



CIL HOLDINGS LIMITED
華建控股有限公司

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)
Stock code 股份代號: 00479

ANNUAL REPORT 2019 年報

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CORPORATE INFORMATION 公司資料

DIRECTORS

Mr. Ke Jun Xiang (*Chairman & Chief Executive Officer*)

Mr. Wilson Wong (*Deputy Chairman*)

Ms. Lo Yuen Chung

Mr. Fu Daoding

Mr. Chow Yeung Tuen, Richard*

Mr. Li Chung Kai, Philip*

Mr. Chan Siu Kay**

Mr. Choi Chin Yu**

Dr. Chow Ho Wan, Owen**

(*Appointed on 30 September 2019*)

* Non-executive Director

** Independent Non-executive Director

COMPANY SECRETARY

Mr. Chiu King Hoi, Anthony

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited

DBS Bank (Hong Kong) Limited

Dah Sing Bank Limited

Industrial Bank Co. Ltd.

AUDITORS

Graham H. Y. Chan & Co.

Certified Public Accountants (Practising)

Rooms 3719-26, 37/F

Sun Hung Kai Centre

30 Harbour Road

Wanchai, Hong Kong

董事

柯俊翔先生 (*主席及行政總裁*)

Wilson Wong先生 (*副主席*)

盧元琮女士

付道丁先生

鄒揚敦先生*

李松佳先生*

陳紹基先生**

蔡展宇先生**

周浩雲博士**

(*於二零一九年九月三十日獲委任*)

* 非執行董事

** 獨立非執行董事

公司秘書

趙景開先生

主要往來銀行

中國銀行(香港)有限公司

星展銀行(香港)有限公司

大新銀行有限公司

興業銀行股份有限公司

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Bermuda

Hong Kong

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REGISTERED OFFICE

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Bermuda

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OF BUSINESS**

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Kowloon, Hong Kong

STOCK CODE

00479

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百慕達

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香港

卓佳證券登記有限公司
香港灣仔
皇后大道東183號
合和中心54樓

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

總辦事處及主要營業地點

香港九龍
長順街1號
新昌工業大廈6樓607室

股票代號

00479

公司網址

www.cil479.com.hk

CHAIRMAN'S STATEMENT 主席報告書

On behalf of the board of directors (the "Board") of CIL Holdings Limited (the Company"), I hereby present the audited consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 30 June 2019.

The overall performance of the Group during the year reflects the tough challenges we are facing. The Group continues to engage primarily in the distribution and trading of server storage, multi-media and communication products. During the year, we encountered keen market competition and demand for traditional server storage hardware from customers has been decreasing arising from the growing popularity of public cloud storage-as-a-service. As this is a realistic trend in IT technology, we predict the impact on our business will be even harder and further slowdown seems to be inevitable. Nevertheless, we will continue to focus and devote our efforts to improving the situation by (i) adopting more effective cost control measures; (ii) strengthening customer base and (iii) upgrading the quality of our product and post-sale service to the customers.

Meanwhile, our money lending business remained steady and contributed positively to the Group's overall results but we suffered from significant loss in securities investment owing to the volatility in local stock market. In order to deploy the Group's financial resources to other business operations in the coming year, we are going to take a more prudent investment plan by further down-scaling the portfolio size.

Regarding the segments of distribution of rice cooker and household electrical appliances as well as entertainment, development progress was not notable but we will monitor these projects closely and revise our business plan to reshape the marketing strategy. Moreover, we had discontinued the distribution of sports car for the reason that its business prospect was no longer viable according to our assessment.

本人謹代表華建控股有限公司（「本公司」）董事會（「董事會」）在此提呈本公司及其附屬公司（統稱為「本集團」）截至二零一九年六月三十日止年度之經審核綜合業績。

本集團本年度之整體表現反映了我們面對的嚴峻挑戰。本集團繼續主要從事伺服器儲存、多媒體及通訊產品的分銷和貿易。年內，我們遇到市場競爭激烈，並由於公共雲端儲存服務日益普及，客戶對傳統伺服器儲存硬件的需求減少。由於這是資訊科技領域內之實際趨勢，我們預期此業務所面對的影響將會加深，進一步放緩應無法避免。儘管如此，我們將繼續集中並盡全力通過以下方式改善局面：(i)採取更有效的成本控制措施；(ii)加強客戶基礎，及(iii)提升旗下產品以及向客戶提供的售後服務的質素。

同時，我們的放債業務維持穩定並為本集團之整體業績作出正面貢獻，但由於本港股市波動，我們的證券投資錄得大額損失。為了於來年將本集團的財務資源投放於其他業務，我們將透過進一步縮減投資組合規模，實行更為審慎之投資計劃。

電飯煲和家庭電器分銷分部以及娛樂分部的發展進度並不顯著，但我們將密切監察該等項目，並修訂業務計劃以重整市場推廣策略。此外，根據評估，由於跑車分銷業務之前景黯淡，我們已終止跑車分銷業務。

CHAIRMAN'S STATEMENT 主席報告書

As to new business, we have commenced trading of industrial metal commodities and automotive components. In the longer term, we may expand the goods to other categories when more experience is gained.

During the year, our cash liquidity had been becoming tight which affected the repayment capability of loan borrowings. The Company received a writ of summon issued by a creditor in September 2019 in respect of an outstanding sum of approximately HK\$24.9 million. However, the court action was discontinued shortly after and the debt is now agreed by the creditor to be settled for a large part by receiving new shares issued by the Company and the remaining balance for cash.

To finance our working capital requirement and repayment of other loans falling due soon, we have recently proposed a plan of rights issue to raise, if fully subscribed, up to approximately HK\$52 million. The matter is now in progress and is expected to be completed no later than the end of January 2020.

In respect of corporate governance, we were unable to publish annual results of the Group for the year timely by 30 September 2019 and the delay constituted non-compliance of the Listing Rules of the Stock Exchange of Hong Kong Limited. For this reason, trading of the shares of the Company had been temporarily suspended until the annual results was released. Besides, our auditors issued a qualified opinion on the annual results for the year in relation to allowance for impairment losses of financial assets. Admittedly, the situation is not desirable and recurrence must be avoided. In this regard, our Audit Committee is reviewing the adequacy and effectiveness of the risk management and internal control systems, including the whole process of financial reporting, for the purpose of identifying areas for improvement.

關於新業務，我們已開始工業金屬商品及汽車零件貿易。長遠而言，倘取得更多經驗，我們可能將產品擴展至其他範疇。

年內，我們的現金流動趨緊，影響了償還借貸的能力。於二零一九年九月，本公司收到一名債權人發出的傳訊令狀，涉及未償還款項約24,900,000港元。然而，法院訴訟已在不久後中止，債權人現同意通過收取本公司發行的新股份以償還債務之大部份，而餘額則以現金清付。

為撥付營運資金需求及償還即將到期之其他貸款，我們最近提出一項供股計劃建議，以集資最多約52,000,000港元（倘獲悉數認購）。供股正在進行中，預期將不遲於二零二零年一月底之前完成。

就企業管治而言，我們未能於二零一九年九月三十日前依時發佈本集團之全年業績，而延誤構成不遵守香港聯合交易所有限公司上市規則。因此，本公司的股份曾暫時停止買賣，直至發佈全年業績為止。此外，我們的核數師基於金融資產之減值虧損撥備而對本年度之全年業績發表保留意見。誠然，此情況並不理想，必須避免再次發生。有見及此，我們的審核委員會正在檢討風險管理和內部監控系統是否完備和有效，包括財務報告的整個過程，以找出需要改進之處。

CHAIRMAN'S STATEMENT 主席報告書

Looking forward, we will actively evaluate our investment strategies on an on-going basis and are exploring new business opportunities which potentially offer high returns and generate stable cash flows to the Group.

Last but not least, I would like to thank all my fellow directors of the Board, the management team and every member of our dedicated staff for their hard work, and our shareholders for their continued support.

Ke Jun Xiang
Chairman

Hong Kong, 15 November 2019

展望將來，我們將持續積極評估投資策略，並探索新的商機，為本集團帶來潛在的高回報，並產生穩定的現金流量。

最後，本人感謝董事會同仁、管理團隊及每一位盡忠職守員工之辛勤奉獻，以及股東一直以來的支持。

主席
柯俊翔

香港，二零一九年十一月十五日

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

FINANCIAL RESULTS

Comparing to last financial year, the Group's total consolidated revenue from continuing operations increased by 74.00% to approximately HK\$135,123,000 during year ended 30 June 2019 (2018: HK\$77,666,000).

The overall increase was mainly due to commencement of a new business in trading of commodity and automotive components for the year which contributed approximately HK\$113,053,000, or 83.67% to the total (2018: HK\$ nil). Revenue from the Group's core business of distribution and trading of server storage, multi-media and communication products had shrunk to approximately HK\$14,940,000 (2018: HK\$57,767,000) and accounted for only 11.06% (2018: 74.38%) of the total revenue.

Sales of goods during the year also included approximately HK\$4,413,000 (2018: HK\$5,393,000), or 3.27% (2018: 6.94%) of the total revenue from continuing operations, in distribution of rice cookers and household electrical appliances.

Income generated from money lending operation lowered to approximately HK\$2,717,000 (2018: HK\$3,490,000) and accounted for 2.01% (2018: 4.49%) of the total revenue.

During the year, there was no revenue from the business in entertainment (2018: HK\$11,016,000).

Owing to the persistent rise in cost of sales, the Group recorded reduction in overall gross profit to approximately HK\$3,249,000 as compared to approximately HK\$5,679,000 of last year, representing a decrease of 42.79%, as the gross profit ratio had declined to 2.40% (2018: 7.31%).

The Group earned other income of approximately HK\$4,482,000 (2018: HK\$5,399,000) which mainly comprised interest income deriving from bank deposits and other loan receivable as well as dividend income from held-for-trading investments.

財務業績

與上一個財政年度相比，截至二零一九年六月三十日止年度，本集團來自持續經營業務的綜合收益總額增加74.00%至約135,123,000港元（二零一八年：77,666,000港元）。

整體增加主要由於年內開展商品產品及汽車零件貿易此項新業務，其對總收益貢獻約113,053,000港元或佔總收益之83.67%（二零一八年：零港元）。本集團伺服器儲存、多媒體及通訊產品之分銷及貿易的核心業務收益縮減至約14,940,000港元（二零一八年：57,767,000港元），僅佔總收益的11.06%（二零一八年：74.38%）。

年內貨品銷售亦包括分銷電飯煲及家庭電器，金額約為4,413,000港元（二零一八年：5,393,000港元），佔來自持續經營業務的總收益的3.27%（二零一八年：6.94%）。

放債業務的收入下降至約2,717,000港元（二零一八年：3,490,000港元），佔總收益的2.01%（二零一八年：4.49%）。

年內，並無娛樂業務之收益（二零一八年：11,016,000港元）。

由於銷售成本持續上升，毛利率下降至2.40%（二零一八年：7.31%），本集團因而錄得整體毛利減少至約3,249,000港元，而去年約為5,679,000港元，減少42.79%。

本集團賺取其他收入約4,482,000港元（二零一八年：5,399,000港元），主要由來自銀行存款及其他應收貸款的利息收入以及持作買賣投資的股息收入所組成。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

For the year, there were gains of approximately HK\$176,000 (2018: HK\$571,000) arising from disposal of property, plant and equipment.

The Group continued to engage in investment in listed securities in Hong Kong during the year. Net fair value losses of approximately HK\$20,353,000 was recorded due to the volatility of the stock market (2018: HK\$49,253,000).

Staff costs for the year decreased to approximately HK\$17,454,000 (2018: HK\$25,550,000). Other operating expenses, comprising selling and distribution costs, other overheads and miscellaneous administrative costs, amounted to approximately HK\$10,102,000 (2018: HK\$20,496,000).

In respect of depreciation charge for property, plant and equipment, the amount was approximately HK\$3,853,000 (2018: HK\$4,462,000). Besides, operating lease expenses was reduced to approximately HK\$3,199,000 (2018: HK\$4,982,000).

Finance costs, including interest expenses on bank borrowings, margin loan, bonds and other loans, rose by 48.32% to approximately HK\$14,630,000 (2018: HK\$9,864,000).

To sum up, The Group recorded a loss attributable to owners of the Company from continuing operations of approximately HK\$56,184,000 for year ended 30 June 2019 (2018: HK\$120,441,000) and loss per share (basic and diluted) for the year was 1.30 HK cents (2018: 3.05 HK cents). In respect of the discontinued operation, the profit attributable to owners of the Company was approximately HK\$179,000 (2018: loss of HK\$5,619,000) and loss per share (basic and diluted) for the year was nil (2018: 0.14 HK cents). In aggregate, the loss for the year attributable to owners of the Company from both continuing and discontinued operations was approximately HK\$56,005,000 (2018: HK\$126,060,000) and loss per share (basic and diluted) for the year was 1.30 HK cents (2018: 3.19 HK cents).

年內，產生自出售物業、機器及設備之收益約為176,000港元(二零一八年：571,000港元)。

年內，本集團繼續投資於香港上市證券。由於股票市場波動，錄得公平值虧損淨額約20,353,000港元(二零一八年：49,253,000港元)。

年內的員工成本減至約17,454,000港元(二零一八年：25,550,000港元)。其他經營開支(由銷售及分銷成本、其他間接費用以及雜項行政成本所組成)約為10,102,000港元(二零一八年：20,496,000港元)。

物業、機器及設備之折舊支出約為3,853,000港元(二零一八年：4,462,000港元)。此外，經營租約開支減至約3,199,000港元(二零一八年：4,982,000港元)。

融資成本(包括銀行借貸、保證金貸款、債券及其他貸款的利息開支)上升48.32%至約14,630,000港元(二零一八年：9,864,000港元)。

綜上所述，本集團錄得截至二零一九年六月三十日止年度來自持續經營業務的本公司擁有人應佔虧損約56,184,000港元(二零一八年：120,441,000港元)，而年內每股虧損(基本及攤薄)為1.30港仙(二零一八年：3.05港仙)。就已終止經營業務而言，本公司擁有人應佔溢利約為179,000港元(二零一八年：虧損5,619,000港元)，而年內每股虧損(基本及攤薄)為無(二零一八年：0.14港仙)。合計而言，本公司擁有人應佔來自持續經營及已終止經營業務之年度虧損約為56,005,000港元(二零一八年：126,060,000港元)，而本年度每股虧損(基本及攤薄)為1.30港仙(二零一八年：3.19港仙)。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

BUSINESS REVIEW

Distribution of server storage, multi-media and communication products

During the year, competition in the market was intensive and product demand from customers continued to be weak. The tough market condition has posed hard impact on our business. A segment loss of approximately HK\$3,129,000 (2018: HK\$8,536,000) was recorded for the period as a result of sustained thin profit margin.

Despite of the challenges facing us, we strive to reshape our business strategy to overcome the adverse situation and to provide our customers with the best quality of products and services.

Distribution of rick cooker and household electrical appliances

The Company continued to distribute rick cooker and household electrical appliances products in the PRC during the year and incurred a small profit of approximately HK\$12,000 (2018: HK\$74,000) in segment results. We are still in the course of identifying a suitable business partner for the distribution business in other regions. The management will monitor the project closely and revise our business strategy to meet the latest market condition when required.

Money lending

The Group's has gained approximately HK\$5,575,000 (2018: loss of HK\$6,480,000) from money lending business during the year. The Group believes that there is a constant demand in the market and is confident that it will continue to contribute positively to the Group's overall results. As the business is capital-driven in nature, the Group will constantly assess the level of resources to be allocated to this business segment with reference to the availability of capital.

業務回顧

伺服器儲存、多媒體及通訊產品之分銷

於年內，市場競爭激烈，客戶的產品需求持續疲弱。旗下業務深受艱鉅市況所影響。由於溢利率持續微薄，年內錄得分部虧損約3,129,000港元（二零一八年：8,536,000港元）。

儘管面對重重挑戰，我們仍然致力重整業務策略以克服逆境，並為客戶提供最優質的產品和服務。

分銷電飯煲及家庭電器

本公司於年內繼續在中國分銷電飯煲及家庭電器產品，並在分部業績錄得輕微溢利約12,000港元（二零一八年：74,000港元）。我們仍就其他地區之分銷業務物色合適業務夥伴。管理層將密切監察該項目，並於需要時修訂業務策略以應對最新市況。

放債業務

本集團的放債業務於年內賺取約5,575,000港元（二零一八年：虧損6,480,000港元）。本集團認為仍然存在持續的市場需求，並且有信心其將繼續為本集團之整體業績作出正面貢獻。由於此業務在性質上屬資本驅動型，本集團將參考資金可動用情況持續評估將分配予此業務分部之資源水平。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Investment in securities

Due to the relatively volatile market condition, the Group suffered a segment loss of approximately HK\$22,781,000 (2018: HK\$54,641,000) in investment of local listed securities.

The source of finance for this segment is from the idle funds available from time to time. As the cash flow of the Group was getting tight, the portfolio size of investment in securities had been reduced substantially in the reporting period so as to redeploy financial resources for meeting other operational requirements.

Entertainment

The Group had not organised any musical live show during the year and recorded a small gain of approximately HK\$250,000 for the segment (2018: loss of HK\$4,522,000). Nevertheless, we are still active in soliciting with various artists and business partners in media production to secure production opportunities.

Trading of commodity and automotive components

The Group has commenced the business in trading of commodity and automotive components and recorded a minor loss of approximately HK\$27,000 in this segment during the year (2018: HK\$ nil). As this business arena is new to us, we will allocate our financial resources on a prudent basis. Currently, our tradable commodity is confined to industrial metals and automotive components and may expand to other categories when more experience is obtained from the operation.

LIQUIDITY AND CAPITAL RESOURCES

As at 30 June 2019, the Group had net liabilities of approximately HK\$830,000 (2018: net assets of HK\$56,274,000), comprising total assets of approximately HK\$162,209,000 (2018: HK\$173,902,000) and total liabilities of approximately HK\$163,039,000 (2018: HK\$117,628,000).

Total assets included total non-current assets of approximately HK\$7,557,000 (2018: HK\$57,531,000) and total current assets of approximately HK\$154,652,000 (2018: HK\$116,371,000).

證券投資

由於市況較為波動，本集團就香港上市證券之投資錄得分部虧損約22,781,000港元（二零一八年：54,641,000港元）。

此分部的資金來源是不時可動用的閒置資金。由於本集團的現金流量轉趨緊絀，證券投資組合的規模已於報告期內大為縮減，從而重新調配財務資源以應付其他營運需求。

娛樂

本集團於年內並無籌辦任何現場音樂表演而該分部賺取小額收益約250,000港元（二零一八年：虧損4,522,000港元）。然而，我們仍積極就媒體製作招攬不同藝人及業務夥伴，以確保製作機會。

商品及汽車零件貿易

本集團於年內已開展此商品貿易業務，並於本分部錄得輕微虧損約27,000港元（二零一八年：零港元）。由於本業務為我們新的範疇，我們將以審慎基準分配財務資源。現時，我們的可貿易商品限於工業金屬及汽車零件，倘自營運取得更多經驗，將可能擴展至其他範疇。

流動資金及財政資源

於二零一九年六月三十日，本集團之負債淨額約為830,000港元（二零一八年：資產淨值56,274,000港元），包含資產總值約162,209,000港元（二零一八年：173,902,000港元）及負債總額約163,039,000港元（二零一八年：117,628,000港元）。

資產總值包括非流動資產總值約7,557,000港元（二零一八年：57,531,000港元）及流動資產總值約154,652,000港元（二零一八年：116,371,000港元）。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Other than depreciation charge for the period, decrease in total non-current assets was mainly due to (i) disposal of distribution rights in sports car during with carrying amount of approximately HK\$5,321,000 as at 30 June 2018 (note 22(a)); (ii) impairment of money lender licence of approximately HK\$2,000,000 (note 22(b)) and (iii) ShuiLiFang Loan of approximately HK\$17,090,000 (2018: HK\$18,759,000) (note 23(b)) and the refundable deposit of approximately HK\$20,000,000 (2018: HK\$20,000,000) for securing an agency agreement (note 24(a)), classified as non-current assets as at the last year end, were transferred to current assets as at the current year end as both of them are due for repayment in the next financial year.

In addition to the re-classification of ShuiLiFang Loan and the deposit for securing an agency agreement, expansion of total current assets was also caused by increase of trade receivables to approximately HK\$63,699,000 (2018: HK\$9,597,000). Meanwhile, balances of the following items of current assets had dropped: (i) investments at fair value through profit or loss decreased to approximately HK\$19,065,000 (2018: HK\$65,967,000) and (ii) total amount of pledged fixed deposit as well as bank balances and cash reduced to approximately HK\$702,000 (2018: HK\$9,474,000).

Total liabilities as at 30 June 2019 was approximately HK\$163,039,000 (2018: HK\$117,628,000), comprising non-current liabilities of approximately HK\$20,888,000 (2018: HK\$20,868,000) and current liabilities of approximately HK\$142,151,000 (2018: HK\$96,760,000).

Non-current liabilities represented wholly by outstanding bonds. Current liabilities mainly consisted of accruals, deposits received and other payables of approximately HK\$10,978,000 (2018: HK\$12,568,000), margin loans payable of approximately HK\$11,004,000 (2018: HK\$20,251,000) and other loans payable of approximately HK\$55,435,000 (2018: HK\$52,902,000). The main factor leading to overall expansion of current liabilities was rise in trade payables to approximately HK\$64,734,000 (2018: HK\$8,457,000).

除年內的折舊外，非流動資產總額減少主要是由於(i)出售於二零一八年六月三十日賬面值約5,321,000港元之跑車分銷權(附註22(a))；(ii)放債人牌照之減值約2,000,000港元(附註22(b))及(iii)水立坊貸款約17,090,000港元(二零一八年：18,759,000港元)(附註23(b))及訂立代理協議的可退還按金約20,000,000港元(二零一八年：20,000,000港元)(附註24(a))於上年結乃分類為非流動資產而於本年度轉撥至流動資產，因為兩者均於下一個財政年度內到期償還。

除水立坊貸款及訂立代理協議的按金重新分類外，流動資產總額增加之原因亦包括應收貿易賬款增加至約63,699,000港元(二零一八年：9,597,000港元)。同時，下列流動資產項目的結餘已經下降：(i)按公平值計入損益之投資減至約19,065,000港元(二零一八年：65,967,000港元)及(ii)已抵押定期存款以及銀行結存及現金之總額減至約702,000港元(二零一八年：9,474,000港元)。

於二零一九年六月三十日之負債總額約為163,039,000港元(二零一八年：117,628,000港元)，包括非流動負債約20,888,000港元(二零一八年：20,868,000港元)及流動負債約142,151,000港元(二零一八年：96,760,000港元)。

非流動負債全數為未償還債券。流動負債主要包括應計費用、已收按金及其他應付款項約10,978,000港元(二零一八年：12,568,000港元)、應付保證金貸款約11,004,000港元(二零一八年：20,251,000港元)及其他應付款項約55,435,000港元(二零一八年：52,902,000港元)。造成流動負債整體增加之主要因素為應付貿易賬款上升至約64,734,000港元(二零一八年：8,457,000港元)。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Due to the funds used up in the current operating activities and also additional financial resource was needed to support the new business, total cash resources of the Group consisting only of bank balances and cash had diminished to approximately HK\$702,000 (2018: HK\$9,474,000, including pledged fixed deposit of approximately HK\$900,000) and were denominated in HKD, USD and RMB.

The current ratio, representing by current assets divided by current liabilities, was 1.09 (2018: 1.20).

As at 30 June 2019, the aggregate amount of bank borrowings, margin loan payable and other loans of approximately HK\$66,439,000 (2018: HK\$75,664,000) were denominated in HKD and USD. They were subject to interest at prevailing commercial lending rates. Together with the outstanding bonds of approximately HK\$20,888,000 (2018: HK\$20,868,000), which were denominated in HKD, total borrowings amounted to approximately HK\$87,327,000 (2018: HK\$96,532,000). Calculation of the gearing ratio, which is based on the Group's total borrowings being divided by total equity, would not be appropriate as the shareholders' total equity was in deficiency as at the reporting date.

In light of the highly geared financial position, the Group is exercising strict budgetary control on its financial resources. In addition, Mr. Ke Jun Xiang, the Chairman and executive director of the Company, commits to provide funding of not less than HK\$100,000,000 to the Company pursuant to a letter of undertaking (note 2(v)) and the Company also announced a proposal of rights issue on 15 November 2019 for raising new fund (note 2(iv)). Having taken into consideration of the Group's financial performance, working capital, liquidity position and available facilities from financial institutions, the directors of the Company are of the opinion that the Group would still be able to meet in full its financial obligations as they fall due for the foreseeable future.

由於現有經營活動所用資金以及需要額外財務資源支持新業務之發展，本集團之現金資源總額（僅由銀行結存及現金組成）已減至約702,000港元（二零一八年：9,474,000港元，包括已抵押定期存款約900,000港元），並以港元、美元及人民幣計值。

流動比率（即流動資產除以流動負債）為1.09（二零一八年：1.20）。

於二零一九年六月三十日，銀行借貸、應付保證金貸款及其他貸款之總額約為66,439,000港元（二零一八年：75,664,000港元），乃以港元及美元計值，並且按現行商業借貸利率計息。連同未償還債券約20,888,000港元（二零一八年：20,868,000港元）（以港元計值）計算，總借貸約為87,327,000港元（二零一八年：96,532,000港元）。由於在報告日期之總權益處於虧絀水平，因此根據本集團之總借貸除以股東總權益而計算資本負債比率並不合適。

鑑於負債水平偏高之財務狀況，本集團對財務資源現正實行嚴格的預算控制。此外，本公司主席兼執行董事柯俊翔先生承諾根據承諾函（附註2(v)）向本公司提供不少於100,000,000港元的資金而本公司亦已於二零一九年十一月十五日宣佈建議供股以籌集新資金（附註2(iv)）。經考慮本集團的財務表現、營運資金、流動資金狀況及來自金融機構的可動用額度後，本公司董事認為本集團將仍能夠全數履行其於可見將來到期的財務責任。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

ALLOWANCE FOR IMPAIRMENT LOSSES - LOANS AND INTEREST RECEIVABLES AND CONSIDERATION RECEIVABLES

減值虧損撥備－應收貸款及利息以及應收代價

The Company's auditors issued a qualified opinion in respect of allowance for impairment losses of the following receivables as at 30 June 2019:

本公司的核數師對以下於二零一九年六月三十日之應收款項的減值虧損撥備發表保留意見：

Counterparty	Nature	Category (note) 類別 (附註)	Gross carrying amount 賬面總額 HK\$'000 千港元	Allowance for impairment losses 減值虧損撥備 HK\$'000 千港元	Net amount 淨額 HK\$'000 千港元
Loan and interest receivables for money lending business: 放債業務的應收貸款及利息：					
Borrower 1 借款人1	Corporate loan 企業貸款	Stage 3 第三階段	10,668	981	9,687
Borrower 2 借款人2	Personal loan 私人貸款	Stage 2 第二階段	1,784	24	1,760
Borrower 3 借款人3	Personal loan 私人貸款	Stage 2 第二階段	3,064	42	3,022
			15,516	1,047	14,469
Other loan and interest receivables: 其他應收貸款及利息：					
廣州市水立坊公共浴室有限公司 ("ShuiLiFang") 廣州市水立坊公共浴室有限公司 (「水立坊」)	Corporate loan 企業貸款	Stage 3 第三階段	18,225	1,294	16,931
Total loan and interest receivables 貸款及應收利息總額			33,741	2,341	31,400
Consideration receivables: 應收代價：					
Debtor 1 債務人1	Connecting with loan assignment 關於貸款轉讓	Stage 3 第三階段	7,000	215	6,785
Debtor 2 債務人2	Connecting with disposal of distribution rights in sports car 關於出售跑車分銷權	Stage 3 第三階段	7,500	250	7,250
Total consideration receivables 應收代價總額			14,500	465	14,035

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Note:

Stage 1: the credit risks of those assets do not increase significantly or they are not credit-impaired at initial recognition

Stage 2: the risk of default of financial asset increases significantly

Stage 3: the financial assets are determined to be credit-impaired

Further details of the Group's internal credit risk grading assessment are set out in note 7(b) to the consolidated financial statements.

The Group recognises impairment loss using expected credit loss model ("ECL") for all financial assets. ECL is the composition of probability of default ("Pd"), exposure at default ("EAD") and loss given default ("LGD"). Details of determination of ECL are set out below:

附註：

第一階段：此等資產的信貸風險並無顯著增加，或在初次確認時並無信貸減值

第二階段：金融資產違約風險顯著增加

第三階段：金融資產被釐定為信貸減值

本集團內部信貸風險級別評估的進一步詳情載於綜合財務報表附註7(b)。

本集團使用預期信貸虧損模型（「預期信貸虧損」）對所有金融資產確認減值虧損。預期信貸虧損是違約概率（「違約概率」）、違約敞口（「違約敞口」）和違約虧損率（「違約虧損率」）的組成。釐定預期信貸虧損的詳情如下：

Category 類別	ECL parameters 預期信貸 虧損參數	Values 數值	Basis of determination 釐定基準
Stage 2 - loans receivable 第二階段 - 應收貸款	Pd 違約概率	27.11%	Average historical default rate of the portfolio of unsecured personal loans receivables 無抵押私人貸款應收款項組合的平均過往違約率
	LGD 違約虧損率	5%	Management estimation of amount of ultimate loss, having considered: 管理層對最終虧損金額的估計，當中已考慮： (1) the borrowers' or guarantors' properties values; 借入人或擔保人的財產價值； (2) past settlement history; and 過往結清記錄；及 (3) the Group's understanding of the borrowers. 本集團對借款人的了解。
	EAD 違約敞口	respective balance due 相關應收結餘	Contractual repayment schedules 合約還款時間表

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Category 類別	ECL parameters 預期信貸 虧損參數	Values 數值	Basis of determination 釐定基準
Stage 3 – loans receivable (with interest receivables) 第三階段 – 應收貸款 (連同應收利息)	Pd 違約概率	100.00%	The balances are considered to be default 餘額被視為違約
	LGD 違約虧損率	5%	Management estimation of amount of ultimate loss, having considered: 管理層對最終虧損金額的估計，當中已考慮： (1) the borrowers' or guarantors' properties values; 借款人或擔保人的財產價值； (2) past settlement history; and 過往結清記錄；及 (3) the Group's understanding of the borrowers. 本集團對借款人的了解。
	EAD 違約敞口	respective balance due 相關應收結餘	Contractual repayment schedules 合約還款時間表
Stage 3 – consideration receivables 第三階段 – 應收代價	Pd 違約概率	100.00%	The balances are considered to be default 餘額被視為違約
	LGD 違約虧損率	5%	Management estimation of amount of ultimate loss, having considered: 管理層對最終虧損金額的估計，當中已考慮： (1) the debtors' previous business experience; 債務人過往的業務經驗； (2) past settlement history; and 過往結清記錄；及 (3) the Group's understanding of the debtors. 本集團對債務人的了解。
	EAD 違約敞口	respective balance due 相關應收結餘	Contractual repayment schedules 合約還款時間表

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

The determination of the above ECL has also taken into account (1) the expected delayed in settlement; and (2) the time value of money, unless the effect of discounting is immaterial.

The Group is unable to provide corroborative evidence to the auditors to support the Pd estimation for Stage 2 loans receivables but the Group considered that the Pd estimation represented the best estimate at the material time because:

- 1) at the time of advancement of these loans to individual borrowers, the Group did not request these borrowers to provide authorisation letters to the Group for performing credit search;
- 2) the market information obtained without undue cost and effort does not represent the risk of default of the existing borrowers; and
- 3) the only available information is the average historical default rate of the portfolio of unsecured personal loans receivables.

The Group is unable to provide corroborative evidence to the auditors to support the LGD for all the above receivables but the Group considered that the LGD estimation represented the best estimate at the material time because:

- 1) having considered the market information obtained without undue cost and effort, the information does not represent the LGD of the Group's debtors/borrowers;
- 2) the Group has encountered very little loss experience from past receivables and the settlement of those receivables were/have been noted; and
- 3) no other suitable information could be obtained without undue cost and effort.

上述預期信貸虧損的釐定亦已考慮以下因素：
(1)預期延遲的結算；及(2)貨幣的時間價值，除非貼現的影響不重要。

本集團無法向核數師提供確鑿憑證，以支持對第二階段應收貸款的違約概率估計，但本集團認為違約概率估計代表於關鍵時間的最佳估計，因為：

- 1) 於向個別借款人墊支貸款時，本集團並無要求該等借款人向本集團提供授權書以進行信貸查冊；
- 2) 在毋須付出過多成本和努力的情況獲得的市場資料並不代表現有借款人的違約風險；及
- 3) 唯一可獲得的資料是無抵押私人貸款應收款項組合的平均過往違約率。

本集團無法向核數師提供確鑿憑證，以支持所有上述應收款項的違約虧損率估計，但本集團認為違約虧損率估計代表於關鍵時間的最佳估計，因為：

- 1) 已考慮在毋須付出過多成本和努力的情況獲得的市場資料，有關資料並不代表本集團債務人／借款人的違約虧損率；
- 2) 本集團從以往的應收款項中蒙受損失的經驗很少，並且已經知悉該等應收款項已被結清。
- 3) 並無在毋須付出過多成本和努力的情況可獲得的其他合適資料。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

The Company in the future will perform the following:

- 1) For all financial assets at the time of advancement or renewal, the Group requests these debtors/borrowers to provide authorisation letters to the Group for performing credit search.
- 2) For the forthcoming annual audits, the Group will engage an independent professional valuer with more experience in ECL estimation.

The management has discussed with the auditors regarding the audit qualification and understands that the next year financial statements will be qualified at the minimum the opening balances of the loans and interest receivables and consideration receivables. The Group targets to remove the audit qualification in respect of the next year closing balance and will endeavour to provide sufficient corroborative evidence to the auditors.

The Audit Committee has discussed with the auditors regarding the above qualification. The Board and the Audit Committee have agreed the above view.

OUTLOOK

Looking forward, our Group will continue to devote the best efforts in keeping the development of our existing business on a steady pace. Meanwhile, we are actively securing fresh financial resources and at the same time looking for new investment and growth opportunities through a strategy of business diversification.

As there is growing importance to the development of the Guangdong-Hong Kong-Macau Greater Bay Area, we expect a lot of business opportunities in the region will be opened up and feel confident of our growth and development in the near future.

本公司將來將執行以下各項：

- 1) 於墊付或續期時的所有金融資產，本集團要求此等債務人／借款人向本集團提供授權書以進行信貸查冊。
- 2) 對於未來的年度核數，本集團將委聘具有更多預期信貸虧損估計經驗的獨立專業估值師。

管理層已與核數師討論審計保留意見，並明白來年之財務報表將最少在應收貸款及利息以及應收代價的期初結餘發出保留意見。本集團的目標是剔除有關下年度年末結餘的審計保留意見，並將致力為核數師提供確鑿憑證。

審核委員會已就上述保留意見與核數師進行討論。董事會與審核委員會同意上述觀點。

展望

展望未來，本集團將繼續盡全力維持現有業務的穩健發展。與此同時，我們繼續透過業務多元化策略積極確保新的財務資源並同時物色新的投資及增長機遇。

隨著粵港澳大灣區的發展日益重要，我們預期區內商機處處，並對集團於不久將來的增長及發展充滿信心。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

PLEDGE OF ASSETS

During the year ended 30 June 2019, the Company ceased to execute its corporate guarantee and the Group ceased to pledge its fixed deposit and trade receivables to secure the Group's banking facilities. As at 30 June 2018, the Group's banking facilities were secured by the fixed deposit of the Company amounting to approximately HK\$900,000, fixed charge over trade receivables of the Group with an aggregate carrying amount of HK\$2,784,000 and a corporate guarantee executed by the Company.

As at 30 June 2019, the Group's margin loans are secured by the Group's listed equity investments with aggregate carrying amount of approximately HK\$19,065,000 (2018: HK\$56,859,000).

As at 30 June 2019, the Group's other loans amounting to approximately HK\$5,435,000 (2018: HK\$4,435,000) are secured by the Group's yacht with carrying amount of approximately HK\$3,267,000 (2018: HK\$5,445,000) and loans of approximately HK\$5,135,000 (2018: HK\$4,435,000) are also secured by corporate guarantee executed by a subsidiary of the Company.

TREASURY POLICIES

The Group's monetary assets and transactions are principally denominated in HKD, RMB and USD. The management considers that the Group's exposure to USD does not give rise to significant currency risk on the ground that HKD is pegged to USD. The Group exposes to currency risk that are denominated in RMB and currently does not have any hedging policy against RMB. However, the management is monitoring the Group's currency risk exposure closely and will consider hedging significant currency risk exposure should the need arise.

資產抵押

於截至二零一九年六月三十日止年度，本公司不再簽立其公司擔保及本集團不再將定期存款及應收貿易賬款質押以作為本集團銀行融資之抵押品。於二零一八年六月三十日，本集團之銀行融通額乃以為數約900,000港元之本公司定期存款，以及本集團總賬面值為2,784,000港元之應收貿易賬款之固定押記及本公司簽立之公司擔保作為抵押。

於二零一九年六月三十日，本集團之保證金貸款乃以本集團總賬面值約為19,065,000港元（二零一八年：56,859,000港元）之上市股本投資作為抵押。

於二零一九年六月三十日，本集團之其他貸款約5,435,000港元（二零一八年：4,435,000港元）乃以賬面值約3,267,000港元（二零一八年：5,445,000港元）之本集團一艘遊艇作抵押而約5,135,000港元（二零一八年：4,435,000港元）貸款亦以本公司一間附屬公司簽立之公司擔保作抵押。

庫務政策

本集團之貨幣資產及交易主要以港元、人民幣及美元計值。管理層認為，由於港元與美元掛鈎，本集團並無因美元而面對重大貨幣風險。本集團面對有關以人民幣計值之貨幣風險，現並無就人民幣訂立任何對沖政策。然而，管理層正密切監察本集團面對之貨幣風險，並會於需要時考慮對沖重大的貨幣風險。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

As at 30 June 2019, the Group's margin loan were based on floating interest rates which are still at a relatively low level. Although the Group does not have any hedging measures against such interest rate risks, we will continue to closely monitor the risks arising from such interest rate movements. When interest rate rises, hedging instruments will be used in due course against the interest rate risks caused by HKD-denominated borrowings which are based on floating interest rates.

COMMITMENTS

Except for operating lease commitments in respect of land and buildings amounting to approximately HK\$2,115,000 (2018: HK\$4,800,000), the Group had no other commitment as at 30 June 2019.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not have any material acquisitions and disposals of subsidiaries during the year ended 30 June 2019.

EMPLOYEES AND REMUNERATION POLICY

The Group had 24 employees as at 30 June 2019 (2018: 32). They were remunerated according to the prevailing manpower conditions and individual performance. There was no change on the staff policy during the year ended 30 June 2019. During the period, the staff cost (including directors' remunerations) amounted to approximately HK\$17,454,000 (2018: HK\$25,550,000). The Company may grant share options to directors of the Company, employees of the Group and other eligible participants under the share option scheme adopted and approved in the year 2011. There were 62,000,000 share options outstanding under the share option scheme as at 30 June 2019 (2018: 74,000,000).

CONTINGENT LIABILITIES

The Group did not have contingent liabilities as at 30 June 2019.

截至二零一九年六月三十日，本集團的保證金貸款按浮動利率計息，有關利率在相對低水平。儘管本集團並無就對沖相關利率風險採取任何對沖措施，但我們將繼續密切監測有關利率走勢帶來的風險。當利率上升時，將在適當時候就按浮動利率計息的港元借貸所引起的利率風險使用對沖工具。

承擔

除了有關土地及樓宇約2,115,000港元（二零一八年：4,800,000港元）之經營租賃承擔外，本集團於二零一九年六月三十日並無其他承擔。

重大收購及出售

本集團於截至二零一九年六月三十日止年度並無任何重大收購及出售附屬公司。

僱員及薪酬政策

於二零一九年六月三十日，本集團有24名僱員（二零一八年：32名）。員工薪酬根據當時人力市場情況及個人表現釐定。截至二零一九年六月三十日止年度內員工政策並無變動。期內，員工成本（包括董事酬金）約為17,454,000港元（二零一八年：25,550,000港元）。本公司可根據於二零一一年度採納及批准之購股權計劃向本公司董事、本集團僱員及其他合資格參與者授出購股權。於二零一九年六月三十日，購股權計劃下有62,000,000份（二零一八年：74,000,000份）未行使購股權。

或然負債

本集團於二零一九年六月三十日並無或然負債。

DIRECTORS' REPORT 董事會報告書

The Board is pleased to present its annual report and the audited consolidated financial statements for the year ended 30 June 2019.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 41 to the consolidated financial statements.

BUSINESS REVIEW

A fair review of the business of the Group for the year ended 30 June 2019, including the discussion of principal risks and uncertainties facing the Group, material events that have occurred, an indication of likely future developments in the Group's business and relationships with key stakeholders are provided in the "Chairman's Statement" (pages 4 to 6), the "Management Discussion and Analysis" (pages 7 to 19), and the "Corporate Governance Report" (pages 36 to 51). An analysis of the Group's performance for the year ended 30 June 2019 by key financial indicators is set out in the "Management Discussion and Analysis" (pages 7 to 19). These discussions form part of the Directors' Report.

In addition, the financial risk management objectives and policies of the Group are set out in note 7 to the consolidated financial statements.

Details of the Group's environmental protection, and compliance with laws and regulations are discussed below:

董事會欣然提呈截至二零一九年六月三十日止年度之年報及經審核綜合財務報表。

主要業務

本公司為一家投資控股公司，其附屬公司之主要業務載於綜合財務報表附註41。

業務審視

對本集團截至二零一九年六月三十日止年度業務之公允審視(包括討論本集團面對之主要風險及不明朗因素、已發生之重要事項、本集團業務之未來可能發展之指標以及與主要持份者之關係)，乃載於「主席報告書」(第4至6頁)、「管理層討論及分析」(第7至19頁)及「企業管治報告書」(第36至51頁)。按主要財務指標對本集團截至二零一九年六月三十日止年度表現進行之分析，乃載於「管理層討論及分析」(第7至19頁)。此等討論構成董事會報告之一部份。

此外，本集團之財務風險管理目標及政策載於綜合財務報表附註7。

本集團之環境保護工作以及遵守法律及規例之詳情乃於下文論述：

Environmental protection

The Group is committed to achieving the development of environmental sustainability. The Group strives to encourage higher environmental protection awareness at our office and warehouse by saving electricity and encouraging recycle of materials. The Group will review the environmental practices from time to time and consider implementing further environmentally friendly measures and practices in its business operation to embrace the principles of reduce, recycle and reuse.

The Environmental, Social and Governance ("ESG") Report, prepared in accordance with the ESG Guide as set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), is set out on pages 52 to 59.

Compliance with laws and regulations

The Company announced on 27 September 2019, stating its inability to comply with Rule 13.49 of the Listing Rules to publish its annual results for the year ended 30 June 2019 no later than three months after the financial year end by 30 September 2019. Shares of the Company was suspended from trading from 2 October 2019 to 15 November 2019 pursuant to Rules 13.50 of the Listing Rules.

Except for this, the Group had complied in material respects with the relevant laws and regulations that have significant impact on the operations of the Group during the year ended 30 June 2019.

RESULTS AND DIVIDEND

The results of the Group for the year ended 30 June 2019 and the financial position of the Group and the Company as at that date are set out in the consolidated financial statements on pages 82 to 85 and note 40 to the consolidated financial statements.

The Board does not recommend the payment of any dividend in respect of the year ended 30 June 2019.

環境保護

本集團致力實現環境可持續發展。本集團透過節省電力和鼓勵材料循環再用，致力提升辦公室和倉庫人員的環保意識。本集團將不時檢討環保措施，並考慮在其業務營運實行進一步的環保措施及做法，以恪守減少使用、循環再造及再用的原則。

根據香港聯合交易所有限公司證券上市規則（「上市規則」）附錄二十七環境、社會及管治報告指引編製的環境、社會及管治報告書載於第52至59頁。

遵守法律及規例

本公司於二零一九年九月二十七日宣佈，表示其未能遵守上市規則第13.49條的規定而在不遲於財政年度結束後的三個月（即二零一九年九月三十日或之前）公佈其截至二零一九年六月三十日止年度的全年業績。本公司股份已根據上市規則第13.50條於二零一九年十月二日至二零一九年十一月十五日之期間內起暫停買賣。

除此之外，本集團於截至二零一九年六月三十日止年度已在重大方面遵守對於本集團營運有重要影響之相關法律及規例。

業績及股息

本集團截至二零一九年六月三十日止年度之業績以及本集團及本公司於當日之財務狀況載於綜合財務報表第82至85頁以及綜合財務報表附註40。

董事會不建議派發截至二零一九年六月三十日止年度之任何股息。

DIRECTORS' REPORT 董事會報告書

SEGMENT INFORMATION

An analysis of the Group's performance for the year by operating segments is set out in note 9 to the consolidated financial statements.

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements, is set out on pages 267 to 268. This summary does not form part of the audited consolidated financial statements.

BANK AND OTHER BORROWINGS

Details of bank and other borrowings of the Group are set out in note 32 to the consolidated financial statements.

During the year ended 30 June 2019, the Group raised other loans to finance the Group's operation of distribution of server storage, multi-media and communication products, raised margin loans to finance the Group's business in investment in securities, and raised other loan to finance the Group's payment of other working capitals.

SHARE CAPITAL

Details of movements in share capital of the Company during the year are set out in note 33 to the consolidated financial statements.

分部資料

本集團於年內按營運分部對表現之分析載於綜合財務報表附註9。

財務資料概要

本集團於過去五個財政年度之已刊登業績及資產與負債之概要(摘自經審核綜合財務報表)載於第267至268頁。此概要並非經審核綜合財務報表之一部分。

銀行貸款及其他借貸

有關本集團之銀行貸款及其他借貸詳情載於綜合財務報表附註32。

截至二零一九年六月三十日止年度，本集團籌得其他貸款以撥付本集團分銷伺服器儲存、多媒體及通訊產品之營運，並籌得保證金貸款以撥付本集團之證券投資業務，並已籌得其他貸款以撥付本集團之其他營運資金付款。

股本

本公司於本年度之股本變動詳情載於綜合財務報表附註33。

RESERVES

Details of movements in the reserves of the Group and the Company during the year are set out in the consolidated statements of changes in equity on page 86 and note 40 to the consolidated financial statements respectively. As at 30 June 2019, the Company had no reserve available for cash distribution.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

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

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Bye-laws of the Company (the "Bye-laws") or the laws of Bermuda in relation to issues of new shares by the Company.

EMOLUMENT POLICY

The emolument policy regarding the employees of the Group is set up by the Executive Directors on the basis of their merit, qualifications and competence. The emoluments of the Directors are determined by the Board based on recommendations from the remuneration committee of the Company, having regard to the responsibilities of the Directors, the Company's operating results, individual performance and comparable market statistics. Details of the employee benefits of the Group are set out in note 38 to the consolidated financial statements.

儲備

本集團及本公司於年內之儲備變動詳情分別載於第86頁之綜合權益變動表及綜合財務報表附註40。於二零一九年六月三十日，本公司並無儲備可供現金分派。

買賣或贖回本公司證券

年內，本公司或其任何附屬公司概無買賣或贖回本公司任何上市證券。

優先認購權

本公司之公司細則（「公司細則」）或百慕達法例均無涉及發行本公司新股份之優先認股權條文。

薪酬政策

執行董事根據僱員之貢獻、資格及能力制訂本集團僱員之薪酬政策。董事會根據本公司薪酬委員會之建議，參考董事之責任、本公司之營運業績、個人表現及可比較之市場數據而釐定董事之薪酬。本集團僱員福利之詳情載於綜合財務報表附註38。

DIRECTORS' REPORT 董事會報告書

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of revenue and purchases attributable to the Group's major customers for sales of goods and suppliers for the year are as follows:

Revenue	
- The largest customer for sales of goods	76%
- Five largest customers for sales of goods combined	95%

Purchases	
- The largest supplier	78%
- Five largest suppliers combined	99%

None of the Directors, their associates or any shareholders (who, to the knowledge of the Directors, owns more than 5% of the Company's issued share capital) had any beneficial interests in any of the above customers or suppliers.

SHARE OPTION SCHEME

The Company's share option scheme (the "Scheme") was adopted by the Company on 27 June 2011, pursuant to which the Board may grant options to any employees, directors, shareholders, suppliers, customers of the Group and any other person or company who has contributed or may contribute to the development and growth of the Group to subscribe for shares in the Company at any price which is at least the highest of (i) the closing price of the shares of the Company on the date of the grant of the options; (ii) the average closing price of the shares of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") for the 5 trading days immediately preceding the date of the grant of the options; and (iii) the nominal value of the shares of the Company.

Details of the share options granted under the Scheme and outstanding as at 30 June 2019 are set out in note 38(b) to the consolidated financial statements.

主要客戶及供應商

年內主要客戶(就銷售貨品而言)及供應商所佔本集團收益及採購額之百分比如下:

收益	
- 最大客戶(就銷售貨品而言)	76%
- 五大客戶共佔(就銷售貨品而言)	95%

採購額	
- 最大供應商	78%
- 五大供應商共佔	99%

各董事、彼等之聯繫人士或就董事所知擁有本公司已發行股本5%以上之任何股東，概無擁有上述客戶或供應商之任何實益權益。

購股權計劃

本公司於二零一一年六月二十七日採納購股權計劃(「該計劃」)，據此，董事會可向本集團任何僱員、董事、股東、供應商、客戶以及曾經或可能對本集團之發展及增長作出貢獻之任何其他人士或公司授予購股權，以認購本公司股份，而認購價不得低於下列三者之中最高者：(i)本公司股份於購股權授出日期之收市價；(ii)本公司股份於緊接購股權授出日期前五個交易日在香港聯合交易所有限公司(「聯交所」)之平均收市價；及(iii)本公司股份之面值。

根據該計劃授出之購股權以及於二零一九年六月三十日尚未行使之購股權的詳情，乃載於綜合財務報表附註38(b)。

DIRECTORS

The Directors during the year and up to the date of this report are:

Executive Directors

Mr. Ke Jun Xiang

(retired and re-elected at the annual general meeting held on 28 December 2018)

Mr. Wilson Wong

Ms. Lo Yuen Chung

Mr. Fu Daoding

(retired and re-elected at the annual general meeting held on 28 December 2018)

Non-executive Directors

Mr. Chow Yeung Tuen, Richard

Mr. Li Chung Kai, Philip

Independent Non-executive Directors

Mr. Kwok Yam Sheung

(resigned on 1 July 2019)

Mr. Chan Siu Kay

(retired and re-elected at the annual general meeting held on 28 December 2018)

Mr. Choi Chin Yu

Dr. Chow Ho Wan, Owen

(appointed on 30 September 2019)

Mr. Kwok Yan Sheung tendered his resignation as an Independent Non-executive Director of the Company due to health reason. He has confirmed that he has no disagreement with the Company and there is no matter relating to his resignation that needs to be brought to the attention of the shareholders of the Company.

At the forthcoming annual general meeting Mr. Chow Yeung Tuen, Richard and Mr. Choi Chin Yu shall retire by rotation in accordance with the Bye-law 99(1), while Dr. Chow Ho Wan, Owen shall retire in accordance with Bye-law 102(B). All of them, being eligible, will offer themselves for re-election.

董事

本年度內及截至本報告日期之董事如下：

執行董事

柯俊翔先生

(於二零一八年十二月二十八日舉行之股東週年大會退任及膺選連任)

Wilson Wong先生

盧元琮女士

付道丁先生

(於二零一八年十二月二十八日舉行之股東週年大會退任及膺選連任)

非執行董事

鄒揚敦先生

李松佳先生

獨立非執行董事

郭蔭尚先生

(於二零一九年七月一日辭任)

陳紹基先生

(於二零一八年十二月二十八日舉行之股東週年大會退任及膺選連任)

蔡展宇先生

周浩雲博士

(於二零一九年九月三十日獲委任)

郭蔭尚先生因健康理由已辭任本公司獨立非執行董事。彼已確認，彼與本公司並無意見分歧，且概無有關彼辭任之事宜而須敦請本公司股東垂注。

於應屆股東週年大會上，鄒揚敦先生及蔡展宇先生須根據公司細則第99(1)條輪值告退而周浩雲博士須根據公司細則第102(B)條告退。彼等均符合資格且願意膺選連任。

DIRECTORS' REPORT 董事會報告書

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and senior management of the Company are set out on pages 60 to 63.

DIRECTORS' SERVICE CONTRACTS

None of the Directors has entered, or proposed to enter into a service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE GROUP'S BUSINESS

Saved as disclosed in note 39 to the consolidated financial statements, no transactions, arrangements and contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party, and in which any of the Directors and the Directors' connected parties had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

董事及高級管理層之履歷

本公司董事及高級管理層之履歷載於第60至63頁。

董事之服務合約

概無董事已經或擬與本集團任何成員公司訂立本集團於一年內須作出賠償(法定賠償除外)方可終止之服務合約。

董事及最高行政人員於重要交易、安排及與本集團業務有關之重大合約

除綜合財務報表附註39所披露者外，於本年度完結或年內任何時間，本公司或其任何附屬公司概無簽訂與本集團業務有關且任何董事及董事之關連人士直接或間接擁有重大權益之任何重大交易、安排及合約。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY SPECIFIED UNDERTAKING OF THE COMPANY

As at 30 June 2019, the interests and short positions of each of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)(the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were deemed or taken to have under such provisions of the SFO) or which were required pursuant to section 352 of the SFO to be entered in the register referred to therein or which were required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

董事及主要行政人員於本公司或本公司任何指明企業之股份、相關股份及債權證之權益

於二零一九年六月三十日，本公司各董事及主要行政人員於本公司及其相聯法團（見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部之定義）之股份、相關股份及債券中擁有之權益及淡倉而根據證券及期貨條例第XV部第7及8分部已知會本公司及聯交所（包括根據證券及期貨條例之有關規定彼等被視為或當作擁有之權益及淡倉），或根據證券及期貨條例第352條須記入該條所提述之登記冊，或根據上市規則附錄10所載上市發行人董事進行證券交易的標準守則須知會本公司及聯交所者如下：

DIRECTORS' REPORT 董事會報告書

Long position in the shares and underlying shares of the Company 於本公司股份及相關股份之好倉

Name of Director 董事姓名	Note 附註	Number of underlying shares of the Company 本公司 相關股份數目	Number of ordinary shares held as at 30 June 2019 於二零一九年六月三十日所持之普通股數目				Total 總計	Approximate percentage of issued share capital 佔已發行股本之概約百分比
			Personal/beneficial interest 個人/ 實益權益	Corporate interest 法團權益	Family interest 家族權益	Other interest 其他權益		
Mr. Ke Jun Xiang 柯俊翔先生	1,3	12,000,000	690,000,000	132,400,000	125,840,000	-	960,240,000	22.15%
Mr. Wilson Wong Wilson Wong先生	3	-	108,180,000	-	-	-	108,180,000	2.50%
Ms. Lo Yuen Chung 盧元琮女士	2	7,000,000	-	-	-	-	7,000,000	0.16%
Mr. Chow Yeung Tuen, Richard 鄒揚敦先生	2	7,000,000	-	-	-	-	7,000,000	0.16%
Mr. Li Chung Kai, Philip 李松佳先生	2	5,000,000	-	-	-	-	5,000,000	0.12%
Mr. Kwok Yam Sheung (resigned on 1 July 2019) 郭蔭尚先生 (於二零一九年七月一日辭任)	2	9,000,000	1	-	-	-	9,000,001	0.21%
Mr. Chan Siu Kay 陳紹基先生	2	9,000,000	-	-	-	-	9,000,000	0.21%

Notes:

附註:

- Mr. Ke Jun Xiang held 12,000,000 underlying ordinary shares of the Company pursuant to share options granted by the Company. In addition to his personal interest of 690,000,000 ordinary shares of the Company, Mr. Ke also wholly owned Trade Honour Limited, Global Work Management Limited and Ample Key Limited, which held 50,900,000, 1,500,000 and 80,000,000 ordinary shares of the Company respectively. His spouse, Ms. Wang Jian Ping, wholly owned State Thrive Limited and Shine Fill Limited, which held 62,920,000 and 62,920,000 ordinary shares of the Company respectively. Accordingly, Mr. Ke was deemed to have total interests in 960,240,000 ordinary shares of the Company.
 - Each of these directors respectively held underlying ordinary shares of the Company pursuant to share options granted by the Company.
 - Mr. Ke has charged 324,380,000 ordinary shares of the Company and Mr. Wilson Wong has charged 93,000,000 ordinary shares of the Company to secure a loan to the Company.
- 柯俊翔先生根據本公司授出之購股權持有12,000,000股本公司相關普通股。除彼於690,000,000股本公司普通股之個人權益外，柯先生亦全資擁有Trade Honour Limited、Global Work Management Limited及Ample Key Limited，此三間公司分別持有50,900,000股、1,500,000股及80,000,000股本公司普通股。柯先生之配偶王建萍女士全資擁有State Thrive Limited及Shine Fill Limited，此兩間公司分別持有62,920,000股及62,920,000股本公司普通股。因此，柯先生被視作擁有合共960,240,000股本公司普通股之權益。
 - 各董事根據本公司授出之購股權分別持有本公司相關普通股。
 - 柯先生已將324,380,000股本公司普通股抵押而Wilson Wong先生已將93,000,000股本公司普通股抵押，以作為本公司一項貸款之抵押品。

DIRECTORS' REPORT 董事會報告書

Short position in the shares and underlying shares of the Company 於本公司股份及相關股份之淡倉

Name of Director 董事姓名	Number of underlying shares of the Company 本公司 相關股份數目	Number of ordinary shares held as at 30 June 2019 於二零一九年六月三十日所持之普通股數目				Total 總計	Approximate percentage of issued share capital 佔已發行股本 之概約百分比
		Personal/ beneficial interest 個人/ 實益權益	Corporate interest 法團權益	Family interest 家族權益	Other interest 其他權益		
Mr. Ke Jun Xiang (note) 柯俊翔先生 (附註)	12,000,000	-	-	-	-	12,000,000	0.28%

Note:

A charging order absolute over the share options held in the name of Mr. Ke Jun Xiang to subscribe for 12,000,000 underlying ordinary shares in the Company as a charge for the payment of a judgment debt due from Mr. Ke to an independent third party as the plaintiff had been filed to the Court of First Instance of the High Court of Hong Kong on 21 November 2014.

Save as disclosed herein, as at 30 June 2019, none of the Directors and chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions in which they were deemed or taken to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or pursuant to the Model Code.

附註:

一名獨立第三方作為原告人於二零一四年十一月二十一日於香港高等法院原訟法庭存檔一份絕對押記令，以柯俊翔先生之名義持有而可認購12,000,000股本公司相關普通股之購股權作為柯先生應付予其之判定債項的押記。

除本文所披露者外，於二零一九年六月三十日，並無本公司之董事及主要行政人員於本公司或任何相聯法團（見證券及期貨條例第XV部之定義）之股份、相關股份及債券中擁有任何權益或淡倉而根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所（包括根據證券及期貨條例之有關規定彼等被視為或當作擁有之權益及淡倉），或根據證券及期貨條例第352條須記入該條所提述之登記冊，或根據標準守則須知會本公司及聯交所。

DIRECTORS' REPORT 董事會報告書

DIRECTORS' AND CHIEF EXECUTIVES' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Saved as disclosed under the section "Director's and Chief Executive's Interests, Underlying Shares and Debentures of the Company or Any Specified Undertaking of the Company" above, at no time during the year was the Company or any of its subsidiaries, a party to any arrangements to enable the Directors and chief executives of the Company to acquire benefits by means of acquisition of shares in, or debentures of, the Company or its specified undertakings or other associated corporation. None of the directors or chief executives of the Company or their spouses or children under 18 years of age, had any right to subscribe for the securities of the Company, or had exercised any such right during the year.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

As at 30 June 2019, substantial shareholders of the Company and other persons (other than the Directors and chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

董事及主要行政人員購買股份或債券之權利

除上文「董事及主要行政人員於本公司或本公司任何指明企業之股份、相關股份及債權證之權益」一節所披露者外，於年內任何時間，本公司或其任何附屬公司概無參與任何安排，致使本公司董事及主要行政人員可藉著購入本公司或其指明企業或其他相聯法團之股份或債券而獲益。概無本公司董事或主要行政人員或彼等之配偶或彼等未滿十八歲之子女擁有認購本公司證券之任何權利，或於年內曾行使任何該等權利。

主要股東及其他人士之權益

於二零一九年六月三十日，本公司之主要股東及其他人士（不包括本公司之董事及主要行政人員）於本公司股份或相關股份中擁有權益或淡倉而須根據證券及期貨條例第XV部第2及3分部之規定向本公司披露，或已記入本公司根據證券及期貨條例第336條須存置之登記冊者如下：

DIRECTORS' REPORT 董事會報告書

Long position in the shares and underlying shares of the Company 於本公司股份及相關股份之好倉

Name of shareholder 股東姓名/名稱	Number of underlying shares of The Company 本公司 相關股份數目	Number of ordinary shares held as at 30 June 2019 於二零一九年六月三十日所持之普通股數目				Total 總計	Approximate percentage of issued share capital 佔已發行股本之概約百分比
		Personal/beneficial Interest 個人/實益權益	Corporate interest 法團權益	Family interest 家族權益	Other interests 其他權益		
Ms. Wang Jian Ping (note) 王建萍女士 (附註)	12,000,000	-	125,840,000	822,400,000	-	960,240,000	22.15%
Han Shuai 韓帥	-	234,560,000	-	-	-	234,560,000	5.41%
Zhao Xiaohua 趙曉華	-	247,480,000	-	-	-	247,480,000	5.71%

Note:

Ms. Wang Jian Ping wholly owned State Thrive Limited and Shine Fill Limited, which held 62,920,000 and 62,920,000 ordinary shares of the Company respectively. Her spouse, Mr. Ke Jun Xiang, in addition to his personal interest of 690,000,000 ordinary shares of the Company, held 12,000,000 underlying ordinary shares of the Company pursuant to share options granted by the Company and wholly owned Trade Honour Limited, Global Work Management Limited and Ample Key Limited, which held 50,900,000, 1,500,000 and 80,000,000 ordinary shares of the Company respectively. Accordingly, Ms. Wang was deemed to have total interests in 960,240,000 ordinary shares of the Company.

Ms. Wang has pledged the 62,920,000 and 62,920,000 ordinary shares of the Company held by State Thrive Limited and Shine Fill Limited respectively to Ever Asset Limited as security.

Mr. Ke has also charged 324,380,000 ordinary shares of the Company to secure a loan of the Company.

附註:

王建萍女士全資擁有State Thrive Limited及Shine Fill Limited，此兩間公司分別持有62,920,000股及62,920,000股本公司普通股。王女士之配偶柯俊翔先生除於690,000,000股本公司普通股之個人權益外亦根據本公司授出之購股權持有12,000,000股本公司相關普通股，亦全資擁有Trade Honour Limited、Global Work Management Limited及Ample Key Limited，此三間公司分別持有50,900,000股、1,500,000股及80,000,000股本公司普通股。因此，王女士被視作擁有合共960,240,000股本公司普通股之權益。

王女士已將由State Thrive Limited及Shine Fill Limited分別持有之62,920,000股及62,920,000股本公司普通股抵押予Ever Asset Limited以作為抵押品。

柯先生亦已將324,380,000股本公司普通股抵押，以作為本公司一項貸款之抵押品。

DIRECTORS' REPORT 董事會報告書

Short position in the shares and underlying shares of the Company 於本公司股份及相關股份之淡倉

Name of shareholder 股東姓名	Number of underlying shares of the Company 本公司 相關股份數目	Number of ordinary shares held as at 30 June 2019 於二零一九年六月三十日所持之普通股數目				Approximate percentage of issued share capital 佔已發行股本之概約百分比	
		Personal/beneficial interest 個人/ 實益權益	Corporate interest 法團權益	Family interest 家族權益	Other interest 其他權益		
Ms. Wang Jian Ping (note) 王建萍女士 (附註)	12,000,000	-	-	-	-	12,000,000	0.28%

Note:

A charging order absolute over the share options held in the name of Mr. Ke Jun Xiang, the spouse of Ms. Wang Jian Ping, to subscribe for 12,000,000 underlying ordinary shares in the Company as a charge for the payment of a judgment debt due from Mr. Ke to an independent third party as the plaintiff had been filed to the Court of First Instance of the High Court of Hong Kong on 21 November 2014.

Save as disclosed above, as at 30 June 2019, the Company was not notified by any persons (other than the Directors and chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 or Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

EQUITY-LINKED ARRANGEMENTS

Except for share options granted as disclosed in the section "Share Option Scheme", the Company had no equity linked arrangements entered into by the Group during the year and subsisted as at 30 June 2019.

附註：

一名獨立第三方作為原告人於二零一四年十一月二十一日於香港高等法院原訟法庭存檔一份絕對押記令，以王建萍女士之配偶柯俊翔先生之名義持有而可認購12,000,000股本公司相關普通股之購股權作為柯先生應付予其之判定債項的押記。

除上文披露者外，於二零一九年六月三十日，本公司並無獲任何人士（不包括本公司之董事及主要行政人員）知會，表示有關人士於本公司股份或相關股份中擁有權益或淡倉而須根據證券及期貨條例第XV部第2及3分部之規定向本公司披露或已記入本公司根據證券及期貨條例第336條須存置之登記冊。

股票掛鈎安排

除於「購股權計劃」一節中所披露之已授出購股權外，本公司於年內並無訂立股票掛鈎安排而於二零一九年六月三十日並無現正生效之股票掛鈎安排。

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 or existed during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

A director of the Company, Ms. Lo Yuen Chung, is a sister-in-law of the beneficial owner of Apex Ace Holdings Limited ("Apex Ace"), a company listed in the Stock Exchange. The subsidiaries of Apex Ace are engaged in sales of electronic components, and sales and integration of storage systems. She is considered to have interests in business which compete, either directly or indirectly, with the business of the Group.

Saved as disclosed above, none of the Directors or their respective associates was interested in any business apart from the Group's business, which competes or was likely to compete, whether directly or indirectly, with the businesses of the Group as at 30 June 2019.

CONNECTED TRANSACTIONS

Details of material related party transactions conducted during the ordinary course of business are set out in note 39 to the consolidated financial statements.

The Group had no other material connected transactions which was required to be disclosed during the year.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company had maintained a sufficient public float throughout the year as required under the Listing Rules.

管理合約

年內並無訂立或存在任何有關本公司業務之整體或任何重大部份的管理及行政合約。

董事於競爭業務之權益

本公司董事盧元琮女士為光麗科技控股有限公司（「光麗科技」，為一家於聯交所上市的公司）之實益擁有人的配偶的妹妹。光麗科技的附屬公司從事銷售電子元件以及銷售及整合儲存系統。彼被視為於與本集團業務直接或間接構成競爭的業務中擁有權益。

除上文披露者外，概無董事或彼等各自之聯繫人士於本集團業務以外的任何業務中擁有權益而有關業務是與本集團於二零一九年六月三十日之業務構成或可能構成直接或間接的競爭。

關連交易

於日常業務過程中進行之重大關聯方交易的詳情載於綜合財務報表附註39。

本集團於年內並無進行其他重大關連人士交易而須予披露。

充足公眾持股量

根據本公司所掌握之公開資料以及就董事所知，本公司於本年度內一直維持上市規則所規定之充足公眾持股量。

DIRECTORS' REPORT 董事會報告書

SUBSEQUENT EVENTS

Subsequent events of the Group are disclosed in note 42 to the consolidated financial statements.

PERMITTED INDEMNITY PROVISIONS

The Bye-laws provides that each Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he or she may sustain or incur in or about the execution of the duties of his or her office or otherwise in relation thereto. In addition, the Company has maintained appropriate directors' and officers' liability insurance in respect of relevant legal actions against the Directors.

OTHER SIGNIFICANT MATTERS

(a) Going concern

Details of the going concern matter are described in noted 2 to the consolidated financial statements.

(b) Adoption of new accounting standards

The Group has applied for the first time the new accounting standards which are effective in current year. The impacts on adoption of HKFRS 9 "Financial Instruments" and HKFRS 15 "Revenue from Contracts with Customers" are set out in note 3 to the consolidated financial statements.

其後事項

本集團之其後事項已於綜合財務報表附註42內披露。

獲准許的彌償條文

公司細則訂明，本公司每名董事或其他主要職員就其執行職務或與此有關可能蒙受或招致的一切損失或責任，均有權從本公司資產中獲得彌償。此外，本公司就董事可能面對之有關法律行動安排適當董事及行政人員責任保險。

其他重要事項

(a) 持續經營

持續經營事宜的詳情在綜合財務報表附註2載述。

(b) 採納新會計準則

本集團已首次應用於本年度生效的新會計準則。採納香港財務報告準則第9號「金融工具」及香港財務報告準則第15號「客戶合約收益」的影響載於綜合財務報表附註3。

DIRECTORS' REPORT 董事會報告書

AUDITOR

The consolidated financial statements for the year ended 30 June 2019 were audited by Messrs. Graham H.Y. Chan & Co. A resolution will be submitted to the forthcoming annual general meeting to re-appoint Messrs. Graham H.Y. Chan & Co. as auditor of the Company.

On behalf of the Board

Ke Jun Xiang
Chairman

Hong Kong, 15 November 2019

核數師

截至二零一九年六月三十日止年度之綜合財務報表乃由陳浩賢會計師事務所審核。有關重新委任陳浩賢會計師事務所為本公司核數師之決議案將於應屆股東週年大會上提呈。

代表董事會

柯俊翔
主席

香港，二零一九年十一月十五日

CORPORATE GOVERNANCE REPORT 企業管治報告書

CORPORATE GOVERNANCE STATEMENT

The Board is committed to maintaining good standard of corporate governance practices at all times and acknowledges that good corporate governance helps the Company safeguard the interests of its shareholders (the "Shareholders") and enhance the performance of the Group.

The Company has applied the principles of The Corporate Governance Code (the "CG Code") setting out in Appendix 14 of the Listing Rules as its own code on corporate governance practices and has consistently made efforts to comply fully with all code provisions of the CG Code during the year ended 30 June 2019 except for the deviations specified with considered reasons as explained in this report.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as its own code of conduct for dealing in securities of the Company by the Directors. Having made specific enquiry, all of the Directors confirmed that they had complied with the Model Code throughout the year ended 30 June 2019.

The Model Code also applies to the senior management of the Group.

AMENDMENT TO THE BYE-LAWS

During the year ended 30 June 2019, the Company had not made any amendment to its Bye-laws.

企業管治聲明

董事會致力確保本公司一直維持優良的企業管治常規，認同優良的企業管治有助本公司保障股東（「股東」）權益，並可提升本集團之表現。

本公司已採納上市規則附錄14所載之企業管治守則（「企管守則」）之原則，作為本身的企業管治常規守則，並於截至二零一九年六月三十日止年度內一直致力全面遵守企管守則之所有守則條文，惟本報告所說明基於所考慮之原因而訂明之偏離情況除外。

董事的證券交易

本公司已採納上市規則附錄十所載之《上市發行人董事進行證券交易的標準守則》（「標準守則」），作為董事進行本公司證券之交易的行為守則。經作出特定查詢後，全體董事均已確認彼等截至二零一九年六月三十日止年度一直遵守標準守則。

標準守則亦應用於本集團的高級管理層。

修訂公司細則

截至二零一九年六月三十日止年度，本公司並無對其公司細則作出修訂。

BOARD OF DIRECTORS

Board Composition

The Board currently comprises four Executive Directors (the "EDs"), two Non-executive Directors (the "NEDs") and three Independent Non-executive Directors (the "INEDs").

The composition of the Board is reviewed regularly to ensure that it has a good balance of expertise, skills and experience which can meet the requirements of the Group's business.

Biographical information of the Directors is set out on pages 60 to 63.

Chairman and Chief Executive Officer

The Chairman provides leadership to the Board and is responsible for the overall strategic planning and corporate development, whereas the Chief Executive Officer is responsible for the day-to-day management, policy making and corporate management functions as well as formulating strategies for the Group.

Under code provision A.2.1 of the CG Code, the roles of the Chairman and the chief executive officer ("CEO") should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and CEO should be clearly established and set out in writing.

The chairman of the Company has doubled up as CEO since August 2014 due to the resignation of the former CEO from the position.

董事會

董事會組成

董事會目前由四名執行董事（「執行董事」）、兩名非執行董事（「非執行董事」）及三名獨立非執行董事（「獨立非執行董事」）組成。

董事會之組成乃定期作檢討，確保董事會具備本集團業務所需之適當專業知識、技巧和經驗。

董事之履歷載於第60至63頁。

主席及行政總裁

主席領導董事會，負責整體策略規劃及企業發展；行政總裁負責日常管理、制訂政策及企業管理職能，並且為本集團構思策略。

根據企管守則之守則條文第A.2.1條，主席與行政總裁（「行政總裁」）的角色應有區分，並不應由一人同時兼任。主席與行政總裁之間職責的分工應清楚界定並以書面列載。

自前任行政總裁辭任起，本公司主席自二零一四年八月起暫時兼任行政總裁一職。

Non-executive and Independent Non-Executive Directors

The NDs and the INEDs of the Company provide a wide range of expertise and experience as well as checks and balances to safeguard the interests of the Group and the Shareholders. Their participation in the Board brings independent judgement on issues relating to the Group's strategy, performance, conflicts of interest and management process to ensure that the interests of the Shareholders have been duly considered.

Under the Listing Rules, rule 3.10(1) requires the Board must include at least three INEDs and rule 3.10A stipulates at least one-third of the Board must be represented by the INEDs. These requirements were fully complied with throughout the year ended 30 June 2019.

On 1 July 2019, Mr. Kwok Yam Sheung (Mr. "Kwok") resigned as an INED. Meanwhile, Mr. Kwok also ceased to be chairman of Remuneration Committee, member of Audit Committee and Nomination Committee. As there was no immediate replacement to fill the vacancy of Mr. Kwok, the Company had (i) only two INEDs, which resulted in the number of INEDs falling below the minimum number required under Rule 3.10(1) of the Listing Rules or one-third of the board as required under Rule 3.10A of the Listing Rules; (ii) only two members of Audit Committee, which resulted in the number of members of Audit Committee falling below the minimum number required under Rule 3.21 of the Listing Rules; and (iii) no Chairman of Remuneration Committee, which did not comply with Rule 3.25 of the Listing Rules. These situations were rectified when Dr. Chow Ho Wan, Owen was appointed as an INED on 30 September 2019.

Currently, three out of total nine Directors on the Board are INEDs. The Board has received from each of the INEDs an annual confirmation of their independence and considers that all of them are independent under the guidelines set out in rule 3.13 of the Listing Rules.

非執行及獨立非執行董事

本公司之非執行董事及獨立非執行董事提供豐富的專業知識和經驗，起制衡作用，維護本集團及股東之利益。彼等參與董事會，為涉及本集團之策略、表現、利益衝突及管理過程之問題帶來獨立判斷，確保股東之利益得到充份考慮。

上市規則第3.10(1)條規定董事會須最少有三名獨立非執行董事而第3.10A條訂明獨立非執行董事須最少佔董事會人數的三分之一。本公司於截至二零一九年六月三十日止年度已全面遵守此等規定。

於二零一九年七月一日，郭蔭尚先生（「郭先生」）辭任獨立非執行董事。同時，郭先生亦辭任薪酬委員會主席、審核委員會及提名委員會成員。由於並無即時繼任人選以填補郭先生之空缺，本公司在當時(i)僅有兩名獨立非執行董事，導致獨立非執行董事的人數低於上市規則第3.10(1)條所規定最低人數或上市規則第3.10A條所規定佔董事會三分之一成員為獨立非執行董事；(ii)僅有兩名審核委員會成員，導致審核委員會成員人數低於上市規則第3.21條所規定最低人數；及(iii)並無薪酬委員會主席，其不符合上市規則第3.25條之規定。此等情況已於周浩雲博士於二零一九年九月三十日獲委任為獨立非執行董事而得到糾正。

目前，於董事會之合共九名董事中，三名董事為獨立非執行董事。董事會已接獲各獨立非執行董事之有關其獨立性之年度確認書，並認為所有獨立非執行董事乃根據上市規則第3.13條所載之指引均為獨立人士。

CORPORATE GOVERNANCE REPORT 企業管治報告書

Appointment, Re-election and Removal

The Board as a whole is responsible for the appointment of the Directors. After having considered the recommendations of the Nomination Committee, the Chairman will take charge in identifying appropriate candidate to fill a casual vacancy or as an addition to the Board. The Chairman will propose the qualified candidate to the Board for consideration which will approve the appointment based on the suitability and qualification of the candidate.

The NEDs and the INEDs of the Company are appointed for specific terms in accordance with the CG Code provision A.4.1.

Under CG Code provision A.4.2, every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. Bye-law 99(1) of the Company stipulates that the Directors are subject to retirement by rotation and re-election at each annual general meeting.

Pursuant to Bye-law 102(B) of the Company, any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting and shall then be eligible for re-election.

委任、重選及罷免

董事會全體負責董事之委任。經考慮提名委員會的推薦建議，主席將負責物色合適人選填補臨時空缺或為董事會新增成員。主席將向董事會建議合資格人選以供其考慮，而董事會將視乎人選是否合適及其資歷而決定是否批准任命。

本公司之非執行董事及獨立非執行董事已根據企管守則之守則條文第A.4.1條以指定任期委任。

根據企管守則之守則條文第A.4.2條，各董事（包括以特定任期委任者）須至少每三年輪值告退一次。公司細則第99(1)條規定，董事須於各股東週年大會上輪值告退及膺選連任。

根據本公司的公司細則第102(B)條，獲董事會委任以填補臨時空缺的董事，其任期將於其獲委任後的首次股東大會上屆滿並須於該大會上膺選連任；而獲董事會委任以作為目前之董事會的新增成員的董事，其任期將於其後的股東週年大會上屆滿，彼其時將合資格膺選連任。

DIRECTORS' CONTINUOUS TRAINING AND DEVELOPMENT

董事的持續培訓及發展

Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution into the Board remains informed and relevant. The Directors are committed to complying with code provision A.6.5 of the CG Code in respect of Directors' training. In general, the types of training includes: (A) attending seminar(s) or training session(s) and (B) reading newspapers, journals and updates relating to the Company's business or directors' duties and responsibilities, the latest development of the Listing Rules and other applicable regulatory requirements etc.

董事應參與持續專業發展，以深造知識和技能，與時並進，確保董事繼續在具備全面資訊及切合所需的情況對董事會作出貢獻。董事致力遵守企管守則的守則條文第A.6.5條內有關董事培訓的規定。一般而言，培訓的種類包括：(A)出席研討或培訓環節及(B)閱覽有關本公司業務或董事職務或職責、上市規則的最新發展以及其他適用監管規定等的報章、期刊及最新消息。

All Directors have provided a record of training of continuous professional development they received for the financial year ended 30 June 2019 and a summary of which is set out below:

全體董事已提供彼等在截至二零一九年六月三十日止財政年度所接受的持續專業發展培訓記錄，其概要載列如下：

Directors	Type of training	董事	培訓類別
<i>Executive Directors</i>			
Mr. Ke Jun Xiang	B	柯俊翔先生	B
Mr. Wilson Wong	B	Wilson Wong先生	B
Ms. Lo Yuen Chung	B	盧元琮女士	B
Mr. Fu Daoding	B	付道丁先生	B
<i>Non-executive Directors</i>			
Mr. Chow Yeung Tuen, Richard	B	鄒揚敦先生	B
Mr. Li Chung Kai, Philip	B	李松佳先生	B
<i>Independent Non-executive Directors</i>			
Mr. Kwok Yam Sheung (resigned on 1 July 2019)	B	郭蔭尚先生 (於二零一九年七月一日辭任)	B
Mr. Chan Siu Kay	B	陳紹基先生	B
Mr. Choi Chin Yu	B	蔡展宇先生	B

RESPONSIBILITY OF DIRECTORS AND MANAGEMENT

The Board is responsible for ensuring continuity of leadership, development of sound business strategies, availability of adequate capital and managerial resources to implement the business strategies adopted, adequacy of systems of financial and internal controls and conduct of business in conformity with applicable laws and regulations. All Directors have made full and active contribution to the affairs of the Board and the Board has always acted in the best interests of the Group.

The EDs and the senior management are delegated with respective levels of authorities with regard to key corporate strategy and policy and contractual commitments whilst the middle management is responsible for the day-to-day operations of the Group with department heads responsible for different aspects of the business.

BOARD MEETINGS

For all Board meetings, an agenda and accompanying board papers of the meeting are sent in full to all the Directors in advance. For regular Board meetings, notice of at least 14 days is given to all the Directors pursuant to CG code provision A.1.3. For other Board meetings, notice of at least 3 days is given before the intended date of meeting.

Each Director has separate and independent access to the Group's management to acquire more information and to make further enquires if necessary. The Directors can attend meetings in person or through other means of electronic communication in accordance with the By-laws. Minutes are prepared to keep record of matters discussed and decisions resolved at all Board meetings.

董事及管理層之責任

董事會須負責確保領導之延續性、發展健全之業務策略、具備充裕資金及管理資源，落實採納之業務策略、財務和內部監控系統之完備性，且業務運作符合適用法律及法規。全體董事已對董事會事務作出完全及積極貢獻，董事會經常以本集團之最佳利益行事。

執行董事及高級管理層就重要之公司策略、政策及合約式承諾，按有關之授權級別接受委託。中級管理層負責本集團日常運作，而各部門主管負責不同範疇業務。

董事會會議

就所有董事會會議而言，會議之議程及相關董事會文件於會議前全數送交全體董事。就董事會常規會議而言，會議通告乃根據企管守則之守則條文第A.1.3條於會議日期最少十四日前送交全體董事。董事會其他會議之通告則在擬定舉行會議之日期最少三日前發出。

各董事均可個別和獨立地接觸本集團管理層，以取得更多資料，並於有需要時作出進一步查詢。根據公司細則，董事可親身或以其他電子通訊方式出席會議。本公司會編製會議紀錄，以記錄在所有董事會會議上討論之事宜及議決之決定。

CORPORATE GOVERNANCE REPORT 企業管治報告書

BOARD COMMITTEES

The Board has established four committees. The table below sets out the current membership information of these committees on which each Board member serves:

Director 董事		Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Executive Committee 執行委員會
Mr. Ke Jun Xiang	柯俊翔先生		M	C	C
Mr. Wilson Wong	Wilson Wong先生				M
Ms. Lo Yuen Chung	盧元琮女士				M
Mr. Fu Daoding	付道丁先生				M
Mr. Chan Siu Kay	陳紹基先生	C	M	M	
Mr. Choi Chin Yu	蔡展宇先生	M	M	M	
Dr. Chow Ho Wan, Owen	周浩雲博士	M	M	M	

Note:

C: Chairman
M: Member

AUDIT COMMITTEE

The Audit Committee of the Company was formed in March 2000. A set of written terms of reference was adopted by the Board and the contents of which are in compliance with the relevant provisions of the CG Code. Each member of the committee has unrestricted access to the Group's auditor and the management of the Company.

The major roles and functions of the Audit Committee are:

1. to make recommendation to the Board on the appointment, re-appointment and removal of the auditor, to approve their remuneration and terms of engagement, and any questions of regarding their resignation or dismissal;

董事委員會

董事會已成立四個委員會。下表載列各董事會成員目前出任的有關委員會的成員資料：

	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Executive Committee 執行委員會
Mr. Ke Jun Xiang		M	C	C
Mr. Wilson Wong				M
Ms. Lo Yuen Chung				M
Mr. Fu Daoding				M
Mr. Chan Siu Kay	C	M	M	
Mr. Choi Chin Yu	M	M	M	
Dr. Chow Ho Wan, Owen	M	M	M	

附註：

C：主席
M：成員

審核委員會

本公司於二零零零年三月成立審核委員會。董事會已就審核委員會採納一套書面職權範圍，其內容符合企管守則之相關規定。委員會各成員可無限制地接觸本集團核數師及本公司管理層。

審核委員會之主要角色及職能如下：

1. 就核數師之委聘、續聘及撤職事宜，批核核數師之酬金及聘任條款，以及有關核數師辭任或罷免之任何問題向董事會作出推薦意見；

CORPORATE GOVERNANCE REPORT 企業管治報告書

- | | |
|---|--|
| 2. to discuss with the auditor before the audit commences, the nature and scope of the audit; | 2. 於審核開始前與核數師商討審核之性質及範疇； |
| 3. to review the interim and annual financial statements before submission to the Board; | 3. 於向董事會提交中期及全年財務報表前審閱中期及全年財務報表； |
| 4. to discuss problems and reservations arising from the interim results and final audit, and any matters the auditors may wish to discuss; | 4. 討論中期業績及全年審核工作產生之問題和保留意見，以及核數師有意商談之任何事項； |
| 5. to review the Group's financial and accounting policies and practices; and | 5. 審閱本集團之財務及會計政策與慣例；及 |
| 6. to review the adequacy and effectiveness of the Company's risk management and internal control systems. | 6. 審閱本公司之風險管理及內部監控制度的恰當性及有效性。 |

REMUNERATION COMMITTEE

The Company has set up the Remuneration Committee in December 2010 with written terms of reference in accordance with the relevant provisions of the CG Code and its major roles and functions are:

1. to make recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration; and
2. to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time.

薪酬委員會

本公司已於二零一零年十二月根據企管守則之相關規定成立薪酬委員會並以書面方式訂明其職權範圍。薪酬委員會之主要角色及職能如下：

1. 就本公司董事及高級管理層之全體薪酬政策及架構，以及就設立正規而具透明度的程序制定此等薪酬政策，向董事會提出建議；及
2. 透過參照董事會不時通過的公司目標及宗旨，檢討及批准績效薪酬。

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Pursuant to CG code provision B.1.5 of the CG code, the remuneration of the members of the senior management by band for the year ended 30 June 2019 is set out below:

Remuneration band	Number of individuals	薪酬範圍	人數
Nil to HK\$1,000,000	6	零至1,000,000港元	6
HK\$1,000,001 to HK\$1,500,000	1	1,000,001港元至1,500,000港元	1
HK\$1,500,001 to HK\$2,000,000	1	1,500,001港元至2,000,000港元	1
HK\$2,000,001 to HK\$2,500,000	1	2,000,001港元至2,500,000港元	1
HK\$3,000,001 to HK\$3,500,000	1	3,000,001港元至3,500,000港元	1

Further particulars relating to the Directors' emoluments and the five highest paid individuals as required to be disclosed pursuant to Appendix 16 of the Listing Rules are set out in note 20 to the consolidated financial statements respectively.

根據企管守則之守則條文第B.1.5條，截至二零一九年六月三十日止年度高級管理人員之薪酬範圍載列如下：

根據上市規則附錄16須予披露有關董事之酬金以及五位最高薪人士之其他詳情分別載於綜合財務報表附註20。

NOMINATION COMMITTEE

The Board has established the Nomination Committee in March 2012 with written terms of reference in accordance with the relevant provisions of the CG Code and its major roles and functions are:

1. to review the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and make recommendations to the Board regarding any proposed changes;
2. to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
3. to assess the independence of the INEDs; and
4. to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors in particular the Chairman and the CEO.

提名委員會

董事會已於二零一二年三月根據企管守則之相關規定成立提名委員會並以書面方式訂明其職權範圍。提名委員會之主要角色及職能如下：

1. 定期檢討董事會的架構、人數及組成(包括技能、知識及經驗)，並就任何建議變動向董事會提供推薦建議；
2. 物色具備合適資格出任董事會成員之人選，並挑選提名有關人士出任董事或就此向董事會提供推薦建議；
3. 評審獨立非執行董事之獨立身份；及
4. 就董事委任或重新委任以及董事(尤其是主席及行政總裁)之繼任計劃的相關事宜向董事會提供推薦建議。

EXECUTIVE COMMITTEE

The Executive Committee of the Company was formed in March 2015 with written terms of reference in accordance with the relevant provisions of the CG Code. It is delegated by the Board to perform the management functions set out in CG code provision D.1.1 of the CG Code and its major roles and functions are:

1. to meet regularly and formulate business strategies and policies and to make decisions on matters relating to the management and operations of the Company including but not limited to business, operational as well as financial and treasury planning;
2. to exercise the powers and authority delegated by the Board in respect of matters which arise between regularly scheduled Board meetings;
3. to oversee and monitor certain corporate actions, business related matters and relevant transactions as defined in Chapter 14 and Chapter 14A of the Listing Rules;
4. to review, analyse and evaluate financial, marketing, operational and business performance;
5. to review and approve annual budget and track performance; and
6. to perform any other duties or responsibilities expressly delegated to this committee by the Board from time to time.

執行委員會

本公司於二零一五年三月根據企管守則之相關規定成立執行委員會並以書面方式訂明其職權範圍。委員會獲董事會轉授企管守則之守則條文第D.1.1條所載之管理職能，其主要角色及職能如下：

1. 定期召開會議及制定業務策略和政策，並且就有關本公司管理和營運的事宜（包括但不限於業務、營運及財務與庫務規劃）作出決定；
2. 就定期董事會會議之間發生的事宜行使獲董事會轉授的權力和授權；
3. 監督和監察某些企業行為、業務相關事宜及相關交易（定義見上市規則第14章及14A章）；
4. 審議、分析和評估財務、市場推廣、營運和業務表現；
5. 審議和批准年度預算並且跟進表現；及
6. 履行委員會不時獲董事會明確轉授的任何其他職務或責任。

CORPORATE GOVERNANCE REPORT 企業管治報告書

ATTENDANCE RECORD AT THE MEETINGS OF THE BOARD AND BOARD COMMITTEES AND THE GENERAL MEETINGS

董事會會議以及董事會委員會會議及股東大會之出席紀錄

The number of general meeting and meetings of the Board and Board committees held during the year ended 30 June 2019 and attendance by the Directors are set out in the table below:

截至二零一九年六月三十日止年度內舉行之股東大會及董事會會議、董事會委員會會議的次數以及董事之會議出席紀錄乃載於下表：

		Board	Audit Committee	Remuneration Committee	Nomination Committee	Executive Committee	General Meeting
		董事會	審核委員會	薪酬委員會	提名委員會	執行委員會	股東大會
No. of meetings held during the year ended 30 June 2019	截至二零一九年六月三十日止年度內舉行之會議次數	5	2	1	1	0	1
<i>Executive Directors</i>	<i>執行董事</i>						
Mr. Ke Jun Xiang	柯俊翔先生	5/5	n/a不適用	1/1	1/1	0/0	1/1
Mr. Wilson Wong	Wilson Wong先生	5/5	n/a不適用	n/a不適用	n/a不適用	0/0	1/1
Ms. Lo Yuen Chung (note)	盧元琮女士 (附註)	5/5	n/a不適用	n/a不適用	n/a不適用	0/0	0/1
Mr. Fu Daoding	付道丁先生	5/5	n/a不適用	n/a不適用	n/a不適用	0/0	1/1
<i>Non-executive Directors</i>	<i>非執行董事</i>						
Mr. Chow Yeung Tuen, Richard (note)	鄧揚敦先生 (附註)	5/5	n/a不適用	n/a不適用	n/a不適用	n/a不適用	0/1
Mr. Li Chung Kai, Philip	李松佳先生	5/5	n/a不適用	n/a不適用	n/a不適用	n/a不適用	1/1
<i>Independent Non-executive Directors</i>	<i>獨立非執行董事</i>						
Mr. Kwok Yam Sheung (resigned on 1 July 2019)	郭蔭尚先生 (於二零一九年七月一日辭任)	5/5	2/2	1/1	1/1	n/a不適用	1/1
Mr. Chan Siu Kay	陳紹基先生	5/5	2/2	1/1	1/1	n/a不適用	1/1
Mr. Choi Chin Yu	蔡展宇先生	5/5	2/2	1/1	1/1	n/a不適用	1/1

Note:

附註：

Ms. Lo Yuen Chung and Mr. Chow Yueng Tuen, Richard were not able to attend the general meeting held during the year due to conflicting business schedule.

盧元琮女士及鄧揚敦先生因當時另有業務安排與大會撞期而未克出席於年內舉行之股東大會。

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges its responsibility for the integrity of the Group's financial information and the effectiveness of the Group's system of internal controls and risk management processes. In this context, the Board has established a clear organisational structure with appropriate delegation of responsibility to satisfy changing business needs while managing risks that are critical to the achievement of business objectives.

The risk management and internal control systems are designed to provide reasonable, though not absolute, assurance against material misstatements or loss and to manage rather than eliminate risks of failure in operational systems and achievement of the Group's objectives.

The Group has adopted a risk management system which manages the risk associated with its businesses and operations. The system comprises the following phases:

- Identification: identify ownership of risks, business objectives and risks that could affect the achievement of objectives.
- Evaluation: analyse the likelihood and impact of risks and evaluate the risk portfolio accordingly.
- Management: consider the risk responses, ensure effective communication to the Board and on-going monitor the residual risks.

The Board has adopted a set of written manuals for the disclosure of information, internal control procedures and the delineation of responsibilities of the Board and Board committees since May 2008. Management is responsible to conduct these control procedures and monitors risk and effectiveness of the corresponding internal controls.

風險管理及內部監控

董事會確認對本集團財務資料之完整性及本集團內部監控系統及風險管理程序之有效性負責。因此，董事會在建立具適當責任授權之明確組織架構時，以滿足不斷變換之業務需要之同時，亦進行風險管理，而這對達成業務目標而言乃至為重要。

設立風險管理及內部監控系旨在合理（而非絕對）防止重大錯誤陳述或虧損，以及管理（而非消險）營運系統失靈及未能達成本集團業務目標的風險。

本集團已採納風險管理系統管理與其業務及營運有關的風險。該系統包括以下階段：

- 識別：識別自身風險、業務目標及可能影響目標實現的風險。
- 評估：分析風險的可能性及影響並相應評估風險組合。
- 管理：考慮風險應對，確保向董事會有效溝通及持續監督剩餘風險。

自二零零八年五月起，董事會已採納一套有關披露資料、內部監控程序及董事會與董事委員會之職責分工的書面指引。管理層負責實行該等監控程序及監察相應內部監控之風險及成效。

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The Company has commissioned ongoing review on the Group's internal control system and operational procedures through the Audit Committee. During the year ended 30 June 2019, the Audit Committee had reviewed the adequacy and effectiveness of the internal control system of the Company. In the current year, the Company's auditor issued a qualified opinion regarding the allowance for impairment loss of certain of the Group's receivables and the Company has delayed in publishing the results, which may indicate deficiencies in the Company's risk management and internal control system. Except for these matters, the Audit Committee is satisfied that the internal control system within the Group is effective.

Where issues are identified in the course of review, the Company has sought to, and will continue to seek to, implement remedial measures so as to ensure that systems are, or will promptly be put, in place to enable the Company to have better internal controls, and hence ability to ensure compliance of its financial reporting and other obligations.

The Group also engaged a professional firm to act as an internal auditor of the Company and to conduct an review on major system and controls and operating procedures of the Group, the effectiveness of management supervision and the compliance of the code provisions contained in the CG Code set out in Appendix 14 to the Listing Rules for the year ended 30 June 2019. For the risks and control weaknesses identified in the review, the Group will implement the recommendations for improvements.

本公司通過審核委員會而持續檢討內部監控制度及營運程序。截至二零一九年六月三十日止年度，審核委員會檢討本公司內部監控制度之充分性及效益。本年度，本公司核數師就本集團若干應收款項的減值撥備出具保留意見而本公司曾延期刊發業績，此可能顯示本公司的風險管理和內部監控系統存在缺陷。除上述事宜外，審核委員會信納本集團之內部監控系統有效。

就檢討時發現之任何問題，本公司已經並將繼續補救，確保實行或適時實行適用制度，確保本公司有更佳內部監控以及有能力確保遵守財務報告及其他責任。

本集團亦已委聘一間專業公司擔任本公司的內部審計師，並對截至二零一九年六月三十日止年度本集團的主要制度及監控措施以及營運程序、管理監督的成效以及遵守上市規則附錄14所載守則條文之情況進行檢討。就檢討中所識別之風險及監控弱點，本集團將實行所獲建議以作改善。

DIRECTORS' RESPONSIBILITY FOR PREPARING CONSOLIDATED FINANCIAL STATEMENTS

The Directors acknowledge their responsibility to prepare the consolidated financial statements that give a true and fair view. The Board considers that in preparing the consolidated financial statements, the Group has applied the appropriate accounting policies that are consistently adopted and made judgements or estimates that are reasonable and prudent in accordance with the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and in compliance with disclosure requirements stipulated under the Listing Rules and the Hong Kong Companies Ordinance.

However, the Company's auditors issued a qualified opinion regarding the allowance for impairment losses of certain of the Group's receivables. Further discussion is set out in Management Discussion and Analysis.

The Group's consolidated financial statements are prepared using going concern basis, the validity of which depends upon (1) the success of obtaining sufficient proceeds from the rights issue as announced on 15 November 2019; (2) the continuing existence of loan facility of HK\$100,000,000 provided by Mr. Ke Jun Xiang, the Chairman and executive directors of the Company; and (3) the Group in generating sufficient cash flows from operations.

The Group targets to complete the rights issue before the end of January 2020 and will explore new business opportunities that can potentially offer high returns and generate stable and sufficient cash flows to the Group. If cash flows are still not sufficient, the Group could be able to utilise the loan facility provided by Mr. Ke so as to maintain the Group's ability to continue as a going concern.

Therefore, the Board, having considered the above and made appropriate enquiries, is of the view that it is appropriate to adopt going concern basis in the preparation of the consolidated financial statements.

董事對編製綜合財務報表之責任

董事確認彼等有編製真實而公平地反映狀況之綜合財務報表的責任。董事會認為，於編製綜合財務報表時，本集團已按照香港會計師公會頒佈之香港財務報告準則貫徹應用適當會計政策，並作出合理及審慎之判斷或估計，以及已經遵守上市規則及香港公司條例訂明之披露規定。

然而，本公司核數師對本集團若干應收款項的減值虧損撥備出具保留意見。進一步論述載於管理層討論及分析。

本集團之綜合財務報表乃按持續經營基準編制，其有效性取決於(1)成功從二零一九年十一月十五日公佈之供股獲得足夠所得款項；(2)本公司主席兼執行董事柯俊翔先生提供之100,000,000港元貸款融資持續存在；及(3)本集團從營運產生足夠現金流量。

本集團的目標是在二零二零年一月底之前完成供股，並將發掘可能帶來高回報並為本集團帶來穩定和充足現金流量的新商機。倘現金流量仍不足，本集團亦能利用柯先生提供的貸款融資，以維持本集團持續經營的能力。

因此，董事會經考慮上文所述並作出適當查詢後，認為在編制綜合財務報表時採納持續經營基準是適當的。

AUDITOR'S REPORTING RESPONSIBILITIES AND REMUNERATION

The responsibilities of the auditor of the Company with respect to financial reporting are set out in the section of "Independent Auditor's Report" on pages 64 to 81.

For the year ended 30 June 2019, the fees paid to them in respect of services rendered to the Group amounted to approximately HK\$1,333,000, of which a sum of HK\$989,000 was paid for auditing services and of HK\$344,000 for non-auditing services including fees for proposed major acquisition which was terminated during the year.

SHAREHOLDERS' RIGHTS AND INVESTOR RELATIONS

The Board is committed to providing the Shareholders with a clear and complete picture of the financial information of the Group by way of publication of interim and annual reports. Apart from receiving circulars, notices and financial reports, the Shareholders may also choose to log on our website at www.cil479.com.hk to access more corporate information and the constitutional documents of the Company.

The Company announced on 27 September 2019, stating its inability to comply with Rule 13.49 of the Listing Rules to publish its annual results for the year ended 30 June 2019 no later than three months after the financial year end by 30 September 2019. Shares of the Company was suspended from trading on 2 October 2019 pursuant to Rules 13.50 of the Listing Rules. As the annual results for the year ended 30 June 2019 was released on 15 November 2019 subsequently, trading of shares of the Company was resumed on 18 November 2019.

核數師之申報責任及酬金

本公司核數師就財務報告之責任載於第64至81頁之「獨立核數師報告書」一節。

截至二零一九年六月三十日止年度，就本集團獲提供之服務而已付本公司核數師之費用約為1,333,000港元，當中989,000港元為核數服務，而344,000港元為非核數服務，包括就建議重大收購（已於年內終止）的費用。

股東權利及投資者關係

董事會透過刊印中期及年度報告，致力為股東提供清晰而全面的集團財務資料。股東除獲寄通函、通告與財務報告外，也可登入公司網站（網址為www.cil479.com.hk）取得更多企業資料及本公司之組織文件。

本公司於二零一九年九月二十七日宣佈，表示其未能遵守上市規則第13.49條的規定而在不遲於財政年度結束後的三個月（即二零一九年九月三十日或之前）公佈其截至二零一九年六月三十日止年度的全年業績。本公司股份已根據上市規則第13.50條自二零一九年十月二日起暫停買賣。由於截至二零一九年六月三十日止年度的全年業績已於其後在二零一九年十一月十五日刊發，本公司股份已於二零一九年十一月十八日恢復買賣。

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The Company encourages participation of the Shareholders at every general meeting to stay informed of the Group's strategy and goals. The Chairman himself takes the chair in general meetings to ensure that the Shareholders' views are communicated to the Board. The general meetings provide a useful forum to exchange views with the Board.

Pursuant to CG code provision E.1.2, the chairmen of the Board should attend the annual general meeting and should also invite the chairmen of the audit, remuneration, nomination and any other committees (as appropriate) to attend. In their absence, he should invite another member of the committee or failing this his duly appointed delegate, to attend. These persons should be available to answer questions at the annual general meeting.

The Company keeps the Shareholders informed of the procedure for voting by poll in all circulars to the Shareholders which are from time to time despatched to them together with notices of general meetings of the Company. The Company has taken steps to ensure compliance with the requirements about voting by poll contained in the Listing Rules and the constitutional documents of the Company. Poll results are published on the website of the Stock Exchange and are posted on the website of the Company shortly after the meetings.

本公司鼓勵股東出席本公司每次股東大會以讓股東了解本集團的策略及目標。主席親自主持股東大會，以確保股東的意見能轉達到董事會。股東大會正好作為股東與董事會交流的論壇。

根據企管守則之守則條文第E.1.2條，董事會主席應出席股東週年大會，並邀請審核委員會、薪酬委員會、提名委員會及任何其他委員會（視何者適用而定）的主席出席。若有關委員會主席未克出席，董事會主席應邀請另一名委員（或如該名委員未能出席，則其適當委任的代表）出席。該等人士須在股東週年大會上回答提問。

本公司在不時發送予股東的所有通函（連同本公司的股東大會通告）內載列以投票方式表決程序，讓股東瞭解該等程序。本公司已採取步驟確保以投票方式表決符合上市規則及本公司組織文件的規定。表決結果在大會結束後不久於聯交所網站登載並刊載於本公司網站。

ABOUT THIS REPORT

OVERVIEW

The Board of Directors of CIL Holdings Limited (the "Company") and its subsidiaries (collectively "the Group") are pleased to present the Environmental, Social and Governance Report (the "ESG Report") for the year ended 30 June 2019. The ESG Report provides a good understanding in achieving a sustainable development and its performance of social governance in the year.

SCOPE OF THIS REPORT

The ESG Report focuses on the environmental and social performance of the Group's operation in Hong Kong during the year.

REPORTING FRAMEWORK

The ESG Report had been prepared in accordance to Appendix 27 "Environmental, Social and Governance Reporting Guide" of the Main Board Listing Rules on the Stock Exchange of Hong Kong.

STAKEHOLDERS ENGAGEMENT

We obtain an understanding of development in environmental and social sense from staff from difference departments. This information can be utilise to develop our short term and long-term sustainable development strategies.

關於本報告

概覽

華建控股有限公司(「本公司」)及其附屬公司(統稱為「本集團」)董事會欣然提呈截至二零一九年六月三十日止年度之環境、社會及管治報告書(「環境、社會及管治報告書」)。環境、社會及管治報告書闡述本年度本集團在可持續發展及其社會管治方面之表現。

本報告之範疇

環境、社會及管治報告書重點描述本集團之香港業務本年度的環境和社會表現。

報告框架

環境、社會及管治報告書是根據香港聯合交易所主板上市規則附錄二十七《環境、社會及管治報告指引》編製。

持份者的參與

我們了解不同部門的員工對環境及社會事務發表的看法，有關資料可用於製訂我們的短線和長遠的可持續發展策略。

FEEDBACKS AND INFORMATION

Details information in relation to the corporate governance and financial performance of the Group could be found in our Annual Report 2019. Having any suggestions or feedbacks for ESG Report, please contact us by post without hesitating. Our principal place of business is Workshop 607, 6/F., Sun Cheong Industrial Building, 1 Cheung Shun Street, Kowloon, Hong Kong.

REPORTING ON ENVIRONMENTAL ASPECTS

The Group recognises an importance of good environmental stewardship and commits to promote the protection of environmental consciousness to stakeholders, including directors, senior officers and other employees.

The Group's objectives of the environmental aspects are mainly the reduction of carbon emissions and the achievement of energy savings.

The Group's carbon emissions are mainly derived from (i) electricity consumption directly, including the use of lighting systems, air-conditionings, computers and other office equipments, (ii) business trips taken by airplanes, as well as (iii) indirect emission which is attributable to the use of papers. The direct impact on the environmental is minimal so that no hazardous waste is generated.

We are working to reduce the carbon emissions by improving energy efficiency and decreasing waste across our operation. The following methods of reduction of carbon emissions about the Group's practice in environmental aspects:

回應及資料

有關本集團企業管治及財務表現的詳細資料載於我們的二零一九年年報。如對環境、社會及管治報告書有任何建議或意見，懇請不吝賜教，以郵寄方式來函告知。我們的主要營業地點為香港九龍長順街1號新昌工業大廈6樓607室。

環境方面之報告

本集團深明良好的環境管理極為重要，並致力促進包括董事、高級管理人員和其他員工在內的持份者的環保意識。

本集團的環保目標主要是減少碳排放和實現節能。

本集團的碳排放主要來自(i)直接用電，包括使用照明系統、空調、電腦及其他辦公設備；(ii)搭乘飛機出差；及(iii)用紙方面的間接排放。對環境的直接影響甚低，因此並無產生有害廢物。

我們不斷致力通過提高能源效益和減少營運中的浪費來減少碳排放。以下為本集團在環境範疇實踐減少碳排放的方法：

(i) Reduction of direct carbon emissions

(a) Energy efficiency for the use of lighting systems

The Group uses the light bulbs and light pipes with a high-energy efficiency, sets up lighting switches in difference area and switches off the lighting systems after office hours. Also, the Group installs a dimmer to adjust the intensity of the light when practicable.

(b) Energy efficiency for the use of air-conditionings

The Group applies an energy conservation measures on the air-conditioning in the workplaces, including setting an optimal temperature (25°C), switching off all air-conditionings automatically after eight at night and cleaning the filter regularly.

(c) Energy efficiency for the use of computers and office equipments

The Group encourages its employees to switch off their computers and other office equipments (such as printers, fax machines) when no use.

The energy consumption of the Group is as follows:

Energy	Units	Total
Energy consumption	kWh	16,656
Energy consumption intensity	kWh/feet	3.82

(i) 減少直接碳排放

(a) 使用照明系統的能源效益

本集團使用具備高能源效益的燈泡和燈管、為不同區域分設照明開關，並在辦公時間後關掉照明系統。此外，本集團安裝調光器，以便在切實可行的情況調節光度。

(b) 使用空調的能源效益

本集團對工作場所的空調採取節能措施，包括設定最佳溫度(25°C)、晚上八時後自動關掉所有空調，以及定期清洗隔塵網。

(c) 使用電腦和辦公設備的能源效益

本集團鼓勵員工用後關閉電腦及其他辦公設備(如打印機、傳真機)。

本集團所消耗能源如下：

能源	單位	總計
能源消耗	千瓦時	16,656
能源消耗密度	千瓦時/呎	3.82

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

(ii) Reduction of business trips taken by airplanes

Instead of business trips to overseas, the Group encourages directors and senior officers to utilise video conferencing for meetings.

(iii) Reduction of indirect emissions

The Group promotes the environmental awareness among its employees and request employees to reduce paper usages where appropriate to print and re-use papers on both sides.

(ii) 減少搭乘飛機出差

本集團鼓勵董事和高級管理人員善用視像會議以代替海外出差。

(iii) 減少間接排放

本集團提升員工的環保意識，敦請員工在適當情況減少用紙，採用雙面打印，並且盡量雙面用紙。

Material	Units	Total	物料	單位	總計
Paper	boxes	5	紙張	箱	5
Paper consumption intensity	boxes/boxes using volume	2	紙張消耗密度	箱／所用箱容量	2

REPORTING ON SOCIAL ASPECTS

EMPLOYMENT

As at 30 June 2019, we have a workforce of 24 persons in Hong Kong. The terms and conditions of employment are incorporated into the employment contract.

We provide employees with a nurturing environment and offer competitive remuneration package to them. The employee benefits include discretionary incentive bonus, medical insurance, contribution to retirement scheme and leave entitlement (such as maternity and compassionate leave). The remuneration packages and policies are reviewed by management if necessary.

We also advocate a good work-life balance for employees who are better equipped to achieve their best performance.

During the year ended 30 June 2019, there is no non-compliance with relevant laws and regulations for employment.

HEALTH AND SAFETY

We provide a safety working environment for our employees. We establish manner for healthy and safety to avoid any injuries from employees.

During the year ended 30 June 2019, no work-related fatality or injury is occurred. There is no non-compliance with relevant laws and regulations for health and safety.

社會方面之報告

僱傭

截至二零一九年六月三十日，我們的工作團隊有24人駐於香港。僱傭合同載列聘用條款和條件。

我們為員工提供有利發展的環境，為員工提供具競爭力的薪酬待遇。員工福利包括酌情發放的獎金、醫療保險、退休金計劃和假期（如產假和恩恤假）。管理層在需要時檢討薪津組合和政策。

我們亦為員工謀求良好的工作與生活平衡，冀藉此讓員工盡展所長。

截至二零一九年六月三十日止年度，並無未遵守僱傭的相關法律法規的情況。

健康和安

我們為員工提供安全工作環境，並確立職安健的工作方式，防範工傷事故。

截至二零一九年六月三十日止年度，並無發生與工作有關的死亡或傷害事故。並無未遵守健康和安全的相關法律法規的情況。

DEVELOPMENT AND TRAINING

We provide training of continuous professional development to all directors. This is to ensure that their contribution into the Board remains informed and relevant.

LABOUR STANDARDS

We review employment practices in preventing child and forced labour and ensuring that there is compliance with Employment Ordinance and other relevant regulations. If we discover the employment of child and forced labour, we seek lawyers' advice and discharge him/her from his/her duties immediately without compensation to eliminate the threat.

During the year ended 30 June 2019, we have not employed any child and forced labour as our employees.

OPERATING PRACTICES

SUPPLY CHAIN MANAGEMENT

Our suppliers and customers mainly come from Hong Kong. We require them to comply with laws and regulations. And, we regularly assess and monitor their performance on environmental and social aspect to consider whether we continue to be a business partner in future. This is to ensure the elimination of environmental and social risks from suppliers and customers.

發展與培訓

我們為全體董事提供持續專業發展的培訓，確保彼等在掌握充分資訊的情況下對董事會作出適切的貢獻。

勞工標準

我們檢討防止童工和強迫勞動的僱傭實務，確保遵守《僱傭條例》及其他相關規例。如發現僱用童工和強迫勞動，我們會尋求律師的意見並即時免除相關人員的職務及不予賠償，以消除此方面的威脅。

截至二零一九年六月三十日止年度，我們的員工中並無童工和強迫勞動。

營運實務

供應鏈管理

我們的供應商及客戶主要來自香港。我們要求彼等遵守法律法規。此外，我們定期評核和監察供應商在環境和社會範疇的表現，以決定將來是否繼續合作。此舉是為了消除供應商和客戶方面的環境及社會風險。

PRODUCT RESPONSIBILITY

One subsidiary of the Group is engaged into money lending business. As a licensed corporation, all money lending transactions and money lending license are in compliance with the relevant laws and regulations under Money Lenders Ordinance. The money lender license is renewed annually, subject to the satisfaction of all licensing conditions under the provisions of the Money Lenders Ordinance. We need to assess the loan, including that (i) the borrowers understand their risk; (ii) there is no over-lending to borrowers even if they have specific collateral on their loan.

For distribution of service storage, multi-media and communication products business and distribution of sports car business, we comply with relevant laws and regulations. We examine the products delivery from suppliers for any damages. After that, we transfer the products to customers. During the year ended 30 June 2019, no complaint is received.

Besides, we comply with all relevant laws and regulations under the provisions of the Personal Data (Privacy) Ordinance to protect customers' personal data.

ANTI-CORRUPTION

The Group is committed to maintaining a high standard of corporate governance and ethics in all aspects of our business.

The Group has implemented effective reporting procedures and policies to enable employees to report all allegations of fraud and corruption. We have established complaint channels and encourage employees to report suspicious business irregularities or unethical and illegal behavior. If they find suspected misconducts, such as breach of duty, abuse of power, bribery, they should report to department head or Audit Committee for investigation and verification.

產品責任

本集團一間附屬公司從事放債業務。作為持牌法團，所有放債交易和放債牌照均符合《放債人條例》的相關法例及規例。放債人牌照乃在符合《放債人條例》規定的所有發牌條件下每年續期。我們需要評估貸款，包括(i)借款人了解本身所面對的風險；(ii)即使借款人就貸款提供特定抵押品，亦不會向某些借款人過度借貸。

就分銷伺服器儲存、多媒體及通訊產品業務及分銷跑車業務而言，我們遵守相關法律法規。我們先檢查供應商交付的產品是否並無損壞，然後再將產品送交客戶。截至二零一九年六月三十日止年度，並無收到投訴。

此外，我們遵守《個人資料(私隱)條例》規定的所有相關法律法規，以保障客戶的個人資料。

反貪污

本集團致力於旗下業務的各範疇恪守高水平的企業管治和道德操守。

本集團實施有效的報告程序和政策，以便員工能夠舉報所有涉嫌欺詐和貪污行徑。我們設有投訴渠道，鼓勵員工舉報可疑的商業違規行為或不道德及違法行為。如發現可疑的不當行為，如瀆職、濫用權力、賄賂等，應當向部門主管或審核委員會舉報以進行調查及核實。

COMMUNITY INVESTMENT

We evaluate and manage our social impact on the services and products so that we contribute to society to promote sustainable continued development.

Due to lack of blood reserve in blood bank, we strongly recommend staff to join blood donation in Hong Kong Red Cross during the year. Also, we encourage staff to take participate in voluntary work in community.

社區投資

我們評估及管理我們的服務及產品對社會的影響，藉此貢獻社會以宣揚可持續發展。

由於血庫的血液儲備不足，本年度我們大力呼籲員工參加香港紅十字會舉辦的捐血。此外，我們鼓勵員工參與社區義工工作。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷

EXECUTIVE DIRECTORS

Mr. KE Jun Xiang, aged 57, joined the Company in August 1999 and has been the Chairman of the Company since July 2003. Mr. Ke graduated from Zhongshan University majoring in business management. He had joined China Huitong Group of Companies as the person-in-charge of the Guangzhou Office and was appointed as the legal representative and general manager of the Guangdong Company of China Huitong Group of Companies in 1992.

Mr. Wilson Wong, aged 27, joined the Company in August 2014 and has been appointed as the Deputy Chairman of the Company. Mr. Wong holds a Bachelor Degree in Business from Monash University, Australia and a Master Degree of Business Administration majoring in international business from EU Business School. He is a young entrepreneur running businesses of property development, beverage and catering and financial investment in Australia and Hong Kong. In 2012, he established CoreNex Property Group Pty Ltd. and 5 Solars Restaurant in Australia. Mr. Wong is also an executive director of Everland Group Holding Ltd. He is a son of Mr. Ke Jun Xiang.

Ms. LO Yuen Chung, aged 60, joined the Company in January 2012. She has over 10 years of experience in trading business in Hong Kong and in the Mainland China, including business related to electronics products and is the sister of a former director and former deputy chairman of the Company.

Mr. FU Daoding, aged 46, joined the Company in February 2013. Mr. Fu has over 20 years of experience in the banking sector in the Mainland China. He graduated from the Hunan Institute of Finance and Economics majoring in finance and is also a postgraduate of the Guangdong Academy of Social Sciences majoring in economics.

執行董事

柯俊翔先生，現年57歲，於一九九九年八月加入本公司，並自二零零三年七月開始擔任本公司之主席。柯先生畢業於中山大學，主修商業管理。彼曾在中國惠通集團之廣州辦事處任職主管，並於一九九二年獲委任為中國惠通旗下的廣東惠通實業公司之法人代表及總經理。

Wilson Wong先生，現年27歲，於二零一四年八月加入本公司並獲委任為本公司之副主席。Wong先生持有澳洲蒙納士大學工商學士學位及歐洲商學院工商碩士學位（主修國際商業）。彼屬年輕企業家，於澳洲及香港經營物業發展、餐飲和金融投資等業務。彼於二零一二年於澳洲成立創城地產有限公司及5 Solars Restaurant。Wong先生亦為榮鑫盈德集團控股有限公司之執行董事。彼為柯俊翔先生之兒子。

盧元琮女士，現年60歲，於二零一二年一月加入本公司。彼在香港及中國大陸擁有逾10年貿易行業的經驗，包括電子產品之業務及為本公司一位前董事及前副主席之胞妹。

付道丁先生，現年46歲，於二零一三年二月加入本公司。付先生擁有逾20年的中國銀行業經驗。付先生畢業於湖南財經學院，主修財經，亦為廣東省社會科學院的研究生，主修經濟。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷

NON-EXECUTIVE DIRECTORS

Mr. CHOW Yeung Tuen, Richard, aged 62, joined the Company in April 2010. Mr. Chow is a Certified Public Accountant with over 30 years of experience in accounting, auditing and taxation. He is a fellow member of the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants, the Hong Kong Institute of Chartered Secretaries and the Taxation Institute of Hong Kong. He also holds a Master Degree in Business Administration from the University of East Asia, Macau and is also a Barrister of England and Wales.

Mr. LI Chung Kai Philip, aged 63, joined the Company in March 2012. Mr. Li has over 35 years of experience in apparel and garment industry in Hong Kong and in the Mainland China. He obtained a Diploma in Programming Technology from Control Data Institute, Toronto, Ontario, Canada and a Diploma in Business Administration from Seneca College of Applied Arts and Technology, Toronto, Ontario, Canada.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. CHAN Siu Kay, aged 60, joined the Company in April 2010. Mr. Chan holds a Master Degree in Business Administration from the University of Strathclyde in the United Kingdom and a Master Degree in Corporate Finance from the Hong Kong Polytechnic University. He is a fellow member of the Association of Chartered Certified Accountants and a Certified Public Accountant of The Hong Kong Institute of Certified Public Accountants. He is also an associate member of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators. Mr. Chan has gained over 30 years of experience in audit, accounting, taxation, corporate finance and IPO from working in an international audit firm and a number of listed companies.

非執行董事

鄒揚敦先生，現年62歲，於二零一零年四月加入本公司。鄒先生為香港執業會計師，擁有超過30年之會計、核數及稅務工作經驗。彼為英國特許公認會計師公會、香港會計師公會、香港特許秘書公會及香港稅務學會資深會員。彼亦持有澳門東亞大學工商管理碩士學位，並為英格蘭及威爾斯之大律師。

李松佳先生，現年63歲，於二零一二年三月加入本公司。李先生在香港及中國大陸之成衣及服裝業累積逾35年經驗。彼於加拿大安大略省多倫多Control Data Institute取得程式技術文憑以及於加拿大安大略省多倫多Seneca College of Applied Arts and Technology取得工商管理文憑。

獨立非執行董事

陳紹基先生，現年60歲，於二零一零年四月加入本公司。陳先生持有英國斯特拉斯克萊德大學工商管理碩士學位，及香港理工大學企業融資財務碩士學位。彼為英國特許公認會計師公會資深會員及香港會計師公會會員。彼並為香港特許秘書公會會員及英國特許秘書及行政人員公會會員。陳先生曾在一家國際會計師事務所及多家上市公司工作，於審計、會計、稅務、企業融資及安排公司上市集資累積超過30年經驗。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷

Mr. CHOI Chin Yu, aged 42, joined the Company in August 2012. He has over 15 years of experience in the computer software sector in Hong Kong.

Dr. CHOW Ho Wan, Owen, aged 44, joined the Company in September 2019. Dr. Chow is a director and chief executive of Sino Fame International Group Limited. He is currently an independent non-executive director of Hong Wei (Asia) Holdings Company Limited, a company listed on the GEM board of the Stock Exchange (stock code: 08191) and was an independent non-executive director of Greater Bay Area Investments Group Holdings Limited ("Formerly known as "CCT Land Holdings Limited"), a company listed on the main board of the Stock Exchange (stock code: 00261), until 30 September 2017, and the INED of the Wan Leader International Limited (stock code: 08482) until 30 June 2019.

Dr. Chow obtained the degree of Bachelor of Commerce from the University of Toronto, Canada in 1999 and subsequently obtained the Master of Science in Finance from the Chinese University of Hong Kong in 2003, the Bachelor of Laws from Tsinghua University in 2006 and the Doctor of Business Administration from European University, Switzerland in 2011. During 2014-2018, Dr. Chow graduated with the Postdoctoral Global Leadership Research Program in University of Oxford. He also holds various professional qualifications, including Certified Financial Consultants (CFC), Certified Financial Planners (CFMP), Certified Banking Risk Management (CBRM), member of The Institute of Financial Accountants (IFA), Fellow member of Hong Kong Institute of Directors (FHKIoD) and CPA Australia, Fellow of The Chartered Management Institute (FCMI), Member of Hong Kong Securities and Investment Institute (MHKSI) and Canadian Securities Institute (CSI). Dr. Chow has over 15 years of experience in the finance and accounting field and used to work in various international banks.

蔡展宇先生，現年42歲，於二零一二年八月加入本公司。彼於香港擁有逾15年之電腦軟件業經驗。

周浩雲博士，現年44歲，於二零一九年九月加入本公司。周博士為譽中國際集團有限公司的董事兼行政總裁。彼亦現為聯交所GEM上市公司鴻偉(亞洲)控股有限公司(股份代號：08191)的獨立非執行董事及曾為大灣區投資控股集團有限公司(前稱為「中建置地集團有限公司」)(一間於聯交所主板上市公司，股份代號：00261)的獨立非執行董事直至二零一七年九月三十日及曾為萬勵達國際有限公司(一間於聯交所GEM上市公司，股份代號：08482)的獨立非執行董事直至二零一九年六月三十日。

周博士於一九九九年取得加拿大多倫多大學商業學士學位，其後於二零零三年取得香港中文大學金融理學碩士學位，於二零零六年取得清華大學法學學士學位，以及於二零一一年獲授瑞士歐洲大學工商管理博士學位。於二零一四年至二零一八年間，周博士畢業於牛津大學全球領導力研究博士後項目。彼亦擁有多項專業資格，包括註冊財務顧問(CFC)、專業財富管理師(CFMP)、專業銀行風險管理(CBRM)、英國財務會計師公會(IFA)會員、香港董事學會(FHKIoD)及澳洲會計師公會(CPA Australia)資深會員、特許管理協會資深會員(FCMI)、香港證券及投資學會會員及加拿大證券協會(CSI)會員。周博士於金融及會計領域累積逾15年經驗且曾於多間國際銀行工作。

COMPANY SECRETARY

Mr. CHIU King Hoi, Anthony, aged 59, joined the Company in October 1997. He is also the financial controller of the Company. Mr. Chiu holds a Bachelor Degree of Commerce in Accounting and a Master Degree of Business in Electronic Commerce. He is a fellow member of CPA Australia and a Certified Public Accountant of The Hong Kong Institute of Certified Public Accountants. Mr. Chiu has over 30 years of work experience in auditing and accounting. Prior to joining the Company, he had held senior financial positions in various listed companies in Hong Kong.

公司秘書

趙景開先生，現年59歲，於一九九七年十月加入本公司。彼亦為本公司之財務總監。趙先生持有會計學士學位及電子商貿碩士學位。彼為澳洲會計師公會資深會員及香港會計師公會會員。趙先生於審核及會計方面工作逾30年。於加入本公司前，彼曾於香港多間上市公司出任高級財務人員職位。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書



GRAHAM H.Y. CHAN & CO.

CERTIFIED PUBLIC ACCOUNTANTS (PRACTISING)
HONG KONG

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CIL HOLDINGS LIMITED
(incorporated in Bermuda with limited liability)

致華建控股有限公司列位股東之
獨立核數師報告書
(於百慕達註冊成立的有限公司)

QUALIFIED OPINION

We have audited the consolidated financial statements of CIL Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 82 to 266, which comprise the consolidated statement of financial position as at 30 June 2019, 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2019, 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 (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

保留意見

吾等已審計第82至266頁所載之華建控股有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)之綜合財務報表，此綜合財務報表包括於二零一九年六月三十日之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，除了吾等之報告中保留意見基準一節所述事項的影響外，該等綜合財務報表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」)真實及公平地反映 貴集團於二零一九年六月三十日的綜合財務狀況，及 貴集團截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露規定妥為編製。

BASIS FOR QUALIFIED OPINION

Allowance for impairment losses of financial assets

During the year ended 30 June 2019, the Group adopted HKFRS 9 "Financial Instruments" for the first time in the current year. HKFRS 9 requires the Group to recognise impairment losses on all of its financial assets measured at amortised costs using expected credit loss model ("ECL") since initial recognition or initial application of HKFRS 9 before the financial assets become credit-impaired. The Group recognises 12 months ECL ("12m ECL") for all financial assets when the credit risks of those assets do not increase significantly or they are not credit-impaired at initial recognition ("Stage 1"). Otherwise, the Group recognises lifetime ECL when the risk of default of financial asset increases significantly ("Stage 2") or when the financial assets are determined to be credit-impaired ("Stage 3"). The Group estimated each of the financial assets' probability of default ("Pd"), exposure at default ("EAD") and loss given default ("LGD") to derive ECL at initial application of HKFRS 9 (i.e. 1 July 2018) and as at 30 June 2019. Disclosure of the impact of adoption of HKFRS 9 at the date of initial application and details of the Group's ECL on financial assets at 30 June 2019 are set out in notes 3 and 7 to the consolidated financial statements, respectively.

保留意見的基準

金融資產減值虧損撥備

截至二零一九年六月三十日止年度，貴集團於本年度首次採納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號要求貴集團自初次確認或首次應用香港財務報告準則第9號起，在金融資產信貸減值之前使用預期信貸虧損模型（「預期信貸虧損」）確認其全部以攤銷成本計量之金融資產的減值虧損。當有關金融資產的信貸風險並無顯著增加或在初次確認時並無信貸減值（「第一階段」）時，貴集團就所有金融資產確認12個月預期信貸虧損（「12個月預期信貸虧損」）。否則，當金融資產的違約風險顯著增加（「第二階段」）或當金融資產被釐定為信貸減值時（「第三階段」），貴集團確認全期預期信貸虧損。貴集團估計金融資產分別的違約概率（「違約概率」）、違約敞口（「違約敞口」）和違約虧損率（「違約虧損率」）以得出於首次應用香港財務報告準則第9號（即二零一八年七月一日）及於二零一九年六月三十日時的預期信貸虧損。於首次應用日期採納香港財務報告準則第9號的影響的披露以及貴集團金融資產於二零一九年六月三十日的預期信貸虧損詳情分別載於綜合財務報表附註3及7。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

BASIS FOR QUALIFIED OPINION (Continued)

Allowance for impairment losses of financial assets (Continued)

As at 30 June 2019, the Group recognised allowance for impairment loss amounting to approximately HK\$66,000 in relation to the Group's Stage 2 unsecured personal loans receivable with aggregate gross carrying amount of approximately HK\$4,848,000. At the time of advancement of these loans to individual borrowers, the Group did not request these borrowers to provide authorisation letters to the Group for performing credit search and as at year end date, the Group was unable to obtain credit search report to determine Pd. Therefore, the Group estimated Pd of these borrowers by using average historical default rate of the portfolio of unsecured personal loans receivables but was unable to provide us corroborative evidence to support that the average historical default rate represents each of the borrower's specific credit risk. In addition, the Group used management judgement to estimate LGD on each of the EAD during the estimated life of the receivables but was unable to provide us corroborative evidence to support their estimation. We were unable to obtain sufficient appropriate audit evidence to ascertain whether the management estimated Stage 2 lifetime ECL is appropriate.

保留意見的基準(續)

金融資產減值虧損撥備(續)

於二零一九年六月三十日，貴集團就貴集團的第二階段無抵押應收私人貸款(合計總賬面值約4,848,000港元)確認減值虧損撥備約66,000港元。於向個別借款人墊支此等貸款時，貴集團並無要求該等借款人向貴集團提供授權書以進行信貸查冊，而於年結日，貴集團無法取得信貸查冊報告以釐定違約概率。因此，貴集團通過使用無抵押應收私人貸款組合的平均過往違約率以估計此等借款人的違約概率，但無法向吾等提供確鑿憑證以支持平均過往違約率代表每個借款人的特定信貸風險。此外，貴集團根據管理層的判斷在應收款項的估計有效期內對每項違約敞口的違約虧損率進行估計，但無法向吾等提供確鑿憑證以支持有關估計。吾等無法獲得足夠的適當審計憑證以確定管理層估計的第二階段全期預期信貸虧損是否合適。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

BASIS FOR QUALIFIED OPINION (Continued)

Allowance for impairment losses of financial assets (Continued)

As at 30 June 2019, the Group recognised allowance for impairment loss amounting to approximately HK\$2,275,000 and HK\$465,000, which relate to the Group's Stage 3 corporate loans receivables (including interest receivables) with aggregate gross carrying amounts of approximately HK\$28,893,000 and Stage 3 consideration receivables included in deposit and other receivables with aggregate gross carrying amounts of approximately HK\$14,500,000. The Group determined lifetime ECL by using management judgement to estimate LGD on each of the EAD during the estimated life of the receivables but was unable to provide us corroborative evidence to support their estimation. We were unable to obtain sufficient appropriate audit evidence to ascertain whether the management estimated Stage 3 lifetime ECL is appropriate.

As disclosed in note 3 to the consolidated financial statements, the Group estimated the effect of initial application of HKFRS 9 regarding Stage 1 and Stage 2 loans receivables to be approximately HK\$382,000, which is based on the aforementioned methodology to estimate Pd and LGD to compute ECL of Stage 2 loans receivable. We were unable to obtain sufficient appropriate audit evidence to ascertain whether the disclosure of the effect of initial application of HKFRS 9 is appropriate.

保留意見的基準(續)

金融資產減值虧損撥備(續)

於二零一九年六月三十日，貴集團確認減值虧損撥備分別約為2,275,000港元和465,000港元，乃與合計總賬面值約為28,893,000港元的貴集團第三階段應收企業貸款(包括應收利息)及合計總賬面值約為14,500,000港元的第三階段應收代價(計入按金及其他應收款項)有關。貴集團通過管理層的判斷以估計應收款項在估計有效期內每項違約敞口的違約虧損率，從而確定了全期預期信貸虧損，但無法向吾等提供確鑿憑證以支持有關估計。吾等無法獲得足夠的適當審計憑證以確定管理層估計的第三階段全期預期信貸虧損是否合適。

誠如綜合財務報表附註3所披露，貴集團估計首次應用香港財務報告準則第9號對第一階段及第二階段應收貸款的影響約為382,000港元，乃基於上述估算違約概率及違約虧損率以計算第二階段應收貸款的預期信貸虧損的方法。吾等無法獲得足夠的適當審計憑證，以確認披露首次應用香港財務報告準則第9號的影響是否適當。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

BASIS FOR QUALIFIED OPINION (Continued)

Allowance for impairment losses of financial assets (Continued)

Given the above scope limitation, there were no other satisfactory audit procedures that we could perform to determine whether ECLs determined upon initial application of HKFRS 9 and as at 30 June 2019 and the corresponding disclosures made in notes 3 and 7 to the consolidated financial statements were appropriate, and whether any adjustments to the allowance for impairment at initial application of HKFRS 9 and as at 30 June 2019 should be made.

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAAs") 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 (the "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 qualified opinion.

保留意見的基準(續)

金融資產減值虧損撥備(續)

鑑於上述範圍限制，吾等無法執行其他令人滿意的審計程序以確定所釐定之首次應用香港財務報告準則第9號時以及在二零一九年六月三十日的預期信貸虧損以及綜合財務報表附註3和7中的相應披露是否為適當，以及是否應於首次應用香港財務報告準則第9號及於二零一九年六月三十日對減值撥備作出任何調整。

吾等已根據香港會計師公會頒佈之香港審計準則（「香港審計準則」）進行吾等之審計工作。吾等就該等準則承擔之責任於本報告「核數師就審計綜合財務報表承擔的責任」一節中進一步闡述。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，及吾等已履行守則中的其他事業道德責任。吾等相信，吾等所獲得之審計憑證充足及適當地為吾等之審計保留意見提供基礎。

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 2 to the consolidated financial statements. During the year ended 30 June 2019, the Group incurred a loss of approximately HK\$56,655,000 and as of that date, the Group's total liabilities exceeded its total assets by approximately HK\$830,000 and the Group had current borrowings of approximately HK\$66,439,000 whereas the Group had cash and cash equivalents of approximately HK\$702,000 only. In addition, certain of the Group's current borrowings of approximately HK\$50,000,000 was in default as at 30 June 2019 and the Group's non-current bond payables of approximately HK\$20,888,000 may become default subsequently.

These conditions, together with other conditions as set out in note 2 to the consolidated financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. The ability of the Group to continue as a going concern depends on the success of issuance of rights shares and the continuing existence of the facility lines provided by a director of the Company in the coming 12 months from the end of the reporting period to meet the Group's forecasted future cash obligations as and when they fall due.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets as current assets and non-current liabilities as current liabilities. The effect of these adjustments has not been reflected in the consolidated financial statements. Our opinion is not modified in respect of this matter.

有關持續經營之重大不確定因素

吾等謹請垂注綜合財務報表附註2。截至二零一九年六月三十日止年度，貴集團錄得虧損約56,655,000港元，截至該日，貴集團的負債總額超過其資產總額約830,000港元，貴集團的流動借貸約為66,439,000港元，而貴集團的現金及現金等值項目僅為約702,000港元。此外，於二零一九年六月三十日，約50,000,000港元之貴集團若干流動借貸為已逾期而約20,888,000港元之貴集團非流動應付債券可能於其後逾期。

此等條件連同綜合財務報表附註2載列的其他條件表明存在重大不確定性而可對貴集團的持續經營能力產生重大疑問。貴集團能否持續經營取決於能否成功發行供股股份以及一名貴公司董事提供的融資額度能否在報告期末後的未來12個月內持續存在，以此應付貴集團到期的預測未來現金責任。

倘貴集團未能按持續經營基準繼續營運，其時將須作出調整以將資產價值撇減至可收回金額，就可能產生的進一步負債作出撥備，並將非流動資產重新分類為流動資產及將非流動負債重新分類為流動負債。此等調整的影響未反映在綜合財務報表中。吾等並無就此事項修訂意見。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

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 address 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. In addition to the matters described in the Basis for Qualified Opinion and Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters identified in our audit are summarised as follows:

1. Revenue from trading of commodity products and automotive components;
2. Over-the-counter sales of held-for-trading equity investments; and
3. Refundable deposit placed to secure an agency agreement.

關鍵審計事項

關鍵審計事項乃根據吾等的專業判斷，認為對本期的綜合財務報表的審計最為重要的事項。此等事項乃於吾等審計整體綜合財務報表及出具意見時進行處理，而吾等不會對此等事項提供單獨的意見。除了「保留意見的基準」及「有關持續經營之重大不確定因素」各節所述的事宜外，吾等釐定下文所述之事宜為將在吾等之報告內載述之關鍵審計事項。

吾等於審計中確認的關鍵審計事項如下：

1. 商品產品及汽車零件之貿易收益；
2. 場外出售持作買賣之股本投資；及
3. 確保代理協議之已付可退還按金。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

KEY AUDIT MATTERS (Continued)

1. Revenue from trading of commodity products and automotive components

Nature of the key audit matter

關鍵審計事項之性質

Refer to Note 4.5 "Significant accounting policies – revenue from contracts with customers", Note 5 "Key sources of estimation uncertainty and judgement", Note 9 "Revenue and segment information" to the consolidated financial statements.

請參閱綜合財務報表附註4.5「主要會計政策－客戶合約收益」、附註5「估計之不確定性之主要來源以及判斷」及附註9「收益及分部資料」。

During the year, the Group recognised revenue from trading of commodity products and automotive components amounting to approximately HK\$113,053,000. As set out in Note 4.5 and Note 5 to the consolidated financial statements, the Group determined that was acted as a principal as:

年內，貴集團確認商品產品及汽車零件之貿易收益約113,053,000港元。誠如綜合財務報表附註4.5及附註5所載，貴集團釐定以主要責任人之身份行事，原因為：

關鍵審計事項(續)

1. 商品產品及汽車零件之貿易收益

How our audit addressed the key audit matter

吾等的審計如何處理關鍵審計事項

We understood the management's process and controls in respect of revenue recognition for trading of commodity products and automotive components.

吾等了解管理層在商品產品及汽車零件貿易之收益確認方面的管理層程序和控制措施。

We discussed with management and evaluated their judgements made in determining that the transactions as revenue transactions.

吾等已與管理層討論並評估彼等在釐定有關交易為收益交易時所作的判斷。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

KEY AUDIT MATTERS (Continued)

1. Revenue from trading of commodity products and automotive components (Continued)

Nature of the key audit matter

關鍵審計事項之性質

- the Group was primarily responsible for fulfilling the promise to provide specified goods to customers;
貴集團主要負責履行向客戶提供特定貨品之承諾；
- goods were shipped from suppliers to an agreed destination where customers could pick up directly. The Group obtained the rights to specified goods from the supplier before rights were transferred to customers when the goods were shipped at the shipping point; and
貨品從供應商運送至客戶可直接收貨之協定地點。在權利轉讓予客戶（即貨物在裝運點付運時）之前，貴集團已於從供應商處獲得特定商品的權利；及
- the transaction prices were determined separately based on negotiations with customers and suppliers.
交易價乃根據與客戶及供應商分別磋商而釐定。

We focused on this area due to the magnitude of revenue amount and determination whether the Group was acting as principal or agent involved significant management judgements.

吾等關注此範疇是由於相關收益金額之幅度以及釐定貴集團以主要責任人或代理人之身份行事時涉及管理層重大判斷。

關鍵審計事項(續)

1. 商品產品及汽車零件之貿易收益(續)

How our audit addressed the key audit matter

吾等的審計如何處理關鍵審計事項

We tested transactions by reviewing sales and purchase contracts with customers and suppliers, identifying the key terms and attributes from the contracts, examining bills of lading, invoices and bank receipt and payment supporting documents.

吾等通過審查與客戶和供應商的買賣合約、確定合約中的關鍵條款和屬性、檢查提貨單、發票以及銀行收據和付款證明文件以測試交易。

We performed interviews with a customer and suppliers and obtained audit confirmation directly from them.

吾等與一名客戶和供應商進行訪談，並直接從彼等獲得審計確認函。

KEY AUDIT MATTERS (Continued)

2. Over-the-counter sales of held-for-trading equity investments

Nature of the key audit matter

關鍵審計事項之性質

Refer to Note 27 "Investments at fair value through profit or loss", to the consolidated financial statements.

請參閱綜合財務報表附註27「按公平值計入損益之投資」。

In November 2018, the Group and an independent third-party individual buyer entered into a sales and purchase agreement to dispose shares of a listed company in Hong Kong (the "Disposed Shares") to the buyer for cash consideration of HK\$10,000,000, which were agreed to settle by instalments. During the year ended 30 June 2019, the Group received cash consideration of HK\$3,800,000 and received shares of another Hong Kong listed company (the "Receiving Shares") in lieu of settlement of HK\$5,200,000 cash instalment. The market value of the Receiving Shares at the time of receipt is approximately HK\$5,434,000. The remaining balance of HK\$1,000,000 was included in prepayments, deposits, interest and other receivables as at 30 June 2019 and has been settled subsequently.

於二零一八年十一月，貴集團與一名屬於獨立第三方之個人買方訂立買賣協議，以現金代價10,000,000港元向買方出售一間香港上市公司的股份（「所出售股份」），並同意分期償付代價。截至二零一九年六月三十日止年度，貴集團已收取現金代價3,800,000港元，並收取另一間香港上市公司的股份（「所收取股份」）代替5,200,000港元的現金分期付款。所收取股份於收取時的市值約為5,434,000港元。於二零一九年六月三十日，其餘結餘1,000,000港元已計入預付款項、按金、利息及其他應收款項並已於其後結清。

關鍵審計事項（續）

2. 場外出售持作買賣之股本投資

How our audit addressed the key audit matter

吾等的審計如何處理關鍵審計事項

We inquired the management the reasons for over-the-counter sales of the Disposed Shares by instalments.

吾等向管理層查詢以分期付款方式在場外出售所出售股份的原因。

We obtained the sales and purchase agreement and acknowledgement of receipt of the Disposed Shares.

吾等已獲得買賣協議及所出售股份之收據確認文件。

We examined the bank receipt supporting documents for cash consideration received during the year and after the year end date.

吾等已審查於年內及年結日後收到的現金代價之銀行收款支持文件。

In relation to the Receiving Shares, we obtained the management assessment for their reasons to accept the Receiving Shares in lieu of settlement of cash instalment, and obtained the market value information at the time of receipt of the Receiving Shares.

關於所收取股份，吾等已獲得管理層對於彼等接納收取所收取股份以代替結清現金分期付款之原因的評估，並已取得在收取所收取股份時的市場價值資料。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

KEY AUDIT MATTERS (Continued)

2. Over-the-counter sales of held-for-trading equity investments (Continued)

Nature of the key audit matter

關鍵審計事項之性質

We focused on this area as the transaction is material, the buyer is an individual whose identity is difficult to verify and the receipt of the Receiving Shares in lieu of settlement of cash instalment is not usual.

吾等關注此範疇是由於有關交易屬重大、買方為一名個人而其身份難以核實，以及收取所收取股份以代替結清現金分期付款之做法並不常見。

關鍵審計事項(續)

2. 場外出售持作買賣之股本投資(續)

How our audit addressed the key audit matter

吾等的審計如何處理關鍵審計事項

We met with the buyer and checked his identity. We also received direct confirmation from the buyer to confirm the transactions and the outstanding balance as at 30 June 2019.

吾等已與買方會面並核查其身份。吾等亦直接收到買方的審計確認函，以確認截至二零一九年六月三十日的交易和未付餘額。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

KEY AUDIT MATTERS (Continued)

3. Refundable deposit placed to secure an agency agreement

Nature of the key audit matter

關鍵審計事項之性質

Refer to note (a) in Note 24 "Prepayments, deposits, interest and other receivables" to the consolidated financial statements.

請參閱綜合財務報表附註24「預付款項、按金、利息及其他應收款項」內的附註(a)。

Pursuant to an agency agreement for the distribution of the supplier's rice cookers and household electrical appliances (together with supplemental agreements, collectively referred to as the "Agency Agreements"), the Company placed a refundable deposit of HK\$20,000,000 to a supplier in previous years to secure the Agency Agreements which has been recorded in prepayments, deposits, interest and other receivables in the consolidated statement of financial position as at 30 June 2019. The refundable deposit could be refunded in full without interest to the Company after the end of the term of the Agency Agreements which has been extended to November 2020 subsequently.

根據一項有關分銷供應商之電飯煲及家庭電器之代理協議(連同補充協議統稱為「該等代理協議」)，貴公司於以往年度向一名供應商存入可退還按金20,000,000港元以確保代理協議，而該款項已於二零一九年六月三十日之綜合財務狀況表入賬列作預付款項、按金、利息及其他應收款項。該可退還按金可於該等代理協議之年期(已於其後延展至二零二零年十一月)屆滿後悉數退還(不計利息)予貴公司。

We focused on this area as the balance is material.

吾等關注此範疇乃由於該結餘重大。

關鍵審計事項(續)

3. 確保代理協議之已付可退還按金

How our audit addressed the key audit matter

吾等的審計如何處理關鍵審計事項

We obtained and reviewed the terms of the Agency Agreements.

吾等已獲得並審視該等代理協議的條款。

We obtained audit confirmation from the supplier to confirm the existence of the refundable deposit.

吾等已從供應商獲得審計確認函以確認可退還按金存在狀況。

We performed company search on the supplier and performed site visit to the supplier's premise to confirm the existence of the supplier and performed interview with the key management of the supplier to confirm details of the Agency Agreements.

吾等已對供應商進行公司查冊，並已實地考察供應商的處所，以確認供應商的存在狀況，並已經與供應商的主要管理層會面，以確認該等代理協議的詳情。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises Management Discussion and Analysis (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the remaining reports included in the annual report, which are expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do 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.

When we read the remaining reports included in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to audit committee and take appropriate action considering our legal rights and obligations.

As described in the Basis for Qualified Opinion section above, we were unable to obtain sufficient appropriate evidence about the allowance for impairment losses of financial assets as at 30 June 2019. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

除綜合財務報表及就此發出的核數師報告外的資料

董事須對其他資料負責。其他資料包括於本核數師報告日前已收到的管理層討論及分析(但不包括綜合財務報表及吾等就此出具的核數師報告)，以及預期會在本核數師報告日期後向吾等提供的年報內收錄的其餘報告。

吾等就綜合財務報表的意見並不涵蓋其他資料，吾等亦不就其他資料發表任何形式的鑒證結論。

於吾等審計綜合財務報表時，吾等的責任乃閱讀其他資料，及在此過程中，考慮其他資料是否與綜合財務報表或吾等在審計過程中所了解的情況有重大抵觸，或者似乎存在重大錯誤陳述。

倘基於吾等已執行的工作，吾等認為其他資料存在重大錯誤陳述，吾等須報告該事實。

當吾等閱讀年報內收錄的其餘報告後，倘若吾等認為其中存在重大錯誤陳述，吾等需要將有關事項與審核委員會溝通，並考慮吾等的法律權利和義務後採取適當行動。

誠如上文保留意見基準一節所述，吾等未能就二零一九年六月三十日之金融資產減值虧損撥備獲得足夠而合適的憑證。因此，吾等未能確定其他資料就此事宜而言有否重大誤列。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

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 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.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

董事及治理層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布的香港財務報告準則擬備真實及公平的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

於擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用的情況下，披露與持續經營有關的事項，以及使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營運，或別無其他實際的替代方案。

審核委員會協助董事負責監督貴集團的財務報告過程。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

AUDITOR'S RESPONSIBILITY 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 Bermuda Companies Act, 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:

核數師就審計綜合財務報表承擔的責任

吾等的目標乃就綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括吾等意見的核數師報告。根據百慕達公司法第90條，本報告僅向閣下（作為整體）作出，除此之外別無其他目的。吾等不就本報告的內容向任何其他人士負責或承擔責任。

合理保證屬高水平的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

於根據香港審計準則進行審計的過程中，吾等運用專業判斷，保持專業懷疑態度。吾等亦：

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- 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.
- 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.

核數師就審計綜合財務報表承擔的責任(續)

- 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，設計及執行審計程序以應對此等風險，以及取得充足及適當的審計憑證，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，或凌駕於內部監控之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險較因錯誤而導致的重大錯誤陳述的風險為高。
- 了解與審計相關的內部監控，以設計適當的審計程序，但目的並非對 貴集團內部監控的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計及相關披露的合理性。
- 就董事採用持續經營會計基礎的恰當性作出結論。根據所得的審計憑證，確定是否存在與事件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，則有必要於核數師報告中提請使用者注意綜合財務報表中的相關披露。假如有關披露不足，則吾等應當發表非無保留意見。吾等的結論乃基於截至核數師報告日期止所取得的審計憑證。然而，未來事件或情況可能導致 貴集團無法持續經營。

AUDITOR'S REPORT 獨立核數師報告書

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- 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 the Audit Committee regarding, among other things, 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 the Audit Committee 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.

核數師就審計綜合財務報表承擔的責任(續)

- 評價綜合財務報表的整體列報方式、結構及內容，包括披露資料，以及綜合財務報表是否以達致公允陳述之方式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分、適當的審計憑證，以便對綜合財務報表發表意見。吾等負責集團審計的方向、監督及執行。吾等為審計意見承擔全部責任。

除其他事項外，吾等與審核委員會溝通了計劃的審計範圍、時間安排及重大審計發現等，包括吾等在審計過程中識別出的內部監控的任何重大缺陷。

吾等亦向審核委員會作出聲明，確認吾等已符合有關獨立性的相關專業道德要求，並與彼等溝通可能合理地被認為會影響吾等獨立性的所有關係及其他事項，以及在適用的情況下，相關的防範措施。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

From the matters communicated with the Audit Committee, 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 partner on the audit resulting in this independent auditor's report is CHAN Ho Yin, Graham.

Graham H.Y. Chan & Co.
Certified Public Accountants (Practising)

Hong Kong, 15 November 2019

核數師就審計綜合財務報表承擔的 責任(續)

從與審核委員會溝通的事項中，吾等確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。吾等於核數師報告中描述該等事項，除非法律法規不允許披露這些事項，或於極端罕見的情況下，倘合理預期於吾等報告中披露某事項而造成的負面後果將會超過其產生的公眾利益，則吾等決定不應於報告中傳達該事項。

出具本獨立核數師報告的審計項目合夥人為陳浩賢。

陳浩賢會計師事務所
執業會計師

香港，二零一九年十一月十五日

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 2019 截至二零一九年六月三十日止年度

		Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Continuing operations:				
Revenue:				
Revenue from contracts with customers	持續經營業務：		132,406	74,176
Interest revenue	收益：		2,717	3,490
	客戶合約收益			
	利息收益			
Total revenue	收益總額	9	135,123	77,666
Cost of goods sold	已售貨品成本		(131,874)	(61,807)
Cost of services rendered	提供服務成本		-	(10,180)
Gross profit	毛利		3,249	5,679
Other income	其他收入	10	4,482	5,399
Other gains	其他收益	11	176	571
Staff costs	員工成本	12	(17,454)	(25,550)
Depreciation	折舊		(3,853)	(4,462)
Operating lease expenses	經營租賃開支		(3,199)	(4,982)
Other operating expenses	其他經營開支		(10,102)	(20,496)
Fair value losses on investments at fair value through profit or loss, net	按公平值計入損益之投資之 公平值虧損淨額	16, 27	(20,353)	(49,253)
Reversal of impairment losses/ (impairment losses) on loans and other receivables	貸款及其他應收款項之 減值虧損撥回/ (減值虧損)	13	6,810	(18,635)
Impairment loss of an intangible asset	無形資產之減值虧損	22	(2,000)	-
Finance costs	融資成本	14	(14,630)	(9,864)
Loss before taxation	除稅前虧損		(56,874)	(121,593)
Income tax credit/(expenses)	所得稅抵免/(支出)	15	40	(41)
Loss for the year from continuing operations	持續經營業務之本年度虧損	16	(56,834)	(121,634)
Discontinued operation:	已終止經營業務：			
Profit/(loss) for the year from discontinued operation	已終止經營業務之本年度 溢利/(虧損)	17	179	(5,619)
Loss for the year	本年度虧損		(56,655)	(127,253)
Other comprehensive loss for the year: <i>Item may be classified subsequently to profit or loss:</i>	本年度其他全面虧損： <i>可能於其後分類至損益 之項目：</i>			
Exchange differences arising from translation to operations outside Hong Kong	換算香港以外營運產生 之匯兌差額		(61)	(48)
Total comprehensive loss for the year	本年度全面虧損總額		(56,716)	(127,301)
(Loss)/profit for the year attributable to owners of the Company:	本公司擁有人應佔本年度 (虧損)/溢利：			
- continuing operations	- 持續經營業務		(56,184)	(120,441)
- discontinued operation	- 已終止經營業務		179	(5,619)
			(56,005)	(126,060)

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 2019 截至二零一九年六月三十日止年度

	Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss for the year attributable to non-controlling interests: - continuing operations	非控股權益應佔本年度虧損： - 持續經營業務	(650)	(1,193)
Total comprehensive (loss)/profit for the year attributable to owners of the Company: - continuing operations - discontinued operation	本公司擁有人應佔本年度全面(虧損)/溢利總額： - 持續經營業務 - 已終止經營業務	(56,245) 179	(120,489) (5,619)
		(56,066)	(126,108)
Total comprehensive loss for the year attributable to non-controlling interests: - continuing operations	非控股權益應佔本年度全面虧損總額： - 持續經營業務	(650)	(1,193)
Loss per share for loss attributable to owners of the Company - Basic and diluted: - continuing operations (in HK cents) - discontinued operation (in HK cents)	本公司擁有人應佔虧損之每股虧損 - 基本及攤薄： - 持續經營業務 (港仙) - 已終止經營業務 (港仙)	(1.30)	(3.05)
- continuing and discontinued operations (in HK cents)	- 持續經營及已終止經營業務 (港仙)	-	(0.14)
		(1.30)	(3.19)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

At 30 June 2019 於二零一九年六月三十日

		Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	21	7,557	11,451
Intangible assets	無形資產	22	-	7,321
Loans receivable	應收貸款	23	-	18,759
Refundable deposit	可退還按金	24	-	20,000
			7,557	57,531
Current assets	流動資產			
Inventories	存貨	25	24	59
Loans receivable	應收貸款	23	29,597	15,247
Prepayments, deposits, interest and other receivables	預付款項、按金、利息 及其他應收款項	24	41,450	15,993
Trade receivables	應收貿易賬款	26	63,699	9,597
Investments at fair value through profit or loss	按公平值計入損益之 投資	27	19,065	65,967
Tax recoverable	可收回稅項		115	34
Pledged fixed deposit	已抵押定期存款	28	-	900
Bank balances and cash	銀行結存及現金	29	702	8,574
			154,652	116,371
Current liabilities	流動負債			
Trade payable	應付貿易賬款	30	64,734	8,457
Accruals, deposits received, interest and other payables	應計費用、已收按金、 利息及其他應付款項	31	10,978	12,568
Tax payable	應付稅項		-	71
Borrowings, due within one year	一年內到期之借貸	32	66,439	75,664
			142,151	96,760
Net current assets	流動資產淨額		12,501	19,611
Total assets less current liabilities	總資產減流動負債		20,058	77,142
Non-current liabilities	非流動負債			
Borrowings, due after one year	一年後到期之借貸	32	20,888	20,868
Net (liabilities)/assets	(負債)／資產淨額		(830)	56,274

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

At 30 June 2019 於二零一九年六月三十日

		Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Capital and reserves	資本及儲備			
Issued capital	已發行股本	33	43,351	43,351
Reserves	儲備		(42,648)	13,806
Equity attributable to owners of the Company	本公司擁有人應佔 權益		703	57,157
Non-controlling interests	非控股權益		(1,533)	(883)
Total (deficit)/equity	(虧絀)/權益總額		(830)	56,274

The consolidated financial statements on pages 82 to 266 were approved and authorised for issue by the board of directors on 15 November 2019 and are signed on its behalf by:

第82至266頁之綜合財務報表已經董事會於二零一九年十一月十五日批准及授權刊發，並由下列董事代表簽署：

Ke Jun Xiang
柯俊翔
Director
董事

Fu Daoding
付道丁
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

		Attributable to owners of the Company 本公司擁有人應佔								
		Issued capital	Share premium	Capital reserve	Share-based payment reserve	Exchange reserve	Accumulated losses	Total	Non-controlling interest	Total equity/ (deficit)
		已發行股本	股份溢價	資本儲備	以股份為基礎之付款儲備	匯兌儲備	累積虧損	合計	非控股權益	總權益/ (虧絀)
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 July 2017	於二零一七年七月一日	36,151	375,223	(100)	10,271	-	(307,400)	114,145	310	114,455
Loss for the year	年內虧損	-	-	-	-	-	(126,060)	(126,060)	(1,193)	(127,253)
Other comprehensive loss for the year	年內其他全面虧損	-	-	-	-	(48)	-	(48)	-	(48)
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	-	(48)	(126,060)	(126,108)	(1,193)	(127,301)
Transactions with owners 與擁有人的交易										
Forfeiture of share options	沒收購股權	-	-	-	(687)	-	687	-	-	-
Issue of shares	發行股份	7,200	64,800	-	-	-	-	72,000	-	72,000
Less: share issue expenses	減：股份發行開支	-	(2,880)	-	-	-	-	(2,880)	-	(2,880)
At 30 June 2018	於二零一八年六月三十日	43,351	437,143	(100)	9,584	(48)	(432,773)	57,157	(883)	56,274
Effect of initial adoption of HKRFS 9 (note 3)	首次採納香港財務報告準則第9號之影響(附註3)	-	-	-	-	-	(388)	(388)	-	(388)
At 1 July 2018	於二零一八年七月一日	43,351	437,143	(100)	9,584	(48)	(433,161)	56,769	(883)	55,886
Loss for the year	年內虧損	-	-	-	-	-	(56,005)	(56,005)	(650)	(56,655)
Other comprehensive loss for the year	年內其他全面虧損	-	-	-	-	(61)	-	(61)	-	(61)
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	-	(61)	(56,005)	(56,066)	(650)	(56,716)
Transactions with owners 與擁有人的交易										
Forfeiture of share options	沒收購股權	-	-	-	(1,769)	-	1,769	-	-	-
At 30 June 2019	於二零一九年六月三十日	43,351	437,143	(100)	7,815	(109)	(487,397)	703	(1,533)	(830)

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

	Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	附註		
Cash flows from operating activities			
Loss before taxation from continuing operations	經營活動之現金流量 持續經營業務之除稅前虧損	(56,874)	(121,593)
Profit/(loss) before taxation from discontinued operation	已終止經營業務之除稅前溢利/(虧損)	179	(5,619)
Loss before taxation	除稅前虧損	(56,695)	(127,212)
Adjustments for:	就下列各項作出調整：		
Interest income	利息收入	10 (4,403)	(5,304)
Other gains	其他收益	11 (355)	(571)
Finance costs	融資成本	14 14,630	9,864
Depreciation	折舊	16 3,853	4,462
Amortisation	攤銷	17 -	1,470
Unrealised fair value losses on investments at fair value through profit or loss, net	按公平值計入損益之投資之未變現公平值虧損淨額	16 8,522	19,317
(Reversal of impairment losses)/ impairment losses of loans and other receivables, net	貸款及其他應收款項之(減值虧損撥回)/減值虧損，淨額	13 (6,810)	18,635
Impairment loss of intangible assets	無形資產之減值虧損	2,000	4,109
Operating loss before working capital changes	營運資金變動前之經營虧損	(39,258)	(75,230)
(Increase)/decrease in trade receivables	應收貿易賬款(增加)/減少	(54,102)	5,335
Decrease/(increase) in loans receivable from money lending operations	來自放債業務之應收貸款減少/(增加)	400	(6,046)
Decrease/(increase) in investments at fair value through profit or loss	按公平值計入損益之投資減少/(增加)	38,380	(26,007)
Decrease/(increase) in prepayments, deposits and interest and other receivables	預付款項、按金及利息以及其他應收款項減少/(增加)	5,341	(11,570)
Decrease in inventories	存貨減少	35	8,067
Increase in trade payables, accruals, interest and other payables and deposits received	應付貿易賬款、應計費用、利息以及其他應付款項及已收按金增加	50,248	2,095
Cash generated from/(used in) operations	經營所得/(所用)現金	1,044	(103,356)
Interest paid	已付利息	(2,588)	(2,685)
Hong Kong Profits Tax paid	已付香港利得稅	(81)	(666)
PRC Enterprise Income Tax paid	已付中國企業所得稅	(31)	-
Net cash used in operating activities	經營活動所用之現金淨額	(1,656)	(106,707)

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

	Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cash flows from investing activities			
Purchase of property, plant and equipment		(10)	(894)
Deposit paid for proposed acquisition		-	(5,000)
Refund of deposits previously paid for proposed acquisition		2,000	-
Sales proceeds from disposal of property, plant and equipment		203	710
Consideration received from disposal of intangible assets		2,000	-
Decrease in other loans receivable		1,000	5,654
Decrease in pledged fixed deposit		900	19,100
Interest received		4,514	5,680
Net cash generated from investing activities		10,607	25,250
Cash flows from financing activities			
Proceeds from placement of new shares for cash	33	-	72,000
Share issue expenses	33	-	(2,880)
Net decrease in factoring loans		-	(4,255)
Net decrease in other bank borrowings		(2,511)	(3,825)
Net (decrease)/increase in margin loans		(9,247)	6,572
Other loans raised, net		1,000	14,084
Advancement from directors of the Company		300	750
Repayment to directors of the Company	39	(170)	(2,045)
Repayment of other loans		(4,880)	(6,624)
Repayment of bonds		(1,300)	(1,300)
Net cash (used in)/generated from financing activities	35(a)	(16,808)	72,477
Net decrease in cash and cash equivalents		(7,857)	(8,980)
Cash and cash equivalents at beginning of year		8,574	17,559
Effect of foreign exchange rate changes		(15)	(5)
Cash and cash equivalents at end of year		702	8,574
Represented by:			
Bank balances and cash	即：	702	8,574
	銀行結存及現金		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

1. CORPORATE INFORMATION

CIL Holdings Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of its registered office and principal place of business of the Company are disclosed in the “Corporate Information” section of the annual report.

The consolidated financial statements of the Company and its subsidiaries (collectively referred to the “Group”) are presented in Hong Kong dollars (“HKD”), which is the same as the functional currency of the Company, and all values are rounded to the nearest thousand except otherwise indicated.

The principal activity of the Company is investment holding. The principal activities of the Company’s principal subsidiaries are set out in note 41.

1. 公司資料

華建控股有限公司(「本公司」)於百慕達註冊成立為獲豁免有限責任公司，其股份於香港聯合交易所有限公司(「聯交所」)上市。本公司之註冊辦事處及主要營業地點之地址，已於年報「公司資料」一節披露。

本公司及其附屬公司(統稱「本集團」)之綜合財務報表以港元(「港元」)呈列，而港元亦為本公司之功能貨幣。除另有指明者外，所有數值已約整至最接近的千位數。

本公司之主要業務為投資控股。本公司主要附屬公司之主要業務已載於附註41。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

2. GOING CONCERN

During the year ended 30 June 2019, the Group incurred a net loss amounted to approximately HK\$56,655,000 (2018: HK\$127,253,000) and as of that date, the Group's total liabilities exceeded its total assets by approximately HK\$830,000 (2018: the Group's total assets exceeded its total liabilities by approximately HK\$56,274,000) and the Group had current borrowings of approximately HK\$66,439,000 (2018: HK\$75,664,000) whereas the Group had cash and cash equivalents of approximately HK\$702,000 (2018: HK\$8,574,000) only. In addition, the following conditions were noted:

- (i) the Group's current borrowings comprise several other loans with aggregate carrying amount of HK\$30,000,000 ("HK\$30m Loans") which constitute a default as at year end date (note 32(c)(ii));
- (ii) on 24 September 2019, the Company announced that it has received a writ of summons issued by a lender (the "Claimant") against the Company to claim the outstanding balance of approximately HK\$24,887,000. As at 30 June 2019, the Company's aggregate carrying amount due to the Claimant comprises the current borrowings of HK\$20,000,000 and interest payable of approximately HK\$4,255,000 (note 32(c)(i));
- (iii) the Group's auditor has issued a qualified opinion on the consolidated financial statements for the current year, which may constitute an event of default under the bonds placing agreements. As at 30 June 2019, the Group's bonds payable were classified as non-current liabilities with carrying amount of approximately HK\$20,888,000. Bond holders may exercise their rights to request the Group to repay the bond immediately (note 32(d)).

2. 持續經營

截至二零一九年六月三十日止年度，本集團錄得淨虧損約56,655,000港元（二零一八年：127,253,000港元），截至該日，本集團的負債總額超過其資產總額約830,000港元（二零一八年：本集團的資產總額超過其負債總額約56,274,000港元），本集團的流動借貸約為66,439,000港元（二零一八年：75,664,000港元），而本集團的現金及現金等值項目僅為約702,000港元（二零一八年：8,574,000港元）。此外，亦注意到以下情況：

- (i) 本集團的流動借貸包括數筆賬面總值為30,000,000港元的貸款（「30,000,000港元貸款」）而於年結日為違約（附註32(c)(ii)）；
- (ii) 於二零一九年九月二十四日，本公司宣佈已收到一名貸款人（「申索人」）發出的針對本公司的傳訊令狀，據此申索未償還結餘約24,887,000港元。於二零一九年六月三十日，本公司應付申索人之合計賬面值包括流動借貸20,000,000港元及應付利息約4,255,000港元（附註32(c)(i)）；
- (iii) 本集團的核數師已對本年度的綜合財務報表發表保留意見，此可能構成債券配售協議項下的違約事件。於二零一九年六月三十日，本集團的應付債券賬面值約為20,888,000港元分類為非流動負債。債券持有人可行使其權利要求本集團立即償還債券（附註32(d)）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

2. GOING CONCERN (Continued)

These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern and that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The directors of the Company consider that the Group should be able to maintain itself as a going concern in the foreseeable future and the preparation of consolidated financial statements using going concern basis is appropriate as:

- (i) pursuant to several loan agreements dated on 23 September 2019, the lenders, among other things, have agreed to renew HK\$30m Loans to the Company to 30 June 2020;
- (ii) on 30 September 2019, the Company entered into a settlement agreement with the Claimant, pursuant to which, the Company has agreed to pay the Claimant the sum of approximately HK\$24,054,000 by instalments. On 3 October 2019, the Company announced that the Claimant and the Company jointly applied to the court on 2 October 2019 for a consent order whereby the Claimant is stipulated to wholly discontinue the court action against the Company. Details are set out in note 32(c)(i);
- (iii) after paying cash of HK\$500,000 to the Claimant, on 11 November 2019, the Company and the Claimant entered into a supplemental settlement agreement, pursuant to which the Company will issue new 867,000,000 shares ("Settlement Shares") at a consideration of HK\$0.02 per Settlement Share in the amount of HK\$17,340,000 and pay by cash in the amount of approximately HK\$6,214,000 to the Claimant. Details are set out in note 32(c)(i);

2. 持續經營(續)

此等情況顯示存在重大不確定性，此可能對本集團的持續經營能力產生重大疑問，以及其可能無法在正常業務過程中變現其資產並清償其債務。

本公司董事認為，本集團應能在可預見的未來維持其持續經營的基準，而以持續經營基準編制綜合財務報表為合適，原因為：

- (i) 根據日期為二零一九年九月二十三日的若干貸款協議，貸款人已(其中包括)同意向本公司重續30,000,000港元貸款至二零二零年六月三十日；
- (ii) 於二零一九年九月三十日，本公司與申索人訂立和解協議，據此，本公司同意分期向申索人支付約24,054,000港元。於二零一九年十月三日，本公司宣佈，申索人與本公司於二零一九年十月二日共同向法院申請同意命令，其中規定申索人完全中止對本公司提起的法律訴訟。詳情載於附註32(c)(i)；
- (iii) 向申索人支付現金500,000港元後，於二零一九年十一月十一日，本公司與申索人訂立補充和解協議，據此，本公司將向申索人按每股和解股份0.02港元之代價發行為數17,340,000港元之867,000,000股新股份(「和解股份」)並以現金支付約6,214,000港元。詳情載於附註32(c)(i)；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

2. GOING CONCERN (Continued)

- (iv) on 12 November 2019, the Company and Mr. Ke Jun Xiang, the Chairman and executive director of the Company entered into loans agreement pursuant to which Mr. Ke agrees to provide loans to the Company amounting to approximately HK\$100,000,000;
- (v) on 15 November 2019, the Company announced that it proposes to issue 2,601,072,923 or 2,621,572,923 rights share at the subscription prices of HK\$0.02 per rights share on the basis of 1 rights share for every 2 shares held by the qualifying shareholders on the record date and expects to receive the net proceeds of approximately HK\$52.0 million to HK\$52.4 million (the "Rights Issue"). Details of the Rights Issue are set out in the Company's announcement dated 15 November 2019; and
- (vi) the directors of the Company prepared a working capital forecast for a period of 12 months ending on 30 June 2020, which have taken into consideration of the Group's financial performance, working capital, liquidity position and the above-mentioned arrangements and considered the Group has sufficient working capital for the coming 12 months since the end of the reporting period..

Should the Rights Issue not be fully subscribed or the loan facility provided by Mr. Ke not be available to the Group, the Group may not have sufficient working capital to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets as current assets and non-current liabilities as current liabilities. The effect of these adjustments has not been reflected in the consolidated financial statements.

2. 持續經營(續)

- (iv) 於二零一九年十一月十二日，本公司與本公司主席兼執行董事柯俊翔先生訂立貸款協議，據此，柯先生同意向本公司提供金額約為100,000,000港元的貸款；
- (v) 於二零一九年十一月十五日，本公司宣佈其建議以認購價每股供股股份0.02港元按合資格股東於記錄日期持有的每兩股股份獲發一股供股股份之基準發行2,601,072,923股或2,621,572,923股供股股份，並預期將收取約52,000,000港元至52,400,000港元之所得款項淨額（「供股」）。供股之詳情載於本公司日期為二零一九年十一月十五日之公佈；及
- (vi) 本公司董事編制截至二零二零年六月三十日止12個月期間的營運資金預測，該預測已考慮到本集團的財務表現、營運資金、流動資金狀況和上述安排，並認為本集團具備足夠營運資金以應付報告期末起計未來12個月所需。

倘供股未獲全數認購或柯先生提供的貸款融資無法供本集團動用，則本集團未必具備足夠的營運資金以按持續經營基準營運，其時將須作出調整以將資產價值撇減至可收回金額，就可能產生的進一步負債作出撥備，並將非流動資產重新分類為流動資產及將非流動負債重新分類為流動負債。此等調整的影響未反映在綜合財務報表中。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

3. ADOPTION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

The Group has adopted the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) effective for the first time in the current year:

HKFRS 9	Financial Instrument
HKFRS 15	Revenue from Contracts with Customers and the related Amendments
HK(IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
Amendments to HKFRS 1 and HKAS 28	As part of the Annual Improvements to HKFRS 2014-2016 Cycle
Amendments to HKAS 40	Transfer of Investment Property

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

3. 採納新訂香港財務報告準則（「香港財務報告準則」）及香港財務報告準則之修訂

本集團已採納以下由香港會計師公會（「香港會計師公會」）頒佈並於本年度首次生效之新訂香港財務報告準則及香港財務報告準則之修訂：

香港財務報告準則 第9號	金融工具
香港財務報告準則 第15號	來自客戶合約之收益及相關修訂
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
香港財務報告準則 第2號之修訂	以股份為基礎的付款 交易之分類及計量
香港財務報告準則 第4號之修訂	連同香港財務報告準則第4號保險合約 應用香港財務報告準則第9號金融工具
香港財務報告準則 第1號及香港會計準則第28號之修訂	香港財務報告準則 二零一四年至二零一六年週期之 年度改進之一部份
香港會計準則 第40號之修訂	轉移投資物業

除下文所述者外，本年度應用新訂香港財務報告準則及其修訂本對本集團本年度及過往年度之財務表現及狀況及／或於該等綜合財務報表所載之披露並無構成重大影響。

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

3.1 HKFRS 9 “Financial Instruments”

In the current year, the Group has adopted HKFRS 9 “Financial Instruments” and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for (1) the classification and measurement of financial assets and financial liabilities; (2) expected credit losses (“ECL”) for financial assets and other items (for example, contract assets (if any)) and (3) general hedge accounting.

The Group has adopted HKFRS 9 in accordance with the transition provisions set out in HKFRS 9, i.e. applied the classification and measurement requirements (including impairment under ECL model) retrospectively to instruments that have not been derecognised as at 1 July 2018 (date of initial application of HKFRS 9) and has not applied the requirements to instruments that have already been derecognised as at 1 July 2018. The difference between carrying amounts as at 30 June 2018 and the carrying amounts as at 1 July 2018 are recognised in the opening accumulated losses and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 “Financial Instruments: Recognition and Measurement”.

Accounting policies resulting from adoption of HKFRS 9 was disclosed in note 4.

3. 採納新訂香港財務報告準則（「香港財務報告準則」）及香港財務報告準則之修訂（續）

3.1 香港財務報告準則第9號「金融工具」

於本年度，本集團已採納香港財務報告準則第9號「金融工具」及相應之其他香港財務報告準則之相關修訂。香港財務報告準則第9號引入新要求：(1)金融資產及金融負債之分類及計量；(2)金融資產及其他項目（例如合約資產（如有））之預期信貸虧損（「預期信貸虧損」）；及(3)一般對沖會計規定。

本集團已根據香港財務報告準則第9號所載之過渡條文採納香港財務報告準則第9號，即對於二零一八年七月一日（香港財務報告準則第9號之首次應用日期）尚未終止確認之工具追溯應用分類及計量要求（包括預期信貸虧損模式下之減值），而並無對已於二零一八年七月一日終止確認之工具應用相關要求。於二零一八年六月三十日之賬面值與於二零一八年七月一日之賬面值之間的差額於期初累計虧損及權益之其他部分確認，並無重列比較資料。

由於比較資料乃按照香港會計準則第39號「金融工具：確認及計量」編製，因此若干比較資料可能無法用作比較。

採納香港財務報告準則第9號所產生之會計政策於附註4披露。

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

3.1 HKFRS 9 “Financial Instruments” (Continued)

Summary of effects arising from initial adoption of HKFRS 9

The table below illustrates the classification and measurement of financial assets and financial liabilities and other items subject to ECL under HKFRS 9 and HKAS 39 at the date of initial application, i.e. 1 July 2018. Line items that were not affected by the changes have not been included.

3. 採納新訂香港財務報告準則（「香港財務報告準則」）及香港財務報告準則之修訂（續）

3.1 香港財務報告準則第9號「金融工具」（續）

首次應用香港財務報告準則第9號的影響概述

下表闡述根據香港財務報告準則第9號及香港會計準則第39號適用於預期信貸虧損的金融資產及金融負債以及其他項目於二零一八年七月一日（即首次應用日期）的分類及計量。不受變動影響之單行項目並無包括在內。

		Loans receivables included in		Refundable deposit included in		Accumulated losses
		non-current assets	current assets	non-current assets	Accumulated losses	
		計入以下項目之應收貸款		計入非流動資產		
		非流動資產	流動資產	之可退還按金		累計虧損
		HK\$'000	HK\$'000	HK\$'000		HK\$'000
		千港元	千港元	千港元		千港元
At 30 June 2018	於二零一八年六月三十日					
- amounts reported under HKAS 39	- 根據香港會計準則第39號報告之金額	18,759	15,247	20,000		(432,773)
Effect arising from initial adoption of HKFRS 9:	首次採納香港財務報告準則第9號產生之影響：					
- Re-measurement of impairment loss under ECL model (note)	- 根據預期信貸虧損模式重新計量減值虧損（附註）	(209)	(173)	(6)		(388)
At 1 July 2018	於二零一八年七月一日					
- amounts reported under HKFRS 9	- 根據香港財務報告準則第9號報告之金額	18,550	15,074	19,994		(433,161)

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

3.1 HKFRS 9 “Financial Instruments” (Continued)

Summary of effects arising from initial adoption of HKFRS 9 (Continued)

Note:

The amount represents the impairment loss under 12-month ECL (“12m ECL”) and lifetime ECL upon application of HKFRS 9.

As at 1 July 2018, the additional credit allowance of HK\$388,000 has been recognised in accumulated losses and is charged against the respective asset. Based on the assessment performed on the date of initial adoption of HKFRS 9, the directors of the Company considered that the additional credit allowance in relation to trade receivables, pledged fixed deposit, bank balances and cash and other receivables are insignificant to the financial performance and position of the Group.

3. 採納新訂香港財務報告準則（「香港財務報告準則」）及香港財務報告準則之修訂（續）

3.1 香港財務報告準則第9號「金融工具」（續）

首次應用香港財務報告準則第9號的影響概述（續）

附註：

有關金額指應用香港財務報告準則第9號後12個月預期信貸虧損（「12個月預期信貸虧損」）及全期預期信貸虧損項下之減值虧損。

於二零一八年七月一日，額外信貸撥備388,000港元已於累計虧損中確認並自相關資產中扣除。根據於首次應用香港財務報告準則第9號當日所作之評估，本公司董事認為有關應收貿易賬款、已抵押定期存款、銀行結存及現金以及其他應收款項之額外減值撥備對本集團財務表現及狀況之影響甚微。

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

3.1 HKFRS 9 “Financial Instruments” (Continued)

Summary of effects arising from initial adoption of HKFRS 9 (Continued)

Note: (Continued)

The following table reconciles the impairment allowance measured in accordance with HKAS 39 (under incurred loss model) as at 30 June 2018 to the new impairment allowance measured with HKFRS 9 (under ECL model) at 1 July 2018:

3. 採納新訂香港財務報告準則（「香港財務報告準則」）及香港財務報告準則之修訂（續）

3.1 香港財務報告準則第9號「金融工具」（續）

首次應用香港財務報告準則第9號的影響概述（續）

附註：（續）

下表載列於二零一八年六月三十日根據香港會計準則第39號（按照已產生虧損模式）計量之減值撥備與於二零一八年七月一日根據香港財務報告準則第9號（按照預期信貸虧損模式）計量之新減值撥備之對賬：

		Impairment allowance under HKAS 39 根據香港會計準則第39號之減值撥備 HK\$'000 千港元	Additional impairment allowance under re-measurement 重新計量之額外減值撥備 HK\$'000 千港元	Impairment allowance under HKFRS 9 根據香港財務報告準則第9號之減值撥備 HK\$'000 千港元
Loans receivables (note 23)	應收貸款 (附註23)	9,000	382	9,382
Financial assets included in prepayments, deposits, interest and other receivables	計入預付款項、按金、利息及其他應收款項之金融資產	9,635	6	9,641
Total	總計	18,635	388	19,023

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

3.1 HKFRS 9 “Financial Instruments” (Continued)

Summary of effects arising from initial adoption of HKFRS 9 (Continued)

Note: (Continued)

Loss allowances for loans receivables and financial assets included in prepayments, deposits, interest and other receivables are measured on 12m ECL basis (“Stage 1”) for those with no significant increase in credit risk since initial recognition, and measured on lifetime ECL basis for those with credit risk increased significantly (“Stage 2”), or assessed to be credit-impaired (“Stage 3”) since initial recognition.

3.2 HKFRS 15 “Revenue from Contracts with Customers”

The Group has adopted HKFRS 15 for the first time in the current year. HKFRS 15 superseded HKAS 18 “Revenue”, HKAS 11 “Construction Contracts” and the related interpretations.

The Group has adopted HKFRS 15 retrospectively with the cumulative effect of initial application recognised at the date of initial application, i.e. 1 July 2018. Any difference at the date of initial application is recognised in the opening accumulated losses and comparative information has not been restated. Furthermore, in accordance with the transition provisions in HKFRS 15, the Group has elected to apply retrospectively only to contracts that are not completed at 1 July 2018. Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 18 “Revenue” and HKAS 11 “Construction Contracts” and the related interpretations.

3. 採納新訂香港財務報告準則（「香港財務報告準則」）及香港財務報告準則之修訂（續）

3.1 香港財務報告準則第9號「金融工具」（續）

首次應用香港財務報告準則第9號的影響概述（續）

附註：（續）

應收貸款以及計入預付款項、按金、利息及其他應收款項之金融資產之虧損撥備乃就自初次確認以來信貸風險概無顯著增加者按12個月預期信貸虧損基準計量（「第一階段」）、就信貸風險顯著增加者（「第二階段」）或自初次確認以來經評定為出現信貸減值者（「第三階段」）以全期預期信貸虧損基準計量。

3.2 香港財務報告準則第15號「客戶合約收益」

本集團於本年度首次採納香港財務報告準則第15號。香港財務報告準則第15號取代香港會計準則第18號「收益」、香港會計準則第11號「建造合約」及相關詮釋。

本集團已追溯採納香港財務報告準則第15號，而首次應用之累計影響已於二零一八年七月一日首次應用當日確認。於首次應用日期之一切差異乃於期初累計虧損確認，且並無重列比較資料。再者，根據香港財務報告準則第15號之過渡條文，本集團已選擇僅就於二零一八年七月一日尚未完成之合約追溯應用。因此，若干比較資料未必能與根據香港會計準則第18號「收益」及香港會計準則第11號「建造合約」及相關詮釋編製之比較資料具可比性。

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

3.2 HKFRS 15 “Revenue from Contracts with Customers” (Continued)

The Group recognises revenue from the following major sources:

- sales of goods; and
- interest income from financial assets (under HKFRS 9 as detailed previously).

Information about the Group’s performance obligations and the accounting policies resulting from application of HKFRS 15 are disclosed in note 9 and note 4 respectively.

Summary of effects arising from initial application of HKFRS 15

At the date of initial application, included in accruals, deposits received and other payables are receipt in advance from customers of approximately HK\$1,436,000 for the Group’s obligation to deliver goods to customers that have not been completed as at that date. Such balance was reclassified to contract liabilities upon application of HKFRS 15. Other than that, the application of HKFRS 15 in current year has had no material effect on the Group’s financial performance and positions for the current year and prior years and/or disclosures set out in these consolidated financial statements.

3. 採納新訂香港財務報告準則（「香港財務報告準則」）及香港財務報告準則之修訂（續）

3.2 香港財務報告準則第15號「客戶合約收益」(續)

本集團確認以下主要來源之收益：

- 銷售貨品；及
- 金融資產之利息收入（根據香港財務報告準則第9號，如前文所詳述）。

有關應用香港財務報告準則第15號產生的本集團履約責任及會計政策的資料分別於附註9及4披露。

首次應用香港財務報告準則第15號所產生之影響概要

於首次應用日期，計入應計費用、已收按金及其他應付款項的金額為向客戶預收墊款約1,436,000港元，乃關於在該日尚未完成的本集團向客戶交付貨品之責任。該結餘於應用香港財務報告準則第15號後重新分類至合約負債。除此之外，於本年度應用香港財務報告準則第15號對本集團於本年度及以往年度之財務表現及狀況及／或該等綜合財務報表所載披露事項並無重大影響。

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

3.2 HKFRS 15 “Revenue from Contracts with Customers” (Continued)

Summary of effects arising from initial application of HKFRS 15 (Continued)

The following adjustment were made to the consolidated statement of financial position at 1 July 2018. Line items that were not affected by the changes have not been included:

3. 採納新訂香港財務報告準則（「香港財務報告準則」）及香港財務報告準則之修訂（續）

3.2 香港財務報告準則第15號「客戶合約收益」（續）

首次應用香港財務報告準則第15號所產生之影響概要（續）

本集團已對二零一八年七月一日的綜合財務狀況表作出下列調整。概無呈列不受變動影響的項目：

	Carrying amounts previously reported at 30 June 2018	Adjustments	Carrying amounts under HKFRS 15 at 1 July 2018
	先前於二零一八年六月三十日呈報之賬面值	調整	於二零一八年七月一日香港財務報告準則第15號項下之賬面值
	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元
Accruals, deposits received and other payables	12,568	(1,436)	11,132
Contract liabilities	-	1,436	1,436

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

New and amendments to HKFRSs in issue but not yet effective

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

HKFRS 16	Leases ¹
HKFRS 17	Insurance Contracts ³
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments ¹
Amendment to HKFRS 3	Definition of a Business ⁴
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ¹
Amendments to HKFRS 10 and HKAS 28 (2011)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²
Amendments to HKAS 1 And HKAS 8	Definition of Material ⁵
Amendments to HKAS 19	Plan Amendment, Curtailment of Settlement ¹
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ¹
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015-2017 Cycle ¹

- ¹ Effective for annual periods beginning on or after 1 January 2019
- ² Effective for annual periods beginning on or after a date to be determined
- ³ Effective for annual periods beginning on or after 1 January 2021
- ⁴ Effective for business combinations and asset acquisition for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020
- ⁵ Effective for annual periods beginning on or after 1 January 2020

3. 採納新訂香港財務報告準則(「香港財務報告準則」)及香港財務報告準則之修訂(續)

已頒佈但尚未生效的新訂香港財務報告準則及香港財務報告準則的修訂

本集團尚未提前應用下列已頒佈但尚未生效的新訂香港財務報告準則及香港財務報告準則的修訂：

香港財務報告準則第16號	租約 ¹
香港財務報告準則第17號	保險合約 ³
香港(國際財務報告詮釋委員會) – 詮釋第23號	所得稅處理之不確定性 ¹
香港財務報告準則第3號之修訂	業務之定義 ⁴
香港財務報告準則第9號之修訂	具有負補償之預付款特點 ¹
香港財務報告準則第10號及香港會計準則第28號(二零一一年)之修訂	投資者與其聯營公司或合營企業之間之資產出售或出讓 ²
香港會計準則第1號及香港會計準則第8號之修訂	重要性之定義 ⁵
香港會計準則第19號之修訂	計劃修訂、縮減或結算 ¹
香港會計準則第28號之修訂	於聯營公司及合營企業之長期權益 ¹
香港財務報告準則之修訂	香港財務報告準則之年度改進(二零一五年至二零一七年週期) ¹

- ¹ 於二零一九年一月一日或之後開始之年度期間生效
- ² 於將釐定之日期或之後開始之年度期間生效
- ³ 於二零二一年一月一日或之後開始之年度期間生效
- ⁴ 對於收購日期為二零二零年一月一日或之後開始之第一個年度期間開始或之後之企業合併和資產收購生效
- ⁵ 於二零二零年一月一日或之後開始之年度期間生效

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

HKFRS 16 “Leases”

HKFRS 16, which upon the effective date will supersede HKAS 17 “Leases”, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classify cash repayments of the lease liability into a principal portion and an interest portion and present them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, HKAS 17.

3. 採納新訂香港財務報告準則（「香港財務報告準則」）及香港財務報告準則之修訂（續）

香港財務報告準則第16號「租賃」

香港財務報告準則第16號將於生效日期起取代香港會計準則第17號「租賃」而引入單一承租人會計處理模式，並規定承租人就被為期超過12個月的所有租賃確認資產及負債，惟相關資產為低價值資產除外。具體而言，根據香港財務報告準則第16號，承租人須確認使用權資產（表示其有權使用相關租賃資產）及租賃負債（表示其有責任支付租賃款項）。因此，承租人應確認使用權資產折舊及租賃負債利息，並將租賃負債的現金還款分類為本金部分及利息部分，並在現金流量表中呈列。此外，使用權資產及租賃負債初次按現值基準計量。計量包括不可撤銷租賃付款，亦包括倘承租人合理肯定會行使選擇權延租或不行使選擇權中止租賃的情況，而於選擇權期間內作出的付款。此會計處理方法與根據原準則香港會計準則第17號分類為經營租賃的租賃的承租人會計處理顯著不同。

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

HKFRS 16 “Leases” (Continued)

In respect of lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

Furthermore, extensive disclosures are required by HKFRS 16.

As at 30 June 2019, the Group has non-cancellable operating lease commitments of approximately HK\$2,115,000 as disclosed in note 34. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence 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 upon the adoption of HKFRS 16.

3. 採納新訂香港財務報告準則（「香港財務報告準則」）及香港財務報告準則之修訂（續）

香港財務報告準則第16號「租賃」(續)

就出租人會計處理而言，香港財務報告準則第16號大致承轉了香港會計準則第17號的出租人會計處理規定。因此，出租人繼續將其租賃分類為經營租賃或融資租賃，並且對上述兩種租賃進行不同的會計處理。

此外，香港財務報告準則第16號亦要求較廣泛的披露。

於二零一九年六月三十日，本集團有不可撤銷的經營租賃承擔約2,115,000港元（如附註34所披露）。初步評估顯示該等安排將符合香港財務報告準則第16號項下租賃的定義，因此本集團將就所有租賃確認使用權資產及對應負債，除非於採納香港財務報告準則第16號時其符合低價值或短期租賃。

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

HKFRS 16 “Leases” (Continued)

The application of new requirements may result in changes in measurement, presentation and disclosure as indicated above. The Group intends to elect the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC) – Int 4 “Determining whether an Arrangement contains a Lease” and not apply this standard to contracts that were not previously identified as containing a lease applying HKAS 17 and HK(IFRIC) – Int 4. Therefore, the Group will not reassess whether the contracts are, or contain a lease which already existed prior to the date of initial application. Furthermore, the Group intends to elect the modified retrospective approach for the application of HKFRS 16 as lessee and will recognise the cumulative effect of initial application to opening accumulated losses without restating comparative information.

Except for the adoption of HKFRS 16 above, the directors of the Company anticipate that the adoption of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. 採納新訂香港財務報告準則（「香港財務報告準則」）及香港財務報告準則之修訂（續）

香港財務報告準則第16號「租賃」（續）

應用新規定或會導致上述計量、呈列及披露的變動。本集團擬選擇可行權宜方法，就先前應用香港會計準則第17號及香港（國際財務報告詮釋委員會）— 詮釋第4號「釐定安排是否包括租賃」識別為租賃的合約應用香港財務報告準則第16號，而並無對先前應用香港會計準則第17號及香港（國際財務報告詮釋委員會）— 詮釋第4號識別為包括租賃的合約應用該準則。因此，本集團將不會重新評估合約是否為，或包括於首次應用日期前已存在的租賃。此外，本集團（作為承租人）擬選擇經修訂追溯法應用香港財務報告準則第16號，並將確認首次應用對期初累計虧損的累計影響，而並無重列比較資料。

除採納上述香港財務報告準則第16號外，本公司董事預期，採納所有其他新訂香港財務報告準則及香港財務報告準則的修訂在可預見將來不會對綜合財務報表產生重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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4. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs, which is a collective term referred to all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations (“Ints”) issued by the HKICPA, accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance and Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

The consolidated financial statements have been prepared under the historical cost convention, except for investments at fair value through profit or loss which has been measured at fair values as explained in the accounting policies set out below.

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, 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 or value in use in HKAS 36.

4. 主要會計政策

綜合財務報表乃根據香港財務報告準則（此統稱乃指香港會計師公會頒佈之所有適用的個別香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋（「詮釋」）以及香港公認會計原則而編制。此外，綜合財務報表符合香港公司條例及聯交所證券上市規則（「上市規則」）的適用披露規定。

綜合財務報表乃根據歷史成本價例法編制，惟如下文所載之會計政策所說明按公平值計入損益之投資已按公平值計量除外。

公平值是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，而不論該價格是否直接可觀察或可使用其他估值技術估計。若市場參與者於計量日期對資產或負債定價時會考慮資產或負債的特點，則本集團於估計資產或負債的公平值時會考慮該等特點。此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，惟屬於香港財務報告準則第2號範圍的以股份為基礎之付款交易、屬於香港會計準則第17號範圍內的租賃交易，以及與公平值有類同之處但並非公平值的計量，譬如香港會計準則第2號內的可變現淨額或香港會計準則第36號的使用價值除外。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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4. 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 with 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.

4.1 BASIS OF CONSOLIDATION

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

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

4. 主要會計政策(續)

此外，就財務報告而言，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級、第二級或第三級，詳情如下：

- 第一級輸入數據是實體於計量日期可以取得的相同資產或負債於活躍市場之報價(未經調整)；
- 第二級輸入數據是就資產或負債直接或間接地可觀察之輸入數據(第一級內包括的報價除外)；及
- 第三級輸入數據是資產或負債的不可觀察輸入數據。

主要會計政策載列如下：

4.1 綜合基準

綜合財務報表包括本公司與本公司所控制之實體(即其附屬公司)之財務報表。當符合下列情況，本公司即取得控制權：

- 對被投資方擁有權力；
- 具有承擔或享有參與被投資方所得之可變回報的風險或權利；及
- 能運用其權力影響該等回報。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.1 BASIS OF CONSOLIDATION (Continued)

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.

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. Prior to 1 July 2009, losses applicable to the non-controlling interests in excess of the non-controlling interests in the subsidiary's equity were allocated against the interests of the Group except to the extent that the non-controlling interests had a binding obligation and were able to make an additional investment to cover the losses.

4. 主要會計政策(續)

4.1 綜合基準(續)

倘有事實及情況顯示出上列三項控制因素其中一項或多項出現改變，則本集團會重新評估是否仍然控制被投資方。

本集團獲得附屬公司控制權時即開始將附屬公司綜合入賬，而於失去控制權時即終止綜合入賬。具體而言，於年內所收購或出售之附屬公司之收入及開支由本集團獲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該附屬公司當日為止。

損益及其他全面收益各個項目均歸屬於本公司擁有人及非控股權益。附屬公司之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之結餘出現負數亦然。於二零零九年七月一日前，非控股權益應佔之虧損超逾非控股權益於附屬公司之權益之部分，乃於本集團之權益中扣除，惟以非控股權益須承擔具約束力之責任並能夠作出額外投資以彌補損失者為限。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.1 BASIS OF CONSOLIDATION (Continued)

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

All intra-group 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 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 interests 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 and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

4. 主要會計政策(續)

4.1 綜合基準(續)

於有需要時，會調整附屬公司之財務報表以使其會計政策與本集團之會計政策一致。

所有有關本集團成員公司之間的集團內公司間之資產及負債、權益、收入、開支及現金流量會於綜合入賬時全數撇銷。

本集團於現有附屬公司擁有權之變動

本集團於附屬公司擁有權的變動並無導致本集團對附屬公司失去控制權，會作為股本交易入賬。本集團的權益及非控股權益的賬面值經調整以反映彼等於附屬公司的有關權益變動。非控股權益的經調整金額與已付或已收代價的公平值間任何差額直接於權益中確認並歸屬於本公司的擁有人。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.1 BASIS OF CONSOLIDATION (Continued)

Changes in the Group's ownership interests in existing subsidiaries (Continued)

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 previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. 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 HKFRS 9/HKAS 39 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

4. 主要會計政策(續)

4.1 綜合基準(續)

本集團於現有附屬公司擁有權之變動(續)

當本集團失去一間附屬公司的控制權時，盈虧於損益內確認，並按：(i)已收代價公平值及任何保留權益公平值總額與(ii)附屬公司及任何非控股權益的資產(包括商譽)及負債的過往賬面值之間的差額計算。所有先前於其他全面收益就該附屬公司確認的金額會予以入賬，猶如本集團已直接出售該附屬公司的相關資產及負債(即按適用香港財務報告準則的規定/許可重新分類至損益或轉撥至另一類權益)。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，會根據香港財務報告準則第9號/香港會計準則第39號，在其後入賬時被列作初次確認的公平值，或(如適用)初次確認於聯營公司或合營企業的投資的成本。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.2 INTANGIBLE ASSETS

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

Intangible asset with finite life is subsequently amortised over useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Intangible asset with indefinite useful life that is acquired separately is carried at cost less accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured at 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.

4. 主要會計政策(續)

4.2 無形資產

獨立收購之無形資產在初次確認時按成本計量。於業務合併中收購之無形資產之成本為於收購日期之公平值。無形資產之使用年期乃評定為有限或無指定期限。

使用年期有限的無形資產其後按可用經濟年期攤銷，並每當有跡象顯示無形資產可能出現減值時進行減值評估。使用年期有限的無形資產之攤銷期限和攤銷方法至少於每個財政年度結束時檢討。獨立收購而使用年期為無指定期限的無形資產按成本減累計減值虧損列賬。

無形資產於出售或當預期使用或出售時不會帶來未來經濟利益時取消確認。取消確認無形資產所產生之收益或虧損按出售所得款項淨額與資產賬面值之差額計算，並於資產取消確認時於損益賬確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at historical cost less subsequent accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation on property, plant and equipment is provided to write off their cost over their estimated useful lives on a straight line basis. The estimated useful lives and depreciation method are reviewed and adjusted if appropriate, at the end of the reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The principal annual rates used for this purpose are as follows:

Leasehold improvements	lower of 20% or remaining lease terms
Furniture and fixtures	20%
Machinery and equipment	20% - 30%
Motor vehicles	20%
Yacht	20%

4. 主要會計政策(續)

4.3 物業、機器及設備

物業、機器及設備按歷史成本值減其後累計折舊及累計減值虧損(如有)列賬。歷史成本值包括收購有關項目直接應佔之開支。

當與該項目有關之未來經濟利益很可能流入本集團，而且該項目之成本能被可靠計算時，其後成本方可列入資產之賬面值或確認為獨立資產(如適用)。所有其他維修及保養成本均於其產生之財政期間，在損益中扣除。

物業、機器及設備之折舊乃按其估計可用年限以直線法計提，從而撇銷其成本。估計可用年限及折舊方法於報告期末檢討及調整(如合適)，任何估計變動之影響將按未來適用基準計入。就此使用的主要年率如下：

租賃物業裝修	20%或餘下租期(以較低者為準)
傢俬及裝置	20%
機械及設備	20%至30%
汽車	20%
遊艇	20%

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.3 PROPERTY, PLANT AND EQUIPMENT (Continued)

Useful lives and depreciation method are reviewed and adjusted if appropriate, at the end of each reporting period.

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 relevant asset, and is recognised in profit or loss in the year in which the asset is derecognised.

4.4 IMPAIRMENT LOSS ON TANGIBLE AND INTANGIBLE ASSETS

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets (see the accounting policy in respect of impairment of financial assets below) 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. Where 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. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to the individual cash-generating units, or otherwise they are allocated to the smallest group of cash generating unit for which a reasonable and consistent allocation basis can be identified.

4. 主要會計政策(續)

4.3 物業、機器及設備(續)

可用年限及折舊方法於各報告期末檢討，並在適當情況作出調整。

物業、機器及設備項目於出售時或當繼續使用該資產預期不會產生任何未來經濟利益時取消確認。任何出售或棄用物業、機器及設備項目所產生之收益或虧損按該資產之銷售所得款項及賬面值間之差額釐定，並於取消確認該項目之年度計入損益中。

4.4 有形及無形資產之減值虧損

本集團於各報告期末評估其有形及無形資產之賬面值(可參閱下文有關金融資產減值之會計政策)，以確定該等資產有否減值虧損之跡象。如果出現任何這類跡象，將就該資產可收回值作出估計，以確定任何減值虧損之程度。倘未能估計個別資產之可收回值，則本集團估計該資產所屬之現金產生單位之可收回值。在合理及一致之分配基準可被確定之情況下，公司資產亦分配至個別現金產生單位，否則將分配至合理及一致之分配基準可被確定之最小現金產生單位。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.4 IMPAIRMENT LOSS ON TANGIBLE AND INTANGIBLE ASSETS (Continued)

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 cash-generating unit) is reduced to its recoverable amount. 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 in profit or loss immediately.

4. 主要會計政策(續)

4.4 有形及無形資產之減值虧損(續)

可收回值乃公平值扣除處置成本與使用值之較高者。在評估使用值時，估計未來現金流量將使用稅前貼現率貼現至其現值，以反映目前資金時間值之市場估量及未來現金流量預期未經調整之資產有關之風險。

倘若一項資產(或現金產生單位)之可收回值低於其賬面值，則該項資產(或現金產生單位)之賬面值即被減至可收回值。減值虧損應立即於損益確認。

於其後撥回減值虧損時，資產(或現金產生單位)之賬面值可調高至重新估計之可收回值，惟不可高於該資產(或現金產生單位)於過往未減值虧損前之賬面值。撥回之減值虧損即時於損益確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.5 REVENUE FROM CONTRACTS WITH CUSTOMERS

Under HKFRS 15, the Group 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.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- the Group’s performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

4. 主要會計政策(續)

4.5 客戶合約收益

根據香港財務報告準則第15號，本集團於完成履約責任時(或就此)確認收益，即於特定履約責任相關商品或服務之「控制權」轉移至客戶時。

履約責任指一項明確商品及服務(或一批商品或服務)或一系列大致相同之明確商品或服務。

倘符合以下任何一項條件，控制權按時間轉移，而收益經參考完全履行相關履約責任之進度按時間確認：

- 客戶於本集團履約的同時收取及消耗本集團履約所帶來之利益；
- 本集團履約時創建或增強客戶能控制之資產；或
- 本集團履約未創建對本集團具有替代用途之資產，而本集團擁有可強制執行權利收取迄今已履約部分之款項。

否則，收益乃於客戶獲得明確商品或服務控制權時確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.5 REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

Revenue from sale of goods is recognised at a point in time when the customer obtains the control of the goods and the Group has present right to payment and the collection of the consideration is probable.

Contract assets and liabilities

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

4. 主要會計政策(續)

4.5 客戶合約收益(續)

銷售貨品的收益在客戶取得貨品控制權時確認，而本集團現有付款權利，亦有可能收回代價。

合約資產及負債

合約資產指本集團就本集團已向客戶轉讓的商品或服務而於交換中收取代價的權利(尚未成為無條件)，根據香港財務報告準則第9號評估減值。相反，應收賬款指本集團收取代價的無條件權利，即代價到期付款前僅需時間推移。

合約負債指本集團就已向客戶收取代價(或代價金額到期)而向客戶轉移貨品或服務之義務。

同一合約的合約資產及合約負債按淨額入賬及呈列。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.5 REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

Existence of significant financing component

In determining the transaction price, the Group adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

For contracts where the period between payment and transfer of the associated goods or services is less than one year, the Group applies the practical expedient of not adjusting the transaction price for any significant financing component.

For advance payments received from customers before the transfer of the associated goods or services in which the Group adjusts for the promised amount of consideration for a significant financing component, the Group applies a discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. The relevant interest expenses during the period between the advance payments were received and the transfer of the associated goods and services are accounted for on the same basis as other borrowing costs.

4. 主要會計政策(續)

4.5 客戶合約收益(續)

存在重大融資組成部分

於釐定交易價格時，倘協定之付款時間(不論以暗示或明示方式)為客戶或本集團帶來向客戶轉讓貨品或服務之重大融資利益，則本集團就資金時間值之影響而調整已承諾之代價金額。於該等情況下，合約即包含重大融資部分。不論融資承諾是否明確列於合約或隱含於訂約方協定之付款條款中，合約中亦可能存在重大融資部分。

就付款與轉讓相關貨品或服務相隔期間不足一年之合約而言，本集團應用可行權宜方法，不就任何重大融資部分調整交易價格。

就本集團轉讓貨品或服務前已向客戶收取之預付款項，本集團已就重大融資成份而調整已承諾之代價金額，並應用本集團與客戶之間於合約開始之獨立融資交易中反映之折現率。於收取預付款項與轉讓相關貨品及服務相隔期間之相關利息開支按相同基準入賬列作其他借貸成本。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.5 REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

Principal versus agency considerations

In accordance with the principal versus agency considerations prescribed by HKFRS 15, the Group determines whether it acts as principal or agent in each of its revenue streams. The principal is the entity that has promised to provide goods or services to its customers. An agent arranges for goods or services to be provided by the principal to its end customer.

For the Group's trading of rice cookers and household electrical appliances and commodity products and automotive components,

- the Group is primarily responsible for fulfilling the promise to provide specified goods to customers;
- goods were shipped from suppliers to an agreed destination where customers could pick up directly. The Group obtained the rights to specified goods from the supplier before rights were transferred to customers. For trading of rice cookers and household electrical appliances, the rights were transferred to customers when the goods were directly received from the supplier. For trading of commodity products and automotive components, the rights were transferred to customers when the goods were shipped at the shipping point; and
- the transaction prices were determined separately based on negotiations with customers and suppliers.

4. 主要會計政策(續)

4.5 客戶合約收益(續)

主要責任人與代理人考慮事項

根據香港財務報告準則第15號對主要責任人與代理人考慮事項的規定，本集團須釐定本集團是作為本集團各項收入流的主要責任人還是代理人。主要責任人為承諾向其客戶提供貨物或服務的實體。代理人就主要責任人向其終端客戶提供的貨物或服務作出安排。

就本集團之電飯煲及家庭電器以及商品產品及汽車零件之貿易而言，

- 本集團主要負責履行向客戶提供特定貨品之承諾；
- 貨品從供應商運送至客戶可直接收貨之協定地點。在權利轉讓予客戶之前，本集團已從供應商處獲得特定商品的權利。就電飯煲及家庭電器貿易而言，當直接從供應商處收到貨物時，權利轉移至客戶。就商品產品及汽車零件貿易而言，當貨物在裝運點付運時，權利轉移至客戶；及
- 交易價乃根據與客戶及供應商分別磋商而釐定。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.5 REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

Incremental costs of obtaining a contract

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained.

The Group recognises such costs (sales commissions and stamp duty paid/payable) as an asset if it expects to recover these costs. The asset so recognised is subsequently amortised to profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the assets relate. The asset is subject to impairment review.

The Group applies the practical expedient of expensing all incremental costs to obtain a contract if these costs would otherwise have been fully amortised to profit or loss within one year.

Other source of revenue

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income from a financial asset 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 the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

4. 主要會計政策(續)

4.5 客戶合約收益(續)

獲得合約的增量成本

獲得合約的增量成本指本集團與客戶訂立合約產生的倘未獲得該合約則不會產生的成本。

倘預期可收回有關成本(銷售佣金及已付/應付印花稅)，則本集團確認該等成本為一項資產，隨後按與向客戶轉讓有關該資產的貨品或服務一致的系統基準於損益攤銷。須就該資產進行減值審查。

倘該等成本將在一年內悉數於損益攤銷，則本集團將應用可行的權宜方法，支銷所有增量成本以獲得合約。

其他收益來源

一項金融資產之利息收入乃於本集團可取得有關經濟利益及能可靠地計算有關收入時確認。金融資產之利息收入以時間為基準按尚餘本金及適用實際利率累計，而實際利率為透過金融資產預計年期內將估計日後收取現金準確折算至該資產於初次確認時之賬面淨值之比率。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.5 REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

Revenue recognition prior to 1 July 2018

Revenue is measured at fair value of the consideration received or receivable and represents amounts receivable for goods sold in the normal course of business, net of discounts and sales related tax.

Revenue from sales of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

4. 主要會計政策(續)

4.5 客戶合約收益(續)

二零一八年七月一日前之收益確認

收益按已收或應收代價之公平值計量，即於一般業務過程中售出貨品在扣除折扣及銷售相關稅項後之應收款。

貨品銷售之收益於下列所有條件達成時確認：

- 本集團已將貨品擁有權之重大風險及回報轉移予買方；
- 本集團並無保留一般與擁有權有關之銷售貨品持續管理權或實際控制權；
- 銷售收益金額能夠可靠地計量；
- 與交易相關之經濟利益很可能流入本集團；及
- 有關交易產生或將產生之成本能夠可靠地計量。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.5 REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

*Revenue recognition prior to 1 July 2018
(Continued)*

Concert income comprises concert ticket sales from general audience and sponsorship income from concert sponsors. Concert ticket sales is recognised when the services have been rendered to the customers. Sponsorship income is recognised upon the placement of advertisements and when the concert is completed.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income from a financial asset 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 the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

4. 主要會計政策(續)

4.5 客戶合約收益(續)

*二零一八年七月一日前之收益確認
(續)*

演唱會收入包括來自普通觀眾的演唱會門票銷售和來自演唱會贊助商的贊助收入。演唱會門票銷售在向客戶提供服務時予以確認。贊助收入在投放廣告和演唱會結束時確認。

一項金融資產之利息收入乃於本集團可取得有關經濟利益及能可靠地計算有關收入時確認。金融資產之利息收入以時間為基準按尚餘本金及適用實際利率累計，而實際利率為透過金融資產預計年期內將估計日後收取現金準確折算至該資產於初次確認時之賬面淨值之比率。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.6 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 net profit as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income and expense that are taxable or deductible in other years, and it further excludes 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 amount 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 differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

4. 主要會計政策(續)

4.6 稅項

所得稅開支指現時應付稅項及遞延稅項之總和。

現時應付稅項乃按年內應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益表中所報溢利淨額不同，乃由於前者不包括在其他年度應課稅或可扣稅之收入及開支，亦不包括永不須課稅或永不可扣稅之項目。本集團乃按報告期末已實行或大致已實行之稅率計算即期稅項之負債。

遞延稅項按綜合財務報表中資產及負債賬面值與用於計算應課稅溢利相應稅基之暫時差額而確認。遞延稅項負債通常會就所有應課稅暫時差異而確認。遞延稅項資產則限於可扣減暫時差異有可能用以抵銷應課稅溢利時予以確認。倘暫時差異由商譽或初次確認(業務合併除外)不影響應課稅溢利或會計溢利之交易之其他資產及負債所產生，有關遞延稅項資產及負債將不予以確認。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.6 TAXATION (Continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, 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 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.

The carrying amount of deferred tax assets is reviewed at the end of the 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 asset 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. The measurement of deferred tax assets and liabilities 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.

4. 主要會計政策(續)

4.6 稅項(續)

遞延稅項負債就與附屬公司之投資相關之應課稅臨時差異而確認，惟本集團能夠控制臨時差額之撥回及臨時差額可能不會於可預見未來撥回除外。與該等投資之可扣稅暫時差異所產生之遞延稅項資產僅於可能有足夠應課稅溢利可以使用暫時差異之益處且預計於可預見未來可以撥回時確認。

遞延稅項資產之賬面值乃於各報告期末進行檢討，並在不可能有足夠應課稅溢利以收回全部或部分資產時作調減。

遞延稅項資產及負債按預期適用於清償負債或變現資產期間之稅率計算。遞延稅項資產和負債之計量反映按本集團預計於報告期末收回或清償其資產和負債之賬面值之稅務後果。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.6 TAXATION (Continued)

Current or deferred tax for the year is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax is 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.

4.7 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, costs of conversion and other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted average cost method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

4. 主要會計政策(續)

4.6 稅項(續)

本年度即期或遞延稅項於損益確認，除非該稅項關乎在其他全面收益中確認或直接計入權益之項目，在該情況下即期及遞延稅項亦於其他全面收益中分別確認或直接計入權益中處理。倘因業務合併之初次會計方法而產生即期或遞延稅項，有關稅務影響會計入業務合併之會計方法內。

4.7 存貨

存貨乃以成本值及可變現淨值之較低者入賬。成本(包括一切購入成本，在適用之情況，亦包括加工成本及將存貨達致現時地點及狀況所支銷之其他成本)乃採用加權平均成本法計算。可變現淨值乃以存貨之估計售價減去製成產品所需之所有估計完成成本及有關銷售之估計費用計算。

出售存貨時，該等存貨之賬面值將於有關收入確認期間確認為支出。存貨撇減至可變現淨值之數額及所有存貨虧損均於撇減或虧損出現之期間內確認為開支。任何存貨撇減撥回之款額，均於撥回之期間內確認為列作開支存貨數額之減少。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.8 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and deposits held at call with banks. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows.

4.9 EMPLOYEE BENEFITS

(a) Retirement benefits scheme

Payment to Mandatory Provident Fund Scheme (the "MPF Scheme") which is defined contribution scheme is charged as an expense when employees have rendered service entitling them to the contributions.

(b) Share-based payments

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 grant date and is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share-based payment reverse).

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.

4. 主要會計政策(續)

4.8 現金及現金等值項目

現金及現金等值項目包含手頭現金及存放於銀行之活期存款。就編製綜合現金流量表而言，現金及現金等值項目也包括須於接獲通知時償還，並構成本集團現金管理一部分的銀行透支。

4.9 僱員福利

(a) 退休福利計劃

強制性公積金計劃(「強積金計劃」)為界定供款計劃，於僱員就提供服務而使其享有供款時列作一項支出。

(b) 以股份為基礎之付款

授出購股權之條件為需符合指定歸屬條件時，應收服務公平值乃參考所授出購股權於授出日期公平值而釐定，並按歸屬期以直線基準支銷，權益(以股份為基礎之付款儲備)則相應增加。

若購股權於授出日期即時歸屬，授出購股權之公平值即時於損益支銷。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.9 EMPLOYEE BENEFITS (Continued)

(b) Share-based payments (Continued)

When share options are exercised, the amount previously recognised in share-based payment reserve will be transferred to share premium. When share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payment reserve will be transferred to accumulated losses.

4.10 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 recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges 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 costs in a foreign currency are not retranslated.

4. 主要會計政策(續)

4.9 僱員福利(續)

(b) 以股份為基礎之付款(續)

倘購股權獲行使，先前以股份為基礎之付款儲備確認之金額將轉撥至股份溢價。倘購股權於歸屬日後遭沒收或於屆滿日期尚未行使，先前以股份為基礎之付款儲備確認之金額，將轉撥至累計虧損。

4.10 外幣換算

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)進行之交易均按交易日期之適用匯率換算為各自之功能貨幣(即該實體經營所在主要經濟地區之貨幣)記賬。於報告期末，以外幣為定值之貨幣項目均按該日適用匯率重新換算。按公平值以外幣定值之非貨幣項目乃按於公平值釐定當日之適用匯率重新換算。按外幣歷史成本值計量之非貨幣項目無須重新換算。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.10 FOREIGN CURRENCIES (Continued)

Exchange differences arising on the settlement of monetary items, and on translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, in which cases, the exchange differences are also recognised directly in other comprehensive income.

For the purposes of presenting the consolidated financial statements, assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HKD) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which cases, 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 "exchange reserve".

4. 主要會計政策(續)

4.10 外幣換算(續)

於結算及換算貨幣項目時產生之匯兌差額均於彼等產生期間內確認損益。以公平值定值之非貨幣項目經重新換算後產生之匯兌差額於該期間列作損益，惟重新換算直接於其他全面收益中確認收益或虧損之非貨幣項目產生之差額除外，在此情況，匯兌差額亦直接於其他全面收益中確認。

就呈列綜合財務報表而言，本集團海外經營業務之資產及負債乃按於報告期末之適用匯率換算為本集團之列賬貨幣(即港元)，而其收入及支出乃按該期間之平均匯率進行換算，除非匯率於該期間內出現大幅波動則作別論，於此情況，則採用於換算當日之適用匯率。所產生之匯兌差額(如有)乃於其他全面收益中確認以及在權益中累計入「匯兌儲備」。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.11 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 capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised.

All other borrowing costs are charged to profit or loss in the period in which they are incurred.

4.12 OPERATING LEASES

Where the Group has the use of assets held under operating leases, payment made under the leases are charged to profit or loss over the accounting periods covered by the lease term except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

4. 主要會計政策(續)

4.11 借貸成本

直接源自收購、建造或生產合資格資產(即必須經過一段長時間方可作擬訂用途或出售的資產)之借貸成本乃撥充資本,作為該等資產成本之一部分。當資產大致上可供其擬定用途或出售,則該等借貸成本不再撥充資本。就留待合資格資產之特定借貸所進行暫時投資賺取之投資收入,乃於撥充資本的借貸成本中扣除。

所有其他借貸成本乃於其產生之期間在損益扣除。

4.12 經營租賃

倘本集團擁有經營租賃項下持有資產的使用權,根據租賃支付的款項於租約年期所涵蓋的會計期間內在損益扣除,除非其他基準更能代表租賃資產所產生的收益模式,則作別論。收取的租賃優惠在損益內確認,作為所付總租賃款項淨額的必需部分。或然租金於其產生的會計期間在損益內扣除。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.13 PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognised when: (i) the Group has a present obligation (legal or constructive) as a result of past events; (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (iii) the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax interest rate that reflects current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

4. 主要會計政策(續)

4.13 撥備及或然負債

當(i)本集團須就已發生的事件承擔現有責任(法律或推定);(ii)預期償付責任會導致含有經濟效益的資源外流;及(iii)在可以對有關金額作出可靠的估計時,本集團便會確認撥備。不得就未來經營虧損確認撥備。

如有多項類似責任,在償付該等責任中能導致資源流出的機會乃經考慮責任的類別整體後釐定。即使與同一責任類別所包含的任何一個項目相關的資源流出的機會極低,仍須確認撥備。撥備以為履行責任所預計需要產生之支出之現值計量,計算此等現值使用之稅前貼現率能夠反映當前市場之貨幣時間價值及該責任特有之風險。時間流逝導致撥備金額之增加,確認為利息開支。

在未能肯定是否會導致經濟利益流出,或有關款項未能可靠地估量的情況,有關責任則列作或然負債並予以披露,除非導致經濟利益流出之機會極低,則作別論。可能承擔的責任(其存在與否只能藉一項或多項未來事件之發生與否而確定)亦列作或然負債並予以披露,除非導致經濟利益流出之機會極低,則作別論。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.14 RELATED PARTIES

A related party is a person or entity that is related to the entity that is preparing its financial statements ("reporting entity").

(a) A person or a close member of that person's family is related to a reporting entity if that person:

- (i) has control or joint control over the reporting entity;
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies:

- (i) the entity and the reporting entity 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);

4. 主要會計政策(續)

4.14 關聯方

關聯方為與編製財務報表之實體(「報告實體」)有關聯的個人或實體。

(a) 倘屬以下人士，即該人士或該人士之近親與該報告實體有關聯：

- (i) 控制或共同控制該報告實體；
- (ii) 對該報告實體有重大影響；或
- (iii) 為該報告實體或該報告實體之母公司的主要管理層成員。

(b) 倘符合下列任何條件，即實體與該報告實體有關聯：

- (i) 該實體與該報告實體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連)；
- (ii) 一間實體為另一實體的聯營公司或合營企業(或另一實體為所屬集團公司成員之聯營公司或合營企業)；

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.14 RELATED PARTIES (Continued)

(b) (Continued)

- (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 reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity;
- (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); or
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

4. 主要會計政策(續)

4.14 關聯方(續)

(b) (續)

- (iii) 兩間實體均為同一第三方的合營企業；
- (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；
- (v) 實體為該報告實體或與該報告實體有關連之實體就僱員福利設立的離職後福利計劃。倘該報告實體本身便是該計劃，提供資助的僱主亦與該報告實體有關聯；
- (vi) 實體受(a)所識別人士控制或受共同控制；
- (vii) 於(a)(i)所識別人士對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員；或
- (viii) 向報告實體或向報告實體之母公司提供主要管理人員服務之實體或其所屬集團之任何成員公司。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade day 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 market place.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 since 1 July 2018. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than the financial assets and financial liabilities at fair value through profit or loss ("FVTPL")) 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.

4. 主要會計政策(續)

4.15 金融工具

當集團實體成為工具合約條文訂約方，則會於綜合財務狀況表確認金融資產及金融負債。一般買賣金融資產乃於交易日予以確認及終止確認。一般買賣乃指按照市場規則或慣例訂明之時間內交付資產之金融資產買賣。

除自二零一八年七月一日起根據香港財務報告準則第15號初次計量產生的貿易應收賬款外，金融資產與金融負債初次按公平值計量。收購或發行金融資產與金融負債直接應佔之交易成本(按公平值計入損益(「按公平值計入損益」)之金融資產及金融負債除外)乃在適當情況下，於初次確認時加入金融資產或金融負債之公平值或自金融資產或金融負債之公平值內扣除。收購按公平值計入損益之金融資產或金融負債直接應佔之交易成本即時於損益內確認。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income derived from the Group's ordinance course of business are presented as revenue.

Financial assets

Classification and subsequent measurement of financial assets (upon adoption of HKFRS 9 with transitions set out in note 3)

Financial assets that meet the following conditions are subsequently measured at amortised costs:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

4. 主要會計政策(續)

4.15 金融工具(續)

實際利率法為計算金融資產或金融負債之攤銷成本及將利息收入及利息開支於有關期間分配之方法。實際利率為於金融資產或金融負債之預期年期或(倘適用)較短期間內將估計未來現金收入(包括構成實際利息整體部分之所有已付或已收費用及利率點、交易成本以及其他溢價或折讓)準確貼現至初次確認之賬面淨值之利率。

本集團日常業務過程中產生之利息收入呈列為收益。

金融資產

金融資產的分類及隨後的計量(當採納香港財務報告準則第9號並應用附註3所載之過渡條文)

符合以下條件的金融資產隨後按攤銷成本計量：

- 目的為收取合約現金流量的業務模式下持有的金融資產；及
- 金融資產的合約條款引述於特定日期產生現金流量僅為支付本金及未償還本金的利息。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (upon adoption of HKFRS 9 with transitions set out in note 3) (Continued)

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at the date of initial adoption/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity instrument in other comprehensive income if that equity instrument is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 "Business Combinations" applies.

4. 主要會計政策(續)

4.15 金融工具(續)

金融資產(續)

金融資產的分類及隨後的計量(當採納香港財務報告準則第9號並應用附註3所載之過渡條文)(續)

符合以下條件的金融資產隨後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：

- 金融資產在以收取合約現金流量及出售金融資產為目的之業務模式下持有；及
- 合約條款於指定日期產生之現金流量僅為支付本金及未償還本金利息。

所有其他金融資產其後按公平值計入損益計量，惟在初次採納／初次確認金融資產之日，倘該股本工具既非持作買賣，亦非香港財務報告準則第3號「業務合併」所適用之業務合併收購方確認的或然代價，本集團可能不可撤銷地選擇於其他全面收益呈列股本工具的其後公平值變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (upon adoption of HKFRS 9 with transitions set out in note 3) (Continued)

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.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

4. 主要會計政策(續)

4.15 金融工具(續)

金融資產(續)

金融資產的分類及隨後的計量(當採納香港財務報告準則第9號並應用附註3所載之過渡條文)(續)

倘出現下列情況，金融資產歸類為持作買賣：

- 購入主要目的為於不久將來銷售；或
- 於初次確認時構成本集團合併管理的已識別金融工具組合的一部分及具有近期實際短期獲利模式；或
- 金融資產為未被指定的衍生工具及可有效作為對沖工具。

此外，本集團可能不可撤銷地指定按攤銷成本或按公平值計入其他全面收益計量之金融資產為按公平值計入損益計量(倘若此舉可消除或顯著減少會計錯配)。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (upon adoption of HKFRS 9 with transitions set out in note 3) (Continued)

(i) Amortised costs and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and debt instruments/receivables subsequently measured at FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period with the amortised cost being the gross carrying amount less the impairment allowance. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

4. 主要會計政策(續)

4.15 金融工具(續)

金融資產(續)

金融資產的分類及隨後的計量(當採納香港財務報告準則第9號並應用附註3所載之過渡條文)(續)

(i) 攤銷成本及利息收入

其後按攤銷成本計量的金融資產以及其後按公平值計入其他全面收益計量之債務工具/應收賬款的利息收入乃使用實際利息法確認。利息收入乃對金融資產賬面總值應用實際利率予以計算，惟其後出現信貸減值的金融資產除外(請參閱下文)。對於其後出現信貸減值的金融資產，自下一個報告期起利息收入乃透過應用金融資產攤銷成本應用實際利率確認，而攤銷成本為賬面總值減減值撥備。若信貸減值金融工具的信貸風險好轉，使金融資產不再為信貸減值，則在確定資產不再信貸減值後的下一個報告期間開始時以金融資產賬面總值應用實際利率確認利息收入。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (upon adoption of HKFRS 9 with transitions set out in note 3) (Continued)

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any interest income earned on the financial asset and is included in the "Fair value losses on investments at fair value through profit or loss, net" line item in profit or loss.

4. 主要會計政策(續)

4.15 金融工具(續)

金融資產(續)

金融資產的分類及隨後的計量(當採納香港財務報告準則第9號並應用附註3所載之過渡條文)(續)

(ii) 按公平值計入損益計量之金融資產

不符合按攤銷成本計量或按公平值計入其他全面收益計量或指定為按公平值計入其他全面收益計量之金融資產乃按公平值計入損益計量。

按公平值計入損益計量之金融資產按各報告期末的公平值計量，任何公平值收益或虧損於損益內確認。於損益內確認的收益或虧損淨額不包括就金融資產賺取的任何利息收入且計入損益中的「按公平值計入損益之投資之公平值虧損淨額」項目。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Impairment of financial assets (upon adoption of HKFRS 9 with transitions set out in note 3)

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including loans receivables, deposit, interest and other receivables, trade receivables, and bank balances). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables that result from transactions within the scope of HKFRS 15 and the ECL on these assets are assessed individually for debtors with significant balances and/or collectively using a provision matrix with debtors having similar credit rating.

4. 主要會計政策(續)

4.15 金融工具(續)

金融資產(續)

金融資產減值(當採納香港財務報告準則第9號並應用附註3所載之過渡條文)

本集團就受限於香港財務報告準則第9號項下減值的金融資產確認預期信貸虧損的虧損撥備(包括應收貸款、按金、利息及其他應收款項、應收貿易賬款及銀行結餘)。於各報告日期對預期信貸虧損金額進行更新，以反映自初次確認以來的信貸風險變動。

全期預期信貸虧損指於相關工具的預計可使用年期內發生所有可能違約事件而導致的預期信貸虧損。與其相反，12個月預期信貸虧損則指預期可能於報告日期後12個月內發生違約事件而導致部分可使用年期的預期信貸虧損。評估乃根據本集團的過往信貸虧損經驗進行，並根據債務人特定因素、整體經濟狀況以及就報告日期的當前狀況及未來狀況預測的評估進行調整。

本集團一直就香港財務報告準則第15號的範圍內的交易所產生的應收貿易賬款確認全期預期信貸虧損；而該等資產的預期信貸虧損會因應具有重大結餘之債務人進行個別評估及／或採用合適組別的撥備矩陣進行整體評估。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Impairment of financial assets (upon adoption of HKFRS 9 with transitions set out in note 3) (Continued)

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

4. 主要會計政策(續)

4.15 金融工具(續)

金融資產(續)

金融資產減值(當採納香港財務報告準則第9號並應用附註3所載之過渡條文)(續)

就所有其他工具而言，本集團按相等於12個月預期信貸虧損的金額計量虧損撥備，除非自初次確認後信貸風險顯著增加，則本集團確認全期的預期信貸虧損。評估是否應確認全期的預期信貸虧損乃根據自初次確認以來所發生違約的可能性或風險是否顯著增加而定。

(i) 信貸風險顯著增加

在評估自初次確認以來信貸風險是否顯著增加時，本集團將截至報告日期金融工具發生的違約風險與截至初次確認日期金融工具發生違約風險相比較。在作出該評估時，本集團考慮合理及可靠的量性及質性的資料，包括過往經驗及無需付出不必要成本或努力即可取得的前瞻性資料。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

*Impairment of financial assets (upon adoption of HKFRS 9 with transitions set out in note 3)
(Continued)*

(i) Significant increase in credit risk
(Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

4. 主要會計政策(續)

4.15 金融工具(續)

金融資產(續)

金融資產減值(當採納香港財務報告準則第9號並應用附註3所載之過渡條文)(續)

(i) 信貸風險顯著增加(續)

具體而言，在評估信貸風險是否顯著增加時會考慮以下資料：

- 金融工具外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 信貸風險的外部市場指標顯著惡化，例如債務人的信貸息差、信用違約交換價格顯著上升；
- 商業、金融或經濟情況出現預計會導致債務人償債能力顯著下降的現有或預期不利變化；

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Impairment of financial assets (upon adoption of HKFRS 9 with transitions set out in note 3) (Continued)

(i) Significant increase in credit risk (Continued)

- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

4. 主要會計政策(續)

4.15 金融工具(續)

金融資產(續)

金融資產減值(當採納香港財務報告準則第9號並應用附註3所載之過渡條文)(續)

(i) 信貸風險顯著增加(續)

- 債務人經營業績實際或預期顯著惡化；
- 債務人的監管、經濟或技術環境有實際或預期的顯著不利變動，導致債務人償還債項的能力顯著下降。

無論上述評估的結果如何，本集團假設倘合約付款逾期超過30天，則信貸風險自初次確認以來顯著增加，除非本集團有能說明信貸風險並無顯著增加的合理可靠資料，則作別論。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

*Impairment of financial assets (upon adoption of HKFRS 9 with transitions set out in note 3)
(Continued)*

- (i) Significant increase in credit risk
(Continued)

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if (i) it has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definitions.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

4. 主要會計政策(續)

4.15 金融工具(續)

金融資產(續)

金融資產減值(當採納香港財務報告準則第9號並應用附註3所載之過渡條文)(續)

- (i) 信貸風險顯著增加(續)

儘管如此，如果債務工具於報告日被認為具低信貸風險，則本集團可假設該債務工具之信貸風險自初次確認後未有顯著增加。債務工具具有較低之信貸風險假若(i)其違約風險較低；(ii)借款人在短期內絕對有能力履行其合約現金流量之義務，以及(iii)經濟和商業條件長遠之不利變化，不一定會降低借款人履行合約現金流量義務之能力。本集團認為債務工具之信貸風險較低當根據全球理解之定義，其內部或外部之信用評級被評為「投資級別」。

本集團定期監察用以確定信貸風險曾否顯著增加的標準的成效，並於適當時候作出修訂，從而確保有關標準能夠於款項逾期前確定信貸風險顯著增加。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Impairment of financial assets (upon adoption of HKFRS 9 with transitions set out in note 3) (Continued)

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

4. 主要會計政策(續)

4.15 金融工具(續)

金融資產(續)

金融資產減值(當採納香港財務報告準則第9號並應用附註3所載之過渡條文)(續)

(ii) 違約定義

就內部信貸風險管理而言，本集團認為，違約事件在內部制訂或得自外界來源的資料顯示債務人不大可能悉數向債權人(包括本集團)還款(未計及本集團所持任何抵押品)時發生。

不論上文為何，本集團都認為，已於金融資產逾期超過90日後發生違約，惟本集團有合理及具理據資料來顯示更加滯後的違約標準更為恰當。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

*Impairment of financial assets (upon adoption of HKFRS 9 with transitions set out in note 3)
(Continued)*

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

4. 主要會計政策(續)

4.15 金融工具(續)

金融資產(續)

金融資產減值(當採納香港財務報告準則第9號並應用附註3所載之過渡條文)(續)

(iii) 信貸減值金融資產

金融資產在一項或以上違約事件(對該金融資產估計未來現金流量構成不利影響)發生時維持信貸減值。金融資產維持信貸減值的證據包括有關下列事件的可觀察數據：

- (a) 發行人或借款人的重大財困；
- (b) 違反合約(如違約或逾期事件)；
- (c) 借款人的貸款人因有關借款人財困的經濟或合約理由而向借款人批出貸款人不會另行考慮的優惠；
- (d) 借款人將可能陷入破產或其他財務重組；或
- (e) 因財務困難使該金融資產沒有活躍市場。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Impairment of financial assets (upon adoption of HKFRS 9 with transitions set out in note 3) (Continued)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default ("Pd"), loss given default (i.e. the magnitude of the loss if there is a default) ("LGD") and the exposure at default ("EAD"). The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

4. 主要會計政策(續)

4.15 金融工具(續)

金融資產(續)

金融資產減值(當採納香港財務報告準則第9號並應用附註3所載之過渡條文)(續)

(iv) 撇銷政策

資料顯示交易對手處於嚴重財困及無實際收回可能時(例如交易對手被清盤或已進入破產程序時),本集團則撇銷金融資產。經考慮法律意見後(倘合適),遭撇銷的金融資產可能仍須按本集團收回程序進行強制執行活動。撇銷構成取消確認事項。任何其後收回在損益中確認。

(v) 預期信貸虧損之計量及確認

預期信貸虧損之計量為違約概率(「違約概率」)、違約虧損率(即違約時虧損大小)(「違約虧損率」)及違約敞口(「違約敞口」)之函數。違約概率及違約虧損率之評估乃基於歷史數據按前瞻性資料作調整。預期信貸虧損的預估乃無偏概率加權平均金額,以各自發生違約的風險為權重確定。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

*Impairment of financial assets (upon adoption of HKFRS 9 with transitions set out in note 3)
(Continued)*

(v) Measurement and recognition of ECL
(Continued)

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Where ECL is measured on a collective basis to cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's loans receivables, deposit, interest and other receivables, trade receivables, and bank balances are assessed for ECL on an individual basis);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

4. 主要會計政策(續)

4.15 金融工具(續)

金融資產(續)

金融資產減值(當採納香港財務報告準則第9號並應用附註3所載之過渡條文)(續)

(v) 預期信貸虧損之計量及確認
(續)

一般而言，預期信貸虧損為根據合約應付本集團之所有合約現金流量與本集團預期收取之所有現金流量之間的差額(按初次確認時釐定之有效利率貼現)。

倘預期信信貸虧損按集體基準計量以迎合個別工具水平證據未必存在的情況，則金融工具按以下基準歸類：

- 金融工具性質(即本集團的應收貸款、按金、利息及其他應收款項、應收貿易賬款及銀行結餘個別評估預期信貸虧損)；
- 逾期狀況；
- 債務人的性質、規模及行業；及
- 外部信貸評級(倘有)。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Impairment of financial assets (upon adoption of HKFRS 9 with transitions set out in note 3) (Continued)

(v) Measurement and recognition of ECL (Continued)

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

Except for investments in debt instruments that are measured at FVTOCI, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of loans receivables, deposit, interest and other receivables, and trade receivables where the corresponding adjustment is recognised through a loss allowance account. For investments in debt instruments that are measured at FVTOCI, the loss allowance is recognised in other comprehensive income and accumulated in the FVTOCI investment revaluation reserve without reducing the carrying amount of these debt instruments.

4. 主要會計政策(續)

4.15 金融工具(續)

金融資產(續)

金融資產減值(當採納香港財務報告準則第9號並應用附註3所載之過渡條文)(續)

(v) 預期信貸虧損之計量及確認(續)

歸類工作經管理層定期檢討，以確保各組別成份繼續分擔類似信貸風險特性。

利息收入根據金融資產的賬面總值計算，除非金融資產已經信貸減值，在此情況下利息收入按金融資產的攤銷成本計算。

除按公平值計入其他全面收益計量之債務工具投資外，本集團藉由調整金融工具的賬面值於損益中確認其減值收益或虧損，惟相應調整於虧損失撥備賬中確認的應收貸款、按金、利息及其他應收款項以及應收貿易賬款除外。就按公平值計入其他全面收益計量之債務工具投資而言，其虧損撥備已於其他全面收益被確認並累計於按公平值計入其他全面收益計量之投資重估儲備中而毋須扣除該等債務工具之賬面值。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (before adoption of HKFRS 9)

The Group's financial assets are classified into two categories, including financial assets at fair value through profit or loss 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.

(i) *Financial assets at FVTPL*

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term;
- on initial recognition it is 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 hedging instrument.

4. 主要會計政策(續)

4.15 金融工具(續)

金融資產(續)

金融資產之分類及其後計量(採納香港財務報告準則第9號前)

本集團金融資產分為兩類，包括按公平值計入損益之金融資產，以及貸款及應收款項。分類法視乎金融資產之性質及用途而定，乃按初次確認時釐定。所有從一般渠道買賣之金融資產按交易日基準確認及取消確認。從一般渠道買賣為須按市場上之規則或常規所制定之時間制度內交付資產之金融資產買賣。

(i) *按公平值計入損益之金融資產*

當金融資產為持作買賣或指定為按公平值計入損益時，金融資產歸類為按公平值計入損益。

倘金融資產屬下列情況，則歸類為持作買賣：

- 主要為於短期內出售而購入；
- 於初次確認時構成本集團合併管理之已識別金融工具組合一部份，且具有近期實際短期獲利模式；或
- 屬於未被指定且為有效對沖工具之衍生工具。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (before adoption of HKFRS 9) (Continued)

(i) *Financial assets at FVTPL (Continued)*

A financial asset other than a financial asset held for trading 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 to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss in the period in which they arise. Fair value is determined in the manner described in note 8.

4. 主要會計政策(續)

4.15 金融工具(續)

金融資產(續)

金融資產之分類及其後計量(採納香港財務報告準則第9號前)(續)

(i) *按公平值計入損益之金融資產(續)*

倘屬於下列情況，持作買賣之金融資產以外之金融資產可於初次確認時指定為按公平值計入損益：

- 有關指定可對銷或大幅度減少如無進行此舉則可能產生之計量或確認不一致；或
- 金融資產為金融資產或金融負債組別或兩者之組成部份，而根據本集團之書面風險管理文件或投資策略，其乃按照公平值基準管理及評估表現，且有關分類資料會以該基準向內部提供；或
- 其為包括一項或多項嵌入式衍生工具之合約之組成部份，而香港會計準則第39號容許將全部合併合約指定為按公平值計入損益。

按公平值計入損益之金融資產會按公平值列賬，因重新計量產生之任何收益或虧損於產生期間在損益中確認。公平值乃按附註8所述方式釐定。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

*Classification and subsequent measurement of financial assets (before adoption of HKFRS 9)
(Continued)*

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At the end of each reporting period subsequent to initial recognition, loans and receivables (including loans receivable, trade receivables, financial assets included in interest and other receivables, pledged fixed deposit, and bank balances and cash) are carried at amortised cost using the effective interest method less any allowance for impairment (see accounting policy in respect of impairment of financial assets below). Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Impairment of financial assets (before adoption of HKFRS 9)

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of the each reporting period. Financial assets are impaired where 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 impacted.

4. 主要會計政策(續)

4.15 金融工具(續)

金融資產(續)

金融資產之分類及其後計量(採納香港財務報告準則第9號前)(續)

(ii) 貸款及應收款項

貸款及應收款項為付款金額屬固定或可釐定而並非在活躍市場報價之非衍生金融資產。於初次確認後之各報告期末，貸款及應收款項(包括應收貸款、應收貿易賬款、計入利息及其他應收款項之金融資產、已抵押定期存款，以及銀行結存及現金)以實際利率法按攤銷成本減任何減值撥備列賬(見下文有關金融資產減值之會計政策)。攤銷成本已計入任何收購折讓或溢價，並包括屬於實際利率及交易成本一部分之費用。於貸款及應收款項不再確認或出現減值時，以及在攤銷過程中，在損益確認收益及虧損。

金融資產之減值(採納香港財務報告準則第9號前)

金融資產(於按公平值計入損益之金融資產除外)會於各報告期末評定是否有減值跡象。金融資產於有客觀證據顯示金融資產之估計未來現金流量因於初次確認該金融資產後發生之一項或多項事件而受到影響時作出減值。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Impairment of financial assets (before adoption of HKFRS 9) (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 default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

Financial assets that are assessed not to be impaired individually, such as loans receivable, and trade receivables, are subsequently assessed for impairment on a collective basis. 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 and observable changes in national or local economic conditions that correlate with default on receivables.

4. 主要會計政策(續)

4.15 金融工具(續)

金融資產(續)

金融資產之減值(採納香港財務報告準則第9號前)(續)

就所有其他金融資產而言，減值之客觀證據可包括：

- 發行人或對方出現重大財政困難；或
- 違約，例如未能繳付或延遲償還利息或本金；或
- 借款人有可能面臨破產或財務重組；或
- 該金融資產之活躍市場由於財政困難而消失。

此外，被評定為無須作個別減值之金融資產(例如應收貸款以及應收貿易賬款)會於其後彙集一併評估減值。應收賬款組合出現減值之客觀證據包括本集團過往收款紀錄、組合內超過平均信貸期之延遲付款數目增加，以及國家或地區經濟狀況出現明顯變動導致應收賬款未能償還。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Impairment of financial assets (before adoption of HKFRS 9) (Continued)

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the 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.

The carrying amount of the financial assets is reduced by the impairment loss directly for all financial assets with the exception of loans, trade and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a loan, trade or other 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.

4. 主要會計政策(續)

4.15 金融工具(續)

金融資產(續)

金融資產之減值(採納香港財務報告準則第9號前)(續)

就按攤銷成本計值之金融資產而言，當有客觀證據顯示資產減值時，減值虧損乃按資產之賬面值與估計未來現金流之現值(以原有實際利率折算)間之差異計量，並於損益中確認。

就按成本列賬之金融資產而言，減值虧損數額以資產賬面值與按同類金融資產現行市場回報率貼現之估計未來現金流量現值之差額計算。該等減值虧損不會於其後期間轉回。

與所有金融資產有關之減值虧損會直接於金融資產之賬面值中作出扣減，惟貸款、應收貿易賬款及其他應收款項除外，其賬面值會透過撥備賬作出扣減。撥備賬之賬面值變動於損益內確認。當貸款、應收貿易賬款或其他應收款項被視為不可收回時，將於撥備賬內撇銷。其後收回先前註銷之金額會被計入損益中。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Financial assets (Continued)

Impairment of financial assets (before adoption of HKFRS 9) (Continued)

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Classification as debt or equity

Financial liabilities and equity instruments issued by the group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Financial liabilities

Financial liabilities including trade and other payables and interest-bearing borrowings are initially stated at fair value less directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. The related interest expense is recognised within "finance costs" in the consolidated statement of profit or loss and other comprehensive income.

4. 主要會計政策(續)

4.15 金融工具(續)

金融資產(續)

金融資產之減值(採納香港財務報告準則第9號前)(續)

就按攤銷成本計量之金融資產而言，倘於隨後期間減值虧損之數額減少，而此項減少可客觀地與確認減值虧損後發生之某一事件聯繫，則原先確認之減值虧損於損益中予以撥回，惟於撥回減值當日之資產賬面值不得超逾未確認減值時之攤銷成本。

分類為債務或股本

集團實體發行之金融負債及股本工具乃根據合同安排之性質以及金融負債及股本工具之定義分類。

金融負債

金融負債包括應付貿易賬款及其他應付款項以及計息借貸，初次以公平值減直接應佔交易成本列賬，其後則以實際利息法按攤銷成本計量，惟倘貼現之影響並不重大，於此情況則按成本列賬。相關利息開支於綜合損益及其他全面收益表中的「融資成本」確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Classification as debt or equity (Continued)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities. Equity instruments issued by the relevant group entities are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liabilities simultaneously.

4. 主要會計政策(續)

4.15 金融工具(續)

分類為債務或股本(續)

股本工具

股本工具為以任何合約訂明於扣減所有負債後該實體之剩餘資產權益。由相關集團實體發行之股本工具乃按已收所得款項(扣除直接發行成本)記賬。

購回本公司本身股本工具直接於權益內確認及扣除。於購買、出售、發行或註銷本公司本身股本工具時所產生之收益或虧損並不會確認損益。

抵銷金融工具

倘有現行可予執行之法律權利以抵銷已確認金額及有意按淨額基準償付，或變現資產與清還負債同時進行，則抵銷金融資產及金融負債並於綜合財務狀況表內呈報淨金額。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Derecognition

The Group derecognises a financial asset only when the contractual rights to receive cash flows from the asset expire, or when it transfers the financial assets and substantially all the risks and rewards of the 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 in its entirety, 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.

4. 主要會計政策(續)

4.15 金融工具(續)

取消確認

只有當收取資產現金流量之合約權利屆滿時，或將其金融資產或該等資產所有權之絕大部分風險及回報轉移予另一實體時，本集團方會取消確認金融資產。倘本集團並未轉移亦未保留所有權之絕大部分風險及回報，並繼續控制已轉移資產，則本集團會確認其於資產之保留權益及可能需要支付之相關負債款項。倘本集團仍保留已轉移金融資產之所有權之絕大部分風險及回報，本集團將繼續確認該金融資產以及確認已收所得款項之有抵押借貸。

完全取消確認金融資產時，資產賬面值與已收取及應收代價以及已於其他全面收益確認及於權益累計之累積收益或虧損總額間之差額乃於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.15 FINANCIAL INSTRUMENTS (Continued)

Derecognition (Continued)

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset or retains a residual interest that does not result in the retention of substantially all the risks and rewards of ownership and the Group retains control), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulated gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair value of those parts.

The Group derecognises financial liabilities when and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4. 主要會計政策(續)

4.15 金融工具(續)

取消確認(續)

除全面取消確認外(即本集團保留購回部分已轉讓資產之選擇權或保留不會導致保留擁有權絕大部分風險及回報之餘下權益,及本集團保留控制權),於取消確認金融資產時,本集團會將金融資產之過往賬面值,根據於其確認為繼續參與之部分及不再確認之部分於轉讓日期之相對公平值在兩者間作出分配,而不再確認部分已於其他全面收益確認之已收代價及獲分配之任何累計收益或虧損之總和,乃於損益內確認。已於其他全面收益確認之累計收益或虧損,將按繼續確認之部分及不再確認之部分之相對公平值間作出分配。

本集團僅會於其責任獲解除、取消或到期時取消確認金融負債。取消確認之金融負債之賬面值與已付及應付代價之差額於損益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

5. KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS

In the application of the Group's accounting policies, which are described in note 4, management is 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 past 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.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

5. 估計之不確定性之主要來源以及判斷

於應用本集團之會計政策過程中(詳情可見附註4之描述),管理層需要就目前不能從其他來源得出之資產與負債之賬面值作出判斷、估計及假設。該等估計及相關假設乃根據過往經驗及相關之其他因素而作出。實際數字或會有別於估計數字。

本集團持續就所作估計及相關假設作出評估。會計估計之修訂如只影響當期,則有關會計估計修訂於當期確認。如該項會計估計之修訂影響當期及往後期間,則有關修訂於當期及往後期間確認。

判斷

於應用本集團之會計政策時,除涉及估計之判斷外,管理層亦已作出下列對財務報表內確認金額構成最重大影響之判斷:

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5. KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS (Continued)

Judgements (Continued)

Significant increase in credit risk in measurement of ECL

As explained in note 4, the Group monitors all financial assets that are subject to impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the Group will measure the loss allowance based on lifetime rather than 12m ECL. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward-looking information with significant judgments involved. Information that will be taken into account when assessing whatever there is significant increase in credit risks are set out in note 7.

Income taxes

Significant judgements on the future tax treatment of certain transactions are required in determining income tax provisions. The Group carefully evaluates tax implications of transactions and tax provisions are made accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislation.

5. 估計之不確定性之主要來源以及判斷(續)

判斷(續)

計量預期信貸虧損之信貸風險顯著增加

如附註4所闡述，本集團監控須遵守減值規定的所有金融資產，以評估自初次確認起信貸風險是否已顯著增加。如信貸風險顯著增加，本集團將基於全期(而非12個月)預期信貸虧損計量減值撥備。評估一項資產的信貸風險是否顯著增加時，本集團將會考慮涉及重大判斷之合理可靠的定性及定量前瞻性資料。於評估信貸風險是否顯著增加時將考慮之資料載於附註7。

所得稅

所得稅撥備之釐定是需要對未來若干交易的稅務處理作出重大估算。本集團審慎評估交易的稅務影響，並作出相應的撥備。該交易的稅務處理會定期作重新考慮，以顧及稅務法例的所有修訂。

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5. KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS (Continued)

Judgements (Continued)

Revenue recognition – principal versus agency considerations

Determination whether the Group is acting as a principal or as an agent in the businesses of trading of rice cookers and household appliances and commodity products and automotive components requires judgement and consideration of all relevant facts and circumstances. In evaluation the Group's role as a principal or agent, the Group considers, individually or in combination, whether the Group controls the specified goods before it is transferred to the customer, is primarily responsible for fulfilling the contract, is subject to inventory risk, and has discretion in establishing prices.

Going concern

The consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the success of obtaining sufficient proceeds from the Rights Issue, the continuing existence of Mr. Ke's loan facility and the Group in generating sufficient cash flows from operations together with satisfaction of other conditions as described in note 2 to the consolidated financial statements.

5. 估計之不確定性之主要來源以 及判斷(續)

判斷(續)

收益確認 – 主要責任人與代理人考慮事項

於釐定本集團在電飯煲及家庭電器以及商品產品及汽車零件之貿易業務中擔任主要責任人或擔任代理人時需要對所有相關事實及情況作出判斷及考慮。於評估本集團的主要責任人或代理人角色時，本集團個別或綜合考慮本集團是否於指定貨品轉讓予客戶前擁有控制權、主要負責履行合約、面對存貨風險及擁有定價權。

持續經營

綜合財務報表乃按持續經營基準編制，其有效性取決於能否從供股中獲得足夠的所得款項、柯先生提供之貸款融資能否持續存在及本集團能否從營運產生足夠現金流量以及達成綜合財務報表附註2所述之其他條件。

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5. KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS (Continued)

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.

Estimated useful lives of property, plant and equipment

As described in note 4.3 above, the Group reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period. Depreciation of property, plant and equipment is calculated on the straight-line basis over their expected useful lives. The Group continues to review the useful lives and residual values and will revise the depreciation charges should there be a change in these estimations.

5. 估計之不確定性之主要來源以及判斷(續)

估計之不確定性

有關日後之主要假設及於報告期末估計不明朗因素之其他主要來源(擁有可導致下一個財政年度之資產與負債賬面值出現大幅調整之重大風險)載於下文。

物業、機器及設備之估計可使用年期

誠如上文附註4.3所述，本集團於各年度報告期末檢討物業、機器及設備的估計可使用年期。物業、機器及設備的折舊乃按其預期可使用年期以直線法計算。本集團繼續審視可使用年期及剩餘價值，並會在該等估計出現變動時修訂折舊支出。

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5. KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS (Continued)

Estimation uncertainty (Continued)

Impairment of financial assets at amortised cost

The Group estimates the amount of loss allowance for ECL on financial assets at amortised cost based on the credit risk of the respective financial instrument. The loss allowance amount is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows with the consideration of expected future credit loss of the respective financial instrument. The assessment of the credit risk and therefore expected cash flows of the respective financial instrument involves a high degree of estimation and uncertainty. When the actual future cash flows are less than expected or more than expected, a material impairment loss or a material reversal of impairment loss may arise, accordingly. The information about the ECL and the financial assets at amortised cost are disclosed in respective notes to the consolidated financial statements.

Upon adoption of HKFRS 9, the risk management department is responsible in developing and maintaining the processes for measuring ECL including monitoring of credit risk, incorporation of forward looking information and the method used to measure ECL; and ensuring that the Group has policies and procedures in place to appropriately maintain and validate models used to assess and measure ECL.

5. 估計之不確定性之主要來源以及判斷(續)

估計之不確定性(續)

按攤銷成本計量之金融資產減值

本集團根據相應金融工具之信貸風險估計按攤銷成本計量之金融資產之預期信貸虧損之虧損撥備金額。虧損撥備金額按資產賬面值與估計未來現金流量現值之差額計量，當中考慮相關金融工具的預期未來信貸虧損。對相關金融工具的信貸風險之評估涉及大量估計及不確定性，因此其預期現金流量之評估亦然。倘實際未來現金流量少於預期或多於預期，則可能會出現重大減值虧損或減值虧損重大撥回。有關按攤銷成本計量之金融資產的預期信貸虧損之資料於綜合財務報表相應附註披露。

於採納香港財務報告準則第9號後，風險管理部門負責開發和維護預期信貸虧損的計量流程，包括監控信貸風險、納入前瞻性資料和計量預期信貸虧損的方法；並確保本集團已制定適當的政策和程序，得以恰當地維護並驗證用於預期信貸虧損的評估及計量模型。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

5. KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS (Continued)

Estimation uncertainty (Continued)

*Impairment of financial assets at amortised cost
(Continued)*

Incorporation of forward-looking information

The Group adopts external and internal information to generate scenario of future forecast of relevant economic variables. The internal and external information used includes the historical data of the Group and economic data and forecasts published by governmental bodies and monetary authorities respectively. Accordingly, when measuring ECL the Group selects and uses reasonable and supportable forward-looking information without undue cost or effort in its assessment by judgements, which is based on assumptions and estimates for the future movement of different economic drivers and how these drivers will affect each other as well as the correlation.

Measurement of ECL

Probability of default ("Pd") constitutes a key input in measuring ECL. Pd is an estimate of the likelihood of default over a given time horizon, the calculation is based on reasonable and appropriate methods selected by the management with judgements. These methods are based on market data (where available), as well as internal data comprising both quantitative and qualitative factors which includes historical data, assumptions and expectations of future conditions. The management gathers this information and adjust the data to reflect probability-weighted forward-looking information that is reasonable supportable and available without undue cost or effort.

5. 估計之不確定性之主要來源以 及判斷(續)

估計之不確定性(續)

按攤銷成本計量之金融資產減值(續)

納入前瞻性資料

本集團採納外部及內部資料推測相關經濟變數之未來預測的情況。所使用的內部及外部資料包括本集團的歷史數據以及政府機構及貨幣管理機構分別公佈的經濟數據和預測。因此，本集團在計量預期信貸虧損時，於判斷評估中選擇及使用合理及可靠，且無須付出不必要的成本或努力即可獲得的前瞻性資料；前瞻性資料乃基於對不同經濟驅動因素未來變動以及該等驅動因素如何相互影響以及相互關係的假設及估計而作出。

計量預期信貸虧損

違約概率(「違約概率」)構成計量預期信貸虧損的關鍵輸入數據。違約概率是對一定時期內違約可能性的估計，違約概率的計算根據由管理層判斷選擇的合理及恰當的方法進行。該等方法均基於市場數據(如可取得)，以及包含定量和定性因素(包括歷史數據、假設及對未來情況的預測)的內部數據。管理層收集有關資料並調整數據以反映合理及可靠且無須付出不必要的成本或努力即可獲得的概率加權前瞻性資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

5. KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENTS (Continued)

Estimation uncertainty (Continued)

Impairment of financial assets at amortised cost (Continued)

Measurement of ECL (Continued)

Loss Given Default (“LGD”) is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements with significant judgments involved. The calculation of LGD includes the judgments in determining the proportion of loan recovered after default and the duration of recovery.

In assessing the lifetime ECL on credit-impaired financial assets classified as stage 3, the Group performs the assessment based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors or borrowers, which include any (i) significant financial difficulty of the debtors or borrowers, (ii) breach of contract or probability that the debtors or borrowers will enter bankruptcy and (iii) the status and progress of financial restructuring, general economic conditions and both the current conditions at the reporting date as well as the forecast of future conditions with significant judgments involved.

The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly by the Group to reduce material differences between loss estimates and actual loss experience.

Relevant information with regard to the exposure of credit risk and ECL are set out in respective notes to the consolidated financial statements.

5. 估計之不確定性之主要來源以及判斷(續)

估計之不確定性(續)

按攤銷成本計量之金融資產減值(續)

計量預期信貸虧損(續)

違約虧損率(「違約虧損率」)是對違約虧損的估計。其基於到期合約現金流量與貸款人預期收到的合約現金流量之間的差額，同時會考慮涉及重大判斷之抵押品產生的現金流量和整體信貸增級。違約虧損率的計算包括釐定違約後收回的貸款比例及收回期限的判斷。

於評估歸類為第三階段之信貸減值金融資產之可使用年期之預期信貸虧損時，本集團根據本集團之歷史信貸虧損經驗進行評估，就債務人或借款人之特定因素、其中包括(i)債務人或借款人陷入嚴重財困，(ii)違約或債務人或借款人可能破產及(iii)債務重組狀況及進度，整體經濟狀況、及於報告日期的目前狀況以及涉及重大判斷之未來狀況作調整。

本集團會定期檢討用作估計未來現金流量金額及時間之方法及假設，以減少估計虧損與實際虧損經驗之任何差異。

有關面對的信貸風險及預期信貸虧損之有關資料載於綜合財務報表相關附註。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

6. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of the Group's financial assets and liabilities as at the end of the reporting period are as follows:

6. 按類別劃分之金融工具

本集團之各類金融資產及負債於報告期末之賬面值如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Financial assets at fair value through profit or loss:	按公平值計入損益之金融資產：		
Equity instruments at fair value through profit or loss/held-for-trading investments	按公平值計入損益之股本工具／持作買賣投資	19,065	65,967
Financial assets at amortised costs/loans and receivables:	按攤銷成本計量之金融資產／貸款及應收款項：		
Financial assets included in deposits and other receivables	計入按金及其他應收款項之金融資產	36,212	25,161
Interest receivables	應收利息	1,803	1,246
Loans receivables	應收貸款	29,597	34,006
Trade receivables	應收貿易賬款	63,699	9,597
Pledged fixed deposit	已抵押定期存款	-	900
Bank balances and cash	銀行結存及現金	702	8,574
		132,013	79,484
Financial liabilities measured at amortised costs:	按攤銷成本計量之金融負債：		
Trade payables	應付貿易賬款	64,734	8,457
Financial liabilities included in accruals, interest and other payables	計入應計費用、利息及其他應付款項之金融負債	9,668	10,219
Borrowings	借貸	87,327	96,532
		161,729	115,208

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

7. FINANCIAL RISK MANAGEMENT

The Group's major financial instruments include investments at FVTPL, loans receivable, trade receivables, financial assets included in deposit, interest and other receivables, pledged fixed deposit, bank balances and cash, trade payables, financial liabilities included in accruals and other payables and borrowings. Details of these financial instruments are disclosed in respective notes.

The risks associated with these financial instruments include market risk (currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The policies for managing these risks are summarised below.

(a) Market risk

Currency risk

The Group's monetary assets and transactions are principally denominated in HKD, Renminbi ("RMB"), and United States Dollars ("USD").

The management considers that the Group's exposure to USD does not give rise to significant currency risk on the ground that HKD is pegged to USD.

The Group exposes to currency risk that are denominated in RMB. The Group currently does not have hedging policy against RMB. However, management monitors the Group's currency risk exposure and will consider hedging significant currency risk exposure should the need arise.

7. 財務風險管理

本集團之主要金融工具包括按公平值計入損益之投資、應收貸款、應收貿易賬款、計入按金、利息及其他應收款項之金融資產、已抵押定期存款、銀行結存及現金、應付貿易賬款、計入應計費用及其他應付款項之金融負債，以及借貸。此等金融工具之詳情於相關附註披露。

此等金融工具之相關風險包括市場風險（貨幣風險、利率風險及股本價格風險）、信貸風險及流動資金風險。本集團之整體風險管理計劃專注於應對金融市場之不可預測因素以及力求減低本集團財務表現潛在之不利影響。下文概列就管理此等風險所採取之政策。

(a) 市場風險

貨幣風險

本集團之貨幣資產及交易主要以港元、人民幣（「人民幣」）及美元（「美元」）計值。

管理層認為，由於港元與美元掛鈎，本集團並無因為美元而面對重大貨幣風險。

本集團面對以人民幣計值的貨幣風險。本集團目前並無有關人民幣之對沖政策。然而，管理層監察本集團之貨幣風險，並會於需要時考慮對沖重大的貨幣風險。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

7. FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (Continued)

Currency risk (Continued)

The carrying amounts of the Group's monetary assets which are denominated in RMB at the end of the reporting period are as follows:

RMB 人民幣

The following tables details the Group's major sensitivity analysis of a 5% increase or decrease in HKD against RMB at the end of the reporting period, with all other variables held constant. 5% (2018: 5%) is the sensitivity rate used which represents management's assessment of the reasonably possible change in foreign exchange rates.

7. 財務風險管理(續)

(a) 市場風險(續)

貨幣風險(續)

於報告期末以人民幣計值之本集團貨幣資產之賬面值如下：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
RMB 人民幣	16,940	21,078

下表詳述本集團於報告期末因港元兌人民幣上升或下降5%之主要敏感度分析，當中假設所有其他變數維持不變。所用的5% (二零一八年：5%) 敏感度比率代表管理層對於外幣匯率之合理可能變動的評估。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

7. FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (Continued)

Currency risk (Continued)

7. 財務風險管理(續)

(a) 市場風險(續)

貨幣風險(續)

		Increase/ (decrease) in exchange rate	Decrease/(increase) in loss for the year and deficit (2018: decrease/(increase) in loss for the year and increase/ (decrease) in equity)	
		匯率上升/ (下跌)	本年度虧損及虧絀減少/ (增加)(二零一八年:本年度 虧損減少/(增加)及 權益增加/(減少))	
	%	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	
If Hong Kong dollar weakens against RMB	若港元兌人民幣貶值	5	847	1,064
If Hong Kong dollar strengthens against RMB	若港元兌人民幣升值	(5)	(847)	(1,064)

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7. FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (Continued)

Currency risk (Continued)

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period and had been applied to the Group's exposure to currency risk for financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2018.

In management's opinion, the sensitivity was unrepresentative of the inherent currency risk as it only reflects the impact of changes in foreign exchange rate to assets and liabilities denominated in foreign currencies as at the end of the reporting period.

7. 財務風險管理(續)

(a) 市場風險(續)

貨幣風險(續)

釐定敏感度分析時乃假設匯率變動於報告期末已經發生，並且應用於本集團於該日之金融工具的貨幣風險，而所有其他變數(特別是利率)乃維持不變。二零一八年亦按相同基準作出分析。

管理層認為，該敏感度分析不足以代表內在貨幣風險，因為其僅反映匯率變動對於在報告期末以外幣計值之資產及負債之影響。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

7. FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (Continued)

Interest rate risk

The Group's exposure to cash flow interest rate risk is mainly attributable to variable-rate bank deposits and borrowings. The Group currently does not have any interest rate hedging policy. The management monitors the Group's exposure on ongoing basis and will consider hedging interest rate risk should the need arise.

If interest rates had been 100 basis points (2018: 100 basis points) higher/lower and all other variables were held constant, the Group's post tax loss for the year ended 30 June 2019 would have increased/decreased by approximately HK\$92,000 (2018: HK\$159,000) and the deficit would have increased/decreased by approximately HK\$92,000 (2018: equity would have decreased/increased by HK\$159,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the Group's exposure to interest rate risk for financial instruments in existence at that date. The 100 basis points increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the end of the next reporting period. The analysis is performed on the same basis for 2018.

7. 財務風險管理(續)

(a) 市場風險(續)

利率風險

本集團面對之現金流量利率風險主要源自浮息銀行存款及借貸。本集團目前並無任何利率對沖政策。管理層持續監察本集團所面對之風險，並將於需要時考慮對沖利率風險。

若利率上升／下跌100點子(二零一八年：100點子)而所有其他變數不變，則本集團截至二零一九年六月三十日止年度之除稅後虧損將增加／減少約92,000港元(二零一八年：159,000港元)而虧絀增加／減少約92,000港元(二零一八年：權益減少／增加159,000港元)。

釐定上列敏感度分析時乃假設利率變動於報告期末已經發生，並且應用於本集團於該日之金融工具的利率風險。100點子的上調或下調代表管理層對於直至下個報告期末為止的期間內，利率於合理範圍內可能出現之變動的評估。二零一八年亦按相同基準作出分析。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

7. FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (Continued)

Equity price risk

Equity price risk is the risk that the fair values of equity securities decrease as a result of changes in the levels of equity indices and the value of individual securities. The Group is exposed to equity price risk arising from individual equity investments classified as equity investments at fair value through profit or loss/ held for trading equity investments (note 27) as at 30 June 2019 and 2018. At 30 June 2019 and 2018, the Group's listed investments are listed on the Stock Exchange and are valued at quoted market prices at the end of the reporting period. The management managed this exposure by maintaining a portfolio of investments with different risks.

The following table demonstrates the sensitivity to every 15% change in equity prices of the listed equity investments, with all other variables held constant, based on their carrying amounts at the end of the reporting period.

7. 財務風險管理(續)

(a) 市場風險(續)

股本價格風險

股本價格風險是指股本指數水平及個別證券價值變動而導致的股本證券公平值下跌的風險。於二零一九年及二零一八年六月三十日，本集團所面對的股本價格風險源自分類為按公平值計入損益之股本投資／持作買賣股本投資(附註27)的個別股本投資。於二零一九年及二零一八年六月三十日，本集團的上市投資於聯交所上市，於報告期末按所報市價計值。管理層利用不同風險之投資組合以管理有關風險。

下表展示在所有變數保持不變之情況，根據上市股本投資於報告期末之賬面值，對其股本價格每出現15%變動之敏感度。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

7. FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (Continued)

Equity price risk (Continued)

7. 財務風險管理(續)

(a) 市場風險(續)

股本價格風險(續)

	Increase/ (decrease) in equity prices	Carrying amount of equity investments		Decrease/(increase) in loss for the year and deficit (2018: decrease/ (increase) in loss for the year and increase/(decrease) in equity)	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Equity investments listed in Hong Kong	股本價格 上升/(下跌) %		股本投資賬面值	本年度虧損及虧絀減少/ (增加)(二零一八年:本年度 虧損減少/(增加)及 權益增加/(減少))	
	15	19,065	65,967	2,388	8,262
	(15)	19,065	65,967	(2,388)	(8,262)

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7. FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (Continued)

Equity price risk (Continued)

The sensitivity analysis above had been determined based on the exposure to equity price risks at the end of the reporting period. For sensitivity analysis purpose, 15% was used as the sensitivity rate for the year ended 30 June 2019 and 2018 as a result of the volatile financial markets. In management's opinion, the sensitivity was unrepresentative of the inherent equity price risk as it only reflects the impact of equity price changes to equity securities held as at the end of the reporting period.

(b) Credit risk

The Group's maximum exposure to credit risk which will cause a financial loss of the Group due to the failure to perform an obligation by the counterparties as at 30 June 2019 and 2018 is the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position without taking account of any credit enhancements that do not qualify for derecognition in the consolidated financial statements. As at 30 June 2019, the Group does not have any credit enhancements on recognised financial assets. As at 30 June 2018, trade receivables amounting to approximately HK\$2,784,000 had been transferred to a financial institution under a non-recourse factoring agreement.

7. 財務風險管理(續)

(a) 市場風險(續)

股本價格風險(續)

上列敏感度分析乃根據於報告期末面對之股本價格風險而釐定。就敏感度分析而言，由於金融市場波動，故截至二零一九年及二零一八年六月三十日止年度乃採用15%之敏感度比率。管理層認為，敏感度並未能代表內在股本價格風險，因其僅反映於報告期末所持有之股本證券股本價格變動之影響。

(b) 信貸風險

本集團於二零一九年及二零一八年六月三十日因對手方未能履行其責任而令本集團造成財務損失所產生之最大風險承擔，為綜合財務狀況表內所列該等已確認財務資產之賬面值，而並無計及不符合在綜合財務報表內作終止確認之資格的任何信用提升。於二零一九年六月三十日，本集團並無任何有關已確認金融資產之信用提升。於二零一八年六月三十日，為數約2,784,000港元之應收貿易賬款已根據一項無追索權之讓售協議而轉讓予一間金融機構。

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7. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

Trade receivables

In order to minimise the credit risk, the Group has delegated a team responsible for determination of credit limits, credit approvals and other 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 the reporting period to ensure that adequate impairment provision for losses are made for irrecoverable amounts.

At the end of the reporting period, the Group has a certain concentration of credit risk as 98% and 100% (2018: 68% and 100%) of the total trade receivables were due from the Group's largest customer and the five largest customers respectively.

The table below shows the credit limit and trade receivable balances of which the collection right of such trade receivables has been transferred to a financial institution under a non-recourse factoring agreement as at the end of the respective reporting period:

		2019 二零一九年		2018 二零一八年	
		Credit limit 信貸額	Utilised 已動用	Credit limit 信貸額	Utilised 已動用
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Customers	客戶	N/A 不適用	N/A 不適用	9,000	2,784

7. 財務風險管理(續)

(b) 信貸風險(續)

應收貿易賬款

為將信貸風險減至最低，本集團已委任一個團隊負責釐定信貸額度、信貸審批及其他監察程序，確保跟進追收程序以收回逾期債款。此外，本集團於報告期末檢討各個別應收賬款之可收回金額，以確保就不可收回金額作出足夠之減值虧損撥備。

於報告期末，本集團面對一定的信貸風險集中，因為應收貿易賬款總額中的98%及100% (二零一八年：68%及100%) 是分別應收本集團之最大客戶及五名最大客戶的貿易賬款。

下表列出於相關報告期末的信貸限額及應收貿易賬款結餘(收取有關應收貿易賬款之權利已根據一項無追索權之讓售協議而轉讓予一間金融機構)：

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

7. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

Trade receivables (Continued)

No credit limits were exceeded during the years ended 30 June 2019 and 2018, and the management does not expect any losses from non-performance by these counterparties.

The Group measures loss allowances for trade receivable at an amount equal to lifetime ECLs, which is calculated using a provision matrix. The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables by segments as at 30 June 2019:

7. 財務風險管理(續)

(b) 信貸風險(續)

應收貿易賬款(續)

截至二零一九年及二零一八年六月三十日止年度內並無超出信貸限額，而管理層預計不會產生對手方不履約之虧損。

本集團按等同於全期預期信貸虧損的金額計量應收貿易賬款之虧損撥備，其乃使用撥備矩陣進行計算。下表載列有關於二零一九年六月三十日本集團面對之信貸風險以及應收貿易賬款之預期信貸虧損(按分部劃分)的資料：

		Distribution and trading of 分銷及貿易					
		server, storage multi-media and communication products 伺服器儲存、多媒體及 通訊產品			commodity products and automotive components 商品產品及汽車零件		
		Gross			Gross		
Expected loss rate 預期虧損率	carrying amount 賬面總值 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元	Expected loss rate 預期虧損率	carrying amount 賬面總值 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元		
Current 即期		0%	1,299	-	0%	62,400	-

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

7. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

Bank balances and cash

Bank balances are placed with various authorised institutions. Accordingly, the directors of the Company consider the credit risk on liquid funds is limited.

Loans and interest receivables

The Group's loans and interest receivables comprise those arise from ordinary course of business of the Group and other loan receivable of the Group.

The Group's loans and interest receivables arise from ordinary course of business of the Group and are closely monitored by the executive directors in charge of the Group's money lending operations on an ongoing basis. At the end of the reporting period, the Group has concentration of credit risk as the outstanding balance due from the largest borrower accounts for 67% (2018: 67%) of the total loans and interest receivable balance which arises from ordinary course of business of the Group.

7. 財務風險管理(續)

(b) 信貸風險(續)

銀行結餘及現金

銀行結餘存放於多間獲授權機構。因此，本公司董事認為流動資金之信貸風險有限。

應收貸款及利息

本集團之應收貸款及利息包括產生自本集團之日常業務過程者以及本集團之其他應收貸款。

本集團之應收貸款及利息產生自本集團之日常業務過程，負責本集團放債業務之執行董事會持續密切監察有關情況。於報告期末，由於應收最大借款人之未償還結餘佔本集團日常業務過程中產生之應收貸款及利息總額之67%(二零一八年：67%)，因此本集團面對信貸風險集中之情況。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

7. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

Loans and interest receivables (Continued)

For other loan and interest receivables of the Group, the executive directors continuously monitor the level of exposure to ensure follow-up actions and/or corrective actions are taken promptly to lower exposure or to recover overdue balances. In addition, the directors review the recoverable amount of the borrower at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk arising from other loan and interest receivables is significantly reduced.

Financial assets included in deposit and other receivables

For financial assets included in deposit and other receivables, the executive directors review the recoverable amount of each individual balance at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

7. 財務風險管理(續)

(b) 信貸風險(續)

應收貸款及利息(續)

就本集團之應收貸款及利息而言，執行董事持續監控風險水平，以確保即時採取跟進行動及／或糾正措施以降低風險或收回逾期結餘。此外，董事審閱借款人於報告期末的可收回金額，以確保已就不可收回金額作出足夠的減值虧損。就此而言，本公司董事認為，本集團因其他應收貸款及利息而產生之信貸風險已經大減。

計入按金及其他應收款項之金融資產

就計入按金及其他應收款項之金融資產而言，執行董事於報告期末檢討每項個別結餘的可收回金額，以確保就不可收回金額作出足夠減值虧損。銀行結存存放於信譽高的優質機構，故管理層認為信貸風險不大。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

7. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Key description	Trade-related receivables under HKFRS 15 香港財務報告準則第15號項下的應收貿易賬款	Other financial assets/other items 其他金融資產/其他類別
內部信貸評級	主要描述		
Pass	Loans or receivables where borrowers or debtors are current in meeting commitments and full repayment of interest and principal is not in doubt.	Lifetime ECL – not credit-impaired	12m ECL
正常	借款人或債務人目前履行承諾並全數償還利息及本金，貸款或應收款項不存在影響還款的消極因素。	全期預期信貸虧損 – 無信貸減值	12個月預期信貸虧損
Watch list	Debtor frequently repays after due dates but usually settle after due date.	Lifetime ECL – not credit-impaired	12m ECL
監察名單	經常於到期日後償還而通常於到期日後結付的債務。	全期預期信貸虧損 – 無信貸減值	12個月預期信貸虧損
Doubtful	There have been significant increase in credit risk since initial recognition through information developed internally or external resources or payments have been overdue for more than 30 days.	Lifetime ECL – not credit-impaired	Lifetime ECL – not credit-impaired
呆賬	根據內部或外部資源信息，自初次確認後，信貸風險大幅增加，或款項已逾期超過30日。	全期預期信貸虧損 – 無信貸減值	全期預期信貸虧損 – 無信貸減值

7. 財務風險管理(續)

(b) 信貸風險(續)

本集團內部信貸風險級別評估包括以下類別：

Trade-related receivables under HKFRS 15 香港財務報告準則第15號項下的應收貿易賬款	Other financial assets/other items 其他金融資產/其他類別
--	--

Lifetime ECL – not credit-impaired	12m ECL
全期預期信貸虧損 – 無信貸減值	12個月預期信貸虧損
Lifetime ECL – not credit-impaired	12m ECL
全期預期信貸虧損 – 無信貸減值	12個月預期信貸虧損
Lifetime ECL – not credit-impaired	Lifetime ECL – not credit-impaired
全期預期信貸虧損 – 無信貸減值	全期預期信貸虧損 – 無信貸減值

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

7. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

7. 財務風險管理(續)

(b) 信貸風險(續)

Internal credit rating	Key description	Trade-related receivables under HKFRS 15 香港財務報告準則第15號項下的應收貿易賬款	Other financial assets/other items 其他金融資產/其他類別
內部信貸評級	主要描述		
Loss	There is evidence indicating the asset is credit-impaired or payment has been overdue for more than 90 days and the management expects loss of principal of interest is possible after taking account of the executable settlement plans of the borrowers, financial strength of guarantors and/or other internal or external information.	Lifetime ECL – credit-impaired	Lifetime ECL – credit-impaired
虧損	有證據表明資產屬信貸減值或款項已逾期超過90日而管理層預期，經考慮借款人的可執行結清計劃、擔保人的財政實力及/或其他內部或外部資料後，預期可能出現損失本金或利息的情況。	全期預期信貸虧損 – 信貸減值	全期預期信貸虧損 – 信貸減值
Write-off	There is evidence indicating that the debtor is severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off	Amount is written off
撇銷	有證據表明，債務人正面臨嚴峻的財務困境，而本集團並無實際的恢復跡象。	撇銷金額	撇銷金額

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

7. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

The table below details the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

7. 財務風險管理(續)

(b) 信貸風險(續)

下表詳列本集團金融資產根據預期信貸虧損評估所面對的信貸風險：

	Note	Internal credit rating 內部信貸評級	12m or lifetime ECL 12個月或全期預期信貸虧損	Gross carrying amount 賬面總值	
	附註			HK\$'000 千港元	HK\$'000 千港元
Loans receivable	23	Doubtful	Lifetime ECL – not credit impaired	4,848	
應收貸款		呆賬	全期預期信貸虧損 – 無信貸減值		
		Loss	Lifetime ECL – credit impaired	27,090	31,938
		虧損	全期預期信貸虧損 – 信貸減值		
Interest receivables	24	Loss	Lifetime ECL – credit impaired	1,803	1,803
應收利息		虧損	全期預期信貸虧損 – 信貸減值		
Trade receivables	25	Pass	Lifetime ECL – not credit impaired	63,699	63,699
應收貿易賬款		正常	全期預期信貸虧損 – 無信貸減值		

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

7. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

7. 財務風險管理(續)

(b) 信貸風險(續)

	Note	Internal credit rating 內部信貸評級	12m or lifetime ECL 12個月或全期預期信貸虧損	Gross carrying amount 賬面總值	
	附註			HK\$'000 千港元	HK\$'000 千港元
Refundable deposit 可退還按金	24	Pass 正常	12m ECL 12個月預期信貸虧損	20,000	20,000
Other receivables 其他應收款項	24	Pass 正常 Loss 虧損	12m ECL 12個月預期信貸虧損 Lifetime ECL – credit impaired 全期預期信貸虧損 – 信貸減值	2,199 17,500	19,699
Bank balances 銀行結餘	29	Pass 正常	12m ECL 12個月預期信貸虧損	656	656

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7. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

The estimated loss rates for each class of financial assets are estimated based on historical observed default rates over the expected life of the respective class of financial assets and are adjusted for forward-looking information that is available without undue cost or effort. The identification of internal credit rating for individual financial assets regularly reviewed by management to ensure relevant information about specific financial assets is updated.

The following tables show reconciliation of gross carrying amount and loss allowances that has been recognised for loans and interest receivable and financial assets included in deposit and other receivables.

7. 財務風險管理(續)

(b) 信貸風險(續)

各類別金融資產之估計虧損率根據有關類別之金融資產預期年期內的歷史觀察違約率估計，並按毋須付出不必要的成本或努力即可取得的前瞻性資料作出調整。管理層定期審閱個別金融資產之內部信貸評級識別，以確保特定金融資產之有關資料已更新。

下表列示就應收貸款及利息以及計入按金及其他應收款項之金融資產確認賬面總值與虧損撥備之對賬。

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7. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

Loans and interest receivables – gross carrying amount

7. 財務風險管理(續)

(b) 信貸風險(續)

應收貸款及利息 – 賬面總值

		12m ECL	Lifetime ECL (not credit- impaired)	Lifetime ECL (credit- impaired)	Total
		12個月預期 信貸虧損	全期預期 信貸虧損 (無信貸減值)	全期預期 信貸虧損 (信貸減值)	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Gross carrying amount as at 1 July 2018	於二零一八年七月一日之賬面總值	1,786	33,344	9,122	44,252
Changes in the gross carrying amount of financial assets as at 1 July 2018:	於二零一八年七月一日之金融資產之賬面總值變動：				
- transfer from 12m ECL to lifetime ECL (not credit-impaired)	- 自12個月預期信貸虧損轉移至全期預期信貸虧損(無信貸減值)	(1,786)	1,786	-	-
- transfer from lifetime ECL (not credit-impaired) to lifetime ECL (credit-impaired)	- 自全期預期信貸虧損(無信貸減值)轉移至全期預期信貸虧損(信貸減值)	-	(28,164)	28,164	-
New financial assets originated	新金融資產產生	126	3,344	3,622	7,092
Transfer of new financial assets originated from 12m ECL to lifetime ECL (not credit-impaired)	已產生之新金融資產自12個月預期信貸虧損轉移至全期預期信貸虧損(無信貸減值)	(126)	126	-	-
Transfer of new financial assets originated from lifetime ECL (not credit-impaired) to lifetime ECL (credit-impaired)	已產生之新金融資產自全期預期信貸虧損(無信貸減值)轉移至全期預期信貸虧損(信貸減值)	-	(750)	750	-
Financial assets that have been derecognised	已終止確認之金融資產	-	(4,838)	(12,441)	(17,279)
Foreign exchange	外匯	-	-	(324)	(324)
Gross carrying amount as at 30 June 2019	於二零一九年六月三十日之賬面總值	-	4,848	28,893	33,741

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7. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

Loans and interest receivables – loss allowance

		12m ECL	Lifetime ECL (not credit- impaired)	Lifetime ECL (credit- impaired)	Total
		12個月預期 信貸虧損	全期預期 信貸虧損 (無信貸減值)	全期預期 信貸虧損 (信貸減值)	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Loss allowance as at 1 July 2018 (Note)	於二零一八年 七月一日之虧損 撥備(附註)	24	358	9,000	9,382
Changes in loss allowance for financial assets as at 1 July 2018:	於二零一八年七月 一日之金融資產之虧損 撥備變動:				
- transfer from 12m ECL to lifetime ECL (not credit- impaired)	- 自12個月預期信貸虧 損轉移至全期預期 信貸虧損(無信貸減 值)	(24)	24	-	-
- transfer from lifetime ECL (not credit-impaired) to lifetime ECL (credit- impaired)	- 自全期預期信貸虧損 (無信貸減值)轉移 至全期預期信貸虧損 (信貸減值)	-	(316)	316	-
- Impairment loss released during the year	- 於年內解除之減值 虧損	-	-	(7,000)	(7,000)
- net re-measurement of ECL due to transfer from lifetime ECL (not credit- impaired) to lifetime ECL (credit-impaired)	- 由於自全期預期信貸 虧損(無信貸減值) 轉移至全期預期信貸 虧損(信貸減值)而 重新計量預期信貸虧 損之淨額	-	-	1,959	1,959
Write-off	撤銷	-	-	(2,000)	(2,000)
Loss allowance as at 30 June 2019	於二零一九年六月三十日之 虧損撥備	-	66	2,275	2,341

7. 財務風險管理(續)

(b) 信貸風險(續)

應收貸款及利息 – 虧損撥備

	12m ECL	Lifetime ECL (not credit- impaired)	Lifetime ECL (credit- impaired)	Total
	12個月預期 信貸虧損	全期預期 信貸虧損 (無信貸減值)	全期預期 信貸虧損 (信貸減值)	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元

Loss allowance as at 1 July 2018 (Note)	於二零一八年 七月一日之虧損 撥備(附註)	24	358	9,000	9,382
Changes in loss allowance for financial assets as at 1 July 2018:	於二零一八年七月 一日之金融資產之虧損 撥備變動:				
- transfer from 12m ECL to lifetime ECL (not credit- impaired)	- 自12個月預期信貸虧 損轉移至全期預期 信貸虧損(無信貸減 值)	(24)	24	-	-
- transfer from lifetime ECL (not credit-impaired) to lifetime ECL (credit- impaired)	- 自全期預期信貸虧損 (無信貸減值)轉移 至全期預期信貸虧損 (信貸減值)	-	(316)	316	-
- Impairment loss released during the year	- 於年內解除之減值 虧損	-	-	(7,000)	(7,000)
- net re-measurement of ECL due to transfer from lifetime ECL (not credit- impaired) to lifetime ECL (credit-impaired)	- 由於自全期預期信貸 虧損(無信貸減值) 轉移至全期預期信貸 虧損(信貸減值)而 重新計量預期信貸虧 損之淨額	-	-	1,959	1,959
Write-off	撤銷	-	-	(2,000)	(2,000)
Loss allowance as at 30 June 2019	於二零一九年六月三十日之 虧損撥備	-	66	2,275	2,341

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7. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

Deposit and other receivables – gross carrying amount

7. 財務風險管理(續)

(b) 信貸風險(續)

按金及其他應收款項－賬面總值

		12m ECL	Lifetime ECL (credit- impaired)	Total
		12個月預期 信貸虧損	全期預期 信貸虧損 (信貸減值)	總計
		HK\$'000	HK\$'000	HK\$'000
			千港元	千港元
Gross carrying amount as at 1 July 2018	於二零一八年七月一日之 賬面總值	25,161	9,635	34,796
New financial assets originated	新金融資產產生	27,699	-	27,699
Transfer of new financial assets originated from 12m ECL to lifetime ECL (credit-impaired)	已產生之新金融資產自12個月 預期信貸虧損轉移至全期 預期信貸虧損(信貸減值)	(14,500)	14,500	-
Financial assets that have been derecognised	已終止確認之金融資產	(16,161)	(6,635)	(22,796)
Gross carrying amount as at 30 June 2019	於二零一九年六月三十日之 賬面總值	22,199	17,500	39,699

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

7. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

Deposit and other receivables – loss allowance

Loss allowance as at 1 July 2018 (Note)	於二零一八年七月一日之虧損撥備(附註)	6	9,635	9,641
Changes in loss allowance for financial assets as at 1 July 2018:	於二零一八年七月一日之金融資產之虧損撥備變動：			
- Impairment loss released during the year	- 於年內解除之減值虧損	-	(2,250)	(2,250)
New financial assets originated	新金融資產產生	223	-	223
Transfer of new financial assets originated from 12m ECL to lifetime ECL (credit-impaired)	已產生之新金融資產自12個月預期信貸虧損轉移至全期預期信貸虧損(信貸減值)	(207)	207	-
Net re-measurement of ECL arising from new financial assets originated transferred from 12m ECL to lifetime ECL (credit-impaired)	由於已產生之新金融資產自12個月預期信貸虧損轉移至全期預期信貸虧損(信貸減值)而重新計量預期信貸虧損之淨額	-	258	258
Financial assets that have been derecognised	已終止確認之金融資產	-	(4,385)	(4,385)

Loss allowance as at 30 June 2019 於二零一九年六月三十日之虧損撥備

7. 財務風險管理(續)

(b) 信貸風險(續)

按金及其他應收款項－虧損撥備

	12m ECL 12個月預期 信貸虧損 HK\$'000 千港元	Lifetime ECL (credit- impaired) 全期預期 信貸虧損 (信貸減值) HK\$'000 千港元	Total 總計 HK\$'000 千港元
--	--	--	--------------------------------

	6	9,635	9,641
	-	(2,250)	(2,250)
	223	-	223
	(207)	207	-
	-	258	258
	-	(4,385)	(4,385)
	22	3,465	3,487

Note: Details of the reconciliation of impairment allowance measured in accordance with HKAS 39 as at 30 June 2018 to HKFRS 9 as at 1 July 2018 has included in summary of effects arising from initial application of HKFRS 9, please refer to note 3.1.

附註：於二零一八年六月三十日根據香港會計準則第39號計量之減值撥備與於二零一八年七月一日根據香港財務報告準則第9號計量之減值撥備對賬詳情已載入因首次應用香港財務報告準則第9號產生之影響概況，請參閱附註3.1。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

7. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

As at 30 June 2019, the Group had current borrowings of approximately HK\$66,439,000 (2018: HK\$75,664,000) whereas the Group had cash and cash equivalents of approximately HK\$702,000 (2018: HK\$8,574,000) only. As at 30 June 2019, the Group has defaulted in repayment of HK\$30m Loans and the interest and loans payable due to the Claimants with aggregate balances of approximately HK\$24,255,000. The maintenance of the Group as a going concern depends upon the success of obtaining sufficient proceeds from the Rights Issue, the continuing existence of Mr. Ke's loan facility and the Group in generating sufficient cash flows from operations. Details are explained in note 2 above.

In the management of the liquidity risk, the Group monitor and maintain a level of bank balances and cash deemed adequate by the management to finance the operations of the Group and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank and other borrowings and the liquidity requirements from time to time.

7. 財務風險管理(續)

(c) 流動資金風險

於二零一九年六月三十日，本集團的流動借貸約為66,439,000港元(二零一八年：75,664,000港元)，而本集團的現金及現金等值項目僅約為702,000港元(二零一八年：8,574,000港元)。於二零一九年六月三十日，本集團未有如期償還30,000,000港元貸款及利息以及應付申索人之合計結餘約24,255,000港元貸款。本集團維持持續經營取決於能否從供股中獲得足夠的所得款項，柯先生提供之貸款額度能否持續存在及本集團能否從營運中產生足夠現金流量。詳情在上文附註2中說明。

在管理流動資金風險時，本集團監控及維持銀行結存及現金於管理層認為可應付本集團營運之合適水平及減輕現金流量波動之影響。管理層監控銀行及其他借貸之動用情況及不時之流動資金需求。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

7. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk (Continued)

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period from the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

As at 30 June 2019

7. 財務風險管理(續)

(c) 流動性風險(續)

下表顯示本集團的金融負債，按照相關的到期組別，根據由報告期末至合約到期日的剩餘期間進行分析。在表內披露的金額為合約未貼現的現金流量。

於二零一九年六月三十日

		Contractual undiscounted cash flows 合約未貼現的現金流量			
		Carrying amount 賬面值 HK\$'000 千港元	Within one year or on demand 一年內或按要求 HK\$'000 千港元	One to five years 一至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Trade payables	應付貿易賬款	64,734	64,734	-	64,734
Financial liabilities included in accruals, interest and other payables	計入應計費用、利息及其他應付款項之金融負債	9,668	9,668	-	9,668
Borrowings	借貸	87,327	67,857	23,200	91,057
		161,729	142,259	23,200	165,459

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

7. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk (Continued)

As at 30 June 2018

7. 財務風險管理(續)

(c) 流動性風險(續)

於二零一八年六月三十日

		Contractual undiscounted cash flows 合約未貼現的現金流量			
		Carrying amount 賬面值 HK\$'000 千港元	Within one year or on demand 一年內或按要求 HK\$'000 千港元	One to five years 一至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Trade payables	應付貿易賬款	8,457	8,457	-	8,457
Financial liabilities included in accruals, interest and other payables	計入應計費用、利息及其他 應付款項之金融負債	10,219	10,219	-	10,219
Borrowings	借貸	96,532	82,322	24,500	106,822
		115,208	100,998	24,500	125,498

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

8. FAIR VALUE MEASUREMENT OF FINANCIAL ASSETS

(a) Fair value of 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).

Items 項目	Fair value of the Group 本集團之公平值		Fair value hierarchy 公平值等級	Valuation technique(s) and key inputs 估值技術及主要輸入數據
	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元		
Held-for-trading equity securities listed in the Stock Exchange 於聯交所上市之持作買賣股本證券	19,065	65,967	Level 1 第一級	Quoted bid price in an active market 活躍市場所報之買盤價

During the years ended 30 June 2019 and 2018, the Group does not have other financial assets transferred between Level 1 and Level 2 fair value hierarchy and no transfer into or out of Level 3 fair value hierarchy.

8. 金融資產公平值計量

(a) 以循環基準按公平值計量之金融資產之公平值

本集團部份金融資產乃於各報告期末按公平值計量。下表載列有關該等金融資產公平值釐定方法之資料(尤其是所使用之估值技術及輸入數據)。

截至二零一九年及二零一八年六月三十日止年度，本集團並無其他金融資產於第一級及第二級公平值等級之間轉移，第三級公平值等級亦無轉入或轉出。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

8. FAIR VALUE MEASUREMENT OF FINANCIAL ASSETS (Continued)

(b) Fair value measurement and valuation process

The management of the Group is responsible to determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of a financial asset or a financial liability, the Group uses market observable data to the extent it is available. When Level 1 inputs are not available, the Group engaged independent qualified external valuers to perform the valuation. The management of the Group works closely with qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The management of the Group reports to executive directors semi-annually to explain the cause of fluctuations in the fair value of the financial assets and financial liabilities.

8. 金融資產公平值計量(續)

(b) 公平值計量及估值程序

本集團管理層負責釐定合適的公平值計量估值技術及輸入數據。

於估計金融資產或金融負債之公平值時，本集團在可得情況均採用市場可觀察數據。倘第一級輸入數據不可用，本集團會委聘獨立合資格外聘估值師進行估值。本集團管理層與合資格外聘估值師緊密合作，以制訂合適之估值技術及模式輸入數據。本集團管理層每半年向執行董事匯報一次，以解釋金融資產及金融負債公平值波動之原因。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

9. REVENUE AND SEGMENT INFORMATION 9. 收益及分部資料

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue from contracts with customers	客戶合約收益		
Revenue from distribution and trading of:	以下各項的分銷及貿易收益：		
- server storage, multi-media and communication products	— 伺服器儲存、多媒體及通訊產品	14,940	57,767
- rice cookers and household electrical appliances	— 電飯煲及家庭電器	4,413	5,393
- commodity products and automotive components	— 商品產品及汽車零件	113,053	-
Revenue from entertainment segment:	來自娛樂分部的收益：		
- concert ticket sales	— 演唱會門票銷售	-	8,791
- sponsorship income for concerts	— 演唱會的贊助收入	-	2,225
		132,406	74,176
Revenue from other sources	來自其他來源的收益		
Interest income from money lending operations	來自放債業務的利息收入	2,717	3,490
Total revenue from continuing operations	來自持續經營業務的總收益	135,123	77,666

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

9. REVENUE AND SEGMENT INFORMATION 9. 收益及分部資料(續)

(i) Disaggregated revenue information from contracts with customers

(i) 客戶合約收益的經分拆收益資料

For the year ended 30 June 2019

截至二零一九年六月三十日止年度

Segments	分銷及貿易	Distribution and trading of			Total
		Server storage, multi-media and communication products	Rice cookers and household electrical appliances	Commodity products and automotive components	
分部	伺服器儲存、多媒體及通訊產品	電飯煲及家庭電器	商品產品及汽車零件	總計	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	
Geographical markets	地理市場				
Hong Kong	14,940	-	113,053	127,993	
PRC	-	4,413	-	4,413	
	14,940	4,413	113,053	132,406	
Timing of revenue recognition	確認收益的時間安排				
At a point in time	14,940	4,413	113,053	132,406	

Revenue recognised during the year ended 30 June 2019 that was included in contract liabilities at the date of initial application of HKFRS 15:

截至二零一九年六月三十日止年度內已確認收益中已計入首次應用香港財務報告準則第15號之合約負債：

		2019 二零一九年 HK\$'000 千港元
Revenue from distribution of rice cookers and household electrical appliances	分銷電飯煲及家庭電器的收益	1,436

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

9. REVENUE AND SEGMENT INFORMATION (Continued)

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sales of server storage, multi-media and communication products, rice cookers and household electrical appliances, commodity products and automotive components

Customers obtain control of the products when the goods are delivered to/shipped at the shipping point and have been accepted. Revenue is thus recognised at a point in time basis upon when the customers accepted the products. There is generally only one performance obligation.

Segment information

The Group determines its operating segments based on the reports that are used to make strategic decisions reviewed by the chief operating decision maker ("CODM"). The Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's operating segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of other operating segments.

9. 收益及分部資料(續)

(ii) 履約責任

有關本集團履約責任的資料概述如下：

銷售伺服器儲存、多媒體及通訊產品、電飯煲及家庭電器、商品產品及汽車零件

客戶於貨品交付／於貨品起運點付運並獲接納時獲得產品之控制權。因此，收益乃於客戶接納產品之某一時點確認。通常只有一項履約責任。

分部資料

本集團根據主要營運決策者（「主要營運決策者」）審閱以作策略決定之報告來釐定其經營分部。本集團之經營業務乃根據營運之性質及所提供之產品及服務而劃分及分開管理。本集團各經營分部代表一個提供產品及服務的策略業務單位，所承擔之風險及所得回報均有別於其他經營分部。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

9. REVENUE AND SEGMENT INFORMATION (Continued)

Segment information (Continued)

For the year ended 30 June 2019, the Group has six (2018: five) reportable operating segments for continuing operations. Details are as follows:

- (i) Distribution and trading of server storage, multi-media and communication products in Hong Kong;
- (ii) trading of rice cookers and household electrical appliances in the People's Republic of China (the "PRC");
- (iii) trading of commodity products and automotive components in Hong Kong;
- (iv) money lending segment engages primarily in money lending operations in Hong Kong;
- (v) investments in securities segment engages primarily in the purchase and sale of securities and the holding of equity investments primarily for dividend income and capital appreciation; and
- (vi) entertainment segment engages primarily in organisation of concerts in Hong Kong and Macau.

The trading of sports car segment was classified as discontinued operations in prior year upon the transfer of the Group's distribution rights in sports car to an individual third party. Details are set out in note 17.

9. 收益及分部資料(續)

分部資料(續)

截至二零一九年六月三十日止年度，本集團在持續經營業務方面有六個(二零一八年：五個)須報告經營分部。詳情如下：

- (i) 於香港進行伺服器儲存、多媒體及通訊產品之分銷及貿易；
- (ii) 於中華人民共和國(「中國」)進行電飯煲及家庭電器之貿易；
- (iii) 於香港進行商品產品及汽車零件之貿易；
- (iv) 放債分部，主要在香港從事放債營運；
- (v) 證券投資分部，主要從事證券買賣及持有股本投資，以賺取股息收入及達致資本增值作為主要目的；及
- (vi) 娛樂分部，主要在香港及澳門籌辦演唱會。

跑車貿易分部已於本集團之跑車分銷權轉讓予一名獨立第三方後在上年度分類為已終止經營業務。詳情載於附註17。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

9. REVENUE AND SEGMENT INFORMATION (Continued)

Segment information (Continued)

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 4. Segment revenue represents the revenue generated by each operating segment. Segment results represent the profit earned by each operating segment without allocation of central administration expenses (unallocated corporate expenses), interest income, unallocated finance costs and income tax expenses. This is the measure reported to CODM for the purposes of resource allocation and assessment of segment performance.

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

- all assets are allocated to reportable segments other than tax recoverable and unallocated corporate assets; and
- all liabilities are allocated to reportable segments other than current tax liabilities and unallocated corporate liabilities.

9. 收益及分部資料(續)

分部資料(續)

須報告分部的會計政策與附註4所述的本集團會計政策相同。分部收益指各經營分部產生的收益。分部業績指各經營分部所賺取的溢利，並不分配中央行政開支(未分配企業開支)、利息收入、未分配融資成本及所得稅支出。此為就著資源分配及分部表現評估而向主要營運決策者匯報的方法。

就監察分部表現以及於分部之間分配資源而言：

- 除了可收回稅項及未分配企業資產外，所有資產均分配至須報告分部；及
- 除了即期稅項負債以及未分配企業負債外，所有負債均分配至須報告分部。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

9. REVENUE AND SEGMENT INFORMATION 9. 收益及分部資料(續) (Continued)

Segment revenue and results

分部收益及業績

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

本集團於相關年度之收益及業績按須報告及經營分部分析如下：

	Segment revenue 分部收益		Segment results 分部業績	
	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一八年 HK\$'000 千港元	2018 二零一九年 HK\$'000 千港元
Continuing operations: 持續經營業務：				
Distribution and trading of: 分銷及貿易：				
- server storage, multi-media and communication products 伺服器儲存、多媒體及通訊產品	14,940	57,767	(3,129)	(8,536)
- rice cookers and household electrical appliances 電飯煲及家庭電器	4,413	5,393	12	74
- commodity products and automotive components 商品產品及汽車零件	113,053	-	(27)	-
Money lending 放債	2,717	3,490	5,575	(6,480)
Investment in securities 證券投資	-	-	(22,781)	(54,641)
Entertainment 娛樂	-	11,016	250	(4,522)
Total segment revenue/results from continuing operations 來自持續經營業務之分部收益/業績總額	135,123	77,666	(20,100)	(74,105)

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

9. REVENUE AND SEGMENT INFORMATION 9. 收益及分部資料(續) (Continued)

Segment revenue and results (Continued)

分部收益及業績(續)

Reconciliation of segment results to consolidated loss before taxation

分部業績與綜合除稅前虧損之對賬

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Total segment results	分部業績總額	(20,100)	(74,105)
Interest income (note 10)	利息收入(附註10)	4,403	5,304
Unallocated finance costs	未分配融資成本	(12,642)	(7,179)
Unallocated depreciation	未分配折舊	(3,806)	(3,949)
Unallocated staff costs	未分配員工成本	(15,435)	(19,555)
Unallocated gain on disposal of property, plant and equipment	出售物業、機器及設備之未分配收益	183	241
Unallocated reversal of impairment loss/(impairment loss), net	未分配之減值虧損撥回/(減值虧損)淨額	649	(5,000)
Unallocated for corporate expenses	未分配企業開支	(10,126)	(17,350)
Consolidated loss before taxation from continuing operations	來自持續經營業務之綜合除稅前虧損	(56,874)	(121,593)
Profit/(loss) before taxation from discontinued operation	來自已終止經營業務之除稅前溢利/(虧損)	179	(5,619)
Loss before taxation	除稅前虧損	(56,695)	(127,212)

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

9. REVENUE AND SEGMENT INFORMATION 9. 收益及分部資料(續) (Continued)

Segment assets and liabilities

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

分部資產及負債

本集團於相關年度之資產及負債按須報告經營分部分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Segment assets	分部資產		
Distribution and trading of:	分銷及貿易：		
- server storage, multi-media and communication products	- 伺服器儲存、多媒體及通訊產品	1,622	13,179
- rice cookers and household electrical appliances	- 電飯煲及家庭電器	22,512	23,664
- commodity products and automotive components	- 商品產品及汽車零件	62,402	-
- sports car (discontinued)	- 跑車(已終止經營)	-	9,392
Money lending	放債	21,364	18,845
Investment in securities	證券投資	20,084	71,162
Entertainment	娛樂	-	58
Total segment assets	分部資產總額	127,984	136,300
Tax recoverable	可收回稅項	115	34
Unallocated corporate assets	未分配企業資產	34,110	37,568
Total assets	資產總額	162,209	173,902
Segment liabilities	分部負債		
Distribution and trading of:	分銷及貿易：		
- server storage, multi-media and communication products	- 伺服器儲存、多媒體及通訊產品	7,972	15,937
- rice cookers and household electrical appliances	- 電飯煲及家庭電器	354	1,458
- commodity products and automotive components	- 商品產品及汽車零件	62,429	-
- sports car (discontinued)	- 跑車(已終止經營)	-	10
Money lending	放債	126	36
Investment in securities	證券投資	11,044	26,974
Entertainment	娛樂	-	10
Total segment liabilities	分部負債總額	81,925	44,425
Tax payable	應付稅項	-	71
Unallocated corporate liabilities	未分配企業負債	81,114	73,132
Total liabilities	負債總額	163,039	117,628

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9. REVENUE AND SEGMENT INFORMATION 9. 收益及分部資料(續) (Continued)

Other segment information

其他分部資料

	Depreciation and amortisation (note 16)		Reversal of impairment losses/ (impairment losses)		Fair value losses on investments at fair value through profit or loss (note 16)		Finance costs (note 14)		Capital expenditures		Gain/(loss) on disposal of property, plant and equipment (note 11)	
	折舊及攤銷		減值虧損撥回/(減值虧損)		投資之公平值虧損		融資成本		資本開支		出售物業、機器及設備之收益/(虧損)	
	(附註16)		(附註16)		(附註16)		(附註14)		資本開支		(附註11)	
	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Continuing operations: 持續經營業務:												
Distribution and trading of: 分銷及貿易:												
- server storage, multi-media and communication products 伺服器儲存、多媒體及通訊產品	(47)	(494)	-	-	-	-	(668)	(737)	-	6	(7)	330
- rice cookers and household electrical appliances 電飯煲及家庭電器	-	-	-	-	-	-	-	-	4	-	-	-
Money lending 放債	-	(19)	3,911	(9,000)	-	-	-	-	-	-	-	-
Investment in securities 證券投資	-	-	-	-	(20,353)	(49,253)	(1,320)	(1,948)	-	-	-	-
Entertainment 娛樂	-	-	250	(4,635)	-	-	-	-	-	-	-	-
Unallocated 未分配	(3,806)	(3,949)	649	(5,000)	-	-	(12,642)	(7,179)	6	888	183	241
	(3,853)	(4,462)	4,810	(18,635)	(20,353)	(49,253)	(14,630)	(9,864)	10	894	176	571
Discontinued operation: 已終止經營業務:												
Distribution of sports car (note7) 分銷跑車(附註7)	-	(1,470)	-	(4,109)	-	-	-	-	-	-	-	-
Total 總計	(3,853)	(5,932)	4,810	(22,744)	(20,353)	(49,253)	(14,630)	(9,864)	10	894	176	571

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9. REVENUE AND SEGMENT INFORMATION (Continued) 9. 收益及分部資料(續)

Information about major customers

Revenue from each of the following single external customers for the year ended 30 June 2019 and 2018 accounted for more than 10% of the total revenue of the Group from continuing and discontinued operations are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Customer A	客戶甲	102,778	N/A不適用*
Customer B	客戶乙	N/A不適用*	26,655
Customer C	客戶丙	N/A不適用*	20,514

* The corresponding revenue did not contribute over 10% of the total revenue of the Group from continuing and discontinued operations for that year.

Sales to Customer A relates to trading of commodity products and automotive components whereas sales to Customer B and C relate to distribution and trading of server storage, multi-media and communication products.

有關主要客戶的資料

截至二零一九年及二零一八年六月三十日止年度來自以下各名單一外界客戶佔本集團來自持續經營及已終止經營業務之總收益之10%以上的情況如下：

* 相關收益並無對本集團於該年度來自持續經營及已終止經營業務之總收益作出逾10%的貢獻。

向客戶甲的銷售是關於商品產品及汽車零件之貿易而向客戶乙及丙的銷售是關於伺服器儲存、多媒體及通訊產品之分銷及貿易。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

9. REVENUE AND SEGMENT INFORMATION (Continued)

Geographical information

The Group's operations are located in Hong Kong and other parts of the PRC, most of the segments are carried in Hong Kong and other parts of the PRC. The geographical location of customers is based on the location of the customers, irrespective of the origin of the goods or service. The geographical location of the non-current assets other than loans receivable and refundable deposit is based on the physical location of the asset, in the case of property, plant and equipment and intangible assets. The Group's revenue by geographical location of the customers and information about its non-current assets by geographical location of the assets are set out below:

9. 收益及分部資料(續)

地區資料

本集團的營運位於香港及中國其他地區，大部份分部是於香港及中國其他地區經營。客戶的地理位置是基於客戶所在地而不論貨品或服務的來源地。非流動資產(應收貸款及可退還按金除外)的地理位置如物業、機器及設備以及無形資產，按該等資產的實際所在地劃分。本集團按客戶的地理位置劃分的收益以及按資產的地理位置提供的非流動資產的資料載列如下：

		Revenue from external customers from continuing operations 來自持續經營業務之外界客戶的收益		Non-current assets (note) 非流動資產(附註)	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Hong Kong and other parts of the PRC (place of domicile)	香港及中國其他地區(所在地)	135,123	77,666	7,557	18,772

Note: Non-current assets exclude loans receivable and refundable deposit.

附註：非流動資產不包括應收貸款及可退還按金。

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10. OTHER INCOME

10. 其他收入

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Interest income derived from:	來自以下各項之利息收入：		
- bank deposits	- 銀行存款	1	68
- other loan receivable (note 23(b))	- 其他應收貸款(附註23(b))	4,402	5,236
		4,403	5,304
Dividend income	股息收入	29	30
Others	其他	50	65
		4,482	5,399

11. OTHER GAIN

11. 其他收益

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Gain on disposal of property, plant and equipment	出售物業、機器及 設備之收益	176	571

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

12. STAFF COSTS

12. 員工成本

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Directors' emoluments (note 20)	董事酬金 (附註20)	10,383	13,493
Other staff costs:	其他員工成本：		
Salaries, commission, bonus and other short-term benefits	薪金、佣金、花紅及其他短期福利	6,826	11,857
Retirement benefits scheme contributions	退休福利計劃供款	162	200
Post-employment benefits	離職後福利	83	-
Total staff costs including directors' emoluments	總員工成本 (包括董事酬金)	17,454	25,550

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

13. REVERSAL OF IMPAIRMENT LOSSES/ (IMPAIRMENT LOSSES), NET

13. 減值虧損撥回／(減值虧損)淨額

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Impairment losses on loans receivables for ECL model:	根據預期信貸虧損模式之 應收貸款減值虧損：		
- Stage 3	- 第三階段	(1,959)	-
Impairment losses on loans receivables for incurred loss model:	根據已產生虧損模式之 應收貸款減值虧損：		
- individually assessed	- 個別評估	-	(9,000)
		(1,959)	(9,000)
Impairment losses on other receivables for ECL model:	根據預期信貸虧損模式之 其他應收款項減值虧損：		
- Stage 1	- 第一階段	(16)	-
- Stage 3	- 第三階段	(465)	-
Impairment losses on other receivables for incurred loss model:	根據已產生虧損模式之 其他應收款項減值虧損：		
- individually assessed	- 個別評估	-	(9,635)
		(481)	(9,635)
Reversal of impairment losses:	撥回減值虧損：		
- loans receivables	- 應收貸款	7,000	-
- other receivable	- 其他應收款項	2,250	-
		9,250	-
		6,810	(18,635)

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

14. FINANCE COSTS

14. 融資成本

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Interest on other bank loans, bills and overdrafts	其他銀行貸款、票據及透支之利息	-	229
Discounting charge on factoring loans	讓售貸款之貼現支出	78	208
Margin loan interest expenses	保證金貸款利息開支	1,320	1,948
Other loan interest expenses	其他貸款利息開支	11,912	6,160
Bond interest expenses	債券利息開支	1,320	1,319
		14,630	9,864

15. INCOME TAX CREDIT/(EXPENSES)

15. 所得稅抵免／(支出)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Hong Kong Profits Tax	香港利得稅		
Overprovision for prior year	上年度超額撥備	-	30
Current year	本年度	-	-
PRC Enterprise Income Tax	中國企業所得稅		
Overprovision for prior year	上年度超額撥備	69	-
Current year	本年度	(29)	(71)
Deferred tax	遞延稅項	-	-
Income tax credit/(expenses)	所得稅抵免／(支出)	40	(41)

No provision for Hong Kong Profits Tax has been made for the year ended 30 June 2019 and 2018 as the Group did not have assessable profits in Hong Kong for both years.

由於本集團於兩個年度在香港均無應課稅溢利，因此截至二零一九年及二零一八年六月三十日止年度並無就香港利得稅作出撥備。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

15. INCOME TAX CREDIT/(EXPENSES) (Continued)

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of a subsidiary in the PRC is 25% for the year ended 30 June 2019 and 2018.

The charge for the year can be reconciled to loss before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

15. 所得稅抵免／(支出)(續)

根據中華人民共和國企業所得稅法(「企業所得稅法」)和企業所得稅法實施條例，截至二零一九年及二零一八年六月三十日止年度，中國附屬公司的稅率為25%。

年內稅項支出可與綜合損益及其他全面收益表所列除稅前虧損對賬如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss before taxation from continuing operations	持續經營業務之除稅前虧損	(56,874)	(121,593)
Profit/(loss) before taxation from discontinued operation	已終止經營業務之除稅前溢利／(虧損)	179	(5,619)
Loss before taxation	除稅前虧損	(56,695)	(127,212)
Tax at 16.5% (2018: 16.5%)	按16.5%(二零一八年：16.5%)計算之稅項	(9,355)	(20,990)
Expenses not deductible for taxation purpose	不可扣稅支出	7,620	12,912
Income not subject to taxation	毋須繳稅收入	(2,357)	(1,101)
Tax effect on tax losses not recognised	未確認稅項虧損之稅務影響	8,168	9,226
Utilisation of previously unrecognised deferred tax assets	動用過往未確認之遞延稅項資產	(4,080)	-
Overprovision in prior year	上年度超額撥備	(69)	(30)
Tax effect on different tax rates	不同稅率之稅務影響	33	24
Income tax (credit)/expenses	所得稅(抵免)／支出	(40)	41

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

15. INCOME TAX CREDIT/(EXPENSES) (Continued)

Deferred taxation

No deferred tax assets and liabilities have been offset in the consolidated statement of financial position.

As at 30 June 2019, the Group has unused tax losses of approximately HK\$150,878,000 (2018: HK\$101,374,000) available for offset against future profits. As at 30 June 2019 and 30 June 2018, no deferred tax asset has been recognised for the unused tax losses due to the unpredictability of future profits streams. Tax losses for both years may be carried forward indefinitely.

As at 30 June 2019, the Group also has unrecognised deferred tax assets relating to allowance for impairment loss and unrealized loss of financial assets at fair value through profit or loss amounting to approximately HK\$208,000 and HK\$1,722,000 (2018: HK\$2,250,000 and HK\$3,342,000), respectively.

15. 所得稅抵免／(支出)(續)

遞延稅項

綜合財務狀況表內並無遞延稅項資產及負債之抵銷。

於二零一九年六月三十日，本集團有約150,878,000港元(二零一八年：101,374,000港元)之未動用稅項虧損可用以抵銷未來溢利。於二零一九年及二零一八年六月三十日，因無法預測未來溢利來源，故並無就未動用稅務虧損確認遞延稅項資產。兩個年度之稅務虧損可無限期結轉。

本集團有關減值虧損撥備以及按公平值計入損益之金融資產之未實現虧損的未確認遞延稅項資產分別約為208,000港元及1,722,000港元(二零一八年：2,250,000港元及3,342,000港元)。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

16. LOSS FOR THE YEAR FROM CONTINUING OPERATIONS

Loss for the year from continuing operations has been arrived at after charging/(crediting) the following:

16. 來自持續經營業務之本年度虧損

來自持續經營業務之本年度虧損已扣除／(計入)下列各項：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Fair value losses on investments at fair value through profit or loss:	按公平值計入損益之投資之公平值虧損：		
- realised losses, net	- 已實現虧損淨額	11,831	29,936
- unrealised losses, net	- 未實現虧損淨額	8,522	19,317
		20,353	49,253
Cost of sales:	銷售成本：		
- cost of inventories recognised as expenses in cost of sales	- 於銷售成本支銷之存貨成本	131,874	61,807
- cost of services rendered for concerts	- 就演唱會提供服務之成本	-	10,180
		131,874	71,987
Auditors' remuneration:	核數師酬金：		
- in respect of audit services	- 有關審核服務	989	917
- in respect of non-audit services	- 有關非審核服務	344	1,320
		1,333	2,237
Depreciation	折舊	3,853	4,462
Legal, professional and consultancy expenses	法律、專業及顧問開支	1,022	1,364
Net foreign exchange loss/(gain)	匯兌虧損／(收益)淨額	409	(1,353)

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17. DISCONTINUED OPERATION

On 26 September 2018, the Group and a purchaser entered into a transfer agreement (the "Transfer Agreement"), pursuant to which the Group agreed to dispose and transfer its distribution rights in sports car to a purchaser at a consideration of approximately HK\$5,500,000 and transfer the purchase deposits previously placed by the Group to the supplier amounting to HK\$4,000,000. Accordingly, the results of distribution of sports car segment are presented as profit/loss for the year from discontinued operation in the consolidated statement of profit or loss and other comprehensive income. Details are set out below.

17. 已終止經營業務

於二零一八年九月二十六日，本集團與買方訂立轉讓協議（「轉讓協議」），據此，本集團同意將其跑車分銷權出售及轉讓予一名買方，代價約為5,500,000港元並轉讓本集團先前存於供應商之購貨按金4,000,000港元。因此，跑車分部的業績已呈列為綜合損益及其他全面收益表中的已終止經營業務之本年度溢利／虧損。詳情載列如下。

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit/(loss) for the year from discontinued operation:	已終止經營業務之		
Revenue	本年度溢利／(虧損)： 收益	-	-
Amortisation	攤銷	-	(1,470)
Impairment loss	減值虧損	-	(4,109)
Gain on disposal of intangible asset	出售無形資產之收益	179	-
Other operating expenses	其他經營開支	-	(40)
Profit/(loss) before taxation	除稅前溢利／(虧損)	179	(5,619)
Income tax expenses	所得稅支出	-	-
Profit/(loss) for the year from discontinued operation, attributable to owners of the Company	本公司擁有人應佔 已終止經營業務之 本年度溢利／(虧損)	179	(5,619)
Cash flows from discontinued operation:	已終止經營業務之現金流量：		
Net cash used in operating activities	經營活動所用現金淨額	-	(46)
Net cash from investing activities	投資活動所得現金淨額	2,000	-
Net cash inflow/(outflow)	現金流入／(流出)淨額	2,000	(46)

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

18. LOSS PER SHARE

From continuing operations

The calculation of basic loss per share for continuing operations is based on the Group's loss from continuing operations attributable to owners of the Company of approximately HK\$56,184,000 (2018: HK\$120,441,000) and on the weighted average number of 4,335,146,000 (2018: 3,950,488,000) shares in issued during the year.

Basic and diluted loss per share from continuing operations for the years ended 30 June 2019 and 2018 were the same as the outstanding share options of the Company had no diluted effect due to the fact that the average market price of ordinary shares during that year did not exceed the exercise price of the share options.

From discontinued operation

Basic and diluted earnings/loss per share for discontinued operation is based on the Group's profit from discontinued operation attributable to owners of the Company of approximately HK\$179,000 (2018: loss from discontinued operation attributable to owners of the Company: HK\$5,619,000) and the denominators detailed above for both basic and diluted earnings/loss per share.

19. DIVIDENDS

No dividend was paid or proposed for the year ended 30 June 2019 (2018: nil), nor has any dividend been proposed since the end of the reporting period.

18. 每股虧損

來自持續經營業務

持續經營業務之每股基本虧損乃按本公司擁有人應佔來自持續經營業務之本集團虧損約56,184,000港元(二零一八年: 120,441,000港元)及年內已發行股份之加權平均數4,335,146,000股(二零一八年: 3,950,488,000股)計算。

由於年內普通股之平均市價並非高於購股權之行使價,本公司之未行使購股權並無攤薄影響,故截至二零一九年及二零一八年六月三十日止年度來自持續經營業務之每股基本及攤薄虧損相同。

來自已終止經營業務

已終止經營業務之每股基本及攤薄盈利/虧損乃按本公司擁有人應佔來自已終止經營業務之本集團溢利約179,000港元(二零一八年:本公司擁有人應佔來自已終止經營業務之本集團虧損5,619,000港元)及上文就每股基本及攤薄盈利/虧損所詳述之分母計算。

19. 股息

概無就截至二零一九年六月三十日止年度派付或擬派股息(二零一八年:無),自報告期末後亦無擬派任何股息。

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20. EMOLUMENTS

Directors' emoluments

Remuneration of the Company's directors disclosed pursuant to section 383 of the Companies Ordinance (Cap. 622), the Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap. 622G) is as follows:

20. 酬金

董事酬金

根據公司條例(香港法例第622章)第383條及公司(披露董事利益資料)規例(香港法例第622G章)披露的本公司董事薪酬如下:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Directors' emoluments for services as directors of the Company:	就作為本公司董事所提供服務的董事酬金:		
- Fees	- 袍金	5,957	7,911
- Discretionary bonus	- 酌情花紅	574	1,560
- Contributions to retirement benefits scheme	- 退休福利計劃供款	54	54
		6,585	9,525
Other emoluments in connection with the management of the affairs of the Group:	與管理本集團事務有關的其他酬金:		
- Salaries and allowances	- 薪金及津貼	1,260	1,260
- Benefit in kinds	- 實物福利	2,505	2,675
- Contributions to retirement benefits scheme	- 退休福利計劃供款	33	33
		3,798	3,968
Total directors' emoluments	董事酬金總額	10,383	13,493

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

20. EMOLUMENTS (Continued)

Directors' emoluments (Continued)

Remuneration of the Company's directors disclosed pursuant to the Listing Rules is as follows:

20. 酬金 (續)

董事酬金 (續)

根據上市規則披露的本公司董事酬金如下：

		For the year ended 30 June 2019 截至二零一九年六月三十日止年度				
		Salaries, allowances, and benefits Fees	Discretionary bonus	Contribution to retirement benefits scheme	Total	
		薪金、津貼 袍金	酌情花紅	退休福利 計劃供款	總計	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Executive directors:	執行董事：					
Mr. Ke Jun Xiang	柯俊翔先生	2,150	-	18	2,168	
Mr. Wilson Wong	Wilson Wong先生	977	2,505	18	3,500	
Ms. Lo Yuen Chung	盧元琮女士	523	960	36	1,625	
Mr. Fu Daoding	付道丁先生	748	152	-	900	
Non-executive directors:	非執行董事：					
Mr. Chow Yeung Tuen	鄧揚敦先生	289	59	-	348	
Mr. Li Chung Kai, Philip	李松佳先生	289	300	15	663	
Independent non-executive directors:	獨立非執行董事：					
Mr. Chan Siu Kay	陳紹基先生	327	66	-	393	
Mr. Kwok Yam Sheung (note)	郭蔭尚先生(附註)	327	66	-	393	
Mr. Choi Chin Yu	蔡展守先生	327	66	-	393	
		5,957	3,765	87	10,383	

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20. EMOLUMENTS (Continued)

Directors' emoluments (Continued)

20. 酬金(續)

董事酬金(續)

For the year ended 30 June 2018

截至二零一八年六月三十日止年度

		Salaries, allowances, and benefits	Discretionary bonus	Contribution to retirement benefits	Total	
	Fees	in kind		scheme		
	袍金	薪金、津貼 及實物福利	酌情花紅	退休福利 計劃供款	總計	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	千港元	
Executive directors:	執行董事：					
Mr. Ke Jun Xiang	柯俊翔先生	3,560	-	723	18	4,301
Mr. Wilson Wong	Wilson Wong先生	1,655	2,675	290	18	4,638
Ms. Lo Yuen Chung	盧元琮女士	498	960	101	36	1,595
Mr. Fu Daoding	付道丁先生	712	-	145	-	857
Non-executive directors:	非執行董事：					
Mr. Chow Yeung Tuen	鄒揚敦先生	275	-	56	-	331
Mr. Li Chung Kai, Philip	李松佳先生	275	300	56	15	646
Independent non-executive directors:	獨立非執行董事：					
Mr. Chan Siu Kay	陳紹基先生	312	-	63	-	375
Mr. Kwok Yam Sheung (note)	郭蔭尚先生(附註)	312	-	63	-	375
Mr. Choi Chin Yu	蔡展宇先生	312	-	63	-	375
		7,911	3,935	1,560	87	13,493

Note: Mr. Kwok Yam Sheung has resigned as director of the Company effective from 1 July 2019.

附註：郭蔭尚先生自二零一九年七月一日起辭任本公司董事。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

20. EMOLUMENTS (Continued)

Directors' emoluments (Continued)

Salaries, allowances and benefits in kinds are emoluments in connection with the management of the affairs of the Group. Benefit in kinds represent the estimated money value of accommodation provided by the Group to Mr. Wilson Wong. The money value of accommodation is estimated to be the rental expenses and other related charges borne and paid by the Group.

The Group made HK\$15,000 and HK\$18,000 (2018: HK\$15,000 and HK\$18,000) contributions to retirement benefits scheme for Mr. Li Chung Kai, Philip and Ms. Lo Yuen Chung, respectively, as emoluments in connection with the management of the affairs of the Group.

During the year ended 30 June 2019, Mr. Ke Jun Xiang and Mr. Wilson Wong agreed to waive emoluments of approximately HK\$2,348,000 (2018: HK\$ nil) and HK\$1,391,000 (2018: HK\$ nil), respectively.

20. 酬金(續)

董事酬金(續)

薪金、津貼及實物福利是關於管理本集團事務的酬金。實物福利代表本集團向 Wilson Wong 先生提供的住宿估計貨幣價值。住宿的貨幣價值估計為本集團已承擔及支付的租金開支及其他相關費用。

本集團分別為李松佳先生及盧元琮女士向退休福利計劃供款15,000港元及18,000港元(二零一八年: 15,000港元及18,000港元)，作為與管理本集團事務有關的酬金。

截至二零一九年六月三十日止年度，柯俊翔先生及Wilson Wong先生同意放棄酬金分別約2,348,000港元(二零一八年: 零港元)及1,391,000港元(二零一八年: 零港元)。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

20. EMOLUMENTS (Continued)

Employees' emoluments

Of the five individuals with the highest emoluments in the Group, four (2018: three) were directors of the Company. The emoluments paid to the remaining one (2018: two) highest paid employee of the Group are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Basic salaries, allowances and benefits in kind	基本薪金、津貼及實物福利	1,196	1,879
Discretionary bonus	酌情花紅	243	531
Contributions to retirement benefits scheme	退休福利計劃供款	18	35
		1,457	2,445

The emoluments of the remaining one (2018: two) employee are within the following band during the year ended 30 June 2019:

		Number of employee 僱員人數	
		2019 二零一九年	2018 二零一八年
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	2

During the year ended 30 June 2019 and 2018, no emolument was paid by the Group to the five highest paid individuals, including directors, as an inducement to join the Group or as compensation for loss of office.

20. 酬金(續)

僱員酬金

本集團五名最高酬金人士當中，四名(二零一八年：三名)為本公司董事。支付予本集團餘下一名(二零一八年：兩名)最高薪僱員的酬金如下：

截至二零一九年六月三十日止年度，其餘一名(二零一八年：兩名)僱員的酬金屬於以下範圍：

截至二零一九年及二零一八年六月三十日止年度，本集團並無向五名最高薪酬人士(包括董事)支付酬金，以吸引彼等加入本集團或作為離職補償。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

21. PROPERTY, PLANT AND EQUIPMENT

21. 物業、機器及設備

		Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Furniture and fixture 傢俬及裝置 HK\$'000 千港元	Machinery and equipment 機械及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Yacht 遊艇 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Cost	成本						
At 1 July 2018	於二零一七年七月一日	754	1,126	939	17,518	10,890	31,227
Additions	添置	-	25	26	843	-	894
Disposals	出售	-	(18)	(12)	(3,906)	-	(3,936)
At 30 June 2018 and 1 July 2018	於二零一八年六月三十日及 二零一八年七月一日	754	1,133	953	14,455	10,890	28,185
Additions	添置	-	-	10	-	-	10
Disposals	出售	(61)	(82)	(110)	(1,500)	-	(1,753)
Exchange alignment	匯兌調整	-	-	-	(160)	-	(160)
At 30 June 2019	於二零一九年六月三十日	693	1,051	853	12,795	10,890	26,282
Accumulated depreciation	累積折舊						
At 1 July 2018	於二零一七年七月一日	615	1,010	857	10,320	3,267	16,069
Charge for the year	本年度支出	57	62	52	2,113	2,178	4,462
Eliminated upon disposal	出售時抵銷	-	(18)	(12)	(3,767)	-	(3,797)
At 30 June 2018 and 1 July 2018	於二零一八年六月三十日及 二零一八年七月一日	672	1,054	897	8,666	5,445	16,734
Charge for the year	本年度支出	38	30	34	1,573	2,178	3,853
Eliminated upon disposal	出售時抵銷	(61)	(60)	(105)	(1,500)	-	(1,726)
Exchange alignment	匯兌調整	-	-	-	(136)	-	(136)
At 30 June 2019	於二零一九年六月三十日	649	1,024	826	8,603	7,623	18,725
Carrying amounts	賬面淨值						
At 30 June 2019	於二零一九年六月三十日	44	27	27	4,192	3,267	7,557
At 30 June 2018	於二零一八年六月三十日	82	79	56	5,789	5,445	11,451

As at 30 June 2019, yacht with carrying amount of approximately HK\$3,267,000 (2018: HK\$5,445,000) has been pledged to secure the other loans of the Group (note 37).

於二零一九年六月三十日，賬面值約3,267,000港元(二零一八年：5,445,000港元)的遊艇已予質押，以作為本集團其他貸款之抵押(附註37)。

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22. INTANGIBLE ASSETS

22. 無形資產

		Distribution rights in sports car 跑車分銷權 HK\$'000 千港元 (note (a)) (附註(a))	Money lender licence 放債人牌照 HK\$'000 千港元 (note (b)) (附註(b))	Total 總計 HK\$'000 千港元
Cost	成本			
At 1 July 2017, 30 June 2018 and 1 July 2018	於二零一七年七月一日、 二零一八年六月三十日及 二零一八年七月一日	25,000	2,000	27,000
Disposal	出售	(25,000)	-	(25,000)
At 30 June 2019	於二零一九年六月三十日	-	2,000	2,000
Accumulated amortisation and impairment	累計攤銷及減值			
At 1 July 2017	於二零一七年七月一日	14,100	-	14,100
Charge for the year	年度支銷	1,470	-	1,470
Impairment loss for the year	年度減值虧損	4,109	-	4,109
At 30 June 2018 and 1 July 2018	於二零一八年六月三十日及 二零一八年七月一日	19,679	-	19,679
Impairment loss for the year	年度減值虧損	-	2,000	2,000
Eliminated upon disposal	於出售時抵銷	(19,679)	-	(19,679)
At 30 June 2019	於二零一九年六月三十日	-	2,000	2,000
Carrying amounts	賬面值			
At 30 June 2019	於二零一九年六月三十日	-	-	-
At 30 June 2018	於二零一八年六月三十日	5,321	2,000	7,321

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

22. INTANGIBLE ASSETS (Continued)

Note:

- (a) On 26 September 2018, the Group and a purchaser entered into the Transfer Agreement to dispose and transfer its distribution rights in sports car to a purchaser at a consideration of approximately HK\$5,500,000. Accordingly, as at 30 June 2018, the Group estimated the recoverable amount of distribution rights in sports car, being the fair value less costs of disposal, which is based on the consideration as stipulated in the Transfer Agreement. This is a Level 2 fair value hierarchy.
- (b) Money lender licence (the "Licence") is treated as having an indefinite useful life as, in the opinion of the directors of the Company, the Group expected that the money lending business could contribute net cash inflows to the Group indefinitely after acquiring the Licence. Accordingly, the Licence would not be amortised but would be tested for impairment annually and whenever there is an indication that it may be impaired.

For the purpose of impairment testing, the Licence has been allocated to a cash generating unit ("CGU") operating as a subsidiary of the Company which is engaged in money lending business.

22. 無形資產 (續)

附註：

- (a) 於二零一八年九月二十六日，本集團與買方訂立轉讓協議以將其跑車分銷權出售及轉讓予一名買方，代價約為5,500,000港元。因此，於二零一八年六月三十日，本集團估計跑車分銷權的可收回金額，即公平值減出售成本，並以轉讓協議所訂明的代價為基礎。此為第2級公平值層級。
- (b) 放債人牌照（「該牌照」）被視為具有無指定期限之使用年期，因為本公司董事認為，本集團預期在收購該牌照後，放債業務可以無指定期限為本集團帶來淨現金流入。因此，該牌照將不會攤銷，但會每年及每當有跡象顯示其可能減值時進行減值測試。

就減值測試而言，該牌照已分配至本公司一家附屬公司所經營的放債業務之現金產生單位（「現金產生單位」）。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

22. INTANGIBLE ASSETS (Continued)

Note: (Continued)

(b) (Continued)

The recoverable amount of the CGU is determined based on a value in use calculation. That calculation uses cash flow projections based on financial budget approved by management covering a 5-year period and a discount rate of 13.80% (2018: 14.00%). Management estimates discount rate by using capital asset pricing model ("CAPM") taking into account risk-free rate and equity risk premium, and adjusted by country risk premium and size premium. Cash flows beyond that 5-year period have been extrapolated using a steady 2.55% (2018: 2.00%) per annum growth rate which does not exceed the projected long-term average growth rate for the money lending market.

During the year ended 30 June 2019, the Group recognised an impairment loss on the Licence amounting to approximately HK\$2,000,000 in the consolidated statement of profit or loss and other comprehensive income as the management expected a decrease in net margin of money lending business during the 5-year projection period. For impairment testing of the CGU in 2018, the calculation of value in use was most sensitive to the discount rate and a rise of 1% of the discount rate would result in impairment of the Licence.

22. 無形資產 (續)

附註：(續)

(b) (續)

現金產生單位之可收回金額是根據使用價值計算釐定。該計算使用基於管理層批准之五年期的財務預算以及13.80% (二零一八年：14.00%) 的貼現率進行現金流量預測。管理層使用資本資產定價模型 (「資本資產定價模型」) 估計貼現率，並已考慮無風險利率和股本風險溢價，並且就國家風險溢價及規模溢價作調整。超過五年期的現金流量採用穩定的2.55% (二零一八年：2.00%) 年增長率推算，而此並不超過放債市場之預測長期平均增長率。

於截至二零一九年六月三十日止年度，本集團於綜合損益及其他全面收益表確認牌照之減值虧損約2,000,000港元，原因為管理層預期放債業務之純利率於五年預測期間內下跌。就二零一八年之現金產生單位減值測試而言，使用價值計算對貼現率最為敏感而貼現率上升1%會導致該牌照出現減值。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

23. LOANS RECEIVABLE

23. 應收貸款

		Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		附註		
Loans receivable from money lending business:	放債業務產生之 應收貸款			
- personal loans	- 私人貸款		4,848	13,975
- corporate loan	- 企業貸款		10,000	10,272
Gross carrying amount	總賬面值	(a)	14,848	24,247
Less: allowance for impairment loss	減：減值虧損撥備		(1,047)	(9,000)
			13,801	15,247
Other loan receivable	其他應收貸款	(b)	17,090	18,759
Less: allowance for impairment loss	減：減值虧損撥備		(1,294)	-
			15,796	18,759
Less: amounts classified as current assets	減：分類為流動資產 之金額		29,597	34,006
			(29,597)	(15,247)
Amounts classified as non-current assets	分類為非流動資產 之金額		-	18,759

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

23. LOANS RECEIVABLE (Continued)

Note:

- (a) The loans receivable arising from money lending business of the Group carry fixed contractual interest rates ranging from 15 to 20% (2018: 15 to 20%) per annum. Effective interest rates of these loans receivable ranged from 16 to 26% (2018: 16 to 26%) per annum. The granting of these loans has been approved and monitored by the Company's executive directors in charge of the Group's money lending business. Overdue balances are reviewed regularly by senior management. As at 30 June 2019 and 2018, the Group does not hold any collateral or any credit enhancements over these balances.
- (b) Pursuant to a loan agreement entered between the Company and 廣州市水立坊公共浴室有限公司 ("ShuiLiFang") on 26 September 2014, the Company agreed to grant a loan in the principal amount of RMB21,000,000 ("ShuiLiFang Loan"). ShuiLiFang loan carries fixed interest rate of 25% per annum with original tenure of 5 years to 25 September 2019, which has been extended to 30 June 2020. Interest on the outstanding principal is payable half yearly. ShuiLiFang Loan is secured by a corporate guarantee executed by an independent third party and personal guarantees executed by individual shareholders of ShuiLiFang. There is no collateral or other credit enhancement over the balance.

As at 30 June 2019, the outstanding principal amount of ShuiLiFang Loan and its interest receivable are set out as follows:

23. 應收貸款 (續)

附註：

- (a) 本集團放債業務產生之應收貸款按每年介乎15厘至20厘(二零一八年：15厘至20厘)之合約利率計算固定利息。應收貸款之實際利息每年介乎16厘至26厘(二零一八年：16厘至26厘)。此等貸款之授出已獲負責本集團放債業務之本公司執行董事批准並且受到彼等之監察。高級管理層定期審視逾期結餘。於二零一九年及二零一八年六月三十日，本集團並無就此等結餘持有任何抵押品或任何信貸提升項目。
- (b) 根據本公司與廣州市水立坊公共浴室有限公司(「水立坊」)於二零一四年九月二十六日訂立之貸款協議，本公司同意授出本金額為人民幣21,000,000元之貸款(「水立坊貸款」)。水立坊貸款按年利率25厘計算固定利息，原訂年期為五年並將於二零一九年九月二十五日到期，以及已延展至二零二零年六月三十日。未償還本金額之利息須每半年支付。水立坊貸款由一名獨立第三方簽立之企業擔保及水立坊各個人股東授出之個人擔保作抵押。並無就此結餘持有抵押品或其他信貸提升項目。

於二零一九年六月三十日，水立坊貸款之未償還本金額及其應收利息載列如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Outstanding principal amount of ShuiLiFang Loan	水立坊貸款之未償還本金額	17,090	18,759
Interest receivable (note 24)	應收利息 (附註24)	1,135	1,246
		18,225	20,005

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

23. LOANS RECEIVABLE (Continued)

Details of credit risk, analysis of the gross carrying amount of loans receivable and movements in the loss allowance for ECL model for the year ended 30 June 2019 are set out in note 7.

Disclosures under HKAS 39 in respect of balance at 30 June 2018

Movements in allowance for impairment loss:

		2018 二零一八年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	-
Impairment loss recognised during the year	年內已確認減值虧損	9,000
Balance at end of the year	年末結餘	9,000

Included in the allowance for impairment loss was individually impaired loan receivable with a balance of HK\$9,122,000 which related to a borrower that had breached the loan agreement and the recoverability of such loan principal is in doubt. An allowance for impairment loss of HK\$9,000,000 was made. No impairment was made for the remaining balance of HK\$122,000 as the amount had been settled subsequently.

23. 應收貸款 (續)

截至二零一九年六月三十日止年度有關信貸風險、應收貸款總賬面值之分析以及預期信貸虧損模型之虧損撥備變動之詳情載於附註7。

根據香港會計準則第39號有關二零一八年六月三十日結餘之披露

減值虧損撥備之變動

	2018 二零一八年 HK\$'000 千港元
減值虧損撥備包括結餘為9,122,000港元之個別減值應收貸款，此與一名違反貸款協議之借款人有關而該貸款本金的可收回成數存疑。已作出9,000,000港元之減值虧損撥備。並無就其餘結餘122,000港元作出減值，因為有關款項已於其後結清。	9,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

23. LOANS RECEIVABLE (Continued)

Disclosures under HKAS 39 in respect of balance at 30 June 2018 (Continued)

As at 30 June 2018, loans receivable arising from money lending business of the Group amounted to approximately HK\$15,125,000 were neither past due nor impaired and related a number of borrowers for whom there was no recent history of default, or the default had been rectified during the year. Based on past experience, the executive directors of the Company were of the opinions that no allowance for impairment loss was necessary in respect of these balances as there had not been a significant change in credit quality and the balances were still considered fully recoverable.

As at 30 June 2018, ShuiLiFang Loan was neither past due nor impaired. As ShuiLiFang had no significant assets, the Group assessed the financial capability of a guarantor by estimating the recoverable amount of a property (the "Property") owned by the guarantor with reference to the valuation report performed by the professional valuers and taking into account the pledged value of the Property, if any. ShuiLiFang has settled interest installment in accordance with the loan agreement subsequently. Based on the assessment, no impairment should be made as at 30 June 2018.

23. 應收貸款 (續)

根據香港會計準則第39號有關二零一八年六月三十日結餘之披露 (續)

於二零一八年六月三十日，本集團放債業務產生之應收貸款約15,125,000港元為未逾期亦無減值並涉及多名近期並無拖欠記錄之借款人或拖欠情況已於年內糾正。根據經驗，本公司執行董事認為，由於該等款項之信貸質素並未出現重大變動，且仍視為可悉數收回，故毋須作出任何減值虧損撥備。

於二零一八年六月三十日，水立方貸款為未逾期亦無減值。由於水立方並無重大資產，本集團已通過估計擔保人擁有的一項物業（「該物業」）的可收回金額而評估擔保人的財政能力，當中已參考專業估值師出具的估值報告並已考慮該物業的抵押價值（如有）。水立方已於其後按照貸款協議結清利息分期款項。根據此評估，於二零一八年六月三十日毋須作出減值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

24. PREPAYMENTS, DEPOSITS, INTEREST AND OTHER RECEIVABLES 24. 預付款項、按金、利息及其他應收款項

	Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Rental deposits		853	2,475
Refundable deposit paid to secure an agency agreement	(a)	20,000	20,000
Purchase deposits		1,791	5,583
Refundable deposit previously paid for proposed acquisition	(b)	3,000	5,000
Other loan interest receivable (note 23(b))		1,135	1,246
Interest receivable for loans receivable from money lending business		668	-
Expenses recoverable	(c)	-	4,635
Consideration receivable from loan assignment	(d)	7,000	-
Consideration receivable under the Transfer Agreement	(e)	7,500	-
Proceeds receivable from disposal of trading securities		1,000	5,161
Others		1,990	1,528
		44,937	45,628
Less: allowance for impairment loss		(3,487)	(9,635)
		41,450	35,993
Less: amounts classified as current assets		(41,450)	(15,993)
Amounts classified as non-current assets		-	20,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

24. PREPAYMENTS, DEPOSITS, INTEREST AND OTHER RECEIVABLES (Continued)

Note:

(a) As at 30 June 2019, the amount represents a deposit of HK\$20,000,000 (2018: HK\$20,000,000) placed by the Company to secure an agency agreement entered into between the Company and a supplier on 18 November 2013 for an initial term of 3 years commencing from the date of signing of the agency agreement, which was extended for another 3 years by the first supplemental agreement dated 16 November 2016 with other terms unchanged. Pursuant to the agency agreement and the second supplemental agreement, the Company or its subsidiaries were allowed by a supplier to distribute the supplier's rice cookers and household electrical appliances in the regions including the PRC, Southeast Asia, the Middle East, Africa and South America. The security deposit could be refunded in full without interest to the Company after the termination of the agency agreement. In October 2019, the Company and a supplier have agreed to extend the agency agreement for a year to November 2020.

(b) On 20 November 2017, the Company and a vendor entered into a memorandum of understanding ("MOU"), which has been supplemented by several supplemental MOUs, pursuant to which the Company intended to acquire the entire share capital of a target company which is involved in hotel operation in the PRC, for the consideration of RMB100,000,000 and the Company agreed to pay the vendor an initial refundable deposit of HK\$5,000,000 within five business days from the date of MOU. On 31 May 2018, the Company and the vendor entered into a termination agreement to terminate the MOU and its supplemental MOUs and the initial refundable deposit of HK\$5,000,000 was agreed to refund to the Company 60 days after the date of termination agreement without interest. Impairment loss had been made in full in respect of such amount as at 30 June 2018 as the directors consider the recoverability of the amount is in doubt. During the year ended 30 June 2019, the Group has recovered HK\$2,000,000 from the vendor and reversal of impairment loss has been made. The Group has initiated litigation against the vendor for the remaining balance. The Group does not hold any collateral over the balance.

24. 預付款項、按金、利息及其他應收款項(續)

附註：

(a) 於二零一九年六月三十日，該金額代表本公司已存入之按金20,000,000港元(二零一八年：20,000,000港元)以作為本公司與一名供應商於二零一三年十一月十八日訂立之代理協議的抵押。該代理協議由簽訂日期起計初步為期三年，並根據日期為二零一六年十一月十六日之首份補充協議而延展多三年而其他條款維持不變。根據代理協議及第二份補充協議，本公司或其附屬公司獲供應商批准於多個地區(包括中國、東南亞、中東、非洲及南美洲)分銷該供應商之電飯煲及家庭電器。保證金可於代理協議終止後悉數退還(不計利息)予本公司。於二零一九年十月，本公司與一名供應商同意將代理協議延長一年至二零二零年十一月。

(b) 於二零一七年十一月二十日，本公司與賣方訂立諒解備忘錄(「諒解備忘錄」)，並由若干補充諒解備忘錄作補充，據此，本公司擬收購於中國從事酒店營運之目標公司的全部股本，代價為人民幣100,000,000元，而本公司同意於諒解備忘錄日期起計五個營業日內向賣方支付初步可退還按金5,000,000港元。於二零一八年五月三十一日，本公司與賣方訂立終止協議以終止諒解備忘錄及其補充諒解備忘錄，而初步可退還按金5,000,000港元已協定於終止協議日期後60天不計利息退回本公司。由於董事認為該金額的可收回成數存疑，因此已於二零一八年六月三十日就該金額悉數作出減值虧損。於截至二零一九年六月三十日止年度，本集團已向賣方收回2,000,000港元並已作出減值虧損撥回。本集團已就餘下結餘對賣方提起訴訟。本集團並無就該結餘持有任何抵押品。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

24. PREPAYMENTS, DEPOSITS, INTEREST AND OTHER RECEIVABLES (Continued)

Note: (Continued)

- (c) Pursuant to an agreement for concert performance entered between the Group and an agent (the "Agent"), the Group is entitled to receive a portion of production costs from the Agent. Impairment loss has been made in full in respect of such amount as at 30 June 2018 as the directors consider the recoverability of the amount is in doubt. During the year ended 30 June 2019, the Group has recovered HK\$250,000 from the Agent and reversal of impairment loss has been made. The Group does not hold any collateral over the balance.
- (d) During the year ended 30 June 2019, the Group and an independent third-party individual entered into a loan assignment agreement, pursuant to which the Group assigns all rights and obligations relating to a loan receivable with gross balance of HK\$9,000,000, which had been fully impaired during the year ended 30 June 2018, to an independent third-party individual for a consideration of HK\$7,000,000. The consideration is agreed to be settled by instalment with final instalment due in December 2019.
- (e) Under the Transfer Agreement, the purchaser agreed to settle the consideration by monthly instalment with last instalment falling due in June 2019. Pursuant to supplemental transfer agreement, both parties agreed to extend the instalment due date with first instalment due in July 2019 and last instalment due in December 2019.

Details of credit risk, analysis of the gross carrying amount of deposit, interest and other receivable and movements in the loss allowance for ECL model for the year ended 30 June 2019 are set out in note 7.

24. 預付款項、按金、利息及其他應收款項(續)

附註：(續)

- (c) 根據本集團與代理人(「代理人」)訂立的演唱會表演協議，本集團有權向代理人收取部分製作成本。由於董事認為該金額的可回收成數存疑，因此已於二零一八年六月三十日就該金額悉數作出減值虧損。於截至二零一九年六月三十日止年度，本集團已向代理人收回250,000港元並已作出減值虧損撥回。本集團並無就該結餘持有任何抵押品。
- (d) 截至二零一九年六月三十日止年度，本集團與一名屬於獨立第三方的個人訂立貸款轉讓協議，據此，本集團轉讓與總結餘為9,000,000港元的應收貸款(已在截至二零一八年六月三十日止年度悉數減值)有關的所有權利和義務予一名屬於獨立第三方的個人，代價為7,000,000港元。代價乃協定為分期結清而最後一期款項將於二零一九年十二月到期。
- (e) 根據轉讓協議，買方同意以每月分期方式結清代價而最後一期款項於二零一九年六月到期。根據補充轉讓協議，雙方同意延長分期付款的到期日，據此，第一期款項於二零一九年七月到期而最後一期款項於二零一九年十二月到期。

截至二零一九年六月三十日止年度有關信貸風險、按金、利息及其他應收款項總賬面值之分析以及預期信貸虧損模型之虧損撥備變動之詳情載於附註7。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

24. PREPAYMENTS, DEPOSITS, INTEREST AND OTHER RECEIVABLES (Continued)

Disclosures under HKAS 39 in respect of balance at 30 June 2018

Movement in the allowance for impairment loss

24. 預付款項、按金、利息及其他應收款項(續)

根據香港會計準則第39號有關二零一八年六月三十日結餘之披露

減值虧損撥備之變動

		2018 二零一八年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	-
Impairment loss recognised during the year	年內已確認減值虧損	9,635
Balance at end of the year	年末結餘	<u>9,635</u>

The impairment loss recognised was relating the receivables as mentioned in notes (b) and (c) above.

已確認減值虧損乃關於上文附註(b)及(c)所述之應收款項。

25. INVENTORIES

25. 存貨

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trading inventories	貿易存貨	24	59

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

26. TRADE RECEIVABLES

26. 應收貿易賬款

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		63,699	9,597

The Group's trading terms with its customers are mainly on open account terms. As at 30 June 2019, there is no credit enhancement measure for the Group's trade receivables. As at 30 June 2018, certain trade receivables were transferred to a financial institution under a non-recourse factoring agreement. The credit period is generally for a period of up to 105 days (2018: 105 days). The Group seeks to maintain strict control over its outstanding receivables to minimise its credit risk. Overdue balances are regularly reviewed by senior management. Trade receivables are non-interest bearing and their carrying amounts approximate to their fair values.

The following is an ageing analysis of trade receivables, based on invoice date, at the end of the reporting period:

本集團與其客戶的貿易條款主要以掛賬條款進行。於二零一九年六月三十日，並無有關本集團應收貿易賬款之信貸提升措施。於二零一八年六月三十日，若干應收貿易賬款乃根據一項無追索權讓售協議轉讓予一間金融機構。信貸期一般最多為105日(二零一八年:105日)。本集團對其未收回應收款項維持嚴謹監控，藉以減低信貸風險。高級管理層會定期審視逾期結餘。應收貿易賬款為免息，且其賬面值與其公平值相若。

根據發票日期，應收貿易賬款於報告期末之賬齡分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
0 - 30 days	0至30天	62,401	7,848
31 - 60 days	31至60天	771	1,723
Over 60 days	60天以上	527	26
		63,699	9,597

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

26. TRADE RECEIVABLES (Continued)

As at 30 June 2019, the Group's trade receivables are not charged to secured any banking facilities. As at 30 June 2018, the Group's trade receivables with an aggregate carrying amount of HK\$2,784,000 had been charged to secure general banking facilities of the Group (note 32 and 37).

Further details of credit risk and loss allowance for ECL model for the year ended 30 June 2019 are set out in note 7.

Disclosures under HKAS 39 in respect of balance at 30 June 2018

Most of the trade receivables were neither past due nor impaired and had good repayment history in prior years. Included in the Group's trade receivables were debtors with aggregate carrying amount of HK\$38,000 which were past due at the end of the reporting period for which the Group had not provided for impairment loss. The Group did not hold any collateral over these balances.

An ageing analysis of trade receivables which were past due but not impaired, based on past due date, is as follows:

26. 應收貿易賬款(續)

於二零一九年六月三十日，本集團之應收貿易賬款並無用作任何銀行融資的抵押品。於二零一八年六月三十日，總賬面值為2,784,000港元之本集團應收貿易賬款已用作本集團一般銀行融資的抵押品(附註32和37)。

截至二零一九年六月三十日止年度有關信貸風險以及預期信貸虧損模型之虧損撥備之進一步詳情載於附註7。

根據香港會計準則第39號有關二零一八年六月三十日結餘之披露

大部分應收貿易賬款為並無逾期及亦無減值而於以往年度之還款記錄良好。本集團之應收貿易賬款已計入總賬面值為38,000港元之應收貿易款項是於報告期末已逾期而本集團並無為此計提減值虧損。本集團並無就該等結餘持有任何抵押品。

已逾期但並無減值之應收貿易賬款根據逾期日之賬齡分析如下：

	2018 二零一八年 HK\$'000 千港元
Less than 1 month past due	38

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

26. TRADE RECEIVABLES (Continued)

Disclosures under HKAS 39 in respect of balance at 30 June 2018 (Continued)

Trade receivables that were past due but not impaired related to customers that had good track records with the Group. Management believes that no impairment allowance was necessary in respect of these balances as there had not been a significant change in credit quality and the balances were still considered fully recoverable. A substantial amount of which has been received subsequently.

26. 應收貿易賬款(續)

根據香港會計準則第39號有關二零一八年六月三十日結餘之披露(續)

已逾期但並無減值之應收貿易賬款的有關客戶與本集團之往績記錄良好。管理層相信，由於信貸質素並無重大變動而目前仍認為可以悉數收回該等結餘，因此毋須就該等結餘計提減值撥備。其後已收到該等結餘的大部分。

27. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

27. 按公平值計入損益之投資

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Equity securities at fair value, listed in Hong Kong	於香港上市之股本證券， 按公平值	19,065	65,967

As at 30 June 2019 and 2018, the listed equity investments are held for trading and are classified as financial assets at fair value through profit or loss. The fair values of the listed equity investments listed in Hong Kong were determined by quoted bid prices in an active market. Details are set out in note 8.

於二零一九年及二零一八年六月三十日，上市股本投資乃持作買賣並分類為按公平值計入損益之金融資產。於香港上市之上市股本投資之公平值乃按活躍市場所報之買盤價而釐定。詳情載於附註8。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

27. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

The particulars of the Group's listed equity investments as at 30 June 2019 are as follows:

27. 按公平值計入損益之投資(續)

本集團於二零一九年六月三十日之上市股本投資之詳情如下：

Stock name	Number of shares held	Percentage held	Purchase Cost	Fair value	Unrealised loss	Percentage to the Group's total assets	Principal activities
股票名稱	所持股份數目	持股百分比	購買成本	公平值	未實現虧損	佔本集團總資產之百分比	主要業務
	'000 千股	%	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	%	
Greater Bay Area Investments Group Holdings Limited (stock code: 261) 大灣區投資控股集團有限公司(股份代號：261)	1,144,480	0.6	12,413	11,445	-	6.9	Sale of telecom and electronic products and supply of infant and baby products, property development and investment in mainland China and finance business in the PRC. 銷售電訊及電子產品以及供應嬰幼兒產品、中國內地物業發展及投資，以及中國之融資業務。
Prosperity International Holdings (H.K.) Limited (stock code: 803) 昌興國際控股(香港)有限公司(股份代號：803)	10,010	0.7	5,913	1,651	(4,239)	1.0	Real estate investment and development; mining and trading of iron ore and raw materials; and trading of clinker, cement and other building materials. 房地產投資及開發；鐵礦石及原材料開採及買賣；及熟料、水泥及其他建築材料買賣。
Hong Wei (Asia) Holdings Company Limited (stock code: 8191) 鴻偉(亞洲)控股有限公司(股份代號：8191)	16,756	2.0	5,081	2,396	(2,585)	1.5	Manufacturing and selling of particleboards in the PRC and timber logging, plantation and sales of wood and agricultural products in the PRC. 於中國製造及銷售刨花板以及於中國進行木材採伐、種植和銷售木材和農產品。
Omnibridge Holdings Limited (stock code: 8462) 橋英控股有限公司(股份代號：8462)	6,275	0.4	4,471	2,949	(1,522)	1.8	Provision of human resources outsourcing services and human resources recruitment services. 提供人力資源外判服務及人力資源招聘服務。
Others 其他				624	(176)		
				19,065	(8,522)		

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

27. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Realised gain or loss of investments at fair value through profit or loss for the year ended 30 June 2019 are summarised as follows:

27. 按公平值計入損益之投資(續)

按公平值計入損益之投資於截至二零一九年六月三十日止年度之已實現收益或虧損概列如下：

Stock name	股份代號	Stock Code	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		股票名稱		
Sparkle Roll Group Limited	耀萊集團有限公司	970	(8,917)	(9,047)
Omnibridge Holdings Limited	橋英控股有限公司	8462	(1,355)	-
China Gas Holdings Limited	中國燃氣控股有限公司	384	(1,406)	324
Lerthai Group Limited	勒泰集團有限公司	112	892	-
China Polymetallic Mining Limited	中國多金屬礦業有限公司	2133	-	(2,442)
Yi Hua Holdings Limited	益華控股有限公司	2213	(61)	(14,807)
Hong Wei (Asia) Holdings Company Limited	鴻偉(亞洲)控股有限公司	8191	(777)	(3,795)
Others	其他		(207)	(169)
Realised losses, net (note)	已實現虧損淨額(附註)		(11,831)	(29,936)

Note: In November 2018, the Group and an independent third-party individual buyer entered into a sales and purchase agreement to dispose shares of a listed company in Hong Kong to the buyer for cash consideration of HK\$10,000,000, which were agreed to settle by instalments. During the year ended 30 June 2019, the Group received cash consideration of HK\$3,800,000 and received shares of another Hong Kong listed company (the "Receiving Shares") in lieu of settlement of HK\$5,200,000 instalment. The market value of the Receiving Shares at the time of receipt is approximately HK\$5,434,000. The remaining balance of HK\$1,000,000 was included in prepayments, deposits, interest and other receivables as at 30 June 2019 and has been settled subsequently.

附註：於二零一八年十一月，本集團與一名屬於獨立第三方之個人買方訂立買賣協議，以現金代價10,000,000港元向買方出售一間香港上市公司的股份，並同意分期償付代價。截至二零一九年六月三十日止年度，本集團已收取現金代價3,800,000港元，並收取另一間香港上市公司的股份（「所收取股份」）代替5,200,000港元的分期付款。所收取股份於收取時的市值約為5,434,000港元。於二零一九年六月三十日，其餘結餘1,000,000港元已計入預付款項、按金、利息及其他應收款項並已於其後結清。

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27. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

At 30 June 2019, the Group's listed equity investments with aggregate carrying amount of HK\$19,065,000 (2018: HK\$56,859,000) are pledged to securities brokerage firms to secure the margin financing facilities granted to the Group. Details are set out in note 32 and 37 to the consolidated financial statements.

28. PLEDGED FIXED DEPOSIT

Pledged fixed deposit 已抵押定期存款

As at 30 June 2018, the pledged fixed deposit was placed with a bank to secure general banking facilities of the Group and was denominated in HKD.

As at 30 June 2018, the pledged fixed deposits earned interest at floating rate based on time deposit rate of 0.0001% per annum and had maturity of 5 days.

29. BANK BALANCES AND CASH

As at 30 June 2019, the Group places approximately HK\$69,000 (2018: HK\$1,914,000) in banks in the PRC, the remittance of which is subject to relevant rules and regulations of foreign exchange control promulgated by the PRC government.

27. 按公平值計入損益之投資(續)

於二零一九年六月三十日，本集團總賬面值19,065,000港元(二零一八年：56,859,000港元)之上市股本投資已抵押予證券經紀行作為授予本集團之保證金融資信貸的抵押。詳情載於綜合財務報表附註32和37。

28. 已抵押定期存款

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Pledged fixed deposit 已抵押定期存款	-	900

於二零一八年六月三十日，已抵押定期存款存於銀行，作為本集團一般銀行融資的抵押品，以港元為單位。

於二零一八年六月三十日，已抵押定期存款按根據定期存款利率年息0.0001厘之浮動利率計息，存款到期日為五日。

29. 銀行結存及現金

於二零一九年六月三十日，本集團於中國的銀行存款約69,000港元(二零一八年：1,914,000港元)，其匯款受中國政府頒佈的外匯相關規則及規例限制。

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30. TRADE PAYABLES

All of the trade payables are expected to be settled within one year. An ageing analysis, based on invoice date, is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
0 – 30 days	0至30天	62,338	8,429
31 – 60 days	31至60天	731	-
Over 60 days	60天以上	1,665	28
		64,734	8,457

30. 應付貿易賬款

所有應付貿易賬款預期於一年內償還。其根據發票日期之賬齡分析如下：

31. ACCRUALS, DEPOSITS RECEIVED, INTEREST AND OTHER PAYABLES

Staff costs payable	應付員工成本	3,586	2,102
Due to a director (note 39)	應付一名董事款項(附註39)	130	-
Interest payable (note)	應付利息(附註)	4,309	-
Payables for the purchase of trading securities	購買交易證券之應付款項	-	6,707
Deferred revenue	遞延收益	-	1,436
Others	其他	2,953	2,323
		10,978	12,568

Note: Included in interest payable balance as at 30 June 2019 is an amount of approximately HK\$4,255,000 relating to interest payable on other loans due to the Claimant. Details are set out in note 2 and 32(c)(i).

31. 應計費用、已收按金、利息及其他應付款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Staff costs payable	應付員工成本	3,586	2,102
Due to a director (note 39)	應付一名董事款項(附註39)	130	-
Interest payable (note)	應付利息(附註)	4,309	-
Payables for the purchase of trading securities	購買交易證券之應付款項	-	6,707
Deferred revenue	遞延收益	-	1,436
Others	其他	2,953	2,323
		10,978	12,568

附註：於二零一九年六月三十日的應付利息結餘中包括約4,255,000港元的款項，該款項與應付申索人的其他貸款的應付利息有關。詳情載於附註2及32(c)(i)。

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32. BORROWINGS

32. 借貸

		Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		附註		
Bank borrowings, secured:	銀行借貸，有抵押：			
Factoring loans	讓售貸款	(a)	-	2,511
Margin loans, secured	保證金貸款，有抵押	(b)	11,004	20,251
Other loans	其他貸款	(c)	55,435	52,902
Bonds, unsecured	債券，無抵押	(d)	20,888	20,868
			87,327	96,532
Less: amounts classified as current liabilities	減：分類為流動負債之金額		(66,439)	(75,664)
Amounts classified as non-current liabilities	分類為非流動負債之金額		20,888	20,868
Analysed as:	分析如下：			
Secured and guaranteed	有抵押及有擔保		5,135	6,946
Secured but unguaranteed	有抵押但無擔保		31,304	39,351
Unsecured but guaranteed	無抵押但有擔保		30,000	29,367
Unsecured and unguaranteed	無抵押及無擔保		20,888	20,868
			87,327	96,532

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

32. BORROWINGS (Continued)

Bank borrowings, margin loans and other loans are repayable either on demand or within a period of not exceeding one year. Bonds, based on the maturity terms, are repayable:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
More than one year but not exceeding five years	一年後但不超過五年	20,888	20,868

Borrowings are denominated in the following currencies:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
HKD	港元	85,892	92,586
USD	美元	1,435	3,946
		87,327	96,532

Note:

(a) Bank borrowings, secured

As at 30 June 2019, the Group has no bank borrowings. As at 30 June 2018, the Group's bank borrowings were variable-rate factoring loans which carried interest at 1% below standard bill rates quoted by bank and effective interest of 4.8% per annum, and were secured by trade receivables amounting to approximately HK\$2,784,000. As at 30 June 2018, factoring loans were secured by a fixed deposit placed by the Company (note 28) and corporate guarantee executed by the Company.

32. 借貸(續)

銀行借貸、保證金貸款及其他貸款須應要求償還或於一年內償還。根據到期條款，債券須於以下時間償還：

借貸以下列貨幣計值：

附註：

(a) 銀行借貸，有抵押

於二零一九年六月三十日，本集團並無銀行借貸。於二零一八年六月三十日，本集團之銀行借貸屬浮息借貸，按銀行所報之標準票據利率減1厘之利率計息，實際年利率4.8厘，並以為數約2,784,000港元之應收貿易賬款作抵押。於二零一八年六月三十日，讓售貸款以本公司存放之一筆定期存款(附註28)及本公司簽立之一份公司擔保作抵押。

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32. BORROWINGS (Continued)

Note: (Continued)

(b) Margin loans, secured

Margin loans are variable-rate borrowings with effective interest rates ranging from 7.4% to 8.4% (2018: 7.3% to 8.3%) and are secured by the Group's listed equity investments with aggregate carrying amounts of approximately HK\$19,065,000 (2018: HK\$56,859,000).

(c) Other loans

(i) Other loans payable to the Claimant

On 24 September 2019, the Company announced that it has received a writ of summons ("Writ") issued by the Claimant against the Company to claim the outstanding balance of HK\$24,887,000 which comprises other loans of HK\$20,000,000 and interest payable of approximately HK\$4,887,000. On 30 September 2019, the Company announced that the Company and the Claimant entered into a settlement agreement pursuant to which the Company agreed to pay the Claimant the sum of HK\$24,054,000, which comprises outstanding balance together with legal costs incurred, by installments with first instalment due on 30 September 2019 and last instalment due on 30 June 2020. On 3 October 2019, the Company announced that the Claimant and the Company jointly applied to the court on 2 October 2019 for a consent order whereby the Claimant is stipulated to wholly discontinue the court action against the Company. After paying cash instalment of HK\$500,000 to the Claimant, on 11 November 2019, the Company and the Claimant entered into a supplemental settlement agreement, pursuant to which the Company will issue 867,000,000 Settlement Shares in the amount of HK\$17,340,000 and pay by cash in the amount of approximately HK\$6,214,000 to the Claimant. Details are set out in note 2 above.

32. 借貸(續)

附註：(續)

(b) 保證金貸款，有抵押

保證金貸款屬浮息借貸，實際利率介乎7.4厘至8.4厘(二零一八年：7.3厘至8.3厘)，以本集團總賬面值約19,065,000港元(二零一八年：56,859,000港元)之上市股本投資作抵押。

(c) 其他貸款

(i) 應付申索人之其他貸款

於二零一九年九月二十四日，本公司宣佈已收到一名申索人發出的針對本公司的傳訊令狀(「令狀」)，據此申索未償還結餘24,887,000港元(包括其他貸款20,000,000港元及應付利息約4,887,000港元)。於二零一九年九月三十日，本公司宣佈本公司與申索人訂立一項和解協議，據此，本公司同意向申索人支付24,054,000港元，其中包括未償還結餘以及已產生的訟費，有關和解款項將分期支付，第一期款項於二零一九年九月三十日到期而最後一期款項將於二零二零年六月三十日到期。於二零一九年十月三日，本公司宣佈，申索人與本公司於二零一九年十月二日共同向法院申請同意命令，其中規定申索人完全中止對本公司提起的法律訴訟。向申索人支付現金分期款項500,000港元後，於二零一九年十一月十一日，本公司與申索人訂立補充和解協議，據此，本公司將向申索人發行為數17,340,000港元之867,000,000股和解股份並以現金支付約6,214,000港元。詳情載於上文附註2。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

32. BORROWINGS (Continued)

Note: (Continued)

(c) Other loans (Continued)

(i) Other loans payable to the Claimant (Continued)

As at 30 June 2019, other loans payable to the Claimant were in default and therefore the outstanding balance comprising other loans of approximately HK\$20,000,000 (2018: HK\$19,100,000) and interest payable of approximately HK\$4,255,000 (2018: HK\$ nil) was calculated at a default rate of 2% per month. As at 30 June 2018, the balance carried effective interest rates of 20% per annum with original tenure of 12 months. As at 30 June 2019 and 2018, the balance is secured by 417,800,000 shares of the Company, of which 324,800,000 shares are held by Mr. Ke Jun Xiang, the Chairman and executive director of the Company, and 93,000,000 shares are held by Mr. Wilson Wong, the Deputy Chairman and executive director of the Company.

(ii) Other balances of other loans

As at 30 June 2019, including in the Group's other loans balance were HK\$30m Loans with aggregate carrying amount of approximately HK\$30,000,000 (2018: HK\$29,367,000) which were in default and therefore carrying default interest rates ranging from 24% to 30% per annum. As at 30 June 2018, HK\$30m Loans had original terms of 12 months and carried effective interest ranging from 15.4% to 21.5% per annum. As at 30 June 2019 and 2018, HK\$30m Loans are secured by personal guarantee executed by Mr. Ke Jun Xiang.

On 23 September 2019, the lenders of HK\$30m Loans have agreed, among other things, to renew HK\$30m Loans to the Company to 30 June 2020 and Mr. Wilson Wong has agreed to and Mr. Ke Jun Xiang has continued to agree to execute personal guarantees to the lenders.

32. 借貸(續)

附註：(續)

(c) 其他貸款(續)

(i) 應付申索人之其他貸款(續)

於二零一九年六月三十日，應付申索人之其他貸款已違約及因此未償還結餘包括其他貸款約20,000,000港元(二零一八年：19,100,000港元)及應付利息約4,255,000港元(二零一八年：零港元)(乃按每月2厘之違約利率計算)。於二零一八年六月三十日，有關結餘按實際年利率20厘計息及原訂年期為12個月。於二零一九年及二零一八年六月三十日，有關結餘以417,800,000股本公司股份作抵押，當中324,800,000股股份由本公司主席兼執行董事柯俊翔先生持有，而93,000,000股股份由本公司副主席兼執行董事Wilson Wong先生持有。

(ii) 其他貸款之其他結餘

於二零一九年六月三十日，本集團之其他貸款結餘中包括總賬面值約30,000,000港元(二零一八年：29,367,000港元)之30,000,000港元貸款，有關貸款已逾期及因此按介乎24厘至30厘之逾期年利率計息。於二零一八年六月三十日，30,000,000港元貸款之原訂年期為12個月並按介乎15.4厘至21.5厘之實際年利率計息。於二零一九年及二零一八年六月三十日，30,000,000港元貸款乃由柯俊翔先生簽立之個人擔保作抵押。

於二零一九年九月二十三日，30,000,000港元貸款之貸款人已同意(其中包括)重續向本公司提供之30,000,000港元貸款至二零二零年六月三十日，而Wilson Wong先生已同意及柯俊翔先生已繼續同意向貸款人簽立個人擔保。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

32. BORROWINGS (Continued)

Note: (Continued)

(c) Other loans (Continued)

(ii) Other balances of other loans (Continued)

As at 30 June 2019, other loans of approximately HK\$5,435,000 (2018: HK\$4,435,000) are fixed-rate borrowings with effective interest rates of 12% (2018: 12%) per annum and have no fixed date of repayment. They are secured by the Group's yacht (note 21) and loans of approximately HK\$5,135,000 (2018: HK\$4,435,000) are also secured by corporate guarantee executed by a subsidiary of the Company.

(d) Details of bonds are as follows:

32. 借貸(續)

附註：(續)

(c) 其他貸款(續)

(ii) 其他貸款之其他結餘(續)

於二零一九年六月三十日，其他貸款約5,435,000港元(二零一八年：4,435,000港元)為固定利率借貸，實際年利率為12厘(二零一八年：12厘)及無固定還款期，乃以本集團之一艘遊艇(附註21)作抵押而約5,135,000港元(二零一八年：4,435,000港元)貸款亦以本公司一間附屬公司簽立之公司擔保作抵押。

(d) 債券之詳情如下：

		Maturity year 到期年度	Principal 本金 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
7-year 7% coupon straight bonds	七年期7厘票息普通債券	2021 二零二一年	10,000	10,554	10,546
8-year 6% coupon straight bonds	八年期6厘票息普通債券	2022 二零二二年	10,000	10,334	10,322
			20,000	20,888	20,868

In 2014, the Company has successfully placed two straight bonds with principal amount of HK\$10,000,000 each to two independent places with maturity dates falling in 7 to 8 years after the issuance.

於二零一四年，本公司成功向兩名獨立承配人配售兩項普通債券(本金額各為10,000,000港元)，有關債券之到期日為發行後的七至八年。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

32. BORROWINGS (Continued)

Note: (Continued)

(d) Details of bonds are as follows: (Continued)

If any of the following events of default occurs, any bondholder may give notice in writing to the Company that its bond are immediately due and repayable:

- (i) a default is made in the payment of the principal, interest or premium (if any), in respect of any of the bonds when and according to the relevant condition(s) the same ought to be paid; or
- (ii) a default is made by the Company in the performance or observance of any covenant, condition or provision contained in the bond instrument or the bonds or the placing agreement (other than the covenant to pay the principal or premium (if any) in respect of any of the Bonds) and such default continues to exist for the period of 14 days after the service by any bondholder on the Company of notice specifying such default; or
- (iii) a resolution is passed by the Company or an order of competent jurisdiction is made that the Company be wound up or dissolved or is to dispose of all or a material part of its assets; or
- (iv) a resolution is passed or an order of a court of competent jurisdiction is made that any major subsidiary of the Company be wound up or dissolved or is to dispose of all or a material part of its assets, otherwise, among other things, than for the purposes of consolidation, amalgamation, merger or reorganisation; or
- (v) property manager or receiver is appointed to take over all or a material part of the assets or obligations of the Company or any of its major subsidiaries; or

32. 借貸(續)

附註：(續)

(d) 債券之詳情如下：(續)

倘發生任何以下違約事件，任何債券持有人可向本公司發出書面通知其債券即時到期償還：

- (i) 拖欠支付任何根據相關條件到期支付之債券本金額、利息或溢價(如有)；或
- (ii) 本公司無法履行或遵守債券文據或債券或配售協議所載之任何契諾、條件或條文(就任何債券支付本金額或溢價(如有)之契諾除外)，且違約事件於任何債券持有人將載列有關違約情況之通知呈交本公司後繼續存在14天之期間；或
- (iii) 本公司通過決議案或擁有司法管轄權之法院頒令本公司清盤或解散，或出售所有或重要部分之資產；或
- (iv) 通過決議案或擁有司法管轄權之法院頒令，將本公司任何主要附屬公司清盤或解散，或出售其所有或重要部分之資產，惟(其中包括)為進行綜合、聯合、合併或重組而進行者除外；或
- (v) 獲委任財產接收管理人或接管人接管本公司或其任何主要附屬公司之所有或重要部分之資產或責任；或

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

32. BORROWINGS (Continued)

Note: (Continued)

(d) Details of bonds are as follows: (Continued)

- (vi) a distress, execution or governmental seizure before judgment is levied or enforced upon or sued out against a material part of the assets of the Company and is not discharged within three days thereof; or
- (vii) the Company or any of its major subsidiaries is unable to pay its debts as and when they fall due or the Company or any of its major subsidiaries shall initiate or consent to proceedings relating to any applicable bankruptcy, reorganisation or insolvency law or for the benefit of its creditors, or enter into any composition with its creditors; or
- (viii) proceedings shall have been initiated against the Company or any of its major subsidiaries under any applicable bankruptcy, reorganisation or insolvency law and such proceedings shall not have been discharged or shall have remained effective within a period of 21 days; or
- (ix) the auditors of the Company is not able to give unqualified views on the consolidated financial statements of the Company in respect of any financial year of the Company; or

any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in paragraphs (vii) to (ix) (inclusive) above.

The Group's auditor has issued a qualified opinion on the consolidated financial statements for the year ended 30 June 2019, which may constitute an event of default under the bonds placing agreements. Bond holder may exercise their rights to request the Group to repay the bond immediately.

32. 借貸(續)

附註：(續)

(d) 債券之詳情如下：(續)

- (vi) 本公司重要部分之資產於判決前被處以、執行或請求扣押、執行或政府檢取，且並未於三天內解除；或
- (vii) 本公司或其任何主要附屬公司未能於債務到期時償還債務，或本公司或其任何主要附屬公司須進行或同意任何有關適用破產、重組或無力償還法例或以債權人作為受益人之法律程序，或與債權人訂立債務重整協議；或
- (viii) 本公司或其任何主要附屬公司根據任何適用之破產、重組或無力償還法例遭提出法律程序，而該等程序並無於21天內解除或仍然有效；或
- (ix) 本公司核數師未能就本公司於本公司任何財政年度之綜合財務報表發出無保留意見；或

發生任何事件，而根據任何有關司法權區的法例，有關事件與上文第(vii)至(ix)段(首尾兩段包括在內)所述事件有類似影響。

本集團核數師已就截至二零一九年六月三十日止年度的綜合財務報表發表保留意見，此可能根據債券發行協議構成違約事件。債券持有人可行使其權利要求本集團立即償還債券。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

33. SHARE CAPITAL

33. 股本

AUTHORISED AND ISSUED SHARES

法定及已發行股份

		Number of ordinary shares of HK\$0.01 each 每股面值 0.01 港元之 普通股數目		Nominal value 面值	
		2019 二零一九年 '000 千股	2018 二零一八年 '000 千股	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Authorised	法定：	60,000,000	60,000,000	600,000	600,000
Issued and fully paid:	已發行及繳足：				
At beginning of year	於年初	4,335,146	3,615,146	43,351	36,151
Issue of new shares for cash (note)	發行新股份以換取現金 (附註)	-	720,000	-	7,200
At end of year	於年結	4,335,146	4,335,146	43,351	43,351

Note:

On 22 December 2017 (after trading hours), the Company and a placing agent entered into a placing agreement to place, on a best effort basis, up to 720,000,000 placing shares of HK\$0.10 per placing share. On 12 January 2018, a total of 720,000,000 placing shares was successfully placed and completed. Share issued expenses amounting to approximately HK\$2,880,000 have been credited against share premium account. The new shares rank pari passu with the existing shares in all respect.

During the year ended 30 June 2019, the Company had not issued any shares.

附註：

於二零一七年十二月二十二日(交易時間後)，本公司與一名配售代理訂立配售協議，以盡力基準按每股配售股份0.10港元之價格配售最多720,000,000股配售股份。於二零一八年一月十二日，合共720,000,000股配售股份已成功配售而該項配售已告完成。約2,880,000港元之股份發行開支已經以股份溢價賬抵免。新股份在各方面與現有股份享有同等地位。

截至二零一九年六月三十日止年度，本公司並無發行任何股份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

33. SHARE CAPITAL (Continued)

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 stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debts (which include borrowings disclosed in note 32 to the consolidated financial statements), net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves (including non-controlling interests).

The directors of the Company review the capital structure periodically. As part of this review, the directors of the Company review annual budgets taking into account of the provision of funding. Based on the operating budgets, the directors consider the cost of capital and the risks associated with each class of capital and balance its overall capital structure through new share issues as well as the issue of new debt or the redemption of existing debt.

33. 股本(續)

資本風險管理

本集團管理其資本以確保本集團旗下實體能夠以持續經營方式經營，並同時透過達致債務與股本之間最佳的平衡為利益相關者爭取最高回報。本集團的整體策略跟上年度保持不變。

本集團之資本架構由債務(包括綜合財務報表附註32所披露之借貸)，扣除現金及現金等值項目及本公司擁有人應佔權益(包括已發行股本及儲備)(包括非控股權益)組成。

本公司董事定期檢討資本架構。作為此檢討工作之一部分，本公司董事審閱年度預算，並考慮資金的準備。根據經營預算，董事考慮資本成本及各資本類別之相關風險，並透過發行新股份、發行新債務或贖回現有債務，以平衡其整體資本架構。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

34. OPERATING LEASE COMMITMENTS

Minimum lease payments paid under operating leases in respect of land and buildings excluding a director's quarter during the year amounting to approximately HK\$3,199,000 (2018: HK\$4,982,000).

As at 30 June 2019, the Group has commitments for future minimum lease under non-cancellable operating leases in respect of land and buildings mainly for its office premises. As at 30 June 2018, the Group had commitments for future minimum lease under non-cancellable operating leases in respect of land and buildings mainly for its office premises and a director's quarter. The operating lease commitments fall due as follows:

34. 經營租約承擔

年內根據土地及樓宇(不包括董事宿舍)之經營租約而已付之最低租賃付款款約為3,199,000港元(二零一八年:4,982,000港元)。

於二零一九年六月三十日,本集團有根據土地及樓宇(主要作其辦公室處所)之不可撤銷經營租約之未來最低租約承擔。於二零一八年六月三十日,本集團有根據土地及樓宇(主要作其辦公室處所及董事宿舍)之不可撤銷經營租約之未來最低租約承擔。經營租約承擔之到期情況如下:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Not later than one year	不超過一年	1,535	4,080
Later than one year but not later than five years	一年後但不超過五年	580	720
		2,115	4,800

Operating lease payment represents rentals payable by the Group for rental of land and buildings with remaining lease terms between 4 to 24 months (2018: 3 to 24 months) and rentals are fixed throughout the lease periods. The Group does not have an option to purchase the leased assets at the expiry of the lease periods.

經營租約付款代表本集團就土地及樓宇之租賃而應付之租金,有關物業餘下租期介乎4至24個月(二零一八年:3至24個月),租金於租期內為固定。本集團並無於租期屆滿時購入租用資產之選擇權。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

35. NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOW

(a) Reconciliation of liabilities arising from financing activities

For the year ended 30 June 2019

35. 綜合現金流量表附註

(a) 與融資活動產生的負債的對賬

截至二零一九年六月三十日止年度

		Bank borrowings	Margin loans	Other loans	Bonds	Due to a director	Total
		銀行借貸	保證金貸款	其他貸款	債券	董事之款項	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 1 July 2018	於二零一八年七月一日	2,511	20,251	52,902	20,868	-	96,532
Changes from financing activities:	來自融資活動的變動：						
Net decrease in factoring loan and margin loans	讓售貸款及保證金貸款減少淨額	(2,511)	(9,247)	-	-	-	(11,758)
Amount advanced/raised	墊支/籌得之款項	-	-	1,000	-	300	1,300
Amount repaid	還款	-	-	(4,880)	(1,300)	(170)	(6,350)
Changes in financing activities for liabilities	就負債而言來自融資活動的變動	(2,511)	(9,247)	(3,880)	(1,300)	130	(16,808)
Other changes:	其他變動：						
Amortised interest included in finance costs	計入融資成本之攤銷利息	78	1,320	11,912	1,320	-	14,630
Less: amount unsettled	減：未結清金額	-	-	(4,309)	-	-	(4,309)
Less: interest paid included in operating activities	減：計入經營活動的已付利息	(78)	(1,320)	(1,190)	-	-	(2,588)
Total other changes	其他變動總額	-	-	6,413	1,320	-	7,733
Balance at 30 June 2019	於二零一九年六月三十日之結餘	-	11,004	55,435	20,888	130	87,457

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

35. NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOW (Continued)

35. 綜合現金流量表附註(續)

(a) Reconciliation of liabilities arising from financing activities (Continued)

(a) 與融資活動產生的負債的對賬(續)

For the year ended 30 June 2018

截至二零一八年六月三十日止年度

		Bank borrowings	Margin loans	Other loans	Bonds	Bank overdraft	Due to a director	Total
		銀行借貸	保證金貸款	其他貸款	債券	銀行透支	董事之款項	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 July 2017	於二零一七年七月一日	10,591	13,679	39,582	20,849	983	1,295	86,979
Changes from financing activities:	來自融資活動的變動:							
Net decrease in factoring loan and other bank borrowings	讓售貸款及其他銀行借貸減少淨額	(8,080)	-	-	-	-	-	(8,080)
Net increase in margin loans	保證金貸款增加淨額	-	6,572	-	-	-	-	6,572
Amounts advanced from a director	一名董事墊支之款項	-	-	-	-	-	750	750
Amounts repaid to a director	向一名董事還款	-	-	-	-	-	(2,045)	(2,045)
Other loans raised	籌得之其他貸款	-	-	14,084	-	-	-	14,084
Repayment of other loans	償還其他貸款	-	-	(6,624)	-	-	-	(6,624)
Repayment of bonds	償還債券	-	-	-	(1,300)	-	-	(1,300)
Changes in financing activities for liabilities	就負債而言來自融資活動的變動	(8,080)	6,572	7,460	(1,300)	-	(1,295)	3,357
Other changes:	其他變動:							
Finance costs	融資成本	402	1,948	6,160	1,319	35	-	9,864
Interest paid under operating activities	根據經營活動支付的利息	(402)	(1,948)	(300)	-	(35)	-	(2,685)
Changes in cash and cash equivalents	現金及現金等值項目的變動	-	-	-	-	(983)	-	(983)
Total other changes	其他變動總額	-	-	5,860	1,319	(983)	-	6,196
Balance at 30 June 2018	於二零一八年六月三十日之結餘	2,511	20,251	52,902	20,868	-	-	96,532

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

35. NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOW (Continued)

(b) Non-cash transaction

During the year ended 30 June 2019, the Group has entered into the following non-cash investing activity:

On 26 September 2018, the Group and a purchaser entered into the Transfer Agreement for disposal and transfer of the Group's distribution rights in sports car to a purchaser at a consideration of approximately HK\$5,500,000 and transfer the purchase deposits previously paid by the Group to the supplier amounting to HK\$4,000,000. During the year ended 30 June 2019, the Group has received HK\$2,000,000. The remaining balance of HK\$7,500,000 has been included in prepayments, deposits, interest and other receivables as at 30 June 2019. Details are set out in note 17 and 24(e).

During the year ended 30 June 2018, the Group had not entered into any material non-cash investing or financing activity.

35. 綜合現金流量表附註(續)

(b) 非現金交易

截至二零一九年六月三十日止年度，本集團已訂立以下非現金投資活動：

於二零一八年九月二十六日，本集團與買方訂立轉讓協議以將本集團之跑車分銷權出售及轉讓予一名買方，代價約為5,500,000港元，並將本集團先前已付供應商之4,000,000港元購貨按金轉讓。截至二零一九年六月三十日止年度，本集團已收到2,000,000港元。餘款7,500,000港元已計入於二零一九年六月三十日之預付款項、按金、利息及其他應收款項。詳情載於附註17及24(e)。

截至二零一八年六月三十日止年度，本集團並無訂立任何重大非現金投資或融資活動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

36. TRANSFER OF FINANCIAL ASSETS

During the year ended 30 June 2019, the Group ceased the trade receivable factoring arrangement (the "Arrangement") and therefore there is no transferred financial assets recognised as at 30 June 2019.

During the year ended 30 June 2018, as part of the Group's normal business, the Group entered into the Arrangement and transferred certain trade receivables to a bank. Under the Arrangement, credit risk cover may be taken out by the bank with a correspondent factor or a credit insurer in the bank's name subject to the terms of credit risk cover stipulated by the correspondent factor or the credit insurer to reimburse the bank for loss of interest if any trade debtors had late payment. The Group was not exposed to default risks of the trade debtors after the transfer. Subsequent to the transfer, the Group did not retain any rights on the use of the trade receivables, including the sale, transfer or pledge of the trade receivables to any other third parties. However, given that the bank was authorised to realise and sell the Company's pledged fixed deposit in case of default and the Company had issued a corporate guarantee to the bank, in the opinion of the directors of the Company, the Group had not transferred the significant risks and rewards relating to these receivables. The Group continued to recognise the full carrying amount of the transfer receivables and had recognised the cash received on the transfer of trade receivables as secured bank borrowings as set out in note 32 to the consolidated financial statements. These financial assets were carried at amortised cost in the Group's consolidated statement of financial position.

36. 轉讓金融資產

截至二零一九年六月三十日止年度，本集團終止應收貿易賬款讓售安排（「該安排」），因此於二零一九年六月三十日並無確認已轉讓金融資產。

截至二零一八年六月三十日止年度，作為本集團正常業務的一部分，本集團訂立該安排並將若干應收貿易賬款轉讓予銀行。根據該安排，銀行或信貸保險公司（以銀行名義）可就相應的讓售作出信貸風險覆蓋安排（須符合相應讓售所訂立的信貸風險覆蓋安排之條款）或由信貸保險公司在任何應收貿易賬款逾期付款時向銀行補回損失的利息。本集團於轉讓後並無面對有關應收貿易賬款之違約風險。於轉讓後，本集團對有關應收貿易賬款之使用並無保留任何權利，包括向任何其他第三方出售、轉讓或質押有關應收貿易賬款。然而，鑑於該銀行有權在違約時把本公司的已抵押定期存款套現出售而本公司已向該銀行發出公司擔保，本公司董事認為，本集團並無轉讓有關應收款項之主要風險和回報。本集團繼續確認有關應收貿易賬款的全部賬面值，並將有關應收貿易賬款之轉讓的已收現金確認為綜合財務報表附註32所載之有抵押銀行借貸。此等金融資產在本集團的綜合財務狀況表中按攤銷成本列賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

36. TRANSFER OF FINANCIAL ASSETS (Continued)

As at 30 June 2018, the carrying amount of trade receivables that have been transferred but have not been derecognised and the amount of the associated liabilities are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade receivables transferred under a non-recourse factoring agreement (note 26)	根據無追索權讓售協議轉讓之應收貿易賬款 (附註26)	-	2,784
Associated secured bank borrowings (note 32): - factoring loans	相關有抵押銀行借貸 (附註32): - 讓售貸款	-	2,511

36. 轉讓金融資產(續)

於二零一八年六月三十日，已轉讓但未終止確認之應收貿易賬款的賬面值和相關負債的數額如下：

37. PLEDGE OF ASSETS

During the year ended 30 June 2019, the Company ceased to execute its corporate guarantee and the Group ceased to pledge its fixed deposit and trade receivables to secure the Group's banking facilities. As at 30 June 2018, the Group's banking facilities were secured by the fixed deposit of the Company amounting to approximately HK\$900,000, fixed charge over trade receivables of the Group with an aggregate carrying amount of HK\$2,784,000 and a corporate guarantee executed by the Company.

As at 30 June 2019, the Group's margin loans are secured by the Group's listed equity investments with aggregate carrying amount of approximately HK\$19,065,000 (2018: HK\$56,859,000).

As at 30 June 2019, the Group's other loans amounting to approximately HK\$5,435,000 (2018: HK\$4,435,000) are secured by the Group's yacht with carrying amount of approximately HK\$3,267,000 (2018: HK\$5,445,000) and loans of approximately HK\$5,135,000 (2018: HK\$4,435,000) are also secured by corporate guarantee executed by a subsidiary of the Company.

37. 資產抵押

於截至二零一九年六月三十日止年度，本公司不再簽立其公司擔保及本集團不再將定期存款及應收貿易賬款質押以作為本集團銀行融資之抵押品。於二零一八年六月三十日，本集團之銀行融通額乃以為數約900,000港元之本公司定期存款，以及本集團總賬面值為2,784,000港元之應收貿易賬款之固定押記及本公司簽立之公司擔保作為抵押。

於二零一九年六月三十日，本集團之保證金貸款乃以本集團總賬面值約為19,065,000港元(二零一八年：56,859,000港元)之上市股本投資作為抵押。

於二零一九年六月三十日，本集團之其他貸款約5,435,000港元(二零一八年：4,435,000港元)乃以賬面值約3,267,000港元(二零一八年：5,445,000港元)的本集團一艘遊艇作抵押而約5,135,000港元(二零一八年：4,435,000港元)貸款亦以本公司一間附屬公司簽立之公司擔保作抵押。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

38. EMPLOYEE BENEFITS

(a) Retirement benefits scheme

The Group participates in the "MPF Scheme" for all qualifying employees in Hong Kong. The assets of the MPF Scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of the employees' monthly relevant income capped at HK\$30,000, to the MPF Scheme, which contribution is matched by employees.

The contributions paid/payable to the MPF Scheme by the Group amounted to HK\$249,000 (2018: HK\$287,000), which has been recognised as expenses and included in staff costs as disclosed in note 12 to the consolidated financial statements. At the end of the reporting period, there were no forfeited contributions in respect of employees leaving the retirement benefits scheme before they were fully vested in the contributions and which were available to reduce the contributions payable by the Group in the future years.

(b) Share-based payments

The Company's share option scheme (the "Scheme") was adopted pursuant to a special general meeting of the Company held on 27 June 2011 for the primary purpose of providing incentives to selected participants for their contribution to the Group, and will expire on 26 June 2021. Under the Scheme, the board of directors of the Company (the "Board") may grant options to directors of the Company (including non-executive director and independent nonexecutive directors) and full-time employees of the Group, and any participants from time to time determined by the Board as having contributed or may contribute to the development and growth of the Group to subscribe for shares in the Company.

38. 僱員福利

(a) 退休福利計劃

本集團已為所有合資格之香港僱員設有強積金計劃。強積金計劃之資產存放於信託人控制之基金，與本集團之資產分開持有。本集團按僱員每月相關收入（以30,000港元為限）之5%向強積金計劃作出供款，而僱員亦作出同等金額之供款。

本集團已付／應付之強積金計劃供款為249,000港元（二零一八年：287,000港元），已確認為開支並且計入綜合財務報表附註12所披露之員工成本。於報告期末，並無因僱員悉數取得供款前退出退休福利計劃而可用作本集團在未來年度應繳供款之沒收供款。

(b) 以股份為基礎之付款

根據本公司於二零一一年六月二十七日舉行之股東特別大會，本公司採納購股權計劃（「該計劃」），該計劃之主要目的乃就特定參與者為本集團所作之貢獻向彼等提供獎勵，並將於二零二一年六月二十六日屆滿。根據該計劃，本公司董事會（「董事會」）可向本公司董事（包括非執行董事及獨立非執行董事）及本集團全職僱員，以及董事會不時決定向曾經或可能對本集團之發展及增長作出貢獻之任何參與者授予購股權，以認購本公司股份。

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

38. EMPLOYEE BENEFITS (Continued)

(b) Share-based payments (Continued)

The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of shares of the Company in issue as at the date of the approval of the Scheme which is 104,916,584 shares, representing 2.4% (2018: 2.4%) of the Company's issued shares at 30 June 2018. The total number of shares which may be issued upon exercise all outstanding options granted and yet to be exercised under the Scheme must not exceed 30% of the shares in issue from time to time. The number of shares in respect of which options may be granted to any individual in any 12-month period is not permitted to exceed 1% of the shares of the Company in issue at any point in time without prior approval from the Company's shareholders.

Options granted must be taken up within 28 days from the date of grant, upon payment of HK\$1.00 per each grant of option(s). Options may be exercised at any time from the date of grant to the 10th anniversary of the date of grant. In each grant of options, the Board may at its discretion determine the specific exercise period and exercise price. The exercise price shall not be less than the highest of (i) the closing price of shares on the Stock Exchange on the date of the offer of grant; (ii) the average closing price of shares on the Stock Exchange for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of the shares.

38. 僱員福利(續)

(b) 以股份為基礎之付款(續)

根據該計劃授出之購股權可認購之股份總數，不得超逾本公司於該計劃獲得批准當日已發行股份之10%，即104,916,584股股份，相當於本公司於二零一九年六月三十日已發行股份之2.4%（二零一八年：2.4%）。根據該計劃授出而尚未行使之所有購股權獲行使時可發行之股份總數，不得超過不時已發行股份之30%。若未得本公司股東事先批准，於任何12個月期間授予任何個人之購股權可認購之股份數目，不得超逾本公司不時已發行股份之1%。

已授予之購股權必須於授出日期起計28日內接納，接納時須支付每份購股權1.00港元。購股權可於授出日期至授出日期十年屆滿之日期間內任何時間行使。於每次授出購股權時，董事會可酌情決定行使期及行使價。行使價不得低於下列三者之中最高者：(i) 股份於購股權授出日期在聯交所之收市價；(ii) 股份於緊接購股權授出日期前五個交易日在聯交所之平均收市價；及(iii) 股份面值。

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38. EMPLOYEE BENEFITS (Continued)

(b) Share-based payments (Continued)

Details of the share options granted under the Scheme during the year and outstanding as at 30 June 2019 are as follows:

Name/category of participants 姓名/參與者類別	Date of grant 授出日期	Exercise period 行使期	Exercise price 行使價	Outstanding balance at 1 July 2018 於二零一八年七月一日之未行使結餘	Forfeiture during the year ended 30 June 2018 截至二零一九年六月三十日止年度內沒收	Outstanding balance at 30 June 2019 於二零一九年六月三十日之未行使結餘
Mr. Ke Jun Xiang 柯俊翔先生	26 July 2011 二零一一年七月二十六日	26 July 2011 to 26 June 2021 二零一一年七月二十六日 至二零二一年六月二十六日	HK\$0.52 0.52港元	2,000,000	-	2,000,000
	21 December 2012 二零一二年十二月二十一日	21 December 2012 to 26 June 2021 二零一二年十二月二十一日 至二零二一年六月二十六日	HK\$0.25 0.25港元	10,000,000	-	10,000,000
Ms. Lo Yuen Chung 盧元琮女士	21 December 2012 二零一二年十二月二十一日	21 December 2012 to 26 June 2021 二零一二年十二月二十一日 至二零二一年六月二十六日	HK\$0.25 0.25港元	7,000,000	-	7,000,000
Mr. Li Chung Kai, Philip 李松佳先生	21 December 2012 二零一二年十二月二十一日	21 December 2012 to 26 June 2021 二零一二年十二月二十一日 至二零二一年六月二十六日	HK\$0.25 0.25港元	5,000,000	-	5,000,000
Mr. Chow Yeung Tuen, Richard 鄧錫敦先生	26 July 2011 二零一一年七月二十六日	26 July 2011 to 26 June 2021 二零一一年七月二十六日 至二零二一年六月二十六日	HK\$0.52 0.52港元	2,000,000	-	2,000,000
	21 December 2012 二零一二年十二月二十一日	21 December 2012 to 26 June 2021 二零一二年十二月二十一日 至二零二一年六月二十六日	HK\$0.25 0.25港元	5,000,000	-	5,000,000
Mr. Kwok Yam Sheung 郭蔭尚先生	26 July 2011 二零一一年七月二十六日	26 July 2011 to 26 June 2021 二零一一年七月二十六日 至二零二一年六月二十六日	HK\$0.52 0.52港元	2,000,000	-	2,000,000
	21 December 2012 二零一二年十二月二十一日	21 December 2012 to 26 June 2021 二零一二年十二月二十一日 至二零二一年六月二十六日	HK\$0.25 0.25港元	7,000,000	-	7,000,000
Mr. Chan Siu Kay 陳紹基先生	26 July 2011 二零一一年七月二十六日	26 July 2011 to 26 June 2021 二零一一年七月二十六日 至二零二一年六月二十六日	HK\$0.52 0.52港元	2,000,000	-	2,000,000
	21 December 2012 二零一二年十二月二十一日	21 December 2012 to 26 June 2021 二零一二年十二月二十一日 至二零二一年六月二十六日	HK\$0.25 0.25港元	7,000,000	-	7,000,000
				49,000,000	-	49,000,000
Employees of the Company 本公司僱員	26 July 2011 二零一一年七月二十六日	26 July 2011 to 26 June 2021 二零一一年七月二十六日 至二零二一年六月二十六日	HK\$0.52 0.52港元	2,000,000	-	2,000,000
	21 December 2012 二零一二年十二月二十一日	21 December 2012 to 26 June 2021 二零一二年十二月二十一日 至二零二一年六月二十六日	HK\$0.25 0.25港元	9,000,000	-	9,000,000
Employees of a subsidiary of the Company 本公司一間附屬公司之僱員	26 July 2011 二零一一年七月二十六日	26 July 2011 to 26 June 2021 二零一一年七月二十六日 至二零二一年六月二十六日	HK\$0.52 0.52港元	4,000,000	(4,000,000)	-
	21 December 2012 二零一二年十二月二十一日	21 December 2012 to 26 June 2021 二零一二年十二月二十一日 至二零二一年六月二十六日	HK\$0.25 0.25港元	10,000,000	(8,000,000)	2,000,000
				25,000,000	(12,000,000)	13,000,000
				74,000,000	(12,000,000)	62,000,000

38. 僱員福利 (續)

(b) 以股份為基礎之付款 (續)

年內根據該計劃授出之購股權以及於二零一九年六月三十日尚未行使之購股權的詳情如下：

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38. EMPLOYEE BENEFITS (Continued)

(b) Share-based payments (Continued)

Share options granted on 21 December 2012

The estimated fair value of the share options granted on 21 December 2012 to directors and staff was HK\$0.0984 per share option. The fair value was calculated using the Black-Scholes option pricing model. The inputs into the model were as follows:

Share price at grant date	HK\$0.25
Exercise price	HK\$0.25
Expected volatility (note)	33.90%
Expected life	8.5 years
Risk-free rate	0.55%
Expected dividend yield	0%

Note: Expected volatility is determined based on the historical volatility of the share prices of the Company.

Share options granted on 26 July 2011

The estimated fair value of the share options granted on 26 July 2011 to directors and staff was HK\$0.2755 and HK\$0.2454 per share option respectively. The fair value was calculated using the Binominal pricing model. The inputs into the model were as follows:

Share price at grant date	HK\$0.52
Exercise price	HK\$0.52
Expected volatility (note 1)	47.88%
Expected life (note 2)	9.92 years
Risk-free rate	2.27%
Expected dividend yield	0%

38. 僱員福利(續)

(b) 以股份為基礎之付款(續)

於二零一二年十二月二十一日授出之購股權

於二零一二年十二月二十一日向董事及員工授出購股權之估計公平值為每份購股權0.0984港元。公平值採用柏力克-舒爾斯期權定價模式計算。對該模式輸入之資料如下：

授出日期之股價	0.25港元
行使價	0.25港元
預期波幅(附註)	33.90%
預計有效期	8.5年
無風險利率	0.55%
預期股息率	0%

附註： 預期波幅是根據本公司的以往股價波幅而釐定。

於二零一一年七月二十六日授出之購股權

於二零一一年七月二十六日向董事及員工授出之購股權的估計公平值分別為每份購股權0.2755港元及0.2454港元。有關公平值是以二項式定價模式計算。對該模式輸入之資料如下：

授出日期之股價	0.52港元
行使價	0.52港元
預期波幅(附註1)	47.88%
預計有效期(附註2)	9.92年
無風險利率	2.27%
預期股息率	0%

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For the year ended 30 June 2019 截至二零一九年六月三十日止年度

38. EMPLOYEE BENEFITS (Continued)

(b) Share-based payments (Continued)

*Share options granted on 26 July 2011
(Continued)*

Note 1: Expected volatility is determined based on the historical volatility of the share prices of publicly listed companies that are considered to be comparable to the Company.

Note 2: The share options are expected to be exercised by directors and staff when the share price of the Company rises to 280% and 220% of the exercise price of the share option, respectively.

No vesting conditions are set for the share options granted on 26 July 2011 and 21 December 2012.

Because the Black-Scholes option pricing model and Binomial pricing model require the input of highly subjective assumptions, including the volatility of share price, changes in subjective input assumptions can materially affect the fair value estimate.

For the year ended 30 June 2019 and 2018, there is no share-based payment expenses recognised as the Company has not granted any share options during the year.

38. 僱員福利(續)

(b) 以股份為基礎之付款(續)

於二零一一年七月二十六日授出之購股權(續)

附註1: 預期波幅是根據視為可與本公司比較之公眾上市公司的以往股價波幅而釐定。

附註2: 預期董事及員工將於本公司股價上升至分別為購股權行使價之280%及220%時行使購股權。

並無就於二零一一年七月二十六日及二零一二年十二月二十一日授出之購股權訂立歸屬條件。

由於柏力克-舒爾斯期權定價模式及二項式定價模式需要代入十分主觀假設(包括股價波幅)，因此，主觀代入假設的變化可以對公平值估計產生重要影響。

截至二零一九年及二零一八年六月三十日止年度並無確認以股份為基礎之付款開支，原因為本公司於年內並無授出任何購股權。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

39. MATERIAL TRANSACTIONS WITH RELATED PARTIES AND CONNECTED PERSONS

(a) Key management personnel remuneration

The remuneration of key management personnel of the Group during the year was as follows:

39. 與關聯方及關連人士之重大交易

(a) 管理要員薪酬

本集團管理要員年內之薪酬如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Short term employee benefits	短期僱員福利	12,368	16,570
Post-employment benefits	離職後福利	188	122
		12,556	16,692

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

39. MATERIAL TRANSACTIONS WITH RELATED PARTIES AND CONNECTED PERSONS (Continued)

39. 與關聯方及關連人士之重大交易 (續)

(b) Transactions with directors of the Company

(b) 與本公司董事之交易

During the year, the Group entered into the following material transactions with directors of the Company:

年內，本集團與本公司董事訂立以下重大交易：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Advancement from Ms. Lo Yuen Chung ^{#1}	盧元琮女士提供之墊款 ^{#1}	-	750
Repayment to Ms. Lo Yuen Chung	向盧元琮女士還款	-	(2,045)
Advancement from Mr. Wilson Wong ^{#2} (note 31)	Wilson Wong先生提供之墊款 ^{#2} (附註31)	300	-
Repayment to Mr. Wilson Wong	向Wilson Wong先生還款	(170)	-
Facility provided by Mr. Ke Jun Xiang ^{#3}	柯俊翔先生提供之融資 ^{#3}	30,000	-
Outstanding principal amount of the Group's other loans which are secured by:	由下列項目作抵押之本集團其他貸款之未償還本金額：		
- personal guarantees executed by Mr. Ke Jun Xiang	- 柯俊翔先生簽立之個人擔保	30,000	30,000
- the Company's shares held by Mr. Ke Jun Xiang and Mr. Wilson Wong	- 柯俊翔先生與Wilson Wong先生持有之本公司股份	20,000	20,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

39. MATERIAL TRANSACTIONS WITH RELATED PARTIES AND CONNECTED PERSONS (Continued)

(b) Transactions with directors of the Company (Continued)

- #1 Amount due to Ms. Lo Yuen Chung was interest-free, unsecured and had no fixed terms of repayment.
- #2 Amount due to Mr. Wilson Wong was interest-free, unsecured and had no fixed terms of repayment.
- #3 On 28 September 2018, Mr. Ke Jun Xiang issued an undertaking letter (the "2018 Undertaking Letter"), pursuant to which Mr. Ke Jun Xiang agreed to provide funding of HK\$30,000,000 to the Company. During the year ended 30 June 2019, the Company did not utilise any amount of the facility.

(c) Applicability of the Listing Rules relating to connected person transactions

The transactions set out in note (b) above are exempted connected transactions as they are conducted on terms favourable than normal commercial terms, and advancement, loans or guarantees are not secured by the assets of the Group.

39. 與關聯方及關連人士之重大交易(續)

(b) 與本公司董事之交易(續)

- #1 應付盧元琮女士之款項為免息、無抵押及無固定還款期。
- #2 應付Wilson Wong先生之款項為免息、無抵押及無固定還款期。
- #3 於二零一八年九月二十八日，柯俊翔先生發出承諾函(「二零一八承諾函」)，據此，柯俊翔先生同意向本公司提供30,000,000港元資金。截至二零一九年六月三十日止年度，本公司未動用任何融資額度。

(c) 上市規則有關關連人士交易之適用範圍

上文附註(b)所載之交易屬獲豁免關連交易，因該等交易乃按較一般商務條款有利之條款進行，而有關墊款、貸款或擔保並非以本集團之資產作抵押。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

40. 本公司之財務狀況表

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Non-current assets	非流動資產		
Property, plant and equipment	物業、機器及設備	20	29
Intangible assets	無形資產	-	5,321
Investment in subsidiaries	於附屬公司之投資	22	5,363
Loan receivable	應收貸款	-	18,759
Refundable deposit	按金	-	20,000
		42	49,472
Current assets	流動資產		
Due from subsidiaries	應收附屬公司款項	28,778	71,025
Prepayments, deposits, interest and other receivables	預付款項、按金、利息及其他應收款項	29,683	1,353
Pledged fixed deposit	已抵押定期存款	-	900
Bank balances and cash	銀行結存及現金	455	2,283
Loan receivable	應收貸款	15,796	-
		74,712	75,561
Current liabilities	流動負債		
Accruals, deposits received, interest and other payables	應計費用、已收按金、利息及其他應付款項	9,418	3,536
Borrowings, due within one year	一年內到期之借貸	50,300	48,467
		59,718	52,003
Net current assets	流動資產淨值	14,994	23,558
Total assets less current liabilities	總資產減流動負債	15,036	73,030
Non-current liabilities	非流動負債		
Borrowings, due after one year	一年後到期之借貸	20,888	20,868
Net (liabilities)/assets	(負債)／資產淨值	(5,852)	52,162
Capital and reserves	資本及儲備		
Issued capital	已發行股本	43,351	43,351
Reserves	儲備	(49,203)	8,811
Total (deficit)/equity	(虧絀)／權益總額	(5,852)	52,162

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

40. 本公司之財務狀況表(續)

Movement in the Company's issued capital and reserves

本公司已發行股本及儲備之變動

		Issued capital	Share premium	Share-based payment reserve	Accumulated losses	Total
		已發行股本	股份溢價	以股份為基礎之付款儲備	累積虧損	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
At 1 July 2017	於二零一七年七月一日	36,151	375,223	10,271	(302,645)	119,000
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	(135,958)	(135,958)
Forfeiture of share options	沒收購股權	-	-	(687)	687	-
Issue of shares	發行股份	7,200	64,800	-	-	72,000
Less: share issue expenses	減：股份發行開支	-	(2,880)	-	-	(2,880)
At 30 June 2018	於二零一八年六月三十日	43,351	437,143	9,584	(437,916)	52,162
Effect of initial adoption of HKFRS 9	首次採納香港財務報告準則第9號之影響	-	-	-	(215)	(215)
At 1 July 2018	於二零一八年七月一日	43,351	437,143	9,584	(438,131)	51,947
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	(57,799)	(57,799)
Forfeiture of share options	沒收購股權	-	-	(1,769)	1,769	-
At 30 June 2019	於二零一九年六月三十日	43,351	437,143	7,815	(494,161)	(5,852)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Movement in the Company's issued capital and reserves (Continued)

- (a) The share premium account represents the excess of proceeds received over the nominal value of the Company's issued capital, less share issue expenses. Pursuant to the Companies Act of Bermuda, the Company's share premium account may be distributed in the form of fully paid bonus shares.
- (b) The share-based payment reserve comprises the fair value of the unexercised share options granted to directors of the Company and several employees of the Group and the Company recognised in accordance with HKFRS 2. Details are set out in note 38(b) to the consolidated financial statements above.

As at 30 June 2019 and 2018, there is no reserve available for distribution by the Company to the shareholders.

40. 本公司之財務狀況表(續)

本公司已發行股本及儲備之變動(續)

- (a) 股份溢價賬代表所收取之所得款項超過所發行之本公司已發行股本的面值減去股份發行開支。根據百慕達公司法，本公司之股份溢價賬可以繳足紅股方式分派。
- (b) 以股份為基礎之付款儲備由本公司董事以及本集團及本公司之數名僱員獲授而未行使之購股權的公平值所組成，而本公司已根據香港財務報告準則第2號確認。詳情載於上文綜合財務報表附註38(b)。

於二零一九年及二零一八年六月三十日，本公司並無可分派予股東之儲備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

41. PARTICULAR OF SUBSIDIARIES

Details of the Company's direct or indirect interests in the following subsidiaries as at 30 June 2019 are as follows:

41. 附屬公司之詳情

於二零一九年六月三十日，本公司擁有以下附屬公司之直接或間接權益，其詳情如下：

Name 公司名稱	Place of incorporation/ establishment 註冊成立/ 營業地點	Issued and fully paid share/ registered capital 已發行及繳足 股本/註冊股本	Percentage of equity interest attributable to the Group 本集團應佔 股本權益百分比	Principal activities 主要業務
Directly held 直接持有				
CIL Apollo Limited 華建太陽神有限公司	Hong Kong 香港	HK\$1 1港元	100%	Investment holding and trading 投資控股及貿易
CIL International Trading Limited (formerly known as CIL Electrical Trading Limited) 華建國際貿易有限公司 (前稱華建家電貿易有限公司)	Hong Kong 香港	HK\$1,000 1,000港元	100%	Trading 貿易
Flaconwood Ltd.	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	Investment holding 投資控股
Golden Profit Finance Limited 金利財務有限公司	Hong Kong 香港	HK\$1 1港元	100%	Investment holding 投資控股
Idea Wisdom Investment Limited	Hong Kong 香港	HK\$10,000 10,000港元	100%	Provision of corporate services 提供企業服務
Inout Jewellery Limited	Hong Kong 香港	HK\$1 1港元	100%	Investment holding 投資控股
Pilot Apex Development Limited	Hong Kong 香港	HK\$10,000 10,000港元	100%	Provision of corporate services 提供企業服務
Silver Gain Industrial Limited 銀建實業有限公司	Hong Kong 香港	HK\$1 1港元	100%	Investment holding 投資控股
United Eagle Finance Limited 鷹聯信貸有限公司	Hong Kong 香港	HK\$1 1港元	100%	Money lending 放債
Victor Global Group Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	Investment holding 投資控股
Wahwah Entertainment Culture Limited 華華娛樂文化有限公司	Hong Kong 香港	HK\$1 1港元	100%	Inactive 不活躍

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

41. PARTICULAR OF SUBSIDIARIES (Continued)

41. 附屬公司之詳情(續)

Name 公司名稱	Place of incorporation/ establishment 註冊成立/ 營業地點	Issued and fully paid share/ registered capital 已發行及繳足 股本/註冊股本	Percentage of equity interest attributable to the Group 本集團應佔 股本權益百分比	Principal activities 主要業務
Indirectly held 間接持有				
Able Giant Limited	Hong Kong 香港	HK\$1 1港元	90%	Investment holding 投資控股
AVTE Company Limited ("AVTE") 數碼多媒體有限公司	Hong Kong 香港	HK\$4,500,100 4,500,100港元	90%	Distribution and trading of server storage, multi-media and communication products 伺服器儲存、多媒體及 通訊產品之分銷及貿易
Kwan Chik Investment Company 君植投資商行	Hong Kong 香港	N/A* 不適用*	100%	Investment holding 投資控股
廣州通勝貿易有限公司	The PRC 中國	Nil/RMB1,000,000 無/人民幣1,000,000元	100%	Distribution of rice cookers and household electrical appliances 分銷電飯煲及家庭電器
君植電子科技(深圳)有限公司	The PRC 中國	HK\$8,000,000 8,000,000港元	100%	Inactive 不活躍
廣州華建連物業發展有限公司	The PRC 中國	Nil/RMB1,000,000 無/人民幣1,000,000元	100%	Inactive 不活躍
華總建(佛山市)供應鏈管理有限公司	The PRC 中國	Nil/RMB3,000,000 無/人民幣3,000,000元	99%	Inactive 不活躍

* Kwan Chik Investment Company ("Kwan Chik") is an unlimited partnership established in Hong Kong. Silver Gain Industrial Limited holds 50% ownership of Kwan Chik directly and a staff of the Company holds the remaining 50% ownership of Kwan Chik on behalf of Silver Gain Industrial Limited. Accordingly, the Group has effective equity interest of 100% in Kwan Chik as at 30 June 2019 and 2018.

* 君植投資商行(「君植」)為於香港成立之無限合夥公司。銀建實業有限公司直接持有君植之50%擁有權而本公司一名員工代表銀建實業有限公司持有君植之其餘50%擁有權。因此，本集團於二零一九年及二零一八年六月三十日實際持有君植之100%股權。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

41. PARTICULAR OF SUBSIDIARIES (Continued)

All subsidiaries undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

Details of non-wholly owned subsidiary that have material non-controlling interests

The following table shows details of non-wholly owned subsidiaries of the Company that have material non-controlling interests:

Name of subsidiary 附屬公司名稱	Proportion of ownership interests and voting rights held by non-controlling interests 非控股權益持有之擁有權 權益及表決權之比例		Loss allocated to non-controlling interests 分配予非控股權益之虧損		Accumulated non-controlling interests 累計非控股權益	
	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
AVTE 數碼多媒體有限公司	10%	10%	(491)	(1,096)	(900)	(409)
Individual immaterial subsidiary with non-controlling interests 有非控股權益而個別而言不重大 的附屬公司			(159)	(97)	(633)	(474)
			(650)	(1,193)	(1,533)	(883)

Summarised financial information in respect of AVTE is set out below. The summarised financial information below represents amounts before intragroup eliminations.

41. 附屬公司之詳情(續)

所有附屬公司均綜合入賬。母公司於附屬公司直接持有的投票權比例與其所持普通股比例並無區別。

具有重大非控股權益的非全資附屬公司的詳情

下表載列具有重大非控股權益的本公司非全資附屬公司的詳情：

有關數碼多媒體有限公司的財務資料概要載列如下。下列財務資料概要代表未作集團內部抵銷前的金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

41. PARTICULAR OF SUBSIDIARIES (Continued)

Details of non-wholly owned subsidiary that have material non-controlling interests (Continued)

Summarised statement of financial position of AVTE

41. 附屬公司之詳情(續)

具有重大非控股權益的非全資附屬公司的詳情(續)

數碼多媒體有限公司的財務狀況表概要

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current assets	流動資產	9,359	21,454
Current liabilities	流動負債	(42,608)	(49,851)
Net current liabilities	流動負債淨值	(33,249)	(28,397)
Non-current assets	非流動資產	78	134
Net liabilities	負債淨值	(33,171)	(28,263)
<i>Reconciliations:</i>	<i>對賬:</i>		
Share of net liabilities by non-controlling interests	非控股權益應佔資產淨值	(3,317)	(2,826)
Adjustments for:	就以下項目作出調整:		
Net liabilities fully attributable to owners of the Company prior to 1 July 2009	於二零零九年七月一日前完全歸屬於本公司擁有人之負債淨額	1,027	1,027
Cumulated net profits for the period on or after 1 July 2009 attributable to former non-controlling interests which were related to a transaction prior to the adoption of currently effect HKAS 27	前非控股權益應佔於二零零九年七月一日或之後期間的累計純利(關於採納目前生效之香港會計準則第27號前之一項交易)	1,390	1,390
Carrying amount of non-controlling interests	非控股權益之賬面值	(900)	(409)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

41. PARTICULAR OF SUBSIDIARIES (Continued)

Details of non-wholly owned subsidiary that have material non-controlling interests (Continued)

Summarised statement of profit or loss and other comprehensive income of AVTE

41. 附屬公司之詳情(續)

具有重大非控股權益的非全資附屬公司的詳情(續)

數碼多媒體有限公司的損益及其他全面收益表概要

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue	收益	14,939	57,767
Gross profit	毛利	110	1,062
Other incomes	其他收入	36	12
Other (loss)/gain, net	其他(虧損)/收益淨額	(7)	330
Expenses	開支	(5,047)	(12,361)
Loss before tax	除稅前虧損	(4,908)	(10,957)
Income tax expenses	所得稅開支	-	-
Loss for the year	本年度虧損	(4,908)	(10,957)
Loss and total comprehensive loss attributable to:	以下人士應佔虧損及全面虧損總額：		
- non-controlling interests	- 非控股權益	(491)	(1,096)
- owners of the Company	- 本公司擁有人	(4,417)	(9,861)
		(4,908)	(10,957)
Dividend paid to non-controlling interests	已付予非控股權益之股息	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

41. PARTICULAR OF SUBSIDIARIES (Continued)

Details of non-wholly owned subsidiary that have material non-controlling interests (Continued)

Summarised statement of cash flows of AVTE

41. 附屬公司之詳情(續)

具有重大非控股權益的非全資附屬公司的詳情(續)

數碼多媒體有限公司的現金流量表概要

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Net cash outflow from operating activities	經營活動之現金流出淨額	(221)	(1,798)
Net cash outflow from investing activities	投資活動之現金流出淨額	(1,183)	(820)
Net cash (outflow)/inflow from financing activities	融資活動之現金(流出)/流入淨額	(1,757)	6,026
Net decrease in cash and cash equivalents	現金及現金等值項目之減少淨額	(3,161)	3,408
Cash and cash equivalents at beginning of year	年初之現金及現金等值項目	3,222	(186)
Cash and cash equivalents at end of year	年結之現金及現金等值項目	61	3,222
Represented by:	即：		
Bank balances and cash	銀行結餘及現金	61	3,222

Financial support

As at 30 June 2019, the Company has ceased to issue financial guarantee to bank for banking facilities granted to AVTE. As at 30 June 2018, the Company had issued a financial guarantee to a bank for banking facilities granted to AVTE.

財務支持

於二零一九年六月三十日，本公司不再就數碼多媒體有限公司獲授銀行融資向銀行提供財務擔保。於二零一八年六月三十日，本公司已就數碼多媒體有限公司獲授銀行融資向銀行提供財務擔保。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 30 June 2019 截至二零一九年六月三十日止年度

42. EVENTS AFTER THE END OF THE REPORTING PERIOD

- (a) On 23 September 2019, the Company entered into several loan agreements regarding HK\$30m Loans with the Lenders and the Lenders agree to renew HK\$30m Loans to the Company to 30 June 2020 (note 2 and 32(c)(ii));
- (b) On 24 September 2019, the Company announced that it has received the Writ issued by the Claimant against the Company to claim the outstanding balance due to the Claimant (note 2 and 32(c)(i));
- (c) On 30 September 2019, the Company entered into a settlement agreement with the Claimant and both parties have agreed that the Company will pay the outstanding balances by instalments (note 2 and 32(c)(i));
- (d) On 11 November 2019, the Company entered into a supplemental agreement with the Claimant, pursuant to which both parties have agreed that the Company will issue Settlement Shares to settle HK\$17,340,000 and pay HK\$6,214,000 by cash (note 2 and 32(c)(i));
- (e) On 12 November 2019, the Company and Mr. Ke Jun Xiang, the Chairman and executive director of the Company, has entered into a loan agreement pursuant to which Mr. Ke agrees to provide loan to the Company amounting to approximately HK\$100,000,000 (note 2); and
- (f) On 15 November 2019, the Company announced the proposal of the Rights Issue (note 2).

43. COMPARATIVE FIGURES

Certain comparative figures have been reclassified or restated to conform to the current year presentation.

42. 報告期結後事項

- (a) 於二零一九年九月二十三日，本公司與貸款人就30,000,000港元貸款訂立數份貸款協議，而貸款人同意重續向本公司提供之30,000,000港元貸款至二零二零年六月三十日（附註2及32(c)(ii)）；
- (b) 於二零一九年九月二十四日，本公司宣佈已收到申索人發出針對本公司的令狀，以申索應付申索人之未付結餘（附註2及32(c)(i)）；
- (c) 於二零一九年九月三十日，本公司與申索人訂立和解協議，據此雙方均同意本公司將分期支付未償還結餘（附註2及32(c)(i)）；
- (d) 於二零一九年十一月十一日，本公司與申索人訂立補充協議，據此訂約雙方同意本公司將發行和解股份以結清17,340,000港元及以現金支付6,214,000港元（附註2及32(c)(i)）；
- (e) 於二零一九年十一月十二日，本公司與本公司主席兼執行董事柯俊翔先生已訂立貸款協議，據此，柯先生同意向本公司提供約100,000,000港元的貸款（附註2）；及
- (f) 於二零一九年十一月十五日，本公司宣佈供股建議（附註2）。

43. 比較數字

若干比較數字已重新分類或重列，以符合本年度的呈列方式。

FIVE-YEAR FINANCIAL SUMMARY 五年財務概要

RESULTS

業績

		Year Ended 30 June 截至六月三十日止年度				
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Revenue from continuing operations	來自持續經營業務之收益	135,123	77,666	102,765	223,481	617,696
(Loss)/profit before taxation	除稅前(虧損)/溢利	(56,695)	(127,212)	(61,047)	16,131	(62,642)
Income tax credit/(expenses)	所得稅抵免/(支出)	40	(41)	(189)	(48)	1,450
(Loss)/profit for the year	本年度(虧損)/溢利	(56,655)	(127,253)	(61,236)	16,083	(61,192)
Other comprehensive loss for the year	本年度其他全面虧損	(61)	(48)	-	-	-
Total comprehensive (Loss)/profit for the year	本年度全面(虧損)/收益總額	(56,716)	(127,301)	(61,236)	16,083	(61,192)
Attributable to:	應佔:					
Owners of the Company	本公司擁有人	(56,066)	(126,108)	(59,889)	18,101	(61,481)
Non-controlling interests	非控股權益	(650)	(1,193)	(1,347)	(2,018)	289
		(56,716)	(127,301)	(61,236)	16,083	(61,192)

FIVE-YEAR FINANCIAL SUMMARY 五年財務概要

ASSETS AND LIABILITIES

資產與負債

		At 30 June 於六月三十日				
		2019	2018	2017	2016	2015
		二零一九年	二零一八年	二零一七年	二零一六年	二零一五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Non-current assets	非流動資產	7,557	57,531	72,471	63,689	83,236
Current assets	流動資產	154,652	116,371	148,555	239,586	124,383
Current liabilities	流動負債	(142,151)	(96,760)	(85,722)	(106,752)	(112,467)
Non-current liabilities	非流動負債	(20,888)	(20,868)	(20,849)	(20,832)	(42,123)
Net (liabilities)/assets	(負債)/資產淨額	(830)	56,274	114,455	175,691	53,029
Attributable to:	下列人士應佔：					
Owners of the Company	本公司擁有人	703	57,157	114,145	174,034	49,354
Non-controlling interests	非控股權益	(1,533)	(883)	310	1,657	3,675
		(830)	56,274	114,455	175,691	53,029



CIL HOLDINGS LIMITED
華建控股有限公司