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Million Stars

MILLION STARS HOLDINGS LIMITED

萬星控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8093)

**ANNOUNCEMENT OF INTERIM RESULTS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2019**

**CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG
LIMITED (THE “STOCK EXCHANGE”)**

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

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

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

The board of Directors (the “**Board**”) of Million Stars Holdings Limited is pleased to announce the unaudited consolidated results of the Company and its subsidiaries for the six months ended 31 December 2019 (the “**Interim Results**”). This announcement, containing the full text of the 2019/2020 interim report of the Company, complies with the relevant disclosure requirements of the GEM Listing Rules in relation to the information to accompany preliminary announcement of Interim Results.

By Order of the Board
Million Stars Holdings Limited
Zhu Yongjun
Chairman

Hong Kong, 11 February 2020

As at the date hereof, the Board comprises Mr. Zhu Yongjun, Ms. Wang Fei and Ms. Tian Yuan as executive Directors; and Mr. Chen Ce, Ms. Ji Fang and Mr. Gao Shuo as independent non-executive Directors.

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

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

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香港聯合交易所有限公司(「聯交所」) GEM 特色

GEM 的地位，乃為相比起其他在聯交所上市的公司可能帶有較高投資風險的中小型公司提供一個上市的市場。有意投資的人士應了解投資於該等公司的潛在風險，並應經過審慎周詳的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 買賣的證券可能會較於主板買賣之證券承受較大的市場波動風險，同時無法保證在 GEM 買賣的證券會有高流通量的市場。

本報告的資料乃遵照《聯交所 GEM 證券上市規則》(「GEM 上市規則」)而刊載，旨在提供有關萬星控股有限公司(「本公司」)的資料；本公司的董事(「董事」)願就本報告的資料共同及個別地承擔全部責任。各董事在作出一切合理查詢後，確認就其所知及所信，本報告所載資料在各重要方面均屬準確完備，沒有誤導或欺詐成分，且並無遺漏任何其他事項，足以令致本報告所載任何陳述或本報告產生誤導。

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INTERIM RESULTS

中期業績

FOR THE SIX MONTHS ENDED 31 DECEMBER 2019 (UNAUDITED)

截至二零一九年十二月三十一日止六個月(未經審核)

The board (the “**Board**”) of Directors of Million Stars Holdings Limited is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (the “**Group**”) for the six months ended 31 December 2019, together with the unaudited comparative figures for the corresponding period in 2018 as follows:

萬星控股有限公司董事會(「**董事會**」)欣然宣佈本公司及其附屬公司(「**本集團**」)截至二零一九年十二月三十一日止六個月之未經審核簡明綜合業績連同二零一八年同期之未經審核比較數字如下：

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

未經審核簡明綜合損益及其他全面收益表

			Six months ended 31 December 截至十二月三十一日止六個月	
		Notes 附註	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)
REVENUE	收入	3	274,149	189,366
Cost of sales	銷售成本		(265,432)	(158,901)
Gross profit	毛利		8,717	30,465
Other income, gains/(losses)	其他收入、 收益／(虧損)	4	(583)	999
Selling and distribution expenses	銷售及分銷開支		(2,510)	(4,967)
Administrative expenses	行政開支		(18,519)	(31,699)
Reversal of impairment losses on trade and other receivables	撥回貿易及其他應 收款項減值虧損		41,238	1,506
Profit/(loss) from operations	經營溢利／(虧損)	5	28,343	(3,696)
Finance costs	財務成本		(2,904)	(126)
Share of loss of an associate	應佔一間聯營公司 虧損		(5)	–
Profit/(loss) before tax	除稅前溢利／ (虧損)	6	25,434	(3,822)
Income tax expense	所得稅開支	7	(102)	(63)
Profit/(loss) for the period	期內溢利／(虧損)		25,332	(3,885)
Other comprehensive income	其他全面收益			
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類 至損益的項目：</i>			
Exchange differences on translation of foreign operations	換算境外業務之 匯兌差額		(6,654)	(8,208)
Other comprehensive income for the period	期內其他全面收益		(6,654)	(8,208)
Total comprehensive income for the period	期內全面收益總額		18,678	(12,093)

INTERIM RESULTS

中期業績

FOR THE SIX MONTHS ENDED 31 DECEMBER 2019 (UNAUDITED)

截至二零一九年十二月三十一日止六個月(未經審核)

		Six months ended 31 December 截至十二月三十一日止六個月	
	Notes 附註	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)
Profit/(loss) for the period attributable to:	以下人士應佔期內溢利/(虧損)：		
— Owners of the Company	— 本公司擁有人	25,332	(3,885)
— Non-controlling interests	— 非控制權益	—	—
		25,332	(3,885)
Total comprehensive income for the period attributable to:	以下人士應佔期內全面收益總額：		
— Owners of the Company	— 本公司擁有人	18,678	(12,093)
— Non-controlling interests	— 非控制權益	—	—
		18,678	(12,093)
Earnings/(loss) per share attributable to owners of the Company	本公司擁有人應佔每股盈利/(虧損)		
Basic and diluted	基本及攤薄	HK6.03 cents 港仙	HK(0.97) cents 港仙

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

未經審核簡明綜合財務狀況表

AS AT 31 DECEMBER 2019
於二零一九年十二月三十一日

	Notes 附註	31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元 (unaudited) (未經審核)	30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (audited) (經審核)
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	2,507	3,631
Right-of-use assets	使用權資產	18,712	–
Intangible assets	無形資產	15,515	–
Interest in Associate	於聯營公司之權益	55,870	–
Goodwill	商譽	2,578	2,578
Total non-current assets	非流動資產總值	95,182	6,209
Current assets	流動資產		
Trade receivables	貿易應收款項	10 151,896	113,508
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	223,080	145,465
Bank and cash balances	銀行及現金結餘	10,893	19,564
Pledged deposits	已抵押存款	5,857	3,905
Total current assets	流動資產總值	391,726	282,442
Current liabilities	流動負債		
Trade payables	貿易應付款項	11 43,666	38,403
Accruals and other payables	應計費用及其他應付款項	13,625	6,351
Contract liabilities	合約負債	43,317	9,963
Amount due to a shareholder	應付一名股東款項	247	247
Borrowings	借貸	12 120,419	14,522
Lease liabilities	租賃負債	7,742	–
Current tax liabilities	當期稅項負債	9,239	9,130
Total current liabilities	流動負債總額	238,255	78,616
Net current assets	流動資產淨值	153,471	203,826
Total assets less current liabilities	總資產減流動負債	248,653	210,035

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

未經審核簡明綜合財務狀況表

AS AT 31 DECEMBER 2019
於二零一九年十二月三十一日

		31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元 (unaudited) (未經審核)	30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (audited) (經審核)
	Notes 附註		
Non-current liabilities	非流動負債		
Borrowings	借貸	–	170
Lease liabilities	租賃負債	11,475	–
		11,475	170
NET ASSETS	資產淨值	237,178	209,865
Capital and reserves	資本及儲備		
Share capital	股本	4,200	4,000
Reserves	儲備	232,978	205,865
TOTAL EQUITY	權益總額	237,178	209,865

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

未經審核簡明綜合權益變動表

FOR THE SIX MONTHS ENDED 31 DECEMBER 2019
截至二零一九年十二月三十一日止六個月

		Attributable to owners of the Company 本公司擁有人應佔						
		Share capital	Share premium	Statutory reserve	Exchange fluctuation reserve	Other reserve	Retained earnings	Total
		股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	法定儲備 HK\$'000 千港元 (note i) (附註 i)	匯兌波動 儲備 HK\$'000 千港元 (note ii) (附註 ii)	其他儲備 HK\$'000 千港元 (note iii) (附註 iii)	保留盈利 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 July 2019 (audited)	於二零一九年七月一日 (經審核)	4,000	39,782	1,806	(11,305)	–	175,582	209,865
Subscription of new shares	認購新股份	200	4,800	–	–	–	–	5,000
Profit for the period (unaudited)	期內溢利 (未經審核)	–	–	–	–	–	25,332	25,332
Exchange difference arising on translation of foreign operations (unaudited)	換算境外業務之匯兌差額 (未經審核)	–	–	–	(3,019)	–	–	(3,019)
Total comprehensive income for the period (unaudited)	期內全面收益總額 (未經審核)	–	–	–	(3,019)	–	25,332	18,678
At 31 December 2019 (unaudited)	於二零一九年十二月三十一日 (未經審核)	4,200	44,582	1,806	(14,324)	–	200,914	237,178
At 1 July 2018 (audited)	於二零一八年七月一日 (經審核)	4,000	39,782	2,014	(2,239)	100	217,520	261,177
Loss for the period (unaudited)	期內虧損 (未經審核)	–	–	–	–	–	(3,885)	(3,885)
Exchange difference arising on translation of foreign operations (unaudited)	換算境外業務之匯兌差額 (未經審核)	–	–	–	(8,208)	–	–	(8,208)
Total comprehensive income for the period (unaudited)	期內全面收益總額 (未經審核)	–	–	–	(8,208)	–	(3,885)	(12,093)
At 31 December 2018 (unaudited)	於二零一八年十二月三十一日 (未經審核)	4,000	39,782	2,014	(10,447)	100	213,635	249,084

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

未經審核簡明綜合權益變動表

FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

截至二零一九年十二月三十一日止六個月

Notes:

附註：

(i) **Statutory reserve**

Pursuant to the relevant laws and regulations for business enterprises in the People's Republic of China (the "PRC"), a portion of the profits of the entities which are registered in the PRC has been transferred to the statutory reserve which is restricted as to use. When the balance of such reserve reaches 50% of the capital of that entity, any further appropriation is optional. The statutory reserve can be utilised, upon approval of the relevant authority, to offset prior years' losses or to increase capital. However, the balance of the statutory reserve must be maintained at a minimum 25% of capital after such usage.

(i) **法定儲備**

根據中華人民共和國(「中國」)的相關商業企業法律及法規，於中國註冊之實體之部分溢利已轉撥至有限定用途之法定儲備。當該等儲備結餘達該實體資本之50%時，可選擇是否作出任何進一步劃撥。法定儲備在獲得相關部門批准後方可動用，以抵銷過往年度之虧損或增資。然而，運用法定儲備後之結餘最低須維持在資本之25%。

(ii) **Exchange fluctuation reserve**

Exchange fluctuation reserve represents exchange differences relating to the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Hong Kong dollars) that are recognised directly in other comprehensive income and accumulated in the exchange fluctuation reserve. Such exchange differences accumulated in the exchange fluctuation reserve are reclassified to profit or loss on the disposal of the foreign operations.

(ii) **匯兌波動儲備**

匯兌波動儲備指有關本集團境外業務之資產淨值由其功能貨幣換算為本集團之呈列貨幣(即港元)產生之匯兌差額，直接於其他全面收益中確認及於匯兌波動儲備中累計。於匯兌波動儲備累計之該等匯兌差額於出售境外業務時重新分類至損益。

(iii) **Other reserve**

Other reserve represents the difference between the nominal value of the shares issued by the Company in exchange for the nominal value of the share capital of its subsidiary arising from the reorganisation underwent for the preparation of the listing of the Company's shares on GEM.

(iii) **其他儲備**

其他儲備指本公司為換取因籌備本公司股份於GEM上市而進行之重組所產生之其附屬公司的股本面值而發行之股份面值間之差額。

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

未經審核簡明綜合現金流量表

FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

截至二零一九年十二月三十一日止六個月

		For the six months ended 31 December 截至十二月三十一日止六個月	
		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)
Net cash used in operating activities	經營活動所用之現金淨額	(35,784)	(35,148)
Net cash used in investing activities	投資活動所用之現金淨額	(73,534)	(140)
Net cash generated from/(used in) financing activities	融資活動產生/(所用)之現金淨額	103,172	(38,513)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(6,146)	(73,801)
Effect on foreign exchange rate changes, net	對外幣匯率變動之淨影響	(2,525)	(8,220)
Cash and cash equivalents at beginning of the period	期初之現金及現金等價物	19,564	113,435
Cash and cash equivalents at end of the period	期終之現金及現金等價物		
— represented by bank balances and cash equivalents other than pledged deposits	— 以銀行結餘及現金等價物列示(不包括已抵押存款)	10,893	31,414

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

1. BASIS OF PREPARATION AND BASIS OF PRESENTATION

This unaudited condensed consolidated financial information for the three months and six months ended 31 December 2019 has been prepared in accordance with Hong Kong Accounting Standards (“HKAS”) 34, “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”). The unaudited condensed consolidated financial information does not include all information and disclosures as required in the annual financial statements and should be read in conjunction with the Company’s annual report for the year ended 30 June 2019.

The unaudited condensed consolidated financial statements for the six months ended 31 December 2019 have been prepared on the historical cost basis.

The unaudited condensed consolidated financial statements have not been audited by the Company’s auditors, but have been reviewed by the audit committee of the Company.

The accounting policies adopted for this unaudited condensed consolidated financial information are consistent with those of the previous financial year, except for the adoption of new and amended standards as set out below.

1. 編製基準及呈列基準

截至二零一九年十二月三十一日止三個月及六個月的本未經審核簡明綜合財務資料乃根據香港會計師公會頒佈的香港會計準則（「香港會計準則」）第34號「中期財務報告」以及香港公司條例及聯交所GEM證券上市規則（「GEM上市規則」）的適用披露規定編製。未經審核簡明綜合財務資料並無載入年度財務報表所規定的所有資料及披露，故應與本公司截至二零一九年六月三十日止年度的年報一併閱讀。

截至二零一九年十二月三十一日止六個月的未經審核簡明綜合財務報表乃按歷史成本基準編製。

未經審核簡明綜合財務報表尚未經本公司核數師審核，惟已由本公司審核委員會審閱。

除採用下列新訂及經修訂準則外，本未經審核簡明綜合財務資料採用的會計政策與上一個財政年度所用者一致。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

1. BASIS OF PREPARATION AND BASIS OF PRESENTATION (Continued)

New and amended standards adopted by the Group

A number of new or amended standards became applicable for the current reporting period, and the Group had to change its accounting policies as a result of adopting Hong Kong Financial Reporting Standard (the “HKFRS”) 16 “Leases”. The impact of the adoption of the leasing standard and the new accounting policies are disclosed in note 2 below.

The Group has not applied any new and revised HKFRSs that are not yet effective for the current period. There are no other standards that are not yet effective and that would be expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

2. CHANGES IN ACCOUNTING POLICIES

The Group has applied HKFRS 16 for the first time in the current interim period. HKFRS 16 superseded HKAS 17 Leases (“HKAS 17”), and the related interpretations. HKFRS 16 introduces a single on-balance sheet accounting model for lessees. As a result, the Group, as a lessee, has recognised right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments.

The Group applied HKFRS 16 using the simplified transition approach and did not restate comparative amounts for the year prior to first adoption.

1. 編製基準及呈列基準(續)

本集團採用的新訂及經修訂準則

若干新訂或經修訂準則適用於本報告期間，且本集團因採用香港財務報告準則(「香港財務報告準則」)第16號「租賃」須變更其會計政策。採用租賃準則及新會計政策的影響披露於下文附註2。

本集團並無應用任何於本期間尚未生效的新訂及經修訂香港財務報告準則。並無其他尚未生效且預計於當前或未來報告期間將對本集團及可預見未來交易產生重大影響的準則。

2. 會計政策變動

本集團於本中期期間首次應用香港財務報告準則第16號。香港財務報告準則第16號取代香港會計準則第17號租賃(「香港會計準則第17號」)及相關詮釋。香港財務報告準則第16號就承租人引入資產負債表內單一會計處理模式。因此，本集團作為承租人已確認使用權資產(即其使用相關資產的權利)及租賃負債(即其作出租賃付款的責任)。

本集團採用簡化過渡法應用香港財務報告準則第16號，並無重列首次採納前一年的比較金額。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

2. CHANGES IN ACCOUNTING POLICIES (Continued)

(a) Definition of a lease

Previously, the Group determined at contract inception whether an arrangement was or contained a lease under IFRIC 4 Determining Whether an Arrangement contains a Lease. The Group now assesses whether a contract is or contains a lease based on the new definition of a lease. Under HKFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

On transition to HKFRS 16, the Group elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied HKFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under HKAS 17 and IFRIC 4 were not reassessed. Therefore, the definition of a lease under HKFRS 16 has been applied only to contracts entered into or changed on or after 1 July 2019. Such contracts will be reassessed unless the terms and conditions of the contracts are subsequently changed.

2. 會計政策變動(續)

(a) 租賃定義

此前，本集團於合約開始時根據國際財務報告詮釋委員會第4號釐定安排是否為租賃或包含租賃。本集團現根據租賃新定義評估合約是否為租賃或包含租賃。根據香港財務報告準則第16號，倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約為租賃或包含租賃。

於過渡至香港財務報告準則第16號時，本集團選擇應用實際權宜方法繼續沿用交易為租賃之評估。其僅將香港財務報告準則第16號應用於先前識別為租賃的合約。根據香港會計準則第17號及國際財務報告詮釋委員會第4號未識別為租賃的合約並無予以重新評估。因此，香港財務報告準則第16號項下的租賃定義僅適用於二零一九年七月一日或之後訂立或變更的合約。除非合約的條款及條件隨後出現變動，否則此類合約將予以重新評估。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

2. CHANGES IN ACCOUNTING POLICIES (Continued)

(b) As a lessee

The Group leases office and equipment. As a lessee, the Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under HKFRS 16, the Group recognises right-of-use assets and lease liabilities for most leases.

The recognised right-of-use assets relate to the properties.

2. 會計政策變動(續)

(b) 作為承租人

本集團租賃辦公室及設備。作為承租人，本集團先前根據其對租賃是否已轉讓所有權的絕大部分風險及回報作出的評估，將租賃分類為經營或融資租賃。根據香港財務報告準則第16號，本集團就大部分租賃確認使用權資產及租賃負債。

已確認使用權資產與物業有關。

		As 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
Properties	物業	18,666
Equipment	設備	46
Total right-of-use-assets	使用權資產總值	18,712

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

2. CHANGES IN ACCOUNTING POLICIES (Continued)

(b) As a lessee (Continued)

Significant accounting policies

The Group recognises a right-of-use assets and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability. The right-of-use assets is depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

2. 會計政策變動(續)

(b) 作為承租人(續)

主要會計政策

本集團於租賃開始日期確認一項使用權資產及一項租賃負債。使用權資產初步按成本及其後按成本減任何累計折舊及減值虧損計量，並就租賃負債若干重新計量作出調整。使用權資產乃按直線法於資產可使用年期與租期(以較短者為準)內折舊。

租賃負債初步按租賃開始日期時尚未支付的租賃付款的現值計量，並使用租賃內含利率貼現，或倘利率無法確定，則使用本集團的增量借貸利率計算。一般而言，本集團使用其增量借貸利率作為貼現率。

租賃負債其後按租賃負債的利息成本增加及按已支付租賃付款減少。當由指數或利率變動引起的未來租賃付款變動、剩餘價值擔保項下預期應付金額估計變動、對購買或延期權是否合理確定行使或終止權是否合理確定不予行使的評估變動(如適用)，本集團會重新計量租賃負債。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

2. CHANGES IN ACCOUNTING POLICIES (Continued)

(b) As a lessee (Continued)

Significant accounting policies (Continued)

The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

Transition

Previously, the Group classified office and equipment leases as operating leases under HKAS 17. These include office premises and staff quarters. The leases typically run for a period of one to five years.

At transition, for leases classified as operating leases under HKAS 17, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate as at 1 July 2019. Right-of-use assets are measured at either:

- their carrying amount as if HKFRS 16 had been applied since the commencement date, discounted using the lessee's incremental borrowing rate at the date of initial application — the Group applied this approach to its largest property lease; or

2. 會計政策變動(續)

(b) 作為承租人(續)

主要會計政策(續)

本集團已運用判斷釐定其為承租人的部分租賃合約(包含重續權)的租賃期。對本集團是否合理確定行使有關選擇權的評估會影響租賃期，其對已確認的租賃負債及使用權資產金額亦有重大影響。

過渡

本集團過往根據香港會計準則第17號將辦公室及設備租賃分類為經營租賃。其包括辦公室物業及員工宿舍。租賃通常為期一至五年。

於過渡時，就根據香港會計準則第17號分類為經營租賃的租賃而言，租賃負債按餘下租賃付款的現值計量，並根據本集團於二零一九年七月一日的增量借貸利率貼現。使用權資產會按以下其中一種方式計量：

- 按其賬面值計量，猶如香港財務報告準則第16號自開始日期起已獲應用，並使用承租人於初次應用日期的增量借貸利率貼現 — 本集團為其最大物業租賃應用此方法；或

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

2. CHANGES IN ACCOUNTING POLICIES (Continued)

(b) As a lessee (Continued)

Significant accounting policies (Continued)

Transition (Continued)

- an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments — the Group applied this approach to all other leases.

The Group used the following practical expedients when applying HKFRS 16 to leases previously classified as operating leases under HKAS 17.

- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term.
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

2. 會計政策變動(續)

(b) 作為承租人(續)

主要會計政策(續)

過渡(續)

- 按相等於租賃負債的金額計量，並根據任何預付或應計租賃付款的金額進行調整 — 本集團對所有其他租賃應用此方法。

本集團應用香港財務報告準則第16號於過往根據香港會計準則第17號分類為經營租賃的租賃時使用以下實際權宜方法。

- 對於租賃期少於12個月的租賃，應用豁免不確認使用權資產及負債。
- 於首次應用日期計量使用權資產時不包括初始直接成本。
- 倘合約包含延長或終止租賃的選擇權，則於事後釐定租賃期。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

2. CHANGES IN ACCOUNTING POLICIES (Continued)

(c) Impacts of financial statements

Impact on transition

On transition to HKFRS 16, the Group recognised additional right-of-use assets and additional lease liabilities, recognising the difference in retained earnings. The change in accounting policy affected the following items on the condensed consolidated statement of financial position (increase/(decrease)) as at 1 July 2019 is summarised below.

2. 會計政策變動(續)

(c) 對財務報表的影響 過渡的影響

於過渡至香港財務報告準則第16號時，本集團確認額外使用權資產及額外租賃負債，並於保留盈利確認差額。會計政策變動對於二零一九年七月一日簡明綜合財務狀況表的下列項目(增加/(減少))的影響概述如下。

		1 July 2019 二零一九年 七月一日 HK\$'000 千港元 (Unaudited) (未經審核)
Assets	資產	
Right-of-use asset	使用權資產	22,725
Total assets	資產總值	22,725
Liabilities	負債	
Lease liabilities	租賃負債	22,725
Total liabilities	負債總額	22,725

When measuring lease liabilities for leases that were classified as operating leases, the Group discounted lease payments using its incremental borrowing rate at 1 July 2019. The weighted-average rate applied is 5%.

於計量分類為經營租賃的租賃的租賃負債時，本集團以二零一九年七月一日的增量借貸利率貼現租賃付款。所應用的加權平均貼現率為5%。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

2. CHANGES IN ACCOUNTING POLICIES (Continued)

(c) Impacts of financial statements (Continued)

Impact on transition (Continued)

2. 會計政策變動(續)

(c) 對財務報表的影響(續)

過渡的影響(續)

		HK\$'000 千港元
Operating lease commitments disclosed as at 30 June 2019	所披露於二零一九年六月三十日的經營租賃承擔	6,279
Lease liabilities discounted at incremental borrowing rate	按增量借貸利率貼現的租賃負債	23,216
Less: short-term leases recognised on a straight-line basis as expense	減：以直線法確認為開支的短期租賃	(491)
Lease liabilities recognised as at 1 July 2019	於二零一九年七月一日確認的租賃負債	22,725
of which are:	其中：	
Current lease liabilities	流動租賃負債	6,559
Non-current lease liabilities	非流動租賃負債	16,166
		22,725

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

2. CHANGES IN ACCOUNTING POLICIES (Continued)

(c) Impacts of financial statements (Continued)

Impacts for the period

As a result of initially applying HKFRS 16, in relation to the leases that were previously classified as operating leases, the Group recognised HK\$18,712,000 of right-of-use assets and HK\$19,217,000 of lease liabilities as at 31 December 2019.

Also, in relation to those leases under HKFRS 16, the Group has recognised depreciation and finance costs, instead of operating lease expense. During the six months ended 31 December 2019, the Group recognised HK\$3,941,000 of depreciation charges and HK\$529,000 of finance costs from these leases.

2. 會計政策變動(續)

(c) 對財務報表的影響(續)

期內影響

由於首次應用香港財務報告準則第16號，就先前分類為經營租賃的租賃而言，本集團於二零一九年十二月三十一日確認使用權資產18,712,000港元及租賃負債19,217,000港元。

此外，就香港財務報告準則第16號項下的租賃而言，本集團已確認折舊及財務成本，而非經營租賃開支。於截至二零一九年十二月三十一日止六個月，本集團自該等租賃確認折舊費用3,941,000港元及財務成本529,000港元。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

3. REVENUE AND OPERATING SEGMENT INFORMATION

Revenue represents provision of internet advertising agency services, mobile payment technical support services and the aggregate of the net invoiced value of leather products sold, after allowances for returns.

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

3. 收入及經營分部資料

收入指提供互聯網廣告代理服務、移動支付技術支持服務以及已售皮革產品發票淨值(經扣除退貨撥備)所得總額。

本集團收入分析如下：

		Six months ended 31 December 截至十二月三十一日止六個月	
		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)
Internet advertising agency services	互聯網廣告代理服務	274,149	159,456
Mobile payment technical support services	移動支付技術支持服務	—	99
Sales of leather products	銷售皮革產品	—	29,811
		274,149	189,366

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

3. REVENUE AND OPERATING SEGMENT INFORMATION (Continued)

The Group has three operating segments as follows:

Internet advertising agency service	—	providing internet advertising agency services
Mobile payment technical support services	—	providing mobile payment solution and technical support services
Leather business (Discontinued)	—	leather apparel products development, manufacturing and logistical services

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

No analysis of segment asset or segment liabilities is presented as such information is not regularly provided to the Directors.

The Group accounts for intersegment sales and transfers as if the sales or transfers were to third parties, i.e. at current market prices.

3. 收入及經營分部資料(續)

本集團有以下三個經營分部：

互聯網廣告代理服務	—	提供互聯網廣告代理服務
移動支付技術支持服務	—	提供移動支付解決方案及技術支持服務
皮革業務 (已終止)	—	皮革服裝產品開發、製造及物流服務

本集團的可申報分部為提供不同產品及服務的戰略業務單位。由於每項業務均需要不同技術及營銷策略，故本集團分開管理該等分部。

由於董事未定期獲提供分部資產或分部負債的資料，故並無呈列有關分析。

本集團入賬分部間銷售及轉讓時猶如向第三方銷售或轉讓，即按現行市價進行銷售或轉讓。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

3. REVENUE AND OPERATING SEGMENT INFORMATION (Continued)

Segment revenue and results

The following is an analysis of revenue and results by operating segment of the Group:

**For the six months ended 31 December 2019
(unaudited)**

3. 收入及經營分部資料(續)

分部收入及業績

下表載列本集團經營分部的收入及業績分析：

**截至二零一九年十二月三十一日止
六個月(未經審核)**

		Internet advertising agency services 互聯網廣告 代理服務 HK\$'000 千港元
Revenue	收入	274,149
Cost of sales	銷售成本	(265,432)
Gross profit	毛利	8,717
Selling and distribution expenses	銷售及分銷開支	(2,510)
Administrative expenses	行政開支	(10,129)
Reversal of impairment losses on trade receivables	撥回貿易應收款項減值虧損	25,794
Segment results	分部業績	21,872
Other income, gain/(losses)	其他收入、收益／(虧損)	(583)
Unallocated corporate expenses	未分配企業開支	(8,390)
Finance cost	財務成本	(2,904)
Reversal of impairment losses on other receivables	撥回其他應收款項減值虧損	15,444
Share of loss of an associate	應佔一間聯營公司虧損	(5)
Profit before tax	除稅前溢利	25,434

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

3. REVENUE AND OPERATING SEGMENT INFORMATION (Continued)

Segment revenue and results (continued)

For the six months ended 31 December 2018
(unaudited)

3. 收入及經營分部資料(續)

分部收入及業績(續)

截至二零一八年十二月三十一日止
六個月(未經審核)

		Internet advertising agency services 互聯網廣告 代理服務 HK\$'000 千港元	Mobile payment technical support services 移動支付 技術支持 服務 HK\$'000 千港元	Leather business 皮革業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue	收入	159,456	99	29,811	189,366
Cost of sales	銷售成本	(139,364)	–	(19,537)	(158,901)
Gross profit	毛利	20,092	99	10,274	30,465
Selling and distribution expenses	銷售及分銷開支	(3,447)	(569)	(951)	(4,967)
Administrative expenses	行政開支	(8,829)	(1,063)	(11,484)	(21,376)
Segment results	分部業績	7,816	(1,533)	(2,161)	4,122
Other income, gain/(losses)	其他收入、 收益/(虧損)				2,505
Unallocated corporate expenses	未分配企業開支				(10,323)
Finance cost	財務成本				(126)
Loss before tax	除稅前虧損				(3,822)

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

3. REVENUE AND OPERATING SEGMENT INFORMATION (Continued)

Segment revenue and results (continued)

(a) Information about major customers

Revenues from customer contributing over 10% of the total revenue of the Group during the periods are as follows:

		Six months ended 31 December 截至十二月三十一日止六個月	
		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)
Customer A	客戶 A	106,332	*
Customer B	客戶 B	*	90,696
Customer C	客戶 C	35,463	*

* The corresponding revenue did not contribute over 10% of the total revenue of the Group for the respective period.

(b) Geographical information

The following table sets out information about geographical location of (i) the Group's revenue from external customers and (ii) the Group's non-current assets. The geographical location of customers is based on the location to which the goods or services are delivered or rendered. The geographical location of non-current assets is based on the physical location of the assets.

3. 收入及經營分部資料(續)

分部收入及業績(續)

(a) 有關主要客戶的資料

於有關期間，來自客戶的收入(佔本集團總收入超過10%)如下：

* 相關收入於相應期間並無佔本集團收入總額的10%以上。

(b) 地域資料

下表載列有關(i)本集團來自外部客戶的收入及(ii)本集團非流動資產的地域位置資料。客戶地域位置乃以交付貨品或提供服務的地點為依據。非流動資產的地域位置乃以資產實際地點為依據。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

3. REVENUE AND OPERATING SEGMENT INFORMATION (Continued)

Segment revenue and results (continued)

(b) Geographical information (continued)

Revenue from external customers

3. 收入及經營分部資料(續)

分部收入及業績(續)

(b) 地域資料(續)

來自外部客戶的收入

		Six months ended 31 December 截至十二月三十一日止六個月	
		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)
PRC (excluded Hong Kong)	中國(除香港外)	267,775	137,228
United States of America	美利堅合眾國	3,899	34,430
Hong Kong	香港	1,650	2,966
Canada	加拿大	825	6,260
Australia	澳洲	—	3,137
Malaysia	馬來西亞	—	1,426
Taiwan	台灣	—	1,377
Switzerland	瑞士	—	956
Japan	日本	—	862
Netherlands	荷蘭	—	665
South Africa	南非	—	51
Others (note)	其他(附註)	—	8
		274,149	189,366

Note: Other countries included France, New Zealand and the United Kingdom.

附註：其他國家包括法國、新西蘭及英國。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

3. REVENUE AND OPERATING SEGMENT INFORMATION (Continued)

Segment revenue and results (continued)

(b) Geographical information (continued)

Non-current assets

3. 收入及經營分部資料(續)

分部收入及業績(續)

(b) 地域資料(續)

非流動資產

	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元 (unaudited) (未經審核)	As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元 (audited) (經審核)
PRC 中國	92,827	5,937
Hong Kong 香港	2,333	239
United States of America 美利堅合眾國	22	33
	95,182	6,209

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

4. OTHER INCOME, GAINS/(LOSSES)

4. 其他收入、收益／(虧損)

		Six months ended 31 December 截至十二月三十一日止六個月	
		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)
Exchange gains, net	匯兌收益，淨額	1	427
Interest income	利息收入	34	51
Loss on disposal of property, plant and equipment	出售物業、廠房及設備 之虧損	(653)	—
Subsidy received (Note)	獲授補貼(附註)	6	517
Others	其他	29	4
		(583)	999

Note: This is the one-off subsidy received for participation in design event.

附註：此乃因參加設計活動獲授的一次性補貼。

5. FINANCE COSTS

5. 財務成本

		For the 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)
Interest on bank borrowings	銀行借貸利息	398	126
Interest on other borrowings	其他借貸利息	1,977	—
Interest on lease liabilities	租賃負債利息	529	—
		2,904	126

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

6. PROFIT/(LOSS) BEFORE TAX

The Group's profit before tax is arrived at after charging:

6. 除稅前溢利／(虧損)

本集團的除稅前溢利乃經扣除下列各項後達致：

		Six months ended 31 December 截至十二月三十一日止六個月	
		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)
Staff costs (including directors' remuneration):	員工成本(包括董事薪酬)：		
— Salaries and bonus	— 薪金及花紅	9,036	21,050
— Pension scheme contributions	— 退休金計劃供款	1,797	2,094
Total staff costs	總員工成本	10,833	23,144
Cost of inventories sold	已售存貨成本	—	15,063
Depreciation of right-of-use assets	使用權資產折舊	3,941	—
Depreciation of property, plant and equipment	物業、廠房及設備折舊	739	905

7. INCOME TAX EXPENSE

Hong Kong Profits Tax has been provided at a rate of 16.5% (2018: 16.5%) on the estimated assessable profit for the year ended 30 June 2019.

7. 所得稅開支

香港利得稅乃就截至二零一九年六月三十日止年度的估計應課稅溢利按16.5%(二零一八年：16.5%)之稅率計提撥備。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

7. INCOME TAX EXPENSE (Continued)

On 21 March 2018, the Inland Revenue (Amendment) (No. 7) Bill 2017, which introduces a two-tiered profits tax regime, was substantively enacted. Under the two-tiered profits tax regime, the first HK\$2 million of assessable profits of qualifying corporations will be taxed at 8.25% with effect from the year assessment 2018/2019. Profits above HK\$2 million will continue to be subject to the tax rate of 16.5%.

PRC Enterprise Income Tax has been provided at a rate of 25% (2018: 25%).

Pursuant to the Notice of the Ministry of Finance and the State Administration of Taxation on Enterprise Income Tax Policies for Xinjiang Uygur Autonomous Region and Xinjiang Kashgar Autonomous Region (《財政部、國家稅務總局關於新疆喀什霍爾果斯兩個特殊經濟開發區企業所得稅優惠政策的通知》) promulgated by the State Council on 29 November 2011, if a corporate enterprise is newly established within calendar years 2010 to 2020 in two specific regions with business fallen in the scope of the Catalogue of Preferred Enterprise Income Tax for Key Encouraged Industries in Poor Areas of Xinjiang (《新疆困難地區重點鼓勵發展產業企業所得稅優惠目錄》), the corporate enterprise can enjoy a preferential treatment of 5-year exemption from the first year when the entity begins to generate revenue. 霍爾果斯思凡信息科技有限公司 (Horgos Sifan Information Technology Limited ("Horgos Sifan")), 霍爾果斯香蕉超人信息科技有限公司 (Horgos Xiangjiao Chaoren Information Technology Limited ("Horgos Xiangjiao")) and 霍爾果斯東潤網絡科技有限公司 (Horgos Dongrun Network Technology Limited ("Horgos Dongrun")) are exempted from income tax from calendar years 2017 to 2020 upon approval by the State Taxation Bureau of the Xinjiang Uygur Autonomous Region in 2017.

7. 所得稅開支(續)

《二零一七年稅務(修訂)(第7號)條例草案》於二零一八年三月二十一日實質上制定，並據此引入利得稅兩級制。根據利得稅兩級制，由二零一八年／二零一九年課稅年度開始，合資格公司首筆2,000,000港元應課稅溢利之稅率為8.25%，而超過2,000,000港元應課稅溢利仍須按16.5%之稅率繳稅。

中國企業所得稅按25%(二零一八年：25%)之稅率計提撥備。

根據國務院於二零一一年十一月二十九日頒佈的《財政部、國家稅務總局關於新疆喀什霍爾果斯兩個特殊經濟開發區企業所得稅優惠政策的通知》，倘公司企業於兩個特定地區於曆年二零一零年至二零二零年新近成立，且業務屬《新疆困難地區重點鼓勵發展產業企業所得稅優惠目錄》範圍，則公司企業可於實體開始產生收入的第一年起享有5年免稅優惠。霍爾果斯思凡信息科技有限公司(「霍爾果斯思凡」)、霍爾果斯香蕉超人信息科技有限公司(「霍爾果斯香蕉」)及霍爾果斯東潤網絡科技有限公司(「霍爾果斯東潤」)於二零一七年獲新疆維吾爾自治區國稅局批准後，自曆年二零一七年至二零二零年期間獲豁免繳納所得稅。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

7. INCOME TAX EXPENSE (Continued)

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

7. 所得稅開支(續)

於其他地區的應課稅溢利已根據本集團營運所在國家的現行法例、詮釋及慣例，按當地的現行稅率計算稅項支出。

		Six months ended 31 December 截至十二月三十一日止六個月	
		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)
Current income tax:	當期所得稅：		
Hong Kong Profits Tax	香港利得稅	—	—
PRC Enterprise Income Tax	中國企業所得稅	102	63
Income tax expense for the period	期內所得稅支出	102	63

8. EARNING PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculations of the basic earnings per Share attributable to owners of the Company were based on (i) the profit attributable to owners of the Company for the periods; and (ii) the number of 420,000,000 (2018: 400,000,000) shares (the "Shares") in issue during the periods.

The diluted earnings per Share for the six months ended 31 December 2019 and 2018 are equal to the basic earnings per Share as there were no dilutive potential ordinary Shares in issue during the periods.

8. 本公司擁有人應佔每股盈利

本公司擁有人應佔每股基本盈利乃根據(i)本公司擁有人期內應佔溢利；及(ii)期內已發行股份(「股份」)數目420,000,000股(二零一八年：400,000,000股)計算。

由於期內概無已發行具攤薄效應的潛在普通股，截至二零一九年及二零一八年十二月三十一日止六個月的每股攤薄盈利與每股基本盈利相同。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

9. DIVIDENDS

The Company has not declared or paid any dividends during the period ended 31 December 2019 and 2018.

9. 股息

截至二零一九年及二零一八年十二月三十一日止期間，本公司並無宣派或派付任何股息。

10. TRADE RECEIVABLES

Majority of the Group's sales are made with credit terms ranged from 0 to 60 days (30 June 2019: 0 to 60 days).

10. 貿易應收款項

本集團大部分銷售按介乎0至60天（二零一九年六月三十日：0至60天）的信貸期結算。

	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元 (unaudited) (未經審核)	As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元 (audited) (經審核)
Trade receivables	154,075	141,481
Allowance for doubtful debts	(2,179)	(27,973)
	151,896	113,508

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

10. TRADE RECEIVABLES (Continued)

The following table sets out an ageing analysis of trade receivables of the Group, presented based on the invoice date.

		As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元 (unaudited) (未經審核)	As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元 (audited) (經審核)
Within 30 days	30天以內	88,715	14,131
31 to 60 days	31至60天	20,195	7,974
61 to 90 days	61至90天	5,676	5,166
91 to 180 days	91至180天	19,461	12,831
181 to 365 days	181至365天	3,341	14,648
Over 365 days	超過365天	14,508	58,758
		151,896	113,508

10. 貿易應收款項 (續)

下表載列本集團按發票日期呈列的貿易應收款項賬齡分析。

11. TRADE PAYABLES

The following table sets out an ageing analysis of the trade payables of the Group, presented based on invoice date.

		As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元 (unaudited) (未經審核)	As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元 (audited) (經審核)
Within 30 days	30天以內	19,908	9,001
31 to 60 days	31至60天	2,799	1,457
61 to 90 days	61至90天	848	1,326
Over 90 days	超過90天	20,111	26,619
		43,666	38,403

11. 貿易應付款項

下表載列本集團按發票日期呈列的貿易應付款項賬齡分析。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

12. INTEREST-BEARING BORROWINGS

As at 31 December 2019, interest-bearing borrowings were payable as follows:

12. 計息借貸

於二零一九年十二月三十一日，應付的計息借貸如下：

	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元 (unaudited) (未經審核)	As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元 (audited) (經審核)
Bank loan — secured Loan from third party — unsecured	銀行貸款 — 有抵押 第三方貸款 — 無抵押	
	28,519	8,122
	91,900	6,570
	120,419	14,692

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

12. INTEREST-BEARING BORROWINGS (Continued)

The borrowings are repayable as follows:

12. 計息借貸(續)

借貸之還款期如下：

		As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元 (unaudited) (未經審核)	As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元 (audited) (經審核)
Within one year	一年內	120,419	14,522
More than one year, but not exceeding two years	超過一年， 但不超過兩年	—	170
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：12個月內到期清償 之金額(於流動 負債項下列示)	120,419	14,692
		120,419	14,522
Amount due for settlement after 12 months	12個月後到期清償之 金額	—	170

As at 31 December 2019, the Group borrowed unsecured loan from third party in principal amount of HK\$91,900,000. The loan bears fixed rate at 3%–6% per annum.

於二零一九年十二月三十一日，本集團向第三方借取本金額為91,900,000港元的無抵押貸款。該貸款按固定年利率3%–6%計息。

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

未經審核簡明綜合財務報表附註

13. LEASE COMMITMENTS

As at the end of the reporting periods, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of premises which fall due as follows:

	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元 (unaudited) (未經審核)	As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元 (audited) (經審核)
Within one year In the second to fifth years, inclusive	一年內 第二至第五年 (包括首尾兩年)	
	—	4,959
	—	1,320
	—	6,279

14. RELATED PARTY TRANSACTIONS

The Group has entered into the following transactions with related parties.

The remuneration of Directors, who are the key management of the Group, during the periods was disclosed as follows:

13. 租賃承擔

於報告期末，本集團於不可撤銷經營租賃下有物業的未來最低租賃付款承擔的到期情況如下：

14. 關聯方交易

本集團已與關聯方訂立下列交易。

董事(為本集團主要管理層)於期內之薪酬披露如下：

	Six months ended 31 December 截至十二月三十一日止六個月	
	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)
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	
	420	2,160
Pension scheme contributions	退休金計劃供款	
	2	9

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 31 December 2019 (2018: nil).

INTRODUCTION

The Group is an integrated group specialising in internet advertising agency services.

BUSINESS REVIEW

Internet Advertising Agency Services

The Group principally provides internet advertising services to different customers in mainland, China. Affected by the macroeconomic environment deterioration of China in 2019 and the slowdown of games copyright issuance, internet advertising industry's competition increases, industrial concentration improves and the profit space of small and medium-sized independent advertising operators is squeezed. In order to expand business scale, the Group adopts a series of promotion measures including the increase of rebates to attract and develop customers base. During the second half of 2019, the Group's sales scale increased approximately 44.8% as compared to that of the corresponding period of last year.

The Group provides the internet advertising agency services through its wholly-owned subsidiaries, Beijing Dongrun Hudong Technology Company Limited* (北京東潤互動科技有限公司) and Horgos Dongrun Network Technology Company Limited* (霍爾果斯東潤網絡科技有限公司) (collectively, referred as "**Dongrun Network**") in the PRC, respectively. Dongrun Network provides internet advertising agency services covering streaming advertising, search engine advertising, and applied marketing and navigation advertising. After nearly two years' efforts, Dongrun Network has currently become the exclusive advertising agent of All Football APP* (懂球帝) gaming industry, core advertising agent of Cheetah Mobile, Yidian Zixun* (一點資訊) and WiFi Master Key, and advertising agent of Jinri Toutiao* (今日頭條). Dongrun Network, whose customers are principally engaged in the internet industry, covering industries such as e-commerce, online tourism, game, video, dating and automobiles. During the period, Dongrun Network achieved its operating income of approximately HK\$266 million.

* For identification purpose only

中期股息

董事會不建議就截至二零一九年十二月三十一日止六個月派付任何中期股息(二零一八年:無)。

簡介

本集團是一間專門從事互聯網廣告代理服務的綜合集團。

業務回顧

互聯網廣告代理服務

本集團主要於中國大陸地區為不同客戶提供互聯網廣告投放服務。由於受2019年中國宏觀經濟環境惡化及遊戲版號發放放緩的影響，互聯網廣告行業競爭激烈，行業集中度提高，中小獨立廣告運營商的利潤空間受到擠壓。為拓展業務規模，本集團採取了包括增加返點在內的一系列促銷措施，以吸引和發展客戶。在二零一九年下半年，集團的銷售規模較去年同期增加約44.8%。

本集團通過全資附屬公司北京東潤互動科技有限公司及霍爾果斯東潤網絡科技有限公司(以下合稱「**東潤網絡**」)，在國內提供互聯網廣告代理服務。東潤網絡提供的互聯網廣告代理服務涵蓋資訊流廣告、搜尋引擎廣告、應用行銷和導航廣告等類別。經過近兩年的努力，東潤網絡目前已成為懂球帝遊戲行業廣告獨家代理商、獵豹移動廣告核心代理商、一點資訊廣告核心代理商、WiFi萬能鑰匙廣告核心代理商、今日頭條廣告代理商。東潤網絡的客戶以互聯網行業為主，覆蓋電子商務、在線旅遊、遊戲、視頻、交友、汽車等行業。期內東潤網絡實現約266百萬港元的營業收入。

* 僅供識別

MANAGEMENT DISCUSSION AND ANALYSIS

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During the period, the Group developed its overseas internet advertising market through its wholly-owned subsidiary, Million Stars Internet Media Limited (“**MSIM**”). Through a global mainstream online platform, namely Facebook, MSIM provides its customers with access to global advertising, including big data support, integrated marketing solutions, local language support and account stabilisation services. During the period, MSIM recorded an operating income of approximately HK\$6 million.

OUTLOOK

Looking ahead, the Group will seize the opportunities in the booming internet advertising sector to step up investments in the internet advertising market, seeking to tap on new customers, businesses and revenue streams for delivering better returns to its shareholders.

FINANCIAL REVIEW

Overview

Revenue of the Group for the six months ended 31 December 2019 amounted to approximately HK\$274 million, representing a significant increase of approximately 45% as compared to the corresponding period in the previous financial year.

The Group’s gross profit for the six months ended 31 December 2019 was approximately HK\$9 million, decreased by approximately 71% compared with the same period of last year.

Profit attributable to equity holders of the Company for the six months ended 31 December 2019 amounted to approximately HK\$25 million, representing a significant increase of approximately 752% compared with the same period of last year.

期內，本集團通過全資附屬公司萬星網絡傳媒有限公司（「**萬星網絡**」）發展海外互聯網廣告市場。萬星網絡通過全球主流網絡平台Facebook為其客戶提供覆蓋全球的廣告投放服務，包括為其客戶提供大數據支援、整合營銷方案、當地語系化支持、穩定賬號等服務。期內萬星網絡錄得約6百萬港元的營業收入。

展望

本集團未來會抓住互聯網廣告行業飛速發展的機會，加大在互聯網廣告市場的投資力度，努力拓展新的客戶、業務與收入來源，為股東帶來更高回報。

財務回顧

概覽

本集團於截至二零一九年十二月三十一日止六個月的收入約為274百萬港元，較上一個財政年同期大幅增加約45%。

本集團於截至二零一九年十二月三十一日止六個月的毛利約為9百萬港元，較去年同期減少約71%。

本公司權益持有人於截至二零一九年十二月三十一日止六個月應佔溢利約為25百萬港元，較去年同期大幅增加約752%。

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Revenue

The Group's revenue principally represented income derived from provision of internet advertising agency services.

The Group's revenue for the six months ended 31 December 2019 was approximately HK\$274 million, recorded a rise of approximately 45% from that of approximately HK\$189 million for the six months ended 31 December 2018 mainly attributable to the provision of internet advertising agency services.

Cost of Sales and Gross Profit

Cost of sales mainly represents costs incurred for the provision of internet advertising agency services and labour costs for this period.

The Group's cost of sales amounted to about HK\$265 million for the six months ended 31 December 2019. Cost of sales rose by about 67% as compared with the cost of sales for the six months ended 31 December 2018, mainly due to the costs incurred for internet advertising agency services.

Gross profit margin of about 3% for the six months ended 31 December 2019 was lower comparing to the gross profit margin of about 16% for the six months ended 31 December 2018, mainly due to narrow profit margins of provision of internet advertising agency services.

收入

本集團的收入主要指來自提供互聯網廣告代理服務。

本集團於截至二零一九年十二月三十一日止六個月的收入約為274百萬港元，較截至二零一八年十二月三十一日止六個月約189百萬港元增加約45%，主要來自提供互聯網廣告代理服務。

銷售成本及毛利

銷售成本主要指本期間提供互聯網廣告代理服務產生的成本及勞工成本。

本集團截至二零一九年十二月三十一日止六個月的銷售成本約為265百萬港元。銷售成本較截至二零一八年十二月三十一日止六個月的銷售成本上升約67%，主要由於互聯網廣告代理服務所產生的成本所致。

截至二零一九年十二月三十一日止六個月的毛利率約為3%，較截至二零一八年十二月三十一日止六個月的毛利率約16%為低，主要由於提供互聯網廣告代理服務所產生的溢利率降低所致。

MANAGEMENT DISCUSSION AND ANALYSIS

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Other Income, Gains/(Losses)

Other income and gains/(losses), mainly represents sundry income or (losses) incidental to our business, principally including interest income and loss on disposal of property, plant and equipment.

Other income, gains/(losses), amounted to net losses of approximately HK\$1 million for the six months ended 31 December 2019 compared to net gains of approximately HK\$1 million with the six months ended 31 December 2018. It was mainly due to decrease in a subsidy received and loss on property, plant and equipment during this period.

Selling and Distribution Expenses

Selling and distribution expenses comprise mainly logistic expenses and marketing expenses. The selling and distribution expenses for the six months ended 31 December 2018 and 2019 were approximately HK\$5 million and HK\$3 million respectively. The slight decline in selling and distribution expenses was mainly due to the tight cost control exercised for internet advertising agency business.

Administrative Expenses

Administrative expenses comprised mainly payroll expenses, rent and rates and other office administrative expenses. Administrative expenses were decreased from approximately HK\$32 million for the six months ended 31 December 2018 to approximately HK\$19 million for the six months ended 31 December 2019, representing an decrease of approximately 41%.

The lower administrative expenses for the six months ended 31 December 2019 were recorded mainly due to the disposal of a subsidiary which contributed approximately HK\$11 million of administrative expenses for the six months period ended 31 December 2018 (2019: Nil).

其他收入、收益／(虧損)

其他收入及收益／(虧損)主要指與我們業務相關的雜項收入或(虧損)，主要包括利息收入及出售物業、廠房及設備之虧損。

截至二零一九年十二月三十一日止六個月，其他收入、收益／(虧損)為淨虧損約1百萬港元，而截至二零一八年十二月三十一日止六個月則為淨收益約1百萬港元。其乃主要由於本期間內獲授補貼減少及物業、廠房及設備之虧損。

銷售及分銷開支

銷售及分銷開支主要包括物流費用及營銷開支。截至二零一八年及二零一九年十二月三十一日止六個月的銷售及分銷開支分別為約5百萬港元及3百萬港元。銷售及分銷開支略微減少乃主要由於就互聯網廣告代理業務實施嚴格的成本控制所致。

行政開支

行政開支主要包括薪金開支、租金及差餉以及其他辦公室行政開支。行政開支由截至二零一八年十二月三十一日止六個月的約32百萬港元減少至截至二零一九年十二月三十一日止六個月的約19百萬港元，減幅約為41%。

截至二零一九年十二月三十一日止六個月錄得較低行政開支，乃主要由於出售了的附屬公司在截至二零一八年十二月三十一日止六個月期間有約11百萬港元行政開支(二零一九年：無)。

MANAGEMENT DISCUSSION AND ANALYSIS

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Taxation

Income tax represents Hong Kong profits tax at 16.5% for the Company's subsidiaries in Hong Kong and PRC Enterprise Income Tax at 25% for the Company's subsidiary in Foshan, the PRC. Some subsidiaries of the Company, which are incorporated in the Horgos Economic Development Zone and engaged in industries particularly encouraged by the local government, is entitled to a preferential tax treatment of five years exemption from enterprise income tax.

Profit/(Loss) for the Period

The Group recorded profit for the period of approximately HK\$25 million and loss for the period of approximately HK\$4 million for the six months ended 31 December 2019 and for the six months ended 31 December 2018, respectively. The profit for the period was mainly attributable to the reversal of impairment losses on trade and other receivables.

Financial Position, Liquidity and Financial Resources

The Group adopts a prudent cash and financial management policy. In order to achieve better cost control and minimise the costs of funds, the Group's treasury activities are centralised and cash is generally deposited with banks in Hong Kong and the PRC.

The Group has maintained its funds at a sound and healthy financial resource level during the period under review. As at 31 December 2019, included in net current assets were cash and bank balances (including pledged bank deposits) totalling approximately HK\$17 million (30 June 2019: HK\$23 million), the decrease in which was mainly due to purchase of intangible assets of approximately HK\$16 million, increase in trade and other receivables of approximately HK\$116 million, increase in contract liabilities of approximately HK\$33 million and increase in borrowings of approximately HK\$106 million.

稅項

所得稅指本公司香港附屬公司按16.5%稅率繳納的香港利得稅及本公司中國佛山附屬公司按25%稅率繳納的中國企業所得稅。本公司若干附屬公司於霍爾果斯市經濟開發區註冊成立，主營業務屬於當地政府重點鼓勵發展的產業，可享受五年內免徵企業所得稅的稅收優惠。

期內溢利／（虧損）

本集團於截至二零一九年十二月三十一日止六個月及截至二零一八年十二月三十一日止六個月分別錄得期內溢利約25百萬港元及期內虧損約4百萬港元。期內溢利乃主要由於撥回貿易及其他應收款項減值虧損所致。

財務狀況、流動資金及財務資源

本集團採取審慎的現金及財務管理政策。為求更有效控制成本及盡量降低資金成本，本集團的財資活動均為集中管理，而現金一般會存放於香港和中國的銀行。

於回顧期間內，本集團的資金維持於穩健的財務資源水平。於二零一九年十二月三十一日，本集團計入流動資產淨值的現金及銀行結餘（包括已抵押銀行存款）總額約為17百萬港元（二零一九年六月三十日：23百萬港元），有關減少乃主要由於購買無形資產約16百萬港元、貿易及其他應收款項增加約116百萬港元、合約負債增加約33百萬港元及借貸增加約106百萬港元。

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The Group's outstanding borrowings as at 31 December 2019 amounting to HK\$120 million (30 June 2019: HK\$15 million) were principally denominated in RMB and carried at fixed interest rates. The Group monitored capital using gearing ratio, which is total debt of the Group divided by total equity of the Group. Total debt to equity ratio of the Group expressed as a percentage of interest bearing borrowings over the total equity was approximately 51% as at 31 December 2019 (30 June 2019: 7%).

As at 31 December 2019 and 30 June 2019, there was no seasonality as to the Group's borrowing requirements and no committed borrowing facilities.

The Company has adequate internal financial resource to support the development of the Group in the coming year.

Charge Over Assets of the Group

As at 31 December 2019, the Group's banking facilities were supported by pledged bank deposits of the Group of approximately HK\$6 million (30 June 2019: HK\$4 million).

Financial Management Policies

Cash is generally deposited at banks in Hong Kong and Mainland China and denominated mostly in Hong Kong dollar, United States dollar and Renminbi. As at 31 December 2019, no related hedges were made by the Group (30 June 2019: nil).

As most of the Group's trading transactions, monetary assets and liabilities are denominated in United States dollar, Renminbi and Hong Kong dollar, the impact of foreign exchange exposure to the Group during the six months ended 31 December 2019 was minimal and there was no significant adverse effect on normal operations.

於二零一九年十二月三十一日，本集團的尚未償還借貸120百萬港元(二零一九年六月三十日：15百萬港元)主要以人民幣計值，並以固定利率計息。本集團採用資本負債比率(按本集團債務總額除以本集團權益總額計算)監控資本。於二零一九年十二月三十一日，本集團的債務總額對權益比率(按計息借貸除以權益總額計算)約為51%(二零一九年六月三十日：7%)。

於二零一九年十二月三十一日及二零一九年六月三十日，本集團的借貸需求無季節性，本集團亦無承擔借貸融資。

本公司擁有的內部財務資源足以支持本集團於下一年度的發展。

本集團之資產質押

於二零一九年十二月三十一日，本集團之銀行融資由本集團之已抵押銀行存款約6百萬港元(二零一九年六月三十日：4百萬港元)擔保。

財務管理政策

現金一般存放於香港及中國內地之銀行且大部分以港元、美元及人民幣計值。於二零一九年十二月三十一日，本集團概無作出相關對沖(二零一九年六月三十日：無)。

截至二零一九年十二月三十一日止六個月，由於本集團的大部分買賣交易、貨幣資產及負債以美元、人民幣及港元計值，故外匯風險對本集團所構成之影響甚微，對日常營運亦無任何重大不利影響。

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Capital Commitments and Contingent Liabilities

As at 31 December 2019, the Group did not have any significant capital commitment (30 June 2019: nil). As at 31 December 2019, the Group did not have any significant contingent liability (30 June 2019: nil).

MATERIAL ACQUISITIONS AND DISPOSALS

During the six months ended 31 December 2019, the Group did not have any material acquisition and disposal.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2019, the Group had a workforce of 109 employees (30 June 2019: 109). Total staff cost for the six months ended 31 December 2019 was about HK\$11 million, representing a decrease of about HK\$12 million as compared to the staff cost for the six months ended 31 December 2018.

The emolument policy of the employees of the Group is formulated by the remuneration committee of the Company (“**Remuneration Committee**”) with reference to the duties, responsibilities, experience and competence of individual employees. The same policy also applies to the Directors. In addition to salaries and discretionary bonuses relating to the performance of the Group, employee benefits included pension scheme contributions. The emoluments of the Directors are reviewed annually by the Remuneration Committee.

As incentives and rewards for their contributions to the Group, the employees of the Group and all the Directors (including the independent non-executive Directors) may also be granted share options by the Company from time to time pursuant to the share option scheme of the Company adopted on 28 January 2015.

資本承擔及或然負債

於二零一九年十二月三十一日，本集團並無任何重大資本承擔(二零一九年六月三十日：無)。於二零一九年十二月三十一日，本集團並無任何重大或然負債(二零一九年六月三十日：無)。

重大收購及出售事項

截至二零一九年十二月三十一日止六個月，本集團並無任何重大收購及出售事項。

僱員及薪酬政策

於二零一九年十二月三十一日，本集團有109名僱員(二零一九年六月三十日：109名)。截至二零一九年十二月三十一日止六個月的總員工成本約為11百萬港元，較截至二零一八年十二月三十一日止六個月的員工成本減少約12百萬港元。

本集團之僱員薪酬政策乃由本公司薪酬委員會(「**薪酬委員會**」)參考各僱員的責任、職責、經驗及能力制定。相同政策亦適用於董事。除薪金及有關本集團表現之酌情花紅外，僱員福利亦包括退休金計劃供款。董事酬金由薪酬委員會每年審閱。

本集團僱員及全體董事(包括獨立非執行董事)亦可獲授本公司根據於二零一五年一月二十八日採納之本公司購股權計劃不時授出之購股權，作為對彼等為本集團作出貢獻之鼓勵及獎勵。

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The Group provides various training to its employees to enhance their technical skills and knowledge relevant to the employees' responsibilities. The Group also provides its employees with quality control standards and work safety standards training to enhance their safety awareness.

During the period under review, the Group did not experience any strikes, work stoppages or significant labour disputes which affected its operations in the past and it did not experience any significant difficulties in recruiting and retaining qualified staff. The Directors consider that the Group has maintained good working relationship with its employees.

ISSUE OF SHARES

On 22 November 2019, the Company entered into the subscription agreement (the “**Subscription Agreement**”) with Zhong Baomei (the “**Subscriber**”), an independent third party, pursuant to which the Subscriber conditionally agreed to subscribe for (the “**Subscription**”), and the Company conditionally agreed to allot and issue, 20,000,000 ordinary shares at the subscription price of HK\$0.25 per share in accordance with the terms and conditions as set out in the Subscription Agreement. The Subscription was completed on 9 December 2019. The total subscription price of HK\$5,000,000 was paid by the Subscriber in cash at the completion of the Subscription.

本集團為其僱員提供各種培訓，以提高彼等的技術技能及僱員責任相關的知識。本集團亦為其僱員提供質素監控標準及工作安全標準方面的培訓以提高彼等的安全意識。

於回顧期間內，本集團過往並無經歷任何影響其營運的罷工、停工或重大勞資糾紛，本集團在聘用及挽留合資格員工方面亦無遇到任何重大困難。董事認為，本集團已與其僱員維持良好工作關係。

發行股份

於二零一九年十一月二十二日，本公司與獨立第三方鍾寶美（「**認購人**」）訂立認購協議（「**認購協議**」），據此，根據認購協議所載條款及條件，認購人有條件同意認購（「**認購事項**」），而本公司有條件同意配發及發行20,000,000股普通股，認購價為每股0.25港元。認購事項於二零一九年十二月九日完成。於完成認購事項時，認購人以現金支付總認購價5,000,000港元。

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Subscription Price

The subscription price of HK\$0.25 per share represents:

- (i) a discount of approximately 18.03% to the closing price of HK\$0.305 per share as quoted on the Stock Exchange on the date of the Subscription Agreement; and
- (ii) a discount of approximately 18.03% to the average closing price of approximately HK\$0.305 per share as quoted on the Stock Exchange for the last five (5) trading days immediately prior to the date of the Subscription Agreement.

The price was determined after arm's length negotiation between the Company and the Subscriber with reference to the prevailing market conditions and the recent share price performance and liquidity of the shares.

Reasons for and Benefit of the Subscription

The Directors consider that the Subscription represents an opportunity to raise additional funding for the Group's business operation. The Subscription will also strengthen the capital base and financial position for the Group's future business developments and broaden the shareholder base of the Company.

The Directors consider that the terms of the Subscription Agreement (including the subscription price) and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the shareholders as a whole.

認購價

認購價每股 0.25 港元較：

- (i) 股份於認購協議日期在聯交所所報收市價每股 0.305 港元折讓約 18.03%；及
- (ii) 股份於緊接認購協議日期前最後五 (5) 個交易日在聯交所所報平均收市價約每股 0.305 港元折讓約 18.03%。

該價格乃本公司與認購人經參考當前市場狀況以及股份之近期股份價格表現及流通量且公平磋商後釐定。

進行認購事項之理由及裨益

董事認為，認購事項為本集團業務營運帶來籌集額外資金之機遇。此外，認購事項將增強本集團未來業務發展之資本基礎及財務狀況，並擴闊本公司之股東基礎。

董事認為，認購協議之條款（包括認購價）及其項下擬進行之交易屬公平合理，且符合本公司及股東之整體利益。

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管理層討論及分析

Use of Proceeds

Each of the gross proceeds and net proceeds from the issue of the shares is estimated to be approximately HK\$5,000,000 and HK\$4,990,000 respectively. The Company intends to use the net proceeds for general working capital of the Group and for the future development of the Group's business. The net price of each share is approximately HK\$0.25.

The table below gives out the details of the use of proceeds during the period under review:

所得款項用途

估計發行股份之所得款項總額及所得款項淨額將分別約為5,000,000港元及4,990,000港元。本公司擬將所得款項淨額用作本集團之一般營運資金及用於本集團業務之未來發展。每股股份之淨價約為0.25港元。

下表載列回顧期間內所得款項用途詳情：

	Allocation of Net Proceeds	Amount Utilized	Remaining Balance of Net Proceeds as at 31 December 2019 於二零一九年 十二月 三十一日
	所得款項 淨額分配 HK\$'000 千港元	已動用金額 HK\$'000 千港元	所得款項 淨額結餘 HK\$'000 千港元

Issue of 20,000,000 shares on 9 December 2019

於二零一九年
十二月九日發行
20,000,000 股股份

General Working Capital
and Future Development
of Business

一般營運資金及
未來業務發展

4,990

4,990

NIL 無

OTHER INFORMATION

其他資料

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2019, the interests and short positions of the Directors and chief executive 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 (Chapter 571 of the Laws of Hong Kong) ("SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests 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 Rules 5.46 to 5.67 of the GEM Listing Rules, required to be notified to the Company and the Stock Exchange, were as follows:

Interests in Shares of the Company

董事及主要行政人員於股份、相關股份及債券中的權益及淡倉

於二零一九年十二月三十一日，董事及主要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）的股份、相關股份及債券中，擁有須根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所的權益及淡倉（包括彼等根據證券及期貨條例的該等條文被當作或視作擁有的權益或淡倉），或登記於本公司根據證券及期貨條例第352條須予存置之登記冊內的權益及淡倉，或根據GEM上市規則第5.46至5.67條須知會本公司及聯交所的權益及淡倉如下：

於本公司股份的權益

Name of Director 董事姓名	Capacity 身份	Interests in Shares 於股份之權益	Approximate Percentage of Issued Share Capital of the Company as at 31 December 2019 佔本公司於 二零一九年 十二月三十一日 已發行股本的 概約百分比	Note 附註
Mr. Zhu Yongjun 朱勇軍先生	Beneficial owner 實益擁有人	38,398,786 (L)	9.14%	
Ms. Wang Fei 王菲女士	Beneficial owner 實益擁有人	40,000,000 (L)	9.52%	

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其他資料

Note:

- As at 31 December 2019, the Company had 420,000,000 shares in issue.

Abbreviation: "L" stands for long position.

附註：

- 於二零一九年十二月三十一日，本公司有420,000,000股已發行股份。

縮寫：「L」為好倉。

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

As at 31 December 2019, so far as is known to the Directors of the Company, persons (other than the Directors or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

主要股東的權益及淡倉

於二零一九年十二月三十一日，就本公司董事所知，除本公司董事或主要行政人員外，下列人士於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部之條文須向本公司及聯交所披露或登記於本公司根據證券及期貨條例第336條須予存置之登記冊內的權益或淡倉：

Name of Shareholders	Capacity	Interests in Shares	Approximate Percentage of Issued Share Capital of the Company as at 31 December 2019 佔本公司於二零一九年十二月三十一日已發行股本的概約百分比	Note
股東名稱	身份	於股份之權益		附註
Jiang Peijie 蔣培潔	Beneficial owner 實益擁有人	29,150,000 (L)	6.94%	
7 Road Holdings Limited 第七大道控股有限公司	Beneficial owner 實益擁有人	54,000,000 (L)	12.86%	
United Conquer Limited ("UCL")	Beneficial owner 實益擁有人	89,597,169 (L)	21.33%	
United Conquer Limited ("UCL")	Beneficial owner 實益擁有人	50,000,000 (L)	11.90%	
Shanghai Hutong Investments Centre (Limited Partnership)* ("SHIC")	Interest of controlled corporation 受控法團權益	89,597,169 (L)	21.33%	2
上海胡桐投資中心(有限合夥) (「上海胡桐」)				

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Name of Shareholders	Capacity	Interests in Shares	Approximate Percentage of Issued Share Capital of the Company as at 31 December 2019 佔本公司於二零一九年十二月三十一日已發行股本的概約百分比	Note
股東名稱	身份	於股份之權益		附註
BOC-HFT-BOC-Overseas No.1 QDII Segregated Account ("BOC Account")	Investment manager	50,000,000 (L)	11.90%	3
海富通 — 中國銀行海外1號QDII 資產管理計劃(「中銀管理計劃」)	投資經理			
Shanghai Angell Asset Management Company Limited* ("Shanghai Angell")	Interest of controlled corporation	139,597,169 (L)	33.24%	4
上海昂巨資產管理有限公司 (「上海昂巨」)	受控法團權益			
Zhongtian Urban Development Group Shanghai Equity Investment Fund Partnership (Limited Partnership)* ("Zhongtian Partnership")	Interest of controlled corporation	139,597,169 (L)	33.24%	5
中天城投集團上海股權投資基金合夥企業(有限合夥) (「中天合夥企業」)	受控法團權益			
Shanghai Tiger Platinum Equity Investment Fund Management Partnership (Limited Partnership)* ("Shanghai Tiger Platinum")	Interest of controlled corporation	139,597,169 (L)	33.24%	6
上海虎鉑股權投資基金管理合夥企業(有限合夥) (「上海虎鉑」)	受控法團權益			
Guiyang Jinrong Konggu Company Limited* ("Guiyang")	Interest of controlled corporation	139,597,169 (L)	33.24%	7
貴陽金融控股有限公司(「貴陽」)	受控法團權益			
Zhongtian Financial Group Company Limited* ("Zhongtian Group")	Interest of controlled corporation	139,597,169 (L)	33.24%	8
中天金融集團股份有限公司 (「中天集團」)	受控法團權益			

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Name of Shareholders	Capacity	Interests in Shares	Approximate Percentage of Issued Share Capital of the Company as at 31 December 2019 佔本公司於二零一九年十二月三十一日已發行股本的概約百分比	Note
股東名稱	身份	於股份之權益		附註
Jin Shiqi Guoji Holdings Company Limited* ("Jin Shiqi") 金世旗國際控股股份有限公司 (「金世旗」)	Interest of controlled corporation 受控法團權益	139,597,169 (L)	33.24%	9

Notes:

附註：

- As at 31 December 2019, the Company had 420,000,000 Shares in issue.
 - SHIC's deemed shareholdings stated above were held by virtue of its 100% shareholding interests in UCL.
 - BOC Account's deemed shareholdings stated above were held as a trustee of a discretionary trust of which SHIC was the founder.
 - Shanghai Angell's deemed shareholdings stated above were held by virtue of its 1% capital commitment in SHIC's contribution through general partnership.
 - Zhongtian Partnership's deemed shareholdings stated above were held by virtue of its 49.5% capital commitment in SHIC's contribution with Shanghai Angell through partnership.
 - Shanghai Tiger Platinum's deemed shareholdings stated above were held by virtue of its approximately 0.05% capital commitment in Zhongtian Partnership's contribution through general partnership.
 - Guiyang's deemed shareholdings stated above were held by virtue of its 80% capital commitment in Shanghai Tiger Platinum's contribution through limited partnership.
- 於二零一九年十二月三十一日，本公司有420,000,000股已發行股份。
 - 上述上海胡桐之視作股權乃透過其於UCL之100%股權持有。
 - 上述中銀管理計劃之視作股權乃持作全權信託受託人，而上海胡桐為該全權信託創始人。
 - 上述上海昂巨之視作股權乃根據其透過普通合夥關係於上海胡桐供款之1%資本承擔持有。
 - 上述中天合夥企業之視作股權乃根據其透過普通合夥關係於上海胡桐向上海昂巨供款之49.5%資本承擔持有。
 - 上述上海虎鉑之視作股權乃其透過普通合夥關係於中天合夥企業供款之約0.05%資本承擔持有。
 - 上述貴陽之視作股權乃根據其透過有限合夥關係於上海虎鉑供款之80%資本承擔持有。

OTHER INFORMATION

其他資料

- | | |
|---|--|
| 8. Zhongtian Group's deemed shareholdings stated above were held by virtue of its 100% shareholding interests in Guiyang. | 8. 上述中天集團之視作股權乃透過其於貴陽之100%股權持有。 |
| 9. Jin Shiqi's deemed shareholdings stated above were held by virtue of its 44.87% shareholding interests in Zhongtian Group. | 9. 上述金世旗之視作股權乃透過其於中天集團之44.87%股權持有。 |
| 10. The 50,000,000 shares held by SHIC and BOC Account represent the same block of shares. | 10. 上海胡桐及中銀管理計劃持有之50,000,000股股份指同一批股份。 |
| 11. The 89,597,169 shares held by UCL and SHIC represent the same block of shares. | 11. UCL及上海胡桐持有之89,597,169股股份指同一批股份。 |
| 12. The 139,597,169 shares held by Shanghai Angell, Zhongtian Partnership, Shanghai Tiger Platinum, Guiyang, Zhongtian Group and Jin Shiqi represent the same block of shares and are the aggregate of 50,000,000 shares and 89,597,169 shares as disclosed in notes 10 and 11. | 12. 上海昂巨、中天合夥企業、上海虎鉑、貴陽、中天集團及金世旗持有之139,597,169股股份指同一批股份，並為附註10及11所披露之50,000,000股股份及89,597,169股股份之合計。 |

Abbreviation: "L" stands for long position.

* for identification purpose only

縮寫：「L」為好倉。

* 僅供識別

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN COMPETING BUSINESS

During the six months ended 31 December 2019, the Directors are not aware of any business or interest of the Directors or the controlling shareholders of the Company that competes or may compete with the business of the Group and any other conflicts of interest which any such person has or may have with Group.

董事及控股股東於競爭業務之權益

截至二零一九年十二月三十一日止六個月，董事並不知悉董事或本公司控股股東擁有與本集團業務構成競爭或可能構成競爭之任何業務或於其中擁有權益，亦不知悉任何有關人士與或可能與本集團存在任何其他利益衝突。

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

During the six months ended 31 December 2019, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

購買、出售或贖回本公司的上市證券

於截至二零一九年十二月三十一日止六個月，本公司及其任何附屬公司概無購買、出售或贖回本公司的任何上市證券。

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MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct for securities transactions and dealing (the “**Code of Conduct**”) by Directors on terms no less exacting than the required standards set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the “**Model Code**”). The Company has made specific enquiry of all Directors as to whether they have complied with the required standards set out in the Model Code and the Code of Conduct during the six months ended 31 December 2019.

All the Directors have confirmed that they have complied with the required standards set out in the Model Code and the Code of Conduct throughout the six months ended 31 December 2019.

REPORT ON COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE

During the six months ended 31 December 2019, the Group was in compliance with the Corporate Governance Code as set out in Appendix 15 to the GEM Listing Rules.

進行證券交易的標準守則

本公司已就董事進行證券交易及買賣採納一套行為守則(「**行為守則**」)，其條款嚴格程度不遜於GEM上市規則第5.48條至第5.67條所載規定標準(「**標準守則**」)。截至二零一九年十二月三十一日止六個月，本公司已向全體董事就彼等是否已遵守標準守則及行為守則所載規定標準作出具體查詢。

全體董事已確認，彼等於截至二零一九年十二月三十一日止六個月內一直遵守標準守則及行為守則所載規定標準。

遵守企業管治守則報告

截至二零一九年十二月三十一日止六個月，本集團一直遵守GEM上市規則附錄十五所載的企業管治守則。

OTHER INFORMATION

其他資料

CHANGE OF DIRECTORS' INFORMATION

Upon specific enquiry by the Company and following confirmations from the Directors, save as disclosed hereunder, there is no change in the information of the Directors required to be disclosed pursuant to GEM Listing Rules since the Company's last published annual report. The change of Directors' information is set out below:

Directors 董事	Change of particulars 資料變更
Wang Fei	The salary of Wang Fei has changed to HK\$1 per annum with effect from 1 August 2019
王菲	王菲之薪金已變更為每年1港元，自二零一九年八月一日起生效

AUDIT COMMITTEE AND REVIEW OF FINANCIAL RESULTS

The audit committee of the Company ("**Audit Committee**") has been established in accordance with the GEM Listing Rules and comprises Mr. Chen Ce (chairman of the Audit Committee), Ms. Ji Fang and Mr. Gao Shuo, all of them are independent non-executive Directors.

The Audit Committee has reviewed with the management this interim report, including the unaudited consolidated results of the Group for the six months ended 31 December 2019, prior to recommending them to the Board for approval.

The consolidated results of the Group for the six months ended 31 December 2019 have not been audited by the auditors of the Company.

By Order of the Board
Million Stars Holdings Limited
Zhu Yongjun
Chairman

Hong Kong, 11 February 2020

As at the date hereof, the Board comprises Mr. Zhu Yongjun, Ms. Wang Fei and Ms. Tian Yuan as executive Directors; and Mr. Chen Ce, Ms. Ji Fang and Mr. Gao Shuo as independent non-executive Directors.

董事資料變更

經本公司作出具體查詢後及據董事作出以下確認，除下文所披露者外，自本公司上一份刊發的年報以來，概無董事資料變更須根據GEM上市規則的規定予以披露。董事資料變更載列如下：

審核委員會及財務業績之審閱

本公司審核委員會（「**審核委員會**」）已根據GEM上市規則成立，由陳策先生（審核委員會主席）、計芳女士及高碩先生組成，彼等均為獨立非執行董事。

於向董事會作出建議以供批准前，審核委員會已與管理層審閱本中期報告（包括本集團截至二零一九年十二月三十一日止六個月之未經審核綜合業績）。

本集團截至二零一九年十二月三十一日止六個月之綜合業績尚未經本公司核數師審核。

承董事會命
萬星控股有限公司
主席
朱勇軍

香港，二零二零年二月十一日

於本報告日期，董事會包括：執行董事朱勇軍先生、王菲女士及田園女士；及獨立非執行董事陳策先生、計芳女士及高碩先生。