation 註冊成立及營運地點	Proportion of nominal value of issued capital held by the Group 本集團所持已發行股本面值比例		Proportion of voting power held 所持投票權比例		Principal activities 主要業務
		2018	2017	2018	2017	
Full Profit Hong Kong Development Limited ("Full Profit")	Hong Kong	50%	50%	50%	50%	Provision of management and consultancy services for kindergartens
盈豐香港發展有限公司 ("盈豐")	香港	50%	50%	50%	50%	為幼兒園提供管理及諮詢服務
Creative Education Technology Limited ("Creative Education") (Note)	Hong Kong	N/A	50%	N/A	50%	Provision of private educational and training services
創意教育科技有限公司 ("創意教育") (附註)	香港	不適用	50%	不適用	50%	提供私人教育及培訓服務

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

19. INTERESTS IN JOINT VENTURES (Continued)

Note:

On 3 June 2013, the Group entered into an agreement with a joint venture partner ("JV Partner") in relation to the formation of Creative Education. Pursuant to the agreement, each of the Group and the JV Partner holds 50% equity interest in Creative Education by contributing cash of HK\$250,000 each by the Group and the JV Partner and may increase the investment in Creative Education up to a total amount of HK\$20,000,000 with prior consent of each other.

Pursuant to the agreement between the Group and the JV Partner:

- in the event that the JV Partner (or the holding company of the JV Partner or a company which is owned as to 50% or more by the JV partner) has met the listing requirements of the Taiwan Stock Exchange (including listing on the Taiwan Stock Exchange, listing on the GreTai Securities Market and registration on the Emerging Stock Board) or GEM of the Stock Exchange, the JV Partner shall be entitled the right to subscribe an additional 10% equity interest in Creative Education at a subscription price determined at the net asset value of Creative Education or five times of profit after tax of Creative Education, whichever is higher ("JV Partner's Call Option"); and
- in the event that Creative Education has met the listing requirements of GEM of the Stock Exchange, the Group shall be entitled the right to subscribe an additional 10% equity interest in Creative Education at a subscription price determined at the net asset value of Creative Education or five times of profit after tax of Creative Education, whichever is higher ("Group's Call Option").

In the opinion of the Directors, the fair value of the Group's Call Option and the JV Partner's Call Option is insignificant at date of incorporation of the joint venture and as at 30 June 2017.

On 15 June 2018, the Group has entered into an agreement with the JV Partner for the disposal of 50% equity interest in Creative Education held by the Group to the JV Partner at a cash consideration of HK\$62,000. The disposal of equity interest in Creative Education is completed on 15 June 2018 and resulting in a gain on disposal of a joint venture of approximately HK\$1,000. The Group's Call Option and commitment in respect of capital injection in Creative Education arising from the agreement in relation to the formation of Creative Education is terminated upon the completion of the disposal and no further obligation will be responsible by the Group to the JV Partner nor Creative Education.

19. 於合營公司之權益 (續)

附註：

於2013年6月3日，本集團與合資夥伴（「合資夥伴」）就成立創意教育訂立一份協議。根據該協議，本集團與合資夥伴各自透過由本集團與合資夥伴各自以現金注資250,000港元持有創意教育的50%股權，且可於各自事先同意的情況下增加於創意教育的投資至最多總額為20,000,000港元。

根據本集團與合資夥伴之間的協議：

- 倘合資夥伴（或合資夥伴的控股公司或一間由合資夥伴擁有50%或以上權益的公司）符合台灣證券交易所（包括於台灣證券交易所上市、於上櫃上市及於興櫃註冊）或聯交所GEM的上市要求，則合資夥伴將有權按認購價（按創意教育的資產淨值或創意教育除稅後溢利的五倍金額（以較高者為準）釐定）認購創意教育額外10%股權（「合資夥伴認購期權」）；及
- 倘創意教育符合聯交所GEM的上市要求，則本集團將有權按認購價（按創意教育的資產淨值或創意教育除稅後溢利的五倍金額（以較高者為準）釐定）認購創意教育額外10%股權（「本集團認購期權」）。

董事認為，本集團認購期權及合資夥伴認購期權於合營公司註冊成立日期及於2017年6月30日的公平值並不重大。

於2018年6月15日，本集團與合資夥伴就以現金代價62,000港元向合資夥伴出售本集團所持創意教育50%股權訂立一份協議。出售創意教育股權於2018年6月15日完成，產生出售一間合營公司的收益約1,000港元。因有關成立創意教育之協議而產生之本集團認購期權及有關向創意教育注資之承諾於出售完成後終止，且本集團將不對合資夥伴及創意教育承擔任何進一步責任。

19. INTERESTS IN JOINT VENTURES (Continued)

The joint ventures are accounted for using the equity method in these consolidated financial statements.

Summarised financial information of a material joint venture

Summarised financial information in respect of a material joint venture and its subsidiary (collectively “Full Profit Group”) of the Group is set out below. The summarised financial information below represents amounts shown in the joint venture’s financial statements prepared in accordance with HKFRSs.

Full Profit Group

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Current assets	流動資產	4,101	4,626
Non-current assets	非流動資產	3	6
Current liabilities	流動負債	1,619	1,304

The above amounts of assets and liabilities include the following:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Cash and cash equivalents	現金及現金等價物	4,065	4,592
Current financial liabilities (excluding trade and other payables and provisions)	流動金融負債（不包括貿易及其他應付款項及撥備）	—	—

19. 於合營公司之權益（續）

合營公司乃使用權益法於該等綜合財務報表入賬。

重大合營公司之財務資料概要

本集團重大合營公司及其附屬公司（統稱「盈豐集團」）之財務資料概要載列如下。下文所述之財務資料概要乃指合營公司根據香港財務報告準則編製之財務報表中所示金額。

盈豐集團

上述資產及負債金額包括以下各項：

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For the year ended 30 June 2018 截至2018年6月30日止年度

19. INTERESTS IN JOINT VENTURES (Continued)

Summarised financial information of a material joint venture (Continued)

Full Profit Group (Continued)

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Revenue	收入	4,672	6,168
Profit for the year	年度溢利	2,157	2,995
Other comprehensive income for the year	年度其他全面收入	—	—
Total comprehensive income for the year	年度全面收入總額	2,157	2,995
Dividend received from the joint venture	自合營公司收取的股息	1,500	2,000

The above profit for the year includes the following:

19. 於合營公司之權益 (續)

重大合營公司之財務資料概要 (續)

盈豐集團 (續)

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Revenue	收入	4,672	6,168
Profit for the year	年度溢利	2,157	2,995
Other comprehensive income for the year	年度其他全面收入	—	—
Total comprehensive income for the year	年度全面收入總額	2,157	2,995
Dividend received from the joint venture	自合營公司收取的股息	1,500	2,000

上述年度溢利包括以下各項：

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Depreciation and amortisation	折舊及攤銷	4	4
Interest income	利息收入	1	1
Taxation	稅項	431	601

19. INTERESTS IN JOINT VENTURES (Continued)

Summarised financial information of a material joint venture (Continued)

Full Profit Group (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Full Profit Group recognised by the Group in the consolidated financial statements:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Net assets of Full Profit Group	盈豐集團的資產淨值	2,485	3,328
Proportion of the Group's ownership interest in Full Profit Group	本集團於盈豐集團擁有權益的比例	50%	50%
Effect of fair value adjustments at acquisition	收購時公平值調整之影響	14,000	14,000
Other adjustments	其他調整	(8,820)	(7,728)
Carrying amount of the Group's interest in Full Profit Group	本集團於盈豐集團之權益之賬面值	6,422	7,936

Information of a joint venture that is not individually material and has been disposed of on 15 June 2018

19. 於合營公司之權益 (續)

重大合營公司之財務資料概要 (續)

盈豐集團 (續)

上述財務資料概要與本集團於綜合財務報表內所確認於盈豐集團之權益賬面值之對賬：

個別並不重大並已於2018年6月15日出售的合營公司資料

		For the period from 1 July 2017 to 15 June 2018 自2017年7月1日 至2018年6月15日 止期間 HK\$'000 千港元	For the period from 1 July 2016 to 30 June 2017 自2016年7月1日 至2017年6月30日 止期間 HK\$'000 千港元
The Group's share of post-tax loss	本集團應佔除稅後虧損	(2)	(4)
The Group's share of other comprehensive income	本集團應佔其他全面收入	—	—
The Group's share of total comprehensive expense	本集團應佔全面開支總額	(2)	(4)
Aggregate carrying amount of the Group's interest in the joint venture	本集團於合營公司之權益之總賬面值	N/A不適用	63

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 30 June 2018 截至2018年6月30日止年度

20. AVAILABLE-FOR-SALE INVESTMENTS

20. 可供銷售投資

		Notes 附註	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Listed equity securities in Hong Kong at fair value	香港上市股本證券，按公平值	(i)	9,181	35,514
Unlisted investment fund, at cost	非上市投資基金，按成本	(ii)	—	9,054
Unlisted equity interest in overseas at fair value	海外非上市股本權益，按公平值	(iii)	16,114	38,715
			25,295	83,283

Notes:

- (i) As at 30 June 2018, the listed equity securities represent the shares of GET Holdings Limited ("GET", a company listed on GEM of the Stock Exchange with stock code: 8100) (2017: shares of GET and Target Insurance (Holdings) Limited ("Target Insurance", a company listed on the Main Board of the Stock Exchange with stock code: 6161)) held by the Group which are stated at fair value with reference to the quoted market bid price in the Stock Exchange.

During the year ended 30 June 2018, the Group has disposed of certain shares in GET and all shares in Target Insurance resulting in the aggregate loss on disposal of approximately HK\$3,053,000 recorded in the profit or loss and approximately HK\$2,168,000 which has been reclassified from investment revaluation reserve upon the disposal.

During the year ended 30 June 2017, the Group subscribed an aggregate of 15,956,078 GET rights shares for an aggregate subscription amount of approximately HK\$8,297,000 and acquired an aggregate of 5,000,000 Target Insurance shares on the market through the Stock Exchange for an aggregate consideration of approximately HK\$11,593,000. During the year ended 30 June 2017, there were a gain on fair value change in the investment of approximately HK\$2,553,000 on GET shares and loss on fair value change in the investment of approximately HK\$3,843,000 on Target Insurance shares recognised in the consolidated other comprehensive income (expense), which was reflected in the "investment revaluation reserve" within equity of the Group.

During the year ended 30 June 2017, the investment in Target Insurance shares was determined to be impaired and the loss of approximately HK\$3,843,000 initially recognised in the investment revaluation reserve was reclassified to profit or loss.

附註：

- (i) 於2018年6月30日，上市股本證券指本集團持有的智易控股有限公司（「智易」，一間於聯交所GEM上市之公司，股份代號：8100）的股份（2017年：智易及泰加保險（控股）有限公司（「泰加保險」，一間於聯交所主板上市之公司，股份代號：6161）的股份），該等股份參考於聯交所所報市場買入價按公平值列賬。

截至2018年6月30日止年度內，本集團已出售若干智易股份及所有泰加保險股份，產生出售虧損總額約3,053,000港元於損益中錄入及約2,168,000港元已於出售後由投資重估儲備重新分類。

截至2017年6月30日止年度內，本集團認購合共15,956,078股智易供股股份（認購總額約8,297,000港元）及透過聯交所於市場上收購合共5,000,000股泰加保險股份，總代價約11,593,000港元。截至2017年6月30日止年度內，智易股份的投資公平值變動收益約2,553,000港元及於泰加保險股份的投資公平值變動虧損約3,843,000港元於綜合其他全面收益（開支）中確認，其乃於本集團權益中的「投資重估儲備」內反映。

截至2017年6月30日止年度內，於泰加保險股份的投資乃被釐定為已減值而初始於投資重估儲備中確認的虧損約3,843,000港元獲重新分類至損益。

20. AVAILABLE-FOR-SALE INVESTMENTS (Continued)

Notes: (Continued)

- (ii) The unlisted investment fund represents the investment in private fund established in the Cayman Islands. The unlisted investment is held for an identified long term strategic purpose so the Group does not intend to dispose them in the foreseeable future. Due to the uncertainty in the prospect of this investment, the management considered that the probability to fully recover investment in the investment fund would be remote and as a result, the unlisted investment fund was fully impaired by the Group during the year ended 30 June 2018.
- (iii) On 9 November 2016, Fastek, an indirect wholly-owned subsidiary, entered into a subscription agreement with the investee and the guarantor, to subscribe approximately 9.49% of unlisted equity interest at a cash consideration of approximately HK\$28,459,000. On 24 January 2017, Fastek further subscribed 13 rights shares of the unlisted equity interest at a cash consideration of approximately HK\$2,372,000. The investee acts as an investment holding company and its subsidiaries (collectively, "Investee Group") are principally engaged in the dealing in securities, advising on securities, advising on corporate finance, asset management, provision of wealth management service and money lending business in Hong Kong.

Pursuant to the agreement, the guarantor guarantees to Fastek that consolidated net profit after tax for the year ended 31 December 2017 of the Investee Group will be not less than HK\$28,000,000, failing which the guarantor shall pay to the Group the shortfall in cash with a multiplier ("Guarantee"). On the date of subscription, in the opinion of the Directors, no contingent consideration receivable is recognised as the fair value of the contingent consideration receivable is not significant. The fair value at both the date of subscription and the end of the reporting period of unlisted equity interest and contingent consideration are arrived based on market approach and expected cash flow approach of the Investee Group's forecast financial budgets respectively, by reference to valuations carried out by an independent qualified professional valuer.

During the year ended 30 June 2018, the management had determined an impairment loss of approximately HK\$14,717,000 (2017: nil) by reference to valuations carried out by an independent qualified professional valuer after the reclassification of approximately HK\$7,884,000 from investment revaluation reserve to profit or loss.

20. 可供銷售投資 (續)

附註：(續)

- (ii) 非上市投資基金指於開曼群島成立之私人基金投資。非上市投資乃持作為可資鑑別長遠策略，故本集團於可預見未來將不會擬作出售。因此項投資前景之不確定性，管理層認為於投資基金之投資悉數收回的可能性極微，因此本集團於截至2018年6月30日止年度內已將非上市投資基金悉數減值。
- (iii) 於2016年11月9日，間接全資附屬公司Fastek與被投資公司及擔保人訂立認購協議，以現金代價約28,459,000港元認購非上市股本權益約9.49%。於2017年1月24日，Fastek以現金代價約2,372,000港元進一步認購非上市股本權益的13股供股股份。被投資公司為一間投資控股公司及其附屬公司（統稱「被投資集團」）主要從事於香港的證券交易、證券諮詢、企業融資諮詢、資產管理、提供財富管理服務及借貸業務。

根據協議，該擔保人向Fastek保證被投資集團於截至2017年12月31日止年度的綜合除稅後純利將不少於28,000,000港元，否則擔保人須向本集團以現金支付差額的倍計金額（「該擔保」）。於認購日期，董事認為，並無確認應收或然代價，乃由於應收或然代價公平值並不重大。非上市股本權益及或然代價於認購日期及報告期末的公平值乃基於市場法及經參考一名獨立合資格專業估值師進行估值的被投資集團預測財務預算的預期現金流量法後達致。

截至2018年6月30日止年度內，管理層已參考一名獨立合資格專業估值師進行之估值，於自投資重估儲備重新分類約7,884,000港元至損益後釐定減值虧損約14,717,000港元（2017年：無）。

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21. NON-CURRENT DEPOSITS

21. 非流動按金

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Rental deposits (Note 22)	租金按金 (附註22)	7,954	8,043

22. TRADE AND OTHER RECEIVABLES

22. 貿易及其他應收款項

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Accrued revenue and trade receivables	應計收入及貿易應收款項	1,004	917
Rental deposits	租金按金	14,016	11,104
Other deposits	其他按金	783	896
Prepayments	預付款項	1,577	5,491
Other receivables	其他應收款項	25,397	15,833
Less: Impairment loss on other receivables	減：其他應收款項的減值虧損	(7,626)	—
		35,151	34,241
Less: Rental deposits (shown under non-current assets)	減：租金按金（列入非流動資產）	(7,954)	(8,043)
Trade and other receivables (shown under current assets)	貿易及其他應收款項（列入流動資產）	27,197	26,198

The following is an aged analysis of accrued revenue and trade receivables, presented based on the invoice date at the end of the reporting period which approximated the respective revenue recognition dates:

以下為根據報告期末發票日期（其與各收入確認日期相若）呈列的應計收入及貿易應收款項的賬齡分析：

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Accrued revenue not yet billed	尚未發出賬單的應計收入	483	468
Trade receivables:	貿易應收款項：		
0 – 30 days	0至30日	238	271
31 – 60 days	31至60日	168	84
61 – 90 days	61至90日	21	24
Over 90 days	超過90日	94	70
		1,004	917

22. TRADE AND OTHER RECEIVABLES (Continued)

Included in the Group's trade receivables balance are debtors with an aggregate carrying amount of approximately HK\$94,000 (2017: approximately HK\$70,000) which were past due as at the end of the reporting period for which the Group did not provide for impairment loss. The Group did not hold any collateral over these balances. The aging of these receivables was over 90 days (2017: over 90 days).

As at 30 June 2018 and 2017, accrued revenue and trade receivables primarily arose from the continuing franchise income of primary tutoring service to franchisees. The accrued revenue is not yet due as it is billed in arrears. The credit periods ranged from 30 days to 90 days. There is no credit period granted for tuition fee as they are normally received in advance.

The movements in provision for impairment loss on other receivables are as follows:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
At beginning of the year	於年初	—	—
Add: Impairment loss recognised	加：已確認的減值虧損	7,643	—
Less: Exchange realignment	減：匯兌調整	(17)	—
At end of the year	於年末	7,626	—

As at 30 June 2018, included in the provision for impairment loss on other receivables was individually impaired other receivables with balance of approximately HK\$7,626,000 (2017: nil).

22. 貿易及其他應收款項 (續)

本集團的貿易應收款項結餘包括賬面總額約94,000港元(2017年：約70,000港元)的已於報告期末逾期而本集團並未對此作出減值虧損撥備的應收款項。本集團並無就該等結餘持有任何抵押品。該等應收款項的賬齡為超過90日(2017年：超過90日)。

於2018年及2017年6月30日，應計收入及貿易應收款項乃主要來自持續向加盟經營者授權小學輔導服務的特許經營收入。由於應計收入於期末發出賬單，故尚未到期。信貸期介乎30日至90日之間。由於通常預收學費，因此並無對學費授出信貸期。

其他應收款項的減值虧損撥備變動如下：

於2018年6月30日，其他應收款項的減值虧損撥備包括個別減值之其他應收款項餘額約7,626,000港元(2017年：無)。

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23. PROMISSORY NOTE RECEIVABLE

On 30 December 2016, Rosy Lane Investments Limited (“Rosy Lane”), a direct wholly-owned subsidiary, entered into a sale and purchase agreement with a purchaser (“Debtor”), an independent third party, to dispose of 47% of the issued share capital of Seasoned Leader Limited (“Seasoned Leader”), a former associate of the Group which has been disposed of by the Group during the year ended 30 June 2017, at the consideration of HK\$53,000,000, which was settled by the promissory note issued by the Debtor.

As at 30 June 2017, the promissory note receivable was secured by share mortgage executed by the Debtor (“Share Mortgage”), bore interest at a fixed rate of 10% per annum and shall be repaid on the day falling on first anniversary of the date of issue of the promissory note (i.e. 30 December 2017, “Maturity Date”).

On the Maturity Date, the Debtor failed to repay the outstanding principal and the interest accrued (“Aggregate Outstanding Sum”). After the Maturity Date, the Group has issued a number of reminders to the Debtor demanding repayment of the promissory note.

As at 30 June 2018, the accumulated Aggregate Outstanding Sum is approximately HK\$53,529,000.

Subsequent to the reporting period, on 7 September 2018, Rosy Lane entered into an agreement (“Loan Disposal Agreement”) with Mr. Wong Kui Shing (“Mr. Wong”), an independent third party, in respect of disposal of the promissory note receivable (“Loan Disposal”). Pursuant to the Loan Disposal Agreement, Rosy Lane has conditionally agreed to sell and assign, and Mr. Wong has conditionally agreed to purchase and be assigned, Rosy Lane’s rights, titles, benefits and interests in and to the Aggregate Outstanding Sum, the promissory note receivable and the Share Mortgage at a consideration of HK\$48,000,000 (“Consideration”).

23. 應收承兌票據

於2016年12月30日，直接全資附屬公司Rosy Lane Investments Limited（「Rosy Lane」）與獨立第三方（作為買方，「債務人」）訂立買賣協議以出售本集團前聯營公司Seasoned Leader Limited（「Seasoned Leader」，本集團已於截至2017年6月30日止年度內出售該聯營公司）已發行股本的47%，代價53,000,000港元，該款項乃由債務人發行承兌票據償付。

於2017年6月30日，應收承兌票據由債務人簽立並按固定年利率10%計息的股份按揭（「股份按揭」）作抵押，並須於此承兌票據發行日期起一週年當日（即2017年12月30日，「到期日」）償還。

於到期日，債務人未能償還欠付本金及應計利息（「尚未收回金額總額」）。於到期日後，本集團已向債務人發出多份催款通知要求償還承兌票據。

於2018年6月30日，尚未收回金額總額累計為約53,529,000港元。

於報告期後，於2018年9月7日，Rosy Lane與獨立第三方王鉅成先生（「王先生」）就出售應收承兌票據（「貸款出售」）訂立協議（「貸款出售協議」）。根據貸款出售協議，Rosy Lane已有條件同意出售及轉讓，而王先生已有條件同意購買並接受轉讓Rosy Lane於尚未收回金額總額、應收承兌票據及股份按揭的權利、擁有權、利益及權益，代價為48,000,000港元（「代價」）。

23. PROMISSORY NOTE RECEIVABLE (Continued)

The disposal of the promissory note receivable is completed on 17 September 2018 and HK\$5,000,000 is received by the Group from Mr. Wong upon completion of the disposal.

The Consideration was determined after arm's length negotiation between Rosy Lane and Mr. Wong principally with reference to the amount of the Aggregate Outstanding Sum as at 30 June 2018 and its recoverability, with a discount of approximately 10.33%.

In view that the recoverable amount of the promissory note receivable is HK\$48,000,000, a write off of approximately HK\$5,529,000 is recognised in "Other operating expenses" for the year ended 30 June 2018.

23. 應收承兌票據 (續)

出售應收承兌票據已於2018年9月17日完成，而本集團已於出售完成後自王先生取得5,000,000港元。

代價乃經Rosy Lane與王先生公平磋商後釐定，當中主要參考尚未收回金額總額於2018年6月30日的金額及其可收回性（折讓約10.33%）。

鑒於應收承兌票據之可回收金額為48,000,000港元，已就截至2018年6月30日止年度於「其他經營開支」確認撇銷金額約5,529,000港元。

24. LOAN RECEIVABLES

Loan receivables 應收貸款
Less: Impairment loss 減：減值虧損

24. 應收貸款

2018 HK\$'000 千港元	2017 HK\$'000 千港元
39,253	27,089
(7,493)	—
31,760	27,089

Loan receivables represent outstanding principals and interest arising from the money lending business of the Group. As at 30 June 2018 and 2017, all of the loan receivables are entered with the counterparties with a maturity within the next twelve months except for a loan receivable with outstanding principal and interest as at the end of the reporting period in the aggregate amount of approximately HK\$7,493,000 which has been past due and impaired by the Group during the year with a maturity in February 2018.

應收貸款指本集團借貸業務所產生之未償還本金及利息。於2018年及2017年6月30日，所有該等與訂約的另一方訂立之應收貸款於未來十二個月到期，惟於報告期末未償還本金及利息合共約7,493,000港元之應收貸款（於2018年2月到期）除外，其已由本集團於年內作出減值。

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24. LOAN RECEIVABLES (Continued)

As at 30 June 2018, the loan receivables are interest-bearing at fixed rates mutually agreed between the contracting parties, ranging from 8% to 10% (2017: 8% to 13%) per annum and all of the loan receivables were unsecured (2017: a loan receivable of approximately HK\$4.11 million was secured by pledged equity shares beneficially owned by the borrower).

The Group seeks to maintain strict control over its loan receivables in order to minimise credit risk by reviewing borrowers' and their guarantors' financial positions.

The Group has a policy for assessing the impairment on loan receivables on an individual basis. The assessment includes evaluation of collectability and aged analysis of the loan receivables and on management's judgement on creditworthiness, collateral and past collection history of each borrower.

In determining the recoverability of the loan receivables, the Group will consider the change in the credit quality of the loan receivables, if any, from the date the loans were initially granted up to the reporting date. This includes assessing the credit history of the borrowers, such as past experience of financial difficulties or default in payments, and current market conditions.

The movements in provision for impairment loss on loan receivables are as follows:

24. 應收貸款 (續)

於2018年6月30日，應收貸款按訂約方共同協定之介乎每年8%至10%（2017年：8%至13%）之固定利率計息及所有應收貸款為無抵押（2017年：應收貸款約4,110,000港元以借款人實益擁有之權益股份質押作擔保）。

本集團力求維持嚴格控制其應收貸款，透過審查借款人及其擔保人之財務狀況，以降低信貸風險。

本集團有按個別基準評估應收貸款之減值之政策。評估包括對應收貸款之可收回性評估及賬齡分析及管理層對各借款人之信譽、抵押品及過往收賬記錄之判斷。

在釐定應收貸款之可收回性時，本集團將考慮由初始授出貸款當日起至報告日期止應收貸款信貸質素之變動（如有）。此包括評估借款人之過往財務困難或拖欠付款等信貸記錄及現行市況。

應收貸款減值虧損撥備之變動如下：

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
At beginning of the year	於年初	—	—
Less: Impairment loss recognised	減：已確認減值虧損	7,493	—
At end of the year	於年末	7,493	—

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24. LOAN RECEIVABLES (Continued)

Included in the above impairment loss on loan receivables is a provision for an individually impaired loan receivable of HK\$7,493,000 (2017: nil) with an aggregate carrying amount of HK\$7,493,000 (2017: nil).

Except for the said loan receivable impaired during the year, all other loan receivables were neither past due nor impaired at the end of the reporting period. Receivables that were neither past due nor impaired relate to customers for whom there was no recent history of default.

24. 應收貸款 (續)

上述應收貸款減值虧損包括總賬面值為7,493,000港元(2017年:無)之個別已減值應收貸款撥備7,493,000港元(2017年:無)。

除上述年內已減值之應收貸款外,所有剩餘應收貸款於報告期末既未逾期亦無減值。既未逾期亦無減值之應收款項與近期並無違約記錄之客戶有關。

25. AMOUNT DUE FROM AN ASSOCIATE

25. 應收一間聯營公司款項

		Maximum amount outstanding during the year 於年內尚未償還的 最高金額	
	At 30 June 2018 於2018年 6月30日 HK\$'000 千港元	At 30 June 2017 於2017年 6月30日 HK\$'000 千港元	
Modern Legend 現代智高	612	291	

The amount is unsecured, non-interest bearing and repayable on demand.

該款項為無抵押、免息及按要求時償還。

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26. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

26. 按公平值計入損益的金融資產

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Equity securities classified as held-for-trading	分類為持作買賣的股本證券		
– Listed equity securities in Hong Kong, at fair value (Note (i))	– 香港上市股本證券，按公平值 (附註(i))	27,071	91,126
– Suspended listed equity securities in Hong Kong, at fair value (Note (iii))	– 香港暫停上市股本證券，按公平值 (附註(iii))	38,100	–
Financial assets designated at fair value through profit or loss	指定按公平值計入損益的金融資產		
– Unlisted investment fund, at fair value (Note (iii))	– 非上市投資基金，按公平值 (附註(iii))	477	61,097
– Unlisted convertible bonds, at fair value (Note (iv))	– 非上市可換股債券，按公平值 (附註(iv))	8,998	–
		74,646	152,223

Notes:

- (i) The amount represents equity securities listed in Hong Kong. The fair values of the investments are determined with reference to the quoted market bid prices in the Stock Exchange.

On 9 September 2016, the interest in IE China of approximately HK\$59,520,000 was reclassified from equity securities classified as held-for-trading to interests in associates and it has been disposed of by the Group on 15 June 2018 (see Note 18).

- (ii) As at 30 June 2018, the fair value of the suspended listed equity security represents the Convoy Shares which was determined by the Directors with reference to valuation carried out by an independent qualified professional valuer. During the year ended 30 June 2018, loss on change in fair value in respect of the Convoy Shares amounting to approximately HK\$20,167,000 was recognised in profit or loss. Such unrealised loss represented the decline in its fair value by comparing its carrying amount as at 30 June 2018 and that prior to the suspension of trading.

附註：

- (i) 該款項指於香港上市的股本證券。投資之公平值乃經參考於聯交所報市場買入價後釐定。

於2016年9月9日，於互娛中國的權益約59,520,000港元從分類為持作買賣的股本證券重新分類為於一間聯營公司的權益，及本集團已於2018年6月15日出售該等權益（見附註18）。

- (ii) 於2018年6月30日，暫停上市股本證券之公平值指康宏股份，其由董事經參照一名獨立合資格專業估值師進行之估值釐定。於截至2018年6月30日止年度內，有關康宏股份之公平值變動虧損約20,167,000港元已於損益確認。該等未變現虧損指其公平值與於2018年6月30日及暫停交易前之賬面值相比之減少額。

26. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Notes: (Continued)

- (iii) On 22 March 2017, the Group through Wise Action Limited ("Wise Action"), an indirect wholly-owned subsidiary, subscribed for 7,750 participating shares in an unlisted investment fund with a subscription amount of US\$7,750,000 (equivalent to approximately HK\$60,927,000). The unlisted investment fund represents a private fund established in the Cayman Islands.

On 27 June 2017 and 28 July 2017, the Group served notice to redeem its interests in the unlisted investment fund in the amount of US\$3,875,000 and US\$3,975,540, representing approximately 3,794 and 3,892 participating shares in the unlisted investment fund, both at the redemption price of US\$1,021.36 per participating share. Upon completion of the redemptions during the year and as at 30 June 2018, the Group remains to hold approximately 64 participating shares in the unlisted investment fund.

The management had determined a gain on fair value change of approximately HK\$652,000 (2017: approximately HK\$170,000) based on closing net asset value of the fund at 30 June 2018 and recognised in profit or loss during the year ended 30 June 2018.

- (iv) On 12 January 2018, the Group acquired unlisted convertible bonds from an independent third party at a cash consideration of HK\$9,300,000. The convertible bonds were issued by Larry Jewelry International Company Limited (a company listed on GEM of the Stock Exchange with stock code: 8351) ("Larry Jewelry"). The convertible bonds is unsecured, bears interest at a fixed rate of 7.5% per annum and will mature on the second anniversary of the first issue date (i.e. 4 September 2019) ("Maturity Date").

The initial conversion price of the convertible bonds is HK\$0.3 subject to adjustments in accordance with the certain conditions. The conversion period of the convertible bonds commencing from the date of first issue of the convertible bonds up to and including the date falling on the seventh day immediately prior to the Maturity Date.

At any time prior to the Maturity Date, Larry Jewelry may redeem the convertible bonds at 100% of the principal amount outstanding plus interest accrued by giving written notice to the Group. The Group has no right to request Larry Jewelry to redeem the convertible bonds at any time prior to the Maturity Date.

As at 30 June 2018, the fair value of the unlisted convertible bonds were determined by the Directors with reference to valuations carried out by an independent qualified professional valuer. During the year ended 30 June 2018, loss on change in fair value in respect of the unlisted convertible bonds amounting to approximately HK\$302,000 was recognised in profit or loss.

26. 按公平值計入損益的金融資產 (續)

附註：(續)

- (iii) 於2017年3月22日，本集團透過間接全資附屬公司智僑有限公司（「智僑」）認購一個非上市投資基金的7,750股參與股份，認購額為7,750,000美元（相當於約60,927,000港元）。非上市投資基金為一個於開曼群島成立的私募基金。

於2017年6月27日及2017年7月28日，本集團發出通知贖回其於非上市投資基金金額為3,875,000美元及3,975,540美元之權益，相當於非上市投資基金約3,794股及3,892股參與股份，贖回價均為每股參與股份1,021.36美元。於年內及於2018年6月30日完成贖回後，本集團仍於非上市投資基金中持有約64股參與股份。

管理層按基金於2018年6月30日收市資產淨值釐定公平值變動收益約652,000港元（2017年：約170,000港元），並於截至2018年6月30日止年度於損益確認。

- (iv) 於2018年1月12日，本集團以現金代價9,300,000港元向一名獨立第三方收購非上市可換股債券。可換股債券乃由俊文寶石國際有限公司（一間於聯交所GEM上市之公司，股份代號：8351）（「俊文寶石」）發行。可換股債券乃無抵押，按7.5%固定年利率計息並於首個發行日期第二個週年日到期（即2019年9月4日）（「到期日」）。

可換股債券之初始轉換價為0.3港元，可根據若干條件予以調整。可換股債券之轉換期為自首次發行可換股債券日期起至緊接到期日前第七日（包括當日）止期間。

於到期日前任何時間內，俊文寶石可透過向本集團發出書面通知，按全部未償還本金額另加應計利息之金額，贖回可換股債券。本集團無權於到期日前隨時要求俊文寶石贖回可換股債券。

於2018年6月30日，董事經參照一名獨立合資格專業估值師進行之估值釐定非上市可換股債券之公平值。於截至2018年6月30日止年度內，已於損益確認非上市可換股債券之公平值變動虧損約302,000港元。

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27. BANK BALANCES AND CASH

Bank balances carried interest at market rates ranging from 0.001% to 0.02% (2017: 0.001% to 0.02%) per annum.

As at 30 June 2018, the Group's bank balances and cash with an aggregate carrying amount of approximately HK\$1,932,000 (2017: HK\$554,000) were denominated in Renminbi ("RMB") and placed with bank in the PRC, which is not a freely convertible currency in the international market. The government of the PRC has implemented foreign exchange control and the remittance of these funds out of the PRC is subject to exchange restrictions imposed by the government of the PRC.

28. DISPOSAL GROUP HELD FOR SALE

On 1 June 2017, the Group entered into a memorandum of understanding with an independent third party and other parties to dispose of its 60% equity interest in Ultimate Elite Investments Limited ("Ultimate Elite") which directly held 100% equity interest in Vision Smart Limited ("Vision Smart") (collectively, "Ultimate Elite Group") at the consideration of HK\$89,238,000 (subject to adjustment). On 31 July 2017, a sale and purchase agreement was signed on the same principal terms with the memorandum of understanding and completion of the disposal has taken place on 28 August 2017 (see Note 41).

On 30 June 2017, the Group entered into a conditional sale and purchase agreement with an independent third party to dispose of its entire equity interest in Dignity Choice Limited ("Dignity Choice") at the consideration of HK\$30,500,000 (subject to adjustment). The completion of the disposal has taken place on 29 September 2017 (see Note 41).

The above disposals represented the property investments business of the Group ("Disposal Group"). And the assets and liabilities of the Disposal Group have been classified as a disposal group held for sale and are presented separately in the consolidated statement of financial position as at 30 June 2017.

27. 銀行結餘及現金

銀行結餘按介乎每年0.001%至0.02% (2017年：0.001%至0.02%) 的市場利率計息。

於2018年6月30日，本集團總賬面值約1,932,000港元 (2017年：554,000港元) 之銀行結餘及現金以人民幣 (「人民幣」) 計值，並存於中國的銀行，而人民幣並非國際市場上之自由兌換貨幣。中國政府已實行外匯管制，資金匯出中國境外須受中國政府實施之匯兌限制所規限。

28. 持作出售的出售組合

於2017年6月1日，本集團與一名獨立第三方及其他訂約方訂立諒解備忘錄，以代價89,238,000港元 (可予調整) 出售其持有的Ultimate Elite Investments Limited (「Ultimate Elite」) 60%股權，而Ultimate Elite直接持有Vision Smart Limited (「Vision Smart」) 100%股權 (統稱「Ultimate Elite集團」)。於2017年7月31日，按與諒解備忘錄相同的主要條款訂立買賣協議，該出售事項已於2017年8月28日完成 (見附註41)。

於2017年6月30日，本集團與一名獨立第三方訂立有條件買賣協議，以代價30,500,000港元 (可予調整) 出售Dignity Choice Limited (「Dignity Choice」) 的全部股權，該出售事項已於2017年9月29日完成 (見附註41)。

上述出售事項指本集團的物業投資業務 (「出售組合」)。於2017年6月30日，出售組合的資產及負債已被分類為持作出售的出售組合，並於綜合財務狀況表內分開呈列。

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28. DISPOSAL GROUP HELD FOR SALE (Continued)

The net proceeds of the disposals are expected to exceed the net carrying amount of the relevant assets and liabilities and accordingly, no impairment loss has been recognised during the year ended 30 June 2017.

The assets and liabilities of Ultimate Elite Group and Dignity Choice (excluding inter-company loan which is eliminated on consolidation) as at 30 June 2017 were as follows:

28. 持作出售的出售組合 (續)

截至2017年6月30日止年度內，預期出售事項的所得款項淨額超過相關資產及負債的賬面淨值，因此並無確認減值虧損。

Ultimate Elite集團及Dignity Choice於2017年6月30日的資產及負債（不包括合併時抵銷的公司間貸款）如下：

		Ultimate Elite Group Ultimate Elite集團 HK\$'000 千港元	Dignity Choice Dignity Choice HK\$'000 千港元	Total 總計 HK\$'000 千港元
Assets	資產			
Investment properties (Notes i and ii)	投資物業 (附註i及ii)	126,200	30,500	156,700
Other receivables and deposits	其他應收款項及按金	121	280	401
Bank balances	銀行結餘	1,418	8	1,426
Assets associated with disposal group classified as held for sale	與分類為持作出售的 出售組合相關的資產	127,739	30,788	158,527
Liabilities	負債			
Other payables and accruals	其他應付款項及應計費用	(691)	(145)	(836)
Bank borrowings	銀行借款	(23,000)	—	(23,000)
Deferred tax liabilities	遞延稅項負債	(419)	(1,448)	(1,867)
Liabilities associated with disposal group classified as held for sale	與分類為持作出售的 出售組合相關的負債	(24,110)	(1,593)	(25,703)

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28. DISPOSAL GROUP HELD FOR SALE (Continued)

Notes:

- (i) Investment properties at fair value

The fair value of the Disposal Group's investment properties as at 30 June 2017 has been arrived at on the basis of valuations carried out on the respective date by independent qualified professional valuers.

The fair value was determined based on the market comparison approach by reference to recent sales price of comparable properties on a price per square foot basis. There has been no change from the valuation technique used in the prior year. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

Details of the Disposal Group's investment properties and information about the fair value hierarchy are as follows:

28. 持作出售的出售組合 (續)

附註：

- (i) 按公平值計算之投資物業

於2017年6月30日，出售組合之投資物業的公平值乃由獨立合資格專業估值師於有關日期進行的估值而達致。

公平值乃參考可比較物業按每平方呎價格基準之近期銷售價根據市場比較法釐定。上一年度所使用之估值技術並無變動。於估計該物業之公平值時，該物業之最高及最佳用途乃當前用途。

出售組合之投資物業詳情及公平值級別的資料載列如下：

	Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 30 June 2017 Commercial property units located in Hong Kong	-	156,700	-	156,700

- (ii) At 30 June 2017, the Disposal Group's investment properties with aggregate carrying amount of HK\$151,500,000 has been pledged to secure general banking facilities granted to the Disposal Group and the Group. Upon completion of the disposal of the Disposal Group, the general banking facilities previously granted to the Disposal Group were released during the year.

- (ii) 於2017年6月30日，出售組合投資物業總賬面值151,500,000港元已就授予出售組合及本集團的一般銀行信貸質押作為擔保。出售組合出售完成後，先前授予出售組合的一般銀行信貸於年內解除。

29. OTHER PAYABLES AND ACCRUALS

29. 其他應付款項及應計費用

	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Other payables	3,811	15,077
Accrued tutor contractor fee, salary and bonus and other accruals	5,827	9,028
	9,638	24,105

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29. OTHER PAYABLES AND ACCRUALS (Continued)

As at 30 June 2017, included in the other payables were deposits received of HK\$4,200,000 and HK\$6,100,000 for the disposals of Ultimate Elite Group and Dignity Choice, respectively and the disposals were completed during the year ended 30 June 2018 (see Notes 28 and 41).

29. 其他應付款項及應計費用 (續)

於2017年6月30日，其他應付款項為就出售 Ultimate Elite集團及Dignity Choice分別已收按金4,200,000港元及6,100,000港元，相關出售事項已於截至2018年6月30日止年度完成（見附註28及41）。

30. AMOUNTS DUE TO RELATED PARTIES

30. 應付關聯方款項

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Amounts due to a director and a non-controlling shareholder of Able Investment Development Limited	應付利東投資發展有限公司一名董事及一名非控股股東款項	495	495
Amount due to a director of Wind Fly Dragon Int'l Limited ("Wind Fly")	應付千里飛龍國際有限公司（「千里飛龍」）一名董事款項	5,373	—
		5,868	495

The amounts are unsecured, non-interest bearing and repayable on demand.

該等項款乃無抵押，免息及按要求時償還。

31. BANK BORROWINGS

31. 銀行借款

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Unsecured: Revolving loan	無抵押： 循環貸款	—	14,400
The bank borrowings are repayable as follows: Within one year	須於以下時間償還的 銀行借款： 一年內	—	14,400

As at 30 June 2017, the bank borrowings of the Group carried variable interest rates at Hong Kong Interbank Offered Rate plus 1.5% and 2.3% per annum.

於2017年6月30日，本集團銀行借款按香港銀行同業拆息加每年1.5%及2.3%的浮動利率計息。

The bank borrowings have been fully settled during the year ended 30 June 2018 and no balance of bank borrowings was outstanding as at 30 June 2018.

銀行借款已於截至2018年6月30日止年度悉數清償，於2018年6月30日，無尚未償還的銀行借款結餘。

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32. LOAN NOTES

32. 貸款票據

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Loan notes – unsecured	貸款票據 – 無抵押	–	150,500

On 17 December 2015, the Company issued 8% unsubordinated and unsecured notes due on 16 December 2017 (“Loan Notes”) in the aggregate principal amount of HK\$150,000,000. The Loan Notes carried an interest of 8% per annum payable quarterly in arrears.

The Company may at its option redeem the Loan Notes, in whole or any part thereof outstanding on a business day must be a day after the first anniversary of the date of issue of the Loan Notes and before the maturity date. Also, the noteholder may at its option redeem the Loan Notes, in whole or any part thereof outstanding on a business day after the eighteenth month of the date of issue of the Loan Notes and before the maturity date.

During the year end 30 June 2018, the Loan Notes have been redeemed for which the Company has paid to the noteholder the principal amount of the Loan Notes plus all accrued interest on the principal amount of the Loan Notes. No balance of the Loan Notes was outstanding as at 30 June 2018.

於2015年12月17日，本公司發行於2017年12月16日到期之8%非從屬及無抵押票據（「貸款票據」），本金總額為150,000,000港元。貸款票據按每年8%之利率計息，並須每季支付。

本公司可選擇於貸款票據發行日之第一個週年日後至到期日前的營業日贖回未償還貸款票據的全部或任何部分。此外，票據持有人亦可選擇於貸款票據發行日起滿十八個月後至到期日前的營業日贖回未償還貸款票據的全部或任何部分。

截至2018年6月30日止年度內，貸款票據已贖回，而本公司已就贖回貸款票據向票據持有人支付貸款票據的本金額及貸款票據本金額的全部應計利息。於2018年6月30日，無尚未償還的貸款票據。

33. DEFERRED TAX LIABILITIES

The following are the deferred tax liabilities recognised and movements thereon during both years:

33. 遞延稅項負債

以下為兩個年度確認的遞延稅項負債及其變動：

		Intangible assets	Accelerated tax depreciation	Losses available for offsetting against future taxable profits 可供抵銷未來 應課稅利潤的 虧損	Total
		無形資產 HK\$'000 千港元	加速稅項折舊 HK\$'000 千港元	虧損 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 July 2016	於2016年7月1日	(146)	(1,247)	–	(1,393)
Credited (charged) to profit or loss during the year	年內於損益中計入 (扣除)	33	(1,106)	397	(676)
Reclassification to liabilities associated with disposal group classified as held for sale	重新分類至與分類為 持作出售的出售組合 相關的負債	–	2,264	(397)	1,867
At 30 June 2017 and 1 July 2017	於2017年6月30日及 2017年7月1日	(113)	(89)	–	(202)
Credited to profit or loss during the year (Note)	年內於損益中計入 (附註)	33	–	–	33
At 30 June 2018	於2018年6月30日	(80)	(89)	–	(169)

Note:

Credit movement in respect of deferred tax liabilities of approximately HK\$1,348,000 contributed by the disposed group classified as held for sale was not included in the credit movement to profit or loss during the year.

At the end of the reporting period, the Group had unused tax losses of approximately HK\$131,951,000 (2017: HK\$104,621,000) available for offsetting against future profits of the companies in which the losses arose. As at 30 June 2017, deferred tax assets have been recognised in respect of approximately HK\$2,403,000 of such tax losses and had been reclassified to liabilities associated with disposal group classified as held for sale. As at 30 June 2018, no deferred tax assets have been recognised in respect of tax losses due to unpredictability of future profit streams. All tax losses can be carried forward indefinitely.

附註：

分類為持作出售的出售組合產生的約1,348,000港元遞延稅項負債的信貸變動並未計入年內損益內的信貸變動下。

於報告期末，本集團的未動用稅項虧損約131,951,000港元（2017年：104,621,000港元）可用以抵銷產生虧損公司的未來溢利。於2017年6月30日，遞延稅項資產已就有關稅項虧損約2,403,000港元確認並重新分類至與分類為持作出售的出售組合相關的負債。於2018年6月30日，由於未來溢利來源的不可預測性，並無就稅項虧損確認遞延稅項資產。所有稅項虧損可無限期結轉。

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34. PROVISION FOR LONG SERVICE PAYMENTS

34. 長期服務金撥備

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
At beginning of the year	於年初	1,599	1,857
Credited to profit or loss during the year	計入年內損益	(295)	(175)
Reductions arising from payments	付款產生之扣減	(37)	(83)
At end of the year	於年末	1,267	1,599

The provision for long service payments is based on the best estimate of the future payments required to settle the obligations under the Hong Kong Employment Ordinance in relation to the employees of the Group in Hong Kong.

長期服務金撥備乃根據未來付款的最佳估計作出，而未來付款乃用於結算根據香港僱傭條例就本集團在香港的僱員須承擔的責任。

35. SHARE CAPITAL

35. 股本

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
<i>Authorised</i>	<i>法定</i>		
Ordinary shares of HK\$0.05 each	每股面值0.05港元的普通股		
At 1 July 2016, 30 June 2017 and 30 June 2018	於2016年7月1日、2017年6月30日及2018年6月30日	6,000,000,000	300,000
<i>Issued and fully paid</i>	<i>已發行及繳足</i>		
Ordinary shares of HK\$0.05 each	每股面值0.05港元的普通股		
At 1 July 2016	於2016年7月1日	456,314,880	22,816
Issue of shares upon placing on 25 October 2016 (Note)	於2016年10月25日 配售後股份發行(附註)	91,256,000	4,563
Ordinary shares of HK\$0.05 each	每股面值0.05港元的普通股		
At 30 June 2017 and 30 June 2018	於2017年6月30日及2018年6月30日	547,570,880	27,379

35. SHARE CAPITAL (Continued)

Note:

On 25 October 2016, an aggregate of 91,256,000 ordinary shares of HK\$0.05 each were issued to not less than six placees, who and whose ultimate beneficial owners were independent third parties, at a placing price of HK\$0.663 per share. The net proceeds from placing are approximately HK\$58.25 million. The net proceeds were used as general working capital of the Group and/or for financing the Group's future investment opportunities (including but not limited to property investment and/or securities investment) as intended.

The shares issued rank *pari passu* with other shares of the Company in issue in all respects. None of the Company or its subsidiaries repurchased, sold, redeemed or cancelled any of the Company's shares during the years ended 30 June 2018 and 2017.

36. SHARE OPTION SCHEME

The Company has a share option scheme ("Share Option Scheme") which was adopted pursuant to a resolution in writing of all shareholders passed on 11 June 2011 ("Adoption Date"). The purposes of the Share Option Scheme are to attract and retain the best available personnel and to provide additional incentives or rewards to full time or part-time employees, Directors (whether executive or non-executive), consultants, supplier, customer, joint venture partner, business associates and advisor (professional or otherwise) of the Company for their contribution to the Company and to promote the Company's success. The Share Option Scheme became effective on 4 July 2011 ("Effective Date"). Subject to earlier termination by the Directors and approved in advance by the shareholders in a general meeting, the Share Option Scheme shall be valid and effecting for a period commencing from the Effective Date and expiring at 5:00 p.m. on the business day preceding the tenth anniversary of the Adoption Date.

The total number of shares of the Company available for issue under the Share Option Scheme must not in aggregate, exceed 10% of the issued share capital of the Company at the Effective Date.

35. 股本 (續)

附註：

於2016年10月25日，合共91,256,000股每股面值0.05港元的普通股已按每股0.663港元的價格發行予不少於六名承配人（彼等及彼等之最終實益擁有人均為獨立第三方）。配售所得款項淨額約58,250,000港元。所得款項淨額擬用作本集團的一般營運資金及／或為本集團的未來投資機會（包括但不限於物業投資及／或證券投資）提供資金。

已發行股份於所有方面與本公司已發行之其他股份享有同等地位。於截至2018年及2017年6月30日止年度，本公司或其附屬公司概無購回、出售、贖回或註銷任何本公司股份。

36. 購股權計劃

本公司根據全體股東於2011年6月11日（「採納日期」）通過的書面決議案採納購股權計劃（「購股權計劃」）。購股權計劃旨在吸引及挽留最佳員工，及為本公司的全職或兼職僱員、董事（無論執行或非執行）、諮詢人、供應商、客戶、合營夥伴、業務夥伴及顧問（專業或其他）提供額外獎勵或回報，以獎賞彼等對本公司所作的貢獻，並促進本公司的成功。購股權計劃於2011年7月4日（「生效日期」）生效。購股權計劃將自生效日期起至採納日期第十週年前營業日下午五時正屆滿時止期間有效，惟可由董事在取得股東於股東大會上事先批准情況下提早終止。

根據購股權計劃可供發行之本公司股份總數合共不得超過本公司於生效日期已發行股本之10%。

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36. SHARE OPTION SCHEME (Continued)

The maximum number of shares issuable upon exercise of the options which may be granted under the Share Option Scheme (including exercised, cancelled or outstanding options) to each participant (other than a substantial shareholder, chief executive or director as explained below) in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a Director, chief executive or substantial shareholder of the Company, or to any of their respective associates (as defined under the Listing Rules), are subject to approval in advance by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options). In addition, any share options granted to a substantial shareholder or an independent non-executive Director of the Company, or to any of their respective associates, in excess of 0.1% of the shares of the Company in issue with an aggregate value (based on the closing price of the Company's shares at the date of the grant) in excess of HK\$5,000,000, in the 12-month period up to and including the date of grant, are subject to shareholders' approval in a general meeting.

The offer of a grant of share options may be accepted in writing by a participant within 21 days from the date of offer upon payment of a nominal consideration of HK\$1 by the grantee. No consideration is payable on the grant of an option. The exercise period for the share options granted is determined by the Directors, which period may commence from the date of acceptance of the offer for the grant of share options but shall end, in any event, not later than 10 years from the date of the conditional adoption of the Share Option Scheme by the shareholders subject to the provisions for early termination under the Share Option Scheme.

36. 購股權計劃 (續)

於任何十二個月期間內根據購股權計劃可能授予每位參與者（不包括下文所述之主要股東、主要行政人員或董事）之購股權（包括已行使、註銷或尚未行使之購股權）獲行使而可發行之股份數目上限不得超過本公司當時已發行股本之1%。超出此上限之任何進一步授出購股權須於股東大會上取得股東批准。

向本公司董事、主要行政人員或主要股東或彼等各自之任何聯繫人士（定義見上市規則）授予購股權須事先取得獨立非執行董事（不包括身為購股權承授人之任何獨立非執行董事）批准。此外，倘若於直至授出日期（包括該日）止十二個月期間內，授予本公司主要股東或獨立非執行董事或彼等各自之任何聯繫人士之任何購股權超出本公司已發行股份之0.1%且總值（根據授出當日本公司股份之收市價計算）超逾5,000,000港元，則須在股東大會上取得股東批准。

於承授人繳交1港元之名義代價後，參與者可於要約日期起計21日內以書面接納獲授購股權之要約。授出購股權毋須支付代價。已授出購股權之行使期由董事決定，該期間可於接納獲授購股權之要約日期開始，但無論如何須於股東有條件採納購股權計劃日期起計十年內終止，並須受購股權計劃項下之提早終止條文所規限。

36. SHARE OPTION SCHEME (Continued)

Details of the share options granted under the Share Option Scheme to Directors, employees, consultants and other eligible participants of the Company during the year and movement in such holding during the year are as follows:

	Date of grant	Exercisable period	Exercisable price per share	Outstanding at 1 July 2016 於2016年7月1日 尚未行使	Granted during the year	Lapsed during the year	Exercised during the year	Outstanding at 30 June 2017 於2017年6月30日 尚未行使	Lapsed during the year	Exercised during the year	Outstanding at 30 June 2018 於2018年6月30日 尚未行使
	授出日期	行使期	每股行使價		年內授出	年內失效	年內行使		年內失效	年內行使	
Directors 董事	23.01.2017 2017年1月23日	23.01.2017 to 22.01.2018 2017年1月23日至 2018年1月22日	1.142	-	10,144,000	-	-	10,144,000	(10,144,000)	-	-
Employees 僱員	23.01.2017 2017年1月23日	23.01.2017 to 22.01.2018 2017年1月23日至 2018年1月22日	1.142	-	25,343,488	-	-	25,343,488	(25,343,488)	-	-
Consultant 諮詢人	23.01.2017 2017年1月23日	23.01.2017 to 22.01.2018 2017年1月23日至 2018年1月22日	1.142	-	5,072,000	-	-	5,072,000	(5,072,000)	-	-
Others 其他	23.01.2017 2017年1月23日	23.01.2017 to 22.01.2018 2017年1月23日至 2018年1月22日	1.142	-	5,072,000	-	-	5,072,000	(5,072,000)	-	-
Total 總計				-	45,631,488	-	-	45,631,488	(45,631,488)	-	-
Exercisable at end of the year 於年末可行使				-				45,631,488			-
Weighted average exercise price (HK\$) 加權平均行使價 (港元)				-	1.142	-	-	1.142	-	-	1.142

During the year ended 30 June 2017, 35,487,488 options were granted to the Group's Directors and employees on 23 January 2017. The Group recognised total expense of approximately HK\$10,647,000 for the year ended 30 June 2017 in profit or loss in relation to share options granted by the Company to the Group's Directors and employees. The weighted average fair value of share options granted to the Group's Directors and employees during the year ended 30 June 2017 at measurement date was approximately HK\$0.3 per option.

During the year ended 30 June 2017, 10,144,000 options were granted to other parties on 23 January 2017. The fair value of the share options granted to other parties amounted to approximately HK\$2,921,000 has been recognised in profit or loss for the year ended 30 June 2017.

36. 購股權計劃 (續)

年內根據購股權計劃向本公司董事、僱員、諮詢人及其他合資格參與者授出之購股權及彼等於年內所持購股權之變動詳情如下：

截至2017年6月30日止年度內，35,487,488份購股權已於2017年1月23日授予本集團董事及僱員。本集團就本公司授予本集團董事及僱員的購股權於截至2017年6月30日止年度的損益確認開支總額約10,647,000港元。截至2017年6月30日止年度授予本集團董事及僱員的購股權於計量日期的加權平均公平值約每份購股權0.3港元。

截至2017年6月30日止年度內，10,144,000份購股權已於2017年1月23日授予其他方。授予其他方的購股權公平值約2,921,000港元於截至2017年6月30日止年度損益中確認。

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For the year ended 30 June 2018 截至2018年6月30日止年度

36. SHARE OPTION SCHEME (Continued)

The share options of the Group are accounted for equity share-based payment under HKFRS 2.

Options granted are fully vested at the date of grant.

The fair values of the share options granted to Directors and employees were calculated using the binomial option pricing model. The inputs into the binomial option pricing model were as follows:

Date of grant 授出日期	23 January 2017 2017年1月23日
Closing share price at the date of grant	於授出日期的股份收市價
Exercise price	行使價
Contractual option life	合約購股權年期
Risk-free rate	無風險利率
Annualised dividend yield	年化股息率
Expected volatility of underlying share	相關股份的預期波幅
Expected exercise multiple	預期行使倍數
	HK\$1.110港元
	HK\$1.142港元
	1 year年
	0.850%
	0%
	79.829%
	1.60X–2.47X

Expected volatility was determined by using the historical volatility of the Company's share price over the most recent period commensurate with the expected life of the share options.

The fair values were calculated by an independent qualified professional valuer.

During the year ended 30 June 2018, total of 45,631,488 share options were lapsed. As at 30 June 2018, no share options were outstanding (2017: 45,631,488 share options).

36. 購股權計劃 (續)

本集團的購股權根據香港財務報告準則第2號入賬列為權益以股份為基礎之付款。

所授出購股權於授出日期獲悉數歸屬。

授予董事及僱員的購股權之公平值乃使用二項式期權定價模式予以計算。二項式期權定價模式所用的輸入數據如下：

預期波幅乃使用本公司股價於與購股權預期年期相符的最近期的歷史波幅釐定。

公平值乃由一名獨立合資格專業估值師予以計算。

截至2018年6月30日止年度內，合共45,631,488份購股權已失效。於2018年6月30日，並無尚未行使的購股權（2017年：45,631,488份購股權）。

37. OPERATING LEASE COMMITMENTS

The Group as lessee

At the end of the reporting period, the Group had commitments for the following future minimum lease payments under non-cancellable operating leases to mainly independent third parties in respect of rented premises which fall due as follows:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Within one year	一年內	38,159	31,793
In the second to fifth years inclusive	第二年至第五年 (首尾兩年包括在內)	48,816	46,590
		86,975	78,383

Leases are negotiated and rentals are fixed for lease terms of one to four (2017: one to five) years.

37. 經營租賃承擔

本集團為承租人

於報告期末，本集團根據不可撤銷經營租賃就租賃物業主要向獨立第三方支付的未來最低租金承擔到期情況如下：

租約經磋商後為固定租金，租期則為一至四年（2017年：一至五年）。

The Group as lessor

As at 30 June 2017, the Group had contracted with tenants for the following future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2017 HK\$'000 千港元
Within one year	一年內	2,683
In the second to fifth years inclusive	第二年至第五年（首尾兩年包括在內）	2,632
		5,315

Leases were negotiated and rentals were fixed for lease terms of one to three years.

本集團為出租人

於2017年6月30日，本集團與租戶就於以下期限到期的不可撤銷經營租賃項下的未來最低租金訂立合約：

租約經磋商確定，租金固定，租期為一至三年。

As at 30 June 2017, all leased properties were classified as assets associated with disposal group classified as held for sale (see Note 28) and the disposal of the Disposal Group has been completed during the year ended 30 June 2018. As a result, the Group, as lessor, has no future minimum lease payments under non-cancellable operating leases as at 30 June 2018.

於2017年6月30日，所有租賃物業分類為與分類為持作出售之出售組合相關的資產（見附註28），出售組合的出售已於截至2018年6月30日止年度完成。因此，於2018年6月30日，本集團（作為出租人）並無於不可撤銷經營租賃項下的未來最低租金。

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38. COMMITMENTS

Capital expenditure contracted for but not provided in the consolidated financial statements in respect of:
– capital injection in a joint venture (Note)

就已訂約但未於綜合財務報表中撥備的資本開支：
– 於一間合營公司的注資（附註）

Note:

The joint venture has been disposed of by the Group on 15 June 2018 and upon completion of the disposal, the Group has been released from the commitment of capital injection in the joint venture (see Note 19).

38. 承擔

2018 HK\$'000 千港元	2017 HK\$'000 千港元
–	9,750

附註：

本集團已於2018年6月15日出售合營公司，出售完成後，本集團已解除向合營公司注資的承擔（見附註19）。

39. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

39. 融資活動產生負債的對賬

下表詳列本集團融資活動所產生負債的變動，包括現金及非現金變動。融資活動所產生負債為現金流量或未來現金流量將於本集團綜合現金流量表分類為融資活動所得現金流量的負債。

	Amounts due to related parties 應付關聯方款項 (Note 30) (附註30) HK\$'000 千港元	Bank borrowings 銀行借款 (Note 31) (附註31) HK\$'000 千港元	Loan notes 貸款票據 (Note 32) (附註32) HK\$'000 千港元	Promissory note payable 應付承兌票據 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At beginning of the year	495	14,400	150,500	–	165,395
Repayments of loans, promissory note, borrowings and to related parties	(158)	(14,400)	(150,000)	(29,000)	(193,558)
Interest paid	–	(114)	(3,570)	(210)	(3,894)
Non-cash changes:					
Finance costs	–	135	3,070	210	3,415
Arising from acquisition of subsidiaries	5,531	–	–	29,000	34,531
Others	–	(21)	–	–	(21)
At end of the year	5,868	–	–	–	5,868

40. ACQUISITION OF SUBSIDIARIES AND BUSINESS COMBINATIONS

(a) Acquisition of subsidiaries and business combinations during the year ended 30 June 2018

On 13 September 2017, the Group acquired the entire issued shares of Wisdom Union Holdings Limited (“Wisdom Union”) and its subsidiaries (collectively “Wisdom Union Group”) from an independent third party at a consideration of HK\$4,200,000 which was settled by offsetting the loan receivable borrowed by the vendor from the Group in prior years. The acquisition was completed on 13 September 2017 and Wisdom Union became an indirect wholly-owned subsidiary of the Company upon completion of acquisition. Wisdom Union Group is principally engaged in provision of IT solutions in Hong Kong.

On 30 April 2018, the Group acquired the entire issued shares of Wind Fly from an independent third party at a consideration of HK\$34,000,000, in which HK\$5,000,000 was settled by cash and the remaining HK\$29,000,000 was settled by issuance of a promissory note (“Promissory Note Payable”) by Diligent Lush Holdings Limited (“Diligent Lush”), an indirect wholly-owned subsidiary of the Company, to the vendor. The Promissory Note Payable bore interest at a rate of 5% per annum and shall be repayable on 3 August 2018, subject to early repayment at the sole discretion of Diligent Lush. The Promissory Note Payable was fully repaid on 22 June 2018. Wind Fly is principally engaged in provision of dance tuition services in Hong Kong.

The primary reason for the above acquisitions was for the expansion of the Group’s business and to increase returns to its shareholders.

40. 收購附屬公司及業務合併

(a) 於截至2018年6月30日止年度收購附屬公司及業務合併

於2017年9月13日，本集團自一名獨立第三方收購Wisdom Union Holdings Limited (「Wisdom Union」)及其附屬公司(統稱「Wisdom Union集團」)的全部已發行股份，代價為4,200,000港元，該代價已通過抵銷賣方於先前年度向本集團借得的應收貸款清償。該收購已於2017年9月13日完成，收購完成後，Wisdom Union已成為本公司的間接全資附屬公司。Wisdom Union集團主要在香港從事提供資訊科技解決方案業務。

於2018年4月30日，本集團自一名獨立第三方收購千里飛龍的全部已發行股份，代價為34,000,000港元，其中5,000,000港元以現金支付，剩餘29,000,000港元以本公司的間接全資附屬公司蔚勤控股有限公司(「蔚勤」)向賣方發行承兌票據(「應付承兌票據」)支付。應付承兌票據按年利率5%計息並須於2018年8月3日償還，惟蔚勤可全權決定提前還款。應付承兌票據已於2018年6月22日悉數償還。千里飛龍主要在香港從事提供舞蹈教學服務業務。

上述收購事項的主要原因為擴大本集團的業務並增加股東回報。

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40. ACQUISITION OF SUBSIDIARIES AND BUSINESS COMBINATIONS (Continued)

(a) Acquisition of subsidiaries and business combinations during the year ended 30 June 2018 (Continued)

Assets acquired and liabilities recognised at the date of acquisition

		Wisdom Union Group Wisdom Union集團 HK\$'000 千港元	Wind Fly 千里飛龍 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Assets	資產			
Property, plant and equipment	物業、廠房及設備	143	3,788	3,931
Intangible assets	無形資產	2,960	–	2,960
Trade and other receivables	貿易及其他應收款項	390	14,095	14,485
Cash and cash equivalents	現金及現金等價物	154	1,688	1,842
Liabilities	負債			
Other payables and accruals	其他應付款項及應計費用	(6)	(1,364)	(1,370)
Deferred income	遞延收入	–	(4,124)	(4,124)
Amount due to a related party	應付關聯方款項	–	(5,531)	(5,531)
Fair value of identifiable net assets acquired	已收購可識別淨資產的公平值	3,641	8,552	12,193
Goodwill	商譽	559	25,448	26,007
Total consideration	總代價	4,200	34,000	38,200

The fair value of receivables acquired approximated the gross contractual amounts. The best estimate at acquisition date of the contractual cash flows not expected to be collected was nil.

40. 收購附屬公司及業務合併 (續)

(a) 於截至2018年6月30日止年度收購附屬公司及業務合併 (續)

於收購日所收購的資產及確認的負債

所收購應收款項的公平值與合約總金額相近。於收購日期，預期不能收回的合約現金流量的最佳估計為零。

40. ACQUISITION OF SUBSIDIARIES AND BUSINESS COMBINATIONS (Continued)

(a) Acquisition of subsidiaries and business combinations during the year ended 30 June 2018 (Continued)

Net cash inflow (outflow) arising on acquisitions

Purchase consideration	購買代價
Less: Cash and cash equivalents acquired	減：所收購現金及現金等價物
Offset with loan receivable	抵銷應收貸款
Issuance of promissory note payable	發行應付承兌票據

Goodwill arose from the above acquisitions because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of the Group's business. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes.

The acquisition-related costs of approximately HK\$124,000 were recognised as expenses in the current year, within other operating expenses.

40. 收購附屬公司及業務合併 (續)

(a) 於截至2018年6月30日止年度收購附屬公司及業務合併 (續)

收購產生的現金流入(流出)淨額

Wisdom Union Group Wisdom Union集團 HK\$'000 千港元	Wind Fly 千里飛龍 HK\$'000 千港元	Total 總計 HK\$'000 千港元
(4,200)	(34,000)	(38,200)
154	1,688	1,842
4,200	–	4,200
–	29,000	29,000
154	(3,312)	(3,158)

由於合併的成本包括控制權溢價，因此上述收購事項產生商譽。此外，就合併支付的代價實際包括有關預期協同效應、收入增長、未來市場發展及本集團人力團隊利益的金額。該等利益因不符合可識別無形資產的確認標準而未獨立於商譽確認。

該等收購事項產生的商譽預計不能抵扣稅項。

年內，收購之相關成本約124,000 港元已於其他經營開支內確認為開支。

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40. ACQUISITION OF SUBSIDIARIES AND BUSINESS COMBINATIONS (Continued)

(a) Acquisition of subsidiaries and business combinations during the year ended 30 June 2018 (Continued)

Impact of acquisitions on the results of the Group

The acquired subsidiaries contributed approximately HK\$2,440,000 to the Group's revenue and resulted loss of approximately HK\$5,824,000 for the period between the respective dates of acquisition and the end of the reporting period.

Had the above acquisitions been effected at the beginning of the reporting period, the total amount of revenue of the Group for the year ended 30 June 2018 would have been approximately HK\$120,751,000 and the amount of the loss for the year would have been approximately HK\$18,340,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed at the beginning of the reporting period, nor is it intended to be a projection of future results.

40. 收購附屬公司及業務合併 (續)

(a) 於截至2018年6月30日止年度收購附屬公司及業務合併 (續)

收購對本集團業績的影響

自各項收購日期起至報告期末止期間，所收購附屬公司已為本集團貢獻收入約2,440,000港元及導致本集團產生虧損約5,824,000港元。

假設上述收購於報告期初已生效，本集團截至2018年6月30日止年度的收入總額應約120,751,000港元，而年度虧損金額應約18,340,000港元。該備考資料僅供說明，未必反映在有關收購於報告期初已完成的情況下，本集團實際達致的收入及經營業績，亦非未來業績之預測。

40. ACQUISITION OF SUBSIDIARIES AND BUSINESS COMBINATIONS (Continued)

(b) Acquisition of a subsidiary and business combination during the year ended 30 June 2017

On 4 November 2016, the Group acquired the entire issued shares of Modern iClass Limited (“Modern iClass”) from Ms. Yiu Wai Yee, Catherine (“Ms. Yiu”), a former director of certain subsidiaries of the Group, at the consideration of approximately HK\$1,000. The acquisition was completed on 4 November 2016 and Modern iClass became an indirect wholly-owned subsidiary of the Group. Modern iClass is principally engaged in provision of interest classes.

Assets acquired and liabilities recognised at the date of acquisition

		HK\$'000 千港元
Assets	資產	
Trade and other receivables	貿易及其他應收款項	386
Bank balance	銀行結餘	144
Liabilities	負債	
Accruals	應計費用	(8)
Amounts due to related companies	應付關聯公司款項	(520)
Total identifiable net assets	可識別資產淨值總額	2
Gain on bargain purchase	議價收購收益	(1)
Cash consideration	現金代價	1

The fair value of receivables acquired approximated the gross contractual amounts. There were no contractual cash flows not expected to be collected.

40. 收購附屬公司及業務合併 (續)

(b) 於截至2017年6月30日止年度收購附屬公司及進行業務合併

於2016年11月4日，本集團以代價約1,000港元向姚慧儀女士（「姚女士」，本集團若干附屬公司的前任董事）收購現代多元教室有限公司（「現代多元教室」）的全部已發行股份。收購已於2016年11月4日完成，現代多元教室成為本集團的間接全資附屬公司。現代多元教室主要從事提供興趣班。

於收購日所收購之資產及確認之負債

所收購應收款項公平值與合約總金額相若。預計不存在無法收回的合約現金流量。

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40. ACQUISITION OF SUBSIDIARIES AND BUSINESS COMBINATIONS (Continued)

(b) Acquisition of a subsidiary and business combination during the year ended 30 June 2017 (Continued)

Net cash inflow arising on acquisition

		HK\$'000 千港元
Consideration paid in cash	以現金支付之代價	(1)
Less: Cash and cash equivalents acquired	減：所收購之現金及現金等價物	144
		<u>143</u>

Impact of acquisition on the results of the Group

Modern iClass contributed revenue of nil and net loss of approximately HK\$7,000 to the Group for the period from the date of acquisition to 30 June 2017. If the acquisition had occurred on 1 July 2016, the loss for the year of the Group would have been approximately HK\$330,573,000. This pro forma information was for illustrative purposes only and was not necessarily an indication of the results of the Group that actually would have been achieved had the acquisition occurred on 1 July 2016, nor was it intended to be a projection of future results.

41. DISPOSAL OF SUBSIDIARIES

(a) Disposal of interests in Ultimate Elite Group and Dignity Choice during the year ended 30 June 2018

On 28 August 2017, Rosy Lane disposed of its 60% equity interest in Ultimate Elite which directly held 100% equity interest in Vision Smart at an adjusted cash consideration of approximately HK\$89,568,000.

On 29 September 2017, Rosy Lane disposed of its entire equity interest in Dignity Choice at an adjusted cash consideration of approximately HK\$30,366,000.

40. 收購附屬公司及業務合併 (續)

(b) 於截至2017年6月30日止年度收購附 屬公司及進行業務合併 (續)

收購產生之現金流入淨額

收購對本集團業績的影響

自收購日期起至2017年6月30日止期間，現代多元教室並無為本集團貢獻收益及產生淨虧損約7,000港元。倘收購已於2016年7月1日進行，本集團的年度虧損應約330,573,000港元。此備考資料僅供說明，並非作為倘收購已於2016年7月1日進行，本集團應實際達致的業績，亦非未來業績之預測。

41. 出售附屬公司

(a) 於截至2018年6月30日止年度出售 Ultimate Elite集團及Dignity Choice之 權益

於2017年8月28日，Rosy Lane以經調整現金代價約89,568,000港元出售其於Ultimate Elite的60%股權，而Ultimate Elite直接持有Vision Smart的全部股權。

於2017年9月29日，Rosy Lane以經調整現金代價約30,366,000港元出售其於Dignity Choice的全部股權。

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For the year ended 30 June 2018 截至2018年6月30日止年度

41. DISPOSAL OF SUBSIDIARIES (Continued)

(a) Disposal of interests in Ultimate Elite Group and Dignity Choice during the year ended 30 June 2018 (Continued)

The net assets of Ultimate Elite Group and Dignity Choice at the dates of disposal were as follows:

41. 出售附屬公司 (續)

(a) 於截至2018年6月30日止年度出售 Ultimate Elite集團及Dignity Choice之權益 (續)

Ultimate Elite集團及Dignity Choice於出售日期的資產淨值如下：

		Ultimate Elite Group Ultimate Elite集團 HK\$'000 千港元	Dignity Choice HK\$'000 千港元	Total 總計 HK\$'000 千港元
Assets	資產			
Investment properties	投資物業	126,200	30,500	156,700
Other deposits	其他按金	387	3	390
Bank balances and cash	銀行結餘及現金	1,634	–	1,634
Liabilities	負債			
Other payables and accruals	其他應付款項及應計費用	(740)	(137)	(877)
Amount due to the Group	應付本集團款項	–	(18,822)	(18,822)
Bank borrowings	銀行借款	(23,000)	–	(23,000)
Deferred tax liabilities	遞延稅項負債	(419)	(100)	(519)
		<u>104,062</u>	<u>11,444</u>	<u>115,506</u>
Non-controlling interests	非控股權益	(51,125)	–	(51,125)
Gain on disposal	出售收益	<u>13,631</u>	<u>100</u>	<u>13,731</u>
		<u>66,568</u>	<u>11,544</u>	<u>78,112</u>
Satisfied by:	透過以下方式償付：			
Cash consideration	現金代價	89,568	30,366	119,934
Repayment of bank borrowings	償還銀行借款	(23,000)	–	(23,000)
Assignment of amount due to the Group	轉讓應付本集團款項	–	(18,822)	(18,822)
		<u>66,568</u>	<u>11,544</u>	<u>78,112</u>

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For the year ended 30 June 2018 截至2018年6月30日止年度

41. DISPOSAL OF SUBSIDIARIES (Continued)

(a) Disposal of interests in Ultimate Elite Group and Dignity Choice during the year ended 30 June 2018 (Continued)

Net cash inflow arising on disposal

Cash consideration	現金代價
Repayment of bank borrowings	償還銀行借款
Cash and cash equivalents disposed of	所出售現金及現金等價物

41. 出售附屬公司 (續)

(a) 於截至2018年6月30日止年度出售 Ultimate Elite集團及 Dignity Choice之權益 (續)

出售所產生的現金流入淨額

Ultimate Elite Group Ultimate Elite集團 HK\$'000 千港元	Dignity Choice Dignity Choice HK\$'000 千港元	Total 總計 HK\$'000 千港元
89,568	30,366	119,934
(23,000)	–	(23,000)
(1,634)	–	(1,634)
64,934	30,366	95,300

41. DISPOSAL OF SUBSIDIARIES (Continued)

(b) Disposal of interests in Bullish Times Media Limited ("BTML") and Bullish Times Technology Limited ("BTTL") during the year ended 30 June 2017

On 1 July 2016, Think Smart Global Limited, an indirect 70% owned subsidiary, disposed of its 41.8% equity interest in each of BTML and BTTL at a cash consideration of approximately HK\$419,000 and HK\$210,000, respectively.

The net liabilities of BTML and BTTL at the date of disposal were as follows:

41. 出售附屬公司 (續)

(b) 於截至2017年6月30日止年度出售大時代傳媒有限公司(「大時代傳媒」)及大時代科技有限公司(「大時代科技」)之權益

於2016年7月1日，Think Smart Global Limited (間接擁有70%的附屬公司)出售其於大時代傳媒及於大時代科技各自的41.8%股權，現金代價分別約419,000港元及210,000港元。

大時代傳媒及大時代科技於出售日期的負債淨額如下：

		BTML 大時代傳媒 HK\$'000 千港元	BTTL 大時代科技 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Assets	資產			
Property, plant and equipment	物業、廠房及設備	31	–	31
Other deposits	其他按金	695	140	835
Bank balances and cash	銀行結餘及現金	557	495	1,052
Liabilities	負債			
Other payables and accruals	其他應付款項及應計費用	(33)	(145)	(178)
Deferred income	遞延收入	(286)	–	(286)
Amount due to group entity	應付集團實體款項	(510)	(255)	(765)
Amount due to non-controlling interests	應付非控股權益款項	(490)	(245)	(735)
		(36)	(10)	(46)
Non-controlling interest	非控股權益	24	7	31
Gain on disposal	出售收益	13	4	17
		1	1	2
Satisfied by:	透過以下方式償付：			
Cash consideration	現金代價	419	210	629
Assignment of shareholder's loan	轉讓股東貸款	(418)	(209)	(627)
		1	1	2

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41. DISPOSAL OF SUBSIDIARIES (Continued)

(b) Disposal of interests in Bullish Times Media Limited ("BTML") and Bullish Times Technology Limited ("BTTL") during the year ended 30 June 2017 (Continued)

Net cash outflow arising on disposal

Consideration received in cash and cash equivalents 已收取現金及現金等價物代價
Cash and cash equivalents disposed of 所出售現金及現金等價物結餘

41. 出售附屬公司 (續)

(b) 於截至2017年6月30日止年度出售大時代傳媒有限公司(「大時代傳媒」)及大時代科技有限公司(「大時代科技」)之權益 (續)

出售所產生的現金流出淨額

BTML 大時代傳媒 HK\$'000 千港元	BTTL 大時代科技 HK\$'000 千港元	Total 總計 HK\$'000 千港元
419	210	629
(557)	(495)	(1,052)
(138)	(285)	(423)

42. LITIGATION

- (1) On 7 November 2017, the Company received a writ of summons ("Writ") with an indorsement of claim issued in the Court of First Instance of the High Court of Hong Kong ("CFI") by the plaintiff against the Company and certain of its then existing Directors to claim for, among other things, a declaration on the validity of his appointment as a Director on 22 October 2017 and damages for breach of contract. The action was discontinued pursuant to the consent order issued by the CFI on 20 December 2017.

42. 訴訟

- (1) 於2017年11月7日，本公司接獲由原告人於香港高等法院原訟法庭(「原訟法庭」)針對本公司及當時若干董事發出之傳訊令狀(「令狀」)連同申索書，原告要求申索(其中包括)宣佈其於2017年10月22日獲委任為董事一事之有效性及違約損害賠償。該訴訟根據原訟法庭於2017年12月20日發出的同意令終止。

42. LITIGATION (Continued)

- (2) On 19 December 2017, Fastek received a writ of summons with Statement of Claim issued in the CFI by Convoy and certain of Convoy's subsidiaries ("Plaintiffs") to claim an order against Fastek, as one of the placees under the placing of shares ("Convoy Shares") of Convoy conducted in October 2015, that Fastek was wrongly placed the Convoy Shares and wrongly received certain circular financing facilities by one of the Plaintiffs.

On 31 May 2018, the Plaintiffs filed an amended Statement of Claim against, among other defendants, Fastek as one of the defendants, pursuant to which:

- (i) Convoy (the 1st plaintiff) seeks, inter alia, (i) a declaration and order as against the placees that the allotment of the Convoy Shares is null and void or has been rescinded and set aside; (ii) an account of profits and an order for payment of any sums found to be due, equitable compensation to be assessed, and/or damages to be assessed for breach of fiduciary, common law and/or statutory duties, dishonest assistance, unlawful means conspiracy and/or lawful means conspiracy, as against, among others, Fastek;
- (ii) Convoy Collateral Limited and CSL Securities Limited (the 2nd plaintiff and the 3rd plaintiff) seek, inter alia, an order against, among others, Fastek as one of the direct recipients of funds under the said circular financing arrangement for an account of profits and an order for payment of any sums found to be due, equitable compensation to be assessed, and/or damages to be assessed for breach of fiduciary, common law and/or statutory duties, dishonest assistance, unlawful means conspiracy and/or lawful means conspiracy; and
- (iii) the Plaintiffs seek against all the defendants (a) general or special damages; (b) interests; (c) costs; (d) further and/or other reliefs.

42. 訴訟 (續)

- (2) 於2017年12月19日，Fastek接獲康宏及康宏若干附屬公司（「該等原告」）於原訟法庭發出的傳訊令狀連同申索陳述書，該等原告尋求針對Fastek（作為於2015年10月進行之康宏股份（「康宏股份」）配售事項的其中一名承配人）獲不當配發康宏股份及不當獲授其中一名該等原告授出的若干循環融資額度的頒令。

於2018年5月31日，該等原告發出針對（包括其他被告）Fastek（作為其中一名被告）的經修訂申索陳述書，據此：

- (i) 康宏（第一原告）尋求（其中包括）(i)針對承配人作出康宏股份的配發屬作廢及無效或已撤回及撤銷的聲明及頒令；(ii)交出所得利潤令及一項就違反受信責任、普通法及／或法定責任、不誠實協助、非法及／或合法手段串謀而針對（其中包括）Fastek作出的有關支付任何應付款項、將予評定之衡平補償及／或將予評定之損害賠償的頒令；
- (ii) 康宏財務有限公司及康證有限公司（第二原告及第三原告）尋求針對（其中包括）Fastek（作為上述循環融資安排的其中一名直接接收人）有關提交利潤賬目的頒令及就違反受信責任、普通法及／或法定責任、不誠實協助、非法及／或合法手段串謀而作出的有關支付任何應付款項、將予評定之衡平補償及／或將予評定之損害賠償的頒令；及
- (iii) 該等原告尋求針對所有被告的(a)一般或特別損害賠償；(b)利息；(c)訟費；(d)進一步及／或其他救濟。

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42. LITIGATION (Continued)

(2) (Continued)

On 5 June 2018, the solicitors for Fastek received a letter from the solicitors for the Plaintiffs dated 4 June 2018 which clarified that the amended Statement of Claim (which states “re-filed on 31 May 2018”) served on Fastek on 31 May 2018 has yet to be officially filed in the Court pending the resolutions of the Plaintiffs’ applications lodged to Mr. Justice Harris on 4 June 2018 to amend the Statement of Claim and to add new parties by amending the Writ of Summons.

On 25 July 2018, Fastek received a sealed order of the hearing for the Plaintiffs’ summons held on 28 June 2018 (“Order”). Pursuant to the Order, it is ordered, among other matters, that as between the Plaintiffs and Fastek (among certain other defendants), the Plaintiffs do have leave to file and serve the amended Statement of Claim. On 9 July 2018, the Plaintiffs served on Fastek copies of the amended Writ and amended Statement of Claim.

- (3) On 2 January 2018, Fastek received a petition dated 27 December 2017 made by the petitioner filed with the CFI, whereby the petitioner seeks, among other things, a declaration that the placement of Convoy Shares to Fastek in October 2015 is void *ab initio* and of no legal effect.

Please refer to the announcements of the Company dated 8 November 2017, 19 December 2017, 21 December 2017, 2 January 2018, 4 June 2018, 7 June 2018 and 25 July 2018 for details on the litigations involving the Group during the year and after the reporting period.

Given that the litigations are still at a preliminary stage and has not gone into substantive pleading stage, having considered the alleged claims and consulted with the Company’s legal advisers, the Directors are of the views that (i) it is premature to assess the possible outcome of any claim which is pending, either individually or on a combined basis; (ii) it is uncertain as to whether there will be any impact, and if so, the quantum, on the financial position of the Group; and (iii) no provision for the claims in these legal proceedings is required to be made based on their current development. The Directors will monitor these litigations against the Group closely.

42. 訴訟 (續)

(2) (續)

於2018年6月5日，Fastek的律師收到該等原告之律師發出日期為2018年6月4日的函件，澄清於2018年5月31日送達Fastek的經修訂申索陳述書（當中陳述「於2018年5月31日重新提交」）尚未正式遞交予法庭，有待該等原告於2018年6月4日向夏利士法官遞交呈請之決議以修訂申索陳述書及通過修訂傳訊令狀增加新涉事方。

於2018年7月25日，Fastek收到一份有關於2018年6月28日就該等原告傳訊令狀所舉行的聆訊而發出的已蓋印命令（「命令」）。根據該命令，其責令（其中包括）在該等原告與Fastek（包括若干其他被告）之間，該等原告有權提交並發出經修訂申索陳述書。於2018年7月9日，該等原告向Fastek發出經修訂令狀及經修訂申索陳述書之副本。

- (3) 於2018年1月2日，Fastek接獲呈請人作出的日期為2017年12月27日並已提交原訟法庭的呈請，據此，呈請人尋求（其中包括）宣佈於2015年10月向Fastek配售的康宏股份自始無效，且不具法律效力。

有關於本年度內及報告期後涉及本集團的訴訟詳情，請參閱本公司日期為2017年11月8日、2017年12月19日、2017年12月21日、2018年1月2日、2018年6月4日、2018年6月7日及2018年7月25日之公佈。

由於各項訴訟仍處初步階段且尚未進入實質辯護階段，經考慮到所提出的申索及諮詢本公司法律顧問後，董事認為(i)不論以個別或綜合基準，現時評估任何有待裁定申索的可能結果言之尚早；(ii)難以確定會否對本集團的財務狀況造成任何影響（如有，申索量）；及(iii)根據現時事態發展，無須就該等法律程序的申索作出撥備。董事將緊密監察該等訴訟對本集團的影響。

43. RELATED PARTY TRANSACTIONS

- (a) Parties are considered to be related if one party has, directly or indirectly, the ability to control or jointly control or has significant influence over the other party in making financial and operating decisions. The management is of the view that the following companies/persons were related parties that had significant transactions or balances with the Group during the year.

43. 關聯方交易

- (a) 倘一方有能力在其他方作出財務及經營決策時直接或間接控制或共同控制或對其他方有重大影響，則該方被認為是其他方的關聯方。管理層認為，以下公司／人士為年內與本集團進行重大交易或有結餘的關聯方。

Name of related party

關聯方名稱

Relationship with the Group

與本集團的關係

China Vantage International Holdings Limited
("China Vantage")

中偉國際集團有限公司
("中偉")

Sun Ace (HK) Limited
("Sun Ace")

新亞(香港)有限公司
("新亞")

Group Benefit Development Limited
("Group Benefit")

群盛發展有限公司
("群盛")

A wholly-owned subsidiary of Seasoned Leader and an associate of the Group. As the Group had disposed of its entire interest in Seasoned Leader, it ceased to be an associate of the Group with effect from 30 December 2016. Seasoned Leader之全資附屬公司及本集團的聯營公司。由於本集團已出售其於Seasoned Leader的全部權益，其自2016年12月30日不再為本集團的聯營公司。

An indirect wholly-owned subsidiary of IE China who became an associate of the Group with effect from 9 September 2016 and Sun Ace ceased to be a subsidiary of IE China with effect from 14 June 2018. 互娛中國的間接全資附屬公司，其於2016年9月9日成為本集團的聯營公司及新亞於2018年6月14日終止為互娛中國的附屬公司。

A non wholly-owned subsidiary of IE China who became an associate of the Group with effect from 9 September 2016. IE China's shareholding over Group Benefit's intermediate holding company was diluted below 50% and Group Benefit ceased to be a subsidiary and became an associate of IE China with effect from 23 June 2017 and IE China ceased to be an associate of the Group with effect from 15 June 2018.

互娛中國的非全資附屬公司，其於2016年9月9日成為本集團的聯營公司。互娛中國於群盛的直接控股公司的股權已攤薄至低於50%，及群盛於2017年6月23日終止為互娛中國的附屬公司而成為其聯營公司，而互娛中國已於2018年6月15日終止為本集團的聯營公司。

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43. RELATED PARTY TRANSACTIONS (Continued)

(a) (Continued)

Name of related party 關聯方名稱	Relationship with the Group 與本集團的關係
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Mr. Lee

李先生

Ms. Yiu

姚女士

Mr. Chau Kai Man
周啟文先生

Progress Ever Limited
恆茂有限公司

Ms. Wong Ka Man

黃嘉文女士

43. 關聯方交易 (續)

(a) (續)

A former Director who resigned on 9 November 2017 and a former director of certain subsidiaries of the Group up to 15 June 2018

前董事，彼已於2017年11月9日辭任且直至2018年6月15日為本集團若干附屬公司之前任董事

A former director of certain subsidiaries of the Group who resigned on 1 April 2017

本集團若干附屬公司的前董事，彼已於2017年4月1日辭任

A director of certain subsidiaries of the Group
本集團若干附屬公司的董事

100% equity interest held by Mr. Chau Kai Man
周啟文先生持有100%股權

A director of a subsidiary of the Group with effect from 30 April 2018

自2018年4月30日為本集團附屬公司的董事

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43. RELATED PARTY TRANSACTIONS (Continued)

- (b) Save as the balances with related parties as disclosed in the consolidated statement of financial position, the Group entered into the following significant transactions with related parties during the year:

43. 關聯方交易 (續)

- (b) 除綜合財務狀況表所披露與關聯方的結餘外，本集團於年內與關聯方訂立以下重大交易：

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Rental expenses to:	向以下公司支付租金開支：		
– China Vantage	– 中偉	–	54
– Sun Ace	– 新亞	860	750
Commission expenses to:	向以下公司支付佣金：		
– China Vantage	– 中偉	–	4,862
Tutor contractor fee to:	向以下人士支付導師承包費：		
– Mr. Lee	– 李先生	152	217
– Ms. Yiu	– 姚女士	–	91
Loan interest income from:	來自以下公司之貸款利息：		
– Progress Ever Limited	– 恆茂有限公司	81	160
Rental income from:	來自以下公司之租金收入：		
– Group Benefit	– 群盛	–	610

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43. RELATED PARTY TRANSACTIONS (Continued)

- (c) The particulars of the related party transactions regarding the tutor contractor fee to Mr. Lee as disclosed in (b) above are as follows:

On 30 April 2016, Sense Publishing Company Limited ("Sense Publishing") and Mr. Lee entered into a service contract with the Group, pursuant to which Sense Publishing agreed to (i) procure Mr. Lee to provide tutoring services to students of the Group; and (ii) grant a sole, exclusive and non-transferable licence to the Group to use and reproduce the teaching materials prepared by Mr. Lee for the tutorial courses organised by the Group for secondary school students and conducted by teaching assistants with the said teaching materials for a term commenced on 1 July 2016 and expiring on 30 June 2019.

Pursuant to the service contract, Sense Publishing is entitled to certain fees calculated at a commission rate (comprising of the commission and gratuity components) of 60% of the tuition fees net of any refund, discounts or rebate paid by the students to the Group for attending the tutorial courses conducted entirely by Mr. Lee in person. If the tutorial class is not entirely taught by Mr. Lee in person but by other tutors or teaching assistants using the teaching materials prepared by Mr. Lee and/or his teaching assistants, the commission rate will be adjusted downwards by 1.5% to 8%. The fee payable by the Group to Sense Publishing is the product of the relevant commission rate and the net tuition fee aforesaid subject to further other deductions such as the costs of teaching assistants and other certain costs associated with his classes, including promotional and marketing events, reference materials and copyright licence fees.

Upon resignation of Mr. Lee as a Director on 9 November 2017 and as a director of certain subsidiaries of the Group on 15 June 2018, the Group considered Mr. Lee has discontinued to be a related party of the Group.

- (d) The key management personnel includes Directors and chief executive of the Company and the compensation paid to them is disclosed in Note 11.

43. 關聯方交易 (續)

- (c) 於上文(b)段所披露向李先生支付導師承包費的關聯方交易的詳情如下：

於2016年4月30日，明覺堂出版有限公司（「明覺堂出版」）及李先生與本集團訂立服務合約，據此，明覺堂出版同意(i)促使李先生向本集團學生提供補習服務；及(ii)授出唯一、獨家及不可轉讓特許權予本集團使用及複製李先生所編製的教材，以用於本集團為中學生而設並由教學助理在所指教材輔助下進行的補習課程，年期於2016年7月1日開始及於2019年6月30日屆滿。

根據服務合約，明覺堂出版有權收取按學生就出席完全由李先生親自教授的補習課程而支付予本集團的補習費（扣除任何退款、折扣或回扣）的60%佣金率計算的若干費用（包括佣金及約滿酬金部份）。倘補習班並非完全由李先生親自教授，惟由其他導師或教學助理使用李先生及／或其教學助理編製的教材而教授，則佣金率將下調1.5%至8%。本集團支付予明覺堂出版的費用為相關佣金率乘以上述淨補習費的積，惟須進一步作出其他扣減，例如教學助理的費用及有關其課堂的其他若干費用，包括宣傳及市場推廣活動、參考材料及版權費。

李先生於2017年11月9日辭任董事及於2018年6月15日辭任本集團若干附屬公司之董事後，本集團認為李先生不再為本集團之關聯方。

- (d) 主要管理人員包括董事及本公司主要行政人員，而向彼等支付的酬金於附註11披露。

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For the year ended 30 June 2018 截至2018年6月30日止年度

44. PRINCIPAL SUBSIDIARIES

Particulars of Company's principal subsidiaries as at 30 June 2018 are set out as follows:

44. 主要附屬公司

本公司於2018年6月30日之主要附屬公司詳情載列如下：

Name of principal subsidiary	Place of incorporation/ establishment	Place of operation	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊股本	Attributable equity interest of the Group		Principal activities
主要附屬公司名稱	註冊／成立地點	經營地點	註冊股本	本集團應佔股本權益		主要業務
				2018	2017	
Able Investment Development Limited 利東投資發展有限公司	British Virgin Islands ("BVI") 英屬處女群島	Hong Kong 香港	US\$10,000 10,000美元	88.75%	88.75%	Investment holding 投資控股
Bachelor Education Centre Limited 學士教室有限公司	Hong Kong 香港	Hong Kong 香港	HK\$10,000 10,000港元	88.75%	88.75%	Provision of primary tutoring services, skill courses and test preparation courses 提供小學輔導服務、展藝課程及 應試課程
Dignity Choice ³	BVI 英屬處女群島	Hong Kong 香港	US\$1 1美元	N/A 不適用	100% 100%	2018: N/A (2017: Property investments) 2018年：不適用 (2017年：物業投資)
Intelligent Education Limited 現代新幹線教育有限公司	Hong Kong 香港	Hong Kong 香港	HK\$100 100港元	100%	100%	2018: Inactive (2017: Provision of secondary day school education services) 2018年：無業務 (2017年：提供正規日 校課堂服務)
Modern Education (Hong Kong) Limited 現代教育(香港)有限公司	Hong Kong 香港	Hong Kong 香港	HK\$41,429,473 41,429,473港元	100% 100%	100% 100%	Provision of tutoring services 提供補習服務
Rosy Lane ¹	BVI 英屬處女群島	Hong Kong 香港	US\$1 1美元	100% 100%	100% 100%	Investment holding 投資控股
Sino Network ¹	BVI 英屬處女群島	Hong Kong 香港	US\$13,983 13,983美元	100% 100%	100% 100%	Investment holding 投資控股
Wise Action 智僑	Hong Kong 香港	Hong Kong 香港	HK\$10,000 10,000港元	100% 100%	100% 100%	Investment in securities 投資證券
China Rich Finance Limited 漢富財務有限公司	Hong Kong 香港	Hong Kong 香港	HK\$1,000 1,000港元	100% 100%	100% 100%	Money lending 借貸

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For the year ended 30 June 2018 截至2018年6月30日止年度

44. PRINCIPAL SUBSIDIARIES (Continued)

Particulars of Company's principal subsidiaries as at 30 June 2018 are set out as follows: (Continued)

44. 主要附屬公司 (續)

本公司於2018年6月30日之主要附屬公司詳情載列如下：(續)

Name of principal subsidiary 主要附屬公司名稱	Place of incorporation/ establishment 註冊／成立地點	Place of operation 經營地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本／ 註冊股本	Attributable equity interest of the Group 本集團應佔股本權益	Principal activities 主要業務
				2018 2017	
Modern Bachelor Education Limited	Hong Kong	Hong Kong	HK\$10,000	100%	100%
現代小學士有限公司	香港	香港	10,000港元	100%	100%
Vision Smart ²	Hong Kong 香港	Hong Kong 香港	HK\$100 100港元	N/A 不適用	60% 60%
Fastek	BVI 英屬處女群島	Hong Kong 香港	US\$1 1美元	100% 100%	100% 100%
Central Talent Holdings Limited	BVI 英屬處女群島	Hong Kong 香港	US\$1 1美元	100% 100%	100% 100%
Hong Kong Academy of Financial Sciences Limited	Hong Kong	Hong Kong	HK\$1	70%	70%
香港金融科學院有限公司	香港	香港	1港元	70%	70%
Modern iClass 現代多元教室	Hong Kong 香港	Hong Kong 香港	HK\$100 100港元	100% 100%	100% 100%
Lucky Joy Investment Limited	Hong Kong	Hong Kong	HK\$10,000	100%	100%
喜喜投資有限公司	香港	香港	10,000港元	100%	100%
Think Smart Global Limited	BVI 英屬處女群島	Hong Kong 香港	US\$500 500美元	70% 70%	70% 70%
Cosmic Path Holdings Limited	BVI 英屬處女群島	Hong Kong 香港	US\$100 100美元	100% 100%	100% 100%

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For the year ended 30 June 2018 截至2018年6月30日止年度

44. PRINCIPAL SUBSIDIARIES (Continued)

Particulars of Company's principal subsidiaries as at 30 June 2018 are set out as follows: (Continued)

44. 主要附屬公司 (續)

本公司於2018年6月30日之主要附屬公司詳情載列如下：(續)

Name of principal subsidiary	Place of incorporation/ establishment	Place of operation	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊股本	Attributable equity interest of the Group	Principal activities
主要附屬公司名稱	註冊/成立地點	經營地點	註冊股本	本集團應佔股本權益	主要業務
				2018	2017
Ultimate Elite ²	BVI 英屬處女群島	Hong Kong 香港	US\$20 20美元	N/A 不適用	60% 60%
					2018: N/A (2017: Investment holding) 2018年: 不適用 (2017年: 投資控股)
Wisdom Union ⁴	BVI 英屬處女群島	Hong Kong 香港	US\$4,000 4,000美元	100% 100%	N/A 不適用
					Investment holding 投資控股
Wind Fly ⁵ 千里飛龍 ⁵	Hong Kong 香港	Hong Kong 香港	HK\$19,010,000 19,010,000港元	100% 100%	N/A 不適用
					Provision of dance tuition services 提供舞蹈輔導服務
Paramount Ride ^{1,6}	BVI 英屬處女群島	Hong Kong 香港	US\$1 1美元	100% 100%	N/A 不適用
					Investment holding 投資控股
Diligent Lush ⁷ 蔚勤 ⁷	BVI 英屬處女群島	Hong Kong 香港	US\$1 1美元	100% 100%	N/A 不適用
					Investment holding 投資控股

¹ The companies are directly held by the Company. All other subsidiaries are indirectly held by the Company.

¹ 該等公司由本公司直接持有。所有其他附屬公司由本公司間接持有。

² The companies have no longer been the subsidiaries of the Company with effect from 28 August 2017. Further details are set out in Notes 28 and 41.

² 該等公司自2017年8月28日起不再為本公司的附屬公司。進一步詳情載於附註28及41。

³ The company has no longer been the subsidiary of the Company with effect from 29 September 2017. Further details are set out in Notes 28 and 41.

³ 該公司自2017年9月29日起不再為本公司的附屬公司。進一步詳情載於附註28及41。

⁴ The company was acquired by the Group on 13 September 2017. Further details are set out in Note 40.

⁴ 本集團於2017年9月13日收購該公司。進一步詳情載於附註40。

⁵ The company was acquired by the Group on 30 April 2018. Further details are set out in Note 40.

⁵ 本集團於2018年4月30日收購該公司。進一步詳情載於附註40。

⁶ The company was incorporated in the BVI on 15 March 2018.

⁶ 該公司於2018年3月15日於英屬處女群島註冊成立。

⁷ The company was incorporated in the BVI on 16 March 2018.

⁷ 該公司於2018年3月16日於英屬處女群島註冊成立。

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44. 主要附屬公司 (續)

於報告期末或報告期間，概無附屬公司擁有任何尚未行使的債務證券。

上表所列之本公司附屬公司，乃董事認為對本集團之業績或資產具重大影響之附屬公司。董事認為，一併列出其他附屬公司之詳情將會使有關資料過於冗長。

擁有重大非控股權益之前非全資附屬公司之詳情

下表載列有關於2017年6月30日擁有重大非控股權益之Ultimate Elite集團，即本集團的前非全資附屬公司連同其全資附屬公司之資料。以下財務資料概要指集團內公司間對銷前之金額。

Individually immaterial subsidiaries with non-controlling interests
個別擁有非控股權益的不重大附屬公司

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44. PRINCIPAL SUBSIDIARIES (Continued)

Details of a former non wholly-owned subsidiary
that had material non-controlling interest
(Continued)

Ultimate Elite Group

44. 主要附屬公司 (續)

擁有重大非控股權益之前非全資附屬公司
之詳情 (續)

Ultimate Elite集團

		As at 30 June 2017 於2017年 6月30日 HK\$'000 千港元
Current assets	流動資產	24,592
Non-current assets	非流動資產	126,200
Current liabilities	流動負債	23,817
Non-current liabilities	非流動負債	419
Equity attributable to owners of the Company	本公司擁有人應佔權益	75,536
Non-controlling interest	非控股權益	51,020

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For the year ended 30 June 2018 截至2018年6月30日止年度

44. PRINCIPAL SUBSIDIARIES (Continued)

Details of a former non wholly-owned subsidiary
that had material non-controlling interest
(Continued)

Ultimate Elite Group (Continued)

44. 主要附屬公司 (續)

擁有重大非控股權益之前非全資附屬公司
之詳情 (續)

Ultimate Elite集團 (續)

		2017 HK\$'000 千港元
Revenue	收入	651
Profit for the year	年內溢利	6,039
Other comprehensive income for the year	年內其他全面收益	—
Total comprehensive income for the year	年內全面收益總額	6,039
Profit attributable to owners of the Company	本公司擁有人應佔溢利	3,624
Profit attributable to the non-controlling interest	非控股權益應佔溢利	2,415
Profit for the year	年內溢利	6,039
Total comprehensive income attributable to owners of the Company	本公司擁有人應佔全面收益總額	3,624
Total comprehensive income attributable to non-controlling interest	非控股權益應佔全面收益總額	2,415
Total comprehensive income for the year	年內全面收益總額	6,039
Dividend paid to non-controlling interest	已付非控股權益股息	—
Net cash outflow from operating activities	經營活動所得的現金流出淨額	(22,090)
Net cash outflow from investing activities	投資活動所得的現金流出淨額	—
Net cash inflow from financing activities	融資活動所得的現金流入淨額	22,886
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	796

45. RETIREMENT BENEFIT PLANS

The Group operated a Mandatory Provident Fund Scheme (“MPF Scheme”) for all qualifying employees in Hong Kong under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme were held separately from those of the Group in funds under the control of an independent trustee. Under the rules of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rate specified in the rules. The only obligation of the Group with respect of MPF Scheme was to make the required contributions under the scheme. Under the MPF Scheme, the employer and its employees and each required to make contribution to the scheme at 5% of the employees’ relevant income, subject to a cap of monthly relevant income of HK\$30,000 effective from 1 June 2014 for the MPF Scheme. No forfeited contribution was available to reduce the contribution payable in the future years.

The employees employed in the PRC are members of the state-managed retirement benefit schemes operated by the PRC government. Each of the PRC subsidiaries is required to contribute a certain percentage of their payroll to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit schemes is to make the required contributions under the schemes.

The total cost charged to the consolidated statement of profit or loss and other comprehensive income of approximately HK\$1,578,000 (2017: approximately HK\$1,601,000) represented contributions payable to the above schemes by the Group during the year ended 30 June 2018.

45. 退休福利計劃

本集團根據強制性公積金計劃條例為香港所有合資格僱員設立強制性公積金計劃（「強積金計劃」）。強積金計劃的資產透過一名獨立受託人控制的基金與本集團所持資產分開持有。根據強積金計劃的規則，僱主及其僱員分別須按規則訂明的比率向計劃作出供款。本集團對強積金計劃的唯一責任為根據該計劃作出所需供款。根據強積金計劃，僱主及其僱員各自須按僱員有關收入（受自2014年6月1日起生效的每月有關收入之上限30,000港元所規限）之5%向計劃供款。並無已沒收供款可用作扣減未來年度應付供款。

於中國受僱的僱員須參與中國政府設立的國家管理退休福利計劃。各中國附屬公司須按僱員基本薪酬的若干百分比向該退休福利計劃供款，為該等福利提供資金。本集團對退休福利計劃的唯一責任為根據計劃作出所需供款。

於綜合損益及其他全面收益表中扣除之總費用約1,578,000港元（2017年：約1,601,000港元）指本集團於截至2018年6月30日止年度向上述計劃應繳納之供款。

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46. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

46. 本公司財務狀況及儲備表

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Non-current assets	非流動資產		
Investment in subsidiaries	於附屬公司之投資	322	322
Current assets	流動資產		
Prepayments and other deposits	預付款項及其他按金	438	786
Amounts due from subsidiaries	應收附屬公司款項	248,231	470,761
Bank balances and cash	銀行結餘及現金	9,750	7,498
		258,419	479,045
Current liabilities	流動負債		
Accruals	應計費用	306	360
Amounts due to subsidiaries	應付附屬公司款項	23,712	1,351
Loan notes	貸款票據	–	150,500
		24,018	152,211
Net current assets	流動資產淨值	234,401	326,834
Net assets	資產淨值	234,723	327,156
Capital and reserves	資本及儲備		
Share capital	股本	27,379	27,379
Reserves (Note)	儲備 (附註)	207,344	299,777
Total equity	權益總額	234,723	327,156

The Company's statement of financial position was approved and authorised for issue by the Board of Directors on 26 September 2018 and are signed on its behalf by:

本公司的財務狀況表已於2018年9月26日獲董事會批准及授權刊發，並由下列人士代表簽署：

Yip Chung Yin Jeffrey
葉頌賢
Director
董事

Tsang Ka Wai
曾家偉
Director
董事

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For the year ended 30 June 2018 截至2018年6月30日止年度

46. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (Continued)

Note:

Movement in the Company's reserves are as follows:

46. 本公司財務狀況及儲備表 (續)

附註：

本公司的儲備變動如下：

		Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 實繳盈餘 HK\$'000 千港元	Merger reserve 合併儲備 HK\$'000 千港元	Share options reserve 購股權儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 July 2016	於2016年7月1日	349,499	386,954	(28,079)	–	(170,488)	537,886
Loss and total comprehensive expense for the year	年度虧損及全面開支總額	–	–	–	–	(305,366)	(305,366)
Issue of ordinary shares	發行普通股	55,940	–	–	–	–	55,940
Transaction costs attributable to issue of new ordinary shares	發行新普通股應佔交易成本	(2,251)	–	–	–	–	(2,251)
Grant of share options	授出購股權	–	–	–	13,568	–	13,568
At 30 June 2017 and 1 July 2017	於2017年6月30日及 2017年7月1日	403,188	386,954	(28,079)	13,568	(475,854)	299,777
Loss and total comprehensive expense for the year	年度虧損及全面開支總額	–	–	–	–	(92,433)	(92,433)
Share options lapsed	購股權失效	–	–	–	(13,568)	13,568	–
At 30 June 2018	於2018年6月30日	403,188	386,954	(28,079)	–	(554,719)	207,344

At 30 June 2018 and 2017, the Company had no reserve available for distribution in accordance with the Company Law of Bermuda.

於2018年及2017年6月30日，本公司並無儲備可供根據百慕達公司法進行分派。

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For the year ended 30 June 2018 截至2018年6月30日止年度

47. EVENTS AFTER THE REPORTING PERIOD

Save as disclosed elsewhere in these consolidated financial statements, the following significant events took place subsequent to 30 June 2018:

(1) Termination of contract with an independent consultant

On 10 August 2018, Modern Education (Hong Kong) Limited, a wholly-owned subsidiary of the Company, served a notice of termination on Double Stars Limited ("Double Stars") and Mr. Siao Chi Yung Weslie ("Mr. Siao") to early terminate a contract for services with Double Stars and Mr. Siao ("Contract") dated 9 June 2015 and the ancillary agreements thereto with effect on 10 August 2018 ("Termination") due to Mr. Siao's alleged role in certain offences as charged by the Hong Kong Independent Commission Against Corruption. The Group has carried out measures to minimise the impacts to students and the Group's operations. The Directors currently assess that the contingent loss in relation to the Termination will not have any material adverse impact on the Group's financial results and operations. Please refer to the announcements of the Company dated 17 August 2018 and 22 August 2018 for further details of the Termination.

(2) Loan disposal

On 7 September 2018, Rosy Lane (as vendor), a wholly-owned subsidiary of the Company, entered into a loan disposal agreement with Mr. Wong, as purchaser, pursuant to which Rosy Lane has conditionally agreed to sell and assign, and Mr. Wong has conditionally agreed to purchase and be assigned, Rosy Lane's rights, titles, benefits and interests in and to a loan (including the aggregate outstanding principal sum and the interests accrued thereon in the amount of approximately HK\$54.48 million owing by Mr. Poon Chun Yin ("Mr. Poon")), the promissory note issued by Mr. Poon (as debtor) to Rosy Lane dated 30 December 2016 and the share mortgage (executed in favour of Rosy Lane over the shares of Seasoned Leader Limited) at the consideration of HK\$48 million. Completion of the loan disposal took place on 17 September 2018 and the Group has ceased to have any interest in the said loan. Please refer to the announcements of the Company dated 7 September 2018 and 10 September 2018 for further details of the loan disposal.

47. 報告期後事項

除該等綜合財務報表其他章節所披露者外，於2018年6月30日後發生以下重大事項：

(1) 終止與獨立顧問的合約

於2018年8月10日，本公司之間接全資附屬公司現代教育（香港）有限公司向Double Stars Limited（「Double Stars」）及蕭志勇先生（「蕭先生」）送達終止通知書，提前終止與Double Stars及蕭先生訂立日期為2015年6月9日的服務合約（「合約」）及其於2018年8月10日生效的附屬協議（「終止」），原因為蕭先生被香港廉政公署指控於若干罪行中所據稱的角色所致。本集團已採取措施盡量減低對學生及本集團業務的影響。董事目前評估與終止有關的或然虧損不會對本集團的財務業績及營運構成任何重大不利影響。有關終止的進一步詳情，請參閱本公司日期為2018年8月17日及2018年8月22日的公佈。

(2) 貸款出售

於2018年9月7日，本公司之全資附屬公司Rosy Lane（作為賣方）與王先生（作為買方）訂立貸款出售協議，據此Rosy Lane已有條件同意出售及轉讓，而王先生已有條件同意購買並接受轉讓Rosy Lane於貸款（包括潘俊彥先生（「潘先生」）所欠尚未償還本金總額及其累計利息約54,480,000港元）、潘先生（作為債務人）於2016年12月30日向Rosy Lane發行的承兌票據及股份按揭（以Rosy Lane為受益人針對Seasoned Leader Limited的股份簽立）的權利、擁有權、利益及權益，代價為48,000,000港元。貸款出售於2018年9月17日完成，而本集團已不再擁有上述貸款的任何權益。有關貸款出售的進一步詳情，請參閱本公司日期為2018年9月7日及2018年9月10日的公佈。

47. EVENTS AFTER THE REPORTING PERIOD

(Continued)

(3) Disposal of GET Shares

On 7 September 2018, the Group through Fastek, an indirect wholly-owned subsidiary of the Company, disposed of 9,570,000 shares of GET ("GET Shares") on the market through the Stock Exchange for an aggregate consideration of HK\$3,971,550 (excluding stamp duty and related expenses). On 18 September 2018, the Group through Wise Action, an indirect wholly-owned subsidiary of the Company, disposed of 12,288,235 GET Shares under the terms and conditions of the conditional mandatory cash share offer made on 31 August 2018 by Get Nice Securities Limited for and on behalf of Mr. Wong Jing Shong (as offeror) for an aggregate consideration of approximately HK\$5,161,000. After the completion of the transfer of the said shares under the offer, the Group will cease to hold any interest in GET. Please refer to the announcement of the Company dated 18 September 2018 for further details of the disposal.

47. 報告期後事項 (續)

(3) 出售智易股份

於2018年9月7日，本集團透過本公司之間接全資附屬公司Fastek經聯交所在市場上出售9,570,000股智易股份（「智易股份」），總代價為3,971,550港元（不包括印花稅及相關費用）。於2018年9月18日，本集團透過本公司之間接全資附屬公司智僑根據結好證券有限公司於2018年8月31日代表黃靖淳先生（作為要約方）提出的有條件強制現金股份要約之條款及條件出售12,288,235股智易股份，總代價約5,161,000港元。於根據要約完成上述股份轉讓後，本集團於智易將不再持有任何權益。有關出售的進一步詳情，請參閱本公司日期為2018年9月18日的公佈。

Five-Year Financial Summary

五年財務概要

The following is a summary of the published results and assets and liabilities of the Group for the last five financial years prepared on the basis set out in the notes below.

以下為本集團按下文附註所載基準編製過去五個財政年度的已刊發業績及資產與負債概要。

RESULTS

業績

		Year ended 30 June 截至6月30日止年度				
		2018 HK\$'000 千港元	2017 HK\$'000 千港元	2016 HK\$'000 千港元	2015 HK\$'000 千港元	2014 HK\$'000 千港元
Revenue	收入	109,027	153,859	189,778	208,439	235,805
(Loss) profit before tax	除稅前（虧損）溢利	(9,670)	(330,112)	(144,802)	34,078	(66,312)
Income tax credit (expenses)	所得稅抵免（開支）	1,438	(814)	(321)	(1,147)	(195)
(Loss) profit for the year	年度（虧損）溢利	(8,232)	(330,926)	(145,123)	32,931	(66,507)
(Loss) profit for the year attributable to:	以下人士應佔年度（虧損）溢利：					
Owners of the Company	本公司擁有人	(8,246)	(333,326)	(144,718)	33,028	(66,517)
Non-controlling interests	非控股權益	14	2,400	(405)	(97)	10
		(8,232)	(330,926)	(145,123)	32,931	(66,507)

ASSETS AND LIABILITIES

資產及負債

		As at 30 June 於6月30日				
		2018 HK\$'000 千港元	2017 HK\$'000 千港元	2016 HK\$'000 千港元	2015 HK\$'000 千港元	2014 HK\$'000 千港元
Total assets	總資產	316,062	586,837	798,521	364,954	233,393
Total liabilities	總負債	(27,806)	(221,964)	(189,649)	(28,337)	(21,200)
		288,256	364,873	608,872	336,617	212,193
Equity attributable to:	以下人士應佔權益：					
Owners of the Company	本公司擁有人	288,766	314,272	560,702	336,489	211,968
Non-controlling interests	非控股權益	(510)	50,601	48,170	128	225
		288,256	364,873	608,872	336,617	212,193



香港教育

(國際)投資集團有限公司

Hong Kong Education (Int'l) Investments Ltd.