



# Evershine Group Holdings Limited 永耀集團控股有限公司

(Incorporated in Hong Kong with limited liability)

(於香港註冊成立之有限公司)

Stock Code 股份代號 : 8022

## INTERIM REPORT 中期報告 2019



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### 香港聯合交易所有限公司(「聯交所」)GEM的特色

GEM的定位，乃為較於聯交所上市的其他公司帶有較高投資風險的中小型公司提供一個上市的市場。有意投資者應瞭解投資於該等公司的潛在風險，並應經過審慎周詳考慮後方作出投資決定。

由於GEM上市公司一般為中小型公司，在GEM買賣的證券可能會承受較於聯交所主板買賣的證券為高的市場波動風險，同時無法保證在GEM買賣的證券會有高流通量的市場。

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## HIGHLIGHTS

### 摘要

- During the six months ended 30 June 2019, the Group recorded revenue of approximately HK\$10,271,000 (2018: approximately HK\$651,000), representing an increase of approximately 1,478% as compared to the corresponding period in 2018, which is mainly attributable to property sales of approximately HK\$8,179,000 which has been commenced during the six months ended 30 June 2019 by a subsidiary in Turkey.
- The loss for the Group was approximately HK\$10,426,000 for the six months ended 30 June 2019 (2018: approximately HK\$20,100,000), representing a decrease of loss of approximately 48% over the corresponding period in 2018.
- Loss from ordinary activities attributable to shareholders of the Company was approximately HK\$10,671,000 for the six months ended 30 June 2019 (2018: approximately HK\$19,545,000), representing a decrease in loss of approximately 45% over the corresponding period in 2018.
- Basic loss per share for the six months ended 30 June 2019 was approximately HK0.59 cents (2018: approximately HK1.16 cents).
- The Directors do not recommend any payment of interim dividend for the six months ended 30 June 2019 (2018: nil).
- 本集團截至二零一九年六月三十日止六個月之收益約為10,271,000港元(二零一八年：約651,000港元)，較二零一八年同期增加約1,478%，主要由於土耳其附屬公司截至二零一九年六月三十日止六個月已開展之物業銷售約8,179,000港元。
- 本集團截至二零一九年六月三十日止六個月之虧損約為10,426,000港元(二零一八年：約20,100,000港元)，較二零一八年同期之虧損減少約48%。
- 截至二零一九年六月三十日止六個月本公司股東應佔日常業務之虧損約為10,671,000港元(二零一八年：約19,545,000港元)，較二零一八年同期之虧損減少約45%。
- 截至二零一九年六月三十日止六個月之每股基本虧損約為0.59港仙(二零一八年：約1.16港仙)。
- 董事不建議就截至二零一九年六月三十日止六個月派發任何中期股息(二零一八年：無)。

## INTERIM RESULTS (UNAUDITED) 中期業績(未經審核)

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

The board of Directors (the “Board”) of the Company hereby announces the unaudited consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the six months and three months ended 30 June 2019 together with the unaudited comparative figures for the corresponding period in 2018 (the “Relevant Periods”) as follows:

本公司董事會(「董事會」)謹此公佈本公司及其附屬公司(統稱「本集團」)截至二零一九年六月三十日止六個月及三個月之未經審核綜合業績，連同二零一八年同期(「有關期間」)之未經審核比較數字如下：

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS 簡明綜合損益表

		Notes 附註	Unaudited Six months ended 30 June 未經審核 截至六月三十日止六個月		Unaudited Three months ended 30 June 未經審核 截至六月三十日止三個月	
			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue	收益	2	10,271	651	9,417	270
Cost of sales and services	銷售及服務成本		(6,833)	–	(6,335)	–
Gross profit	毛利		3,438	651	3,082	270
Other income, gains/(losses), net	其他收入、收益/(虧損)淨額	2	8,123	1,175	8,147	424
Share of (loss)/profit of associates	分佔聯營公司(虧損)/溢利		(2,037)	1,108	(711)	2,103
Operating and administrative expenses	經營及行政開支		(12,374)	(14,505)	(6,050)	(6,579)
(Loss)/profit from operation	經營(虧損)/溢利		(2,850)	(11,571)	4,468	(3,782)
Finance costs	融資成本	4	(8,010)	(8,529)	(4,203)	(3,643)
(Loss)/profit before taxation	除稅前(虧損)/溢利	5	(10,860)	(20,100)	265	(7,425)
Taxation	稅項	6	434	–	708	–
<b>(Loss)/profit for the period</b>	<b>期內(虧損)/溢利</b>		<b>(10,426)</b>	<b>(20,100)</b>	<b>973</b>	<b>(7,425)</b>
<b>Attributable to:</b>	<b>歸屬於：</b>					
– Shareholders of the Company	– 本公司股東		(10,671)	(19,545)	146	(7,335)
– Non-controlling interests	– 非控股權益		245	(555)	827	(90)
(Loss)/profit for the period	期內(虧損)/溢利		(10,426)	(20,100)	973	(7,425)
<b>(Loss)/earning per share</b> Basic and Diluted	<b>每股(虧損)/盈利</b> 基本及攤薄	7	<b>(0.59) cents</b> 港仙	(1.16) cents港仙	<b>0.01 cents</b> 港仙	(0.45) cents港仙

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 簡明綜合損益及其他全面收益表

		Unaudited Six months ended 30 June 未經審核 截至六月三十日 止六個月		Unaudited Three months ended 30 June 未經審核 截至六月三十日 止三個月	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Loss for the period</b>	期內虧損	<b>(10,426)</b>	(20,100)	<b>973</b>	(7,425)
<b>Other comprehensive income/ (expenses) for the period</b>	期內其他全面收入/ (開支)				
<b>Items that may be reclassified subsequently to profit or loss:</b>	<b>可能於其後獲重新分類至損益之項目：</b>				
Share of exchange difference of associates	分佔聯營公司之匯兌差額	(794)	78	(208)	(290)
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表之匯兌差額	(9,876)	(5,697)	(2,791)	(6,342)
<b>Items that may not be reclassified subsequently to profit or loss:</b>	<b>其後不一定獲重新分類至損益之項目：</b>				
Share of movement of provision for employment benefits	分佔僱員福利之撥備變動	(2)	–	–	–
Gain on fair value change attributable to change in credit risk of the convertible notes	歸因於可換股票據信貸風險變動之公平價值變動收益	670	–	670	–
Other comprehensive expenses for the period	期內其他全面開支	(10,002)	(5,619)	(2,329)	(6,632)
<b>Total comprehensive expenses for the period</b>	期內全面開支總額	<b>(20,428)</b>	(25,719)	<b>(1,356)</b>	(14,057)
Attributable to:	歸屬於：				
– Shareholders of the Company	– 本公司股東	(17,852)	(25,844)	(1,116)	(14,038)
– Non-controlling interests	– 非控股權益	(2,576)	125	(240)	(19)
<b>Total comprehensive expenses for the period</b>	期內全面開支總額	<b>(20,428)</b>	(25,719)	<b>(1,356)</b>	(14,057)

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 簡明綜合財務狀況表

		As at 30 June 2019 於二零一九年 六月三十日	As at 31 December 2018 於二零一八年 十二月三十一日
		Notes 附註	Notes 附註
		HK\$'000 千港元 (Unaudited) (未經審核)	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	8 51,174	53,300
Right-of-use assets	使用權資產	9 5,015	—
Investment properties	投資物業	10 140,442	154,727
Investment properties under construction	在建投資物業	11 —	35,021
Intangible assets	無形資產	8 37,887	38,499
Interests in associates	於聯營公司之權益	12 74,558	77,388
Restricted deposit	受限制存款	146,020	—
Deferred tax assets	遞延稅項資產	1,579	1,282
		<b>456,675</b>	<b>360,217</b>
<b>Current assets</b>	<b>流動資產</b>		
Inventories	存貨	420	420
Properties for sale	待售物業	14 35,056	—
Contract assets	合約資產	372	—
Trade and other receivables	貿易及其他應收款項	13 14,828	20,354
Loan and interest receivables	應收貸款及利息	15 6,776	—
Cash and cash equivalents	現金及現金等價物	1,117	3,573
		<b>58,569</b>	<b>24,347</b>
<b>Current liabilities</b>	<b>流動負債</b>		
Trade and other payables and contract liabilities	貿易及其他應付款項以及合約負債	16 19,986	11,715
Contingent consideration	或然代價	5,390	6,644
Derivative	衍生工具	19(c) 2,190	—
Borrowings	借款	17 89,000	30,000
Lease liabilities	租賃負債	20 690	133
Tax payable	應付稅項	7	7
		<b>117,263</b>	<b>48,499</b>
<b>Net current liabilities</b>	<b>流動負債淨額</b>	<b>(58,694)</b>	<b>(24,152)</b>
<b>Total assets less current liabilities</b>	<b>資產總值減流動負債</b>	<b>397,981</b>	<b>336,065</b>
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Other payables	其他應付款項	16 8,941	8,893
Borrowings	借款	17 —	59,000
Lease liabilities	租賃負債	20 3,767	570
Promissory notes	承兌票據	18 68,738	63,417
Convertible notes	可換股票據	19 133,720	—
Provision for employment benefits	僱員福利撥備	67	35
Deferred tax liabilities	遞延稅項負債	19,182	21,107
		<b>234,415</b>	<b>153,022</b>
<b>NET ASSETS</b>	<b>資產淨值</b>	<b>163,566</b>	<b>183,043</b>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION 簡明綜合財務狀況表

			As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 (Unaudited) (未經審核)	As at 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 (Audited) (經審核)
<b>CAPITAL AND RESERVES</b>	資本及儲備			
Share capital	股本			1,088,011
Reserves	儲備	21	(966,654)	(948,802)
<b>Total equity attributable to shareholders of the Company</b>	本公司股東應佔權益總額		<b>122,308</b>	139,209
Non-controlling interests	非控股權益		41,258	43,834
<b>TOTAL EQUITY</b>	權益總額		<b>163,566</b>	183,043

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

		Attributable to shareholders of the Company 本公司股東應佔							Total equity 權益總額 HK\$'000 千港元
		Share capital 股本 HK\$'000 千港元	Exchange reserve 匯兌儲備 HK\$'000 千港元	Convertible		Accumulated losses 累計虧損 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元	Non-controlling interests 非控股權益 HK\$'000 千港元	
				notes reserve 可換股票據儲備 HK\$'000 千港元	Other reserve 其他儲備 HK\$'000 千港元				
At 1 January 2018	於二零一八年一月一日	1,015,341	(794)	6,185	44	(843,789)	176,987	10,354	187,341
HKFRS 9 adjustment on accumulated losses	香港財務報告準則第9號就累計虧損作出調整	-	-	-	-	(1,811)	(1,811)	-	(1,811)
Loss for the year	年內虧損	-	-	-	-	(105,087)	(105,087)	(8,356)	(113,443)
Share of exchange difference on associates	分佔聯營公司之匯兌差額	-	(7,244)	-	-	-	(7,244)	-	(7,244)
Release of exchange reserve upon derecognition of an associate	終止確認一間聯營公司時撥回匯兌儲備	-	5,623	-	-	-	5,623	-	5,623
Exchange difference on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表之匯兌差額	-	384	-	-	-	384	4,087	4,471
Loss and total comprehensive expenses for the year	年內虧損及全面開支總額	-	(1,237)	-	-	(105,087)	(106,324)	(4,269)	(110,593)
Acquisition of additional interests in a subsidiary	收購一間附屬公司額外權益	-	-	-	-	439	439	(439)	-
Business combination achieved in stages	分階段達成之業務合併	-	-	-	-	-	-	38,188	38,188
Issue of shares upon conversion of convertible notes	兌換可換股票據時發行股份	72,670	-	(2,752)	-	-	69,918	-	69,918
Derecognition of convertible notes	終止確認可換股票據	-	-	(3,433)	-	3,433	-	-	-
At 31 December 2018 and 1 January 2019 (Audited)	於二零一八年十二月三十一日及二零一九年一月一日 (經審核)	1,088,011	(2,031)	-	44	(946,815)	139,209	43,834	183,043
(Loss)/Profit for the period	期內(虧損)/溢利	-	-	-	-	(10,671)	(10,671)	245	(10,426)
Share of exchange difference of an associate	分佔一間聯營公司之匯兌差額	-	(794)	-	-	-	(794)	-	(794)
Exchange difference on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表之匯兌差額	-	(7,055)	-	-	-	(7,055)	(2,821)	(9,876)
Share of movement of provision for employment benefits	分佔僱員福利撥備變動	-	-	-	(2)	-	(2)	-	(2)
Gain on fair value change attributable to change in credit risk of the convertible notes	歸因於可換股票據信貸風險變動之公平值變動收益	-	-	-	-	670	670	-	670
Loss and total comprehensive expenses for the period	期內虧損及全面開支總額	-	(7,849)	-	(2)	(10,001)	(17,852)	(2,576)	(20,428)
Issue of shares upon conversion of convertible notes	兌換可換股票據時發行股份	951	-	-	-	-	951	-	951
As at 30 June 2019 (Unaudited)	於二零一九年六月三十日 (未經審核)	1,088,962	(9,880)	-	42	(956,816)	122,308	41,258	163,566



## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

### 簡明綜合現金流量表

		Unaudited Six months ended 30 June 未經審核 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Net cash inflow/(outflow) from operating activities	經營業務之現金流入／(流出)淨額	5,055	(14,766)
Net cash (outflow)/inflow from investing activities	投資活動之現金(流出)／流入淨額	(2,454)	1,434
Net cash (outflow)/inflow from financing activities	融資活動之現金(流出)／流入淨額	(3,801)	4,917
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(1,200)	(8,415)
Cash and cash equivalents at the beginning of period	期初之現金及現金等價物	3,573	13,947
Effect of foreign exchange rate changes	匯率變動之影響	(1,256)	(831)
Cash and cash equivalents at the end of period	期末之現金及現金等價物	1,117	4,701
Analysis of balances of cash and cash equivalents:	現金及現金等價物結餘分析：		
Cash and cash equivalents	現金及現金等價物	1,117	4,701

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

These unaudited condensed consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These condensed consolidated financial statements also comply with the applicable disclosure provisions of the GEM Listing Rules.

#### Going concern assumption

In preparing these unaudited condensed consolidated financial statements, the Directors have considered the future liquidity of the Group. As at 30 June 2019, the Group had recorded net current liabilities of approximately HK\$58,694,000. 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 and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Notwithstanding the aforesaid conditions, the unaudited condensed consolidated financial statements have been prepared on a going concern basis on the assumption that the Group will be able to operate as a going concern for the foreseeable future. In the opinion of the directors, the Group can meet its financial obligations as and when they fall due within the next year from the date of the condensed consolidated financial statements, after taking into consideration of the following measure made subsequent to the reporting date:

The Company has been offered a borrowing of HK\$40,000,000 with an interest rate carrying at 24% per annum that would be made available up to 21 March 2021. The borrowing will be secured by second mortgage charge against the Group’s Hong Kong investment properties and land and buildings. The lender of this borrowing offer is a licensed money lender in Hong Kong, an independent third party to the Group.

The Directors consider that after taking into account the internal resources and the above matter, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due for the foreseeable future taking into account the internal fundings along with the above measurement.

### 1. 編製基準及會計政策變動

該等未經審核簡明綜合財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈之所有適用香港財務報告準則(「香港財務報告準則」)(為所有適用個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋之統稱)、香港公認會計原則以及香港公司條例之規定編製。該等簡明綜合財務報表亦遵守GEM上市規則之適用披露條文。

#### 持續經營之假設

於編製該等未經審核簡明綜合財務報表時，董事已考慮本集團日後流動資金。於二零一九年六月三十日，本集團錄得流動負債淨額約58,694,000港元。此等狀況顯示存在可能對本集團繼續持續經營之能力構成重大疑問之重大不確定因素，因此本集團可能無法於正常業務過程中變現其資產及償還負債。

儘管存在上述狀況，惟未經審核簡明綜合財務報表乃假設本集團將於可見將來能以持續經營方式營運，按持續經營基準編製。董事於考慮以下於報告日期後所作之措施後認為，本集團可履行其自簡明綜合財務報表日期起翌年內到期之財務責任：

本公司已獲授40,000,000港元之借款，按年利率24%計息，有效期直至二零二一年三月三十一日為止。該借款將由本集團於香港之投資物業以及土地及樓宇作第二按揭抵押。該借款之貸方為於香港之持牌放債人及本集團獨立第三方。

董事認為，經計及內部資源及上述事項後，考慮到內部資金連同上述計量，本集團將有足夠營運資金撥付其業務營運，並履行可見未來到期之財務責任。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

The results of subsidiaries acquired or disposed of during the period are included in the condensed consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All significant intra-group transactions and balances within the Group have been eliminated on consolidation.

The consolidated interim results have not been audited by the Company's auditor, but have been reviewed by the Company's audit committee.

The accounting policies adopted in preparing the unaudited consolidated interim results are consistent with those adopted in the preparation of the annual audited financial statements for the year ended 31 December 2018, except for the changes in accounting policies due to the revised HKFRSs and HKASs as described below.

The Group has adopted the following revised HKFRSs and HKASs for the first time for the current period's financial information:

HKFRS 16	Leases	1 January 2019
Annual Improvements 2015-2017 Cycle	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23	1 January 2019
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement	1 January 2019
Amendments to HKAS 28	Long-Term Interest in Associates and Joint Ventures	1 January 2019
Amendments to HKFRS 9	Prepayment Features with Negative Compensation	1 January 2019
HK (IFRIC) 23	Uncertainty over Income Tax Treatment	1 January 2019

### 1. 編製基準及會計政策變動(續)

期內所收購或出售附屬公司之業績自收購生效日期起或直至出售生效日期止(倘適用)在簡明綜合收益表列賬。

本集團內部之所有集團內公司間重大交易及結餘已於綜合賬目時對銷。

綜合中期業績並無經本公司核數師審核，惟已經本公司審核委員會審閱。

除因下文所述之經修訂香港財務報告準則及香港會計準則導致會計政策變動外，編製未經審核綜合中期業績時所採用之會計政策與編製截至二零一八年十二月三十一日止年度之經審核年度財務報表所採用者一致。

本集團已就本期間之財務資料首次採納下列經修訂香港財務報告準則及香港會計準則：

香港財務報告準則第16號	租賃	二零一九年一月一日
二零一五年至二零一七年週期之年度改進	香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號(修訂本)	二零一九年一月一日
香港會計準則第19號(修訂本)	計劃修訂、縮減或結清	二零一九年一月一日
香港會計準則第28號(修訂本)	於聯營公司及合營公司之長期權益	二零一九年一月一日
香港財務報告準則第9號(修訂本)	具有負值補償之預付款項特點	二零一九年一月一日
香港(國際財務報告詮釋委員會)第23號	有關所得稅處理之不確定性	二零一九年一月一日

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

Except as described below for the HKFRS 16, the directors of the Company considered that the application of the other new and revised HKFRSs and HKASs do not have material impact on the Group's consolidated financial results.

HKFRS 16, "Leases" replaces the previous standards HKAS 17 "Leases" and effective for annual periods beginning on or after 1 January 2019. The Group has applied HKFRS 16 for the first time in the current period.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance costs. The finance costs are charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

### 1. 編製基準及會計政策變動(續)

除下文就香港財務報告準則第16號所闡述者外，本公司董事認為應用其他新訂及經修訂香港財務報告準則及香港會計準則不會對本集團之綜合財務業績造成重大影響。

香港財務報告準則第16號「租賃」取代過往準則香港會計準則第17號「租賃」，並於二零一九年一月一日或之後開始之年度期間生效。本集團已於本期間首次應用香港財務報告準則第16號。

租賃於該租賃資產可供本集團使用當日確認為使用權資產及相關負債。各租賃付款獲分配至負債及融資成本。融資成本在租賃期間於損益入賬，以得出各期間負債餘下結餘之定期固定利率。使用權資產於資產可使用年期與租賃期間之較短者內按直線法貼現。

租賃產生之資產及負債初步以現值基準計量。租賃負債包括下列租賃付款之現值淨額：

- 固定付款(包括實質固定付款)減任何應收租賃獎勵；
- 基於指數或利率之可變租賃付款；
- 承租人根據剩餘價值擔保之預期應付款項；
- 購股權之行使價(倘承租人合理確認將行使有關購股權)；及
- 終止租賃之罰款(倘租賃年期反映承租人行使該購股權)。



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

### 1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

The lease payments are discounted using the incremental borrowing rate. Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

To ease the transition to HKFRS 16, the Group applied the following recognition exemption and practical expedients at the date of initial application of HKFRS 16:

- (i) the Group elected not to apply the requirements of HKFRS 16 in respect of the recognition of lease liabilities and right-of-use assets to leases for which the remaining lease term ends within 12 months from the date of initial application of HKFRS 16, i.e. where the lease term ends on or before 31 December 2019;
- (ii) when measuring the lease liabilities at the date of initial application of HKFRS 16, the Group applied a single discount rate to a portfolio of leases with reasonably similar characteristics (such as leases with a similar remaining lease term for a similar class of underlying asset in a similar economic environment); and

### 1. 編製基準及會計政策變動(續)

租賃付款使用遞增借款利率貼現。按成本計量之使用權資產包括下列項目：

- 租賃負債之初始計量金額；
- 任何在開始日期或之前作出之租賃付款減任何已收取租金獎勵；
- 任何初始直接成本；及
- 修復成本。

與短期租賃相關之付款按直線法於損益確認為開支。短期租賃即租賃年期為12個月或以下之租賃。

為順利過渡至香港財務報告準則第16號，本集團於香港財務報告準則第16號首次應用日期採用以下確認豁免及可行之權宜措施：

- (i) 本集團選擇不將香港財務報告準則第16號有關確認租賃負債及使用權資產之規定應用至餘下租賃期於香港財務報告準則第16號首次應用當日起計12個月內結束(即租賃期於二零一九年十二月三十一日或之前結束)之租賃；
- (ii) 於香港財務報告準則第16號首次應用日期計量租賃負債時，本集團對具有合理相似特徵之租賃組合採用單一貼現率(例如在相似之經濟環境下，對類似級別之相關資產具有類似剩餘租期之租賃)；及

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(iii) when measuring the right-of-use assets at the date of initial application of HKFRS 16, the Group relied on the previous assessment for onerous contract provisions as at 31 December 2018 as an alternative to performing an impairment review.

(a) The following table reconciles the operating lease commitments as lessee as disclosed in note 36(a) as at 31 December 2018 to the opening balance for lease liabilities recognised as at 1 January 2019:

### 1. 編製基準及會計政策變動(續)

(iii) 於香港財務報告準則第16號首次應用日期計量使用權資產時，本集團依賴先前於二零一八年十二月三十一日評估之虧損性合約撥備作為進行減值檢討之替代方案。

(a) 下表為附註36(a)所披露於二零一八年十二月三十一日作為承租人之經營租賃承擔及於二零一九年一月一日確認之租賃負債期初權益結餘對賬：

		HK\$'000 千港元 (Unaudited) (未經審核)
Operating lease commitments at 31 December 2018	於二零一八年十二月三十一日之經營租賃承擔	7,569
Less: Commitments relating to leases exempt from capitalisation:	減：有關豁免進行資本化之租賃承擔：	
– Short-term leases and other leases with remaining lease term ending on or before 31 December 2019	– 剩餘租賃期於二零一九年十二月三十一日或之前結束之短期租賃及其他租賃	(240)
		7,329
Less: Total future interest expenses	減：未來利息開支總額	(2,971)
Less: Prepaid land lease recognised as at 31 December 2018	減：於二零一八年十二月三十一日確認之預付土地租賃	(693)
Present value or remaining lease payments, discounted using the incremental borrowing rate at 1 January 2019	於二零一九年一月一日使用遞增借款利率貼現之現值或剩餘租賃付款	3,665
Add: Financial lease liabilities recognised as at 31 December 2018	加：於二零一八年十二月三十一日確認之融資租賃負債	703
Total lease liabilities recognised at 1 January 2019	於二零一九年一月一日確認之租賃負債總額	4,368



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

### 1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(b) The following table summarises the impacts of the adoption of HKFRS 16 on the Group's unaudited condensed consolidated statement of financial position:

### 1. 編製基準及會計政策變動(續)

(b) 下表概述採納香港財務報告準則第16號對本集團未經審核簡明綜合財務狀況表之影響：

		Carrying amount at 31 December 2018 於二零一八年十二月三十一日之賬面值 HK\$'000 千港元 (Unaudited) (未經審核)	Capitalisation of operating lease contracts 經營租賃合約資本化 HK\$'000 千港元 (Unaudited) (未經審核)	Carrying amount at 1 January 2019 於二零一九年一月一日之賬面值 HK\$'000 千港元 (Unaudited) (未經審核)
<b>Line items in the condensed consolidated statement of financial position impacted by the adoption of HKFRS 16:</b>	<b>受採納香港財務報告準則第16號影響之簡明綜合財務狀況表單項項目：</b>			
Property, plant and equipment	物業、廠房及設備	53,300	(796)	<b>52,504</b>
Right-of-use assets	使用權資產	–	5,196	<b>5,196</b>
<b>Total non-current assets</b>	<b>非流動資產總額</b>	<b>360,217</b>	<b>4,400</b>	<b>364,617</b>
Trade and other receivables	貿易及其他應收款項	20,354	(735)	<b>19,619</b>
<b>Total current assets</b>	<b>流動資產總值</b>	<b>24,347</b>	<b>(735)</b>	<b>23,612</b>
Lease liabilities (current)	租賃負債(流動)	(133)	(51)	<b>(184)</b>
<b>Current liabilities</b>	<b>流動負債</b>	<b>(48,499)</b>	<b>(51)</b>	<b>(48,550)</b>
<b>Net current liabilities</b>	<b>流動負債淨值</b>	<b>(24,152)</b>	<b>(786)</b>	<b>(24,938)</b>
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>	<b>336,065</b>	<b>3,614</b>	<b>339,679</b>
Lease liabilities (non-current)	租賃負債(非流動)	(570)	(3,614)	<b>(4,184)</b>
<b>Total non-current liabilities</b>	<b>非流動負債總額</b>	<b>(153,022)</b>	<b>(3,614)</b>	<b>(156,636)</b>
<b>Net assets</b>	<b>資產淨值</b>	<b>183,043</b>	<b>–</b>	<b>183,043</b>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(c) The remaining contractual maturities of the Group's lease liabilities at the date of transition of HKFRS 16 are follows:

### 1. 編製基準及會計政策變動(續)

(c) 於香港財務報告準則第16號之過渡日期，本集團租賃負債之餘下合約到期日如下：

		1 January 2019 二零一九年一月一日	
		Present value of the minimum lease payments 最低租賃款項現值	Total minimum lease payments 最低租賃款項總額
		HK\$'000 千港元	HK\$'000 千港元
		(Unaudited) (未經審核)	(Unaudited) (未經審核)
Within 1 year	一年內	206	209
After 1 year but within 2 years	一年後但於兩年內	2,370	2,698
After 2 years but within 5 years	兩年後但於五年內	–	–
After 5 years	五年後	1,792	4,460
		<b>4,368</b>	<b>7,367</b>
Less: Total future interest expenses	減：未來利息開支總額		(2,957)
Present value of lease liabilities	租賃貸款之現值		<b>4,410</b>



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

### 2. REVENUE, OTHER INCOME, GAINS/(LOSS), NET

The Group's revenue comprises trading business, income from furniture business, rental income, property sales, interest income from money lending business and service income from cemetery. During the year ended 31 December 2018, the Group has set up a new indirect non-wholly owned subsidiary, incorporated in the People's Republic of China (the "PRC"), specializing in design and trade of customized window frames, doors and wardrobes. The furniture business has commenced operation since early 2019. During the period ended 30 June 2019, the Company has started its property sales in Turkey.

Revenue recognised during the Relevant Period is as follows:

### 2. 收益、其他收入、收益／(虧損)淨額

本集團之收益包括貿易業務、傢俬業務收入、租金收入、物業銷售、放債業務利息收入及公墓服務收入。截至二零一八年十二月三十一日止年度，本集團於中華人民共和國(「中國」)註冊成立一間新間接非全資附屬公司，專門從事設計及買賣各種訂製之窗框、門及衣櫃。該傢俬業務自二零一九年初開展營運。於截至二零一九年六月三十日止期間，本公司於土耳其開始其物業銷售。

於有關期間確認之收益如下：

		Unaudited Six months ended 30 June 未經審核 截至六月三十日止六個月		Unaudited Three months ended 30 June 未經審核 截至六月三十日止三個月	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue from contracts with customers within the scope of HKFRS 15:	香港財務報告準則第15號 範疇內來自客戶合約之 收益：				
Trading business	貿易業務	-	-	-	-
Furniture business	傢俬業務	809	-	468	-
Property sales	物業銷售	8,179	-	8,179	-
		<b>8,988</b>	-	<b>8,647</b>	-
Revenue from other sources:	來自其他來源之收益：				
Rental income	租金收入	1,021	556	519	249
Interest income from money lending business	放債業務利息收入	202	95	202	21
Service income from cemetery	公墓服務收入	60	-	49	-
		<b>1,283</b>	<b>651</b>	<b>770</b>	<b>270</b>
Total revenue	收益總額	<b>10,271</b>	<b>651</b>	<b>9,417</b>	<b>270</b>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

### 2. REVENUE, OTHER INCOME, GAINS/(LOSSES), NET (CONTINUED)

Other income, gains/(losses) recognised during the Relevant Period is as follows:

### 2. 收益、其他收入、收益／(虧損)淨額 (續)

於有關期間確認之其他收入、收益／(虧損)如下：

		Unaudited Six months ended 30 June 未經審核 截至六月三十日止六個月		Unaudited Three months ended 30 June 未經審核 截至六月三十日止三個月	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Other income, gains/(losses), net	其他收入、收益／(虧損) 淨額				
Sundry income	雜項收入	69	—	58	—
Interest income from bank	銀行利息收入	24	2	24	1
Loss on fair value change of a promissory note	承兌票據之公平值變動 虧損	(2,158)	—	(2,158)	—
Gain on fair value change of a derivative	衍生工具之公平值變動 收益	2,380	—	2,380	—
Gain on fair value change of convertible notes	可換股票據之公平值變 動收益	6,684	—	6,684	—
Gain on issuance of convertible notes	發行可換股票據之收益	405	—	405	—
Gain on fair value change of contingent consideration	或然代價之公平值變動 收益	1,270	—	1,270	—
Allowance for credit losses on financial assets	金融資產信貸虧損 撥備	(551)	—	(516)	—
Reversal of impairment provision of trade and other receivables	貿易及其他應收款項減 值撥備撥回	—	1,173	—	428
Reversal of loan and interest receivables	應收貸款及利息撥回	—	—	—	(5)
Other income, gains/(losses), net	其他收入、收益／(虧損) 淨額	8,123	1,175	8,147	424

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 3. SEGMENTAL INFORMATION

The Group manages its business by divisions and the Group's operating activities are carried out in the PRC, Hong Kong and the Republic of Turkey ("Turkey"). The reportable segments are in a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resources allocation and performance assessment.

During the six months ended 30 June 2019, the Group had six (2018: five) business segments, namely (i) trading; (ii) furniture business; (iii) property development and investment; (iv) money lending; (v) mobile application and (vi) cemetery.

- (i) Trading: This segment is engaged in trading of goods. Currently the Group's activities in this regard are carried out in the PRC and Hong Kong.
- (ii) Furniture business: This segment relates to the operation of an indirect non-wholly owned subsidiary of the Company. The Group has 51% equity interest in Flat Limited (the "Flat Group"). The Flat Group is engaged in design and trade of customized window frames, doors and wardrobes. Currently the Group's activities in this regard are carried out in the PRC.
- (iii) Property development and investment: This segment is engaged in building construction, property development, sales and leasing of properties. Currently the Group's activities in this regard are carried out in Turkey and Hong Kong.
- (iv) Money lending: This segment is engaged in provision of money lending business through a wholly-owned subsidiary of the Company which is a money lender licensed in Hong Kong under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).
- (v) Mobile application: This segment relates to the operation of an associate (the "FS Group"). The FS Group is engaged in development of mobile games, game publishing, applications, related intellectual property and platform and provision of related solutions.
- (vi) Cemetery: This segment is engaged in the construction and operation of cemetery. Currently the Group's activities in this regard are carried out in the PRC.

### 3. 分部資料

本集團以部門管理其業務，且本集團之經營業務均於中國、香港及土耳其共和國（「土耳其」）進行。可報告分部之呈列方式與就分配資源及評估表現向本集團最高級行政管理人員內部報告資料之方式一致。

截至二零一九年六月三十日止六個月，本集團設有六個業務分部（二零一八年：五個），即(i)貿易；(ii)傢俬業務；(iii)物業開發及投資；(iv)放債；(v)手機應用程式及(vi)公墓。

- (i) 貿易：此分部從事買賣貨品。目前，本集團有關此方面之活動於中國及香港進行。
- (ii) 傢俬業務：此分部與本公司一間間接非全資附屬公司之業務有關。本集團於Flat Limited（「Flat集團」）擁有51%股權。Flat集團從事設計及買賣各種訂製之窗框、門及衣櫃。目前，本集團有關此方面之活動於中國進行。
- (iii) 物業開發及投資：此分部從事樓宇建造、物業發展、物業銷售及租賃業務。目前，本集團有關此方面之活動於土耳其及香港進行。
- (iv) 放債：此分部透過本公司為放債人條例（香港法例第163章）項下之香港持牌放債人之全資附屬公司從事提供放債業務。
- (v) 手機應用程式：此分部與一間聯營公司（「FS集團」）之業務有關。FS集團從事手機遊戲開發、遊戲發行、應用程式、相關知識產權及平台以及提供相關解決方案。
- (vi) 公墓：此分部從事建造及營運公墓。目前，本集團有關此方面之活動於中國進行。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

### 3. SEGMENTAL INFORMATION (CONTINUED)

An analysis of the Group's revenues and results for the period by business segments is as follows:

#### (i) For the six months ended 30 June 2019 (Unaudited)

		Trading	Furniture business	Property development and investment 物業開發 及投資	Money lending	Mobile application	Cemetery	Total
		貿易 HK\$'000 千港元	傢俬業務 HK\$'000 千港元	物業開發 及投資 HK\$'000 千港元	放債 HK\$'000 千港元	手機應用程式 HK\$'000 千港元	公墓服務 HK\$'000 千港元	總計 HK\$'000 千港元
Segment revenue from external customers	來自外部客戶之 分部收益	-	809	9,200	202	-	60	10,271
Segment (loss)/profit	分部(虧損)/溢利	(519)	(1,459)	2,926	(1,434)	(2,042)	(1,354)	(3,882)
Unallocated corporate income	未分配企業收入							8,123
Unallocated corporate expenses	未分配企業開支							(7,091)
Finance costs	融資成本							(8,010)
Loss before taxation	除稅前虧損							(10,860)

#### (ii) For the six months ended 30 June 2018 (Unaudited)

		Trading	Property development and investment 物業開發 及投資	Money lending	Mobile application	Cemetery	Total
		貿易 HK\$'000 千港元	物業開發 及投資 HK\$'000 千港元	放債 HK\$'000 千港元	手機應用程式 HK\$'000 千港元	公墓服務 HK\$'000 千港元	總計 HK\$'000 千港元
Segment revenue from external customers	來自外部客戶之 分部收益	-	556	95	-	-	651
Segment (loss)/profit	分部(虧損)/溢利	(481)	492	(1)	1,088	(2,659)	(1,561)
Unallocated corporate income	未分配企業收入						1,173
Unallocated corporate expenses	未分配企業開支						(11,183)
Finance costs	融資成本						(8,529)
Loss before taxation	除稅前虧損						(20,100)

### 3. 分部資料(續)

本集團於期內之收益及業績按業務分部分析如下：

#### (i) 截至二零一九年六月三十日止六個月 (未經審核)

#### (ii) 截至二零一八年六月三十日止六個月 (未經審核)

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

### 3. SEGMENTAL INFORMATION (CONTINUED)

### 3. 分部資料(續)

		Trading	Furniture business	Property development and investment 物業開發	Money lending	Mobile application 手機 應用程式	Cemetery	Unallocated	Total
		貿易 HK\$'000 千港元	傢俬業務 HK\$'000 千港元	及投資 HK\$'000 千港元	放債 HK\$'000 千港元	應用程式 HK\$'000 千港元	公墓服務 HK\$'000 千港元	未分配 HK\$'000 千港元	總計 HK\$'000 千港元
<b>Segment assets</b>	分部資產								
<b>30 June 2019</b>	二零一九年六月三十日								
(Unaudited)	(未經審核)	7,824	810	154,448	7,780	63,615	53,159	227,608	515,244
<b>31 December 2018</b>	二零一八年 十二月三十一日								
(Audited)	(經審核)	11,904	-	168,056	1,041	68,533	49,817	85,213	384,564
<b>Segment liabilities</b>	分部負債								
<b>30 June 2019</b>	二零一九年六月三十日								
(Unaudited)	(未經審核)	(1,276)	-	(29,803)	-	-	(10,285)	(310,314)	(351,678)
<b>31 December 2018</b>	二零一八年 十二月三十一日								
(Audited)	(經審核)	(2,350)	-	(7,109)	(999)	-	(5,901)	(185,162)	(201,521)

### 4. FINANCE COSTS

### 4. 融資成本

		Unaudited Six months ended 30 June 未經審核 截至六月三十日止 六個月		Unaudited Three months ended 30 June 未經審核 截至六月三十日止 三個月	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Interest on convertible notes	可換股票據利息	527	4,266	372	2,101
Interest on promissory notes	承兌票據利息	3,136	1,714	1,600	268
Interest on borrowings	借款利息	4,176	2,535	2,098	1,267
Interest on lease liabilities	租賃負債利息	171	14	133	7
		<b>8,010</b>	<b>8,529</b>	<b>4,203</b>	<b>3,643</b>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

### 5. (LOSS)/PROFIT BEFORE TAXATION

(Loss)/profit before taxation has been arrived at after charging:

### 5. 除稅前(虧損)/溢利

除稅前(虧損)/溢利經扣除下列各項後達致：

	Unaudited Six months ended 30 June 未經審核 截至六月三十日止六個月		Unaudited Three months ended 30 June 未經審核 截至六月三十日止三個月	
	2019	2018	2019	2018
	二零一九年	二零一八年	二零一九年	二零一八年
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Cost of inventories recognised as expenses (Note)	6,706	–	6,251	–
Amortisation of intangible assets	611	1,761	305	880
Amortisation of right-of-use assets	176	–	85	–
Depreciation	1,428	1,335	678	664
Operating lease charges in respect of property rentals	560	925	242	401
Direct outgoings from investment properties that generated rental income	58	57	30	28
Direct outgoings for investment properties that were vacant during the period	44	40	23	18
Staff costs including directors' emoluments	6,368	5,230	3,088	2,431

Note: Cost of inventories included production materials of HK\$706,000 (2018: nil) and properties cost of HK\$6,000,000 (2018: nil).

附註：存貨成本包括生產材料706,000港元(二零一八年：無)及物業成本6,000,000港元(二零一八年：無)。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

### 6. TAXATION

Taxation represents:

		Unaudited Six months ended 30 June 未經審核 截至六月三十日止六個月		Unaudited Three months ended 30 June 未經審核 截至六月三十日止三個月	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current tax	即期稅項				
– Hong Kong Profits Tax	– 香港利得稅	–	–	–	–
– PRC Enterprise Income Tax	– 中國企業所得稅	–	–	–	–
– Turkey Corporate Income Tax	– 土耳其企業所得稅	–	–	–	–
		–	–	–	–
Deferred tax	遞延稅項	(434)	–	(708)	–
		(434)	–	(708)	–

Hong Kong Profits Tax has been calculated at 16.5% (2018: 16.5%) of the estimated assessable profits arising in Hong Kong for both Relevant Periods. PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% for both Relevant Periods (2018: 25%). Turkey subsidiaries are subject to Turkey Corporate Income Tax at 22% for the both Relevant Periods (2018: 22%).

### 6. 稅項

稅項指：

於兩個有關期間內於香港產生之估計應課稅溢利已按香港利得稅稅率16.5% (二零一八年：16.5%) 計算。於兩個有關期間內，中國附屬公司須按中國企業所得稅稅率25% (二零一八年：25%) 繳稅。於兩個有關期間內，土耳其附屬公司須按土耳其企業所得稅稅率22% (二零一八年：22%) 繳稅。

### 7. LOSS PER SHARE

The calculation of the basic loss per share is based on the loss attributable to shareholders of the Company of HK\$10,671,000 (2018: HK\$19,545,000) and the weighted average of 1,803,278,815 (2018: 1,690,204,829) shares in issue during the period.

The diluted loss per share for both Relevant Periods are equal to the basic loss per share as there were no potentially dilutive ordinary shares in issue.

### 7. 每股虧損

每股基本虧損乃根據期內本公司股東應佔虧損為10,671,000港元 (二零一八年：19,545,000港元) 及已發行股份加權平均數1,803,278,815股 (二零一八年：1,690,204,829股) 計算。

由於概無任何潛在攤薄已發行普通股，故兩個有關期間內之每股攤薄虧損相當於每股基本虧損。



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

### 8. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

For the six months ended 30 June 2019, the Group did not have any material acquisitions and disposal of property, plant and equipment and intangible assets (2018: same).

Upon the initial application of HKFRS 16, as at 1 January 2019, a motor vehicle under finance lease arrangement with net book value of approximately HK\$796,000 was reclassified from property, plant and equipment to right-of-use assets (note 1(b)).

### 9. RIGHT-OF-USE ASSETS

As disclosed in note 1, the Group has initially applied HKFRS 16 using the modified retrospective method and adjusted the opening balances at 1 January 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17.

As at 1 January 2019, the Group has two lease agreements for the use of land in PRC with remaining lease term over one year and therefore recognised the additions of right-of-use assets of approximately HK\$4,400,000 under HKFRS 16. Both of the land leases contain fixed minimum annual lease payment term. As mentioned in note 8, as at 1 January 2019, a motor vehicle under finance lease arrangement with net book value of approximately HK\$796,000 was reclassified from property, plant and equipment to right-of-use assets.

A summary of movement in right-of-use assets is set out below:

### 8. 物業、廠房及設備以及無形資產之變動

截至二零一九年六月三十日止六個月，本集團並無進行任何重大收購及出售物業、廠房及設備以及無形資產(二零一八年：相同)。

首次應用香港財務報告準則第16號後，於二零一九年一月一日，融資租賃安排項下賬面淨值約為796,000港元之汽車已自物業、廠房及設備重新分類至使用權資產(附註1(b))。

### 9. 使用權資產

如附註1所披露，本集團已採用經修訂之追溯法初步應用香港財務報告準則第16號，並於二零一九年一月一日調整期初權益結餘，以確認先前根據香港會計準則第17號分類為經營租賃之租賃相關之使用權資產。

於二零一九年一月一日，本集團根據香港財務報告準則第16號於中國就使用餘下租賃期超過一年之土地使用訂立兩份租賃協議，因此已確認使用權資產增添約4,400,000港元。土地租賃包括一項最低固定年度租賃款項之條款。如附註8所述，於二零一九年一月一日，融資租賃安排項下賬面淨值約為796,000港元之汽車已自物業、廠房及設備重新分類至使用權資產。

使用權資產之變動概要載列如下：

		30 Jun 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)
At 1 January 2019, initially applied HKFRS 16	於二零一九年一月一日，首次應用香港財務報告準則第16號	4,400
Previously included in property, plant and equipment	先前計入物業、廠房及設備	796
Amortisation during the period	期內攤銷	(176)
Exchange adjustment	匯兌調整	(5)
At the end of period	於期末	5,015



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 10. INVESTMENT PROPERTIES

### 10. 投資物業

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
At 1 January	於一月一日	154,727	55,100
Additions through business combination achieved in stages	透過分階段達成業務合併之增添	-	83,044
Gain on fair value change of investment properties	投資物業之公平值變動收益	-	5,700
Transfer to properties for sale	轉撥至待售物業	(6,000)	-
Exchange adjustments	匯兌調整	(8,285)	10,883
At the end of period/year	於期/年末	140,442	154,727

### 11. INVESTMENT PROPERTIES UNDER CONSTRUCTION

### 11. 在建投資物業

The investment properties under construction represents residential and commercial units under construction located in Turkey and were acquired through business combination achieved in stages in year 2018.

在建投資物業指位於土耳其之在建住宅及商業單位，並於二零一八年透過分階段達成業務合併方式收購。

A summary of movement in investment properties under construction is set out below:

在建投資物業之變動概要載列如下：

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
At 1 January	於一月一日	35,021	-
Addition through business combination achieved in stages	透過分階段達成業務合併之增添	-	29,667
Construction costs incurred during the period/year	期/年內產生之建築成本	3,393	2,439
Transfer to properties for sale	轉撥至待售物業	(35,056)	-
Exchange adjustments	匯兌調整	(3,358)	2,915
At the end of period/year	於期/年末	-	35,021

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

### 12. INTERESTS IN ASSOCIATES

### 12. 於聯營公司之權益

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Unlisted shares, at cost	未上市股份，按成本	69,736	114,501
Bargain purchase on acquisition of an associate	就收購一間聯營公司進行議價收購	-	2,416
Share of post-acquisition gain/(loss) and other comprehensive income/(expenses), net of dividend	分佔收購後收益／(虧損)及其他全面收入／(開支)，扣除股息	4,673	(12,139)
Acquisition of 30% equity interest in an associate	收購一間聯營公司30%股權	-	29
Derecognition of interest in an associate resulting from business combination achieved in stages	分階段達成之業務合併導致終止確認於一間聯營公司之權益	-	(27,566)
Impairment loss on interest in an associate provided in previous years	過往年度於一間聯營公司之權益之減值虧損	(2,884)	(2,884)
Share of net assets	分佔資產淨值	71,525	74,357
Amount due from an associate	應收一間聯營公司款項	3,033	3,031
		<b>74,558</b>	<b>77,388</b>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

### 12. INTERESTS IN ASSOCIATES (CONTINUED)

Details of the principal associates are as follows:

### 12. 於聯營公司之權益(續)

主要聯營公司詳情如下：

Name of company 公司名稱	Place of incorporation/ establishment and operation 註冊成立/ 成立及經營地點	Particulars of issued/ registered and paid up capital 已發行/註冊 及實繳股本詳情	Proportion of ownership interest Group's effective holding 所有權益比例 本集團實際持有		Principal activity 主要業務
			30 June 2019 二零一九年 六月三十日	31 December 2018 二零一八年 十二月三十一日	
First Surplus Investments Limited	British Virgin Islands 英屬處女群島	Registered capital of USD10 註冊資本10美元	40% (Indirect) (間接)	40% (Indirect) (間接)	Mobile application business 手機應用程式業務
Boyracı2 İnşaat Anonim Şirketi	Turkey 土耳其	Registered capital of TL50,000 註冊資本50,000 土耳其里拉	30% (Indirect) (間接)	30% (Indirect) (間接)	Investment holdings 投資控股
Leading Global INC Limited 嶺球有限公司	Hong Kong 香港	Paid up capital HK\$10 實繳股本10港元	30% (Direct) (直接)	30% (Direct) (直接)	Investment holdings 投資控股
Yongyao Technology (Jiang Xi) Co. Ltd 永耀科技(江西)股份有限公司	PRC 中國	Registered capital of HK\$7,000,000 註冊資本 7,000,000港元	30% (Indirect) (間接)	30% (Indirect) (間接)	Trading of Clothing 服裝貿易

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

### 13. TRADE AND OTHER RECEIVABLES

### 13. 貿易及其他應收款項

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Trade debtors, net of allowance for credit losses (note a & b)	應收賬款，扣除信貸虧損撥備 (附註a及b)	1,451	2,587
Other receivables	其他應收款項	7,894	8,719
Rental and other deposits	租金及其他按金	5,115	7,081
Prepayments	預付款項	368	1,967
		<b>14,828</b>	<b>20,354</b>

(a) The following shows the trade debtors at the end of respective reporting period:

(a) 下表顯示於各報告期末之應收賬款：

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Trade debtors	應收賬款	1,465	2,611
Less: Allowance for credit losses	減：信貸虧損撥備	(14)	(24)
		<b>1,451</b>	<b>2,587</b>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

### 13. TRADE AND OTHER RECEIVABLES (CONTINUED)

#### (b) Ageing analysis

The following is an aged analysis of trade debtors (net of allowance for credit losses) at the end of respective reporting period presented based on invoiced dates:

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Within 1 month	一個月內	168	2,399
More than 1 month but within 3 months	超過一個月但於三個月內	-	-
More than 3 months but within 6 months	超過三個月但於六個月內	-	-
More than 6 months	超過六個月	1,283	188
		<b>1,451</b>	<b>2,587</b>

### 14. PROPERTIES FOR SALE

The Group has developed residential and commercial properties in Turkey and has commenced property sales in the ordinary course of business during the period ended 30 June 2019.

### 13. 貿易及其他應收款項(續)

#### (b) 賬齡分析

下表為按發票日期呈列之應收賬款(扣除信貸虧損撥備)於各報告期末之賬齡分析：

### 14. 待售物業

本集團已在土耳其開發住宅及商業物業，並已於截至二零一九年六月三十日止期間於一般業務過程中開展物業銷售。

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Properties for sale – Under construction	待售物業 – 在建		
At 1 January	於一月一日	-	-
Transfer from investment properties	轉撥自投資物業	6,000	-
Transfer from investment properties under construction	轉撥自在建投資物業	35,056	-
Disposals (recognised in cost of sales)	出售(於銷售成本確認)	(6,000)	-
At the ended of period/year	於期/年末	<b>35,056</b>	<b>-</b>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

### 15. LOAN AND INTEREST RECEIVABLES

The Group's loan receivables arise from the money lending business. As at 30 June 2019, all receivables are secured, interest-bearing at 12% per annum, neither past due nor impaired, and carry a maturity period of ten years. The credit quality of loan receivables has been assessed by reference to historical information about counterparties default rates. None of the counterparties have defaults in the past.

As at 30 June 2019, the Group's loan and interest receivables are generated from providing mortgage loans, are all denominated in United States dollars.

### 15. 應收貸款及利息

本集團之應收貸款來自放債業務。於二零一九年六月三十日，所有應收貸款均有抵押及以年利率12%計息，既無逾期亦無減值，期限為十年。應收貸款之信貸質素乃經參考交易對方之過往拖欠比率而評估。交易對方於過往並無拖欠記錄。

於二零一九年六月三十日，本集團來自提供按揭貸款之應收貸款及利息均以美元計值。

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Loan receivables – secured	應收貸款 – 有抵押	6,677	–
Interest receivables	應收利息	99	–
		<b>6,776</b>	–

### 16. TRADE AND OTHER PAYABLES AND CONTRACT LIABILITIES

### 16. 貿易及其他應付款項以及合約負債

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Current:	即期：		
Trade creditors (a)	應付賬款(a)	3,799	2,634
Other payables (b)	其他應付款項(b)	11,193	6,426
Accrued charges	應計費用	2,966	1,717
Contract liabilities (c)	合約負債(c)	2,028	938
		<b>19,986</b>	11,715
Non-Current:	非即期：		
Other payables (b)	其他應付款項(b)	8,941	8,893

All of the trade and other payables are expected to be settled within one year or are repayable on demand.

所有貿易及其他應付款項預期於一年內清償或按要求償還。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

### 16. TRADE AND OTHER PAYABLES AND CONTRACT LIABILITIES (CONTINUED)

#### (a) Ageing analysis

The ageing analysis of trade creditors (based on invoice date) at the end of respective reporting period is as follows:

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Within 1 month	一個月內	178	399
More than 1 month but within 3 months	超過一個月但於三個月內	745	10
More than 3 months but within 6 months	超過三個月但於六個月內	638	59
More than 6 months but within 1 year	超過六個月但於一年內	214	110
Over 1 year	超過一年	2,024	2,056
		<b>3,799</b>	<b>2,634</b>

(b) As at 30 June 2019, included in other payables mainly represented:

- (1) amount due to Mr. Lau Yu, a former director of the Company, of approximately HK\$3,029,000 (31 December 2018: HK\$3,301,000) in which balance of approximately HK\$754,000 (31 December 2018: HK\$754,000) is repayable from 2020 to 2027 and such balance is classified under non-current liabilities. The amounts are unsecured and non-interest bearing;
- (2) amount due to Mr. Chiu Ngai Hung, a substantial shareholder of the Company, of approximately HK\$4,343,000. The balance is unsecured, non-interest bearing and repayable within one year;
- (3) amount due to Mr. Osman Boyraci, a substantial shareholder of the Company, of approximately HK\$3,946,000. The balance is unsecured, non-interest bearing and such balance is classified under non-current liabilities; and
- (4) interest payable on PN 2, as defined in note 18(b), of approximately HK\$4,241,000. The outstanding interest shall be payable on the maturity date of the PN 2, i.e. 17 March 2021.

(c) As at 30 June 2019, contract liabilities mainly represent (1) prepaid service income from customers of approximately HK\$939,000 (31 December 2018: HK\$634,000), for which the related services are expected to be rendered within one year from the end of the reporting period; and (2) cash receipt in advance for the cemetery service of approximately HK\$1,089,000 (31 December 2018: HK\$304,000), and the balance will be recognised as revenue in the statement of profit or loss over the service period.

### 16. 貿易及其他應付款項以及合約負債 (續)

#### (a) 賬齡分析

應付賬款(根據發票日期)於各報告期末之賬齡分析如下:

(b) 於二零一九年六月三十日, 計入其他應付款項主要指:

- (1) 應付本公司前董事柳宇之款項約3,029,000港元(於二零一八年十二月三十一日: 3,301,000港元), 其中約754,000港元(二零一八年十二月三十一日: 754,000港元)結餘須於二零二零年至二零二七年期間償還, 該等結餘於非流動負債下分類。該等款項為無抵押及免息;
- (2) 應付本公司主要股東趙毅雄先生之款項約4,343,000港元。該等款項為無抵押、免息及於一年內償還;
- (3) 應付本公司主要股東Osman Boyraci先生之款項約3,946,000港元。該等款項為無抵押、免息以及該等結餘於非流動負債下分類; 及
- (4) 承兌票據二應付利息(定義見附註18(b))約4,241,000港元。未付利息須於承兌票據二到期日(即二零二一年三月十七日)支付。

(c) 於二零一九年六月三十日, 合約負債主要指(1)來自客戶之預付服務收入約939,000港元(於二零一八年十二月三十一日: 634,000港元), 預期有關服務將自報告期末起計一年內提供; 及(2)公墓服務之預收現金款項約1,089,000港元(於二零一八年十二月三十一日: 304,000港元), 而結餘將於服務期內在損益表確認為收益。



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 17. BORROWINGS

### 17. 借款

			30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Borrowings:	借款：			
Secured	有抵押			
– within one year	– 一年內	(a), (b)	59,000	–
– after one year but within two years	– 一年後但於兩年內	(a)	–	59,000
Non-secured	無抵押			
– within one year	– 一年內	(b)	30,000	30,000
			<b>89,000</b>	89,000
Less: Amount due within one year shown under current liabilities	減：計入流動負債之一年內到期款項		<b>(89,000)</b>	(30,000)
Amount due shown under non-current liabilities	計入非流動負債之到期款項		–	59,000
Effective interest rate (%)	實際利率(%)		<b>9% to 10% per annum 年利率為 9%至10%</b>	9% to 10% per annum 年利率為 9%至10%

#### Notes:

- (a) On 20 September 2018, the Group obtained a secured and guaranteed loan facilities amounting to HK\$59,000,000 (the "Borrowings"). The Borrowings carry interest rate at 9% per annum with repayment period of 16 months that were secured by (i) first legal charges of the two properties acquired on 27 June 2016, with carrying amount of approximately HK\$101,215,000 as at 30 June 2019; and (ii) an unlimited personal guarantee given by Mr. Chiu Ngai Hung, a substantial shareholder of the Company.
- (b) Convertible note with a principal amount of HK\$30,000,000 had become due on 3 December 2018. Reference is made to the announcements of the Company dated 16 May 2016, 3 June 2016, 21 June 2018, 28 June 2018, 3 December 2018 and 4 December 2018. The Company had not received any conversion notice from the noteholder during the conversion period. Subsequent to the maturity date of 3 December 2018, the convertible note shall no longer be convertible into shares and the outstanding principal of HK\$30,000,000 is derecognised as convertible note and is classified as current borrowing.

The Company and the holder of the matured convertible note has entered into a confirmation on 13 March 2019. The Company and the noteholder mutually agree that the outstanding balance carries an interest rate of 10% per annum from 4 December 2018 and interest shall be paid in every two months. The principal of HK\$30,000,000 shall be payable before 30 November 2019.

#### 附註：

- (a) 於二零一八年九月二十日，本集團獲取金額為59,000,000港元之有抵押及有擔保貸款融資（「借款」）。借款按年利率9%計息，償還期為16個月，以下列方式作抵押：(i)以二零一六年六月二十七日所收購之兩項物業作第一法定押記，該等物業於二零一九年六月三十日之賬面值約為101,215,000港元；及(ii)本公司主要股東趙毅雄先生作出之無上限個人擔保。
- (b) 本金額為30,000,000港元之可換股票據已於二零一八年十二月三日期到期。茲提述本公司日期為二零一六年五月十六日、二零一六年六月三日、二零一八年六月二十一日、二零一八年六月二十八日、二零一八年十二月三日及二零一八年十二月四日之公佈。本公司於兌換期間並無自票據持有人接獲任何兌換通知。於到期日（二零一八年十二月三日）後，可換股票據不可兌換為股份，而未償還本金額30,000,000港元已終止確認為可換股票據，並分類為流動借款。

本公司及已到期可換股票據持有人已於二零一九年三月十三日訂立確認書。本公司與票據持有人相互同意，未償還結餘自二零一八年十二月四日起可按年利率10%計息，利息須每兩個月支付一次。本金額30,000,000港元須於二零一九年十一月三十日前支付。



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 18. PROMISSORY NOTES

### 18. 承兌票據

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
At 1 January	於一月一日	63,417	71,363
Promissory notes issued	已發行承兌票據	-	9,162
Repayment	償還款項	-	(10,000)
Interest paid	已付利息	-	(4,242)
Interest charged	利息費用	3,136	3,925
Gain on early redemption	提早贖回之收益	-	(590)
Gain on extinguishment of promissory notes	抵消承兌票據之收益	-	(8,487)
Loss on fair value change on promissory note designated at FVTPL	指定按公平值計入損益之承兌票據之公平值變動虧損	2,158	2,282
Exchange adjustments	匯兌調整	27	4
At the end of period/year	於期/年末	68,738	63,417

#### Notes:

- (a) On 30 November 2015, the Company issued promissory notes in the principal amount of HK\$30,320,000 (the "PN 1") for acquisition of entire issue share capital of Fortune Ford Limited. The PN 1 was unsecured and bore an interest of 2% per annum and fell due on 30 November 2016. The PN 1 was extended and partial principal repayment of HK\$10,202,000 was settled in 2017. The remaining balance of HK\$20,118,000 was due on 30 November 2018.

On 30 November 2018, the Company and the PN 1 holder entered into an extension agreement and agreed to extend the maturity date to 30 November 2020 (with other terms remain the same). As of 30 November 2018, the carrying value of the PN 1 was approximated to HK\$20,520,000 and the fair value of the PN 1 was approximated to HK\$16,610,000. Hence, a gain on fair value change in relation to the extension for the maturity of approximately HK\$3,910,000 was recognised in the statement of profit or loss on the effective date of extension, i.e. 30 November 2018.

#### 附註：

- (a) 於二零一五年十一月三十日，本公司發行本金額為30,320,000港元之承兌票據（「承兌票據一」）以收購福永高有限公司全部已發行股本。承兌票據一為無抵押，乃按年利率2%計息，並於二零一六年十一月三十日到期。於二零一七年，承兌票據一獲延後及部分償還本金10,202,000港元。餘下款項20,118,000港元已於二零一八年十一月三十日到期。

於二零一八年十一月三十日，本公司及承兌票據一持有人訂立延長協議，同意延長到期日至二零二零年十一月三十日，而其他條款維持不變。截至二零一八年十一月三十日，承兌票據一之賬面值約為20,520,000港元，而承兌票據一之公平值約為16,610,000港元。因此，於延期生效當日，即二零一八年十一月三十日，有關延長到期日之公平值變動收益約3,910,000港元已於損益表內確認。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 18. PROMISSORY NOTES (CONTINUED)

Notes: (Continued)

- (b) On 17 March 2017, the Company issued a promissory note in the principal amount of HK\$50,000,000 (the "PN 2") for acquisition of 40% issue share capital of the FS Group. PN 2 was unsecured and it bore interest of 6% per annum and was due on 17 March 2019. The fair value of PN 2 was approximately to its carrying value at the date of initial recognition.

During the year ended 31 December 2018, two early partial repayments of HK\$5,000,000 each was made to the PN 2 holder on 4 January 2018 and 30 November 2018 respectively. On 21 December 2018, the Company and the PN 2 holder entered into an extension agreement and agreed to extend the maturity date to 17 March 2021 (with other terms remain the same). As of 21 December 2018, the carrying value of the PN 2 was approximated to HK\$39,645,000 and the fair value of the PN 2 was approximated to HK\$35,068,000. Hence, a gain on fair value change in relation to the extension for the maturity of approximately HK\$4,577,000 was recognised in the statement of profit or loss on the effective date of extension, i.e. 21 December 2018.

- (c) On 1 October 2018, the Company issued a promissory note in the principal amount of USD1,938,770 (the "PN 3") for the further acquisition of Boyracı Yapı İnşaat ve Taahhüt Gayrimenkul Yatırım Anonim Şirketi ("Boyracı Construction"). The PN 3 is unsecured and bears interest of 13% per annum and falls due on 1 October 2020. On the date of issue, the PN 3 has been designated at fair value change through profit or loss ("FVTPL"). The movement during the year 2018 and current period is stated in note 22.

### 18. 承兌票據(續)

附註：(續)

- (b) 於二零一七年三月十七日，本公司以本金額50,000,000港元發行承兌票據(「承兌票據二」)，以收購FS集團已發行股本40%。承兌票據二為無抵押，乃按6%年利率計息，且於二零一九年三月十七日到期。承兌票據二之公平值與其於初步確認日期之賬面值相若。

截至二零一八年十二月三十一日止年度，兩筆各為5,000,000港元之提早償還部分款項已分別於二零一八年一月四日及二零一八年十一月三十日向承兌票據二持有人支付。於二零一八年十二月三十一日，本公司及承兌票據二持有人訂立延期協議，同意延長到期日至二零二一年三月十七日，而其他條款維持不變。截至二零一八年十二月三十一日，承兌票據二之賬面值約為39,645,000港元，而承兌票據二之公平值約為35,068,000港元。因此，於延生期生效當日，即二零一八年十二月三十一日，有關延長到期日之公平值變動收益約4,577,000港元已於損益表內確認。

- (c) 於二零一八年十月一日，本公司就Boyracı Yapı İnşaat ve Taahhüt Gayrimenkul Yatırım Anonim Şirketi(「Boyracı Construction」)之進一步收購事項發行本金額為1,938,770美元之承兌票據(「承兌票據三」)。承兌票據三為無抵押，乃按13%年利率計息，且於二零二零年十月一日到期。於發行日期，承兌票據三已指定按公平值計入損益(「按公平值計入損益」)。二零一八年度及本期間變動請見附註22。

### 19. CONVERTIBLE NOTES

### 19. 可換股票據

		CN1 可換股票據一 HK\$'000 千港元 Note (a) 附註(a)	CN2 可換股票據二 HK\$'000 千港元 Note (b) 附註(b)	CN3 可換股票據三 HK\$'000 千港元 Note (c) 附註(c)	Total 總計 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	28,198	68,000	—	96,198
Interest paid	已付利息	—	(2,238)	—	(2,238)
Interest charged	利息費用	1,802	4,156	—	5,958
Conversion of convertible notes	兌換可換股票據	—	(69,918)	—	(69,918)
Derecognition of convertible note	終止確認可換股票據	(30,000)	—	—	(30,000)
At 31 December 2018 and 1 January 2019 (Audited)	於二零一八年十二月 三十一日及二零一九年 一月一日(經審核)	—	—	—	—
Issuance of convertible notes	發行可換股票據	—	—	142,025	142,025
Gain on fair value change in profit and loss	損益公平值變動之 收益	—	—	(6,684)	(6,684)
Gain on fair value change attributable to change in credit risk of the liability (recognised in other comprehensive income)	負債之信貸風險變動所 導致公平值變動之收 益(已確認 其他全面收入)	—	—	(670)	(670)
Interest paid	已付利息	—	—	(527)	(527)
Interest charged	利息費用	—	—	527	527
Conversion of convertible notes	兌換可換股票據	—	—	(951)	(951)
At 30 June 2019 (Unaudited)	於二零一九年六月 三十日(未經審核)	—	—	133,720	133,720

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 19. CONVERTIBLE NOTES (CONTINUED)

Notes:

- (a) On 16 May 2016, the Company issued an unsecured zero coupon convertible notes (the "CN1") in the principal amount of HK\$30,000,000 at HK\$25,800,000 by cash. The CN1 was denominated in Hong Kong dollars. The CN1 entitled the holders to convert them into conversion shares of the Company at any time between the date of issue of the notes and their settlement date on 3 June 2018 at a conversion price of HK\$0.4 per convertible share.

The CN1 contained two components, liability and equity elements. The effective interest rate of the liability element was 15.62% per annum. The equity element was presented in equity heading "Convertible notes reserve" amounting to HK\$3,433,000.

On 28 June 2018, the Company entered into an agreement with the noteholder to extend the CN1 to 3 December 2018. Up to the maturity date as of 3 December 2018, the Company had not received any conversion notice from the noteholder during the conversion period. Since the CN1 shall no longer be convertible into shares, the outstanding principal of HK\$30,000,000 is derecognised as convertible note and is classified as current borrowing, see note 17(b).

- (b) On 23 March 2017, the Company issued an unsecured convertible notes (the "CN2") in the principal amount of HK\$86,000,000. The net proceeds received by the Company was approximately HK\$83,420,000. The CN2 was denominated in Hong Kong dollars. The CN2 entitled the noteholder to convert them into conversion shares of the Company at any time between the date of issue of the CN2 and their settlement date on 23 March 2019 at a conversion price of HK\$0.43 per convertible share. The CN2 carried interest rate of 13% per annum on the outstanding principal amount of the CN2, which will be payable by the Company quarterly in arrears.

The CN2 contained two components, liability and equity elements. The effective interest rate of the liability element was 16.27% per annum. The equity element of CN2 was presented in equity heading "Convertible notes reserve" amounting to HK\$3,439,000.

During the year ended 31 December 2017, the Company received a conversion notice in respect of the exercise of a part of the conversion rights attached to the CN2 in an aggregate principal amount of HK\$15,050,000 at the conversion price of HK\$0.43 per share. As a result of the conversion of the CN2 on 25 September 2017, the Company issued and allotted 35,000,000 shares.

### 19. 可換股票據(續)

附註：

- (a) 於二零一六年五月十六日，本公司以現金25,800,000港元發行本金額為30,000,000港元之無抵押零息可換股票據(「可換股票據一」)。可換股票據一以港元計值。可換股票據一賦予持有人權利於票據發行日期至二零一八年六月三日之結算日期止期間隨時按每股兌換股份0.4港元之兌換價將票據兌換為本公司之兌換股份。

可換股票據一含有兩個部分：負債部分及權益部分。負債部分之實際年利率為15.62%。權益部分於權益內「可換股票據儲備」中呈列，金額為3,433,000港元。

於二零一八年六月二十八日，本公司已與票據持有人訂立協議，以延長可換股票據一至二零一八年十二月三日。截至二零一八年十二月三日期日，本公司於兌換期間並無自票據持有人接獲任何兌換通知。由於可換股票據一不可再兌換為股份，故已終止確認尚未償還本金30,000,000港元為可換股票據，並分類為流動借款，見附註17(b)。

- (b) 於二零一七年三月二十三日，本公司發行本金額為86,000,000港元之無抵押可換股票據(「可換股票據二」)。本公司已收取之所得款項淨額約為83,420,000港元。可換股票據二以港元計值。可換股票據二賦予票據持有人權利於可換股票據二之發行日期至結算日期(二零一七年三月二十三日)止期間隨時按每股兌換股份0.43港元之兌換價將其兌換為本公司之兌換股份。可換股票據二之未償還本金額按年利率13%計息，本公司須每季支付上一季之利息。

可換股票據二含有兩個部分：負債部分及權益部分。負債部分之實際年利率為16.27%。可換股票據二之權益部分於權益內「可換股票據儲備」中呈列，金額為3,439,000港元。

於截至二零一七年十二月三十一日止年度，本公司接獲一份有關行使部分可換股票據二所附帶兌換權之兌換通知，本金總額為15,050,000港元，兌換價為每股0.43港元。由於可換股票據二於二零一七年九月二十五日獲兌換，故本公司配發及發行35,000,000股股份。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 19. CONVERTIBLE NOTES (CONTINUED)

Notes: (Continued)

(b) (Continued)

During the year ended 31 December 2018, the Company received two conversion notices in respect of the exercise of the remaining part of the conversion rights attached to the CN2 in an aggregate principal amount of HK\$70,950,000 at the conversion price of HK\$0.43 per share. As a result of the conversion of CN2, the Company issued 20,000,000 shares on 24 Jan 2018 and 145,000,000 shares on 18 May 2018.

The entire CN2 had been converted into shares at the conversion price of HK\$0.43 per share on 18 May 2018.

(c) On 13 November 2018, the Company entered into a subscription agreement, credit support agreement and cash account agreement with Macquarie Bank Limited (the "Subscriber") relating to HK\$300,000,000 1% Convertible Notes due 2021 (the "CN3") convertible into ordinary shares of the Company. The CN3 entitles the holder to convert into ordinary shares of the Company at any time between the date of issue and one day prior to the maturity date at a conversion price which is 92% of the volume weighted average price of the ordinary shares of the Company traded on the GEM of the Stock Exchange immediately preceding the conversion date, subject to the floor price. The floor price was initially determined to be HK\$1.05 per ordinary share of the Company, subject to adjustments as described in the subscription agreement. The CN3 bears interest rate of 1% per annum on the outstanding principal amount of the CN3, which will be payable by the Company quarterly in arrears.

The CN3 comprises of two tranches with each tranche in an aggregate principal amount of HK\$150,000,000. The second tranche of the convertible notes with the aggregate principal amount of HK\$150,000,000 will be issued (i) after conversion of all convertible notes of the first tranche, or (ii) if a tranche is subsisting, the Subscriber has the right to submit subscription notice for the additional tranche and the Company has satisfied the terms and has given its written consent to the Subscriber. As required by the subscription agreement and the credit support agreement, the aggregate subscription price for each tranche will be transferred into a non-interest-bearing bank account of the Company opened with Macquarie Bank Limited.

### 19. 可換股票據(續)

附註：(續)

(b) (續)

截至二零一八年十二月三十一日止年度，本公司已接獲兩份有關行使餘下部分可換股票據二所附帶兌換權之兌換通知，本金總額為70,950,000港元，兌換價為每股0.43港元。由於兌換可換股票據二，本公司於二零一八年一月二十四日發行20,000,000股股份及於二零一八年五月十八日發行145,000,000股股份。

於二零一八年五月十八日，全部可換股票據二已按兌換價每股0.43港元兌換為股份。

(c) 於二零一八年十一月十三日，本公司與麥格理銀行有限公司(「認購人」)訂立認購協議、信貸支援協議及現金賬戶協議，涉及與二零二一年到期之300,000,000港元1%可兌換為本公司普通股之可換股票據(「可換股票據三」)。可換股票據三賦予持有人權利於在發行日期至到期日前一日期間隨時按兌換價兌換為本公司普通股，兌換價為本公司普通股於緊接有關兌換日期前之交易日在聯交所GEM買賣之成交量加權平均價之92%，惟須按底價計算。底價初步定為本公司每股普通股1.05港元，惟可按認購協議所述作出調整。可換股票據三之未償還本金額按年利率1%計息，將由本公司按季支付。

可換股票據三包括兩個批次，每批次之本金總額為150,000,000港元。第二批次本金總額為150,000,000港元之可換股票據將於(i)所有第一批次可換股票據獲兌換後，或(ii)倘有存續批次，則認購人有權就額外批次提交認購通知，並在本公司達成條款並向認購人作出書面同意之情況下發行。根據認購協議及信貸支援協議之要求，每批次之總認購價將轉移至由本公司於麥格理銀行有限公司開立之無息銀行賬戶。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 19. CONVERTIBLE NOTES (CONTINUED)

Notes: (Continued)

(c) (Continued)

On 21 February 2019, the Company issued the first tranche of unsecured convertible notes in an aggregate principal amount of HK\$150,000,000 (the "CN3(1)") and received a net proceeds amounting to HK\$147,000,000 with maturity date on 21 February 2021 and the monies are deposited in Macquarie Bank Limited which will only be released to the Company upon conversion. The CN3(1) contains two embedded derivatives, one relating to a conversion option that would not result in fixed number of ordinary shares of the Company to be issued due to variable conversion price and the other one relating to early redemption options exercisable by the Company or by the holder when relevant event specified in the subscription agreement occurs. The CN3(1) shall be early redeemed or repaid on maturity date by the Company at 98% of the outstanding principal amount.

The CN3(1) has been designated by the management of the Company as at fair value through profit or loss and is measured at fair value amounting to approximately HK\$142,025,000 at the date of issue (i.e. 21 February 2019). The CN3(1) is measured subsequently at fair value with changes in credit risk being recognised in other comprehensive income and changes in fair value other than those relating to changes in credit risk being recognised in profit or loss. At the same time, the right given to the Subscriber to subscribe for the second tranche of the unsecured convertible notes is considered as a derivative ("Derivative") and is initially measured at fair value of approximately HK\$4,570,000. The Derivative is subsequently measured with changes in fair value being recognised in profit or loss (note 2). On 21 February 2019, the Company recognised a gain of approximately HK\$405,000 upon the issuance of the CN3(1). During the period ended 30 June 2019, the Company has recognised a gain on fair value changes attributable to change in credit risk of approximately HK\$670,000 and a gain on fair value change other than those relating to changes in credit risk of approximately HK\$6,684,000.

On 25 February 2019, the noteholder exercised the conversion rights to the principal amount of HK\$1,000,000 of the CN3(1) to convert at a conversion price of HK\$1.160488 per ordinary share and a total of 864,000 conversion ordinary shares were issued on the same date. As at 30 June 2019, the CN3(1) with principal amount of HK\$149,000,000 (redeemable at 98%) was outstanding.

### 19. 可換股票據(續)

附註：(續)

(c) (續)

於二零一九年二月二十一日，本公司發行第一批次本金總額為150,000,000港元(「可換股票據三(1)」)之無抵押可換股票據，並收取到期日為二零二一年二月二十一日之所得款項淨額147,000,000港元，該等款項已存入麥格理銀行有限公司，並將僅於兌換後退回本公司。可換股票據三(1)包含兩個嵌入式衍生工具，一個與由於可變兌換價而導致本公司不會發行固定數目之普通股之換股期權有關，另一個則與出現認購協議列明之相關情況時本公司或持有人可行使提早贖回權有關。可換股票據三(1)將按未償還本金額之98%提早贖回或於到期日償還。

可換股票據三(1)已由本公司管理層指定為按公平值計入損益，並於發行日(即二零一九年二月二十一日)按公平值約142,025,000港元計量。可換股票據三(1)其後按公平值計量，除歸因於信貸風險變動所致之公平值變動於其他全面收入中確認，公平值變動(與信貸風險變動相關者除外)於損益中確認。與此同時，認購人認購第二批次無抵押可換股票據之權利被視為衍生工具(「衍生工具」)，其初步按公平值約4,570,000港元計量。衍生工具於其後按已於損益確認之公平值變動計量(附註2)。於二零一九年二月二十一日，本公司於發行可換股票據三(1)確認收益約為405,000港元。截至二零一九年六月三十日止期間，本公司確認歸因於信貸風險變動所致之公平值變動約670,000港元，以及公平值變動收益約6,684,000港元。

於二零一九年二月二十五日，票據持有人行使本金額為1,000,000港元之可換股票據三(1)換股權，以每股普通股兌換價1.160488港元進行兌換，並於同日發行兌換普通股共864,000股。於二零一九年六月三十日，本金額149,000,000港元之可換股票據三(1)(按98%贖回)尚未償還。



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

### 20. LEASE LIABILITIES

As at 31 December 2018, the Group has lease liabilities of approximately HK\$703,000 in relation to a motor vehicle under finance lease arrangement.

In addition, the Group's finance lease is secured by the legal title of the underlying asset included in motor vehicle within the Group's right-of-use assets, with carrying amount of approximately HK\$747,000 as at 30 June 2019 (31 December 2018: within the Group's property, plant and equipment approximately HK\$796,000).

As at 1 January 2019, as disclosed in note 1, the Group has initially applied HKFRS 16 using the modified retrospective method and adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. The Group has two lease agreements for the use of land in PRC with remaining lease term over one year and has recognised lease liabilities of approximately HK\$3,665,000 under HKFRS 16 as at 1 January 2019.

The Group's leases liabilities are as follows:

### 20. 租賃負債

於二零一八年十二月三十一日，本集團融資租賃安排項下汽車之租賃負債約703,000港元。

此外，本集團之融資租約債務由相關租賃汽車之合法業權抵押，而該汽車已計入本集團之使用權資產內，其於二零一九年六月三十日之賬面值約為747,000港元(二零一八年十二月三十一日：計入本集團之物業、廠房及設備約為796,000港元)。

於二零一九年一月一日，如附註1所披露，本集團使用經修訂之追溯法首次應用香港財務報告準則第16號，並調整於二零一九年一月一日之期初結餘，以確認先前根據香港會計準則第17號分類為經營租賃之租賃項下租賃負債。本集團兩份有關中國土地使用之租賃協議剩餘租期超過一年，並已於二零一九年一月一日根據香港財務報告準則第16號確認租賃負債約3,665,000港元。

本集團之租賃負債如下：

		30 June 2019 二零一九年 六月三十日		31 December 2018 二零一八年 十二月三十一日	
		Present value of the minimum lease payments 最低租賃 款項現值 HK\$'000 千港元 (Unaudited) (未經審核)	Total minimum lease payments 最低租賃 款項總額 HK\$'000 千港元 (Unaudited) (未經審核)	Present value of the minimum lease payments 最低租賃 款項現值 HK\$'000 千港元 (Audited) (經審核)	Total minimum lease payments 最低租賃 款項總額 HK\$'000 千港元 (Audited) (經審核)
Within 1 year	一年內	690	706	133	155
After 1 year but within 5 years	一年後但於五年內	1,900	2,122	570	575
After 5 years	五年後	1,867	4,455	—	—
		<b>4,457</b>	<b>7,283</b>	<b>703</b>	<b>730</b>
Less: Total future interest expenses	減：未來利息開支總額		<b>(2,826)</b>		<b>(27)</b>
Present value of lease liabilities	租賃負債之現值		<b>4,457</b>		<b>703</b>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 21. SHARE CAPITAL

### 21. 股本

		30 June 2019 二零一九年六月三十日		31 December 2018 二零一八年十二月三十一日	
		Number of shares 股份數目	Amount 金額	Number of shares 股份數目	Amount 金額
		'000 千股	HK\$'000 千港元	'000 千股	HK\$'000 千港元
		(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Audited) (經審核)	(Audited) (經審核)
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>				
At 1 January	於一月一日	1,802,677	1,088,011	1,637,677	1,015,341
Issue of shares upon conversion of convertible notes	兌換可換股票據時 發行股份	864	951	165,000	72,670
At the end of period/year	於期/年末	1,803,541	1,088,962	1,802,677	1,088,011

### 22. FINANCIAL INSTRUMENTS

### 22. 金融工具

#### Fair value measurement of financial instruments

Fair value estimates are made at a specific point in time and are based on relevant market information and information about the financial instruments. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

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

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

None of the Group's financial assets are calculated in level 1, 2 and 3. The fair value of the Group's certain financial liabilities measured at the end of the reporting period on a recurring basis, categorised into the Level 3 fair value hierarchy as defined in HKFRS 13 Fair Value Measurement.

#### 金融工具之公平值計量

公平值估計乃於某一特定時間根據有關市場資料及財務工具之資料作出。該等估計性質主觀及涉及不確定因素及須作出重大判斷，因此無法準確釐定。假設之任何變動均可對估計構成重大影響。

此外，就財務報告而言，公平值計量按公平值計量所用輸入數據之可觀察程度及公平值計量之輸入數據對其整體之重要性分為第一、二或三級，詳情如下：

- 第一級輸入數據為實體於計量日期可取得之相同資產或負債於活躍市場之報價(未經調整)；
- 第二級輸入數據為就資產或負債可直接或間接觀察之輸入數據(不包括第一級報價)；及
- 第三級輸入數據為資產或負債。

概無本集團之金融資產計入第一、二及三級。本集團若干金融負債按經常性基準計量之金融工具於報告期末之公平值乃按照香港財務報告準則第13號「公平值計量」所界定三個公平值層級歸類。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

### 22. FINANCIAL INSTRUMENTS (CONTINUED)

The following table gives information about how the fair values of these financial liabilities are determined (in particular, the valuation technique(s) and inputs used):

Financial liabilities at fair value through profit or loss 按公平值計入損益之金融負債	Notes 附註	Fair value hierarchy 公平值層級	Valuation methodology 估值方法	Key inputs 主要輸入數據	Relationship of key inputs to fair value 主要輸入數據與公平值之關係
PN 3 承兌票據三	18(c)	Level 3 第三級	Cox-Ross-Rubinstein binomial model 二項定價模型	Discount rate 貼現率	Higher the discount rate, lower the fair value 貼現率越高，公平值越低
Contingent consideration 或然代價		Level 3 第三級	Cox-Ross-Rubinstein binomial model 二項定價模型	Discount rate 貼現率	Higher the discount rate, lower the fair value 貼現率越高，公平值越低
CN3(1) 可換股票據三(1)	19(c)	Level 3 第三級	Monte-Carlo simulation analysis 蒙地卡羅模擬分析法	Discount rate 貼現率	Higher the discount rate, lower the fair value 貼現率越高，公平值越低
Derivative 衍生工具	19(c)	Level 3 第三級	Monte-Carlo simulation analysis 蒙地卡羅模擬分析法	Discount rate 貼現率	Higher the discount rate, lower the fair value 貼現率越高，公平值越低

During the six months ended 30 June 2019, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 (2018: nil). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

### 22. 金融工具(續)

下表提供此等金融負債公平值之釐定方法(特別是所用估值技術及輸入數據)：

截至二零一九年六月三十日止六個月，第一級及第二級之間並無任何轉撥，亦無任何資產轉入或轉出第三級(二零一八年：無)。本集團政策是於轉撥發生之報告期末確認公平值層級之間之轉移。



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

### 22. FINANCIAL INSTRUMENTS (CONTINUED)

### 22. 金融工具(續)

The movement during the period in the balance of Level 3 fair value measurements is as follows:

期內第三級別公平值計量之結餘變動如下：

		PN 3	Contingent consideration	CN3(1)	Derivative	Total
		承兌票據三 (Note 18(c)) (附註18(c))	或然代價	可換股票據三(1) (Note 19(c)) (附註19(c))	衍生工具	總計
At 1 January 2018	於二零一八年一月一日	-	-	-	-	-
Issued through business combination	透過業務合併發行	9,162	4,812	-	-	13,974
Loss on fair value change in profit or loss	損益中之公平值變動虧損	2,282	1,829	-	-	4,111
Exchange adjustments	匯兌調整	4	3	-	-	7
At 31 December 2018 and at 1 January 2019 (Audited)	於二零一八年十二月三十一日及於二零一九年一月一日(經審核)	11,448	6,644	-	-	18,092
<b>Issuance of convertible notes</b>	<b>發行可換股票據</b>	<b>-</b>	<b>-</b>	<b>142,025</b>	<b>4,570</b>	<b>146,595</b>
<b>Loss/(gain) on fair value change in profit or loss</b>	<b>損益中之公平值變動虧損/(收益)</b>	<b>2,158</b>	<b>(1,270)</b>	<b>(6,684)</b>	<b>(2,380)</b>	<b>(8,176)</b>
<b>Gain on fair value change attributable to change in credit risk of the liability (recognised in other comprehensive income)</b>	<b>歸因於負債信貸風險變動之公平值變動收益(於其他全面收入中確認)</b>	<b>-</b>	<b>-</b>	<b>(670)</b>	<b>-</b>	<b>(670)</b>
<b>Interest paid</b>	<b>已付利息</b>	<b>-</b>	<b>-</b>	<b>(527)</b>	<b>-</b>	<b>(527)</b>
<b>Interest charged</b>	<b>利息費用</b>	<b>-</b>	<b>-</b>	<b>527</b>	<b>-</b>	<b>527</b>
<b>Conversion of convertible notes</b>	<b>兌換可換股票據</b>	<b>-</b>	<b>-</b>	<b>(951)</b>	<b>-</b>	<b>(951)</b>
<b>Exchange adjustments</b>	<b>匯兌調整</b>	<b>27</b>	<b>16</b>	<b>-</b>	<b>-</b>	<b>43</b>
At 30 June 2019 (Unaudited)	於二零一九年六月三十日(未經審核)	13,633	5,390	133,720	2,190	154,933

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 23. COMMITMENTS

#### (a) Operating lease commitments

##### As lessee

The Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Within one year	一年內	30	745
After one year but within 5 years	一年後但於五年內	-	1,727
After 5 years	五年內	-	5,097
		<b>30</b>	<b>7,569</b>

The Group is the lessee in respect of a number of properties held under operating leases. None of the leases includes contingent rentals.

##### As lessor

The Group had total future minimum lease receivable under non-cancellable operating leases with its tenants falling due as follows:

		As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Within one year	一年內	196	882

### 23. 承擔

#### (a) 經營租賃承諾

##### 作為承租人

本集團根據將到期之不可撤銷經營租賃未來最低租賃應付款項總額如下：

本集團為多項根據經營租賃持有之物業之承租人。租賃概不附帶或然租金。

##### 作為出租人

本集團與其租戶根據將到期之不可撤銷經營租賃未來最低租賃應收款項總額如下：

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 23. COMMITMENTS (CONTINUED)

#### (b) Capital commitment

The Group had the following capital commitment:

	As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Contracted but not provided for — Capital injection of subsidiaries	14,384	7,753
已訂約但未撥備 — 附屬公司注資		

### 24. INTERIM DIVIDEND

The Directors do not recommend any payment of interim dividend for the six months ended 30 June 2019 (2018: nil).

### 25. MATERIAL TRANSACTIONS AND BALANCES WITH RELATED PARTIES

#### (a) Key management personnel compensation

Remuneration for key management personnel of the Group, including amounts paid to the Company's Directors and certain of the highest paid employees, is as follows:

	Unaudited 未經審核 Six months ended 30 June 截至六月三十日止六個月 2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)
Short-term employees benefits	480	420
Post-employment benefits	12	12
短期僱員福利		
退休福利		

#### (b) Transactions with other related parties

Other than those transactions disclosed elsewhere in the condensed consolidated financial statements, the Group has no transactions or balances with other related parties during the six months ended 30 June 2019 and 2018.

### 23. 承擔(續)

#### (b) 資本承擔

本集團有以下資本承擔：

### 24. 中期股息

董事不建議就截至二零一九年六月三十日止六個月派付任何中期股息(二零一八年：無)。

### 25. 重大有關連人士交易及結餘

#### (a) 主要管理人員之補償

本集團主要管理人員酬金(已付本公司董事之金額及已付若干最高薪僱員之金額)如下：

#### (b) 與其他有關連人士交易

除簡明綜合財務報表其他部分披露之該等交易外，本集團截至二零一九年及二零一八年六月三十日止六個月概無其他有關連人士交易或結餘。

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 簡明綜合財務報表附註

### 26. EVENTS AFTER REPORTING PERIOD

In respect of the acquisition of additional 30% equity interest in Boyracı Construction on 1 October 2018, the Company shall issue a promissory note in the principal amount of USD1,111,230 (the “Promissory Note B” or the “Deferred Consideration”) as the contingent consideration after the legal titles of the rewarded areas of the construction projects (the “Construction Projects”) have been obtained by Boyracı Construction not later than 30 September 2019 (the “Deferred Consideration Date”). In the event that the Boyracı Construction fails to obtain the legal titles of the rewarded areas of the Construction Projects on or by 30 September 2019 and the Deferred Consideration Date is not extended, the Company shall not be obliged to pay the Deferred Consideration and the Promissory Note B shall not be issued and delivered to the vendor.

Reference is made to the announcement of the Company dated 30 July 2019, subsequent to the date of reporting period, the management of the Company considered that the Construction Projects would not be completed and have the title deed transferred in time before 30 September 2019. The Company is considering all the options available including but not limited to the extension of the Deferred Consideration Date and the deferral of the issue of the Promissory Note B. Further announcement(s) will be made by the Company as and when appropriate in compliance with the GEM Listing Rules for further updates.

### 27. COMPARATIVE FIGURES

The Group has initially applied HKFRS 16 on 1 January 2019 using the modified retrospective method. Under this approach, comparative information is not restated. Further details of the changes in accounting policies are disclosed in note 1.

### 26. 報告期後事件

本公司須就於二零一八年十月一日收購 Boyracı Construction 額外30%股權，在 Boyracı Construction 不遲於二零一九年九月三十日（「遞延代價日期」）取得建築項目（「建築項目」）報償面積之合法業權後，本公司將發行本金額為1,111,230美元之承兌票據（「承兌票據B」或「遞延代價」）作為或然代價。倘 Boyracı Construction 於二零一九年九月三十日或之前未能取得建築項目報償面積之合法業權且遞延代價日期未獲延後，則本公司無責任支付遞延代價及毋須發行及交付承兌票據B予賣方。

茲提述本公司日期為二零一九年七月三十日之公佈，於報告日期後，本公司管理層認為建築項目無法於二零一九年九月三十日前及時竣工及轉讓業權契據。本公司正在考慮所有可用選項，包括但不限於延後遞延代價日期及延遲發行承兌票據B。本公司將根據GEM上市規則於適當時候另行作出公佈，以提供進一步更新資料。

### 27. 比較數據

本集團已於二零一九年一月一日首次採用經修訂追溯法應用香港財務報告準則第16號。據此，比較資料不予重列。有關會計政策變動之進一步詳情於附註1披露。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

### Operation Review and Prospects

During the six months ended 30 June 2019 (the “Period”), the Group recorded revenue of approximately HK\$10,271,000 (2018: approximately HK\$651,000). The Group’s loss attributable to shareholders decreased to approximately HK\$10,671,000 for the Period (2018: approximately HK\$19,545,000). Such decrease in loss was mainly attributable to (i) gain on fair value change of convertible notes and derivative of approximately HK\$6,684,000 (2018: nil) and HK\$2,380,000 (2018: nil) respectively; and (ii) gross profit of approximately HK\$2,179,000 (2018: nil) generated from properties sales by the Company’s subsidiary in Turkey .

### Trading Business

During the Period, no revenue was generated from the trading business (2018: nil).

The Group has imported a batch of Onyx Marbles, a type of construction materials from the Republic of Turkey (“Turkey”) to the People’s Republic of China (the “PRC”). Although no sales has been recorded during the Period, this batch of Onyx Marbles is ready for sales and marketing. We will continue to assess the market appeal of the Onyx Marbles and seek for the opportunity of increasing the volume of purchase in the next batch of shipping, as the economies of scale is key to improve the gross profit of the trading of Onyx Marbles.

### 營運回顧及前景

截至二零一九年六月三十日止六個月（「期間」），本集團錄得之收益約10,271,000港元（二零一八年：約651,000港元）。期間股東應佔本集團虧損減少至約10,671,000港元（二零一八年：約19,545,000港元）。有關虧損減少主要由於(i)可換股票據及衍生工具公平值變動收益分別約6,684,000港元（二零一八年：無）及2,380,000港元（二零一八年：無）；及(ii)本公司土耳其附屬公司出售物業產生毛利約2,179,000港元（二零一八年：無）所致。

### 貿易業務

本期間，貿易業務概無產生收益（二零一八年：無）。

本集團已進口一批土耳其共和國（「土耳其」）瑪瑙大理石（為一種建築材料）到中華人民共和國（「中國」）。儘管本期間並無錄得銷售，惟該批瑪瑙大理石已預備進行銷售及市場推廣。我們將繼續評估瑪瑙大理石之市場吸引力及尋求增加下一批運輸貨物購買量之機遇，原因是規模經濟是提升瑪瑙大理石貿易毛利之關鍵。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

### *Furniture Business*

During the year ended 31 December 2018, the Group set up a new indirect non-wholly owned subsidiary, incorporated in the PRC, specializing in design and trade of customized window frames, doors and wardrobes. The products have combined the values and technological efficiencies with fine and unrivalled craftsmanship. The business will target high-end customers as well as corporate customers such as hotels and property developers in PRC's first-tier cities, by providing personalized and unique furniture in high quality. We believe that the growing urbanization and commercialization trend in PRC will lead to a high demand for advanced and reliable customized design furniture. Positive construction spending and ongoing renovation are the key trends witnessed which would gradually favor viable growth opportunities for the market. Rise in expenditure on construction activities to enhance the standard of living and artistic beauty in PRC is anticipated to support the growth in the coming years.

During the Period, the Group has recorded revenue of HK\$809,000 from the furniture business (2018: nil).

### *Property Development and Investment Business*

The Group holds properties located in Hong Kong and Turkey. Properties in Hong Kong and certain properties in Turkey are held for investment purpose to earn rental income and with a view to capture any possible future capital appreciation. During the Period, the Group generated rental income of approximately HK\$1,021,000 (2018: HK\$556,000), with approximately HK\$588,000 (2018: HK\$556,000) and HK\$433,000 (2018: nil) generated from investment properties situated in Hong Kong and Turkey respectively.

In addition to the properties leasing, part of the properties in Turkey are held for sale in the ordinary course of business. During the Period, the Group started the property sales activities and has recorded a revenue of approximately HK\$8,179,000 (2018: nil).

The Group expands its business in building construction, property development, trading of construction materials and the related consultancy services. Having acquired 30% equity interest in Boyracı Yapı İnşaat ve Taahhüt Gayrimenkul Yatırım Anonim Şirketi ("Boyracı Construction"), a company incorporated in Turkey that principally engaged in the construction, contracting works, property leasing, in 2016, the Group has gathered confidence in the potential of the property development market in Turkey. Thus, in 2017, the Group entered into an agreement to acquire a further 30% equity interest in Boyracı Construction in a bid to further capture its bright potential business development. The transaction was completed on 1 October 2018.

### *傢俬業務*

截至二零一八年十二月三十一日止年度，本集團新成立一間間接非全資附屬公司，其於中國註冊成立，專門從事窗框、門及衣櫃之訂製設計及買賣業務。其產品造工精緻，匠心獨運，無論價值及技術效益均卓越不凡。該業務專門提供優質個性化之獨特傢俬，以高端客戶及企業客戶為對象，諸如中國一線城市之酒店及房地產開發商。我們相信，中國加速城市化及商業化之趨勢將促使消費者對先進可靠之訂製傢俬有殷切需求。建築開支有增無減，加上樓宇翻新項目持續展開，為市場提供無限之發展機遇。預期建築活動之開支將繼續攀升，並提高中國之生活水平及美化居住環境水平，有利未來發展。

本期間，本集團錄得來自傢俬業務之收益809,000港元(二零一八年：無)。

### *物業開發及投資業務*

本集團持有位於香港及土耳其之物業。香港之物業及若干土耳其之物業作投資用途，以收取租金收入及把握任何未來資本增值機會。期內，本集團賺取租金收入約1,021,000港元(二零一八年：556,000港元)，其中，來自香港及土耳其投資物業之租金收入分別約為588,000港元(二零一八年：556,000港元)及433,000港元(二零一八年：無)。

除物業租賃外，部分土耳其物業於一般業務過程中持作出售。期內，本集團開展物業銷售活動並錄得收益約8,179,000港元(二零一八年：無)。

本集團繼續拓展樓宇建造、物業開發、建築材料買賣及相關諮詢服務業務。於二零一六年收購於土耳其註冊成立之公司Boyracı Yapı İnşaat ve Taahhüt Gayrimenkul Yatırım Anonim Şirketi(「Boyracı Construction」)(主要從事建築、承包工程、物業租賃業務)30%股權後，本集團對土耳其物業開發市場之潛力抱持信心。因此，本集團已於二零一七年訂立一份協議，收購Boyracı Construction額外30%股權，以進一步把握其亮麗之業務發展潛力。該交易已於二零一八年十月一日完成。





## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層論述及分析

Boyracı Construction has 7 construction projects located in Kadıköy, including 5 completed projects namely Koza Apartmanı, Sibel Apartmanı, Akasya Apartmanı, Evim Apartmanı and Doğa Apartmanı, and 2 under-construction projects, namely Project İclaliye and Project Hurrem, to be completed by 2019. Kadıköy is a large, populous, and cosmopolitan district in the Asian side of Istanbul, Turkey. The place has some of the most attractive shopping areas in the city. Kadıköy apartments benefit from modern, stylish builds, excellent facilities and good travel links to the central city. Today, Kadıköy remains as one of the most strategic places both for business and property investment in Istanbul.

The 5 completed projects have a total construction area of 17,155 m<sup>2</sup> consisting of 106 residential units, 15 commercial units and 90 carparks. After reconstruction, Boyracı Construction obtained 14 rewarded residential units and 2 rewarded commercial units with total gross saleable area of approximately 2,795 m<sup>2</sup>. The fair values of the rewarded units in respect of the 5 completed projects approximate to USD12,024,000 as at 31 December 2018.

The 2 under-construction projects have a total construction area of 4,696 m<sup>2</sup> consisting 31 residential units, 7 commercial units and 26 carparks. After reconstruction, Boyracı Construction obtained 8 rewarded residential units and 3 rewarded commercial units with total gross saleable area of approximately 1,421 m<sup>2</sup>. The fair value of the rewarded units in respect of the 2 under-construction projects was approximate to USD4,295,000 as at 31 December 2018. The projects are originally expected to be completed by 30 September 2019. However, subsequent to the date of reporting period, on 30 July 2019, the management of the Company considered the two under-construction projects would not be completed before 30 September 2019. For details please refer to the announcement dated 30 July 2019.

During the Period, Boyracı Construction has entered into two sales and purchase agreements of 2 residential properties with independent third parties in an aggregate consideration of USD1,016,000, and the Group has recorded revenue from property sales of approximately HK\$8,179,000 (2018: nil) from the property development and investment business. The Group will continue to make tremendous efforts in attracting potential buyers in China, Hong Kong and Turkey in the future.

Boyracı Construction 有 7 個位於卡德柯伊之建築項目，包括 5 個已完成項目，分別為 Koza Apartmanı、Sibel Apartmanı、Akasya Apartmanı、Evim Apartmanı 及 Doğa Apartmanı 以及 2 個將於二零一九年完成之在建項目，分別為 İclaliye 項目及 Hurrem 項目。卡德柯伊位於土耳其伊斯坦堡亞洲一側，為一個人口密集之大都會，坐擁市內多個充滿魅力之購物地點。卡德柯伊之公寓時髦時尚、設施完善、來往市中心交通方便，具備優勢。時至今日，卡德柯伊仍是在伊斯坦堡進行業務及物業投資之最重要之戰略地點之一。

該 5 項已完成項目之總建築面積為 17,155 平方米，包括 106 個住宅單位、15 個商業單位及 90 個停車位。竣工後，Boyracı Construction 取得 14 個報償住宅單位及 2 個報償商業單位，總實用面積約為 2,795 平方米。該 5 個已完成項目之報償單位於二零一八年十二月三十一日之公平值約為 12,024,000 美元。

該 2 個在建項目之總建築面積為 4,696 平方米，包括 31 個住宅單位、7 個商業單位及 26 個停車位。竣工後，Boyracı Construction 取得 8 個報償住宅單位及 3 個報償商業單位，總實用面積約為 1,421 平方米。該 2 個在建項目之報償單位於二零一八年十二月三十一日之公平值約為 4,295,000 美元。該等項目原先預期將於二零一九年九月三十日完成。然而，於報告期間結算日，二零一九年七月三十日，本公司管理層認為該兩個在建項目不會於二零一九年九月三十日前竣工。有關詳情請參見日期為二零一九年七月三十日之公佈。

本期間，Boyracı Construction 已就 2 個住宅物業與獨立第三方訂立兩項買賣協議，總代價為 1,016,000 美元，而本集團錄得來自物業開發及投資業務之物業銷售收益約 8,179,000 港元（二零一八年：無）。未來，本集團將繼續不遺餘力吸引中國、香港及土耳其潛在買方。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

Leveraging on the expertise in property development in Turkey, the Group also seeks to act as a property trader and consultant to provide property development related services in the future. The Group has been in negotiations to provide such service to a project that develops public and private housing. The Company will make further announcement(s) as and when necessary.

The management considers that the property development and investment business will become a significant part of the Group's business as a whole in its future plan.

### *Cemetery Business*

The Group has been engaged in the operation of a cemetery located in Zhecheng County in Henan Province of PRC (the "Cemetery"). The Cemetery has obtained the operating right for a term up to 1 July 2050 and the required operating permit, subject to annual renewal for the permission to operate the cemetery.

### *The Operations of the Cemetery Business*

The progress of the Cemetery Business has fallen behind the original schedule as described in the circular of the Company dated 7 November 2015. Although the reallocation and demolition of old graves took excessive time than originally expected, this task has been completed. However, the construction of the cemetery and the related facilities have not yet been completed in 2018. The related facilities including the funeral parlor and the cremation machine do not belong to Zhecheng County Xianganling Cemetery (柘城縣襄安陵公墓) (the "Cemetery Operator"), the operator of the Cemetery Business. The operation of funeral parlor and cremation machine are governed and owned by the civil affairs bureau of Zhecheng Government. The Cemetery Operator received a letter in early August of 2018 from the funeral parlor that the funeral parlor operating party has been communicated with the local government about the refurbishment plan. As the funeral parlor and the cremation machine had gone through many repairs in the past two years and were not available for use most of the time in 2018, the Cemetery Operator considers that this is likely the main reason for the intention of the funeral parlor to refurbish the funeral parlor and the cremation machine to improve the facilities. The Cemetery Operator understands that fund for refurbishment of funeral parlor and cremation machine estimated to be RMB14,000,000 is sourced from the local government bureau's internal budget. In general, once there is plan to refurbish the funeral parlor and cremation machine, local government bureau would invite contractors to submit tenders. In reference to "Zhe Fa Gai Tou Zi (2018) No.8" (柘發改投資(2018)8號), it was announced in the Zhecheng Government's website dated 29 August 2018 that the funeral parlor shall commence the construction in 2018 and shall complete in 2019. The Cemetery Operator observed that as of the end of 2018, the local funeral parlor and cremation machine have been demolished evidencing that the funeral parlor operating entity may have commenced the refurbishment project. The Cemetery Operator is in the progress in obtaining further news from the funeral parlor operating entity and the local civil affairs bureau or department as to the stage of refurbishment plan and the expected completion date. Prior to the completion of the refurbishment plan, the Cemetery Operator does not expect that the business operation of the Cemetery Business will show significant improvement.

憑藉於土耳其房地產開發方面之專業知識，本集團亦有意作為物業買賣商及顧問，以於未來提供物業開發相關服務。本集團已進行協商，以為一項開發公共及私人住宅之項目提供相關服務。本公司將於必要時另行刊發公佈。

管理層認為，在本集團未來發展藍圖中，物業開發及投資業務將是其整體業務之重點部分。

### *公墓業務*

本集團一直從事經營位於中國河南省柘城縣之公墓(「公墓」)。公墓已取得於二零二零年七月一日到期之經營權，並已獲取所需營運許可證，每年須予重續以經營公墓。

### *公墓業務之營運*

誠如本公司日期為二零一五年十一月七日之通函所述，公墓業務之進度已落後於原定時間表。儘管將現有墓地搬遷及拆卸所花費之時間比原先預期長，但該項任務已告完成。然而，公墓及相關設施之建設於二零一八年尚未完成。殯儀館及火化機等相關設施並不屬於公墓業務經營者柘城縣襄安陵公墓(「公墓經營者」)。殯儀館及火化機之經營受柘城政府之民政局規管及擁有。公墓經營者於二零一八年八月初收到殯儀館之函件，稱殯儀館經營方已與當地政府就整修計劃進行了溝通。由於殯儀館及火化機在過去兩年經歷多次維修，於二零一八年大部分時間均無法使用，公墓經營者認為這很有可能是殯儀館擬整修殯儀館及火化機以改善設施之主要原因。公墓經營者了解到，殯儀館及火化機之估計整修資金人民幣14,000,000元來自當地政府部門之內部預算。一般而言，一旦有計劃整修殯儀館及火化機，當地政府部門會邀請承包商提交標書。經參考《柘發改投資(2018)8號》，柘城政府網站已於二零一八年八月二十九日公佈，殯儀館將於二零一八年開始動工，並將於二零一九年竣工。公墓經營者注意到，截至二零一八年底，當地殯儀館及火化機已被拆除，證明殯儀館經營單位可能已開始整修項目。公墓經營者正在向殯儀館經營單位及當地民政局或部門獲取關於整修計劃階段及預期完工日期之進一步消息。於整修計劃完成前，公墓經營者預計公墓業務之業務運營不會有顯著改善。



## MANAGEMENT DISCUSSION AND ANALYSIS 管理層論述及分析

### *The Cemetery*

The location of the Cemetery is in the remote area outside Zhecheng County and it is not well known locally. Based on the historical statistics available in 2018, Zhecheng County is a small county with a population of about 695,000 in 2017. Rate of cremation in Henan Province is less than 20% of the total deceased population in 2017 and has decreased by 53% when compared to the figure found in 2012.

It is under the Funeral Management Regulations (《殯葬管理條例》) released in 2005 that the deceased should be cremated for burial if there is cremation facility closed by. Although the local government has been educating the local community to have cremation service but law reinforcement may not be as effective. There is still strong cultural influence that burying without cremation is preferred and spending large amount of money to have lavish cemetery units for the deceased may be beyond the reach of most of the locals. At present, the unstable availability of the funeral parlor and cremation machine during the past two years and its recent demolition, and the lack of one-stop service would make it even more difficult to attract local community to use the Cemetery in the near future. The Company is considering to improve its performance of the Cemetery Business by other measures such as placing advertisement and distribution of leaflets at hospitals or elderly homes to let the local community becoming more aware of the Cemetery.

With the more stringent measures carried out by the government such as the release of Notice of the “Special Remediation Action Plan for Outstanding Problems in the Funeral Area of Henan Province” (《河南省殯葬領域突出問題專項整治行動方案的通知》) dated 7 August 2018. This Notice asked for local government to perform self-review and provide reports for any incompliance to the Civil Affairs Bureau of the Henan Province. If there is any incompliance identified, working group would be formed to examine the conditions, identify issues and facilitate the execution of any solution. In respect of the operation of the cemeteries, land bureau of provinces would provide more resources in dealing with the expropriation of land process. There would be more support from the government to improve local funeral parlor and cremation facilities. With the possible assistance from the local government, the Company shall take more active approach to follow up the transfer of land use right and the demand of cemetery units may reach our expected level in one to two-year time as the Cemetery is the only approved operating entity in Zhecheng County. The Company will allocate more resources to the Cemetery Business should the performance of Cemetery Business improve. At the same time, the Company shall strengthen its communication with the funeral parlor operating entity and local civil affairs bureau or department to facilitate the reinstalling of the funeral parlor and cremation machine.

### 公墓

該公墓位於柘城縣外之偏遠地區，在當地並不為人所知。根據二零一八年可得之過往數據，柘城縣為一座小縣城，二零一七年人口約為695,000人。於河南省二零一七年之總死亡人數中，火葬率不足20%，較二零一二年所錄得數字下降53%。

根據二零零五年頒佈之《殯葬管理條例》，如附近有火化設施，應對逝者遺體進行火葬。儘管地方政府一直在教育當地社區推行火葬服務，但加強法規未必能見成效。促使人們不選擇火葬之文化影響力仍十分強大，花費大量金錢為逝者購買奢華之公墓龕位對於絕大部分本地人而言，可能是力所不能及之事。目前，殯儀館及火化機在過去兩年之供應並不穩定且近期進行了拆除，加上缺乏一站式服務，使短期內吸引了當地社區使用該公墓變得更困難。本公司正考慮採取其他措施以改善公墓業務之表現，如在醫院或養老院投放廣告及派發傳單，以加深當地社區對該公墓之認識。

隨著政府採取更為嚴格措施，如於二零一八年八月七日刊發《河南省殯葬領域突出問題專項整治行動方案的通知》。該通知要求當地政府進行自行審查及向河南省民政局提供關於任何違規之報告。倘發現到任何違規，將會成立工作小組以查明情況、確認問題及協助落實任何解決方法。有關該等公墓之營運，各省之國土局將於土地徵收之處理過程中提供更多資源。政府將提供更多支持以改善當地殯儀館及火葬設施。於當地政府可能提供之協助下，本公司將更加積極跟進土地使用權轉讓之後續工作，且由於該公墓為柘城縣唯一獲批之經營單位，故於一至兩年內該縣對公墓龕位之需求可能會達致我們預期水平。倘公墓業務之表現有所改善，本公司將分配更多資源至公墓業務。與此同時，本公司將加強與殯儀館經營單位及當地民政局或部門之溝通，以加快重建殯儀館及重置火化機。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層論述及分析

During 2018, in existence of the unfavourable business condition which may not turn around in very short period of time, the Group re-assessed its position in respect of the Cemetery Business by taking the following measures:

- (a) the Company would maintain the operation without large amount of capital expenditure until the business environment is improved, for example, the completion of the reinstalling of the funeral parlor and cremation machines; and
- (b) the Company appointed an independent professional valuer to carry out a valuation of the intangible asset as of 31 December 2018 which is the operating permit of the Cemetery with reference to the current operating level as it has been below the Group's original schedule as described in the circular of the Company dated 7 November 2015. It has not generated cash flow as originally expected, although it may be temporary, partly affected by the latest development of the demolition of the funeral parlor and cremation machine.

As a result of the valuation, an impairment loss of approximately HK\$73,171,000 on the intangible asset – operating right was recognised for the year ended 31 December 2018 due to (i) parts of related facilities had been under construction which affected the performance; and (ii) certain unfavourable business condition were identified.

#### *The land use rights of the land on which the Cemetery is situated*

The Company has consulted an independent PRC legal professional about the detailed procedures and time estimation in obtaining of the land use rights of the land on which the Cemetery is situated (the "Land"). As advised, there are two processes, namely the expropriation of land and the transfer of land use right. The expropriation of land process should take place before the transfer of land use right process.

The Board has been monitoring the Cemetery Business since the acquisition of the Cemetery and weighing the costs, benefits and relevant risk, before it would take further steps to initiate the transfer of land use right. The Company has been in discussion with the Cemetery Operator on its concern on how to ensure that the Cemetery Operator would obtain the bid at the lowest possible risk and maintain its operating right of the Cemetery. Furthermore, as described above, in view of the less favorable business environment following the acquisition, the Company would like to take its pace to gather more information before making decision on the transfer of the land use right of the Land as the Company would have to pay the land transfer fee and the government levies.

於二零一八年，鑒於最近業務環境不利因素於極短期內未能好轉，本集團已通過採取下列措施，重新評估公墓業務之定位：

- (a) 本公司將維持營運，但不會耗用大量資本開支，直至業務狀況改善（如已完成重建殯儀館及重置火化機）為止；及
- (b) 本公司已委任獨立專業估值師於二零一八年十二月三十一日對該公墓之無形資產（即營運許可證）進行估值，當中參考了目前營運水平（該水平低於本公司日期為二零一五年十一月七日之通函所述之本集團原定時間表所訂）。其並無如原先所預期產生現金流量，此情況有機會屬暫時性，部分原因是殯儀館及火化機近期被拆除所影響。

由於進行估值，截至二零一八年十二月三十一日止年度，確認無形資產減值虧損一經營權約73,171,000港元，此乃由於(i)部分相關設施仍在重置中，影響表現；及(ii)發現若干業務環境不利因素。

#### *該公墓位處土地之土地使用權*

本公司已就獲取該公墓位處土地（「該土地」）之土地使用權之詳細手續及估計時間諮詢中國獨立法律專業人士，並獲告知有兩套流程，即土地徵收及土地使用權轉讓。土地徵收流程應在土地使用權轉讓流程之前進行。

董事會於收購該公墓起一直在監察公墓業務，且於進一步啟動土地所有權轉讓前一直在權衡成本、裨益及相關風險。本公司已與公墓經營者進行討論，內容有關公墓經營者如何確保其將以最低風險中標並維持該公墓營運權之關注事項。此外，鑒於上述進行收購後之不利業務環境因素，本公司於決定轉讓該土地之土地使用權之前有意加快步伐收集更多資料，原因是本公司將須支付土地轉讓費及政府徵費。





## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層論述及分析

As provided in the Company's circular dated 7 November 2015 regarding the acquisition of the cemetery, the Cemetery Operator and the land use right owner have entered into an agreement for the acquisition of the land use right with the land compensation of RMB250,000 per mu by 31 December 2016. The contract has expired on 31 December 2016 and the land compensation per mu should be re-accessed with reference to the assessment provided by the local land bureau. The Company shall work with the land use right owner to start the land expropriation application as described above.

It has started the first stage of land expropriation process in the first quarter of 2019. Assuming the hostile business condition would turn around, funeral facilities such as the funeral parlor and cremation machine would be reinstalled and land use right would be completed by 2020, the full scales of cemetery units utilization will eventually be recorded. From the completion of the acquisition of the operating right of the Cemetery up to 30 June 2019, 42 cemetery units have been generating service income for the Cemetery Business and deposits of another 9 cemetery units have been received.

Subsequent to the reporting period and up to the date of this report, the Group has obtained service contract of additional 1 cemetery unit with a contract amount have of RMB26,000.

With the completion of construction work and obtaining land use right by 2020, it is anticipated that the cemetery will be having better performance in the future.

#### *Money Lending Business*

During the Period, Ottoman Evershine Finance Limited ("OE Finance"), a wholly-owned subsidiary of the Company, has renewed the money lenders license granted by the licensing court in Hong Kong pursuant to the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).

During the Period, OE Finance has granted two loans of approximately USD862,000 to independent third parties. The loans are secured by the borrowers' properties and personal guarantees, and carry interest rate of 12% per annum with loan periods of ten years.

During the Period, the interest income contributed from the money lending business was approximately HK\$202,000 (2018: HK\$95,000). The Group will continue to strengthen the money lending business by broadening the customer base but will adopt a prudent strategy when approving new loans so as to balance the profitability and the credit risk involved.

誠如本公司日期為二零一五年十一月七日內容有關收購公墓之通函所述，公墓經營者與土地使用權擁有人訂立協議，以於二零一六年十二月三十一日前以每畝土地補償金額人民幣250,000元收購土地使用權。該合約已於二零一六年十二月三十一日屆滿，而每畝土地補償金額應參考當地國土局提供之評估進行重新評估。誠如上文所述，本公司須與土地使用權擁有人合作以開始土地徵收之申請。

公墓經營者已於二零一九年第一季度開展第一階段之土地徵收程序。假設惡劣之業務狀況好轉、殯儀館及火化機之殯儀設施能重新安裝，且於二零二零年前取得土地使用權，則本公司可錄得全面之公墓龕位使用率。自收購公墓經營權完成直至二零一九年六月三十日，42個公墓龕位已為公墓業務產生服務收入，並已收取另外9個公墓龕位之按金。

於報告期後及直至本報告日期，本集團已就額外1個公墓龕位取得服務合約，合約金額為人民幣26,000元。

待二零二零年前建設工程竣工及取得土地使用權後，預期公墓於未來將有較佳表現。

#### *放債業務*

本期間，本公司全資附屬公司奧斯曼財務有限公司（「奧斯曼財務」）已根據香港法例第163章放債人條例重續香港牌照法庭授予之放債人牌照。

本期間，奧斯曼財務已向獨立第三方授出兩項約862,000美元之貸款。該等貸款以借入物業及個人擔保作抵押，按年利率12%計息，貸款年期為十年。

本期間，放債業務貢獻之利息收入約為202,000港元（二零一八年：95,000港元）。本集團將繼續透過擴展客戶基礎加強放債業務，同時在批出新貸款採取審慎策略，以平衡盈利能力及所涉信貸風險。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

Before approval of any loan applications, the Group would assess the borrower's credit quality via: 1) reviewing the background and credit history of the borrower; 2) understanding the uses of fund and means of repayment by the borrower; and 3) performing asset check of the borrower. Borrowers shall be offered a fixed rate of interest on the loans on an individual basis depending on each result of credit assessment and collaterals offered by the respective borrowers, if any.

### Mobile Application Business

In 2017, the Group acquired 40% equity interest in First Surplus Investments Limited ("FS Group"). FS Group and its subsidiaries are principally engaged in development of mobile games, game publishing, applications, related intellectual property and platform, and provision of related solutions. FS Group contains full team of development, support and market publication. Through the acquisition, it is expected that the Group can further develop mobile application business and capture the opportunities in the mobile online game industry and also the software industry.

In 2018, the Group had performed an impairment assessment on the interest in FS Group and the recoverable amount of it was lower than its carrying amount. As a result, the Group recognised an impairment of approximately HK\$2,884,000 during the year ended 31 December 2018.

During the Period, the Group has recorded a share of loss of approximately HK\$2,034,000 (2018: gain of HK\$1,088,000).

### Dividend

The Directors do not recommend the payment of any interim dividend for the period ended 30 June 2019 (2018: nil).

### Financial Position

#### Charges on Group's Assets

As at 30 June 2019, charges on Group's assets include two term loans and a finance lease liability:

- 1) the carrying amount of the term loans amounts to approximately HK\$59,000,000 which carries interest at 9% per annum with repayment period of 16 months that were secured by i) first legal charges of the two properties acquired by the Company which was completed on 27 June 2016, with carrying amount of approximately HK\$101,215,000 as at 30 June 2019; and ii) an unlimited personal guarantee given by Mr. Chiu Ngai Hung, a substantial shareholder of the Company; and
- 2) the carrying amount of the finance lease liability amounts to HK\$637,000 which carries interest at 3.5% per annum. The maturity date of the finance lease liability is on 24 March 2020. The loan was secured by a motor vehicle with net book value of HK\$747,000 as at 30 June 2019.

批准任何貸款申請前，本集團會透過以下工作評估借款人之信貸質量：1)審視借款人之背景及信貸記錄；2)了解資金之用途及借款人之還款方法；及3)對借款人進行資產審查。借款人須就貸款支付按固定利率計算之利息，有關利率按個別情況視每項信貸評估之結果及各借款人給予之抵押品(如有)而定。

### 手機應用程式業務

二零一七年，本集團收購 First Surplus Investments Limited(「FS集團」)之40%股權。FS集團及其附屬公司主要從事手機遊戲開發、遊戲發行、應用程式、相關知識產權及平台業務以及提供相關解決方案。FS集團擁有完整開發、支援及市場發佈團隊。透過該收購事項，預期本集團可進一步發展手機應用程式業務，並抓緊手機在線遊戲行業以及軟件行業之機遇。

於二零一八年，本集團已對FS集團之權益進行減值評估，其可收回金額低於其賬面金額。因此，本集團確認減值截至二零一八年十二月三十一日止年度為約2,884,000港元。

本期間，本集團已錄得應佔虧損約2,034,000港元(二零一八年：收益1,088,000港元)。

### 股息

董事不建議派付截至二零一九年六月三十日止期間之任何中期股息(二零一八年：無)。

### 財務狀況

#### 本集團資產抵押

於二零一九年六月三十日，本集團資產抵押包括兩項定期貸款及一項融資租賃負債：

- 1) 定期貸款之賬面值約為59,000,000港元，以每年9%之利率計息，而還款期為16個月，以i)本公司於二零一六年六月二十七日完成收購之兩項物業於二零一九年六月三十日之賬面值約為101,215,000港元之第一法定押記；及ii)由本公司主要股東趙毅雄先生提供之無上限個人擔保作抵押；及
- 2) 融資租賃負債之賬面值為637,000港元，以每年3.5%之利率計息。融資租賃負債之到期日為二零二零年三月二十四日。該等貸款以於二零一九年六月三十日賬面淨值為747,000港元之汽車作抵押。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層論述及分析

#### *Liquidity and Financial Resources*

As at 30 June 2019, the total assets of the Group was approximately HK\$515,244,000 (31 December 2018: approximately HK\$384,564,000), including cash and bank balances of approximately HK\$1,117,000 (31 December 2018: approximately HK\$3,573,000).

#### *Capital Structure*

The number of issued shares of the Company as at 30 June 2019 and 31 December 2018 were 1,803,541,356 and 1,802,677,356 shares, respectively.

On 13 November 2018, the Company and Macquarie Bank Limited (the “Subscriber” or the “Noteholder”) entered into the conditional subscription agreement, pursuant to which the Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to issue the convertible notes in the principal amount up to HK\$300,000,000 (the “Macquarie CN”).

The Macquarie CN will be issued in two tranches. Each tranche will be in an aggregate principal amount of HK\$150,000,000. The Macquarie CN will bear 1% interest per annum and will mature on the second anniversary of the closing date. Each convertible note entitles the Noteholder to convert the Macquarie CN into shares at any time during the conversion period at the conversion price, provided that no conversion right may be exercised at a conversion price lower than the floor price (which is subject to adjustments). The conversion price will be 92% of the volume weighted average price of the shares as traded on the relevant stock exchange on the trade day immediately preceding the relevant conversion date.

On 21 February 2019, all conditions precedents set out in the subscription agreement in relation to the Macquarie CN has been fulfilled and completion of the issuance of the first tranche of the Macquarie CN in the principal amount of HK\$150,000,000 has taken place on the same date. The Macquarie CN will mature on the second anniversary date i.e. 20 February 2021.

Details were disclosed in the Company’s announcements and circular dated 13 November 2018, 3 December 2018, 31 December 2018 and 15 February 2019.

On 25 February 2019, the Company has received conversion notice in respect of the exercise of part of the conversion rights attached to the Macquarie CN. On the same day, the Company allotted and issued 864,000 shares at HK\$1.160488 per share.

#### *流動資金及財務資源*

於二零一九年六月三十日，本集團之資產總值約為515,244,000港元(二零一八年十二月三十一日：約384,564,000港元)，包括現金及銀行結餘約1,117,000港元(二零一八年十二月三十一日：約3,573,000港元)。

#### *資本結構*

於二零一九年六月三十日及二零一八年十二月三十一日，本公司已發行股份數目分別為1,803,541,356股及1,802,677,356股。

於二零一八年十一月十三日，本公司與麥格理銀行有限公司(「認購人」或「票據持有人」)訂立有條件認購協議，據此，認購人已有條件同意認購及本公司已有條件同意發行本金額最高300,000,000港元之可換股票據(「麥格理可換股票據」)。

麥格理可換股票據將分兩個批次發行，每批次之本金總額將為150,000,000港元。麥格理可換股票據之年利率為1%，將於完成日期之第二週年日到期。各可換股票據賦予票據持有人權利，可於兌換期間隨時按兌換價將麥格理可換股票據兌換為股份，惟不得按低於底價(可予調整)之兌換價行使兌換權。兌換價將為股份於緊接有關兌換日期前之交易日在相關證券交易所買賣之成交量加權平均價之92%。

於二零一九年二月二十一日，已達成與麥格理可換股票據有關之認購協議所載所有先決條件，並於同日完成發行第一批次本金額為150,000,000港元之麥格里可換股票據。麥格里可換股票據將於第二週年日(即二零二一年二月二十日)到期。

有關詳情於本公司日期為二零一八年十一月十三日、二零一八年十二月三日、二零一八年十二月三十一日及二零一九年二月十五日之公佈及通函披露。

於二零一九年二月二十五日，本公司已接獲有關行使部分麥格里可換股票據隨附兌換權之兌換通知。於同日，本公司按每股1.160488港元配發及發行合共864,000股股份。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

### Foreign currency risk

The Group's major business operations and investments are in PRC, Hong Kong and Turkey. Most of the assets, liabilities and transactions of the Group are primarily denominated in Hong Kong dollar, Renminbi, United States dollar and Turkish Lira. The Group has not entered into any instruments to hedge the foreign exchange exposure and considered the potential foreign exchange exposure of the Group is limited. The Group will closely monitor exchange rate movement and will take appropriate activities to reduce the exchange risk.

### Contingent liabilities

As at 30 June 2019, the Group has no material contingent liabilities (31 December 2018: nil).

### Material Acquisition and Investments

#### Acquisition of additional 30% of the equity interest of Boyracı Construction

On 6 June 2017, Ottoman Evershine İnşaat Proje Ticaret Anonim Şirketi ("Ottoman Evershine Construction"), a company incorporated in Turkey, and an indirect wholly owned subsidiary of the Company, and Mr. Osman Boyracı entered into the sales and purchase agreement in relation to acquisition of additional 30% of the equity interest of Boyracı Construction ("Boyracı Construction Acquisition").

Boyracı Construction is a company incorporated in Turkey and is specialised in elite urban transformation projects and construction of earthquake resistant buildings. The Group acquired initial 30% of the equity interest of Boyracı Construction on 30 December 2016. As of the first acquisition date, Boyracı Construction had 5 completed construction projects, and 1 investment project, namely Acarblu Ticaret Merkezi ("Acarblu Property"), and there are 2 under-construction projects to be completed by 2019.

On 26 February 2018, Ottoman Evershine Construction, Boyracı Construction and Mr. Osman Boyracı entered into a side letter pursuant to which the Acarblu Property would be transferred from Boyracı Construction to a new company ("Boyracı2 İnşaat Anonim Şirketi") incorporated under the laws of Turkey on 27 March 2018 held by Mr. Osman Boyracı and Ottoman Evershine Construction with 70% and 30% equity interest respectively (the "Shareholder's Loan Set-Off"). The Acarblu Property is a two-floor condominium with gross saleable area of approximately 1,068 m<sup>2</sup>. As of 26 February 2018, the market value of Acarblu Property was approximately 31,400,000 Turkish Lira ("TL") (or approximately USD9,100,000) based on a valuation report prepared by RM Ritim Gayrimenkul Değerleme A.Ş., a real estate valuation company based in Istanbul, Turkey.

### 外幣風險

本集團於中國、香港及土耳其進行主要業務營運及投資。本集團大部分資產、負債及交易主要以港元、人民幣、美元及土耳其里拉計值。本集團並無就對沖外匯風險訂立任何工具，且認為本集團所面對之潛在匯兌風險有限。本集團將密切監察匯率動向及採取適當措施減低匯兌風險。

### 或然負債

於二零一九年六月三十日，本集團概無任何重大或然負債(二零一八年十二月三十一日：無)。

### 重大收購及投資

#### 收購Boyracı Construction額外30%股權

於二零一七年六月六日，Ottoman Evershine İnşaat Proje Ticaret Anonim Şirketi(「Ottoman Evershine Construction」，一間於土耳其註冊成立之公司，為本公司之間接全資附屬公司)及Osman Boyracı先生就收購Boyracı Construction額外30%股權(「Boyracı Construction收購事項」)訂立買賣協議。

Boyracı Construction為一間於土耳其註冊成立之公司，其專門承接優質城市改造項目及防震樓宇建造。本集團於二零一六年十二月三十日收購Boyracı Construction之首30%股權。於首個收購日，Boyracı Construction有5個已竣工建築項目及1個投資項目，即Acarblu Ticaret Merkezi(「Acarblu物業」)；另有2個在建項目將於二零一九年完成。

於二零一八年二月二十六日，Ottoman Evershine Construction、Boyracı Construction及Osman Boyracı先生訂立附函，據此，Acarblu物業由Boyracı Construction轉讓予一間根據土耳其法律在二零一八年三月二十七日註冊成立之新公司(「Boyracı2 İnşaat Anonim Şirketi」)，分別由Osman Boyracı先生及Ottoman Evershine Construction持有70%及30%股權(「股東貸款抵銷」)。Acarblu物業為一幢實用面積約達1,068平方米之兩層高別墅。於二零一八年二月二十六日，根據由RM Ritim Gayrimenkul Değerleme A.Ş.(一間以土耳其伊斯坦堡為基地之房地產估值公司)編製之估值報告，Acarblu物業之市值約為31,400,000土耳其里拉(「土耳其里拉」)(或約9,100,000美元)。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層論述及分析

Up to 26 April 2018, the Shareholder's Loan Set-Off and Shareholder's Loan Waiver has been completed.

Pursuant to the sales and purchase agreement, supplemented by the supplemental deed entered into between the aforesaid parties on 6 November 2017, the first side letter dated 26 February 2018 and the second side letter dated 20 August 2018, in view of the unfavorable currency movement of Turkish Lira, the consideration was reduced by USD1,500,000 to USD5,050,000, being satisfied by:

- (i) an upfront refundable cash deposit of TL7,544,000 (approximately equivalent to USD2,000,000);
- (ii) the issuance of Promissory Note A in the principal amount of USD1,938,770 (approximately equivalent to TL11,342,000) which carries interest rate of 13% per annum and will mature on the second anniversary date from the date of issue; and
- (iii) the issuance of Promissory Note B as a contingent consideration in the principal amount of up to USD1,111,230 (approximately equivalent to TL6,501,000) ("Contingent Consideration").

The Contingent Consideration will be calculated as the lower of (1) the 30% of the fair value less the actual cost (including but not limited to any construction and development costs) incurred in respect of the under-construction projects up to and including the Contingent Consideration Date; or (2) USD1,111,230 (approximately equivalent to HK\$8,668,000).

The consideration of the Boyracı Construction Acquisition was determined after arm's length negotiations with reference to, among others, (i) the fair market value of the existing completed and underconstruction properties and the value-added portion of the new project in 2017 held by Boyracı Construction with reference to the market values of similar properties in similar locations; and (ii) the latest management account of Boyracı Construction.

The Boyracı Construction Acquisition constitutes a major transaction and connected transaction under the GEM Listing Rules which was subject to independent shareholders' approval obtained at the extraordinary general meeting of the Company on 19 September 2018.

Following the fulfillment of the certain conditions on the Boyracı Construction Acquisition took place on 1 October 2018, Boyracı Construction has become an indirect 60%-owned subsidiary of the Company, and its financial results, assets and liabilities will be consolidated and accounted for as a subsidiary in the financial statements of the Group.

截至二零一八年四月二十六日，股東貸款抵銷及股東貸款豁免均告完成。

根據買賣協議（經上述訂約方於二零一七年十一月六日訂立之補充契據、日期為二零一八年二月二十六日之第一份附函及日期為二零一八年八月二十日之第二份附函所補充），鑒於土耳其里拉貨幣之不利變動，代價已減少1,500,000美元至5,050,000美元，按以下方式償付：

- (i) 預付可退還現金按金7,544,000土耳其里拉（相當於約2,000,000美元）；
- (ii) 發行本金額為1,938,770美元（相當於約11,342,000土耳其里拉）之承兌票據A（按年利率13%計息及將自發行日期起計第二個週年日到期）；及
- (iii) 發行承兌票據B作為本金額最高1,111,230美元（相當於約6,501,000土耳其里拉）之或然代價（「或然代價」）。

或然代價將按(1)公平值之30%減在建項目直至或然代價日期（包括該日）產生之實際成本（包括但不限於任何建築及開發成本）得出之數額；或(2) 1,111,230美元（相當於約8,668,000港元）之較低者計算得出。

Boyracı Construction收購事項之代價乃參考（其中包括）(i) Boyracı Construction持有之現有已竣工及在建物業之公平市值以及新項目於二零一七年之增值部分（經參考類似地段類似物業之市值）；及(ii) Boyracı Construction之最新管理賬目後經公平磋商釐定。

Boyracı Construction收購事項根據GEM上市規則構成一項主要交易及關連交易，並已於二零一八年九月十九日之本公司股東特別大會上獲獨立股東批准。

Boyracı Construction收購事項之若干條件於二零一八年十月一日達成後，Boyracı Construction將成為本公司擁有60%權益之間接附屬公司，而其財務業績、資產及負債將於本集團財務報表按附屬公司綜合入賬。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

Details were disclosed in the Company's announcements dated 6 June 2017, 6 November 2017, 6 December 2017, 26 February 2018, 3 July 2018, 10 August 2018, 20 August 2018, 24 August 2018, 4 September 2018 and 19 September 2018.

### Information on Possible Acquisitions and Projects

#### *The proposed projects in Europe and Turkey*

The Group is committed to continuously exploring new and different investment opportunities in order to broaden its source of income. This allows the Group to diversify risks from any single segment of business and maintain profitability and be sustainable. The Group intends to tap into the property investment and development market worldwide including Europe and Turkey which has high potential to be one of the Group's main profit streams.

**(i) Memorandum of understanding (the "MOU") with the 6th Engineering Bureau of China City Investment Group\* (中城投集團第六工程局有限公司) (formerly known as "The 6th Engineering Bureau of China City Construction Holding Group Company")**

On 5 February 2016, the Company and the 6th Engineering Bureau of China City Investment Group ("CCIN") entered into a non-legally binding memorandum of understanding (the "MOU").

Under the MOU, CCIN has the intention to participate in the engineering and construction works in relation to the proposed land development and large-scale project(s) of the Company in Turkey and will underwrite the engineering works of relevant projects in accordance with the intention and design of the Company while CCIN would also give suggestions on the design and feasibility of the projects.

Upon the implementation of the projects, the parties to the MOU shall obtain all necessary approvals to enter into binding formal cooperation agreement(s). The terms of the cooperation agreement(s) shall be subject to negotiations between the parties.

On 6 May 2016, the Company entered into a Strategic Cooperation Agreement (the "Cooperation Agreement") with CCIN.

有關詳情已於本公司日期為二零一七年六月六日、二零一七年十一月六日、二零一七年十二月六日、二零一八年二月二十六日、二零一八年七月三日、二零一八年八月十日、二零一八年八月二十日、二零一八年八月二十四日、二零一八年九月四日及二零一八年九月十九日之公佈披露。

### 可能收購事項及項目之資料

#### *於歐洲及土耳其之建議項目*

本集團致力繼續開拓不同新投資機遇，以擴闊其收入來源。此舉使本集團得以將任何單一業務分部之風險分散，維持盈利及持續發展。本集團有意於全球(包括極有可能成為本集團其中一個主要溢利來源之歐洲及土耳其)涉足物業投資及發展市場。

**(i) 與中城投集團第六工程局有限公司(前稱「中城建第六工程局集團有限公司」)之諒解備忘錄(「諒解備忘錄」)**

於二零一六年二月五日，本公司與中城投集團第六工程局有限公司(「中城投」)訂立不具法律約束力之諒解備忘錄(「諒解備忘錄」)。

根據諒解備忘錄，中城投有意參與有關本公司於土耳其之建議土地發展及大型項目之工程及建造，並將根據本公司之意向及設計承包相關項目工程，而中城投亦可就項目之設計及可行性提出建議。

於該等項目落實後，諒解備忘錄之訂約方須取得所有必需批准以訂立具約束力之正式合作事項協議。合作事項協議之條款須待訂約方互相磋商後，方告作實。

於二零一六年五月六日，本公司與中城投訂立戰略合作夥伴協議(「合作協議」)。

\* For identification purpose only



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層論述及分析

Pursuant to the Cooperation Agreement, the Company has nominated CCIN as its technical engineering consultant for the projects, the Company and CCIN shall negotiate in good faith in respect of every project in Europe and enter into relevant project agreement(s) which would set out the scope of services, fees and the corresponding duties of the parties.

CCIN shall provide relevant technical engineering consultancy services to the Company in respect of every project, which may include but not limited to consultancy works, such as feasibility studies, project design, blueprints, engineering quotes and budgets, testing and checking, procurement of materials, engineering and construction works, engineering supervision and inspection.

The Company shall provide all necessary information and data to allow CCIN to conduct relevant works and shall pay relevant fee(s) in accordance with the terms of the project(s) agreement(s). Subject to the payment of all consultancy fees to CCIN if applicable, all copyrights of the technical documents provided by CCIN shall be transferred to the Company and the Company shall be entitled to utilise such documents for the relevant projects.

Pasifik Gayrimenkul Yatırım İnş. A.Ş. (“PASİFİK”) and Çıftay İnşaat Taahhüt Ve Ticaret A.Ş. (“ÇİFTAY”), companies duly constituted and existing under the laws of Turkey, have been awarded in the tender by the local authority for the revenue sharing model project of Ankara Yenimahalle Station (the “Project Ankara”), which is situated at Ankara, Turkey. Pursuant to the Letter of Intent (“LoI”), the Company, CCIN and Astra İnşaat Anonim Şirketi proposed their intention to be partners with the joint venture formed by PASİFİK and ÇİFTAY in Project Ankara subject to the execution and completion of the actual agreements after arm’s length negotiations among the parties. The parties to the LoI have agreed to discuss the terms of partnership, business plan, business concept, direction, profit sharing, project analysis and all further issues that may be necessary for Project Ankara. The negotiation process is still ongoing as of the date of this report.

Details of the proposed projects were disclosed in the Company’s announcements dated 5 February 2016, 6 May 2016, 16 May 2016, 18 May 2016 and 30 August 2016.

根據合作協議，本公司已就該等項目指定中城投作為技術工程諮詢顧問，本公司與中城投須就歐洲各該等項目進行友好磋商，並訂立有關該等項目之協議，當中將載列服務範疇、費用及訂約各方相應之責任。

中城投須就各該等項目向本公司提供相關技術工程諮詢服務，可能包括但不限於下列諮詢工作：例如可行性研究、方案設計、設計圖紙、工程造價及預算、檢測及試驗、材料採購、工程建設、工程監理及竣工驗收等。

本公司須提供一切所需資料及數據，以使中城投可進行相關工作，並須根據該等項目之協議條款支付相關費用。待支付予中城投所有顧問費用後，中城投所提供技術文件之全部著作權將轉讓予本公司（如適當），而本公司將有權就該等相應項目運用該等文件。

根據土耳其法律正式組成及存續之公司 Pasifik Gayrimenkul Yatırım İnş. A.Ş. (「PASİFİK」) 及 Çıftay İnşaat Taahhüt Ve Ticaret A.Ş. (「ÇİFTAY」) 已就位於土耳其安卡拉之安卡拉葉尼瑪哈爾車站之收入共享模式項目（「安卡拉項目」）獲當地管理機關批出標書。根據意向書（「意向書」），本公司、中城投與 Astra İnşaat Anonim Şirketi 提出有意成為合作夥伴，連同由 PASİFİK 及 ÇİFTAY 組成之合營企業進行安卡拉項目，惟須待各方經公平磋商簽立及完成實際協議後，方可作實。意向書訂約方同意商討合夥協議之條款、業務計劃、業務理念、方向、利潤攤分、項目分析及有關安卡拉項目可能需要之一切進一步事宜。於本報告日期，仍在進行協商。

建議項目之詳情於本公司日期為二零一六年二月五日、二零一六年五月六日、二零一六年五月十六日、二零一六年五月十八日及二零一六年八月三十日之公佈中披露。

## MANAGEMENT DISCUSSION AND ANALYSIS 管理層論述及分析

### (ii) Strategic partnership agreements in respect of projects in Turkey

On 6 November 2017 and 21 November 2017, the Company entered into strategic partnership agreements (“PASİFİK Agreement”) with PASİFİK and Akdeniz İnşaat Ve Eğitim Hizmetleri A.Ş. (“AKDENİZ”) (“AKDENİZ Agreement”), companies duly constituted and existing under the laws of Turkey, respectively, in relation to forming of strategic partnerships between the Company and PASİFİK and AKDENİZ respectively in a bid (i) to explore investment opportunities in real estate development in Turkey; (ii) to establish partnership for engineering and related construction business; and (iii) to invite more industrial partners from mainland China to further broaden the scope of business development scope as well as partnership.

PASİFİK, being one of the top real estate developer in Turkey, owns and/or jointly owns several mega projects in prime districts in Ankara Province and Istanbul Province. The Company has discussed with PASİFİK for the opportunities of real estate development in Turkey.

AKDENİZ has over 30 years of experience in the real estate and construction business in Turkey; furthermore, AKDENİZ is also engaged in the energy and tourism sector. AKDENİZ ranked in the Fortune 500 of Turkey in 2014 and 2015. Ağaoğlu Gayrimenkul Yatırım A.Ş. (“Ağaoğlu”), a wholly-owned subsidiary of AKDENİZ, engaged in the real estate and construction business and has completed over 20 large property projects in Turkey with over 7,000,000 m<sup>2</sup> construction area including residential, office, hotel, retail and local amenities. Ağaoğlu ranked the most prestigious construction company in 2015 and 2016 in the Turkish Reputation Index.

Further announcement(s) in respect of the partnerships and the related projects will be made by the Company as and when appropriate in compliance with the GEM Listing Rules.

Details of the strategic partnership agreements in relation to projects in Turkey were disclosed in the Company’s announcements dated 6 November 2017 and 21 November 2017.

### (ii) 有關土耳其項目之戰略夥伴關係協議

於二零一七年十一月六日及二零一七年十一月二十一日，本公司與根據土耳其法律正式組成及存續之公司PASİFİK及Akdeniz İnşaat Ve Eğitim Hizmetleri A.Ş. (「AKDENİZ」) 分別訂立戰略夥伴關係協議 (「PASİFİK協議」及「AKDENİZ協議」)，內容有關本公司分別與PASİFİK及AKDENİZ組建戰略夥伴關係，以(i)開拓土耳其房地產開發之投資商機；(ii)就工程及相關建築業務建立夥伴關係；及(iii)於中國內地邀請更多行業夥伴，以進一步擴闊業務發展範圍及夥伴關係。

PASİFİK作為土耳其首屈一指之房地產發展商之一，於安卡拉省及伊斯坦堡省之主要地段擁有及／或合資擁有多項大型項目。本公司已與PASİFİK討論於土耳其發展房地產之機會。

AKDENİZ於土耳其房地產及建築業務擁有逾30年經驗，此外，AKDENİZ亦從事能源及旅遊業。AKDENİZ於二零一四年及二零一五年名列土耳其財富500強 (Fortune 500 of Turkey)。AKDENİZ之全資附屬公司Ağaoğlu Gayrimenkul Yatırım A.Ş. (「Ağaoğlu」) 從事房地產及建築業務，並於土耳其完成超過20個大型物業項目，該等項目之建築面積超過7,000,000平方米，包括住宅、辦公室、酒店、零售及當地設施。Ağaoğlu於土耳其聲譽指數 (Turkish Reputation Index) 名列二零一五年及二零一六年最具聲望建築公司。

本公司將於適當時候根據GEM上市規則就夥伴關係及相關項目另行刊發公佈。

有關土耳其項目之戰略夥伴關係協議之詳情於本公司日期為二零一七年十一月六日及二零一七年十一月二十一日之公佈披露。





## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層論述及分析

#### (iii) Memorandum of understanding with Seba İnşaat Anonim Şirketi

On 9 May 2018, the Group and Seba İnşaat Anonim Şirketi, a company incorporated in Turkey (“Seba”) entered into a non-legally binding memorandum of understanding (the “MOU Seba”).

Under the MOU Seba, the Group has the intention to acquire and Seba has the intention to sell a certain number of villas and apartments located in Bodrum Province, Gündoğan District, Turkey (the “Project Seba”), which consists of 20 villas and 17 apartments holiday units with construction area of 10,000 m<sup>2</sup> and saleable area of 8,000 m<sup>2</sup>. The Project Seba is expected to be completed within the year of 2019.

The consideration and the payment method for the proposed acquisition shall be subject to further negotiations between the parties but the final consideration shall not exceed USD30,000,000 and shall be determined under a formal agreement (“Formal Agreement”).

It is the intention of the parties that Group shall have the rights within a period of 18 months after the date of completion the Formal Agreement and at its full discretion to sell all or part of the selected properties to Seba at the price equivalent to the 130% of the final consideration of relevant selected properties.

Details of the MOU Seba were disclosed in the Company’s announcements dated 9 May 2018.

#### Share Option Scheme

The share option scheme adopted on 9 May 2011 by the shareholders has been terminated and a new share option scheme was adopted on 1 February 2016 (the “Share Option Scheme”) by the shareholders. The purpose of the Share Option Scheme is to enable the Company to grant Share Options to the Eligible Participants (as defined below) as incentives or rewards for their contribution to the long term development of the Group and to provide the Group with a more flexible means to reward, remunerate, compensate, attract, retain and/or provide benefits to the Eligible Participants. The Share Option Scheme was adopted for a period of 10 years commencing from 1 February 2016 and will remain in force until 31 January 2026.

#### (iii) 與Seba İnşaat Anonim Şirketi之諒解備忘錄

於二零一八年五月九日，本集團與於土耳其註冊成立之公司Seba İnşaat Anonim Şirketi(「Seba」)訂立不具法律約束力之諒解備忘錄(「諒解備忘錄Seba」)。

根據諒解備忘錄Seba，本集團有意收購而Seba有意出售位於土耳其京多安(Gündoğan)區博德魯姆(Bodrum)省之若干別墅及公寓(「Seba項目」)，其由20棟別墅及17個渡假公寓單位組成，建築面積為10,000平方米，實用面積為8,000平方米。Seba項目預計將於二零一九年竣工。

建議收購事項之代價及支付方式須待訂約方進一步磋商，惟最終代價不得超過30,000,000美元及須根據正式協議(「正式協議」)釐定。

訂約方之意向為，本集團有權於正式協議完成之日期後18個月期間內全權酌情以相當於有關經選定物業之最終代價130%之價格向Seba出售全部或部分經選定物業。

有關諒解備忘錄Seba之詳情於本公司日期為二零一八年五月九日之公佈中披露。

#### 購股權計劃

股東於二零一一年五月九日採納之購股權計劃已告終止，而股東已於二零一六年二月一日採納新購股權計劃(「購股權計劃」)。購股權計劃旨在使本公司能向合資格參與者(定義見下文)授出購股權，作為彼等對本集團長期發展作出貢獻之獎勵或回報，並為本集團提供更靈活之方式獎勵、酬報、補償、招攬、留聘合資格參與者及／或向其提供福利。購股權計劃自二零一六年二月一日起採納為期10年，並將維持有效直至二零二六年一月三十一日。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層論述及分析

Eligible Participants under the Share Option Scheme includes any full-time or part-time employees, consultants or potential employees, executives or officers (including executive, non-executive and independent non-executive directors) of the Company or any of its subsidiaries and any suppliers, customers, consultants, agents and advisers who, in the sole opinion of the Board, will contribute or has contributed to the Company and/or any of its subsidiaries.

The subscription price shall be determined by the Board in its absolute discretion but in any event shall be at least the higher of:

- (i) the closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of grant which must be a business day; and
- (ii) the average closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant.

Upon acceptance of the options, the grantee shall pay HK\$1.00 to the Company as consideration for the grant. The acceptance of an offer of the grant of the option must be made within 14 days from the date of grant. Unless otherwise determined by the Board in the relevant offer letter to a grantee, there is no minimum period for which any option must be held before it can be exercised and no performance target which needs to be achieved by a grantee before the options can be exercised. An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

根據購股權計劃，合資格參與者包括本公司或其任何附屬公司之任何全職或兼職僱員、諮詢顧問或潛在僱員、行政人員或高級人員(包括執行、非執行及獨立非執行董事)，以及董事會全權認為將向或已向本公司及／或其任何附屬公司作出貢獻之任何供應商、客戶、諮詢顧問、代理及顧問。

認購價須由董事會全權酌情釐定，惟在任何情況下須最少為下列各項之較高者：

- (i) 股份於授出日期(該日須為營業日)在聯交所發出之每日報價表所述之收市價；及
- (ii) 股份於緊接授出日期前五個營業日在聯交所發出之每日報價表所述之平均收市價。

承授人接納購股權後，須向本公司支付1.00港元，作為獲授購股權之代價。承授人須於授出日期起14日內，接納授出購股權之要約。除董事會在寄發予承授人之有關要約函中另有釐定外，概無規定任何購股權可予行使前須持有購股權之最短期限，亦無設定承授人於行使購股權前須達致之表現目標。購股權可於董事會可能釐定之期間內根據購股權計劃之條款隨時行使，惟有關期間不得超過由授出日期起計十年，並受提前終止條文規限。



## MANAGEMENT DISCUSSION AND ANALYSIS 管理層論述及分析

As at the date of this report, the maximum number of shares to be issued upon the exercise of options that may be granted under the Share Option Scheme is 180,267,735 shares, being 10% of the shares in issue at the date of the annual general meeting held by the Company on 22 June 2018 under the scheme mandate limited approved by shareholders of the Company. The total number of shares available for issue under the Share Option Scheme representing 10% of the total number of Shares in issue as at the date of this report.

Pursuant to the GEM Listing Rules, the total number of shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme must not, in aggregate, exceed 10% of the shares in issue as at the date of adoption of the Share Option Scheme. The Board shall not grant any options which would result in the maximum aggregate number of shares which may be issued upon exercise of all outstanding options granted but yet to be exercised under the Share Option Scheme and any other share option schemes adopted by the Company exceeding, in aggregate, 30% of the shares in issue from time to time.

The total number of shares issued and to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of the Company to each Eligible Participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue (the "Individual Limit"). Any further grant of options to an Eligible Participant which would result in the shares issued and to be issued upon exercise of all options granted and to be granted to such Eligible Participant (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant exceeding the Individual Limit shall be subject to approval of the shareholders in general meeting with such Eligible Participant and his close associates (or his associates if such Eligible Participant is a connected person) abstaining from voting.

於本報告日期，根據購股權計劃可能授出之購股權獲行使而將予發行之股份最高數目為180,267,735股，根據本公司股東批准之計劃授權限額，佔本公司於二零一八年六月二十二日舉行之股東週年大會當日已發行股份之10%。根據購股權計劃可供發行之股份總數相當於本報告日期已發行股份總數之10%。

根據GEM上市規則，根據購股權計劃將予授出之所有購股權獲行使而可能發行之股份總數合共不得超過購股權計劃採納日期已發行股份之10%。如授出任何購股權會導致因根據購股權計劃及本公司所採納任何其他購股權計劃授出但尚未行使之所有購股權獲行使而可能發行之股份最高總數合共超過不時已發行股份之30%，則董事會不會授出該等購股權。

根據購股權計劃及本公司任何其他購股權計劃向每名合資格參與者授出之購股權(包括已行使及尚未行使之購股權)獲行使後已發行及將予發行之股份總數，於任何12個月期間不得超過已發行股份總數之1%(「個人上限」)。倘向一名合資格參與者進一步授出任何購股權將會導致向該名合資格參與者授出及將予授出之所有購股權(包括已行使、已註銷及尚未行使之購股權)獲行使後已發行及將予發行股份於直至該進一步授出之日(包括當日)止12個月期間超過個人上限，則該進一步授出須獲股東於股東大會上批准方可作實，而該合資格參與者及其緊密聯繫人士(或倘該合資格參與者為關連人士，則其聯繫人士)須放棄投票。





## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層論述及分析

Any grant of options to a connected person (as defined in the GEM Listing Rules) must be approved by all independent non-executive Directors (excluding any independent non-executive Director who is the proposed grantee). Where options are proposed to be granted to a connected person who is also a substantial shareholder (as defined in the GEM Listing Rules) of the Company or an independent non-executive Director or any of their respective associates, and the proposed grant of options, when aggregated the options already granted to such connected person in the past 12 months period, would entitle that person to receive more than 0.1% of the total issued shares of the Company for the time being and the value of which is in excess of HK\$5,000,000, then the proposed grant must be subject to the approval of the shareholders at the general meeting. Apart from the connected person involved, all other connected persons of the Company must abstain from voting in such general meeting (except where any connected person intends to vote against the proposed grant).

There is no outstanding share option under the Share Option Scheme as at 1 January 2019 and 30 June 2019. As at the date of this report, no options have been granted under the Share Option Scheme since its adoption.

#### CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard as set out in the Rules 5.48 to 5.67 of the GEM Listing Rules. The Directors have confirmed, following specific enquiry by the Company, that they have complied with the required standard and code of conduct throughout the period under review. The Company was not aware of any non-compliance during the six months ended 30 June 2019.

向關連人士(定義見GEM上市規則)授出之任何購股權，須獲全體獨立非執行董事(不包括身為建議承授人之任何獨立非執行董事)批准。當建議向關連人士(其亦身為本公司主要股東(定義見GEM上市規則)或獨立非執行董事或彼等各自之任何聯繫人士)授出購股權，而所建議授出之購股權連同於過去12個月期間已向該名關連人士授出之購股權合計時，將賦予該關連人士權利收取超過當時本公司已發行股份總數之0.1%且其價值超過5,000,000港元，則該項授出購股權之建議須獲股東在股東大會上批准。除涉及之關連人士外，本公司所有其他關連人士須在該股東大會上放棄投票，惟倘任何關連人士擬投票反對該項建議授出購股權則除外。

於二零一九年一月一日及二零一九年六月三十日，購股權計劃項下概無尚未行使購股權。於本報告日期，自採納購股權計劃以來，概無據此授出任何購股權。

#### 董事進行證券交易之操守守則

本公司已採納董事進行證券交易之操守守則，其條款不較GEM上市規則第5.48至5.67條所載之規定準則寬鬆。經本公司作出具體查詢後，董事確認，彼等於回顧期內一直遵守規定準則及操守守則。於截至二零一九年六月三十日止六個月，本公司並不知悉任何不合規情況。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITION IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2019, none of the Directors or chief executives of the Company was deemed to have any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the required standards of dealings by directors as referred to in Rule 5.46 to 5.47 the GEM Listing Rules.

### SUBSTANTIAL SHAREHOLDERS OF INTEREST IN SHARES

As at 30 June 2019, other than the interests and short positions of the Directors or chief executives of the Company disclosed above, person or corporation who had interests or short position in the shares or underlying shares or debentures of the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who was, directly or indirectly, interested in 5% or more of the number of shares carrying rights to vote in all circumstances at general meetings of the Company, or any other substantial shareholders whose interests or short positions were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

於二零一九年六月三十日，概無董事或本公司最高行政人員於本公司或其任何相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中，被視為擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之任何權益及淡倉(包括根據證券及期貨條例有關條文彼等被當作或視為擁有之權益或淡倉)，或已登記於本公司根據證券及期貨條例第352條須存置之登記冊之任何權益及淡倉，或已根據GEM上市規則第5.46至5.47條所述董事進行買賣之規定準則另行知會本公司及聯交所之任何權益及淡倉。

主要股東於股份之權益

於二零一九年六月三十日，除上文所披露董事或本公司最高行政人員之權益及淡倉外，根據證券及期貨條例第XV部第2及3分部之條文於本公司股份或相關股份或債券中擁有權益或淡倉，或直接或間接擁有附帶權利可在所有情況下於本公司股東大會上表決之股份數目5%或以上權益之人士或公司，或權益或淡倉已登記於本公司根據證券及期貨條例第336條須存置之登記冊之任何其他主要股東如下：

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

### Long Positions in shares

於股份之好倉

Name of substantial shareholders 主要股東姓名	Number of shares held as at 30 June 2019 於二零一九年六月三十日所持股份數目			Approximate percentage of total issued ordinary shares 佔已發行普通股總數概約百分比
	Personal interest 個人權益	Corporate interest 公司權益	Total 總計	
Mr. Chiu Ngai Hung 趙毅雄先生	448,362,000	—	448,362,000	24.86%
Mr. Boyraci Osman Boyraci Osman先生	252,884,000	—	252,884,000	14.02%
Mr. Lau Yu 柳宇先生	1,266,000	164,653,000 (Note 1) (附註1)	165,919,000	9.20%
Mr. Lau Wang Chi Barry 劉宏智先生	—	140,564,000 (Note 2) (附註2)	140,564,000	7.79%

Notes:

- 164,653,000 shares are owned by Noble Ace Investments Limited ("Noble Ace") which is 100% owned by Mr. Lau Yu. By virtue of the SFO, Mr. Lau Yu is deemed to have interest of the shares held by Noble Ace.
- 140,564,000 shares are owned by Surplus Gain Global Limited which is 100% owned by Mr. Lau Wang Chi Barry. By virtue of the SFO, Mr. Lau Wang Chi Barry is deemed to have interest of the shares held by Surplus Gain Global Limited.

附註：

- 164,653,000股股份由柳宇先生全資擁有之Noble Ace Investments Limited(「Noble Ace」)擁有。根據證券及期貨條例，柳宇先生被視為於Noble Ace持有之股份中擁有權益。
- 140,564,000股股份由劉宏智先生全資擁有之Surplus Gain Global Limited擁有。根據證券及期貨條例，劉宏智先生被視為於Surplus Gain Global Limited持有之股份中擁有權益。

Save as disclosed above, as at 30 June 2019, the Directors or chief executives of the Company were not aware of any party who had an interest or short position in the shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is, directly or indirectly interested in 5% or more of the number of shares carrying rights to vote in all circumstances at general meetings of the Company, or substantial shareholders as recorded in the register required to be kept by the Company under Section 336 of the SFO.

除上文披露者外，於二零一九年六月三十日，各董事或本公司最高行政人員概不知悉有任何人士於本公司股份、相關股份或債券中擁有須根據證券及期貨條例第XV部第2及3分部之條文向本公司披露之權益或淡倉，或直接或間接擁有附帶權利可在所有情況下於本公司股東大會表決之股份數目5%或以上權益，或有任何主要股東登記於本公司根據證券及期貨條例第336條須存置之登記冊。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

### DIRECTORS' RIGHTS TO ACQUIRE SHARES

Apart from the share option scheme referred as above, at no time during the six months ended 30 June 2019 was any of the Company or of its associated corporations a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age 18, had any right to subscribe for the shares in, or debentures of, the Company, or had exercised any such rights.

### PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 June 2019, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

### SUFFICIENCY OF PUBLIC FLOAT

As at the date of this report, the Company has complied with the public float requirement under rule 11.23 of the GEM Listing Rules.

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the period under review.

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the six months ended 30 June 2019, same as disclosed elsewhere in this report, as far as the Directors are aware of, none of the Directors or the management shareholders of the Company or any of its respective associates (as defined in the GEM Listing Rules) has any interest in a business which competes or may compete with the business of the Group or has any other conflict of interest with the Group.

### AUDIT COMMITTEE

As at 30 June 2019, the audit committee of the Company (the "Audit Committee") comprised three independent non-executive Directors, namely, Ms. Choy So Yuk, BBS, JP, Ms. Lam Yuk Ying Elsa and Mr. Leung Man Chun. Mr. Leung Man Chun is the chairman of the Audit Committee and applies his professional qualifications in accounting and financial expertise in directing the Audit Committee. The unaudited consolidated financial statements for the six months ended 30 June 2019 has been reviewed by the Audit Committee. The Board considers that the financial information has been prepared in compliance with the applicable accounting principles, requirements of the GEM Listing Rules and any other applicable laws and has been adequately disclosed.

### 董事購入股份之權利

除上文所述購股權計劃外，於截至二零一九年六月三十日止六個月內任何時間，本公司或其任何相聯法團均無參與訂立任何安排，致使董事可藉購入本公司或任何其他法人團體之股份或債券而獲益；亦無董事或彼等之配偶或十八歲以下子女擁有可認購本公司股份或債券之任何權利或曾行使任何該等權利。

### 購買、贖回或出售本公司上市證券

截至二零一九年六月三十日止六個月內，本公司及其任何附屬公司並無購買、贖回或出售本公司任何上市證券。

### 充足公眾持股量

於本報告日期，本公司已符合GEM上市規則第11.23條項下之公眾持股量規定。

### 管理合約

於回顧期內，概無訂立或存有與本公司整體或任何重要部分業務有關之管理及行政合約。

### 董事於競爭業務之權益

截至二零一九年六月三十日止六個月，如本報告其他章節所披露者，就董事所知，並無董事或本公司管理層股東或其各自之任何聯繫人士（定義見GEM上市規則）於與本集團業務構成或可能構成競爭之業務中擁有任何權益或與本集團有任何其他利益衝突。

### 審核委員會

於二零一九年六月三十日，本公司審核委員會（「審核委員會」）由三名獨立非執行董事組成，分別為蔡素玉女士（銅紫荊星章，太平紳士）、林玉英女士及梁文俊先生。梁文俊先生為審核委員會主席，應用彼在會計及財務專業方面之專業資格，管理審核委員會之運作。截至二零一九年六月三十日止六個月之未經審核綜合財務報表已經由審核委員會審閱。董事會認為財務資料已遵照適用之會計原則、GEM上市規則之規定及任何其他適用法律而編製，並已作充分披露。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

### CORPORATE GOVERNANCE

For the six months ended 30 June 2019, the Company has complied with all the code provisions as set out in the Corporate Governance Code (the “CG Code”) in Appendix 15 of the GEM Listing Rules except for the code provisions A.2.1 and A.4.1 of the CG Code, as set out below.

According to code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing. During the period under review, there was no chairman of the Company nor chief executive officer (the “CEO”). The Board will keep reviewing the current structure of the Board from time to time and should candidates with suitable knowledge, skill and experience be identified, the Company will make appointment to fill the post of the CEO as appropriate and will make further announcement in due course.

According to code provision A.4.1 of the CG Code, non-executive directors should be appointed for a specific term of service. None of the independent non-executive Directors have entered into a service contract or an appointment letter with the Company for a specific term of service but their appointments are subject to retirement by rotation and offers themselves for re-election at the annual general meeting at least once for every three years in accordance with the articles of association of the Company. The Company believes such practice meets the same objective and is no less exacting than those prescribed under code provision A.4.1.

By order of the Board  
**Evershine Group Holdings Limited**  
**Hung Tat Chi Alan**  
*Executive Director*

Hong Kong, 7 August 2019

*As at the date hereof, the executive Directors are Mr. Hung Tat Chi Alan and Mr. Ling Ko Yin Jason; the non-executive Director is Mr. Chan Wai Kit; and the independent non-executive Directors are Ms. Choy So Yuk, BBS, JP, Ms. Lam Yuk Ying Elsa and Mr. Leung Man Chun.*

### 企業管治

本公司於截至二零一九年六月三十日止六個月內已遵守GEM上市規則附錄十五所載企業管治守則(「企管守則」)載列之全部守則條文，惟下文所述企管守則之守則條文第A.2.1及A.4.1條除外。

根據企管守則守則條文第A.2.1條，本公司主席及行政總裁之角色應獨立區分，不應由一人兼任。主席及行政總裁之職責區分必須清楚列明，並以書面形式載列。於回顧期間，本公司並無主席，亦無行政總裁(「行政總裁」)。董事會將繼續不時檢討董事會目前架構，於成功物色具備合適知識、才能及經驗之候選人後將委任有關人選擔任行政總裁，並於適當時候另行刊發公佈。

根據企管守則守則條文第A.4.1條，非執行董事須按特定任期委任。概無獨立非執行董事與本公司訂有附帶特定任期之服務合約或委聘書，惟彼等之委任須按照本公司組織章程細則於股東週年大會至少每三年輪值告退及重選連任一次。本公司相信該等常規符合守則條文第A.4.1條之目的，並不比該條文所規定寬鬆。

承董事會命  
永耀集團控股有限公司  
執行董事  
洪達智

香港，二零一九年八月七日

於本報告日期，執行董事為洪達智先生及林高然先生；非執行董事為陳偉傑先生；而獨立非執行董事為蔡素玉女士(銅紫荊星章，太平紳士)、林玉英女士及梁文俊先生。

Evershine Group Holdings Limited  
永耀集團控股有限公司