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## CHAMPION TECHNOLOGY HOLDINGS LIMITED

(Continued in Bermuda with limited liability)

(Stock code: 92)

### VOLUNTARY ANNOUNCEMENT PUBLICATION OF AUDITED CONDENSED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 2017

The board (the “**Board**”) of directors (the “**Directors**”) of Champion Technology Holdings Limited (the “**Company**”) announced the audited condensed consolidated statement of assets and liabilities of the Company and its subsidiaries (the “**Group**”) as at 31 December 2017. This announcement was made on a voluntary basis, containing the audited condensed consolidated statement of assets and liabilities of the Group as at 31 December 2017 (the “**Audited Condensed Consolidated Statement of Assets and Liabilities**”) in the Appendix. Our independent auditor, Moore Stephens CPA Limited (“**Moore Stephens**”), has performed audit on the condensed consolidated statement of assets and liabilities as at 31 December 2017 in accordance with Hong Kong Standard on Auditing 805 (Revised) Special Considerations — Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement. The Board identified and concluded that there are differences in the Group’s Audited Condensed Consolidated Statement of Assets and Liabilities to the condensed consolidated statement of financial position included in the unaudited interim consolidated results of the Group for the six months ended 31 December 2017 published on 27 February 2018 (the “**Unaudited Interim Results**”), a comparison of which is set out in the table below.

#### MANAGEMENT DISCUSSION AND ANALYSIS

#### FINANCIAL RESULTS

The comparison of the Audited Condensed Consolidated Statement of Assets and Liabilities and the Unaudited Interim Results announced by the Company on 27 February 2018 is as follows:

	<i>Notes</i>	As at		<b>Differences</b> <i>HK\$’000</i>
		<b>31 December 2017</b> <i>HK\$’000</i> (Note 1)	<i>HK\$’000</i> (Unaudited)	
Investment properties	2	150,124	332,422	(182,298)
Available-for-sale investments	3	—	57,976	(57,976)
Inventories	4	35,746	97,534	(61,788)
Financial assets at fair value through profit or loss	3	119,838	61,862	57,976
Net assets		46,109	293,111	(247,002)

*Note:*

1. Extracted from the condensed consolidated statement of assets and liabilities of the Group as at 31 December 2017 on which Moore Stephens has issued a special purpose audit report thereon.
2. In the opinion of the Directors, currently there are no relevant laws and regulations in the PRC which precisely state the arrangements for extension of the land use rights in the PRC after the end of the contractual lease term. During the six months ended 31 December 2017, the Group acquired 2 pieces of leasehold land in the PRC with contractual lease terms expiring in 2032 and 2043 during the six months ended 31 December 2017 with a hotel property being erected on the 2 pieces of leasehold land and with a tenancy agreement with a hotel operator expiring near the end of the contractual lease term of one of the leasehold land (i.e. 2033). The acquired investment property represented interest in a leasehold land with the remaining lease term from the end of the lease term with the hotel operator (i.e. 2033) to 2043. Taking into account that leasehold land in the PRC are commonly treated as operating leases until the end of the relevant lease term with no assumption that the lease term can be further extended, the fair value of the investment property acquired in the six months ended 31 December 2017 is determined by adjusted market comparison approach by a) making reference to comparable sales of bare-land with lease term of 40 years; b) adjusted for the term factor using the valuation technique to estimate value of bare-land with lease term of 10 years as at 2033; and c) take into account the time value of money at discount rate of 6% from 2033 back to 31 December 2017. Accordingly, a fair value loss of HK\$182,298,000 was recognised for the six months ended 31 December 2017. The fair value as at 31 December 2017 was performed by an independent firm of professional valuers, Stirling Appraisals Limited.
3. Reclassification has been made in order to reflect the trading nature of these investments.
4. Although we have made substantial impairment losses on the cultural products in the Unaudited Interim Results, the value of the cultural products have been further impaired based on the final authentication report and evaluation report obtained after the Unaudited Interim Results were announced by the Company and therefore, further impairment losses amounting to HK\$61,788,000 was recognised to reduce the carrying amount of inventories to HK\$35,746,000 of which HK\$14,625,000 represents the cultural products.

### **Results of actions to address the disclaimer of opinion for the Annual Report**

As disclosed in the annual report for the year ended 30 June 2017 (the “**Annual Report**”), Moore Stephens has a disclaimer of opinion on the Group’s consolidated financial statements for the year ended 30 June 2017 since no sufficient and appropriate audit evidence were available to assess (i) impairment assessment on the available-for-sale investments (the “**AFS Investments**”) and (ii) impairment of inventories resulting from downgrading and reclassifications of cultural products by the management of the Group.

**(i) Impairment assessment on the AFS Investments**

The management had been continuing to make its efforts to establish contact with the AFS investees (the “**AFS Investees**”), including engaging private investigators and lawyers to try to locate and contact the AFS Investees. Up to the date of this announcement, these companies have apparently vanished and become untraceable.

Taking into account a) the findings from the private investigators; b) the legal advice from the lawyer; c) the various options suggested by the lawyers, where the estimated costs to perform the actions are significantly exceeding the benefits; and d) there is no other alternative or possible further action that the Company could reasonably take, the Directors concluded that the recoverable amount of the AFS Investments is zero.

**(ii) Impairment of inventories resulting from downgrading and reclassifications of cultural products by the management of the Group**

As mentioned in the Annual Report, as a result of the inconsistencies in the grading and classification of cultural products as at 30 June 2017 and 2016, the current management of the Group resolved to arrange another team of cultural products and jewellery experts (the “**Current Experts**”), being organised by 中國文物信息諮詢中心 “China Cultural Heritage Information and Consulting Center” (the “**Consulting Center**”) and led by Ms. YANG Zhen Hua (楊震華) (“**Ms. Yang**”), who is a renowned expert in the field of jewellery and stones, to conduct a full inspection of the cultural products regarding their grading and classification.

Based on the final authentication report and evaluation report, the carrying amount net of impairment for inventories recognised so far reflected in the Audited Condensed Consolidated Statement of Assets and Liabilities was the best estimate of the recoverable amount of the cultural products.

## **REVIEW OF OPERATION**

As disclosed in our 2016/2017 unaudited interim report and the Annual Report, with the change in management, the Group’s management has been working on new business plan for its business realignment so as to build a solid market in culture-related businesses.

### **System Products**

For our system products sector, we have started introducing our existing products from our UK arms into the China market and vice-versa. We shall strive to secure some sale contracts as soon as possible. So far, contribution from our system and development products has remained stable.

## **Cultural Products**

Included in finished goods of the Group as at 31 December 2017 were cultural products, including precious stones and artifacts, of HK\$14,625,000 (as at 30 June 2017: HK\$4,235,385,000) which were held for trading and resale in the ordinary course of business.

All of such cultural products, totaled 368 pieces, have been kept in the vault of an independent renowned security company since early December 2017.

A team of cultural product/jewellery experts organised by the Consulting Center and led by Ms. Yang was engaged to perform an inspection on all the 368 pieces of the cultural products owned by the Group and, in the middle of January 2018, they came to Hong Kong to do the authentication work on all of the 368 pieces of the cultural products, and upon completion of their stage 1 field work, they directed us to arrange for scientific examination with the GEM Appraisal Center of Peking University (the “**Appraisal Center**”) of selected representative samples plus certain items on which doubts were casted by them. According to the Current Experts, further downgradings and reclassifications were required to be made on the cultural products as compared to those as at 30 June 2017. Based on the findings concerning the grading and classification of the cultural products, 北京市國宏信價格評估有限公司, another valuer was arranged by the Consulting Center, reassessed the current market values of the inventories as at 31 December 2017. As a result of the final authentication report and evaluation report obtained after the Unaudited Interim Results were announced by the Company, the Company had determined that their net realisable values were below their costs and the shortfall resulted in revised impairment loss of HK\$4,220,760,000 for the six months ended 31 December 2017.

The Directors were of the view that, with the detailed exercise performed by the Current Experts, the carrying amount net of impairment recognised so far, reflected in the Audited Condensed Consolidated Statement of Assets and Liabilities, was the best estimate of the recoverable amount of the cultural products.

In view of the disappointing drop in the value of the cultural products, we have to restructure a suitable plan to develop the line of business on the cultural products and to proceed along a more realistic approach in selling the cultural products that we have in hand.

## **AFS Investments**

As at 31 December 2017, regarding the AFS Investments related to four unlisted equity securities invested previously which were fully impaired in the year of 2017, the Directors, after taking into account a) the findings from the private investigators; b) the legal advice from the lawyer; c) the various options suggested by the lawyer, where the estimated cost to perform the actions would significantly exceed the benefit; and d) there is no other alternative or possible further action that the Company could reasonably take, the Directors concluded that reversal of the impairment loss is not necessary and zero carrying amount of the AFS Investments as at 31 December 2017 is appropriate.

## Securities Investments

In order to maximize the return of the funds raised from our previously fund raising activities, the Group has invested in some Hong Kong listed securities, the details and information of those investment are as follows:

The Group has focused on certain short-term securities trading through the Company and its wholly-owned subsidiary, namely Champnet Limited.

During the six month ended 31 December 2017 (the “**Period**”), the Group has recorded fair value gain on financial assets at fair value through profit or loss of approximately HK\$20.7 million (2016: Nil) which is attributable to unrealised gain of approximately HK\$19.6 million and realised gain of approximately HK\$1.1 million.

As at 31 December 2017, the fair value of the investments classified as financial assets at fair value through profit or loss amounted to approximately HK\$120.0 million (30 June 2017: Nil). These investment portfolios comprised 7 (30 June 2017: Nil) equity securities listed in The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) of which 4 (30 June 2017: Nil) equity securities are listed on the Main Board of the Stock Exchange and the remaining 3 (30 June 2017: Nil) equity securities are listed on the Growth Enterprise Market of the Stock Exchange.

The composition of the Group’s financial assets at fair value through profit or loss is given below:

Company Name/ Stock Code	Notes	Number of shares held by the Group at 31 Dec 2017	Percentage of shareholdings at 31 Dec 2017 %	Investment cost HK\$'000	Unrealised fair value (loss)/gain for the period HK\$'000	Dividend income for the period HK\$	Fair value at 31 Dec 2017 HK\$'000	Percentage of total financial assets at fair value through profit or loss %	Percentage of total assets of the Group at 31 Dec 2017 %
Wai Chun Mining Industry Group Company Limited (Stock code: 660)	1	204,230,000	1.2%	16,339	(2,451)	—	13,888	11.6%	2.4%
Wai Chun Group Holdings Limited (Stock code: 1013)	2	402,586,000	1.9%	19,805	(481)	—	19,324	16.1%	3.3%
Chinese Strategic Holdings Limited (Stock code: 8089)	3	9,864,000	4.8%	10,235	(1,555)	—	8,680	7.2%	1.5%
Vinco Financial Group Limited (Stock code: 8340)	4	20,160,000	3.2%	16,434	(508)	75,813	15,926	13.3%	2.7%
Sun Hing Printing Holdings Limited (Stock code: 1975)	5	1,600,000	0.3%	2,096	(320)	—	1,776	1.5%	0.3%
Value Convergence Holdings Limited (Stock code: 821)	6	1,800,000	0.2%	3,492	(1,224)	—	2,268	1.9%	0.4%
Sheng Ye Capital Limited (Stock code: 8469)	7	8,318,000	1.1%	31,792	26,184	—	57,976	48.4%	10.0%
				100,193	19,645	75,813	119,838	100.0%	20.6%

## 1. **660 Wai Chun Mining Industry Group Co. Ltd.**

Wai Chun Mining Industry Group Company Limited (“**Wai Chun Mining**”) and its subsidiaries (collectively referred to as the “**Wai Chun Mining Group**”) are principally engaged in the manufacture and sale of modified starch and other biochemical products and general trading.

According to Wai Chun Mining’s interim report for the six months ended 30 June 2017, the Wai Chun Mining Group recorded revenue of approximately HK\$227 million and total comprehensive expenses of approximately HK\$6 million. The Wai Chun Mining Group will continue to pursue strategic acquisitions that can enable the Company to capture new business opportunities in the PRC market and to strengthen the revenue and profit fundamentals.

The management will keep monitoring if the operating performance of the Wai Chun Mining Group is to be improved as result of demand of the modified starch and other biochemical products increase.

During the Period, the Group has acquired 204,230,000 shares in Wai Chun Mining and the Group recorded an unrealised loss of HK\$2,451,000 in respect of such investment during the Period.

There was no disposal of the shares in Wai Chun Mining during the Period.

## 2. **1013 Wai Chun Group Holdings Limited**

Wai Chun Group Holdings Limited (“**Wai Chun**”) and its subsidiaries (collectively referred to as the “**Wai Chun Group**”) are principally engaged in (i) trading of mobile and electronic components; (ii) network and system integration by the production of software and provision of solutions and related services; (iii) investment holdings; and (iv) provision of telecommunications infrastructure solution services.

According to Wai Chun’s interim report for the six months ended 30 September 2017, the Wai Chun Group recorded revenue of approximately HK\$43 million and total comprehensive expenses of approximately HK\$20 million. Looking forward, to turn the Wai Chun Group back to a profitable position, it (i) will enhance operational efficiency by removing duplication and bottlenecks through standardisation of work procedures and simplification of operation process; and (ii) will further tighten its budgetary control by vigorously implementing measures for cost and expense control, optimising cost analysis and appraisal mechanism, and constantly strengthening cost management.

The management will keep monitoring if the proposed expansion in the e-commerce business in the PRC by the Wai Chun Group could be strengthened the Wai Chun Group’s competitive edge which in turn contribute its operating performance.

During the Period, the Group has acquired 402,586,000 shares in Wai Chun and the Group recorded an unrealised loss of HK\$481,000 in respect of such investment during the Period.

There was no disposal of the shares in Wai Chun during the Period.

### 3. **8089 Chinese Strategic Holdings Limited**

Chinese Strategic Holdings Limited (“**Chinese Strategic**”) and its subsidiaries (collectively referred to as the “**Chinese Strategic Group**”) were principally engaged in financing business.

According to Chinese Strategic’s third quarterly report for the nine months ended 30 September 2017, Chinese Strategic recorded revenue of approximately HK\$5 million and total comprehensive expenses of approximately HK\$72 million. Looking ahead, the Chinese Strategic Group will continue to adopt a positive but prudent approach towards its investment strategy and keep pace with market situation to grasp the other business opportunities, which may arise from time to time.

The Group believes that the operating performance of the Chinese Strategic Group will be improved as the Chinese Strategic Group explored the loan portfolio with shorter term and higher interest rate to increase its interest income in the past few months.

During the Period, the Group has acquired 9,864,000 shares in Chinese Strategic and the Group recorded an unrealised loss of HK\$1,555,000 in respect of such investment during the Period.

There was no disposal of the shares in Chinese Strategic during the Period.

### 4. **8340 Vinco Financial Group Limited**

Vinco Financial Group Limited (“**Vinco Financial**”) and its subsidiaries (collectively referred to as the “**Vinco Group**”) were principally engaged in the provision of corporate finance advisory services in Hong Kong.

According to Vinco Financial’s third quarterly report for the nine months ended 30 September 2017, the Vinco Group recorded revenue of approximately HK\$25 million and total comprehensive income of approximately HK\$11 million. To maintain its competitiveness in the market, the Vinco Group will continue to focus on the general corporate finance advisory services as well as initial public offerings related projects in Hong Kong. Meanwhile the Vinco Group will also continue to seek for business opportunities in other financial related services so as to generate greater value for its shareholders.

The Group is optimistic about market of the provision of corporate finance advisory services as a result of current bloom of Hong Kong capital market.

During the Period, the Group has acquired 24,260,000 shares in Vinco Financial in which 4,100,000 shares were disposed with a realised gain of HK\$162,000 during the Period. As at 31 December 2017, the Group has 20,160,000 shares in Vinco Financial and the Group recorded an unrealised loss of HK\$508,000 in respect of such investment during the Period.

## **5. 1975 Sun Hing Printing Holdings Limited**

Sun Hing Printing Holdings Limited (“**Sun Hing**”) and its subsidiaries (collectively referred to as the “**Sun Hing Group**”) are principally engaged in the provision of printing services, which cover from printing solution consultation, pre-press, offset printing, post-press to delivery.

According to Sun Hing’s interim results for the six months ended 31 December 2017, the Sun Hing Group recorded revenue of approximately HK\$151 million and total comprehensive income of approximately HK\$6 million. Looking ahead, the Sun Hing Group will acquire four printing presses, relocate to the new factory in the second half of 2018, which will help to expand the overall production capacity, and upgrade its enterprise resources planning system.

The proceeds from the share offer of the Sun Hing’s shares will provide sufficient financial resources to the enhancement of its production capacity with minimal financial cost on the future prospect of the Sun Hing Group.

During the Period, the Group has acquired 1,600,000 shares in Sun Hing and the Group recorded an unrealised loss of HK\$320,000 in respect of such investment during the Period.

There was no disposal of shares in Sun Hing during the Period.

## **6. 821 Value Convergence Holdings Limited**

Value Convergence Holdings Limited (“**Value Convergence**”) and its subsidiaries (collectively referred to as the “**Value Convergence Group**”) are principally engaged in the provision of financial services and proprietary trading.

According to Value Convergence’s interim report for the six months ended 30 June 2017, the Value Convergence Group recorded revenue of approximately HK\$29 million and total comprehensive expenses of approximately HK\$10 million. Looking ahead, the Value Convergence Group’s business strategies continue to include enlarging its revenue base through fostering its core businesses and tapping into new emerging markets with expanded business initiatives.

The Group is optimistic about the prospect of the Value Convergence Group as the launch of the China-Hong Kong Bond Connect, a new mutual market access scheme that allows investors from the PRC and overseas to trade in each other’s bond markets through connection between the related PRC and Hong Kong financial infrastructure institutions which will help to boost the growth of the local financial market in the foreseeable future.



During the Period, the Group has acquired 1,800,000 shares in Value Convergence and the Group recorded an unrealised loss of HK\$1,224,000 in respect of such investment during the Period.

There was no disposal of the shares in Value Convergence during the Period.

## 7. **8469 Sheng Ye Capital Limited**

Sheng Ye Capital Limited (“**Sheng Ye**”) and its subsidiaries (collectively referred to as the “**Sheng Ye Group**”) were mainly engaged in the provision of factoring services, including the provision of financing services (secured by accounts receivable) to factoring customers and the accounts receivable management services.

According to Sheng Ye’s third quarterly report for the nine months ended 30 September 2017, the Sheng Ye Group recorded revenue of approximately RMB105 million and total comprehensive income of approximately RMB47 million. Going forward, the Sheng Ye Group will apply the technologies of the internet financial services in a proactive manner. Through the online factoring platform “Sheng Yi Tong”, the Sheng Ye Group will provide its existing and prospective clients with quality, convenient and efficient factoring services in order to achieve a win-win situation.

The Group is optimistic about the prospect of the Sheng Ye Group as it will devote the fund raised from its listing to the expansion of its factoring business, which recorded a significant growth during the nine months ended 30 September 2017.

During the Period, the Group has acquired 11,776,000 shares in Sheng Ye of which 3,458,000 shares were disposed with a realised gain of HK\$825,000 during the Period. As at 31 December 2017, the Group has 8,318,000 shares in Sheng Ye and the Group recorded an unrealised gain of HK\$26,184,000 in respect of such investment during the Period.

## **Dongguan Hotel Project**

As disclosed in the announcement dated 19 July 2017, regarding the disclosable transaction in relation to the acquisition of the 51% equity interest of a Hong Kong company that indirectly owns a hotel in Dongguan through a PRC subsidiary (the “**Acquisition**”). The Directors consider that it is beneficial for the Group to seek suitable investment opportunities from time to time to diversify its existing business portfolio into new line of business with growth potential and to broaden its source of income. To this end, the Directors consider the Acquisition is in line with the Group’s business diversification strategy.

With the manufacturing industry kept leaving and abandoning Dongguan and the surrounding areas, once a manufacturing hub of China, the demand for hotel rooms in those areas will continue to remain gloomy. We have taken into account of this irreversible trend when we studied this project.

Although some people may consider that such continuous decline in demand for hotel rooms would have a significant adverse impact on the valuation of the property, we have a totally different view. By virtue of the sub-contracting agreements, the Company can on one hand benefit from the guaranteed income steadily, or it may, on the other hand, take the initiative to terminate the agreements with the hotel operator as and when we consider appropriate. Given the appalling and prolonged losses suffered by the hotel operator, we are confident that the hotel operator would be more than willing to terminate the agreements, in particular, if we could offer certain compensation for the proposed early termination.

If the sub-contracting agreements are terminated, we may redevelop the subject properties (together with the vacant and unused portions of land adjacent thereto) afresh into, proposedly, a brand new residential commercial complex project, whereby unlocking the true and inherent value of the land.

Therefore, we consider that there is a hidden treasure in this project which the Company would be able to unveil in the foreseeable future.

After studying the persisting upward market trend of the properties in Dongguan, the projected costs of redevelopment, the PRC government's past records in regranteeing or extending the tenure of expired land use rights on properties and the recurring losses incurred by the subcontractor to whom the properties have been leased, the Directors considered that these investment properties have inherited a good opportunity for redevelopment which would generate reasonable profits to the Company. However due to the need to comply with HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors "In the absence of a HKFRS that specifically applies to a transaction, other event or condition, management shall use its judgement in developing and applying an accounting policy that results in information that is: (a) relevant to the economic decision-making needs of users; and (i) represent faithfully the financial position, financial performance and cash flows of the entity; (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form; (iii) are neutral, ie free from bias; (iv) are prudent; and (v) are complete in all material respects.", which demand a very conservative accounting approach, the Directors are minded to comply with such accounting standard in presenting the consolidated financial statements.

To adhere strictly to the relevant accounting standard regardless the commercial value, the valuation of the investment property regarding the land use right (i.e. interest in a leasehold land with the remained contractual life from the end of expiry of the lease term with the tenant to 2043), which was performed by an independent firm of professional valuers, Stirling Appraisals Limited, by adjusted market comparison approach by a) making reference to comparable sales of bare-land with lease term of 40 years; b) adjusted for the term factor using the valuation technique to estimate value of bare-land with lease term of 10 years as at 2033; and c) take into account the time value of money at discount rate of 6% from 2033 back to 31 December 2017, indicated that the value was approximate to HK\$4,343,000 (RMB3,600,000). Therefore, an impairment loss amounted to HK\$182,298,000 was recognised for the six months ended 31 December 2017.

## **OUTLOOK**

A review of the operations of the Group for the six months ended 31 December 2017 is provided in the section headed "Review of Operations" above and the prospect of the Group's future business development will be elaborated in the paragraphs below.

## Overview

After hitting a record-low in bond yields, we have seen moderate rise in recent weeks. If this trend continues systematically, then market conditions should move along in an orderly manner and therefore we expect volatility to return to normal as well. As for US monetary policy, we expect that it should be normalising gradually after a prolonged period of pumping unprecedented amounts of liquidity into the market, that is, excessive “quantitative easing”. On the other hand, inflation has remained relatively stable and low globally. This coupled with the recent US tax cuts provide a good platform for companies to boost growth.

This being the case, we do not consider it the right time to reduce exposure to stocks though low-risk hedging tools should be deployed to render one’s investment portfolio becoming more defensive.

We shall continue to observe those key financial indicators, for example, if bond yields continue to rise at such a high speed as recently demonstrated and at the same time inflation dispatches a warning signal, we may have to adjust the whole strategy upon further studies.

## Cultural Artifacts Investment — Shoushan Stone

There are quite a number of artifacts and Shoushan Stone in the Group’s inventory. Shoushan Stone is one of the “four famous stones for making seals” in Chinese tradition. It can be found in the Golden Triangle area at the junction of Jin’an District, Luoyuan County and Lianjiang County in the northern suburbs of Fuzhou. Tracking along the ore vein, it can be divided into 3 series, namely “high mountain, flag hill, moon wave”. The Shoushan mining area was exploited long time ago. The old saying about “field pit, water pit and mountain pit” referred to those ore mined at the bottom of the fields, along water streams and caves respectively. It is “colorful, oily look, crystal feel, with the moist of jade, soft and easy to carve, is a good natural material for carving.” Today, “Shoushan Stone Sculpture” has been approved by the State Council for inclusion in the first batch of state-grade “Intangible Cultural Heritage” category. From 1999 to 2002, after going through 4 years of assessment from the criteria of state stone, Shoushan Stone was officially named as “The State Stone of China”.

Shoushan Stone was formed after a prolong period of volcanic hydrothermal alteration, and it has been confirmed to contain various trace-elements and macro-elements that are beneficial to the human body and can play a health-care role on the human body. Therefore, it has been applied towards the regimes of food, cosmetics and medicine. After further processing, Shoushan Stones can become tea pots, candy powder, cosmetic padding material, raw materials for ceramics and pharmaceutical blending materials.

Shoushan Stone is rich in trace-elements, such as calcium, magnesium, zinc, selenium, manganese and other minerals beneficial to the human body, with the heat generated after playing in hands, it would generate far-infrared which is more beneficial to the human body, rendering absorption of beneficial substances and removal of impurities.

Shoushan Stone would produce far-infrared thermal effects which would be absorbed by the human body with resonance, thus generating the following main functions:

1. Activate the activities of biological macromolecules, thereby enhancing the body's oxygen content, so that body cells can restore vitality and improves mental alertness.
2. Would bring the organism molecules to a higher vibration state, thus activating the biological activity of nucleic acid proteins and other molecules, which would render biological macromolecules to regulate body metabolism, immunity and other functions.
3. Far-infrared generated can also promote and improve blood circulation, and enhance metabolism, improve phagocytic function of the body's macrophages, enhance human cellular immunity and is therefore conducive to human health.

Shoushan Stone is also known as the best carrier of Chinese history and culture: its subtle and beautiful look, and its profound cultural and artistic connotation! It is the first choice of beloved traditional culture. It was treasured by the emperors of many dynasties and served as the national stone for ritual sacrifice by Emperor Qianlong of the Qing Dynasty. It has been an incarnation of extravagance for thousands of years, which represents the symbol of power ruling the country!

In assessing the value of Shoushan Stone value, carving is one of the important aspect in addition to its origin, history, stone quality and color. Shoushan stone carvings, especially those of mountain pit types, are most commonly referred to as "color-oriented carvings," meaning that they are created in accordance with the color of the stone and are very popular for collectors. For a long time, the heat of speculation in the domestic Shoushan Stone sculpture market has kept going up. Good Shoushan Stone sculpture has the following characteristics.

1. a plump look;
2. smooth carving;
3. polished to the right level;
4. no electrically drilled holes;
5. proportional;
6. vivid image;
7. well-designed;
8. flawless;
9. skillful color manipulation;
10. rarity.

When experienced sculptors employed their "Thin Carvings" technique to create new Shoushan Stone sculptures, they would carve with a pictorial mind and meticulously move the picture in their mind into the Shoushan Stone, creating a state of art in each of their masterpiece. The carving and size of each Shoushan Stone determine its grading and value.

The collection of the Group, irrespective of their complexity in carving, all carry the characteristics of being balanced, plump, and having a stereoscopic feel.

### **Investment Plan In Auction Business**

Benefiting from reality TV shows on antique auctioning that have ignited a treasure-hunting fad, the antique auction business is flourishing with buyers flooding into the auction market to hunt their own treasures.

Auction businesses are experiencing a new lease on life, thanks to reality TV shows featuring auctioneers and antique hunters. It's not that auction businesses have ever disappeared from the landscape, but that scores of buyers are waking up to the idea of buying second hand merchandise in an auction environment.

As such, the Group has embarked on plans to recruit industry elites and skilled auction specialists in an effort to develop our auction projects. Meanwhile, the Group will focus on live auction to nurture its development, which in turn will enhance our market share in the antique auction industry.

The Group has planned to recruit elite and skilled auctioneers to develop auction house projects. In addition, the Group considers switching to live auction as one of the ways to improve market share of the project itself.

### **Strong Rooms & Vaults**

The Group intends to match its business plan in auction house by entering into the security industry, with the aim to design and build high security, prefabricated and modular strong rooms for sale and leasing. These high quality, secured structures enable the storage of high-value items away from the risk of theft, attack or hostage taking. The main features of these security systems render that clients' privacy being protected, ensure lowest holding and transaction costs in auction related transactions by enabling direct warehousing before and after auction while taking the advantage of Hong Kong's duty-free policy for most artifacts.

Based on the above cultural artifacts investment, the investment plan in auction business, and the investment in the strong rooms and vault, the Group is confident with the future because the success of these three investments can make the Group's trade-related transactions proceed in bulk trading mode afterwards, while it also allows the public to have a better channel to be involved, so as to pave way for the future of artifacts securitisation.

## **Communication Systems**

The principal subsidiary in United Kingdom — Multitone Electronic PLC (“**Multitone**”) has gained a reputation internationally and has continued to maintain a substantial market share in both UK and Germany. Targeted new markets to be explored include Asia and Eastern Europe. Management in Hong Kong has already started to work in collaboration with Multitone to introduce its products into the China market. Management considers that there is a strong demand for high quality relevant communication systems and equipment in China. On the other hand, the Group’s management would work closely with Multitone in identifying high quality electronic products made in China and distribute them through the present well-established distribution channel in Europe and we are optimistic in this marketing direction.

## **Smart City — Multitone**

The Smart City concept embraces seven main areas, namely, “Intelligent Governance”, “Innovative and Entrepreneurial Service System”, “Natural Disaster Monitoring System (City Operation and Emergency Command Center)”, “Smart Tour”, “Intelligent Education”, “Big Data Bank Center” and “Intelligent Transportation”. The setup of Smart City will enhance the administration and monitoring of urban population, resources, ecological environment and economic development. With the help of advanced information technology such as Internet of Things, big data and mobile internet, it will greatly enhance the city’s overall planning, administration services, city management, industrial development, livelihood of people and emergency command.

A Smart City can provide a new impetus for the urban economic restructuring and upgrading, provide new support for urban management services, and inject new vitality into the improvement of people’s livelihood and the building of a harmonious society.

In joint hands with Multitone, the Group would focus on marketing and developing the “Natural Disaster Monitoring System (City Operation and Emergency Command Center)” and “Intelligent Education” aspect of the Smart City market.

## **Internal Control**

Since a reliable and cost efficient internal control system is fundamental to the successful operation and day-to-day running of a business and in achieving its business objectives, the new management has engaged a professional internal control consultant to continue the review and scrutiny of the Group’s (excluding those of Multitone) overall operations, which, based on new management’s own observations and studies, the current operations are found to be reliable and effective. The Board has been implementing the recommendations suggested by this consultant to improve the overall internal control of the Group and to prevent recurrence of previous deficiencies.

As stated in our 2016/2017 Interim Report, the Group would seek this consultant's advice to incorporate and implement better internal control over the strategic, governance and management processes, covering the Group's entire range of activities and operations on top of those directly related to financial operations and reporting. Our long-term target aims to cover not only those aspects of a business that could broadly be defined as compliance matters, but extends also to the performance aspects of the business.

The management understands that good internal controls need to be responsive to the specific nature and needs of the business. Hence, the Group would seek to reflect sound business practice, remain relevant over time in the continuously evolving business environment and enable the Group to respond to the specific needs of the business and industry.

Eventually, the Group's management hopes to see that business opportunities are maximised and potential losses associated with unwanted events are minimised.

## **NEW DEVELOPMENT**

The management of the Group strived to improve the business operation and financial position of the Group, and also it has been the business strategy of the Group to proactively seek potential investment opportunities in order to enhance value of the Shareholders. For the time being, other than planning the business strategy on our cultural products after obtaining the final authentication report and evaluation report from the Appraisal Center, the Directors have the following plan to diversify its existing business portfolio into new line of business with growth potential and to broaden its source of income:

### **A. Enhancement of Investment Properties**

The Company is planning to subdivide the five and a half floors that the Company owns in Kantone Centre into small units which commands a great demand in the property market. Kantone Centre is conveniently located opposite to the Chai Wan MTR station at a distance of about 50 meters away. The Company has engaged professional consultants to proceed on this project which should generate steady income to the Group and to enhance the value of such properties.

### **B. Properties at Dongguan Golden Field Yijing Hotel**

In addition, the Dongguan Golden Field Yijing Hotel (the "Hotel") would generate steady income to the Group. The Directors are studying the profitability of developing the residential site which is part of the undeveloped land owned by the Hotel. On the other hand, the Directors are negotiating with the tenant to early terminate the existing lease agreement to pave way for the possible redevelopment of the whole site.

**Shareholders and potential investors should exercise caution when dealing in the securities of the Company.**

By order of the Board  
**CHAMPION TECHNOLOGY HOLDINGS LIMITED**  
**Wong Man Winny**  
*Chairman*

Hong Kong, 30 April 2018

*As at the date of this announcement, the executive directors of the Company are Ms. Wong Man Winny and Mr. Liu Ka Lim; the non-executive directors of the Company are Ms. To Yin Fong Cecilica and Mr. Chan Sung Wai; and the independent non-executive directors of the Company are Mr. Leung Man Fai, Mr. Chan Yik Hei and Mr. Wong Yuk Man Edmand.*



冠軍科技集團有限公司  
CHAMPION TECHNOLOGY HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT  
TO THE DIRECTORS OF CHAMPION  
TECHNOLOGY HOLDINGS LIMITED  
(CONTINUED IN BERMUDA WITH LIMITED  
LIABILITY)

OPINION

We have audited the condensed consolidated statement of assets and liabilities of Champion Technology Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") as at 31 December 2017 set out on pages 5 to 30.

In our opinion, the accompanying condensed consolidated statement of assets and liabilities presents fairly, in all material respects, the financial position of assets and liabilities of the Group as at 31 December 2017 in accordance with the basis of preparation described in note 1 to the condensed consolidated statement of assets and liabilities. The condensed consolidated statement of assets and liabilities is solely prepared for the purpose described in note 1 to the condensed consolidated statement of assets and liabilities.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). Our responsibilities under those standards are further described in the AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONDENSED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

致冠軍科技集團有限公司(延續於百  
慕達之有限公司)董事之獨立核數師  
報告

意見

吾等已審核載於第5至30頁冠軍科技集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)於二零一七年十二月三十一日之簡明綜合資產負債表。

就吾等之意見，隨附簡明綜合資產負債表按簡明綜合資產負債表附註1所述之編製基準於所有重大方面公允地呈列 貴集團於二零一七年十二月三十一日資產及負債之財務狀況。簡明綜合資產負債表僅按簡明綜合資產負債表附註1所述之用途編製。

意見之基準

吾等已根據香港會計師公會(「香港會計師公會」)頒佈之《香港審計準則》(「香港審計準則」)進行審計。吾等在該等準則下承擔之責任已在本報告「核數師就審計簡明綜合資產負債表承擔之責任」部分中作進一步闡述。根據香港會計師公會頒佈之《專業會計師道德守則》(以下簡稱「守則」)，吾等獨立於 貴集團，並已履行守則中之其他專業道德責任。吾等相信，吾等所獲得之審計憑證能充足及適當地為吾等之審計意見提供基礎。

# 冠軍科技集團有限公司

## CHAMPION TECHNOLOGY HOLDINGS LIMITED

### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONDENSED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

Management is responsible for the preparation and fair presentation of the condensed consolidated statement of assets and liabilities in accordance with the basis of preparation described in note 1 to the condensed consolidated statement of assets and liabilities, and for such internal control as management determines is necessary to enable the preparation of the condensed consolidated statement of assets and liabilities is free from material misstatement, whether due to fraud or error.

In preparing the condensed consolidated statement of assets and liabilities, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors of the Company either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

### 管理層和治理層對簡明綜合資產負債表之責任

管理層負責按照簡明綜合資產負債表附註1所述之編製基準編製簡明綜合資產負債表，使其實現公允反映，並釐定必要之內部控制，以使簡明綜合資產負債表不存在由於舞弊或錯誤導致之重大錯報。

在編製簡明綜合資產負債表時，貴公司董事負責評估 貴集團持續經營之能力，並在適用情況下披露與持續經營有關之事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或別無其他實際之代替方案。

治理層須負責監督 貴集團之財務報告過程。

# 冠軍科技集團有限公司

## CHAMPION TECHNOLOGY HOLDINGS LIMITED

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONDENSED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

Our objectives are to obtain reasonable assurance about whether the condensed consolidated statement of assets and liabilities as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the content of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this condensed consolidated statement of assets and liabilities.

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

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

### 核數師就審計簡明綜合資產負債表承擔之責任

吾等之目標，是對簡明綜合資產負債表整體是否不存在由於欺詐或錯誤而導致之重大錯誤陳述取得合理保證，並出具包括吾等按委聘條款協定之意見之核數師報告。吾等不會就核數師報告之內容向任何其他人士負上或承擔任何責任。合理保證是高水平之保證，但不能保證按照香港審計準則進行之審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響使用者依賴簡明綜合資產負債表所作出之經濟決定，則有關之錯誤陳述可被視作重大。

在根據香港審計準則進行審計之過程中，吾等運用了專業判斷，保持了專業懷疑態度。吾等亦：

- 識別和評估由於欺詐或錯誤而導致簡明綜合資產負債表存在重大錯誤陳述之風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當之審計憑證，作為吾等意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致之重大錯誤陳述之風險高於未能發現因錯誤而導致之重大錯誤陳述之風險。
- 了解與審計相關之內部控制，以設計適當之審計程序，但目的並非對貴集團內部控制之有效性發表意見。
- 評價董事所採用會計政策之恰當性及作出會計估計和相關披露之合理性。

# 冠軍科技集團有限公司

## CHAMPION TECHNOLOGY HOLDINGS LIMITED

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONDENSED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES (continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the condensed consolidated statement of assets and liabilities or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the condensed consolidated statement of assets and liabilities, including the disclosures, and whether the condensed consolidated statement of assets and liabilities represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

**Moore Stephens CPA Limited**  
Certified Public Accountants

**Cheung Sai Kit**  
*Practising Certificate Number: P05544*

Hong Kong, 30 April 2018

### 核數師就審計簡明綜合資產負債表承擔之責任(續)

- 對董事採用持續經營會計基礎之恰當性作出結論。根據所獲取之審計憑證，確定是否存在與事項或情況有關之重大不確定性，從而可能導致對貴集團之持續經營能力產生重大疑慮。如果吾等認為存在重大不確定性，則有必要在核數師報告中提請使用者注意簡明綜合資產負債表中之相關披露。假若有關之披露不足，則吾等應當發表非無保留意見。吾等之結論是基於核數師報告日止所取得之審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價簡明綜合資產負債表之整體列報方式、結構和內容，包括披露，以及簡明綜合資產負債表是否中肯反映交易和事項。

除其他事項外，吾等與治理層溝通了計劃之審計範圍、時間安排、重大審計發現等，包括吾等在審計中識別出內部控制之任何重大缺陷。

吾等還向治理層提交聲明，說明吾等已符合有關獨立性之相關專業道德要求，並與彼等溝通有可能合理地被認為會影響吾等獨立性之所有關係和其他事項，以及在適用的情況下，相關的防範措施。

**大華馬施雲會計師事務所有限公司**  
執業會計師

**張世杰**  
執業證書號碼：P05544

香港，二零一八年四月三十日

**冠軍科技集團有限公司**  
**CHAMPION TECHNOLOGY HOLDINGS LIMITED**

**CONDENSED CONSOLIDATED  
STATEMENT OF ASSETS AND LIABILITIES**

As at 31 December 2017

**簡明綜合資產負債表**

於二零一七年十二月三十一日

		Notes 附註	As at 31 December 2017 於二零一七年 十二月 三十一日 HK\$'000 千港元 (Audited) (經審核)
<b>Non-current assets</b>			
<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	2	34,175
Investment properties	投資物業	3	150,124
Development costs for systems and networks	系統及網絡開發成本		—
Interest in a joint venture	於一間合資企業之權益		458
Available-for-sale investments	可供出售投資	4	—
Finance lease receivable	應收融資租賃款項	5	48,083
			<b>232,840</b>
<b>Current assets</b>			
<b>流動資產</b>			
Inventories	存貨	6	35,746
Finance lease receivable	應收融資租賃款項	5	4,569
Trade and other receivables	應收貿易及其他賬款	7	43,139
Financial assets at fair value through profit or loss	按公平價值計入損益之 金融資產	8	119,838
Cash and cash equivalents	現金及現金等額		143,615
			<b>346,907</b>
<b>Current liabilities</b>			
<b>流動負債</b>			
Trade and other payables	應付貿易及其他賬款	9	75,947
Warranty provision	保養撥備		1,178
Customers' deposits	客戶按金		3,483
Amounts due to directors	應付董事款項	10	3,680
Interest bearing bank and other borrowings — amount due within one year	計息銀行及其他借貸 — 於一年內到期	11	21,730
Promissory note payable	應付承兌票據	12	700
			<b>106,718</b>

冠軍科技集團有限公司  
CHAMPION TECHNOLOGY HOLDINGS LIMITED

CONDENSED CONSOLIDATED  
STATEMENT OF ASSETS AND LIABILITIES

(continued)

As at 31 December 2017

簡明綜合資產負債表(續)

於二零一七年十二月三十一日

		As at 31 December 2017 於二零一七年 十二月 三十一日 HK\$'000 千港元 (Audited) (經審核)
<b>Net current assets</b>	<b>流動資產淨值</b>	<b>240,189</b>
<b>Total assets less current liabilities</b>	<b>資產總值減流動負債</b>	<b>473,029</b>
<b>Non-current liabilities</b>	<b>非流動負債</b>	
Interest bearing bank and other borrowings — amount due after one year	計息銀行及其他借貸 — 於一年後到期	11 <b>305,000</b>
Promissory note payable	應付承兌票據	12 <b>51,981</b>
Retirement benefit obligations	退休福利承擔	<b>59,831</b>
Deferred tax liabilities	遞延稅項負債	13 <b>10,108</b>
		<b>426,920</b>
<b>Net assets</b>	<b>資產淨值</b>	<b>46,109</b>

The condensed consolidated statement of assets and liabilities on pages 5 to 30 was approved and authorised for issue by the board of directors on 30 April 2018 and signed on its behalf by:

第5至30頁之簡明綜合資產負債表已於二零一八年四月三十日獲董事會批准及授權刊發，並由下列董事代表簽署：

**WONG MAN WINNY**  
黃敏  
Chairman  
主席

**LIU KA LIM**  
廖嘉濂  
Director  
董事

The notes on pages 7 to 30 form part of the condensed consolidated statement of assets and liabilities.

第7至30頁之附註構成簡明綜合資產負債表之一部份。

# 冠軍科技集團有限公司 CHAMPION TECHNOLOGY HOLDINGS LIMITED

## NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

As at 31 December 2017

### 1. BASIS OF PREPARATION

The condensed consolidated statement of assets and liabilities of the Group, being Champion Technology Holdings Limited (the "Company") and its subsidiaries, as of 31 December 2017 has been prepared by management of the Group solely for the purpose of assisting the Board of Directors in reviewing and analysing the financial position of the Group as of 31 December 2017.

The Group's condensed consolidated statement of assets and liabilities as of 31 December 2017 is a single statement which comprises a condensed consolidated statement of assets and liabilities of the Group as at 31 December 2017 only.

The condensed consolidated statement of assets and liabilities of the Group as of 31 December 2017 has been prepared using the same accounting policies in respect of classification and measurement of assets and liabilities adopted by the Group when it prepared its annual financial statements for the year ended 30 June 2017 except for the change in accounting policy described below regarding the Group's investment properties.

The condensed consolidated statement of assets and liabilities has been prepared on the historical cost basis except for investment properties and financial assets at fair value through profit or loss which have been measured at fair value. The condensed consolidated statement of assets and liabilities is presented in Hong Kong dollar ("HK\$") and all values are rounded to the nearest thousand except when otherwise indicated.

## 簡明綜合資產負債表附註

於二零一七年十二月三十一日

### 1. 編製基準

本集團(即冠軍科技集團有限公司(「本公司」))及其附屬公司於二零一七年十二月三十一日之簡明綜合資產負債表乃由本集團管理層僅就協助董事會審閱及分析本集團於二零一七年十二月三十一日之財務狀況而編製。

本集團於二零一七年十二月三十一日之簡明綜合資產負債表僅為包括本集團於二零一七年十二月三十一日簡明綜合資產負債表之單獨報表。

本集團於二零一七年十二月三十一日之簡明綜合資產負債表乃使用本集團編製其截至二零一七年六月三十日止年度之年度財務報表所採用有關資產及負債分類及計量之相同會計政策而編製，惟下文所述有關本集團投資物業之會計政策變動除外。

簡明綜合資產負債表乃按歷史成本編製，惟以公平值計算之投資物業及按公平值計入損益之金融資產除外。簡明綜合資產負債表以港元(「港元」)計值，而所有金額均四捨五入至最接近千位。

冠軍科技集團有限公司  
CHAMPION TECHNOLOGY HOLDINGS LIMITED

NOTES TO THE CONDENSED  
CONSOLIDATED STATEMENT OF ASSETS  
AND LIABILITIES (continued)

As at 31 December 2017

1. BASIS OF PREPARATION (continued)

The following amendments to the Hong Kong Financial Reporting Standards (the "Amendments") are effective for annual periods beginning on or after 1 January 2017:

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

For the purposes of the preparation of the condensed consolidated statement of assets and liabilities, none of the Amendments have had a material effect on how the Group's financial position as at 31 December 2017. The Group has not applied any new standard or interpretation that is not yet effective for the purpose of this condensed consolidated statement of assets and liabilities.

簡明綜合資產負債表附註(續)

於二零一七年十二月三十一日

1. 編製基準(續)

香港財務報告準則之下列修訂本(「該等修訂本」)於二零一七年一月一日或之後之年度期間場生效:

- 香港會計準則 披露計劃  
第7號修訂本
- 香港會計準則 就未變現虧損確認  
第12號修訂 遞延稅項資產  
本
- 香港財務報告 二零一四年至  
準則修訂本 二零一六年週期  
之香港財務報告  
準則年度改進

就編製簡明綜合資產負債表而言，以上修訂本對本集團財務狀況於二零一七年十二月三十一日俱無重大影響。本集團並無應用任何簡明綜合資產負債表尚未生效之任何新訂準則或詮釋。



冠軍科技集團有限公司  
CHAMPION TECHNOLOGY HOLDINGS LIMITED

NOTES TO THE CONDENSED  
CONSOLIDATED STATEMENT OF ASSETS  
AND LIABILITIES (continued)

As at 31 December 2017

1. BASIS OF PREPARATION (continued)

Change in accounting policy in respect of the  
Group's investment properties

As at 30 June 2017, the carrying amount of the Group's property, plant and equipment, included investment properties located in Hong Kong and the PRC with the aggregate carrying amount of HK\$3,483,000 which the directors of the Company considered the amount involved to be immaterial and hence did not separately present them as investment properties. As at 30 June 2017, the Group's property, plant and equipment and investment properties were accounted for using the cost model.

In preparing the condensed consolidated statement of assets and liabilities of the Group as at 31 December 2017, the directors of the Company have determined that the accounting policy for the investment properties shall be changed from cost model to fair value model as they believe that the change would provide more relevant information. As a result, the carrying amount of the investment properties (based on their fair values) is material and hence investment properties are presented separately from property, plant and equipment. With the new accounting policy, the Group's investment properties are measured at fair value at the end of each reporting period with changes in fair value being recognised in profit or loss. The change in accounting policy has been applied retrospectively.

As at 1 July 2017, the fair value of the investment properties determined using market comparable approach is based on a valuation report, issued by Hilco Global Greater China Limited.

簡明綜合資產負債表附註(續)

於二零一七年十二月三十一日

1. 編製基準(續)

有關本集團投資物業之會計政策變動

於二零一七年六月三十日，本集團物業、廠房及設備之賬面值包括位於香港及中國賬面總值3,483,000港元之投資物業，本公司董事認為涉及之金額並不重大，因此毋須個別地以投資物業呈列。於二零一七年六月三十日，本集團之物業、廠房及設備以及投資物業已使用成本模式列賬。

於編製本集團於二零一七年十二月三十一日之簡明綜合資產負債表時，本公司董事已判定將投資物業之會計政策由成本模式更改為公平價值模式，原因為董事相信變動可提供更多相關資料。因此，投資物業(按公平值計算)之賬面值屬重大，故投資物業獨立於物業、廠房及設備呈列。就新訂會計政策而言，本集團之投資物業乃按各報告期末之公平值(其公平值變動於損益中確認)計量。會計政策變動已追溯應用。

於二零一七年七月一日，使用市場比較法釐定之該等投資物業公平值乃按Hilco Global Greater China Limited出具之估值報告釐定。

冠軍科技集團有限公司  
CHAMPION TECHNOLOGY HOLDINGS LIMITED

NOTES TO THE CONDENSED  
CONSOLIDATED STATEMENT OF ASSETS  
AND LIABILITIES (continued)

As at 31 December 2017

1. BASIS OF PREPARATION (continued)

Change in accounting policy in respect of the Group's investment properties (continued)

Impact on the condensed consolidated statement of assets and liabilities as at 30 June 2017 as follows:

簡明綜合資產負債表附註(續)

於二零一七年十二月三十一日

1. 編製基準(續)

有關本集團投資物業之會計政策變動(續)

於二零一七年六月三十日之簡明綜合資產負債表產生之影響如下：

		The Group as previously reported 本集團之 過往呈報 HK\$'000 千港元 (Audited) (經審核)	Prior year adjustments 過往年度 調整 HK\$'000 千港元 (Audited) (經審核)	The Group as restated 本集團之 重列 HK\$'000 千港元 (Audited) (經審核)
Property, plant and equipment	物業、廠房及設備	42,470	(3,483)	38,987
Investment properties	投資物業	—	54,094	54,094
Other non-current assets	其他非流動資產	459	—	459
<b>Non-current assets</b>	<b>非流動資產</b>	<b>42,929</b>	<b>50,611</b>	<b>93,540</b>
<b>Current assets</b>	<b>流動資產</b>	<b>4,423,433</b>	<b>—</b>	<b>4,423,433</b>
<b>Current liabilities</b>	<b>流動負債</b>	<b>(293,583)</b>	<b>—</b>	<b>(293,583)</b>
Deferred tax liabilities	遞延稅項負債	—	(9,573)	(9,573)
Other non-current liabilities	其他非流動負債	(60,727)	—	(60,727)
<b>Non-current liabilities</b>	<b>非流動負債</b>	<b>(60,727)</b>	<b>(9,573)</b>	<b>(70,300)</b>
<b>Net assets</b>	<b>資產淨值</b>	<b>4,112,052</b>	<b>41,038</b>	<b>4,153,090</b>

**冠軍科技集團有限公司**  
**CHAMPION TECHNOLOGY HOLDINGS LIMITED**

**NOTES TO THE CONDENSED  
CONSOLIDATED STATEMENT OF ASSETS  
AND LIABILITIES** *(continued)*

As at 31 December 2017

**2. PROPERTY, PLANT AND EQUIPMENT**

**簡明綜合資產負債表附註(續)**

於二零一七年十二月三十一日

**2. 物業、廠房及設備**

		<b>Amount</b>
		總額
		HK\$'000
		千港元
At 1 July 2017 (Restated)	於二零一七年七月一日(重列)	38,987
Currency realignment	匯兌調整	1,573
Additions	添置	3,629
Addition by acquisition of subsidiaries <i>(note 14)</i>	透過收購附屬公司添置(附註14)	752
Transfer to investment properties	轉至投資物業	(5,279)
Depreciation	折舊	(4,554)
Disposals	出售	(12)
Elimination due to disposal of subsidiaries	因出售附屬公司對銷	(921)
<b>Carrying value at 31 December 2017</b>	於二零一七年十二月三十一日之	
<b>(Audited)</b>	賬面值(經審核)	<b>34,175</b>

During the six months ended 31 December 2017, certain of the Group's properties included in property, plant and equipment amounting to HK\$5,279,000 were changed in use from internal use to earning rental income. Such properties were transferred from property, plant and equipment to investment properties. The difference in fair value and the carrying amounts of the properties at the date of transfer amounted to HK\$73,221,000 is recognised in property revaluation reserve for the six months ended 31 December 2017.

As at 31 December 2017, property, plant and equipment of the Group with the aggregate carrying amounts of HK\$11,716,000 have been pledged as securities for the defined benefit retirement scheme of certain subsidiaries operated in UK.

於截至二零一七年十二月三十一日止六個月，價值5,279,000港元計入物業、廠房及設備之本集團若干物業用途有變，由內部使用更改為收取租金收入。該等物業由物業、廠房及設備轉換為投資物業。於轉換日期公平值與該等物業賬面值之差異金額73,221,000港元於截至二零一七年十二月三十一日止六個月確認為物業重估儲備。

於二零一七年十二月三十一日，本集團賬面總值為11,716,000港元之物業、廠房及設備已被抵押，作為若干於英國營運之附屬公司之定額福利退休計劃之擔保。

冠軍科技集團有限公司  
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NOTES TO THE CONDENSED  
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AND LIABILITIES (continued)

As at 31 December 2017

3. INVESTMENT PROPERTIES

簡明綜合資產負債表附註(續)

於二零一七年十二月三十一日

3. 投資物業

		<b>Properties located in Hong Kong</b>	<b>Properties located in the PRC</b>	<b>Amount</b>
		香港物業 HK\$'000 千港元	中國物業 HK\$'000 千港元	金額 HK\$'000 千港元
As at 1 July 2017 (Restated)	於二零一七年七月一日 (經重列)	14,300	39,794	54,094
Currency realignment	貨幣調整	—	12,045	12,045
Addition through acquisition of subsidiaries (note (i) and note 14)	透過收購附屬公司添置 (附註 (i) 及附註 14)	—	174,596	174,596
Transfer from property, plant and equipment (note 1)	轉自物業、廠房及設備 (附註 1)	78,500	—	78,500
Fair value gain on investment properties acquired in prior year	過往年度已收購之投資物 業公平值收益	11,080	2,107	13,187
Fair value loss on investment properties acquired in current period (note ii)	本期間已收購之投資物業 公平值虧損 (附註 ii)	—	(182,298)	(182,298)
<b>Carrying value at 31 December 2017 (Audited)</b>	於二零一七年十二月 三十一日之賬面值 (經審核)	<b>103,880</b>	<b>46,244</b>	<b>150,124</b>

Notes:

- (i) The investment properties acquired through acquisition of subsidiaries during the period are recognised initially at cost. As at the date of acquisition, the initial carrying amount of the investment property based on its acquisition cost amounted to HK\$174,596,000 (see note 14).

附註：

- (i) 於回顧期內透過收購附屬公司收購之投資物業乃按成本初步確認。於收購日期，投資物業按其收購成本計算之初步賬面值為174,596,000港元(附註14)。

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NOTES TO THE CONDENSED  
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As at 31 December 2017

3. INVESTMENT PROPERTIES (continued)

- (ii) In the opinion of the directors of the Company, currently there are no relevant laws and regulations in the PRC which precisely state the arrangements for extension of the land use rights in the PRC after the end of the contractual lease term. As mentioned in note 14, the Group acquired 2 pieces of leasehold land in the PRC with contractual lease terms expiring in 2033 and 2043 during the six months ended 31 December 2017 with a hotel property being erected on the 2 pieces of leasehold land and with a tenancy agreement with a hotel operator expiring near the end of the contractual lease term of one of the leasehold land (i.e. 2033). The acquired investment property represented interest in a leasehold land with the remaining lease term from the end of the lease term with the hotel operator (i.e. 2033) to 2043. Taking into account that leasehold land in the PRC are commonly treated as operating leases until the end of the relevant lease term with no assumption that the lease term can be further extended, the fair value of the investment property acquired in the six months ended 31 December 2017 is determined by adjusted market comparison approach by a) making reference to comparable sales of bare-land with lease term of 40 years; b) adjusted for the term factor using the valuation technique to estimate value of bare-land with lease term of 10 years as at 2033; and c) take into account the time value of money at discount rate of 6% from 2033 to 31 December 2017. Accordingly, a fair value loss of HK\$182,298,000 was recognised for the six months ended 31 December 2017. The fair value as at 31 December 2017 was performed by an independent firm of professional valuers, Stirling Appraisals Limited. The fair value of other investment properties of the Group as of 31 December 2017 have been valued by independent firms of professional valuer, Hilco Global Greater China Limited, by using market comparable approach.

簡明綜合資產負債表附註(續)

於二零一七年十二月三十一日

3. 投資物業(續)

- (ii) 本公司董事認為，目前中國並無相關法律及法規清楚列明於合約租賃期結束後延長中國土地使用權之安排。誠如附註14所述，於截至二零一七年十二月三十一日止六個月，本集團於中國收購兩塊租賃土地(於截至二零一七年十二月三十一日止六個月，其合約租賃期於二零三三年及二零四三年屆滿)，以及建於兩塊租賃土地之上的酒店物業，與酒店營運商訂立之租戶協議將於接近其中一塊租賃土地之合約租賃期結束時到期(即二零三三年)。已收購之投資物業代表與酒店營運商之合約租賃期結束(即二零三三年)後直至二零四三年之餘下租賃期之租賃土地權益。經考慮中國租賃土地一般被視為直至相關租賃期結束之租賃期，且並不假設租賃期可進一步延長，於截至二零一七年十二月三十一日止六個月收購之投資物業公平值乃使用就以下各項a)參考租期為40年之空地可資比較銷售；b)就使用估值技術估計租期為10年之空地於二零三三年之估計價值對因素作出調整；及c)按折讓率6%計及二零三三年至二零一七年十二月三十一日之貨幣時間價值作出調整之市場比較法釐定。因此，182,298,000港元之公平值虧損於截至二零一七年十二月三十一日止六個月確認。於二零一七年十二月三十一日之公平值由獨立專業估值師中寧評估有限公司評估。本集團於二零一七年十二月三十一日之其他投資物業公平值已由獨立專業估值師Hilco Global Greater China Limited使用市場比較法進行估值。

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NOTES TO THE CONDENSED  
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As at 31 December 2017

簡明綜合資產負債表附註(續)

於二零一七年十二月三十一日

4. AVAILABLE-FOR-SALE INVESTMENTS

4. 可供出售投資

		As at 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
		—
Unlisted equity securities, at cost	非上市股本證券，按成本值	518,480
Impairment loss recognised	已確認之減值虧損	(518,480)

The unlisted equity investments represent investments in unlisted securities issued by private entities incorporated outside Hong Kong ("AFS investees") holding strategic investments in information technology and telecommunications industry. They are measured at cost less any accumulated impairment losses at the end of reporting period because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that their fair values cannot be measured reliably.

As at 30 June 2017, the management of the Group believed that there are existed objective evidence that an impairment loss had been incurred on the available-for-sale investments ("AFS Investments"), after taking into account the significant decline in carrying amounts of net assets of the AFS Investees based on the unaudited financial information of the investees available to the management of the Group. Further, the Group did not receive any dividend income from the AFS Investees after the year ended 30 June 2016. In assessing the recoverability of the AFS Investments, the management of the Group tried to establish direct communications with the management of the AFS Investees to understand their latest developments and obtain further and updated financial information of the AFS Investees including engaging private investigators and foreign lawyers to try locating and contacting the AFS Investees. However, as at the date when the consolidated financial statements of the Group for the year ended 30 June 2017 was authorised for issue, the management of the Group had not been able to establish contacts with the management of the AFS

非上市股本投資指於香港以外地區註冊成立，涉及資訊科技及電信業持有策略性投資之私人實體所發行之非上市證券投資（「可供出售投資之獲投資方」）。該等投資於報告期末按成本值減任何累計減值虧損計量，此乃由於合理公平價值估算範圍甚大，本公司董事認為未能可靠地計算得出該等公平值。

於二零一七年六月三十日，經考慮可供本集團管理層參考之被投資方未經審核財務資料，認為可供出售投資之獲投資方資產淨值賬面值大幅減退後，本集團管理層相信，存在客觀證據證實可供出售投資（「可供出售投資」）產生減值虧損。此外，本集團於截至二零一六年六月三十日止年度後並無收取可供出售投資之獲投資方任何股息收入。於評估可供出售投資之可收回性時，本集團管理層嘗試與可供出售投資之獲投資方管理層直接聯絡，以瞭解最近發展及取得可供出售投資之獲投資方之進一步更新財務資料（包括委聘私家偵探及外籍律師嘗試查找及聯絡可供出售投資之獲投資方）。然而，於本集團截至二零一七年六月三十日止年度之綜合財務報表獲批刊

NOTES TO THE CONDENSED  
CONSOLIDATED STATEMENT OF ASSETS  
AND LIABILITIES (continued)

As at 31 December 2017

4. AVAILABLE-FOR-SALE INVESTMENTS (continued)

Investments and had not been able to obtain from the AFS Investees the necessary financial and other information as the management was still pending for the findings and results from the investigators and lawyers. The management of the Group believed that the AFS Investments should be fully impaired for the year ended 30 June 2017. Accordingly, the Group recognised an additional impairment loss of HK\$418,296,000 for the year ended 30 June 2017.

During the six months ended 31 December 2017, the management continued to make its efforts to try to establish contact with the AFS Investees. The management has exhausted all means practically possible, including the engagement of lawyers and private investigators, to locate and contact the disappeared management of the investee companies and to try to recover part of investment amount. The directors of the Company, after taking into account a) the findings from the investigators; b) the legal advice from the lawyer; c) the various options suggested by the lawyer, where the estimated cost to perform the actions are significantly exceeding the benefit, and d) there is no other alternative or possible further action that the Company could reasonably take, the directors of the Company concluded that the recoverable amount of the AFS Investments is zero.

簡明綜合資產負債表附註(續)

於二零一七年十二月三十一日

4. 可供出售投資(續)

發之日期，本集團管理層尚未能與可供出售投資之管理層聯絡，亦未能取得可供出售投資之獲投資方所需財務及其他資料，原因為管理層仍待偵探及律師之發現及結果。本集團管理層相信，可供出售投資須於截至二零一七年六月三十日止年度全數減值。因此，本集團已就截至二零一七年六月三十日止年度確認額外減值虧損418,296,000港元。

於截至二零一七年十二月三十一日止六個月，管理層已繼續盡力試圖與可供出售投資之獲投資方聯絡。管理層用盡一切實際可行途徑，包括委聘律師及私家偵探等，以查找及聯絡已失蹤的被投資公司管理層及試圖追討部分投資額。經本公司董事考慮a)私家偵探之發現；b)律師之法律意見；c)律師提出之多項建議(其指出採取行動之預計成本大幅多於該利益)；及d)本公司並無其他合理方法或進一步可行行動，董事得出結論，可供出售投資之可收回金額為零。

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NOTES TO THE CONDENSED  
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As at 31 December 2017

5. FINANCE LEASE RECEIVABLE

簡明綜合資產負債表附註(續)

於二零一七年十二月三十一日

5. 應收融資租賃款項

		Minimum lease payments 最低租賃 款項 As at 31 December 2017 於 二零一七年 十二月 三十一日 HK\$'000 千港元 (Audited) (經審核)	Present value of minimum lease payments 最低租賃款項 之現值 As at 31 December 2017 於 二零一七年 十二月 三十一日 HK\$'000 千港元 (Audited) (經審核)
Within one year	一年內	4,705	4,569
In the second to fifth year, inclusive	第二至五年(包括首尾兩年)	65,864	48,083
		<b>70,569</b>	<b>52,652</b>
<i>Less: Unearned finance income</i>	<i>減: 未實現融資收入</i>	<b>(17,917)</b>	
Present value of minimum lease payment receivables	最低應收租賃款項之現值	<b>52,652</b>	
Represented by	以下列各項列示		
Current portion	即期部份		4,569
Non-current portion	非即期部份		48,083
			<b>52,652</b>

As disclosed in note 14, the Group acquired a finance lease receivable. The effective interest rate applicable to the finance lease is approximately 3.96% per annum.

The tenant mentioned in note 14 had made payments in accordance with the contractual tenancy arrangement and had a good repayment record in prior years. Accordingly, the management of the Group considered that the credit risk is low and no provision for impairment loss is considered necessary.

誠如附註 14 所述，本集團收購應收融資租賃款項。融資租賃之適用實際利息為年利率約 3.96%。

附註 14 所述之租戶按合約租戶安排作出付款並按過往年度擁有良好還款記錄。因此，本集團管理層認為信貸風險為低，且毋須就此作出減值虧損撥備。



**冠軍科技集團有限公司**  
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**NOTES TO THE CONDENSED  
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AND LIABILITIES** *(continued)*

*As at 31 December 2017*

**簡明綜合資產負債表附註** *(續)*

於二零一七年十二月三十一日

**6. INVENTORIES**

**6. 存貨**

		<b>As at 31 December 2017</b> 於二零一七年 十二月三十一日 <b>HK\$'000</b> 千港元 <b>(Audited)</b> (經審核)
Raw materials	原料	<b>8,150</b>
Work in progress	在製品	<b>5,001</b>
Finished goods <i>(note (i) and (ii))</i>	製成品 <i>(附註 (i) 及 (ii))</i>	<b>22,595</b>
		<b>35,746</b>

*Notes:*

- (i) Included in finished goods are cultural products, including precious stones and artifacts of HK\$14,625,000 which are held for trading and resale in the ordinary course of business.
- (ii) As at 31 December 2017, all the cultural products of the Group were stored in a warehouse run by a worldwide security solution company, which is an independent third party to the Group.

*附註：*

- (i) 製成品包括於日常業務過程中持作買賣及轉售之文化產品(包括珍貴石頭及藝術品)價值為14,625,000港元。
- (ii) 於二零一七年十二月三十一日，本集團之所有文化產品已存放於一間全球保安解決方案公司經營之倉庫，其為本集團獨立第三方。

# 冠軍科技集團有限公司

## CHAMPION TECHNOLOGY HOLDINGS LIMITED

### NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES (continued)

As at 31 December 2017

#### 6. INVENTORIES (continued)

For the purpose of preparing the consolidated financial statements for the year ended 30 June 2017, the Group had engaged cultural product/jewellery experts to perform an inspection on the inventories of cultural products. According to these experts, downgradings and reclassifications were required to be made on a number of inventory items of cultural products. The Group therefore engaged an independent valuer, Hilco Global Greater China Limited, to assess the current market values of the inventories as at 30 June 2017 based on the findings of the cultural product/jewellery experts concerning the grading and classification of the cultural products. As a result of the assessment, the management of the Group had determined that the net realisable values of a number of the inventory items of cultural products were lower than their costs and that the shortfalls amounted to an aggregate amount of HK\$4,275,921,000. Accordingly, the Group recognised an impairment loss of HK\$4,275,921,000 for the year ended 30 June 2017.

For the purpose of preparing the condensed consolidated statement of assets and liabilities as at 31 December 2017, the Group had arranged another team of cultural product and jewellery experts (the "Current Experts") from "China Cultural Heritage Information and Consulting Center" (the "Consulting Center") being led by Ms. YANG Zhen Hua (楊震華), to perform a more detailed authentication on all of the cultural products regarding their grading and classification. According to the Current Experts, further downgradings and reclassifications were required to be made on cultural products as compared to those as at 30 June 2017. The Consulting Center has arranged another valuer, 北京市國宏信價格評估有限公司 to reassess the current market values of the inventories as at 31 December 2017 based on their findings concerning the grading and classification of the cultural products. As a result of final authentication report and evaluation report, the management of the Group had determined that their net realisable values were below their costs and the shortfalls resulted in impairment loss of HK\$4,220,760,000 being made for the six months ended 31 December 2017.

The directors of the Company were of the view that, with the detailed exercise performed by the Current Experts, the carrying amount net of impairment recognised so far, reflected in the condensed consolidated statement of assets and liabilities, was the best estimate of the recoverable amount of the cultural products.

### 簡明綜合資產負債表附註(續)

於二零一七年十二月三十一日

#### 6. 存貨(續)

就編製截至二零一七年六月三十日止年度之綜合財務報表而言，本集團已聘請文物產品／玉石專家就文化產品存貨進行鑑證。根據該等專家之意見，需要對存貨中部份文化產品項目進行品位下調及重新分類。根據該等文物產品／玉石專家就文化產品項目之品位及分類之意見，因此本集團聘請獨立估值師 Hilco Global Greater China Limited 對於二零一七年六月三十日之存貨現時市值進行估值。由於該估值之結果，本集團之管理層確定部份文化產品存貨項目可變現淨值低於其成本，差額合共 4,275,921,000 港元。故此，本集團已於截至二零一七年六月三十日止年度確認 4,275,921,000 港元之減值虧損。

就編製於二零一七年十二月三十一日之簡明綜合資產負債表而言，本集團已安排由楊震華女士率領來自「中國文物信息諮詢中心」(「諮詢中心」)之另一隊文物產品／玉石專家(「現有專家」)對所有文化產品就其品位及分類進行更詳細鑑證。根據現有專家之意見，相比截至二零一七年六月三十日之結果，需要對文化產品進行進一步品位下調及重新分類。諮詢中心已安排另一名估值師北京市國宏信價格評估有限公司按照就該等文化產品之品位及分類之結論，重估上述存貨於二零一七年十二月三十一日之現時市值。根據最終鑑證報告及評估報告，本集團管理層判定可變現淨值低於其成本，該等差額導致於截至二零一七年十二月三十一日止六個月期間作出進一步減值虧損 4,220,760,000 港元。

本公司董事認為，經現有專家進行詳細測試後，於簡明綜合資產負債表反映之現時扣除已確認減值之賬面值為文化產品可收回金額之最佳估算。

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**NOTES TO THE CONDENSED  
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*As at 31 December 2017*

簡明綜合資產負債表附註(續)

於二零一七年十二月三十一日

7. TRADE AND OTHER RECEIVABLES

7. 應收貿易及其他賬款

		<b>As at 31 December 2017</b> 於二零一七年 十二月三十一日 <b>HK\$'000</b> 千港元 <b>(Audited)</b> (經審核)
Trade receivables	應收貿易賬款	<b>19,918</b>
Other receivables <i>(note)</i>	應收其他賬款(附註)	<b>23,221</b>
		<b>43,139</b>

The Group has credit policy regarding its trade customers depending on their credit worthiness, nature of services and products, industry practice and condition of the market with credit period ranging from 30 days to 180 days.

本集團就其貿易客戶實行信貸政策。根據彼等之信用、服務及貨品之性質、行內規範及市場情況而給予客戶介乎30日至180日信貸期。

The ageing analysis of trade receivables presented based on the invoice date at the end of the reporting period is as follows:

應收貿易賬款於報告期末根據發票日期之賬齡分析呈列如下：

		<b>As at 31 December 2017</b> 於二零一七年 十二月三十一日 <b>HK\$'000</b> 千港元 <b>(Audited)</b> (經審核)
0 — 60 days	0 — 60日	<b>16,005</b>
61 — 90 days	61 — 90日	<b>2,625</b>
91 — 180 days	91 — 180日	<b>1,288</b>
		<b>19,918</b>

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NOTES TO THE CONDENSED  
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As at 31 December 2017

7. TRADE AND OTHER RECEIVABLES (continued)

Note: Other receivables mainly represented a loan to third party of HK\$6,031,500, rental deposits and sundry deposits.

The loan to third party was a one-year short-term loan advancing on 16 January 2017. The loan is unsecured and interest bearing at 10% per annum. In the opinion of the directors of the Company, appropriate action was taken by the management and the loan will be settled within 12 months from the end of the reporting period.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH  
PROFIT OR LOSS ("FINANCIAL ASSETS AT FVTPL")

簡明綜合資產負債表附註(續)

於二零一七年十二月三十一日

7. 應收貿易及其他賬款(續)

附註：其他應收賬款主要指向第三方提供6,031,500港元貸款、租金按金及雜項按金。

向第三方提供之貸款為於二零一七年一月十六日借出之一年期短期貸款。該貸款為無抵押，年利息10%計息。本公司董事認為，管理層已作出適當行動，而該貸款將於報告期末12個月內結付。

8. 按公平價值計入損益之金融資產(「按公平價值計入損益之金融資產」)

31 December  
2017  
二零一七年  
十二月三十一日  
HK\$'000  
千港元  
(Audited)  
(經審核)

Listed equity investments in Hong Kong

香港上市股本投資

119,838

The above financial assets as at 31 December 2017 were classified as held for trading financial assets.

上述於二零一七年十二月三十一日之金融資產被分類為持作買賣之金融資產。

The fair values of the listed shares in Hong Kong as at 31 December 2017 are determined based on the quoted market closing prices available on the Stock Exchange as at 31 December 2017.

香港上市股份於二零一七年十二月三十一日之公平價值乃按聯交所於二零一七年十二月三十一日所報收市價格釐定。

As at 31 December 2017, the Group's listed financial assets at fair value through profit or loss with carrying amount of HK\$103,012,000 were pledged to secure margin facilities granted by licensed securities companies in Hong Kong to the Group.

於二零一七年十二月三十一日，本集團賬面值為103,012,000港元之按公平價值計入損益之上市金融資產已被抵押，以擔保香港持牌證券公司向本集團授出之孖展融資。

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**NOTES TO THE CONDENSED  
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*As at 31 December 2017*

**簡明綜合資產負債表附註** *(續)*

於二零一七年十二月三十一日

**9. TRADE AND OTHER PAYABLES**

**9. 應付貿易及其他賬款**

		<b>As at 31 December 2017</b> 於二零一七年 十二月三十一日 <b>HK\$'000</b> 千港元 <b>(Audited)</b> (經審核)
Trade payables	應付貿易賬款	<b>2,839</b>
Other payables <i>(note)</i>	應付其他賬款 <i>(附註)</i>	<b>73,108</b>
		<b>75,947</b>

The credit period for purchases of goods ranged from 30 days to 60 days.

購買貨品之信貸期介乎30日至60日。

The aged analysis of trade payables presented based on the invoice date at the end of the reporting period is as follows:

應付貿易賬款於報告期末根據發票日期之賬齡分析呈列如下：

		<b>As at 31 December 2017</b> 於二零一七年 十二月三十一日 <b>HK\$'000</b> 千港元 <b>(Audited)</b> (經審核)
0 — 60 days	0 — 60日	<b>2,563</b>
61 — 180 days	61 — 180日	<b>274</b>
Over 181 days	超過181日	<b>2</b>
		<b>2,839</b>

*Note:* Other payables mainly represented receipts in advance from customers of HK\$14,671,000, amount due to a previous substantial shareholder of HK\$14,120,000 and other accrued expenses.

*附註：* 其他應付賬款主要指客戶預收款項14,671,000港元及應付一名先前主要股東款項14,120,000港元以及其他應計開支。

The amount due to a previous substantial shareholder is unsecured, non-interest bearing and repayable on demand.

應付一名前主要股東之款項為無抵押、免息及須按要求時償還。

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NOTES TO THE CONDENSED  
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As at 31 December 2017

10. AMOUNTS DUE TO DIRECTORS

The amounts due to directors of the Company are unsecured, non-interest bearing and repayable on demand.

As at 31 December 2017, one of the directors of the Company owned 11% beneficiary interest in the Company.

11. INTEREST BEARING BANK AND OTHER  
BORROWINGS

On 12 June 2017, the Company, Mr. Cheng Yang (the "Guarantor") and a licensed money lender (the "Lender") in Hong Kong had entered into a facility agreement which the Lender agreed to lend the Company up to HK\$305,000,000 in aggregate principal amount and the expiry date is 12 months from the date of the first utilisation. The Company had drawn down a loan with principal amount of HK\$203,000,000 on 5 July 2017 and HK\$97,000,000 on 6 July 2017 respectively. The maturity date of the loan is 4 July 2018. The loan is secured by 640,689,792 shares of Kantone Holdings Limited (stock listed in HKEX, stock code: 1059) and personal guarantee by Mr. Cheng Yang, a director and a substantial shareholder of the Company. Mr. Cheng Yang had resigned as director of the Company on 15 August 2017 and disposed of 1,766,860,957 shares of the Company on 17 August 2017. The facility agreement stated that the Guarantor shall ensure that he directly and beneficially own not less than 1,766,860,957 shares of the Company at all times and he shall remain as the chairman of the board of directors of the Company. No action has been taken by the Lender and waiver from the Lender was obtained on 28 September 2017 with retrospective effect. Ms. Wong Man Winny, a substantial shareholder of the Company, has provided a personal guarantee for HK\$305,000,000 to secure the borrowing of HK\$305,000,000.

On 28 September 2017, the Lender has granted the Company an option to roll over the unpaid balance of the loan with the principal amount of HK\$305,000,000 for another 12 months from 4 July 2018. Accordingly, the expiry date of the loan was extended to 4 July 2019.

簡明綜合資產負債表附註(續)

於二零一七年十二月三十一日

10. 應付董事款項

應付本公司董事款項乃無抵押、不計息及須按要求償還。

於二零一七年十二月三十一日，本公司其中一名董事擁有本公司11%之實益權益。

11. 計息銀行及其他借貸

於二零一七年六月十二日，本公司、程楊先生(「擔保人」)及一名香港持牌貸款人(「貸款人」)訂立融資協議，貸款人同意向本公司借出本金總額最多305,000,000港元，屆滿日期為首次動用之日起計12個月。本公司分別於二零一七年七月五日及二零一七年七月六日已提取本金額為203,000,000港元及97,000,000港元之貸款。該貸款之到期日為二零一八年七月四日。該貸款以640,689,792股看通集團有限公司(股份在香港交易所上市，股份代號：1059)股份作抵押，並由本公司董事兼主要股東程楊先生作出私人擔保。程楊先生已於二零一七年八月十五日辭任本公司董事並於二零一七年八月十七日出售1,766,860,957股本公司股份。融資協議列明，擔保人須確保彼於任何時間直接及實益擁有不少於1,766,860,957股本公司股份，並須留任為本公司之董事會主席。貸款人並無採取任何行動，並且已於二零一七年九月二十八日取得貸款人具追溯效力之豁免。本公司主要股東之黃敏女士已提供個人擔保305,000,000港元以抵押305,000,000港元之借款。

於二零一七年九月二十八日，貸款人已向本公司授出選擇權，可將本金額305,000,000港元之貸款未付餘額由二零一八年七月四日延後至終止日期起計12個月。因此，貸款之到期日延後至二零一九年七月四日。

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*As at 31 December 2017*

簡明綜合資產負債表附註(續)

於二零一七年十二月三十一日

**12. PROMISSORY NOTE PAYABLE**

The movement on the promissory note payable is as follows:

**12. 應付承兌票據**

應付承兌票據之變動如下：

		<b>Amount</b> 總額 HK\$'000 千港元 <b>(Audited)</b> (經審核)
Issued on 19 July 2017 <i>(note (i))</i>	於二零一七年七月十九日發行 (附註(i))	86,209
Imputed interest expenses	推算利息開支	6,065
Interest paid during the period	本期間已付利息	(199)
Gain on early redemption of promissory note payable <i>(note (ii))</i>	提前贖回應付承兌票據之收益 (附註(ii))	(3,444)
Early settlement by cash	提前以現金結算	(35,950)
As at 31 December 2017	於二零一七年十二月三十一日	52,681
Represented by	以下列各項列示	
Current portion	即期部分	700
Non-current portion	非即期部分	51,981
		52,681

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NOTES TO THE CONDENSED  
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12. PROMISSORY NOTE PAYABLE (continued)

Notes:

- (i) On 19 July 2017, the Company issued promissory note with principal amount of HK\$120,000,000 in connection with the acquisition of subsidiaries (note 14). The promissory note carries interest at 1% per annum based on the principal amount then outstanding on a daily basis which shall be due and payable on the anniversary date of the issue date of the promissory note. The maturity date of the promissory note is 19 December 2019 or such other date as the Company and the holder(s) of the promissory note may agree in writing. Neither the Company nor the holder(s) of the promissory note may assign any of its rights and obligations without the prior written consent of the other party. The Company may repay all or part of the principal together with interest accrued thereon at any time prior to the maturity date by giving 7 days' prior written notice to the holder(s) of the promissory note.
- (ii) On 12 December 2017, the Company early settled part of the promissory note with the principal amount of HK\$50,000,000 by cash of HK\$35,950,000 after further negotiations between the Company and the Vendor after the acquisition. The amortised cost of the said promissory note was approximately HK\$39,394,000 at the date of settlement. As such, gain on early redemption of promissory notes of approximately HK\$3,444,000 was recognised during the six months ended 31 December 2017.

簡明綜合資產負債表附註(續)

於二零一七年十二月三十一日

12. 應付承兌票據(續)

附註：

- (i) 於二零一七年七月十九日，本公司就收購附屬公司發行本金額120,000,000港元之承兌票據(附註14)。承兌票據須按當時尚未償還本金額按年利率1%每日計算，並須於承兌票據發行日期之週年日期繳付及應付。承兌票據之到期日為二零一九年十二月十九日或本公司及承兌票據持有人可能書面協定之有關其他日期。本公司及承兌票據持有人均不得在未經另一方之提前書面同意下轉讓其任何權利及責任。本公司可透過向承兌票據持有人發出7天提前書面通知於到期日前任何時間償付全部或部分本金額及其應計利息。
- (ii) 經本公司與賣方於收購後進行進一步磋商後，於二零一七年十二月十二日，本公司以現金35,950,000港元提前結付本金額50,000,000港元之部分承兌票據。上述承兌票據之攤銷成本於償付日期為約39,394,000港元。因此，提前贖回承兌票據之收益約3,444,000港元已於截至二零一七年十二月三十一日止六個月確認。



NOTES TO THE CONDENSED  
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As at 31 December 2017

13. DEFERRED TAX LIABILITIES

For the purposes of measuring deferred tax liabilities arising from investment properties that are measured using the fair value model, the Group has reviewed its investment property portfolios and concluded:

In respect of the Group's investment properties located in Hong Kong, the management has determined that these properties are not held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time and consequently the presumption in the amended HKAS 12 is not rebutted for these properties. As a result, the Group has not recognised deferred tax on changes in fair value of the investment properties as the Group is not subject to any income taxes on the fair value changes of the investment properties on disposal.

In respect of the Group's investment properties located in the PRC, the management has determined that these properties are held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time and consequently the presumption in the amended HKAS 12 is rebutted for these properties. As a result, the Group continues to measure the deferred tax relating to these properties using the tax rate that would apply as a result of recovering their value through use.

簡明綜合資產負債表附註(續)

於二零一七年十二月三十一日

13. 遞延稅項負債

就計量使用公平值模式計量之投資物業產生之遞延稅項負債，本集團已審閱其投資物業組合，並得出以下結論：

就本集團位於香港之投資物業而言，管理層判定，該等物業乃按目標為隨時間而非透過出售消耗該投資物業所包含的絕大部分經濟利益的商業模式持有，而最終經修訂香港會計準則第12號之假定不能被推翻。因此，本集團並無確認投資物業之遞延稅項之公平值變動，原因為本集團毋須繳付出售投資物業公平值變動之任何所得稅。

就本集團位於中國之投資物業而言，管理層判定，持有投資物業的商業模式之目的，是把投資物業絕大部分的經濟利益隨著時間消耗，因而推翻了香港會計準則第12號修訂中有關該等物業之假設。因此，本集團已按該等物業通過使用而收回價值時適用的稅率，繼續計量該等物業之遞延稅項。

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14. ACQUISITION OF ASSETS AND LIABILITIES  
THROUGH ACQUISITION OF SUBSIDIARIES

On 19 July 2017, the Group entered into a sale and purchase agreement with Wealth Track Asia Limited (the "Vendor"), Yeung Chi Hang (the "Vendor's Guarantor") and Golden Field Property Limited ("Golden Field" or the "Target Company") to acquire 51% equity interest of Golden Field from the Vendor at consideration of HK\$150,000,000, which was satisfied by a cash payment of HK\$30,000,000 and the issue of the promissory note with principal amount of HK\$120,000,000 by the Company to the Vendor. The fair value of the consideration was amounted to HK\$116,209,000 as at the date of acquisition.

Golden Field is an investment holding company incorporated in Hong Kong on 12 March 1992 with limited liability which was 51% owned by the Vendor and 49% owned by three independent third parties to the Group immediately prior to completion of the abovementioned acquisition. Golden Field has 95% equity interest in Dongguan Golden Field Yijing Hotel Limited, a company incorporated in People's Republic of China (the "PRC subsidiary"). The acquisition was completed on 19 July 2017 and Golden Field and the PRC subsidiary became indirect non-wholly owned subsidiaries of the Company after the acquisition.

The PRC subsidiary is a sino-foreign equity joint venture established in the PRC on 1 July 2000 and owns 2 pieces of leasehold land in the PRC of which the two land use rights will legally expire in 2033 and 2043 respectively. A hotel property was built on these 2 pieces of leasehold land.

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於二零一七年十二月三十一日

14. 透過收購附屬公司收購資產及負債

於二零一七年七月十九日，本集團與富迪亞洲有限公司(「賣方」)、楊智恒(「賣方擔保人」)及新金域地產有限公司(「新金域」或「目標公司」)訂立買賣協議，內容有關向賣方收購新金域之51%股權，代價為150,000,000港元，已以現金付款30,000,000港元及本公司向賣方發行本金額120,000,000港元承兌票據支付。代價之公平值於收購日期為116,209,000港元。

新金域為一間於一九九二年三月十二日在香港註冊成立之投資控股有限公司，其緊接上述收購事項完成前由賣方擁有51%及本集團三名獨立第三方擁有49%。新金域於在中華人民共和國註冊成立之公司東莞新金域怡景酒店有限公司(「中國附屬公司」)中擁有95%股權。收購事項已於二零一七年七月十九日完成及新金域及中國附屬公司於收購後已成為本公司之間接非全資附屬公司。

中國附屬公司為一間於二零零零年七月一日在中國成立之中外合資合營企業，並擁有兩塊位於中國之租賃土地，其中兩項土地使用權按法律將分別於二零三三年及二零四三年到期。該兩塊租賃土地上建有一間酒店物業。

NOTES TO THE CONDENSED  
CONSOLIDATED STATEMENT OF ASSETS  
AND LIABILITIES (continued)

As at 31 December 2017

14. ACQUISITION OF ASSETS AND LIABILITIES  
THROUGH ACQUISITION OF SUBSIDIARIES  
(continued)

Before the acquisition, the abovementioned hotel properties was rented to an independent third party tenant for a period from 11 March 2003 to 10 March 2033. The tenant could use the name of the PRC subsidiary as trade name for their business operation. Pursuant to the relevant agreement between Golden Field and the tenant, the tenant has the right to pledge the properties to secure its borrowings by entering into supplementary agreement with the Group and no liability should be incurred under the name of the PRC subsidiary upon the expiry of the sub-contracting arrangement. As at 31 December 2017, no such supplementary agreement has been entered into by the Group and the tenant and no such liability was noted. Under the tenancy arrangement, the PRC subsidiary is only entitled to receive a fixed amount of RMB3,900,000 per year.

As the lease period in the abovementioned tenancy agreement is almost equal to the contractual life of one of the abovementioned land use rights and the hotel property is erected on the 2 leasehold lands, the key assets acquired represented a) finance lease receivable arising from the abovementioned tenancy arrangements with the tenant and b) an investment property representing interest in a leasehold land with the remaining contractual life from the end of expiry of the lease term with the tenant to 2043. The acquisition is treated as an acquisition of assets as the directors of the Company are of the opinion that the key assets acquired do not constitute a business combination.

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於二零一七年十二月三十一日

14. 透過收購附屬公司收購資產及負債(續)

收購事項前，上述酒店物業出租予一名獨立第三方，租期由二零零三年三月十一日至二零三三年三月十日。該租戶可用中國附屬公司之名義營運。根據新金域與該租戶簽訂之相關協議，租戶有權透過與本集團訂立補充協議抵押該等物業以擔保其借貸，且於分包安排屆滿時概不得以中國附屬公司名義產生任何負債淨額。於二零一七年十二月三十一日，本集團與該租戶並無訂立補充協議，且並無知悉任何該等合約安排項下之負債。根據租約安排，中國附屬公司僅有權每年收取固定金額人民幣3,900,000元。

由於上述租約之租賃期與上述其中一項土地使用權之合約使用年期大致相同，及酒店物業位於兩塊租賃土地，已收購之主要資產則指 a) 與租戶簽訂之上述租約安排所產生之應收融資租賃款項及 b) 一項投資物業，代表與租戶之租賃期結束後直至二零四三年之餘下合約租賃期之租賃土地權益。由於本公司董事認為收購之主要資產並不構成業務合併，該收購事項被當作收購資產。

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NOTES TO THE CONDENSED  
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As at 31 December 2017

14. ACQUISITION OF ASSETS AND LIABILITIES  
THROUGH ACQUISITION OF SUBSIDIARIES  
(continued)

簡明綜合資產負債表附註(續)

於二零一七年十二月三十一日

14. 透過收購附屬公司收購資產及負債(續)

		<b>Allocation of fair value of consideration</b>
		代價賬面值分配 HK\$'000 千港元
<b>Recognised amounts of identifiable assets acquired and liabilities</b>	<b>已收購可識別資產及負債之 已確認金額</b>	
Trade receivable	應收貿易賬款	216
Cash and cash equivalents	現金及現金等額	254
Property, plant and equipment (note 2)	物業、廠房及設備(附註2)	752
Investment properties (note 3)	投資物業(附註3)	174,596
Finance lease receivable	應收融資租賃款項	54,025
Accruals and other payables	應計費用及應付其他賬款	(776)
Amount due to a director of Golden Field	應付一名新金域董事款項	(1,206)
<b>Total identifiable net assets</b>	<b>可識別總資產淨值</b>	<b>227,861</b>
Non-controlling interests	非控股權益	(111,652)
<b>Net identifiable net assets</b>	<b>可識別資產淨值</b>	<b>116,209</b>
<b>Fair value of the consideration</b>	<b>代價公平值</b>	
At 19 July 2017	於二零一七年七月十九日	
Total cash consideration transferred	已轉讓總現金代價	30,000
Promissory note issued (note 12)	已發行承兌票據(附註12)	86,209
		<b>116,209</b>
<b>Net cash outflow arising on acquisition</b>	<b>收購事項產生之淨現金流出</b>	
Total cash consideration transferred	已轉讓之總現金代價	30,000
Acquisition of cash and cash equivalents	收購現金及現金等額	(254)
		<b>29,746</b>

NOTES TO THE CONDENSED  
CONSOLIDATED STATEMENT OF ASSETS  
AND LIABILITIES (continued)

As at 31 December 2017

15. FAIR VALUE MEASUREMENT OF FINANCIAL  
INSTRUMENTS

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured as at 31 December 2017 on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date such as listed stocks, bonds, funds or any assets that have a regular "mark to market" mechanism for setting a fair market value.

Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Level 2 assets are financial assets that do not have regular market pricing, but whose fair value can be determined based on other data values or market prices. For example, valuers adopt valuation model for assessing the market value of the properties, such as comparing with similar assets surrounding the properties, hence, the fair values are quoted prices for similar assets and not for identical assets.

Level 3 valuations: Fair value measured using significant unobservable inputs.

簡明綜合資產負債表附註(續)

於二零一七年十二月三十一日

15. 金融工具之公平價值計量

公平價值層級

下表為按經常性基準計量之本集團於二零一七年十二月三十一日之金融工具公平價值，已分類至香港財務報告準則第13號公平價值計量所界定之三個公平價值層級。在公平價值計量中分類之層級乃參考估值技術所用之輸入數據之可觀察性及重要性而釐定，詳情如下：

第一層級估值：僅採用第一層級輸入數據，即以相同資產或負債，例如上市股份、債券、基金或就設定公平市場價值而言擁有常規「按市值計價」機制的任何資產於計量日在活躍市場上之報價(不作調整)計量公平價值。

第二層級估值：採用第二層級輸入數據，即未能符合第一層級之可觀察輸入數據，且不採用重大不可觀察輸入數據計量公平價值。第二層資產為並無常規市場定價之金融資產，惟其公平價值可根據其他數據價值或市價而釐定。例如，估值師採用估值模型以評估物業之市值，即與物業周邊類似資產進行比較，因此，公平價值為類似資產之報價，而並非相同資產之報價。

第三層級估值：採用重大不可觀察輸入數據計量公平價值。

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NOTES TO THE CONDENSED  
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As at 31 December 2017

15. FAIR VALUE MEASUREMENT OF FINANCIAL  
INSTRUMENTS (continued)

Assets measured at fair value

As at 31 December 2017	於二零一七年十二月三十一日
<b>Assets</b>	<b>資產</b>
Investment properties	投資物業
Financial assets at FVTPL	按公平價值計入損益之金融資產
— listed equity securities	— 上市股本證券

簡明綜合資產負債表附註(續)

於二零一七年十二月三十一日

15. 金融工具之公平價值計量(續)

按公平價值計量之資產

Fair value	Level 1	Level 3
公平價值	第一層級	第三層級
HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元
(Audited)	(Audited)	(Audited)
(經審核)	(經審核)	(經審核)

150,124	—	150,124
119,838	119,838	—

16. EVENTS AFTER THE REPORTING DATE

On 3 January 2018, 75,980,000 placing shares were allotted to not fewer than six placees at the placing price of HK\$0.860 per placing share. The net proceeds were approximately HK\$63.6 million for general working capital of the Group and for development of the existing and future projects of the Group and reduction of short-term debts.

16. 報告日期後事項

於二零一八年一月三日，合共75,980,000股配售股份以配售價每股配售股份0.860港元配售予不少於六名承配人。所得款項淨值約為63,600,000港元，用於本集團一般營運資金及發展本集團現有及未來項目及減少短期債務。