EAGLE RIDE INVESTMENT HOLDINGS LIMITED
鷹力投資控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 901)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2018

RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Eagle Ride Investment Holdings Limited ("**Eagle Ride**" or the "**Company**") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 December 2018 (the "**Year**"), together with the comparative figures for the year ended 31 December 2017 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	**2018**	2017
		HK$	*HK$*
Revenue	*(3)*	**660,685**	718,333
Net loss on financial assets at fair value through profit or loss	*(5)*	**(1,857,072)**	(154,346)
Loss on disposal of a subsidiary		**–**	(4,407,726)
Net other income, gains and losses	*(3)*	**(1,440,946)**	1,859,568
Administrative and other operating expenses		**(44,478,157)**	(35,469,734)
Loss from operations	*(6)*	**(47,115,490)**	(37,453,905)
Finance costs	*(7)*	**(6,152,200)**	(7,794,716)
Loss before tax		**(53,267,690)**	(45,248,621)
Income tax expense	*(8)*	**–**	–
Loss for the year and total comprehensive expenses attributable to owners of the Company		**(53,267,690)**	(45,248,621)
Loss per share			
Basic and diluted	*(10)*	**(0.030)**	(0.027)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2018

	Notes	**2018** **HK$**	2017 *HK$*
Non-current assets			
Furniture, fixtures and equipment		**1,513**	1,184,919
Financial assets at fair value through profit or loss	*(11)*	**16,540,214**	18,424,082
Rental deposit	*(12)*	**2,372,498**	2,372,498
		18,914,225	21,981,499
Current assets			
Other receivables, deposits and prepayments	*(12)*	**882,335**	3,156,846
Financial assets at fair value through profit or loss	*(11)*	**–**	5,271,920
Cash and bank balances		**14,446,518**	30,907,119
		15,328,853	39,335,885
Current liabilities			
Creditors and accrued expenses		**2,969,696**	1,535,312
Unsecured borrowings	*(13)*	**21,977,858**	22,866,153
		24,947,554	24,401,465
Net current (liabilities) assets		**(9,618,701)**	14,934,420
Total assets less current liabilities		**9,295,524**	36,915,919

	Notes	**2018**	2017
		HK$	*HK$*
Non-current liabilities			
Unsecured borrowings	*(13)*	**4,013,389**	4,894,148
Corporate bonds	*(14)*	**57,975,737**	31,447,683
		61,989,126	36,341,831
NET (LIABILITIES) ASSETS		**(52,693,602)**	574,088
Capital and reserves			
Share capital	*(15)*	**22,544,485**	22,544,485
Reserves		**(75,238,087)**	(21,970,397)
(CAPITAL DEFICIENCY) TOTAL EQUITY		**(52,693,602)**	574,088
Net (liability) asset value per share	*(16)*	**(0.0292)**	0.0003

NOTES:

1. GENERAL INFORMATION AND BASIS OF PREPARATION

The Company is incorporated in the Cayman Islands with limited liability and its shares are listed on the main board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and its ultimate holding company is APAC Investment Holdings Limited ("**APAC**") (incorporated in Samoa). Its ultimate controlling party is Mr. Hu Haisong ("**The Ultimate Controlling Party**"), who is also a non-executive director of the Company. The registered office of the Company is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business in Hong Kong has changed from Room 2206, China Resources Building, 26 Harbour Road, Wan Chai, Hong Kong to Room 4001, China Resources Building, 26 Harbour Road, Wan Chai, Hong Kong.

The Group is principally engaged in investment holding and trading of financial assets at fair value through profit or loss ("**FVTPL**").

The consolidated financial statements are presented in Hong Kong dollars ("**HK$**"), which is the same as the functional currency of the Company. It is authorised for issue on 29 March 2019.

Going Concern

For the year ended 31 December 2018, the Group incurred a net loss of approximately HK$53,268,000 and net cash outflows from operating activities of approximately HK$42,519,000. As at 31 December 2018, the Group recorded net current liabilities of approximately HK$9,619,000 and net liabilities of approximately HK$52,694,000.

In view of such circumstances, the Directors have been given careful consideration to future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will be able to repay the outstanding borrowings and be able to finance its future working capital and finance requirements. Certain measures have been taken to manage its liquidity needs and to improve its financial position which include, but are not limited to, the following:

(i) In February 2019, the Company signed an extension agreement with a Hong Kong licensed money lending company for an unsecured loan of HK$8,000,000 to extend the repayment due date from January 2019 to January 2020, bearing interest rate of 10% per annum, subject to the condition that the Group will pay the entire amount of interest for the whole extension period in the sum of HK$800,000 in advance on 1 February 2019, and the said HK$800,000 has been paid on that date;

(ii) In February 2019, the Company has entered into a subscription agreement with an independent private investor to issue corporate bond through the placing agent with the principal amount of HK$10,000,000, bearing interest at 5% per annum and for a period of 7 years effective from 1 February 2019;

(iii) In March 2019, the Company entered into a facility agreement with a company incorporated in Anguilla, an independent third party, which it agreed to provide an unsecured loan facility of HK$50,000,000 with fixed interest rate at 16% per annum for a period of 18 months;

(iv) The Ultimate Controlling Party has confirmed in writing that despite the term for the loans due to him is within twelve months, he will not demand repayment of the loans until the Group is financially viable to make the repayment and he will provide continuous financial support to the Group to meet its financial obligations; and

(v) The Group will seek to obtain additional financing including but not limited to borrow loans, issuing additional equity or debt securities.

Notwithstanding the above, significant uncertainties exist as to whether the Group is able to obtain the necessary and achieve the plans and measures above. The Group's ability to continue as a going concern would depend upon (i) whether the Group is able to obtain financing support, the attainability depends on the performance of the Group; and (ii) whether the Group is able to generate sufficient cash flow and plans to control costs, the attainability depends on the effectiveness of implementation strategies.

These facts and circumstances indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors have carried out a detailed review of the cash flow forecast of the Group for the next twelve months from the reporting date taking into account the impact of the above measures, the Directors believe that the Group will have sufficient cash resources to satisfy its future working capital and other financing requirements. Accordingly, the consolidated financial statements for the year ended 31 December 2018 have been prepared on a going concern basis.

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

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

Amendments to HKFRSs that are mandatorily effective for the current year

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

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

HKFRS 9 *Financial Instruments* and the related amendments

In the Year, the Group has applied HKFRS 9 *Financial Instruments* and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) expected credit losses ("**ECL**") for financial assets and 3) general hedge accounting.

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9. i.e. applied the classification and measurement requirements (including impairment) retrospectively to instruments that have not been derecognised as at 1 January 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 January 2018. The difference between carrying amounts as at 31 December 2017 and the carrying amounts as at 1 January 2018 are recognised in the opening retained earnings and other components of equity, without restating comparative information.

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

Summary of effects arising from initial application of HKFRS 9

The table below illustrates the classification and measurement (including impairment) of financial assets under HKFRS 9 and HKAS 39 at the date of initial application, 1 January 2018.

	HKAS 39		**HKFRS 9**	
	Measurement category	**Carrying amount** *HK$*	**Measurement category**	**Carrying amount** *HK$*
Financial assets designated as at FVTPL	Fair value through profit or loss (Designated)	23,230,082	Fair value through profit or loss (Mandatorily)	23,230,082
Financial assets designated as held for trading	Fair value through profit or loss (Held for trading)	465,920	Fair value through profit or loss	465,920
Other receivables and deposits	Amortised cost (Loans and receivables)	5,130,020	Amortised cost	5,130,020
Cash and bank balances	Amortised cost (Loans and receivables)	30,907,119	Amortised cost	30,907,119

There were no changes to the classification and measurement of financial assets and financial liabilities.

Financial assets/liabilities at FVTPL

There was no impact on the amounts recognised in relation to the assets/liabilities from the application of HKFRS 9.

Impairment under ECL model

Loss allowances for financial assets at amortised cost mainly comprise of other receivables and deposits and cash and bank balances, are measured on 12m ECL basis and there had been no significant increase in credit risk since initial recognition.

Based on the assessment by the Group, the accumulated amount of impairment loss to be recognised under the expected credit loss model of HKFRS 9 is immaterial to the Group and therefore no additional credit loss allowance is recognised against retained profits as at 1 January 2018.

HKFRS 15 Revenue from Contracts with Customers

The Group has applied HKFRS 15 for the first time in the Year. HKFRS 15 superseded HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related interpretations.

The Group has applied HKFRS 15 retrospectively with the cumulative effect of initially applying this standard recognised at the date of initial application, 1 January 2018. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated. Furthermore, in accordance with the transition provisions in HKFRS 15, the Group has elected to apply the standard retrospectively only to contracts that are not completed at 1 January 2018. Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related interpretations.

Summary of effects arising from initial application of HKFRS 15

The transition to HKFRS 15 does not have impact on the Group's retained earnings at 1 January 2018.

There is no significant impact of applying HKFRS 15 on the Group's consolidated statement of profit or loss and other comprehensive income for the Year.

HK(IFRIC) — Int 22 Foreign Currency Transactions and Advance Consideration

HK(IFRIC) — Int 22 provides guidance on determining "the date of the transaction" for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) arising from a transaction in which an entity receives or pays advance consideration in a foreign currency.

HK(IFRIC) — Int 22 clarifies that "the date of the transaction" is the date on initial recognition of the non–monetary asset or liability arising from the payment or receipt of advance consideration. If there are multiple payments or receipts in advance of recognising the related item, the date of the transaction for each payment or receipt should be determined in this way.

Summary of effects arising from initial application of HK(IFRIC) — Int 22

There is no significant impact of applying HK(IFRIC) — Int 22 on the Group's consolidated statement of financial position and the financial results of the Group.

New and amendments to HKFRSs issued but not yet effective

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

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

1 *Effective for annual periods beginning on or after 1 January 2019, with earlier application permitted.*
2 *Effective for annual periods beginning on or after 1 January 2020, with earlier application permitted.*
3 *Effective for business combinations and assets acquisition for which acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.*
4 *Effective for annual periods beginning on or after 1 January 2021, with earlier application permitted.*
5 *Effective date to be determined.*

HKFRS 16 *Leases*

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

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

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

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

Furthermore, extensive disclosures are required by HKFRS 16.

As at 31 December 2018, the Group had non-cancellable operating lease commitments of approximately HK$1,601,000 as disclosed in Note 17. The Directors do not expect the adoption of HKFRS 16 as compared with HKAS 17 would result in significant impact on the Group's result but expected that the above operating lease arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16.

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

In addition, the Group currently considers refundable rental deposits paid of approximately HK$2,372,000 as rights under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost. Adjustments to refundable rental deposits paid would be considered as additional lease payments and included in the carrying amount of right-of-use assets.

The Group intends to elect the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC) — Int 4 *Determining whether an Arrangement contains a Lease* and not apply this standard to contracts that were not previously identified as containing a lease applying HKAS 17 and HK(IFRIC) — Int 4. Therefore, the Group will not reassess whether the contracts are, or contain a lease which already existed prior to the date of initial application. Furthermore, the Group intends to elect the modified retrospective approach for the application of HKFRS 16 as lessee and will recognise the cumulative effect of initial application to opening retained profits without restating comparative information.

The Directors anticipate that the application of the other new and amendments to HKFRSs will have no material impact on the consolidated financial statements.

3. REVENUE AND NET OTHER INCOME, GAINS AND LOSSES

An analysis of revenue and net other income, gains and losses is as follows:

	2018	2017
	HK$	*HK$*
Revenue:		
Bond interest income	**660,685**	718,333
Net other income, gains and losses:		
Income from office sharing	**760,000**	453,864
Exchange (loss) gain, net	**(305,908)**	1,405,523
Loss on write-off of furniture, fixtures and equipment	**(55,794)**	–
Impairment loss on other receivable *(Note 12)*	**(2,317,127)**	–
Interest income	**398,794**	81
Sundry income	**79,089**	100
	(1,440,946)	1,859,568

4. SEGMENT INFORMATION

Business segments

During the years ended 31 December 2018 and 2017, the Group's revenue and net loss were mainly derived from interest income, net loss on financial assets at FVTPL and loss on disposal of a subsidiary. The Directors consider that these activities constitute one business segment since these transactions are subject to common risks and returns. Given that the nature of the Group's operation is investment holdings only, it is not considered meaningful to provide a business segment analysis of operating loss.

Geographical segments

The Group's segment assets and liabilities, which represent furniture, fixtures and equipment, financial assets at FVTPL, unsecured borrowings and corporate bonds for the year, analysed by geographical markets, are as follows:

		2018	
	Singapore	**Hong Kong**	**Total**
	HK$	***HK$***	***HK$***
Segment assets	**16,540,214**	**1,513**	**16,541,727**
Unallocated assets			**17,701,351**
Total assets			**34,243,078**
Segment liabilities	**–**	**83,966,984**	**83,966,984**
Unallocated liabilities			**2,969,696**
Total liabilities			**86,936,680**

		2017	
	Singapore	Hong Kong	Total
	HK$	*HK$*	*HK$*
Segment assets	18,424,082	6,456,839	24,880,921
Unallocated assets			36,436,463
Total assets			61,317,384
Segment liabilities	–	59,207,984	59,207,984
Unallocated liabilities			1,535,312
Total liabilities			60,743,296

5. NET LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2018	2017
	HK$	*HK$*
Realised gain on disposal of unlisted corporate bond	**194,000**	–
Unrealised loss arising on revaluation of listed equity investments	**(465,920)**	(3,486,576)
Net unrealised (loss) gain arising on revaluation of unlisted equity investment and corporate bond	**(1,585,152)**	3,332,230
	(1,857,072)	(154,346)

6. LOSS FROM OPERATIONS

	2018	2017
	HK$	*HK$*
Loss from operations has been arrived at after charging (crediting):		
Auditor's remuneration	**360,000**	360,000
Investment management fee	**2,220,000**	1,279,580
Depreciation of furniture, fixtures and equipment	**1,127,612**	1,308,517
Exchange loss (gain), net	**305,908**	(1,405,523)
Net loss on financial assets at FVTPL	**1,857,072**	154,346
Impairment loss on other receivable	**2,317,127**	–
Operating lease rentals in respect of:		
— premises	**8,281,665**	8,965,314
— office equipment	**44,389**	44,100
Directors' remuneration and staff costs:		
— salaries, allowance and other benefits in kind	**12,803,743**	11,692,467
— contributions to MPF Scheme	**184,167**	179,048

7. FINANCE COSTS

	2018	2017
	HK$	*HK$*
Interests on:		
— Loans from a director	**622,681**	635,443
— Loan from a licensed money lending company	**999,855**	1,013,111
— Loans from third parties	**1,301,610**	3,129,533
— Corporate bonds *(Note 14)*	**3,228,054**	3,016,629
	6,152,200	7,794,716

8. INCOME TAX EXPENSE

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "**Bill**") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. The Directors considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Thus, Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

No provision for Hong Kong Profits Tax has been made for both years as the Group did not have any assessable profits.

The income tax expense for the year can be reconciled to the loss before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	2018	2017
	HK$	*HK$*
Loss before tax	**(53,267,690)**	(45,248,621)
Hong Kong Profits Tax calculated at the rate of 16.5% (2017: 16.5%)	**(8,789,167)**	(7,466,022)
Tax effect of expenses not deductible for tax purpose	**3,747,709**	1,746,780
Tax effect of income not taxable for tax purpose	**(32,010)**	(776,111)
Tax effect on temporary differences not recognised	**(457,623)**	176,089
Tax effect on tax losses not recognised	**5,531,091**	6,319,264
Income tax expense for the year	**–**	–

At the end of the reporting period, the Group has estimated unrecognised tax losses of approximately HK$216,302,000 (2017: approximately HK$212,638,000) to set off against future taxable income. No deferred tax asset is recognised in respect of such tax losses carried forward as the realisation of the related tax benefit through future taxable profits could not be reasonably assessed. The tax losses do not have expiry date under the current tax legislation.

The Group had no material unprovided deferred tax liabilities at the end of the reporting period (2017: HK$nil).

9. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the year, nor has any dividend been proposed since the end of the year (2017: HK$nil).

10. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

	2018	2017
	HK$	*HK$*
Loss for the purpose of basic loss per share		
Loss for the year attributable to owners of the Company	**53,267,690**	45,248,621

	2018	2017
Number of shares		
Number of ordinary shares (2017: weighted average number of ordinary shares) for the purpose of basic loss per share	**1,803,558,784**	1,694,799,880

The amounts of diluted loss per share are the same as basic loss per share as there were no potential dilutive ordinary shares outstanding as at 31 December 2018 and 2017.

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2018	2017
	HK$	*HK$*
Non-current asset:		
Unlisted equity investment in overseas	**16,540,214**	18,424,082
Current assets:		
Equity investments listed in Hong Kong	**–**	465,920
Unlisted corporate bond in Hong Kong	**–**	4,806,000
	–	5,271,920

No financial assets at FVTPL are pledged to the securities brokers (2017: HK$nil).

The Group had the following investments:

At 31 December 2018

Notes	Name of investee company	Place of registration/ incorporation	Number of shares held	Effective shareholding interest	Carrying amount *HK$*	Unrealised loss arising on revaluation *HK$*	Exchange loss *HK$*	Fair value/ market value *HK$*	Net assets attributable to the investments *HK$*	Dividend received/ receivable during the year *HK$*
	Unlisted equity investment									
(a)	E-Com Holdings Pte. Ltd.	Singapore	1,259,607	23,70%	18,424,082	(1,585,152)	(298,716)	16,540,214	4,106,219	–
	Unlisted corporate bond									
(b)	China Partners Consultancy Limited	Hong Kong	N/A	N/A	–	–	–	–	N/A	N/A
	Listed equity investments									
(c)	Tech Pro Technology Development Limited	Cayman Islands	17,634,000	0.22%	–	–	–	–*	2,088,589	–
(d)	State Energy Group International Assets Holdings Limited	Bermuda	896,000	0.12%	465,920	(465,920)	–	–#	34,549	–
					18,890,002	(2,051,072)	(298,716)	16,540,214		

At 31 December 2017

Notes	Name of investee company	Place of registration/ incorporation	Number of shares held	Effective shareholding interest	Carrying amount *HK$*	Unrealised gain (loss) arising on revaluation *HK$*	Exchange gain *HK$*	Fair value/ market value *HK$*	Net assets attributable to the investments *HK$*	Dividend received/ receivable during the year *HK$*
	Unlisted equity investment									
(a)	E-Com Holdings Pte. Ltd.	Singapore	1,259,607	23.70%	14,028,043	3,027,500	1,368,539	18,424,082	3,395,352	–
	Unlisted corporate bond									
(b)	China Partners Consultancy Limited	Hong Kong	N/A	N/A	4,501,270	304,730	–	4,806,000	N/A	N/A
	Listed equity investments									
(c)	Tech Pro Technology Development Limited	Cayman Islands	17,634,000	0.22%	3,244,656	(3,244,656)	–	–*	2,202,695	–
(d)	State Energy Group International Assets Holdings Limited	Bermuda	896,000	0.12%	707,840	(241,920)	–	465,920	77,612	–
					3,952,496	(3,486,576)	–	465,920		

* The Stock Exchange has suspended the trading of Tech Pro's shares since 9 November 2017 and it is still under the status of suspended trading based on the announcement of Tech Pro issued on 17 December 2018, therefore it is considered that the market value is HK$nil as at 31 December 2017 and 2018.

\# Reference is made to the announcements of State En Assets dated (i) 11 and 15 June 2018 and 18 and 19 September 2018 in relation to the decision of the Listing Committee of the Stock Exchange to place State En Assets in the first delisting stage; (ii) 2 and 11 October 2018 and 3 and 13 December 2018 in relation to the Second Review by the Listing (Review) Committee; and (iii) 1 February 2019 in relation to the decision of the Second Review by the Listing (Review) Committee to uphold the decision to suspend trading in State En Assets's shares, therefore the market value of State En Assets is considered as HK$nil as at 31 December 2018.

Notes:

(a) E-Com Holdings Pte. Ltd. ("**E-Com**") is a private company incorporated in Singapore, which is principally engaged in the provision of Chinese e-learning platforms for primary school students in Singapore and other Asian regions. No dividend was declared or received during the year (2017: HK$nil).

For the year ended 31 December 2018, the unaudited consolidated net profit was approximately S$502,000 (equivalent to approximately HK$2,920,000) (2017: audited consolidated net profit approximately S$581,000, equivalent to approximately HK$3,297,000). As at 31 December 2018, its unaudited consolidated net assets were approximately S$3,014,000 (equivalent to approximately HK$17,326,000) (2017: audited consolidated net assets approximately S$2,450,000, equivalent to approximately HK$14,326,000).

At the end of the reporting period, the Group held more than 20% of the effective shareholding interest in E-Com. The investment in E-Com was not accounted for as associate as the Group does not have any significant influence over the financial and operating policies in E-Com or participate in the policy-making processes. Accordingly, investment in E-Com has been designated upon initial recognition as a financial asset at FVTPL.

As at 31 December 2018 and 2017, the carrying amount of the Group's interest in the shares of E-Com exceeded 10% of the total assets of the Group.

(b) China Partners Consultancy Limited ("**CPC**") is a private company incorporated in Hong Kong, which is principally engaged in the provision of consultancy services. The Group has redeemed the CPC's corporate bond during the year.

(c) Tech Pro Technology Development Limited ("**Tech Pro**") (Stock code: 3823) was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on the Stock Exchange. It is principally engaged in the manufacturing and sale of LED lighting products and accessories, provision of energy efficiency projects, promotion and development of a professional football club, and provision of property leasing and sub-leasing services.

Reference is made to the announcement of Tech Pro dated 29 March 2018, the publication of the annual results of Tech Pro from the year ended 31 December 2017 onwards would be delayed as more time is required for the auditor of Tech Pro to perform and complete its audit procedures in respect of the annual results (including but not limited to the review of the results of the investigation by the Special Investigation Committee which is ongoing).

For the six months ended 30 June 2017, the unaudited consolidated net loss attributable to owners of Tech Pro was approximately RMB59,636,000 (equivalent to approximately HK$68,963,000) and the basic loss per share was RMB0.81 cent (equivalent to HK0.92 cent). As at 30 June 2017, the unaudited consolidated net asset value was approximately RMB832,322,000 (equivalent to approximately HK$999,294,000).

As at 31 December 2018 and 2017, the carrying amount of the Group's interest in the shares of Tech Pro is less than 10% of the total assets of the Group.

(d) State Energy Group International Assets Holdings Limited ("**State En Assets**") (Stock code: 918) was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on the Stock Exchange. It is principally engaged in the sourcing, marketing and selling of garments, and property investments.

For the six months ended 30 September 2018, the unaudited consolidated net loss attributable to owners of State En Assets was approximately HK$22,413,000 (31 March 2018: audited consolidated net gain approximately HK$10,916,000) and the basic loss per share was HK2.74 cents (31 March 2018: basic earnings per share was HK1.72 cents). At 30 September 2018, the unaudited consolidated net asset value was approximately HK$29,899,000 (31 March 2018: audited consolidated net assets approximately HK$54,003,000).

As at 31 December 2018 and 2017, the carrying amount of the Group's interest in the shares of State En Assets is less than 10% of the total assets of the Group.

The fair value of unlisted equity investment and corporate bond were assessed by the Directors with reference to the professional valuation carried out by Peak Vision Appraisals Limited, an independent qualified professional valuer.

The market value of listed equity investments were determined based on the quoted market bid prices available on the Stock Exchange at 31 December 2018 and 2017.

12. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Note	**2018** ***HK$***	2017 *HK$*
Non-current asset			
Rental deposit		**2,372,498**	2,372,498
Current assets			
Other receivables	*(a)*	**2,417,346**	2,628,552
Less: Allowance for credit loss *(Note 3)*	*(b)*	**(2,317,127)**	–
		100,219	2,628,552
Deposits		**151,350**	128,970
Prepayments		**630,766**	399,324
		882,335	3,156,846

Notes:

(a) Includes in the brokers' accounts of HK$60,219 (2017: HK$60,219) which is held by collaterised securitization vehicles in segregated deposit fund.

(b) Other receivable due from Huge Profit International (HK) Holdings Limited ("**Huge Profit**") of approximately HK$2,317,000 has been recognised as impairment loss during the Year (2017: HK$ nil).

13. UNSECURED BORROWINGS

	Notes	2018 HK$	2017 HK$
Current liabilities			
— Loans from a director	*(a)*	**10,996,041**	11,873,360
— Loan from a licensed money lending company	*(b)*	**9,985,535**	9,985,680
— Loans from third parties	*(c)*	**996,282**	1,007,113
		21,977,858	22,866,153
Non-current liability			
— Loans from third parties	*(c)*	**4,013,389**	4,894,148
		25,991,247	27,760,301

Notes:

(a) Loans from a director

The loans included loans advanced of approximately HK$10,377,000 (2017: approximately HK$10,591,000) and loan interest payable of approximately HK$619,000 (2017: approximately HK$1,282,000). The loans were obtained from a director, the Ultimate Controlling Party, on an unsecured basis, bearing fixed interest at 6% per annum and repayable within one year. The Ultimate Controlling Party will not demand repayment of the loans until the Group is financially viable to make the repayment.

(b) Loan from a licensed money lending company

The loan is due to an independent licensed money lending company, bearing fixed interest rate at 10% per annum for a term of one year. The effective interest rate is 10.58% (2017: 10.47%) per annum.

(c) Loans from third parties

The loans are due to independent third parties, bearing fixed interest rate at 6% to 8% (2017: 6% to 8%) per annum for terms of one to five years. The effective interest rate is in the range of 8.78% to 12.16% (2017: 8.78% to 19.03%) per annum.

14. CORPORATE BONDS

The corporate bonds ("**Bond(s)**") recognised in the consolidated statement of financial position were calculated as follows:

	Unlisted bond ("Bond I") *HK$*	Unlisted bond ("Bond II") *HK$*	Unlisted bond ("Bond III") *HK$*	Unlisted bond ("Bond IV") *HK$*	Unlisted bond ("Bond V") *HK$*	Unlisted bond ("Bond VI") *HK$*	Unlisted bond ("Bond VII") *HK$*	Total *HK$*
At 1 January 2017	9,899,234	2,349,911	8,705,950	9,525,959	–	–	–	30,481,054
Effective interest expenses	1,014,435	254,995	926,078	821,121	–	–	–	3,016,629
Interest paid	(500,000)	(150,000)	(700,000)	(700,000)	–	–	–	(2,050,000)
At 31 December 2017 and 1 January 2018	10,413,669	2,454,906	8,932,028	9,647,080	–	–	–	31,447,683
Principal value of the Bonds on initial recognition	-	-	-	-	10,000,000	10,000,000	10,000,000	30,000,000
Direct transaction costs	(500,000)	-	-	-	(1,150,000)	(1,350,000)	(1,650,000)	(4,650,000)
	9,913,669	2,454,906	8,932,028	9,647,080	8,850,000	8,650,000	8,350,000	56,797,683
Effective interest expenses	765,317	266,787	951,029	832,134	184,773	176,686	51,328	3,228,054
Interest paid	(500,000)	(150,000)	(700,000)	(700,000)	–	–	–	(2,050,000)
At 31 December 2018	**10,178,986**	**2,571,693**	**9,183,057**	**9,779,214**	**9,034,773**	**8,826,686**	**8,401,328**	**57,975,737**

The effective interest rate of the Bond I, II, III, IV, V, VI and VII are 10.43%, 21.58%, 10.73%, 8.75%, 6.99%, 7.38% and 11.22% per annum respectively.

15. SHARE CAPITAL

	Note	**Number of ordinary shares of HK$0.0125 each**	*HK$*
Authorised:			
At 1 January 2017, 31 December 2017, 1 January 2018 and 31 December 2018		**80,000,000,000**	**1,000,000,000**
Issued and fully paid:			
At 1 January 2017		1,618,058,784	20,225,735
Placing of shares	*(a)*	185,500,000	2,318,750
At 31 December 2017, 1 January 2018 and 31 December 2018		**1,803,558,784**	**22,544,485**

Note a: On 3 Angust 2017, 185,500,000 ordinary shares of HK$0.25 per placing share were issued under the general mandate. Net proceeds of approximately HK$45,444,000 have been successfully raised through the placing.

16. NET (LIABILITY) ASSET VALUE PER SHARE

As at 31 December 2018 and 2017, the net liability value and net asset value per share of the Company was HK$0.0292 and HK$0.0003 respectively. The net (liability) asset value per share is calculated by dividing the net liabilities in the consolidated financial position of approximately HK$52,694,000 (2017: net assets of approximately HK$574,000) by the number of 1,803,558,784 (2017: 1,803,558,784) ordinary shares as at 31 December 2018.

17. OPERATING LEASE COMMITMENTS

The Group as lessee

	2018	2017
	HK$	*HK$*
Minimum lease payments paid under operating leases during the year:		
— Premises	**8,281,665**	8,965,314
— Office equipment	**44,389**	44,100
	8,326,054	9,009,414

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises and office equipment which fall due as follows:

	Premises		**Office equipment**	
	2018	2017	**2018**	2017
	HK$	*HK$*	***HK$***	*HK$*
Within one year	**1,596,185**	8,875,913	**41,400**	44,453
In the second to fifth years inclusive	**4,629**	3,468,129	**158,255**	–
	1,600,814	12,344,042	**199,655**	44,453

Operating lease payments represent rentals payable by the Group for its premises and office equipment. Operating leases are negotiated and payments are fixed for an average term of 2 years.

18. PLEDGE OF ASSETS

At the end of the reporting period, no margin facility (2017: HK$nil) from a regulated securities broker was granted to the Group under which financial assets at FVTPL of HK$nil (2017: approximately HK$466,000) were treated as collateral for the facilities granted.

19. RELATED PARTY DISCLOSURES

(a) Transactions

The Group had the following significant related party transactions during the year which were carried out in the normal course of the Group's business:

Name of related party	Nature of transaction	2018 HK$	2017 HK$
Fortune Legendary Asset Management Limited ("**Fortune Legendary**")	Investment management fee	**2,220,000**	1,279,580
	Income from office sharing	**(760,000)**	(453,864)
The Ultimate Controlling Party	Loan interest expenses	**622,681**	635,443

(b) Balances

At the end of the reporting period, the amounts due from/(to) related parties are as follows:

Name of related party	Nature of balance	2018 HK$	2017 HK$
Fortune Legendary	Other receivables – Income from office sharing receivable	**40,000**	–
The Ultimate Controlling Party	Loans and interest incurred from a director	**(10,996,041)**	(11,873,360)

(c) Compensation of key management personnel

Remuneration for key management personnel, including amounts paid to the Company's directors is as follows:

	2018	2017
	HK$	*HK$*
Directors' fee	**4,870,484**	4,380,000
Salaries, allowance and other benefits in kind	**1,056,000**	1,056,000
Discretionary bonuses	**453,000**	453,000
Contributions to MPF Scheme	**18,000**	18,000
	6,397,484	5,907,000

20. EVENTS AFTER THE REPORTING PERIOD

Subsequent to 31 December 2018, the following significant subsequent events took place:

(a) In February 2019, the Company signed an extension agreement with a Hong Kong licensed money lending company for an unsecured loan of HK$8,000,000 to extend the repayment due date from January 2019 to January 2020, bearing interest rate of 10% per annum, subject to the condition that the Group will pay the entire amount of interest for the whole extension period in the sum of HK$800,000 in advance on 1 February 2019, and the said HK$800,000 has been paid on that date;

(b) In February 2019, the Company has entered into a subscription agreement with an independent private investor to issue corporate bond through the placing agent with the principal amount of HK$10,000,000, bearing interest at 5% per annum and for a period of 7 years effective from 1 February 2019;

(c) In March 2019, the Company entered into a facility agreement with a company incorporated in Anguilla, an independent third party, which it agreed to provide an unsecured loan facility of HK$50,000,000 with fixed interest rate at 16% per annum for a period of 18 months; and

(d) In March 2019, the Company commenced a legal proceeding against Huge Profit and Mr. Shu Zhong Wen, the sole shareholder and director of Huge Profit, claiming for the settlement of the outstanding debt.

EXTRACT OF THE INDEPENDENT AUDITOR'S REPORT

DISCLAIMER OF OPINION

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements and as to whether the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR DISCLAIMER OF OPINION

We draw attention to Note 2 to the consolidated financial statements, which indicates that the Group incurred a net loss of approximately HK$53,268,000 and had net cash outflows from operating activities of approximately HK$42,519,000 for the year ended 31 December 2018. As at 31 December 2018, the Group recorded net current liabilities of approximately HK$9,619,000 and net liabilities of approximately HK$52,694,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

The directors of the Company have been undertaking certain measures to improve the Group's liquidity and financial position, which are set out in Note 2 to the consolidated financial statements. The consolidated financial statements have been prepared on a going concern basis, the validity of which is dependent on the outcome of these measures, which are subject to the following uncertainties, including (i) whether the Group is able to obtain financing support, the attainability depends on the performance of the Group; and (ii) whether the Group is able to generate sufficient cash flow, the attainability depends on the effectiveness of implementation strategies.

These facts and circumstances, along with other matters as described in Note 2 to the consolidated financial statements, indicate the existence of material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern.

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

MANAGEMENT DISCUSSION AND ANALYSIS

Eagle Ride Investment Holdings Limited is an investment holding company. The Company's investment instruments are to be made in the form of equity securities or equity related securities or debt–related instruments in listed and unlisted companies. The investments normally are to be made in enterprises which are established within their respective fields. The Company may also seek to identify investments where there are synergies with other investee entities.

Year 2018 was a year full of challenges and uncertainties. The global financial markets were volatile and tainted by economic and political uncertainties. The prospect of fading US policy support in 2019, together with escalation in the US–China trade conflict, reduced monetary stimulus and global growth concerns eventually took their toll on investor confidence. Furthermore, the increase in interest rate may negatively affect business profits, stock prices and consumer spending. All these contributed to cautious sentiment among investors, and created a challenging market environment for the Company.

During the year ended 31 December 2018, the Company continued its investments in both listed and unlisted equity securities and other related financial assets. As at 31 December 2018, the Company's investment portfolio was diversified and across different business sectors including education and investment in securities.

BUSINESS REVIEW

The Company has been adopting and maintaining a prudent approach in investing in any investments/target entities. During the year ended 31 December 2018, the Company has signed six memoranda of understanding as follows:

(i) on 8 March 2018, the Company entered into a memorandum of understanding ("**中金MOU**") with 中金(深圳)娛樂有限公司 ("**中金(深圳)娛樂**") pursuant to which both parties agreed to explore possible cooperation and investment opportunities and, subject to the terms and conditions of the 中金MOU, the Company (or its designated nominee) would subscribe for and/or purchase the shares of 中金(深圳)娛樂 (or its designated third party). For further details of the 中金MOU, please refer to the announcement of the Company dated 8 March 2018;

(ii) on 29 March 2018, the Company entered into a memorandum of understanding ("**Oceantec MOU**") with Oceantec Valley Investment Management Co. Ltd. ("**Oceantec Valley**"), pursuant to which, both parties agreed to explore possible cooperation and investment opportunities and, subject to the terms and conditions of the Oceantec MOU, Oceantec Valley proposed and initiated to establish an equity investment fund which to be positioning in the new energy materials and energy storage sectors. For further details of the Oceantec MOU, please refer to the announcement of the Company dated 3 April 2018;

(iii) on 9 May 2018, the Company entered into a memorandum of understanding ("**WSQSI MOU**") with Wall Street Quantitative Systems Inc. ("**WSQSI**"), pursuant to which, both parties agreed to explore possible cooperation and investment opportunities and, subject to the terms and conditions of the WSQSI MOU, to jointly establish an asset management company (the "**Asset Management Company**") and propel the Asset Management Company to establish a private equity investment fund (the "**Fund**") which will own each of the investment projects (the "**Investment Projects**"). The Investment Projects of the Fund are emerging industries with prospective growth on a global scale (including but not limited to biotechnology, AR, artificial intelligence, internet-of-things, etc.). For further details of the WSQSI MOU, please refer to the announcement of the Company dated 9 May 2018;

(iv) on 5 June 2018, the Company entered into a memorandum of understanding ("**中融優清 MOU**") with 中融優清健康管理有限公司 ("**中融優清**"), pursuant to which, both parties agreed to explore possible cooperation and investment opportunities and, subject to the terms and conditions of the 中融優清MOU, the Company (or its designated nominee) would subscribe for the shares of 中融優清. 中融優清 is a health and data management company positioned in the public market targeting elderly, women and children in counties (districts). It is engaged in health check, referral and medical guide services and health data management services in counties (districts), and it intends to establish a special medical and health e-commerce platform targeting elderly and the mass population. By leveraging the big data technology, it creates a medical and health ecology with popular characteristics. For further details of the 中融優清MOU, please refer to the announcement of the Company dated 5 June 2018;

(v) on 5 July 2018, the Company entered into a memorandum of understanding ("**Shenzhen MFExchange MOU**") with Shenzhen MFExchange Financial Information Service Co. Ltd ("**Shenzhen MFExchange**"), pursuant to which, both parties agreed to explore possible cooperation and investment opportunities and, subject to the terms and conditions of the Shenzhen MFExchange MOU, the Company (or its designated nominee) would subscribe for the shares of Shenzhen MFExchange (collectively, the "**Possible Investment**"). Based on years of risk control experience from provisions of middle and small-sized enterprise credit rating services to banks, Shenzhen MFExchange, through scientific risk rating and access mechanism with the use of solid financial technology, provides micro borrowers and wealth management clients with an exchange-based Internet finance platform with transactions, facilitation and disposition. As the Internet financial platform, Shenzhen MFExchange leads the second revolution of the Internet with FinTech, including big data and artificial intelligence technology, to facilitate the development of all industries, especially the innovation of financial information services. For further details of the Shenzhen MFExchange MOU, please refer to the announcement of the Company dated 5 July 2018. However, after due and careful consideration of various factors, the Directors consider that the Potential Investment under the Shenzhen MFExchange MOU is not in the interests of the Company and its shareholders as a whole and therefore have decided not to proceed with the Possible Investment. For further details of the update on the Shenzhen MFExchange MOU, please refer to the announcement of the Company dated 31 July 2018; and

(vi) on 27 August 2018, the Company entered into a memorandum of understanding ("**Beijing Elive Technology MOU**") with Beijing Elive Technology Co., Ltd. ("**Beijing Elive Technology**"), pursuant to which, both parties agreed to explore possible cooperation and investment opportunities and, subject to the terms and conditions of the Beijing Elive Technology MOU, the Company (or its designated nominee) proposes to cooperate with Beijing Elive Technology (or a third party designated by it) on certain transactions. Beijing Elive Technology (NEEQ stock code: 836792) is a leading comprehensive security service provider and synergistic operator based on mobile internet in China. The company has been devoting to the research and development of intelligent security technologies over the years. With its leading carrier grade video cloud platform and professional smart video alarm technologies, the company is able to establish a three-dimensional public security prevention and control system quickly through the intelligent application of videos and big data analysis and management system, thus providing customers with structural, data-based and intelligent integrated solutions. For further details of the Beijing Elive Technology MOU, please refer to the announcement of the Company dated 27 August 2018.

At the end of the reporting period, the Company's investment performances were as follows:

1. Realised gain on disposal of unlisted corporate bond was approximately HK$194,000;

2. net unrealised loss arising on revaluation of financial assets at fair value through profit or loss ("**FVTPL**") was approximately HK$2,051,000;

FINANCIAL REVIEW

The Company derived approximately HK$661,000 revenue as bond interest income for the year 2018 (2017: approximately HK$718,000). The net loss attributable to owners of the Company was approximately HK$53,268,000, an increment loss of approximately HK$8,019,000 from the loss of approximately HK$45,249,000 in the last financial year.

The increment in loss position was mainly attributable to the impairment loss on other receivable of approximately HK$2,317,000 whereas a legal action was taken and filed to the district court on 12 March 2019; and increase in administrative cost of approximately HK$9.0 million which was spent on searching the potential investors.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2018, the Group has cash and cash equivalents of approximately HK$14,447,000 (2017: approximately HK$30,907,000). The Company is fully aware of the financial position and financial performance of the reporting period. The Board are of the opinion that the Company will have sufficient financial resources to meet its financial obligations as they fall due for at least the next twelve months from the end of the reporting period, after taking into consideration of the following:

1. On 28 March 2019, the Company had obtained a loan from an independent money lending company at a principal amount of HK$50,000,000 which is repayable within 18 months with no securities pledged nor guarantee and bearing fixed interest rate at 16% per annum;

2. In February 2019, the Company has entered into a subscription agreement with an independent private investor to issue corporate bond through the placing agent with the principal amount of HK$10,000,000, bearing interest at 5% per annum and for a period of 7 years effective from 1 February 2019;

3. The Group will seek to obtain additional financing including but not limited to borrow loans, issuing additional equity or debt securities;

4. In January 2019, the borrower of an unsecured loan of HK$8,000,000 has agreed to extend the due date to January 2020; and

5. Mr. Hu the non-executive director and ultimate controlling shareholder of the Company, has confirmed in writing that despite the term for the loans due to him is within twelve months, he will not demand repayment of the loans until the Group is financially viable to make the repayment and he will provide continuous financial support to the Group to meet its financial obligations.

The directors of the Company have carried out a detailed review of the cash flow forecast of the Group for the next twelve months from the reporting date taking into account the impact of the above measures, the directors of the Company believe that the Group will have sufficient cash resources to satisfy its future working capital and other financing requirements.

DIVIDENDS

The Board does not recommend the payment of a final dividend for the current year (2017: HK$ nil).

During the year, there were no bonus shares issued (2017: nil).

GEARING RATIO

The gearing ratio (total borrowings/total assets) as at 31 December 2018 was 245.21% (2017: 96.58%).

The Group's capital management objectives are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, to maintain an optimal capital structure to reduce the cost of capital and to support the Group's stability and growth.

The directors of the Company actively and regularly reviews and manages the Group's capital structure, taking into consideration the future capital requirements of the Group, to ensure optimal shareholders' returns. The Group manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may issue new shares, raise new debts or sells assets to reduce debt.

LITIGATION

No outstanding litigation as at 31 December 2018 was noted (2017: nil).

CONTINGENT LIABILITIES

As at 31 December 2018, the Company did not have any contingent liabilities (2017: nil).

PLEDGE OF ASSETS

At the end of the reporting period, no margin facility (2017: nil) from a regulated securities broker was granted to the Group under which financial assets at FVTPL of approximately HK$nil (2017: approximately HK$466,000) were treated as collateral for the facilities granted.

FOREIGN EXCHANGE RISK

The Company has foreign currency investments in financial assets, which expose it to foreign currency risk. The Group is mainly exposed to the effects of fluctuation of the S$. If the exchange rate of HK$ against S$ has been increased/decreased by 5% (2017: 5%), the Group's loss for the year would have been decreased/increased by approximately HK$827,000 (2017: approximately HK$921,000).

EMPLOYEES

As at 31 December 2018 the Group had 9 (2017: 13) employees. The total employees remuneration (excluding directors' emoluments) was approximately HK$6,424,000 (2017: approximately HK$5,803,000) for the current financial year. The Group's emolument policies are formulated based on the performance of individual employees and is reviewed regularly every year.

OUTLOOK

Looking forward into the year of 2019, the operating environment for financial markets is expected to remain challenging. Despite a recent strong economic upswing across the world had set a favourable backdrop that helped boost investment sentiment in capital markets, many economic and political uncertainties remain. Capital markets in 2019 are likely to be volatile. The Company will continue to adopt and maintain a prudent investment approach to capture attractive investment opportunities as and when they arise. The Company will continue fully leveraging its strong market analytical capability and carefully identify the market trend through a flexible investment strategy to bring the maximum returns for all the shareholders.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company's corporate governance practices are based on the principles, code provisions and recommended best practices as set out in the Corporate Governance Code and Corporate Governance Report (the "**CG Code**") contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). During the year ended 31 December 2018, the Company has complied with all code provisions, and where applicable, certain recommended best practices set out in the CG Code except for code provision A.6.7 of the CG Code as explained below.

Under the code provision A.6.7 of the CG Code, independent non-executive Directors and other non-executive Directors should attend general meetings and develop a balanced understanding of the views of members. All Directors are encouraged to attend the Company's general meetings and each Director makes every effort to attend. However, two independent non-executive Directors and two non-executive Directors were unable to attend the annual general meeting held on 31 May 2018 due to other personal engagements.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company had adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**"), as contained in Appendix 10 of the Listing Rules, as the required standard for the Directors to deal in the securities of the Company. Upon enquiry by the Company, all Directors have confirmed that they have complied with the required standards set out in the Model Code throughout the Year.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the Year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the Year.

AUDITOR

The consolidated financial statements of the Group for the Year have been audited by HLM CPA Limited, who will retire and eligible for re-election at the forthcoming annual general meeting.

REVIEW OF ANNUAL RESULTS BY THE AUDIT COMMITTEE

The Audit Committee of the Company comprises three members and is currently consisting of two independent non-executive directors, namely, Mr. Vichai Phaisalakani and Mr. Wang Xianzhang, and one non-executive director, namely, Mr. Hu Haisong. Mr. Vichai Phaisalakani is the chairman of the Audit Committee. The consolidated financial statements of the Group for the Year had been reviewed, discussed and approved by the Audit Committee.

PUBLICATION OF RESULTS AND ANNUAL REPORT

This results announcement is published on the website of the Company at www.eaglerideinvestment.com and the website of the Stock Exchange at www.hkexnews.hk. The annual report of the Company will be despatched to shareholders and published on the aforesaid websites in due course.

By order of the Board
Eagle Ride Investment Holdings Limited
鷹力投資控股有限公司
Tung Shu Sun
Chairman

Hong Kong, 29 March 2019

As at the date of this announcement, the Board comprises eight Directors. The executive Director is Mr. Chan Yiu Pun, Clement; the non-executive Directors are Mr. Hu Haisong, Mr. Tung Shu Sun, Mr. Dang Yin Liang and Mr. Ding Shiguo; and the independent non-executive Directors are Mr. Gui Shengyue, Mr. Wang Xianzhang and Mr. Vichai Phaisalakani.