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Sino Vision Worldwide Holdings Limited

新維國際控股有限公司

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

(Stock Code: 8086)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 31 DECEMBER 2018

The board (“**Board**”) of directors (“**Directors**”) of Sino Vision Worldwide Holdings Limited (“**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce the unaudited results of the Group for the six months ended 31 December 2018. This announcement, containing the full text of the 2018/2019 interim report of the Company, complies with the relevant requirements of the Rules (“**GEM Listing Rules**”) Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited in relation to information to accompany preliminary announcements of interim results. Printed version of the Company’s 2018/2019 interim report will be delivered to the shareholders of the Company and available for viewing on the websites of the Stock Exchange at www.hkexnews.hk and of the Company at www.sinovisionworldwide.com on 15 February 2019.

For and on behalf of the Board
Sino Vision Worldwide Holdings Limited
POON Man Sum
Chairman

Hong Kong, 11 February 2019

As at the date of this announcement, the executive Directors are Mr. Poon Man Sum and Mr. Ai Kuiyu; and the independent non-executive Directors are Mr. Huang Zhiying, Mr. Tong Kar Hing and Ms. Liu Pui Shan.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its publication and on the website of the Company at <http://www.sinovisionworldwide.com>.



Sino Vision Worldwide Holdings Limited
新維國際控股有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(於開曼群島註冊成立及於百慕達繼續之有限公司)

Stock Code 股份代號 : 8086

2018/19 Interim Report
中期報告

CHARACTERISTICS OF THE GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Main Board. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors of the Company (the "Directors") collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this report misleading.

香港聯合交易所有限公司(「聯交所」)GEM之特色

GEM的定位，乃為相比起其他在主板上市之公司帶有較高投資風險之中小型公司提供一個上市之市場。有意投資者應了解投資該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。

由於GEM上市公司普遍為中小型公司，在GEM買賣之證券可能會較於聯交所主板買賣之證券承受較大之市場波動風險，同時無法保證在GEM買賣之證券會有高流通量之市場。

香港交易及結算所有限公司及聯交所對本報告之內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不就本報告全部或任何部分內容而產生或因倚賴該等內容而引致之任何損失承擔任何責任。

本報告的資料乃遵照GEM上市規則之規定而刊載，旨在提供有關本公司的資料；本公司的董事(「董事」)願就本報告的資料共同及個別地承擔全部責任。董事在作出一切合理查詢後，確認就其所知及所信，本報告所載資料在各重要方面均屬準確完備，沒有誤導或欺詐成份，且並無遺漏任何其他事項，足以令致本報告或其所載任何陳述產生誤導。

Unaudited Condensed Consolidated Interim Financial Information

未經審核簡明綜合中期財務資料

The board of directors (the "Board") of Sino Vision Worldwide Holdings Limited (the "Company") announced the unaudited condensed consolidated interim results of the Company and its subsidiaries (the "Group") for the three months and six months ended 31 December 2018 together with the unaudited comparative figures for the corresponding periods in 2017 as follows:

新維國際控股有限公司(「本公司」)董事會(「董事會」)宣佈，本公司及其附屬公司(「本集團」)截至二零一八年十二月三十一日止三個月及六個月之未經審核簡明綜合中期業績，連同截至二零一七年同期未經審核之比較數字如下：

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收益表

		For the three months ended 31 December 截至十二月三十一日止三個月		For the six months ended 31 December 截至十二月三十一日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (Restated) (經重列)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (Restated) (經重列)
CONTINUING OPERATIONS	持續經營業務				
REVENUE	收入	3	41,495	79,124	99,961
Cost of sales and services	銷售成本和服務成本	6	(33,608)	(55,792)	(68,985)
Gross profit	毛利		7,887	23,332	30,976
Other income and gains	其他收入及收益		10,934	394	11,172
Selling and distribution costs	銷售及分銷成本		(8,363)	(15,244)	(17,438)
Administrative and other expenses	行政及其他費用		(20,724)	(49,226)	(48,159)
Fair value loss on contingent consideration payable	應付或然代價之公平值虧損		(111)	-	(335)
Finance costs	融資成本	5	(3,021)	(2,569)	(6,672)
LOSS BEFORE TAX	除稅前虧損	6	(13,398)	(43,313)	(30,456)
Income tax expense	所得稅費用	7	(235)	(402)	(1,087)
LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS	本期間來自持續經營業務之虧損		(13,633)	(43,715)	(31,543)

Unaudited Condensed Consolidated Interim Financial Information

未經審核簡明綜合中期財務資料

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

簡明綜合損益及其他全面收益表 (續)

		For the three months ended 31 December 截至十二月三十一日止三個月		For the six months ended 31 December 截至十二月三十一日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核) (Restated) (經重列)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核) (Restated) (經重列)
	Note 附註				
DISCONTINUED OPERATION	終止經營業務				
(Loss)/profit for the period from discontinued operation	本期間來自終止經營業務(虧損)/盈利	(8,875)	(1,363)	(9,479)	1,211
LOSS FOR THE PERIOD	本期間虧損	<u>(22,508)</u>	<u>(45,078)</u>	<u>(41,022)</u>	<u>(37,666)</u>
Loss attributable to:	應佔虧損：				
Owners of the Company	本公司擁有人	(20,569)	(40,788)	(35,680)	(30,391)
Non-controlling interests	非控股權益	(1,939)	(4,290)	(5,342)	(7,275)
		<u>(22,508)</u>	<u>(45,078)</u>	<u>(41,022)</u>	<u>(37,666)</u>
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	本公司普通股權益持有人應佔之每股虧損				
Basic and diluted (Hong Kong cents)	基本及攤薄(港仙)				
- Loss for the period	- 本期間虧損	(0.67)	(1.47)	(1.21)	(1.09)
- Loss from continuing operations	- 持續經營業務的虧損	(0.38)	(1.42)	(0.89)	(1.14)
- Loss from discontinued operation	- 終止經營業務的虧損	(0.29)	(0.05)	(0.32)	0.05

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Unaudited Condensed Consolidated Interim Financial Information

未經審核簡明綜合中期財務資料

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

簡明綜合損益及其他全面收益表 (續)

		For the three months ended		For the six months ended	
		31 December		31 December	
		截至十二月三十一日止三個月		截至十二月三十一日止六個月	
		2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
			(Restated)		(Restated)
			(經重列)		(經重列)
Loss for the period	本期間虧損	(22,508)	(45,078)	(41,022)	(37,666)
Other comprehensive income to be reclassified to profit or loss in subsequent period:	其他綜合收益在以後會計期間重新分類為損益：				
- Exchange difference arising on translation of foreign operations	- 轉換境外業務時產生之匯兌差額	(96)	34	(1,340)	77
- Decrease in fair value of financial assets at fair value through other comprehensive income	- 按公平值計入其他全面收益之金融資產公平值減少	-	-	-	(5,700)
- Release of reserve upon disposal of financial assets at fair value through other comprehensive income	- 出售按公平值計入其他全面收益之金融資產的儲備回撥	-	6,095	-	6,095
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	本期間全面收益總額	(22,604)	(38,949)	(42,362)	(37,194)
Total comprehensive income attributable to:	應佔全面收益總額：				
Owners of the Company	本公司擁有人	(20,665)	(34,647)	(36,851)	(29,896)
Non-controlling interests	非控股權益	(1,939)	(4,302)	(5,511)	(7,298)
		(22,604)	(38,949)	(42,362)	(37,194)

Unaudited Condensed Consolidated Interim Financial Information

未經審核簡明綜合中期財務資料

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

			31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
	Notes 附註			
NON-CURRENT ASSETS		非流動資產		
Property, plant and equipment		物業、廠房及設備	5,016	6,179
Goodwill	11	商譽	111,091	140,075
Other intangible assets		其他無形資產	8,279	8,887
Interests in an associate	23	聯營公司權益	1,014	1,085
Financial assets at fair value through other comprehensive income	19	按公平值計入其他 全面收益之金融資產	10,000	13,000
Deferred tax asset		遞延稅項資產	2,991	3,011
Total non-current assets		非流動資產總額	138,391	172,237
CURRENT ASSETS		流動資產		
Inventories		存貨	8,944	1,656
Trade receivables	13	應收貿易賬款	10,305	25,236
Loan and interest receivables	12	應收貸款及利息賬款	70,715	89,090
Prepayments, deposits and other receivables		預付款項、按金及 其他應收款項	58,402	84,466
Equity investments at fair value through profit or loss	19	按公平值計入損益之 股本投資	35,351	40,995
Pledged deposits	14	已抵押存款	310	310
Cash and cash equivalents	14	現金及現金等值項目	39,135	43,046
Total current assets		流動資產總額	223,162	284,799
CURRENT LIABILITIES		流動負債		
Trade payables	15	應付貿易賬款	21,064	22,084
Other payables and accruals		其他應付款項及應計費用	21,060	52,629
Deposits received in advance		預收按金	1,745	2,258
Tax payables		應付稅項	218	2,799
Convertible bonds	16	可換股債券	1,250	-
Contingent consideration payable		應付或然代價	-	13,156
Total current liabilities		流動負債總額	45,337	92,926
NET CURRENT ASSETS		流動資產淨值	177,825	191,873

Unaudited Condensed Consolidated Interim Financial Information
未經審核簡明綜合中期財務資料

CONDENSED CONSOLIDATED STATEMENT
OF FINANCIAL POSITION (CONTINUED)

簡明綜合財務狀況表(續)

			31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
	Notes 附註			
NON-CURRENT LIABILITIES				
Convertible bonds	16	非流動負債 可換股債券	110,130	138,179
Contingent consideration payable		應付或然代價	-	12,714
Total non-current liabilities		非流動負債總額	110,130	150,893
Net assets		資產淨值	206,086	213,217
EQUITY		權益		
Equity attributable to owners of the Company		本公司擁有人應佔權益		
Share capital		股本	30,661	27,762
Reserves	17	儲備	165,094	169,613
Non-controlling interests		非控股權益	195,755	197,375
			10,331	15,842
Total equity		權益總額	206,086	213,217

Unaudited Condensed Consolidated Interim Financial Information
未經審核簡明綜合中期財務資料

CONDENSED CONSOLIDATED STATEMENT
OF CASH FLOWS

簡明綜合現金流量報表

		For the six months ended 31 December	
		截至十二月三十一日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Audited) (經審核)
NET CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES	經營業務之現金所得/ (支出)淨額	4,094	(31,500)
NET CASH FLOW USED IN INVESTING ACTIVITIES	投資活動之現金支出淨額	(8,000)	(19,617)
NET CASH FLOW FROM FINANCING ACTIVITIES	融資活動之現金所得淨額	-	117,500
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目(減少)/ 增加淨額	(3,906)	66,383
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	期初之現金及現金等值項目	43,046	94,458
EFFECT OF FOREIGN EXCHANGE RATE CHANGES, NET	匯率變動之影響，淨額	(5)	(10)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	期末之現金及現金等值項目	<u>39,135</u>	<u>160,831</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值項目結餘之分析		
Cash and bank balances	現金及銀行結餘	<u>39,135</u>	<u>160,831</u>

Unaudited Condensed Consolidated Interim Financial Information

未經審核簡明綜合中期財務資料

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

		Attributable to owners of the Company 本公司擁有人應佔											Non-controlling interests	Total equity
		Issued capital	Share premium	Convertible equity reserve	Contributed surplus	Treasury share reserve	Share option reserve	Investment revaluation reserve	Exchange fluctuation reserve	Other reserve	Accumulated losses	Total		
		已發行股本	股份溢價	可換股債券權益儲備	實繳盈餘	庫存股本	購股權儲備	投資重估儲備	外匯浮動儲備	其他儲備	累計虧損	合計	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	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	千港元	千港元	千港元	千港元
At 1 July 2018 (Audited)	於二零一八年七月一日 (經審核)	27,762	263,871	37,894	77,068	3,526	5,691	-	(1,850)	(8,344)	(208,243)	197,375	15,842	213,217
Loss for the period	本期間虧損	-	-	-	-	-	-	-	-	-	(35,680)	(35,680)	(5,342)	(41,022)
Exchange differences arising on translation of foreign operations	轉換境外業務時產生之匯兌差額	-	-	-	-	-	-	-	(1,171)	-	-	(1,171)	(169)	(1,340)
Total comprehensive income for the period	本期間全面收益總額	-	-	-	-	-	-	-	(1,171)	-	(35,680)	(36,851)	(5,511)	(42,362)
Equity-settled share option arrangements (note 18)	股權結算的購股權安排(附註18)	-	-	-	-	-	1,760	-	-	-	-	1,760	-	1,760
Issue of shares upon conversion of convertible bonds (note 17)	於兌換可換股債券時發行股份(附註17)	2,899	40,433	(9,861)	-	-	-	-	-	-	-	33,471	-	33,471
At 31 December 2018 (Unaudited)	於二零一八年十二月三十一日 (未經審核)	30,661	304,304	28,033	77,068	3,526	7,451	-	(3,021)	(8,344)	(243,923)	195,755	10,331	206,086

Unaudited Condensed Consolidated Interim Financial Information

未經審核簡明綜合中期財務資料

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

簡明綜合權益變動表(續)

		Attributable to owners of the Company 本公司擁有人應佔												
		Issued capital	Share premium	Convertible bonds equity reserve	Contributed surplus	Treasury share reserve	Share option reserve	Investment revaluation reserve	Exchange fluctuation reserve	Other reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		已發行股本	股份溢價	可換股債券權益儲備	實繳盈餘	儲備	購股權儲備	投資重估儲備	外匯浮動	其他儲備	累計虧損	合計	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	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	千港元	千港元	千港元	千港元
At 1 July 2017 (Audited)	於二零一七年七月一日 (經審核)	27,762	263,871	-	77,068	3,526	-	(395)	(437)	-	(130,268)	241,127	(20)	241,107
Loss for the period	本期間虧損	-	-	-	-	-	-	-	-	-	(30,391)	(30,391)	(7,275)	(37,666)
Exchange differences arising on translation of foreign operations	轉換境外業務時產生之匯兌差額	-	-	-	-	-	-	-	100	-	-	100	(23)	77
Decrease in fair value of available-for-sales investments	可供出售投資公平價值之減少	-	-	-	-	-	-	(5,700)	-	-	-	(5,700)	-	(5,700)
Release of reserve upon disposal of available-for-sales investments	出售可供出售投資的儲備回撥	-	-	-	-	-	-	6,095	-	-	-	6,095	-	6,095
Total comprehensive income for the period	本期間全面收益總額	-	-	-	-	-	-	395	100	-	-	(29,896)	(7,298)	(37,194)
Deemed partial disposal of interest in subsidiaries	視作出售附屬公司部分權益	-	-	-	-	-	-	-	-	(8,344)	-	(8,344)	28,344	20,000
Issue of convertible bonds	發行可換股債券	-	-	45,454	-	-	-	-	-	-	-	45,454	-	45,454
At 31 December 2017 (Unaudited)	於二零一七年十二月三十一日 (未經審核)	27,762	263,871	45,454	77,068	3,526	-	-	(337)	(8,344)	(160,659)	248,341	21,026	269,367

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

1. CORPORATE AND GROUP INFORMATION

The Company was a limited liability company incorporated in the Cayman Islands on 15 March 2000 under the Companies Law of the Cayman Islands and changed its domicile to Bermuda with limited liability on 21 August 2015. The shares of the Company were listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 2 August 2000.

The registered office of the Company was located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

The principal place of business of the Company was located at Unit 2, 28/F, Vertical Square, No. 28 Heung Yip Road, Wong Chuk Hang, Hong Kong.

At the beginning of the Period, the Group is principally engaged in (i) e-commerce and provision of online sales platform; (ii) money-lending business; (iii) intellectual property ("IP") rights licensing and international IP development, media integrated marketing and distribution agency of sports goods business; and (iv) provision of property management and property agency services in Hong Kong which the Group has ceased its operation during the Period.

1. 公司及集團資料

本公司於二零零零年三月十五日根據開曼群島公司法在開曼群島註冊成立為有限責任公司，並於二零一五年八月二十一日遷冊至百慕達以有限公司形式存續。本公司股份於二零零零年八月二日在香港聯合交易所有限公司（「聯交所」）GEM上市。

本公司註冊辦事處位於Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。

本公司主要營業地點在香港黃竹坑香葉道28號嘉尚匯28樓2室。

於本期間初，本集團主要從事(i)電子商務及提供網上銷售平台；(ii)借貸業務；(iii)知識產權授權及國際知識產權開發、媒體綜合營銷以及分銷代理運動用品業務；及(iv)於本期間本集團已不再進行的於香港提供物業管理及物業代理服務。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

2. BASIS OF PRESENTATION

These unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules"). They have been prepared under the historical cost convention, except for equity investments at fair value through profit or loss, equity investments at fair value through other comprehensive income and contingent consideration payable, which have been measured at fair value.

The accounting policies adopted in the preparation of the unaudited condensed consolidated financial statements for the Period are consistent with those adopted by the Group in its annual financial statements for the year ended 30 June 2018.

In the Period, the Group has adopted the following new standards and interpretation to HKFRSs which are pertinent to the Group's operations and effective for accounting periods beginning on or after 1 July 2018:

HKFRS 9 (2014)	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration

2. 編製基準

該等未經審核簡明綜合財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈之香港會計準則第34號「中期財務報告」及香港公司條例之適用披露規定及聯交所GEM證券上市規則(「GEM上市規則」)而編撰。財務報表乃按過往成本法編撰，惟按公平值計入損益之股本投資、按公平值計入其他全面收益之股本投資及應付或然代價乃按公平值計量。

編製本期間之未經審核簡明綜合財務報表時所採用之會計政策，與本集團編製其截至二零一八年六月三十日止年度之年度財務報表時所採用者貫徹一致。

於本期間，本集團採納了下列適用於二零一八年七月一日或之後開始的會計期間並與本集團業務有關的香港財務報告準則新準則及詮釋：

香港財務報告準則第9號 (二零一四年)	財務工具
香港財務報告準則第15號	客戶合約收益
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

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

2. BASIS OF PRESENTATION (CONTINUED)

(a) Adoption of HKFRS 9 (2014)

The adoption of HKFRS 9 (2014) resulted in changes in accounting policies and adjustments to amounts recognised in the condensed consolidated financial statements.

Classification and measurement

Prior to the adoption of HKFRS 9 (2014), unlisted equity investments amounting to approximately HK\$13,000,000 as at 30 June 2018 were classified as available-for-sales investments measured at cost less any impairment losses. These equity investments are not held for trading purposes and at 1 July 2018, the Group makes an election to designate the investments at fair value through other comprehensive income ("FVOCI") (non-recycling).

Impairment

The new impairment model under HKFRS 9 (2014) requires the recognition of provision for impairment losses based on expected credit losses rather than incurred credit losses. There was no material change in the amount of provision for impairment losses required under the expected credit loss model compared with the incurred credit loss model, and there was no material financial impact on such change at 1 July 2018, and for the six months ended 31 December 2018.

Impact on the condensed consolidated financial statements

The Group has applied HKFRS 9 (2014) retrospectively from 1 July 2018. As permitted by the respective transitional provisions of these accounting standards, comparatives for 2017 were not restated. The reclassifications and adjustments were recognised in the opening condensed consolidated statement of financial position on 1 July 2018.

2. 編製基準(續)

(a) 採納香港財務報告準則第9號(二零一四年)

採納香港財務報告準則第9號(二零一四年)令會計政策有所改變及簡明綜合財務報表內確認的金額須作調整。

分類及計量

採納香港財務報告準則第9號(二零一四年)之前，非上市股本投資於二零一八年六月三十日總值約13,000,000港元，列作可供出售投資並按成本減任何減值虧損列賬計量。本集團持有該等股本投資並非用作買賣用途，於二零一八年七月一日，本集團選擇將該等投資指定為按公平值計入其他全面收益(「按公平值計入其他全面收益」)(非重撥)。

減值

香港財務報告準則第9號(二零一四年)下的新減值模式要求減值虧損撥備須按預期信貸虧損確認，而不是按已產生的信貸虧損確認。與按已產生的信貸虧損計算的模式比較，按預期信貸虧損模式計算所需的減值虧損撥備金額並無重大變動，因此於二零一八年七月一日及截至二零一八年十二月三十一日止六個月，該等變動均無造成重大財務影響。

對簡明綜合財務報表的影響

本集團由二零一八年七月一日起追溯應用香港財務報告準則第9號(二零一四年)。按此等會計準則各自的過渡性條款所容許，二零一七年的比較數字並未重列。相關重新分類及調整乃於二零一八年七月一日的期初簡明綜合財務狀況表內確認。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

2. BASIS OF PRESENTATION (CONTINUED)

(a) Adoption of HKFRS 9 (2014) (CONTINUED)

The following table shows the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included.

Condensed consolidated statement of financial position (extract)	簡明綜合財務狀況表 (摘要)	30 June 2018	HKFRS 9	1 July 2018
		as originally presented 二零一八年 六月三十日 原先呈列 的數額 HK\$'000 千港元	(2014)	restated 二零一八年 七月一日 重列 HK\$'000 千港元
Current assets	流動資產			
Available-for-sales investments	可供出售投資	13,000	(13,000)	-
Financial assets measured at fair value through other comprehensive income	按公平值計入其他全面收益的金融資產	-	13,000	13,000

2. 編製基準(續)

(a) 採納香港財務報告準則第9號 (二零一四年)(續)

下表顯示各個別項目確認的調整。不受變動影響的項目並無包括在內。

(b) Adoption of HKFRS 15

(i) Impact of adoption

The adoption of HKFRS 15 resulted in changes in accounting policies and adjustments to amounts recognised in the financial statements. The adoption did not have any material financial impact on the Group.

(b) 採納香港財務報告準則第15號

(i) 採納的影響

採納香港財務報告準則第15號令會計政策有所改變及財務報表內確認的金額須作調整。採納該準則未有對本集團產生任何重大財務影響。

(c) Adoption of HK(IFRIC) – Interpretation 22

The Interpretation clarifies that the date of the transaction for the purpose of determining the exchange rate to be used on initial recognition of the related asset, expense or income is the date on which the Group initially pays or receives the advance consideration. The adoption did not have any material financial impact on the Group.

(c) 採納香港(國際財務報告詮釋委員會)–詮釋第22號

此詮釋闡明，在確定首次確認相關資產、支出或收益所使用的匯率時，交易日期乃指本集團首次繳付或收取預付代價的日期。採納該詮釋未有對本集團產生任何重大財務影響。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

3. REVENUE

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

3. 收入

本集團之收入分析如下：

		For the three months ended 31 December		For the six months ended 31 December	
		截至十二月三十一日止三個月		截至十二月三十一日止六個月	
		2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
Revenue:	收入：				
Continuing operations:	持續經營業務：				
E-commerce and provision of online sales platform	電子商務及提供網上 銷售平台	25,238	72,627	69,353	139,735
Interest income arising from the money lending business	借貸業務之利息收入	1,852	2,302	3,919	4,669
Intellectual property rights licensing fee and sponsorship	知識產權授權費及 贊助	14,405	4,195	26,689	7,133
		<u>41,495</u>	<u>79,124</u>	<u>99,961</u>	<u>151,537</u>
Discontinued operation:	終止經營業務：				
Provision of property management and property agency services	提供物業管理及物業 代理服務	-	389	30	5,516
		<u>41,495</u>	<u>79,513</u>	<u>99,991</u>	<u>157,053</u>

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

4. OPERATING SEGMENT INFORMATION

The Group was principally engaged in (i) e-commerce and provision of online sales platform, (ii) money lending business; (iii) IP rights licensing and international IP development, media integrated marketing and distribution agency of sports goods business; and (iv) provision of property management and property agency services in Hong Kong, of which the Group has ceased operation during the Period. Details please refer to note 9.

For management purposes, the Group is organised into business units based on their nature. There are four reportable operating segments as follows:

- (a) E-commerce and provision of online sales platform;
- (b) Money lending business;
- (c) IP rights licensing and international IP development, media integrated marketing and distribution agency of sports goods business; and
- (d) Provision of property management and property agency services.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment (loss)/profit, which is a measure of adjusted loss before tax from continuing operations. The adjusted loss before tax is measured consistently with the Group's loss before tax from continuing operations except that interest income, finance costs, gain/(loss) from equity investments at fair value through profit or loss and available-for-sales investments, as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude equity investments at fair value through other comprehensive income, equity investments at fair value through profit or loss and unallocated head office and corporate assets as these assets are managed on a group basis.

4. 經營分部資料

本集團的主營業務是(i)電子商務及提供網上銷售平台，(ii)借貸業務；(iii)知識產權授權及國際知識產權開發、媒體綜合營銷以及分銷代理運動用品業務；及(iv)本集團於本期間已終止之於香港提供物業管理及物業代理服務。詳情請參閱附註9。

為方便管理，本集團按其性質組織業務單位，現有如下四個可呈報業務分部：

- (a) 電子商務及提供網上銷售平台；
- (b) 借貸業務；
- (c) 知識產權授權及國際知識產權開發、媒體綜合營銷以及分銷代理運動用品業務；及
- (d) 提供物業管理及物業代理服務。

管理層獨立監控其集團的經營分部業績，以便就資源配置及績效評估制定決策。評估分部表現時，乃按可呈報分部(虧損)/盈利得出，即計量由持續經營業務除稅前經調整虧損。計量由持續經營業務除稅前經調整虧損時，與本集團之除稅前虧損一致，惟利息收入、財務成本、按公平值計入損益之股本投資及可供出售投資之收益/(虧損)、連同總部及企業開支則不計算在內。

分類資產並無包括按公平值計入其他全面收益之股本投資、按公平值計入損益之股本投資和未分配總部及企業資產，原因為該等資產乃按集團層面管理。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

4. OPERATING SEGMENT INFORMATION (CONTINUED)

Segment liabilities exclude unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Period ended 31 December 2018

4. 經營分部資料(續)

分部負債並無包括未分配總部及企業負債，原因為該等負債乃按集團層面管理。

截至二零一八年十二月三十一日止期間

		Continued operations 持續經營業務			Discontinued operation 終止經營業務	Total
		E-commerce and provision of online sales platform segment 電子商務及提供網上銷售平台分部	Money lending business segment 借貸業務分部	IP rights licensing and international IP development, media integrated marketing and distribution agency of sports goods business 知識產權授權及國際知識產權開發、媒體綜合營銷以及分銷代理運動用品業務	Provision of property management and property agency services segment 提供物業管理及物業代理服務分部	
		HK\$'000 千港元 (Unaudited) (未經審核)	HK\$'000 千港元 (Unaudited) (未經審核)	HK\$'000 千港元 (Unaudited) (未經審核)	HK\$'000 千港元 (Unaudited) (未經審核)	HK\$'000 千港元 (Unaudited) (未經審核)
Segment revenue	分部收入	69,353	3,919	26,689	30	99,991
Segment other income	分部其他收入	10,630	3	290	28	10,951
Segment results	分部業績	(10,898)	3,906	4,395	(9,508)	(12,105)
Unallocated other income and gains	未分配其他收入及收益					249
Unallocated expenses	未分配之費用					(21,436)
Loss from operations	營運虧損					(33,292)
Finance costs	融資成本					(6,672)
Loss before tax	除稅前虧損					(39,964)
Income tax expenses	所得稅費用					(1,058)
Loss for the Period	本期間虧損					(41,022)
Segment assets	分部資產	55,310	89,355	128,413	805	273,883
Unallocated assets	未分配之資產					87,670
Total assets	總資產					361,553

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

4. OPERATING SEGMENT INFORMATION (CONTINUED)

Period ended 31 December 2018 (Continued)

4. 經營分部資料(續)

截至二零一八年十二月三十一日止期間(續)

		Continued operations 持續經營業務			Discontinued operation 終止經營業務	Total
		E-commerce and provision of online sales platform segment	Money lending business segment	IP rights licensing and international IP development, media integrated marketing and distribution agency of sports goods business	Provision of property management and property agency services segment	
		電子商務及提供網上銷售平台分部	借貸業務分部	知識產權授權及國際知識產權開發、媒體綜合營銷以及分銷代理運動用品業務	提供物業管理及物業代理服務分部	總計
		HK\$'000 千港元 (Unaudited) (未經審核)	HK\$'000 千港元 (Unaudited) (未經審核)	HK\$'000 千港元 (Unaudited) (未經審核)	HK\$'000 千港元 (Unaudited) (未經審核)	HK\$'000 千港元 (Unaudited) (未經審核)
Segment liabilities	分部負債	34,542	-	7,185	13	41,740
Unallocated liabilities	未分配之負債					113,727
Total liabilities	總負債					155,467
Capital expenditure	資本開支	61	-	892	-	953
Unallocated capital expenditure	未分配之資本開支					-
						953
Depreciation and amortisation	折舊及攤銷	132	-	40	1,706	1,878
Unallocated depreciation and amortisation	未分配之折舊及攤銷					468
						2,346
Impairment of goodwill	商譽減值	-	-	26,205	8,158	34,363
Reversal of contingent consideration payable	撥回應付或然代價	-	-	(26,205)	-	(26,205)

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

4. OPERATING SEGMENT INFORMATION (CONTINUED)

Period ended 31 December 2017

4. 經營分部資料(續)

截至二零一七年十二月三十一日止期間

		Continued operations 持續經營業務			Discontinued operation 終止經營業務	Total
		E-commerce and provision of online sales platform segment	Money lending business segment	IP rights licensing and international IP development, media integrated marketing and distribution agency of sports goods business 知識產權授權及國際知識產權開發、媒體綜合營銷以及分銷代理運動用品業務	Provision of property management and property agency services segment	
		電子商務及提供網上銷售平台分部	借貸業務分部	業務	提供物業管理及物業代理服務分部	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
		(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)
Segment revenue	分部收入	139,735	4,669	7,133	5,516	157,053
Segment other income	分部其他收入	824	-	2	-	826
Segment results	分部業績	(17,521)	4,611	3,023	1,441	(8,446)
Unallocated other income and gains	未分配其他收入及收益					12
Unallocated expenses	未分配之費用					(24,754)
Loss from operations	營運虧損					(33,188)
Finance costs	融資成本					(3,639)
Loss before tax	除稅前虧損					(36,827)
Income tax expenses	所得稅費用					(839)
Loss for the Period	本期間虧損					(37,666)
Segment assets	分部資產	123,768	89,930	13,661	6,026	233,385
Unallocated assets	未分配之資產					254,656
Total assets	總資產					488,041

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

4. OPERATING SEGMENT INFORMATION (CONTINUED)

Period ended 31 December 2017 (Continued)

4. 經營分部資料(續)

截至二零一七年十二月三十一日止期間(續)

		Continued operations 持續經營業務			Discontinued operation 終止經營業務	Total
		E-commerce and provision of online sales platform segment	Money lending business segment	IP rights licensing and international IP development, media integrated marketing and distribution agency of sports goods business	Provision of property management and property agency services segment	
		電子商務及提供網上銷售平台分部	借貸業務分部	知識產權授權及國際知識產權開發、媒體綜合營銷以及分銷代理運動用品業務	提供物業管理及物業代理服務分部	總計
		HK\$'000 千港元 (Unaudited) (未經審核)	HK\$'000 千港元 (Unaudited) (未經審核)	HK\$'000 千港元 (Unaudited) (未經審核)	HK\$'000 千港元 (Unaudited) (未經審核)	HK\$'000 千港元 (Unaudited) (未經審核)
Segment liabilities	分部負債	76,137	-	4,343	226	80,706
Unallocated liabilities	未分配之負債					137,968
Total liabilities	總負債					218,674
Capital expenditure	資本開支	392	-	2,699	181	3,272
Unallocated capital expenditure	未分配之資本開支					3,977
						7,249
Depreciation and amortisation	折舊及攤銷	279	-	332	70	681
Unallocated depreciation and amortisation	未分配之折舊及攤銷					508
						1,189

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

4. OPERATING SEGMENT INFORMATION (CONTINUED)

Geographical information

(a) Revenue from external customers

The revenue information is based on the location of the customers:

Period ended 31 December 2018 (Unaudited)

4. 經營分部資料(續)

地區資料

(a) 源自外間客戶之收入

下列收入資料按顧客地區分類：

截至二零一八年十二月三十一日止期間
(未經審核)

	North America 北美洲	South America 南美洲	Africa 非洲	Europe 歐洲	Asia 亞洲	Oceania 大洋洲	Consolidated 合併
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment revenue:	分部收入：						
Continuing operations:	持續經營業務：						
E-commerce and provision of online sales platform	8,371	8,636	523	44,004	5,014	2,805	69,353
Money lending business	-	-	-	-	3,919	-	3,919
IP rights licensing and international IP development, media integrated marketing and distribution agency of sports goods business	-	-	-	-	26,689	-	26,689
	8,371	8,636	523	44,004	35,622	2,805	99,961
Discontinued operation:	終止經營業務：						
Provision of property management and property agency services	-	-	-	-	30	-	30
	<u>8,371</u>	<u>8,636</u>	<u>523</u>	<u>44,004</u>	<u>35,652</u>	<u>2,805</u>	<u>99,991</u>

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

4. OPERATING SEGMENT INFORMATION (CONTINUED)

Geographical information (Continued)

(a) Revenue from external customers (Continued)

Period ended 31 December 2017 (Unaudited)

4. 經營分部資料(續)

地區資料(續)

(a) 源自外間客戶之收入(續)

截至二零一七年十二月三十一日止期間
(未經審核)

		North America	South America	Africa	Europe	Asia	Oceania	Consolidated
		北美洲	南美洲	非洲	歐洲	亞洲	大洋洲	合併
		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
Segment revenue:	分部收入：							
Continuing operations:	持續經營業務：							
E-commerce and provision of online sales platform	電子商務及提供網上 銷售平台	12,509	19,995	1,675	75,994	26,073	3,489	139,735
Money lending business	借貸業務	-	-	-	-	4,669	-	4,669
IP rights licensing and international IP development, media integrated marketing and distribution agency of sports goods business	知識產權授權及國際 知識產權開發、媒 體綜合營銷以及分 銷代理運動用品業 務	-	-	-	-	7,133	-	7,133
		12,509	19,995	1,675	75,994	37,875	3,489	151,537
Discontinued operation:	終止經營業務：							
Provision of property management and property agency services	提供物業管理及物業 代理服務	-	-	-	-	5,516	-	5,516
		12,509	19,995	1,675	75,994	43,391	3,489	157,053

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

5. FINANCE COSTS

5. 融資成本

	For the three months ended 31 December 截至十二月三十一日止三個月		For the six months ended 31 December 截至十二月三十一日止六個月	
	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)
Imputed interest expenses on convertible bonds (note 16) 可換股債券之推算利息開支(附註16)	<u>3,021</u>	<u>2,569</u>	<u>6,672</u>	<u>3,639</u>
Finance costs:				
Attributable to continuing operations 持續經營業務應佔	3,021	2,569	6,672	3,639
Attributable to discontinued operation (note 9) 終止經營業務應佔(附註9)	-	-	-	-
	<u>3,021</u>	<u>2,569</u>	<u>6,672</u>	<u>3,639</u>

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

6. LOSS BEFORE TAX

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

6. 除稅前虧損

除稅前虧損乃扣除/(計入)及下列各項後計算：

		For the three months ended 31 December		For the six months ended 31 December	
		截至十二月三十一日止三個月		截至十二月三十一日止六個月	
		2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
Cost of sales and services	銷售及服務成本				
Continuing operation	持續經營業務	33,608	55,792	68,985	105,451
Cost of sales	銷售成本	23,345	54,587	57,956	103,483
Cost of services	服務成本	10,263	1,205	11,029	1,968
Discontinued operation (note 9)	終止經營業務(附註9)	-	-	-	1,331
Cost of sales	銷售成本	-	-	-	-
Cost of services	服務成本	-	-	-	1,331
		33,608	55,792	68,985	106,782
Technical expenses included in "Cost of sales" in the consolidated statement of profit or loss from continuing operation	計入綜合損益表持續經營業務之「銷售成本」中的技術開支	1,938	1,700	3,090	3,491
Depreciation of property, plant and equipment	物業、廠房及設備折舊	505	626	1,002	1,078
Continuing operation	持續經營業務	490	586	962	1,008
Discontinued operation	終止經營業務	15	40	40	70
Amortisation of other intangible assets	其他無形資產攤銷	360	70	834	111
Minimum lease payments under operating leases in respect of land and building	土地及樓宇經營租賃項下之最低租賃付款	1,436	1,325	3,080	2,689
Write-off of property, plant and equipment	撇銷物業、廠房及設備	-	256	-	256
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	314	-	314	-
Fair value loss/(gain) on equity investments at fair value through profit or loss, net	按公平值計入損益之股票投資之公平值虧損/(收益)·淨值	255	7,097	3,533	(8,063)
Loss on disposal of equity investments at fair value through profit or loss	出售按公平值計入損益之股票投資之虧損	3,502	2,201	4,793	2,201

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

6. LOSS BEFORE TAX (CONTINUED)

6. 除稅前虧損(續)

	For the three months ended 31 December		For the six months ended 31 December		
	截至十二月三十一日止三個月		截至十二月三十一日止六個月		
	2018	2017	2018	2017	
	二零一八年	二零一七年	二零一八年	二零一七年	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
	(未經審核)	(未經審核)	(未經審核)	(未經審核)	
Loss on disposal of available-for-sales investment	出售可供出售投資之虧損	-	20,199	-	20,199
Auditors' remuneration	核數師薪酬	237	340	761	705
Impairment loss on goodwill	商譽減值虧損	34,363	-	34,363	-
Continuing operation	持續經營業務	26,205	-	26,205	-
Discontinued operation	終止經營業務	8,158	-	8,158	-
Staff costs	員工成本				
Wages and salaries	工資及薪金	6,495	8,414	15,004	14,073
Housing allowances	住房津貼	63	94	171	130
Equity-settled share option expenses	股本結算購股權開支	-	-	614	-
Net pension scheme contributions	退休金供款淨額	604	588	2,011	1,019
		7,162	9,096	17,800	15,222
Equity-settled share option expenses	股本結算購股權開支	-	-	1,146	-
Foreign exchange loss, net	外匯虧損淨額	540	608	1,359	1,724
Reversal of the provision of litigation and legal fee	撥回訴訟及法律費用撥備	(10,363)	-	(10,363)	-
Reversal of contingent consideration payable	撥回應付或然代價	(26,205)	-	(26,205)	-

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

7. INCOME TAX EXPENSE

7. 所得稅費用

		For the three months ended 31 December 截至十二月三十一日止三個月		For the six months ended 31 December 截至十二月三十一日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)
Income tax (credit)/expense for the current period:	本期間所得稅(抵免)/費用：				
Profits tax – Hong Kong	利得稅 – 香港	(27)	(251)	10	229
Profits tax – Elsewhere	利得稅 – 其他地區	213	401	1,028	610
Deferred tax	遞延稅項	20	-	20	-
Total tax charged	稅項支出總額	206	150	1,058	839
Income tax expense/(credit):	所得稅費用/(抵免)：				
Continuing operations	持續經營業務	235	402	1,087	610
Discontinued operation	終止經營業務	(29)	(252)	(29)	229
		206	150	1,058	839

Hong Kong Profits tax has been provided at the rate of 16.5% on the estimated assessable profits for the Period (six months ended 31 December 2017: 16.5%).

香港利得稅按本期間內之估計應課稅盈利以稅率16.5%計提撥備(截至二零一七年十二月三十一日止六個月：16.5%)。

Taxes on profits in respect of Group companies operating elsewhere have been calculated at the rates of tax prevailing in the respective tax countries/jurisdictions in which they operate based on existing legislation, interpretations and practices in respect thereof.

本集團於其他地區經營之公司之盈利稅項，已根據所在地之現行法例、詮釋及慣例，按各自稅務司法權區之現行稅率計算。

8. DIVIDENDS

The Board does not recommend the payment of interim dividend for the Period (six months ended 31 December 2017: Nil).

8. 股息

董事會並不建議派發本期間的中期股息(截至二零一七年十二月三十一日止六個月：無)。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

9. DISCONTINUED OPERATION

During the Period, the Group has ceased the operation of the provision of property management and property agency services and the segment has been included as discontinued operation.

The unaudited results of the discontinued operation included in the loss for the period are set out below:

9. 終止經營業務

於本期間，本集團已終止提供物業管理及物業代理服務經營業務且該分部已被列為終止經營業務。

計入本期間虧損的終止經營業務之未經審核業績載列如下：

		For the three months ended 31 December 截至十二月三十一日止三個月		For the six months ended 31 December 截至十二月三十一日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)
Revenue	收入	-	389	30	5,516
Cost of sales	銷售成本	-	-	-	(1,331)
Gross profit	毛利	-	389	30	4,185
Other income and gains	其他收入及收益	-	-	28	-
Administrative and other expenses	行政及其他費用	(8,904)	(2,004)	(9,566)	(2,744)
(Loss)/profit before tax	除稅前(虧損)/盈利	(8,904)	(1,615)	(9,508)	1,441
Income tax credit	所得稅撥回	29	252	29	(230)
(Loss)/profit for the period from discontinued operation	本期間來自終止經營業務之(虧損)/盈利	(8,875)	(1,363)	(9,479)	1,211
(Loss)/profit attributable to owners of the Company	本公司擁有人應佔(虧損)/盈利	(8,875)	(1,363)	(9,479)	1,211
The net cash flow incurred by the discontinued operation are as follows:	終止經營業務導致的現金流量淨額如下：				
Operating activities	經營活動	(3,579)	(2,204)	(3,111)	3,575
Investing activities	投資活動	-	-	-	-
Financing activities	融資活動	-	-	-	-
Net cash (outflow)/inflow	現金(流出)/流入淨額	(3,579)	(2,204)	(3,111)	3,575

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

10. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculations of basic and diluted loss per share are based on:

10. 本公司普通股權益持有人應佔之每股虧損

每股基本及攤薄虧損按以下基準計算：

		For the three months ended 31 December 截至十二月三十一日止三個月		For the six months ended 31 December 截至十二月三十一日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)
Loss attributable to ordinary equity holders of the Company	本公司普通股權益持有人應佔虧損	<u>(20,569)</u>	<u>(40,788)</u>	<u>(35,680)</u>	<u>(30,391)</u>
Attributable to:	以下應佔：				
Continuing operations	持續經營業務	<u>(11,694)</u>	<u>(39,425)</u>	<u>26,201</u>	<u>(31,602)</u>
Discontinued operation	終止經營業務	<u>(8,875)</u>	<u>(1,363)</u>	<u>(9,479)</u>	<u>1,211</u>
		<u>(20,569)</u>	<u>(40,788)</u>	<u>(35,680)</u>	<u>(30,391)</u>

		Numbers of shares 股份數目			
		For the three months ended 31 December 截至十二月三十一日止三個月		For the six months ended 31 December 截至十二月三十一日止六個月	
		2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)
Number of shares:	股份數目：				
Weighted average number of ordinary shares in issue during the period used in the basic loss per share calculation	用以計算每股基本虧損之期內已發行普通股加權平均數	<u>3,066,070,496</u>	<u>2,776,215,424</u>	<u>2,946,347,749</u>	<u>2,776,215,424</u>

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

10. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (CONTINUED)

No adjustment has been made to the basic loss per share amounts presented for the three months and six months ended 31 December 2018 and 2017 in respect of a dilution as the impact of the share options and convertible bonds outstanding had an anti-dilutive effect on the basic loss per share amounts presented.

11. GOODWILL

Goodwill is allocated to the Group's cash generating units ("CGU") that are expected to benefit from that business. A summary of goodwill by each reporting operating CGU is presented below:

10. 本公司普通股權益持有人應佔之每股虧損(續)

截至二零一八年及二零一七年十二月三十一日止三個月及六個月期間，並無就攤薄對列報的每股基本虧損金額作出調整，原因為尚未行使之購股權及可換股債券對列報的每股基本虧損金額產生了反攤薄效應。

11. 商譽

商譽分配至本集團預期可從該業務獲益的現金產生單位(「現金產生單位」)。按各報告經營現金產生單位劃分的商譽概要載列如下：

		31 December 2018 二零一八年十二月三十一日	30 June 2018 二零一八年六月三十日
		HK\$'000 千港元	HK\$'000 千港元
Provision of online sales platforms	提供網上銷售平台	-	-
Property management and property agency services (note a)	物業管理及物業代理服務(附註a)	-	8,158
Money-lending business	借貸業務	1,000	1,000
IP rights licensing and international IP development, media integrated marketing and distribution agency of sports goods business	知識產權授權及國際知識產權開發、媒體綜合營銷及分銷代理運動用品業務		
- arising from the Sense Media acquisition	- 由三思收購事項而產生	72,729	72,729
- arising from the Strong Network acquisition (note b)	- 由Strong Network收購事項而產生(附註b)	31,983	58,188
- arising from the Great Window acquisition (note 19)	- 由大創收購事項而產生(附註19)	5,379	-
		111,091	140,075

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

11. GOODWILL (CONTINUED)

(a) Provision of property management and property agency services CGU

The recoverable amounts of the provision of property management and property agency services CGU have been determined on the basis of their value in use using discounted cash flow method.

The Directors prepared the cash flow forecast to determine the recoverable amount of the CGU.

During the Period, the Group has ceased the operation of the provision of property management and property agency services and the segment has been included as discontinued operation. Accordingly, an impairment loss on goodwill of HK\$8,158,000 arising from the provision of property management and property agency services CGU was provided during the period.

(b) Strong Network CGU

The Strong Network CGU provides key distribution channels to the Sense Media CGU and the Group for their downstream businesses and provision of steady expansion of commercialised IPs within the PRC, through engagement with various cooperation partners which covers different provinces in the PRC. In addition, the Strong Network CGU commenced its business of distribution agency of sports goods.

The recoverable amounts of the Strong Network CGU have been determined on the basis of their value in use using discounted cash flow method.

The cash flow forecasts are prepared based on the most recent financial budgets approved by the senior management of the Group for the next five years from 2019 to 2023 (the "Sense and Strong Network Budget Period") with the residual period.

11. 商譽(續)

(a) 提供物業管理及物業代理服務現金產生單位

提供物業管理及物業代理服務現金產生單位之可收回金額已採用貼現現金流量法根據其使用價值釐定。

董事編製現金流量預測以釐定現金產生單位之可收回金額。

於本期間，本集團已終止提供物業管理及物業代理服務經營業務且該分部已被列為終止經營業務。因此，於期內計提提供物業管理及物業代理服務現金產生單位產生之商譽減值虧損8,158,000港元。

(b) Strong Network現金產生單位

Strong Network現金產生單位為三思傳媒現金產生單位及本集團的下游業務提供主要分銷渠道，並透過與涵蓋中國不同省份的各類合作夥伴接觸穩步擴張中國商業化知識產權。此外，Strong Network現金產生單位開始分銷代理運動用品業務。

Strong Network現金產生單位之可收回金額已採用貼現現金流量法根據其使用價值釐定。

現金流量預測乃基於經本集團高級管理層批准二零一九年至二零二三年未來五年（「三思及Strong Network預算期」）及剩餘期間之最近財務預算作出。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

11. GOODWILL (CONTINUED)

(b) Strong Network CGU (Continued)

The key assumptions for the discounted cash flow method are those regarding the discount rate, growth rate, terminal growth rate, gross margin and turnover during the Sense and Strong Network Budget Period. The Group estimates discount rates using pretax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The terminal growth rate is based on historical growth rate of the geographical area in which the businesses of the CGUs operate. These rates do not exceed the average long-term growth rates for the relevant markets. Budgeted revenue based on past performance and expectations regarding market development and expenses are based on historical performance of the CGUs projected with growth rate not exceed the inflation rate.

Pursuant to the cash flow forecasts, the recoverable amounts of the Strong Network CGU as at 31 December 2018 was assessed to be HK\$42,096,000. The decrease in the recoverable amount of the strong Network CGU mainly due to the decline in budgeted revenue. Accordingly, provision of approximately HK\$26,205,000 for impairment loss on goodwill arising from the Strong Network CGU is considered necessary.

11. 商譽(續)

(b) Strong Network現金產生單位(續)

貼現現金流量法的主要假設與三思及 Strong Network 預算期內貼現率、增長率、終端增長率、毛利率及收入有關。本集團採用可反映目前市場對貨幣時間價值的評估及現金產生單位特定風險的稅前比率以估計貼現率。終端增長率乃以現金產生單位經營業務所在地區的歷史增長率為基準。該等比率並不超過相關市場的平均長期增長率。預算收益乃以市場發展的過往表現及預期為基準及開支乃基於現金產生單位之過往表現釐定，預計增長率不高於通脹率。

根據現金流量預測，Strong Network 現金產生單位於二零一八年十二月三十一日之可收回金額被評估為42,096,000港元。Strong Network 現金產生單位之可收回金額減少主要是由於預算收益減少。因此，須就Strong Network 現金產生單位產生之商譽減值虧損計提26,205,000港元的撥備。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

12. LOAN AND INTEREST RECEIVABLES

12. 應收貸款及利息賬款

		31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
Loan receivables	應收貸款賬款	70,240	108,062
Interest receivables	應收利息賬款	475	1,028
Impairment	減值	-	(20,000)
Net carrying amounts	賬面淨值	70,715	89,090
Less: Balances due within one year included in current assets	減：於一年內到期而計入 流動資產之結餘	(70,715)	(89,090)
Non-current portion	非流動部分	-	-

Loan and interest receivables represent outstanding principals and interest arising from the money lending business of the Group. All of the loan receivables are entered with contractual maturity within 6 months to 12 months. The Group seeks to maintain strict control over its loan and interest receivables in order to minimise credit risk by reviewing the borrowers' financial positions.

The loan receivables are interest-bearing at rates mutually agreed between the contracting parties, ranging from 8% to 12% per annum. As at 31 December 2018, loan receivables were unsecured.

應收貸款及利息賬款指由本集團借貸業務所產生之尚未收回本金及利息。所有該等應收貸款賬款所訂合約到期日介乎於6個月至12個月內。本集團力求維持嚴格控制其應收貸款及利息賬款，透過審查借入人之財務狀況，以降低信貸風險。

應收貸款賬款按訂約方之間相互協定之利率介乎每年8%至12%計息。於二零一八年十二月三十一日，應收貸款賬款為無抵押。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

12. LOAN AND INTEREST RECEIVABLES (CONTINUED)

The loan and interest receivables at the end of the reporting period are analysed by the remaining period to contractual maturity date as follows:

		31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
Receivable:	應收款：		
Within 3 months	三個月內	23,890	1,002
3 months to 1 year	三個月至一年	46,825	88,088
Over 1 year	超過一年	-	-
		70,715	89,090
Less: Current portion of loan and interest receivables	減：應收貸款及利息賬款之流動部分	(70,715)	(89,090)
Non-current portion of loan and interest receivables	應收貸款及利息賬款之非流動部分	-	-

Loan and interest receivables were neither past due nor impaired at the end of the reporting period.

12. 應收貸款及利息賬款(續)

於報告期末，根據合同到期日餘下期間計算之應收貸款及利息賬款之分析如下：

於報告期末，應收貸款及利息賬款概無逾期或減值。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

13. TRADE RECEIVABLES

		31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
Trade receivables	應收貿易賬款	10,305	25,335
Impairment	減值	-	(99)
		10,305	25,236

An aged analysis of trade receivables as at the end of the reporting period, based on invoice date, is as follows:

		31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
Current	即期	4,743	14,245
31-60 days	31-60天	82	6,987
61-90 days	61-90天	47	3,881
91-180 days	91-180天	4,733	123
Over 180 days	超過180天	700	-
		10,305	25,236

The Group's terms on credit sales primarily range from 30 to 180 days (2017: 30 to 180 days).

Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest bearing.

13. 應收貿易賬款

於報告期末，根據發票日期計算之應收貿易賬款之賬齡分析如下：

本集團之除銷期限一般由30天至180天不等(二零一七年：30天至180天)。

高級管理層定期檢討逾期結餘。鑑於上述各項及本集團之應收貿易賬款乃與分散客戶有關，故並無重大信貸風險集中之情況。應收貿易賬款為不計息。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

14. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

14. 現金及現金等值項目及已抵押存款

		31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
Cash and bank balances	現金及銀行結餘	39,135	43,046
Time deposits	定期存款	310	310
		39,445	43,356
Less: Pledged time deposits for securing banking and other facilities	減：為獲取就銀行及其他融資而抵押之定期存款	(310)	(310)
		39,135	43,046

15. TRADE PAYABLES

An aged analysis of trade payables as at the end of the reporting period, based on payment due date, respectively, is as follows:

15. 應付貿易賬款

於報告期末，根據付款到期日計算之應付貿易賬款之賬齡分析如下：

		31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
Current	即期	7,619	10,293
31-60 days	31-60天	3	1,163
61-90 days	61-90天	1,021	107
91-180 days	91-180天	1,309	-
Over 180 days	超過180天	11,112	10,521
		21,064	22,084

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

16. CONVERTIBLE BONDS

The Group issued 2 convertible bonds in August 2017 (the "August 2017 CB") and December 2017 (the "December 2017 CB"), respectively, with details as follows:

The August 2017 CB

On 7 August 2017, the Company issued a zero coupon redeemable convertible bond with nominal value of HK\$70,000,000 due in August 2020, comprising of HK\$40,000,000 (the "1st Tranche Lockup CB") and HK\$30,000,000 (the "2nd Tranche Lockup CB") as part of the consideration for the Sense Media acquisition. The 1st Tranche Lockup CB and the 2nd Tranche Lockup CB are conditionally convertible into ordinary shares of the Company at an initial conversion price of HK\$0.138 per conversion share (subject to adjustments in accordance with the terms of the August 2017 CB).

Based on the conversion price of HK\$0.138 per conversion share (subject to adjustments), a maximum number of 507,246,376 conversion shares will be allotted and issued, representing 18.27% of the existing issued share capital of the Company and approximately 15.45% of the issued share capital of the Company as enlarged by the allotment and issue of the conversion shares.

The 1st Tranche Lockup CB shall be convertible when (i) the audited consolidated financial statements of the Sense Media Group for the first guarantee period is issued and the first year target profit is achieved; and (ii) if the first year target profit is not achieved, full payment of cash compensation has been made to the Company.

The 2nd Tranche Lockup CB shall be convertible when (i) the audited consolidated financial statements of the Sense Media Group for the second guarantee period is issued and the second year target profit is achieved; and (ii) if the second year target profit is not achieved, full payment of the cash compensation has been made to the Company.

16. 可換股債券

本集團分別於二零一七年八月(「二零一七年八月可換股債券」)及二零一七年十二月(「二零一七年十二月可換股債券」)發行2批可換股債券，詳情如下：

二零一七年八月可換股債券

於二零一七年八月七日，本公司發行面值為70,000,000港元並於二零二零年八月到期的零票息可贖回可換股債券，當中包括40,000,000港元(「第一批禁售可換股債券」)及30,000,000港元(「第二批禁售可換股債券」)作為三思收購事項的部分代價。第一批禁售可換股債券及第二批禁售可換股債券可有條件按初步換股價每股換股股份0.138港元(可根據二零一七年八月可換股債券條款予以調整)轉換為本公司普通股。

按換股價每股換股股份0.138港元(可予調整)計算，最多507,246,376股換股股份將予以配發及發行，相當於本公司現有已發行股本之18.27%及經配發及發行換股股份擴大之本公司已發行股本約15.45%。

第一批禁售可換股債券於以下條件獲達成時可予轉換：(i)就首個擔保期間出具三思傳媒集團經審核綜合財務報表及達成第一年目標溢利；及(ii)倘第一年目標溢利未達成，向本公司全數支付現金補償。

第二批禁售可換股債券於以下條件獲達成時可予轉換：(i)就第二個擔保期間出具三思傳媒集團經審核綜合財務報表及達成第二年目標溢利；及(ii)倘第二年目標溢利未達成，向本公司全數支付現金補償。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

16. CONVERTIBLE BONDS (CONTINUED)

The August 2017 CB (Continued)

The fair value of the liability component of the August 2017 CB was calculated using a market interest rate for an equivalent non-convertible bond. The liability component of the August 2017 CB is subsequently stated at amortised cost until extinguished on conversion or maturity of the bonds. The residual amount represented the conversion option and was included in shareholders' equity.

Imputed interest expense on the August 2017 CB is calculated using the effective interest method by applying the effective interest rate of 9.9% per annum.

The December 2017 CB

On 1 December 2017, the Company further issued a convertible bond with nominal value of HK\$100,000,000 carrying a coupon rate of 2.5% due in November 2020. The December 2017 CB is convertible into ordinary shares of the Company at an initial conversion price of HK\$0.181 per conversion share (subject to adjustments in accordance with the terms of the December 2017 CB).

Based on the conversion price of HK\$0.181 per conversion share (subject to adjustments), a maximum number of 552,486,187 conversion shares will be allotted and issued, representing approximately 19.90% of the existing issued share capital of the Company and approximately 16.60% of the issued share capital of the Company as enlarged by the allotment and issue of the conversion shares.

The fair value of the liability component of the December 2017 CB was calculated using a market interest rate for an equivalent non-convertible bond. The liability component of the December 2017 CB is subsequently stated at amortised cost until extinguished on conversion or maturity of the bonds. The residual amount represented the conversion option and was included in shareholders' equity.

Imputed interest expense on the December 2017 CB is calculated using the effective interest method by applying the effective interest rate of 11.9% per annum.

16. 可換股債券(續)

二零一七年八月可換股債券(續)

二零一七年八月可換股債券之負債部份公平值乃使用等同不可換股債券之市場利率計算。二零一七年八月可換股債券之負債部份其後按攤銷成本列賬直至於債券獲轉換或到期時消失為止。剩餘金額反映轉換權，乃列入股東權益。

二零一七年八月可換股債券之推算利息開支乃採用實際利率法，按實際年利率9.9%計算。

二零一七年十二月可換股債券

於二零一七年十二月一日，本公司進一步發行面值為100,000,000港元的可換股債券，票面息率為2.5%，於二零二零年十一月到期。二零一七年十二月可換股債券可按初步換股價每股換股股份0.181港元(可按二零一七年十二月可換股債券的條款予以調整)轉換為本公司普通股。

按換股價每股換股股份0.181港元(可予調整)計算，最多552,486,187股換股股份將予以配發及發行，相當於本公司現有已發行股本約19.90%及經配發及發行換股股份擴大之本公司已發行股本約16.60%。

二零一七年十二月可換股債券之負債部份公平值乃使用等同不可換股債券之市場利率計算。二零一七年十二月可換股債券之負債部份其後按攤銷成本列賬直至於債券獲轉換或到期時消失為止。剩餘金額反映轉換權，乃列入股東權益。

二零一七年十二月可換股債券之推算利息開支乃採用實際利率法，按實際年利率11.9%計算。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

16. CONVERTIBLE BONDS (CONTINUED)

The December 2017 CB (Continued)

The August 2017 CB and the December 2017 CB have been split into the liability and equity components as follows:

16. 可換股債券(續)

二零一七年十二月可換股債券(續)

二零一七年八月可換股債券及二零一七年十二月可換股債券已分為負債及權益部分如下：

		August 2017 CB 二零一七年 八月 可換股債券 HK\$'000 千港元	December 2017 CB 二零一七年 十二月 可換股債券 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Nominal value of convertible bonds issued	發行的可換股債券面值	70,000	100,000	170,000
Equity component	權益部分	(17,259)	(21,164)	(38,423)
Direct transaction costs attributable to the liability component*	負債部分應佔直接交易成本*	-	(1,971)	(1,971)
Liability component at the issuance date	於發行日期的負債部分	52,741	76,865	129,606
Imputed interest expense (note 5)	推算利息開支(附註5)	6,560	10,136	16,696
Interest paid	已付利息	-	(1,451)	(1,451)
Conversion of convertible bonds	兌換可換股債券	(33,471)	-	(33,471)
Liability component at 31 December 2018	於二零一八年十二月三十一日的負債部分	25,830	85,550	111,380
Less: Classified as current portion	減：歸類為流動部分	-	(1,250)	(1,250)
Classified as non-current portion	歸類為非流動部分	25,830	84,300	110,130

* The direct transaction costs arising from the issuance of the December 2017 CB amounted to HK\$2,500,000, of which, HK\$529,000 was attributed to the equity component and the remaining balances of HK\$1,971,000 was attributed to the liability component.

* 發行二零一七年十二月可換股債券產生直接交易成本2,500,000港元，其中權益部分應佔529,000港元，而負債部分應佔餘下結餘1,971,000港元。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

17. SHARE CAPITAL

17. 股本

		(Audited) (已審核)	
		Number of shares 股份數目	Nominal value 面值 HK\$'000 千港元
Authorised:	法定：		
Ordinary shares of HK\$0.01 each, as at 1 July 2017 and 30 June 2018	於二零一七年七月一 日及二零一八年六月 三十日，每股面值 0.01港元之普通股	<u>10,000,000,000</u>	<u>100,000</u>
Issued and fully paid:	已發行及繳足：		
Ordinary shares of HK\$0.01 each as at 1 July 2017 and 30 June 2018	於二零一七年七月一 日及二零一八年六月 三十日，每股面值 0.01港元之普通股	<u>2,776,215,424</u>	<u>27,762</u>

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

17. SHARE CAPITAL (CONTINUED)

17. 股本(續)

		(Unaudited) (未經審核)	
		Number of shares 股份數目	Nominal value 面值 HK\$'000 千港元
		Note 附註	
Authorised:	法定：		
Ordinary shares of HK\$0.01 each as at 1 July 2018 and 31 December 2018	於二零一八年七月一日及二零一八年十二月三十一日之每股面值0.01港元之普通股	10,000,000,000	100,000
Issued and fully paid:	已發行及繳足：		
Ordinary shares of HK\$0.01 each as at 1 July 2018	於二零一八年七月一日之每股面值0.01港元之普通股	2,776,215,424	27,762
Issue of shares upon conversion of convertible bonds	於兌換可換股債券時發行股份	289,855,072	2,899
Ordinary shares of HK\$0.01 each as at 31 December 2018	於二零一八年十二月三十一日之每股面值0.01港元之普通股	3,066,070,496	30,661

Note:

- (a) On 14 September 2018, principal amount of HK\$40,000,000 of the 1st Tranche Lockup CB (as defined in the circular of the Company dated 18 July 2017) was converted into 289,855,072 new shares of the Company at the conversion price of HK\$0.138 per share.

附註：

- (a) 於二零一八年九月十四日，本金為40,000,000港元之第一批禁售可換股債券(定義見本公司日期為二零一七年七月十八日的通函)已按換股價每股0.138港元轉換為本公司289,855,072股新股份。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

18. SHARE OPTION SCHEME

The movement of number of share options under the share option scheme during the period ended 31 December 2018 is as follows:

18. 購股權計劃

以下為截至二零一八年十二月三十一日止期間根據購股權計劃之購股權數目之變動：

Name or category of participant	Number of share options			Date of grant of share options	Exercisable period of share options	Exercise price of share options*
	Outstanding as at 1 July 2018	Granted during the Period	Outstanding as at 31 December 2018			
參與者名稱或所屬類別	於二零一八年七月一日尚未行使	本期間授出	於二零一八年十二月三十一日尚未行使	授出購股權日期	購股權之行使期	購股權之行使價* HK\$ per share 每股港元
Directors						
董事						
Mr. POON Man Sum 潘文森先生	25,000,000	-	25,000,000	12 February 2018 二零一八年二月十二日	12 August 2018 to 11 February 2020 二零一八年八月十二日至 二零二零年二月十一日	0.27
Mr. AI Kuiyu 艾奎宇先生	25,000,000	-	25,000,000	12 February 2018 二零一八年二月十二日	12 August 2018 to 11 February 2020 二零一八年八月十二日至 二零二零年二月十一日	0.27
Employees and other participants	227,000,000	-	227,000,000	12 February 2018 二零一八年二月十二日	12 August 2018 to 11 February 2020 二零一八年八月十二日至 二零二零年二月十一日	0.27
員工及其他參與者						
	<u>277,000,000</u>	<u>-</u>	<u>277,000,000</u>			

* The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

* 購股權之行使價可視乎供股或發行紅股，或本公司股本之其他類似變動而可予調整。

The closing price of the shares of the Company immediately before the date on which these share options were granted was HK\$0.26 per share.

本公司股份於緊接授出該等購股權日期前之收市價為每股0.26港元。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

18. SHARE OPTION SCHEME (CONTINUED)

The Group recognised a total expenses of approximately HK\$1,760,000 during the Period in relation to share options granted by the Company in which, as to approximately (i) HK\$236,000 was included in the directors' remuneration; (ii) approximately HK\$378,000 was included in staff costs; (iii) approximately HK\$226,000 was included in marketing expenses; and (iv) approximately HK\$920,000 was included in legal and professional expenses.

No options were granted, exercised, expired or lapsed under the Group's existing share option scheme during the Period.

18. 購股權計劃(續)

本集團於本期間就本公司授出的購股權確認總開支約1,760,000港元，其中(i) 約236,000港元已計入董事酬金；(ii) 約378,000港元已計入員工成本；(iii) 約226,000港元已計入營銷開支；及(iv) 約920,000港元已計入法律及專業費用。

概無購股權於本期間根據本集團現有購股權計劃被授出、行使、屆滿或失效。

19. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value

19. 財務工具公平值

公平值層級

下表列示本集團財務工具的公平值計量層級：

按公平值計量的資產

		Fair value measurement using 公平值計量使用							
		Quoted prices in active markets (level 1) 於活躍市場報價(第一級)		Significant observable inputs (level 2) 重大可觀察輸入數據(第二級)		Significant unobservable inputs (level 3) 重大不可觀察輸入數據(第三級)		Total 總計	
		31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Audited) (經審核)	31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Audited) (經審核)	31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Audited) (經審核)	31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
Assets measured at fair value	按公平值計量的資產								
Equity investments at fair value through other comprehensive income	按公平值計入其他全面收益之股本投資	-	-	-	-	10,000	13,000	10,000	13,000
Equity investments at fair value through profit or loss	按公平值計入損益之股本投資	35,351	40,995	-	-	-	-	35,351	40,995

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

19. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy (Continued)

Assets measured at fair value (Continued)

19. 財務工具公平值(續)

公平值層級(續)

按公平值計量的資產(續)

		Fair value measurement using 公平值計量使用							
		Quoted prices in active markets (level 1) 於活躍市場報價(第一級)		Significant observable inputs (level 2) 重大可觀察輸入數據(第二級)		Significant unobservable inputs (level 3) 重大不可觀察輸入數據(第三級)		Total 總計	
		31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Audited) (經審核)	31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Audited) (經審核)	31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Audited) (經審核)	31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	30 June 2018 於二零一八年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
Liabilities measured at fair value	按公平值計量的負債								
Contingent consideration payable	應付或然代價	-	-	-	-	-	25,870	-	25,870

20. OPERATING LEASE ARRANGEMENTS

The Group leases certain of its office properties and staff quarters under operating lease arrangements. Such leases are negotiated for terms ranging from one to three years.

20. 經營租約安排

本集團根據經營租約安排租用若干辦公室物業及員工宿舍。經協商之物業租賃期介乎一至三年。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

20. OPERATING LEASE ARRANGEMENTS(CONTINUED)

At 31 December 2018, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		As at 31 December 十二月三十一日	
		2018 於二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 於二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)
Within one year	一年內	6,365	4,175
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	4,833	5,008
		11,198	9,183

20. 經營租約安排(續)

於二零一八年十二月三十一日，根據不可撤銷經營租約，本集團須按以下年期支付未來最低應付租金總額如下：

21. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current period's presentation.

22. EVENTS AFTER THE END OF THE REPORTING PERIOD

There is no significant event after the end of the reporting period.

21. 比較數字

若干比較數字已重列以符合本期間之呈列方式。

22. 報告期末後事項

報告期末後並無發生重大事項。

FINANCIAL REVIEW

Continuing Operations

Revenue

During the Period, the Group recorded an unaudited consolidated revenue of approximately HK\$99,961,000 (six months ended 31 December 2017: approximately HK\$151,537,000), representing a decrease of approximately 34%.

The consolidated revenue for the Period from continuing operations was mainly contributed by the revenue of (i) the e-commerce business of approximately HK\$69,353,000; (ii) the money lending business of approximately HK\$3,919,000; and (iii) franchise income arising from IP rights licensing, international IP development, media integrated marketing, and distribution agency of sports goods of approximately HK\$26,689,000.

The intense competition in the e-commerce industry has led to a decline of revenue of the Group, which outweighed the income growth and contribution from new businesses of the Group.

Gross Profit and Gross Profit Margin

The gross profit dropped from approximately HK\$46,086,000 during the corresponding period in last year to approximately HK\$30,976,000 during the Period, representing a drop of approximately 33%, while the gross profit margin increased from approximately 30% to 31%, representing an increase of approximately 1%.

Other Income and Gains

The increase of other income and gains mainly attributable to the reversal of the provision for litigation fee of e-commerce business of approximately HK\$10,363,000.

Selling and Distribution Costs

The expenses mainly attributable to e-commerce business. The drop in the expenses was resulted from (i) the decrease in revenue of e-commerce business; (ii) decrease of transportation cost of approximately HK\$11,460,000 due to change in sales mix; and (iii) adoption of fiscal austerity policies during the Period.

Administrative and other expenses

The decrease in the expenses was mainly attributable to lesser general administrative expenses incurred by adoption of fiscal austerity policies.

財務回顧

持續經營業務

收入

於本期間，本集團未經審核綜合收入為約99,961,000港元(截至二零一七年十二月三十一日止六個月：約151,537,000港元)，減少約34%。

本期間的持續經營業務綜合收益主要來自(i)電子商務業務的收益約69,353,000港元；(ii)借貸業務的收益約3,919,000港元；及(iii)知識產權授權產生的特許經營之收入、國際知識產權開發、媒體綜合營銷以及分銷代理運動用品的收入約26,689,000港元。

電子商務行業競爭激烈，導致本集團收益進一步下跌，而其影響大於本集團新業務的收入增長及貢獻。

毛利及毛利率

毛利由去年同期約為46,086,000港元下降至本期間約為30,976,000港元，減少約33%。而毛利率由約30%上升至31%，較去年上升約1%。

其他收入及收益

其他收入及收益增加主要由於撥回電子業務之訴訟費用撥備約10,363,000港元。

銷售及分銷成本

費用主要產生自電子商務業務，費用下降乃由於本期間內(i)電子商務業務的收益減少；(ii)銷售組合變更導致運輸成本減少約11,460,000港元；(iii)採取財政緊縮政策。

行政及其他費用

費用減少主要由於採納財政緊縮政策引致一般行政費用減少。

Review of Operations

業務回顧

Finance Costs

The finance costs during the Period amounted to approximately HK\$6,672,000 (six months ended 31 December 2017: HK\$3,639,000). The increase in the finance costs was attributable to the imputed interest expense of the convertible bonds issued during the Period.

Loss for the Period

The Group recorded a loss of approximately HK\$41,022,000 during the Period and representing an increase of approximately 9% as compared with that of the corresponding period in last year of approximately HK\$37,666,000.

Even though there is profits from the new business segments of the Group, the profits was fully outweighed by:

- the loss on disposal of the available-for-sales investments;
- the continuing loss from e-commerce business; and
- increase in finance costs.

Discontinued Operation – Property management and property agency services

The Group ceased the operation of the provision of property management and property agency services during the Period. For details, please refer to note 9.

BUSINESS REVIEW

Continuing operation

(i) E-commerce

The Group engaged in the business of e-commerce mainly through its B2C foreign trade e-commerce on-line sales platform, namely DX.com. The e-commerce business of the Group has been adversely affected by the increasingly intensifying competition within the e-commerce industry in recent years. The Group's platform recorded a continuous decrease in revenue from HK\$139,735,000 for the same period last year to HK\$69,353,000 for the current period. Gross profit margin dropped from 25.9% to approximately 18.1%.

To cope with the adverse business environment, the Group has adopted fiscal austerity policies to control its cost and extended the range of its trading products. Further, the Group will continue to develop its back-end system and shopping process optimization.

融資成本

本期間的融資成本約為6,672,000港元(截至二零一七年十二月三十一日止六個月：3,639,000港元)。財務費用增加因本期間內發行可換股債券之推算利息開支。

本期間虧損

本集團於本期間錄得虧損約為41,022,000港元，與去年同期約為37,666,000港元相比增加約9%。

儘管本集團新業務分部產生溢利，但溢利被以下各項完全蓋過：

- 出售可供出售投資的虧損；
- 電子商務業務的持續虧損；及
- 財務費用增加。

終止經營業務—物業管理及物業代理服務

本集團於本期間停止提供物業管理及物業代理服務。有關詳情，請參閱附註9。

業務回顧

持續經營業務

(i) 電子商務業務

本集團的電子商務業務主要藉外貿電子商務網上銷售平台DX.com以企業對消費者方式經營。近年來，電子商務行業競爭日漸加劇，本集團電子商務業務因而受到不利影響。本集團的平台收入持續下跌，由去年同期139,735,000港元下跌至本期間69,353,000港元。毛利率由25.9%下跌至約18.1%。

為應對不利營商環境，本集團已採納財務緊縮政策以控制其成本，並擴大貿易產品範圍。此外，本集團會繼續發展其後台系統及優化採購流程。

Review of Operations 業務回顧

The e-commerce business of the Group is carried on through its wholly-owned subsidiary EPRO E-Commerce Group Limited (“EPRO”) and its subsidiaries (the “EPRO Group”). By the introduction of a new investor of EPRO in August 2017, the Group’s equity interest in EPRO was reduced from 100% to 51%, accordingly. The Group expects to reduce its funding commitment to the EPRO Group in the foreseeable future.

(ii) Money-lending

During the Period, the revenue of the Group’s money-lending business amounted to HK\$3,919,000 (2017: HK\$4,669,000). Further, the Group offered loans to clients at an interest rate ranging from 8% to 12%. The Group will continue to maintain a balanced portfolio, and review its loan portfolio so as to control the risks of debt default.

Subsequent to the end of the reporting period, a loan receivable amounted to HK\$20,000,000 was default. The Group has made sufficient provision regarding the loan receivable as at 31 December 2018.

(iii) IP rights licensing and international IP development, media integrated marketing and distribution agency of sports goods business

The Group marched into the IP rights licensing and international IP development and the media integrated marketing business upon the completion of the acquisition of Sense Media Group Limited (together with its subsidiaries, the “Sense Media Group”). The Sense Media Group positioned itself as a comprehensive operation platform for IP rights, specialising in media integrated marketing business, including provision of integrated marketing, planning and design service for brands. It capitalises on the abundant resources available within the Greater China region and the strong operational flexibility of the Company, and conducts product design and commercial operation in respect of licensed IP rights and brands. Sense Media Group is also a pioneer of the “Intellectual Property + Augmented Reality + Food & Beverage” business concept in China. Its licensed IP rights “Le Petit Chef” and “Dinner Time Story: Marco Polo”, were licensed out to various users and had generated new business opportunities and revenue to the Group. During the Period, the revenue of approximately HK\$6,106,000 was generated for the Group from such business.

本集團之電子商務業務是通過其全資附屬公司EPRO E-Commerce Group Limited (「EPRO」)及其附屬公司(「EPRO集團」)進行。藉於二零一七年八月為EPRO引入新投資者，本集團持有之EPRO股權因此由100%減少至51%。本集團預期於可見將來減少其對EPRO集團之資金承擔。

(ii) 借貸業務

於本期間內，本集團之借貸業務錄得3,919,000港元(二零一七年：4,669,000港元)收入。此外，本集團向客戶提供貸款，利率介乎8%至12%。本集團將繼續維持均衡的組合及審視貸款組合以控制債務違約風險。

於報告期末後，已違約之應收貸款金額為20,000,000港元。本集團於二零一八年十二月三十一日已就相關應收貸款作出充足撥備。

(iii) 知識產權授權及國際知識產權開發、媒體綜合營銷以及分銷代理運動用品業務

本集團於完成收購三思傳媒有限公司(連同其附屬公司，統稱「三思傳媒集團」)後進軍知識產權授權及國際知識產權開發，以及媒體綜合營銷業務。三思傳媒集團將其定位為知識產權綜合運營平台，專門從事媒體綜合營銷業務，包括為品牌提供綜合營銷、規劃及設計服務。其利用大中華地區內可用的豐富資源及本公司的強勁經營靈活性，對授權知識產權及品牌進行產品設計以及商業運作。三思傳媒集團亦是中國「知識產權+增強現實技術+餐飲」經營理念的先驅。其授權知識產權「Le Petit Chef」及「『晚餐故事』：Marco Polo」已授出予不同用戶及為本集團帶來新商機及收入。於本期間，此業務為本集團產生收入約6,106,000港元。

Review of Operations

業務回顧

Further, in January 2018, the Group acquired (the "Strong Network Acquisition") Strong Network International Limited (together with its subsidiaries, the "Strong Network Group"), a service provider for distribution agency, sales and marketing channel of licensed IP products, with its distribution channel within the PRC through engagement with various cooperation partners which cover different provinces of the PRC. In addition, Strong Network Group commenced its business of distribution agency of sports goods in February 2018.

During the Period, the business has been adversely affected by the business environment and failed to meet the profit guarantee of HK\$10,000,000 for the financial year ending 31 December 2018, hence, the remaining of HK\$30,000,000 of the consideration is waived. Contingent consideration payable of approximately HK\$26,205,000 has been written off and impairment on goodwill of approximately HK\$26,205,000 has been made during the period in view of the latest development and lowered projected profit. Strong Network Group contributed a revenue of approximately HK\$20,653,000 to the Group during the Period.

Discontinued Operation – Property management and property agency services

The property management and property agency services business has been adversely affected by the intensifying competition within the industry. During the period, the Group has ceased its operation in view of the latest development and prospect of the segment. As at 31 December 2018, a provision of impairment loss on goodwill of HK\$8,158,000 (30 June 2018: HK\$8,251,000) has been made by the Group. During the Period, the revenue of property management and property agency services decreased from approximately HK\$5,516,000 in the same period in 2017 to approximately HK\$30,000.

此外，於二零一八年一月，本集團收購了 Strong Network International Limited (連同其附屬公司，統稱「Strong Network 集團」) (「Strong Network 收購事項」)，該集團為授權知識產權產品的分銷代理、銷售及營銷渠道服務供應商，透過其於中國的分銷渠道與涵蓋中國不同省份的各類合作夥伴接觸。此外，Strong Network 集團於二零一八年二月開展分銷代理運動用品的業務。

於本期間，該業務受業務環境造成不利影響，且於截至二零一八年十二月三十一日止財政年度未能達成 10,000,000 港元溢利擔保，因此，餘下代價 30,000,000 港元已獲豁免，應付或然代價約 26,205,000 港元已於本期間撤回。鑒於最新發展及較低的預測溢利，本期間已就商譽減值作出撥備約 26,205,000 港元。Strong Network 集團於本期間為本集團貢獻收入約 20,653,000 港元。

終止經營業務—物業管理及物業代理服務業務

由於物業管理及物業代理服務行業競爭日漸加劇，物業管理及物業代理服務業務因而受到不利影響。於本期間，鑒於該分部的最新發展及前景，本集團已終止其經營。於二零一八年十二月三十一日，本集團已作出商譽減值虧損撥備 8,158,000 港元 (二零一八年六月三十日：8,251,000 港元)。於本期間，物業管理及物業代理服務收入由二零一七年同期約 5,516,000 港元下跌至約 30,000 港元。

PROSPECT

The Group has been patiently exploring various potential business opportunities to diversify its sources of revenue.

The Board believes that the outlook of licensed IP rights business is challenging but still with potential for development, in particular, through leveraging on the development of internet technology and the upgrade of domestic consumer industries. The board believes that by being a pioneer in the IP commercialisation industry, the financial performance of the Group will be benefited and the Group's commencement of operations in the areas of media integrated marketing and distribution agency of sports goods will further diversify the sources of income of the Group.

The Board considers that while Sense Media Group focuses on the sourcing and procurement of IP with the capabilities to disseminate its IP portfolio within certain major cities in the PRC, the core focus of Strong Network Group is and will continue to be the nation-wide distributor of commercialised IPs. Though the performance of Strong Network Group was below expectation and the business environment is challenging, the Board is of the view that the distribution channel of Strong Network Group will assist the development of the Group's IP commercialisation business.

Looking ahead, in respect of the e-commerce business, the Group will strive to control its costs and expand its clientele in order to maintain its competitiveness.

The Board is of the view that the above mentioned series of new measures and acquisitions had laid a solid foundation for the diversification of the Group's development, and will provide new impetus to the Group's growth and benefit the long-term development of the Group. The Group will continue to widen its business scope to generate fruitful returns for its shareholders.

前景

本集團一直耐心開拓不同潛在商機，以擴闊收入來源。

董事會相信授權知識產權業務的前景是有挑戰性，但仍具有發展潛力的，尤其是透過利用互聯網科技之發展及國內消費產業升級。董事會認為成為知識產權商業化行業的先驅者將有利於本集團的財務表現，而本集團開展媒體綜合營銷及分銷代理運動用品領域之業務將進一步擴闊本集團的收入來源。

董事會認為三思傳媒集團專注於採購知識產權並有能力在中國若干主要城市內傳播其知識產權組合，Strong Network集團的核心重點為成為並將繼續成為商業化知識產權之全國分銷商。儘管Strong Network集團的表現低於預期，營商環境充滿挑戰，但董事會認為Strong Network集團的分銷渠道將促進本集團知識產權商業化業務的發展。

展望未來，就電子商務業務而言，本集團會致力控制成本及擴大客戶群，以維持此業務之競爭力。

董事會認為，上述一系列的新舉措及收購事項已為本集團多元化發展奠定堅實基礎並將為本集團之增長提供新的發展動力，有利本集團之長遠發展。本集團將繼續開拓業務版圖，致力為其股東締造理想回報。

Review of Operations

業務回顧

LIQUIDITY AND FINANCIAL RESOURCES

During the Period, the Group financed its operations by internally generated cash flow and proceeds from issuance of convertible bonds.

As at 31 December 2018, the consolidated shareholders' equity, current assets and net current assets of the Group were approximately HK\$206,086,000 (as at 30 June 2018: HK\$213,217,000), HK\$223,162,000 (as at 30 June 2018: HK\$284,799,000) and HK\$177,825,000 (as at 30 June 2018: HK\$191,873,000) respectively.

In respect of the Group's total current assets, trade receivables and loan and interest receivables (net of provision for doubtful debts) accounted for approximately 36.3% (as at 30 June 2018: 40.1%) whilst pledged deposits, cash and cash equivalents accounted for approximately 17.7% (as at 30 June 2018: 15.2%). As at 31 December 2018, the Group's pledged deposits amounted to approximately HK\$310,000 (as at 30 June 2018: HK\$310,000) and cash and cash equivalents amounted to HK\$39,135,000 (as at 30 June 2018: HK\$43,046,000).

The Group's cash and cash equivalents were denominated in Hong Kong dollars, Pound Sterling, Euro, Renminbi, Canadian dollars, Swiss Franc, Australian dollars, Japanese Yen, Mexican Peso, Brazilian Real, Argentine Peso and United States dollars.

As at 31 December 2018, there was no bank or other borrowings (as at 30 June 2018: Nil), and there was no revolving loan facility from other financial institution (as at 30 June 2018: Nil).

MATERIAL ACQUISITIONS, DISPOSALS AND SIGNIFICANT INVESTMENTS

- (i) Save as disclosed in note 19 of the condensed consolidated financial statement and business review, the Group did not make any material acquisition or disposal of subsidiaries during the six months ended 31 December 2018.

流動資金及財務資源

於本期間，本集團以內部產生之現金流量及發行可換股債券之所得款項，為其營運提供資金。

於二零一八年十二月三十一日，本集團之綜合股東權益、流動資產及流動資產淨值，分別約為206,086,000港元(於二零一八年六月三十日：213,217,000港元)、223,162,000港元(於二零一八年六月三十日：284,799,000港元)及177,825,000港元(於二零一八年六月三十日：191,873,000港元)。

就本集團之流動資產總額而言，應收貿易賬款及應收貸款及利息賬款(扣除呆賬撥備)約佔36.3%(於二零一八年六月三十日：40.1%)，而已抵押存款、現金及現金等值項目則約佔17.7%(於二零一八年六月三十日：15.2%)。於二零一八年十二月三十一日，本集團之已抵押存款約為310,000港元(於二零一八年六月三十日：310,000港元)以及現金及現金等值項目為39,135,000港元(於二零一八年六月三十日：43,046,000港元)。

本集團現金及現金等值項目乃以港元、英鎊、歐元、人民幣、加拿大元、瑞士法郎、澳元、日元、墨西哥披索、巴西雷亞爾、阿根廷比索及美元計值。

於二零一八年十二月三十一日，概無銀行及其他借款(於二零一八年六月三十日：無)，亦無自其他金融機構取得循環貸款(於二零一八年六月三十日：無)。

重大收購、出售事項及重大投資

- (i) 除簡明綜合財務報表附註19及業務回顧所披露，本集團於截至二零一八年十二月三十一日止六個月並無任何重大收購或出售附屬公司之事項。

(ii) Significant Investment

The Directors consider that investment with a market value that account for more than 5% of the Group's total assets as at the end of the reporting period as significant investment. The details of the equity shares investment as at 31 December 2018 is set out below:

(ii) 重大投資

董事認為，市值佔本集團於報告期末之總資產超過5%之投資屬於重要投資。二零一八年十二月三十一日的權益股份投資之詳情載列如下：

Description of investment	Number of shares held as at 31 December 2018	Percentage of total issued share capital of the investee company as at 31 December 2018	Carrying amount as at 31 December 2018	Percentage to the Group's audited total assets as at 31 December 2018	Number of shares held as at 30 June 2018	Percentage of total issued share capital of the investee company as at 30 June 2018	Market value as at 30 June 2018	Percentage to the Group's audited total assets as at 30 June 2018
		佔被投資公司於二零一八年十二月三十一日已發行股本總額之百分比		佔本集團於二零一八年十二月三十一日之經審核總資產之百分比		佔被投資公司於二零一八年六月三十日已發行股本總額之百分比		佔本集團於二零一八年六月三十日之經審核總資產之百分比
投資概述	於二零一八年十二月三十一日所持股份數目	佔被投資公司於二零一八年十二月三十一日已發行股本總額之百分比	於二零一八年十二月三十一日之賬面值 HK\$'000 千港元	佔本集團於二零一八年十二月三十一日之經審核總資產之百分比	於二零一八年六月三十日所持股份數目	佔被投資公司於二零一八年六月三十日已發行股本總額之百分比	於二零一八年六月三十日之市值	佔本集團於二零一八年六月三十日之經審核總資產之百分比 HK\$'000 千港元
Financial assets measured at fair value through other comprehensive income								
按公平值計入其他全面收益之金融資產								
Unlisted investments, at cost								
非上市投資，按成本								
Flowerfruit Limited	25	20.00%	10,000	2.77%	25	20.00%	10,000	0.66%
Other investments			-				3,000	
其他投資			-				3,000	
			<u>10,000</u>				<u>13,000</u>	
Equity investments at fair value through profit or loss								
按公平值計入損益之股本投資								
Listed investments, at fair value								
上市股份，按公平值								
Season Pacific Holdings Limited (note a)								
雲裳衣控股有限公司(附註a)	31,302,000	1.04%	14,712	4.07%	35,002,000	3.11%	21,001	4.60%
Yadea Group Holdings Limited (note b)								
雅迪集團控股有限公司(附註b)	-	-	-	-	4,000,000	0.13%	11,640	2.55%
Wan Kei Group Holdings Limited (note c)								
宏基集團控股有限公司(附註c)	27,890,000	2.91%	20,639	5.71%	-	-	-	-
Other listed equity investments								
其他上市股份			-	-			8,354	1.83%
			<u>35,351</u>				<u>40,995</u>	

Review of Operations

業務回顧

Performance of the Group's significant investments for the period and its future prospects

(a) Season Pacific Holdings Limited ("Season Pacific")

As at 31 December 2018, the Company acquired 31,302,000 shares of Season Pacific at investment cost of approximately HK\$18,951,000.

Season Pacific (the shares of which are listed on Main Board of the Stock Exchange (stock code: 1709)) is principally engaged in the sales of apparel products and the provision of supply chain management total solutions to customers.

As disclosed in the interim report of Season Pacific for the period ended 30 September 2018, Season Pacific recorded a net loss of approximately HK\$3,271,000 for the six months period ended 30 September 2018 as compared with that of approximately HK\$16,923,000 for the corresponding period in 2017 with a decrease of approximately 119.33%.

Season Pacific has been strategically diversifying its customer geographic allocation and expanding its market share in the industry of apparel products and provision of supply chain management total solutions. There was a significant increase in sales from European customers which included amongst others, sales to one of the world's largest fashion retailers headquartered in Spain. The Directors consider that it will enjoy the benefit of a larger share in the recovery of Europe economy.

(b) Yadea Group Holdings Limited ("Yadea Holdings")

As at 30 June 2018, the Company acquired 4,000,000 shares of Yadea Holdings at investment cost of approximately HK\$12,450,000. The Group disposed all shares of Yadea Holdings during the period and loss of disposal of approximately HK\$645,000 was recognised.

Yadea Holdings (the shares of which are listed on Main Board of the Stock Exchange (stock code: 1585)) is principally engaged in the development, manufacture and sale of electric vehicles and related accessories in the PRC.

本集團於本期間之主要投資之表現及未來前景

(a) 雲裳衣控股有限公司(「雲裳衣控股」)

於二零一八年十二月三十一日，本公司已收購31,302,000股雲裳衣控股股份，投資成本約為18,951,000港元。

雲裳衣控股(其股份於聯交所主板上市(股份代號：1709))主要從事服裝產品銷售及向客戶提供供應鏈管理總體解決方案。

誠如雲裳衣控股截至二零一八年九月三十日止中期報告所披露，雲裳衣控股於截至二零一八年九月三十日止六個月期間錄得虧損約為3,271,000港元，較二零一七年同期的約16,923,000港元下降約119.33%。

雲裳衣控股一直在戰略性地使其客戶地理分配多樣化，並擴大其在服裝產品和提供供應鏈管理整體解決方案中的市場份額。歐洲客戶的銷售額大幅增加，其中包括向總部位於西班牙的全球最大時裝零售商之一的銷售。董事認為，它將在歐洲經濟復甦中享有更大份額的利益。

(b) 雅迪集團控股有限公司(「雅迪控股」)

於二零一八年六月三十日，本公司已收購4,000,000股雅迪控股股份，投資成本約為12,450,000港元。於本期間，本集團已出售所有雅迪控股股份，確認出售虧損約645,000港元。

雅迪控股(其股份於聯交所主板上市(股份代號：1585))主要在中國從事電動車及相關配件的開發、製造及銷售。

Review of Operations 業務回顧

As disclosed in the interim results of Yadea Holdings for the six months ended 30 June 2018, Yadea Holdings recorded a net profit of approximately RMB195,269,000 for the six months ended 30 June 2018 as compared with that of approximately RMB171,591,000 for the corresponding period in 2017 with an increase of approximately 13.80%.

(c) Wan Kei Group Holdings Limited (“Wan Kei”)

As at 31 December 2018, the Company acquired 27,890,000 shares of Wan Kei at investment cost of approximately HK\$21,957,000.

Wan Kei (the shares of which are listed on Main Board of the Stock Exchange (stock code: 1718)) is principally engaged in the provision of foundation construction; ground investigation services; and financial services.

As disclosed in the interim report of Wan Kei for the six months ended 30 September 2018, Wan Kei recorded a decrease in revenue from HK\$139,530,000 to HK\$78,929,000, and loss attributable to the equity shareholders for the six months ended 30 September 2018 increased from HK\$26,371,000 to HK\$34,321,000.

The Directors consider that although the growth of the overall foundation industry in Hong Kong may slow down in the coming years with intense competition continued to impact the foundation industry in Hong Kong, the Directors are of the view that the market for public sector construction sites will start to improve. The Directors are confident that the investment will ultimately contribute to increasing shareholder value.

誠如雅迪控股截至二零一八年六月三十日之止六個月之中期業績所披露，雅迪控股於截至二零一八年六月三十日止六個月錄得純利約為人民幣195,269,000元，較二零一七年同期的約人民幣171,591,000元上升約13.80%。

(c) 宏基集團控股有限公司(「宏基」)

於二零一八年十二月三十一日，本公司已收購27,890,000股宏基股份，投資成本約為21,957,000港元。

宏基((其股份於聯交所主板上市(股份代號：1718))主要從事地基建築、土地勘測服務及金融服務。

誠如宏基截至二零一八年九月三十日止六個月之中期報告所披露，宏基於截至二零一八年九月三十日止六個月錄得之收入由139,530,000港元減少至78,929,000港元，權益股東應佔虧損由26,371,000港元增加至34,321,000港元。

董事認為，儘管激烈競爭持續影響香港地基行業，香港整體地基行業的增長於來年將有所放緩，但公共區域建築地盤市場將開始改善。董事相信，該項投資最終將有助於提升股東價值。

Review of Operations

業務回顧

General

The Group will continuously and closely monitor the performance of its investments and the market trend.

Regarding the Group's equity investments at fair value through profit or loss, a fair value loss of approximately HK\$8,326,000 was recorded during the Period (2017: gain of approximately HK\$5,862,000), which consisted of (i) approximately HK\$3,533,000 loss due to change in fair value and (ii) approximately HK\$4,793,000 fair value loss recognised upon disposal.

During the three months ended 30 September 2017, the available-for-sales investments of the Group recorded a fair value loss of approximately HK\$5,700,000, which was included in the investment reserve.

Save for the above, the Company had no other significant investments and material acquisitions or disposals during the Period.

GEARING RATIO

As at 31 December 2018, the gearing ratio of the Group as a ratio of net debt divided by the total capital plus net debt was approximately 36% (as at 30 June 2018: 48%). Net debt includes trade payables, other payables and accruals, deposits received in advance, convertible bonds and contingent considerations payable less pledged deposits and cash and cash equivalents.

CAPITAL STRUCTURE

The Group mainly finances its operation with internally resources and proceeds from various fund raising. The Group continued to exert stringent control over treasury policies.

On 14 September 2018, principal amount of HK\$40,000,000 of the 1st Tranche Lockup CB (as defined in the circular of the Company dated 18 July 2017) was converted into 289,855,072 new shares of the Company at the conversion price of HK\$0.138 per share.

一般事項

本集團將持續密切監控投資表現及市場趨勢。

於本期間，本集團之按公平值計入損益之股本投資錄得公平值虧損約8,326,000港元(二零一七年：收益約5,862,000港元)，其中包括(i)因公平值變動產生之虧損約3,533,000港元及(ii)因出售確認之公平值虧損約4,793,000港元。

於截至二零一七年九月三十日止三個月，本集團之可供出售投資錄得公平值虧損約5,700,000港元，已計入投資儲備。

除上述外，本公司於本期間內並無作出任何其他重大投資及重大收購或出售事項。

資產負債比率

於二零一八年十二月三十一日，本集團之資產負債比率(按債務淨值除以總資本加上債務淨值)約36%(於二零一八年六月三十日：48%)。債務淨值包括應付貿易賬款、其他應付款項及應計費用、預收按金、可換股債券及應付或然代價減已抵押存款及現金及現金等值項目。

資本架構

本集團主要以內部資源及不同的集資活動之所得款項為其業務撥資。本集團繼續對庫務政策實施嚴格控制。

於二零一八年九月十四日，本金為40,000,000港元之第一批禁售可換股債券(定義見本公司日期為二零一七年七月十八日的通函)已按換股價每股0.138港元轉換為本公司289,855,072股新股份。

CHARGES ON ASSETS

As at 30 June 2018, included in the prepayments, deposits and other receivables were the balances of US\$5,000,000 (equivalent to approximately HK\$39,000,000) (as at 30 June 2018: US\$5,000,000 equivalent to approximately HK\$39,000,000), which were frozen by Silicon Valley Bank and were temporarily restrained from use as the Group was involved in a litigation. During the Period, the District Court entered an order on the Permanent Injunction and Final Judgement On Consent and release all restrictions placed on EPRO EComm's account with the bank. Accordingly, the restrain on the frozen amount shall be lifted. Detail of which are stated in section headed "Litigation".

CONTINGENT LIABILITIES

As at 31 December 2018, the Group did not have any significant contingent liabilities.

FOREIGN CURRENCY RISK

The Group mainly generated revenue and incurred costs in Hong Kong dollars, Renminbi, Euro and United States dollars.

In accordance with the Group's conservative treasury policy, the Group had not entered any forward contract for hedging during the Period. The Group will keep on monitoring the foreign currency risk and consider any tool for hedging if necessary.

As at 31 December 2018, the Group has no outstanding forward exchange contracts (as at 30 June 2018: Nil).

資產抵押

於二零一八年六月三十日，在預付款項、按金及其他應收款項內有5,000,000美元(相等於約39,000,000港元)(於二零一八年六月三十日：5,000,000美元(相等於約39,000,000港元))被Silicon Valley Bank凍結。因本集團牽涉在一項訴訟內，所以該凍結款項暫時禁制動用。於本期間，區域法院已頒佈關於同意書的永久禁令及最終判決的命令，解除對易寶電子商務銀行賬戶施加的所有限制。因此，對已凍結金額的限制將會取消。有關詳情載於「訴訟」一節。

或然負債

本集團於二零一八年十二月三十一日沒有任何重大之或然負債。

外匯風險

本集團之所得收入及所致成本主要以港元、人民幣、歐元及美元結算。

根據本集團之穩健庫務政策，本集團於期內並無訂定任何遠期合約作對沖。本集團將繼續監察外匯風險並於需要時考慮適當工具作對沖。

於二零一八年十二月三十一日，本集團並無任何未償還之外匯遠期合約(於二零一八年六月三十日：無)。

Report of the Directors

董事會報告

DISCLOSURE OF INTERESTS UNDER PART XV OF THE SECURITIES AND FUTURES ORDINANCE (THE "SFO")

A. Directors and Chief Executives

As at 31 December 2018, the interests of the Directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of the Company as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

1. Interests in shares of the Company

No such interest was reported by the Directors.

2. Interests in underlying shares of the Company (physically settled equity derivatives)

根據證券及期貨條例(「證券及期貨條例」)第XV部披露權益

A. 董事及主要行政人員

於二零一八年十二月三十一日，本公司董事及主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中擁有須記入本公司根據證券及期貨條例第352條存置之登記冊之任何權益，或根據GEM上市規則第5.46條所載本公司董事進行買賣之規定標準須知會本公司及聯交所之任何權益如下：

1. 於本公司股份之權益

董事並無呈報該權益。

2. 於本公司相關股份之權益(實物交付股本衍生工具)

Name of director	Capacity	Number of underlying shares in respect of the options granted	Percentage of the underlying shares over the Company's issued share capital*
董事姓名	身份	已授出購股權涉及之相關股份數目	相關股份佔本公司已發行股本百分比*
Mr. Poon Man Sum 潘文森先生	Beneficial owner 實益擁有人	25,000,000	0.8%
Mr. Ai Kuiyu 艾奎宇先生	Beneficial owner 實益擁有人	25,000,000	0.8%

Details of the above share options as required to be disclosed by the GEM Listing Rules have been disclosed in note 18.

上述按GEM上市規則規定須披露之購股權詳情於附註18披露。

* The percentage represents the number of underlying shares interested divided by the number of issued shares of the Company as at 31 December 2018.

* 該百分比指擁有權益之相關股份數目除以本公司於二零一八年十二月三十一日之已發行股份數目。

Report of the Directors 董事會報告

Save as disclosed above, as at 31 December 2018, none of the Directors nor the chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of the Company as referred to in Rule 5.46 of the GEM Listing Rules.

B. Substantial Shareholders

As at 31 December 2018, the following parties had interests of 5% or more in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

(1) Ordinary shares of the Company

Name of substantial shareholder	Capacity	Long position/ Short position	Number of ordinary shares interested	Percentage of issued share capital*
主要股東名稱	身份	好倉/淡倉	擁有權益之普通股數目	佔已發行股本百分比*
Great Capital (H.K.) Limited 港富(香港)有限公司	Beneficial owner 實益擁有人	Long 好倉	198,288,000 (note (i)) (附註(i))	6.47%
Swift Success Enterprises Limited	Interest of controlled corporation 受控制法團權益	Long 好倉	198,288,000 (note (i)) (附註(i))	6.47%
Mr. XIA Boyu 夏博宇先生	Interest of controlled corporations 受控制法團權益	Long 好倉	198,288,000 (note (i)) (附註(i))	6.47%
	Beneficial owner 實益擁有人	Long 好倉	69,264,000	2.26%
Sense Media Group Holdings Limited	Beneficial owner 實益擁有人	Long 好倉	289,855,072 (note (ii)) (附註(ii))	9.45%

除上文所披露者外，於二零一八年十二月三十一日，本公司董事或主要行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中擁有須列入本公司根據證券及期貨條例第352條予以存置之登記冊內之任何權益或淡倉，或根據GEM上市規則第5.46條所載本公司董事進行買賣之規定標準須向本公司及聯交所申報之任何權益或淡倉。

B. 主要股東

於二零一八年十二月三十一日，以下人士根據證券及期貨條例第336條規定本公司存置之登記冊所記錄於本公司股份及相關股份中擁有5%或以上之權益：

(1) 本公司普通股

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Name of substantial shareholder	Capacity	Long position/ Short position	Number of ordinary shares interested	Percentage of issued share capital*
主要股東名稱	身份	好倉／淡倉	擁有權益之普通股數目	佔已發行股本百分比*
Mr. WANG He 王赫先生	Interest of controlled corporations 受控制法團權益	Long 好倉	289,855,072 (note (ii)) (附註(ii))	9.45%
	Beneficial owner 實益擁有人	Long 好倉	21,920,000	0.71%
China Overseas International Development Limited	Beneficial owner 實益擁有人	Long 好倉	250,336,000 (note (iii)) (附註(iii))	8.16%
Mr. XU Jiancong 許健聰先生	Interest of controlled corporation 受控制法團權益	Long 好倉	250,336,000 (note (iii)) (附註(iii))	8.16%

Notes:

- (i) These 198,288,000 shares of the Company were held by Great Capital (H.K.) limited, a corporation wholly controlled by Swift Success Enterprises Limited which was in turn wholly controlled by Mr. XIA Boyu. Accordingly, Swift Success Enterprises limited and Mr. Xia were deemed to be interested in these shares of the Company held by Great Capital (H.K.) limited pursuant to Part XV of the SFO.
- (ii) These 289,855,072 underlying shares of the Company were held by Sense Media Group Holdings Limited. Sense Media Group Holdings Limited was controlled as to 35% by Mr. WANG He. Accordingly, Mr. Wang was deemed to be interested in these underlying shares of the Company held by Sense Media Group Holdings limited pursuant to Part XV of the SFO.
- (iii) These 250,336,000 shares of the Company were held by China Overseas International Development Limited, a corporation wholly controlled by Mr. XU Jiancong. Accordingly, Mr. Xu was deemed to be interested in these shares of the Company held by China Overseas International Development Limited pursuant to Part XV of the SFO.

* The percentage represents the number of ordinary shares interested divided by the number of issued shares of the Company as at 31 December 2018.

附註:

- (i) 本公司該等198,288,000股股份由港富(香港)有限公司持有，港富(香港)有限公司為Swift Success Enterprises Limited全資控制的法團，Swift Success Enterprises Limited則由夏博宇先生全資控制。因此，根據證券及期貨條例第XV部，Swift Success Enterprises Limited及夏先生被視為港富(香港)有限公司持有的本公司該等股份中擁有權益。
- (ii) 本公司該等289,855,072股相關股份由Sense Media Group Holdings Limited持有。Sense Media Group Holdings Limited由王赫先生擁有35%。因此，根據證券及期貨條例第XV部，王先生被視為於Sense Media Group Holdings Limited持有的本公司該等相關股份中擁有權益。
- (iii) 本公司該等250,336,000股股份由China Overseas International Development Limited持有，China Overseas International Development Limited為許健聰先生全資控制的法團。因此，根據證券及期貨條例第XV部，許先生被視為於China Overseas International Development Limited持有的本公司該等股份中擁有權益。

* 該百分比指所擁有權益之普通股股份數目除以本公司於二零一八年十二月三十一日之已發行股份數目。

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(2) Underlying shares of the Company – unlisted derivatives (convertible bonds)

(2) 本公司相關股份－未上市衍生工具(可換股債券)

Name of substantial shareholder	Capacity	Long position/ Short position	Number of ordinary shares interested	Percentage of issued share capital*
主要股東名稱	身份	好倉／淡倉	擁有權益之普通股數目	佔已發行股本百分比*
Sense Media Group Holdings Limited	Beneficial owner 實益擁有人	Long 好倉	217,391,304 (Note (i)) (附註(i))	7.09%
Mr. WANG He 王赫先生	Interest of controlled corporation 受控制法團權益	Long 好倉	217,391,304 (Note (i)) (附註(i))	7.09%
Excel Action Global Limited	Beneficial owner 實益擁有人	Long 好倉	552,486,187 (Note (ii)) (附註(ii))	18.02%
VSTECs Holdings Limited 偉仕佳杰控股有限公司	Interest of controlled corporations 受控制法團權益	Long 好倉	552,486,187 (Note (ii)) (附註(ii))	18.02%
Mr. LI Jialin 李佳林先生	Interest of controlled corporations 受控制法團權益	Long 好倉	552,486,187 (Note (ii)) (附註(ii))	18.02%
Ms. LIU Li 劉莉女士	Interest of controlled corporations 受控制法團權益	Long 好倉	552,486,187 (Note (ii)) (附註(ii))	18.02%

Notes:

(i) These 217,391,304 underlying shares of the Company were held by Sense Media Group Holdings Limited. Sense Media Group Holdings Limited was controlled as to 35% by Mr. WANG He. Accordingly, Mr. Wang was deemed to be interested in these underlying shares of the Company held by Sense Media Group Holdings Limited pursuant to Part XV of the SFO.

(ii) These 552,486,187 underlying shares of the Company were held by Excel Action Global Limited, a corporation wholly controlled by VSTECs Holdings Limited. Accordingly, VSTECs Holdings Limited was deemed to be interested in these underlying shares of the Company held by Excel Action Global Limited pursuant to Part XV of the SFO.

* The percentage represents the number of underlying shares interested divided by the number of issued shares of the Company as at 31 December 2018.

附註：

(i) 本公司該等217,391,304股相關股份由Sense Media Group Holdings Limited持有。Sense Media Group Holdings Limited由王赫先生擁有35%。因此，根據證券及期貨條例第XV部，王先生被視為於Sense Media Group Holdings Limited持有的本公司該等相關股份中擁有權益。

(ii) 本公司該等552,486,187股相關股份由Excel Action Global Limited持有，該公司由偉仕佳杰控股有限公司全資控制。因此，根據證券及期貨條例第XV部，偉仕佳杰控股有限公司被視為於Excel Action Global Limited持有的本公司該等相關股份中擁有權益。

* 該百分比指所擁有權益之相關股份數目除以本公司於二零一八年十二月三十一日之已發行股份數目。

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Save as disclosed above, as at 31 December 2018, so far as is known to any Director or chief executive of the Company, no person had registered an interest or a short position in the shares or underlying shares of the Company that was required to be recorded under Section 336 of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

At no time during the Period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Directors or their respective spouse or children under 18 year of age, or were any rights exercised by them; or was the Company, or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

LITIGATION

On 16 August 2012, the plaintiff (the "Plaintiff"), Klipsch Group, Inc., filed a suit in the federal district court (the "Court") in the United States (the "U.S.") against certain defendants, including one of the online sales platforms (the "Subject Domain") of the Group, in respect of (i) trademark counterfeiting; (ii) trademark infringement; and (iii) false designation of origin (the "Litigation"). The Plaintiff claimed that certain products (the "Klipsch-Branded Items") were registered by them in the U.S. and that infringing Klipsch-Branded Items had been sold to customers in the U.S. via the Subject Domain. The Plaintiff sought damages, attorneys' fees and sanctions. Hence, the Plaintiff instructed PayPal to freeze US\$2,000,000 (equivalent to approximately HK\$15,600,000) (the "Frozen Amount") from the Group's PayPal account on 27 August 2012.

除上文所披露者外，於二零一八年十二月三十一日，據本公司董事或主要行政人員所知悉並無任何人士已登記須根據證券及期貨條例第336條予以記錄之本公司股份或相關股份中之權益或淡倉。

董事收購股份之權利

於本期間任何時間概無授予任何董事或彼等各自之配偶或未成年子女透過收購本公司股份或債券以獲得利益之權利，或有該等權利由彼等行使；而本公司或其任何附屬公司亦概無訂立任何安排，以致董事可從任何其他公司實體獲得該等權利。

足夠公眾持股量

根據本公司獲得之公開資料及據董事所知，於本報告日期，公眾人士持有本公司已發行股本總額至少25%。

訴訟

於二零一二年八月十六日，原告Klipsch Group, Inc. (「原告」) 就(i)商標假冒；(ii)商標侵權；及(iii)虛假指定原產地在美利堅合眾國(「美國」)聯邦區域法院(「法院」)對若干被告(包括本集團其中一個線上銷售平台(「被告人之網域」))提起訴訟(「訴訟」)。原告聲稱，彼等在美國註冊若干產品(「Klipsch品牌產品」)，而侵權Klipsch品牌產品已透過被告人之網域售予美國之客戶。據此，原告尋求損害賠償、律師費及制裁。因此，原告於二零一二年八月二十七日指示PayPal凍結本集團PayPal賬戶2,000,000美元(相當於約15,600,000港元)(「凍結金額」)。

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On 21 September 2012, the Group filed sales documents with the Court indicating that the sales amount (the "Infringing Sales Amount") of the infringing Klipsch-Branded Items into the U.S. amounted to less than US\$700. The Court considered that the Frozen Amount was excessive and accordingly, the Court entered an order reducing the Frozen Amount from US\$2,000,000 to US\$20,000 (equivalent to approximately HK\$156,000) on 11 October 2012. The Plaintiff asserted in December 2012 that the Subject Domain continued to sell additional Klipsch-Branded Items. The Group filed additional sales documents establishing that the revenues derived from sales into the U.S. of the additional Klipsch-Branded Items were less than US\$125.

On 3 December 2013 the Plaintiff filed an amended complaint naming EPRO E-commerce Limited ("EPRO EComm"), a wholly owned subsidiary of the Company that operates the Subject Domain as a defendant in place of the Subject Domain, and naming as fictitious entities other domains operated by EPRO EComm.

The Company was informed by its legal adviser as to United States laws on 12 August 2014 that the United States District Court for the Southern District of New York (the "District Court") entered an order temporarily restraining the use of US\$5,000,000 (equivalent to approximately HK\$39,000,000) (the "Restrained Sum") in the bank accounts and other financial accounts of EPRO EComm (in addition to the Frozen Amount of US\$20,000 (equivalent to approximately HK\$156,000)). A hearing regarding the asset restraining order was completed on 11 February 2015 (New York time).

The Company was informed by its legal adviser as to United States laws on 3 November 2015, the District Court entered an order to reduce the Restrained Sum from US\$5,000,000 (equivalent to approximately HK\$39,000,000) to US\$25,000 (equivalent to approximately HK\$195,000). The District Court has also made an order for EPRO EComm to pay for reasonable costs and fees incurred by the Plaintiff during certain legal process relating to the above matter. However, the Company was subsequently informed by its legal adviser as to United States laws on 4 November 2015 that the District Court had granted an application to delay the effectiveness of the reduction of the Restrained Sum.

於二零一二年九月二十一日，本集團向法院遞交銷售文件，證實進入美國之侵權Klipsch品牌產品之銷售額（「侵權銷售額」）不足700美元。法院考慮到凍結金額實屬過多，因此，於二零一二年十月十一日，法院頒令將凍結金額由2,000,000美元減少至20,000美元（相等於約156,000港元）。原告於二零一二年十二月指稱被告人之網域繼續銷售額外Klipsch品牌產品。本集團已遞交額外銷售文件，證實銷往美國之額外Klipsch品牌產品產生之收入不足125美元。

於二零一三年十二月三日，原告提交經修訂申訴，將本公司之全資附屬公司易寶電子商務有限公司（「易寶電子商務」）（其經營被告人之網域）稱為被告人，以代替被告人之網域，並將易寶電子商務所營運之其他域名稱為虛構實體。

本公司於二零一四年八月十二日獲其美國法律方面之法律顧問告知，美國紐約州南區區域法院（「區域法院」）已頒佈命令，除凍結金額20,000美元（相等於約156,000港元）之外，亦暫時限制使用易寶電子商務銀行賬戶及其他財務機構賬戶內5,000,000美元（相等於約39,000,000港元）的款項（「受禁制金額」）。有關資產禁制令之聆訊於二零一五年二月十一日完成（紐約時間）。

於二零一五年十一月三日，本公司獲其美國法律方面之法律顧問通知，區域法院頒佈命令，受禁制金額由5,000,000美元（相等於約39,000,000港元）減少至25,000美元（相等於約195,000港元）。區域法院亦已頒佈命令，易寶電子商務須支付原告在有關上述事宜之若干法律程序中所招致之合理成本及費用。但其後於二零一五年十一月四日，本公司獲其美國法律方面之法律顧問通知，區域法院批准將受禁制金額減少一事押後生效之申請。

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Another hearing was held on 10 November 2015 (New York time), on which the District Court decided to continue to temporarily restrain the use of the Restrained Sum. On 30 September 2016 (New York time) the District Court issued an order assessing costs and fees against EPRO EComm in the amount of US\$2,681,406.45 and retaining the Restrained Sum of US\$5,000,000 (the "30 September 2016 Order"). On 26 October 2016 (New York Time), EPRO EComm filed a Notice of Appeal against the 30 September 2016 Order. The parties completed appellate submissions and the United States Court of Appeals for the Second Circuit held oral argument concerning the appeal on 26 October 2017 (New York time).

On 25 January 2018 (New York time), the United States Court of Appeals for the Second Circuit issued an opinion affirming the 30 September 2016 Order. On 8 February 2018 (New York time), EPRO EComm filed a motion for rehearing en banc with the United States Court of Appeals for the Second Circuit to reconsider a decision and order of a panel of the court affirming the 30 September 2016 Order. On 20 March 2018 (New York time), the United States Court of Appeals issued the mandate and affirmed the district court's order imposing sanctions. On 12 September 2018 (New York time), the District Court has made an order that the Plaintiff may obtain disbursement in the sum of US\$2,681,406.45 ("Disbursements") from the Restrained Sum at the bank and the bank shall continue to restrain the remainder of the Restrained Sum pending further order of the District Court.

On 14 November 2018 (New York time), EPRO EComm has entered into a settlement agreement with the Plaintiff to resolve all disputes between both parties and agree to a settlement payment of US\$990,000 and agreed on the entry of a Permanent Injunction and Final Judgement On Consent to the District Court. On 6 December 2018 (New York time), the District Court entered an order on the Permanent Injunction and Final Judgement On Consent and release all restrictions placed on EPRO EComm's account with the bank. Accordingly, the restrain on the remaining frozen amount of approximately US\$1,328,000 shall be lifted.

另一輪聆訊於二零一五年十一月十日(紐約時間)舉行，區域法院決定繼續暫時限制使用受禁制金額。於二零一六年九月三十日(紐約時間)，區域法院頒佈命令，評定易寶電子商務須支付2,681,406.45美元的成本及費用以及保留受限制金額5,000,000美元(「二零一六年九月三十日命令」)。於二零一六年十月二十六日(紐約時間)，易寶電子商務對二零一六年九月三十日命令提交上訴通知。當事人已完成提交上訴，而美國聯邦上訴法院第二巡迴審判庭已於二零一七年十月二十六日(紐約時間)就該上訴進行口頭辯論。

於二零一八年一月二十五日(紐約時間)，美國聯邦上訴法庭第二巡迴審判庭發表意見，確認二零一六年九月三十日命令。於二零一八年二月八日(紐約時間)，易寶電子商務向美國聯邦上訴法庭第二巡迴審判庭提出再聆訊呈請，要求重審法院合議庭有關確認二零一六年九月三十日命令的判決及命令。於二零一八年三月二十日(紐約時間)，美國聯邦上訴法庭頒佈書面命令並肯定區域法院實施制裁的命令。於二零一八年九月十二日(紐約時間)，區域法院已頒佈命令，原告可以從銀行受禁制金額中獲得付款合共2,681,406.45美元(「付款」)，且銀行將繼續限制剩餘的受禁制金額，以待區域法院另行頒佈命令。

於二零一八年十一月十四日(紐約時間)，易寶電子商務已與原告訂立和解協議，以解決雙方的所有爭議並協定和解費款項990,000美元，並同意簽署區域法院頒佈的關於同意書的永久禁令及最終判決。於二零一八年十二月六日(紐約時間)，區域法院頒佈關於同意書的永久禁令及最終判決的命令，解除對易寶電子商務銀行賬戶施加的所有限制。因此，餘下凍結金額約1,328,000美元的限制將予解除。

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

None of the Directors and controlling shareholders of the Company has an interest in a business which competes or may compete with the business of the Group.

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

During the Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

SECURITIES TRANSACTIONS BY DIRECTORS

The Group has adopted stringent procedures governing Director's securities transaction in compliance with Rules 5.48 to 5.67 of the GEM Listing Rules. Relevant employees who are likely to be in possession of unpublished inside information of the Group are also subject to compliance with guidelines with no less exacting terms than those set out in the rules. No incidence of non-compliance was noted for the Period.

CORPORATE GOVERNANCE

The Company has complied with the code provisions of the Corporate Governance Code (the "CG Code") set out in Appendix 15 of the GEM Listing Rules throughout the Period, except for the following deviation:

Code provision A.2.1 of the CG Code stipulates that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual.

To achieve clear division of responsibilities between the management of Board and the day-to-day management of business and hence to ensure balance of power and authority, there are separation of duties for the Chairman and Chief Executive Officer of the Company. However, after the resignation of Mr. CHOW Siu Kwong as the Chief Executive Officer of the Company on 23 September 2016, Mr. Poon Man Sum, the chairman of the Board, has temporarily taken up the function as Chief Executive Officer of the Company for a transitional period commencing on 18 May 2017 and this represented a deviation from the code provision A.2.1 since then. The Group has been looking for suitable candidate to fill for the post of Chief Executive Officer.

董事於競爭業務之權益

本公司董事或控股股東概無於任何對本集團業務構成競爭或可能構成競爭之業務中擁有權益。

購買、出售或贖回本公司上市證券

於本期間，本公司或其任何附屬公司並無購買、出售或贖回本公司之任何上市證券。

董事進行之證券交易

本集團已遵照GEM上市規則第5.48條至第5.67條之規定採納規管董事進行證券交易之嚴格常規。可能擁有本集團尚未發表之內幕消息資料之相關僱員亦須遵照不遜於該等規則所載者之指引。於本期間並未出現任何未獲遵守之情況。

企業管治

於本期間本公司一直遵守GEM上市規則附錄十五所載之企業管治守則(「企業管治守則」)之守則條文，惟下列偏離事項除外：

企業管治守則之守則條文第A.2.1條規定主席及首席執行官之角色應有區分，不應由一人同時兼任。

為明確區分董事會管理與日常業務管理之間的職責並因此確保達致權力和授權分佈均衡，本公司區分主席與首席執行官之職務。然而，自周兆光先生於二零一六年九月二十三日辭任本公司首席執行官一職後，董事會主席潘文森先生隨後已於二零一七年五月十八日開始之過渡期內暫時擔任本公司首席執行官，自此偏離守則條文第A.2.1條。本集團仍就首席執行官一職物色合適人選。

Report of the Directors

董事會報告

AUDIT COMMITTEE

The Company set up an Audit Committee (the "Committee") with written terms of reference in compliance with the requirements of the GEM Listing Rules. The primary duties of the Committee are to review and provide supervision over the financial reporting process and risk management and internal control systems of the Group. The Committee comprises three independent non-executive Directors, Mr. HUANG Zhiying, Mr. TONG Kar Hing and Ms. LIU Pui Shan. The information contained in the Group's interim report for the Period has not been audited but has been reviewed by the Committee, who was of opinion that such report compiled with the applicable accounting standards, and the GEM Listing Rules and legal requirements and that adequate disclosures had been made.

DIRECTORS

As at the date of this report, the executive Directors are Mr. POON Man Sum and Mr. AI Kuiyu; and the independent non-executive Directors are Mr. HUANG Zhiying, Mr. TONG Kar Hing and Ms. LIU Pui Shan.

By order of the Board

POON MAN SUM

Chairman

Hong Kong, 11 February 2019

審核委員會

本公司成立審核委員會(「委員會」)，其書面職權範圍乃遵照GEM上市規則釐定。委員會之首要職務為審核及監督本集團之財務呈報過程，風險管理及內部監控系統。委員會由三名獨立非執行董事黃智穎先生、唐家興先生及廖珮珊女士組成。本集團於本期間之中期報告所載之資料並未經審核，但經由委員會審閱，而其認為該報告已遵守適用之會計準則及GEM上市規則規定和法律規定，且已作出足夠披露。

董事

於本報告刊發日期，執行董事為潘文森先生及艾奎宇先生，而獨立非執行董事為黃智穎先生、唐家興先生及廖珮珊女士。

承董事會命

主席

潘文森

香港，二零一九年二月十一日

