

香港交易及結算所有限公司及香港聯合交易所有限公司對本公佈之內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不就因本公佈全部或任何部分內容而產生或因倚賴該等內容而引致之任何損失承擔任何責任。



CHAMPION TECHNOLOGY HOLDINGS LIMITED

冠軍科技集團有限公司[#]

(延續於百慕達之有限公司)

(股份代號：92)

截至二零一七年十二月三十一日止六個月之中期業績公佈

冠軍科技集團有限公司(「**本公司**」)董事(「**董事**」)會(「**董事會**」)欣然公佈，本公司及其附屬公司截至二零一七年十二月三十一日止六個月之未經審核業績。本公佈載列本公司截至二零一七年十二月三十一日止六個月之中期報告(「**中期報告**」)之全文，乃符合香港聯合交易所有限公司(「**聯交所**」)證券上市規則中有關中期業績初步公佈所附載資料之相關要求。中期報告之印刷版本將於二零一八年三月底前寄發予本公司股東，並可於其時在聯交所網站 www.hkexnews.hk 及本公司網站 www.tricor.com.hk/webservice/00092 閱覽。

承董事會命

冠軍科技集團有限公司

公司秘書

陳偉

香港，二零一八年二月二十七日

於本公佈日期，本公司之執行董事為黃敏女士及廖嘉濂先生；本公司之非執行董事為杜妍芳女士及陳崇煒先生；及本公司之獨立非執行董事為梁文輝先生及陳易希先生。

[#] 僅供識別

冠軍科技集團有限公司

CHAMPION TECHNOLOGY HOLDINGS LIMITED

The board (the "Board") of directors (the "Directors") of Champion Technology Holdings Limited (the "Company") announces the unaudited condensed consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 31 December 2017 (the "Period") with comparative unaudited figures for the corresponding period in 2016 (the "Previous Period") as follows:

冠軍科技集團有限公司(「本公司」)董事(「董事」)會(「董事會」)公佈本公司及其附屬公司(「本集團」)截至二零一七年十二月三十一日止六個月(「回顧期」)之未經審核簡明綜合業績，連同二零一六年同期(「去年同期」)之未經審核比較數字如下：

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 31 December 2017

簡明綜合損益及其他全面收益表

截至二零一七年十二月三十一日止六個月

		Six months ended 31 December	
		截至十二月三十一日 止六個月	
		2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)	2016 二零一六年 HK\$'000 千港元 (Restated) (重列)
	Notes 附註		
Revenue	2	67,459	71,234
Cost of sales		(30,300)	(49,599)
Gross profit		37,159	21,635
Other income, gains and losses		7,381	2,097
Gain on disposals of subsidiaries	22	1,465	6,097
Distribution costs		(14,052)	(12,695)
General and administrative expenses		(71,063)	(48,317)
Impairment losses recognised for inventories	11	(4,158,972)	—
Impairment losses recognised for development costs for systems and networks		—	(49,199)
Gain on disposal of available-for-sale investments		825	—
Decrease in fair value changes of financial assets at fair value through profit or loss		(6,330)	—
Research and development costs expensed		(1,428)	(1,001)
Gain on fair value changes of investment properties		13,187	—
Finance costs		(26,747)	(1,757)
Share of result of a joint venture		(1)	(1)
Loss before taxation		(4,218,576)	(83,141)
Income tax expense	4	(890)	(16)
Loss for the period		(4,219,466)	(83,157)

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

CONDENSED CONSOLIDATED
STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME

(continued)

For the six months ended 31 December 2017

簡明綜合損益及其他全面收益表(續)

截至二零一七年十二月三十一日止六個月

		Six months ended 31 December 截至十二月三十一日 止六個月	
	Notes 附註	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)	2016 二零一六年 HK\$'000 千港元 (Restated) (重列)
Other comprehensive income/ (expense):	其他全面收益／(支出)：		
Items that will not be reclassified to profit or loss:	將不會劃分至損益之項目：		
Remeasurement of defined benefits pension plans	重算定額福利退休計劃	5,069	(8,275)
Surplus of revaluation of investment properties	投資物業重估盈餘	73,221	—
Items that may be reclassified subsequently to profit or loss:	其後可重新分類至損益之項目：		
Available-for-sale investments, change in fair value	可供出售投資，公平價值變動	27,009	—
Available-for-sale investments, reclassified from equity to profit or loss on disposal	可供出售投資，於出售時自權益重新分類至損益	(825)	—
Exchange difference arising on translation of foreign operations	因國外業務換算所產生之匯兌差額	13,053	1,948
Other comprehensive income/ (expense) for the period	期內其他全面收益／(支出)	117,527	(6,327)
Total comprehensive expense for the period	期內全面支出總額	(4,101,939)	(89,484)
Loss for the period attributable to:	應佔期內虧損：		
Owners of the Company	本公司擁有人	(3,654,974)	(76,930)
Non-controlling interests	非控股股東權益	(564,492)	(6,227)
		(4,219,466)	(83,157)
Total comprehensive expense for the period attributable to:	應佔期內全面收支總額：		
Owners of the Company	本公司擁有人	(3,545,486)	(81,039)
Non-controlling interests	非控股股東權益	(556,453)	(8,445)
		(4,101,939)	(89,484)
Loss per share – Basic and diluted	每股虧損 — 基本及經攤薄	5	HK(998) cents 港仙
			HK(24) cents 港仙

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

**CONDENSED CONSOLIDATED
STATEMENT OF FINANCIAL POSITION**

At 31 December 2017

簡明綜合財務狀況表

於二零一七年十二月三十一日

		Notes 附註	As at 31 December 2017 於二零一七年 十二月 三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 30 June 2017 於二零一七年 六月 三十日 HK\$'000 千港元 (Restated) (重列)
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	7	34,175	38,987
Investment properties	投資物業	8	332,422	54,094
Development costs for systems and networks	系統及網絡開發成本		—	—
Interest in a joint venture	於一間合資企業之權益		458	459
Available-for-sale investments	可供出售投資	9	57,976	—
Finance lease receivable	應收融資租賃款項	10	48,083	—
			473,114	93,540
Current assets	流動資產			
Inventories	存貨	11	97,534	4,254,744
Finance lease receivable	應收融資租賃款項	10	4,569	—
Trade and other receivables	應收貿易及其他賬款	12	46,055	46,718
Financial assets at fair value through profit or loss	按公平價值計入損益之金融資產	13	61,862	—
Cash and cash equivalents	現金及現金等額		143,615	121,971
			353,635	4,423,433
Current liabilities	流動負債			
Trade and other payables	應付貿易及其他賬款	14	75,947	75,416
Warranty provision	保養撥備		1,178	1,073
Customers' deposits	客戶按金		3,483	3,483
Amounts due to directors	應付董事款項	15	3,680	9,975
Interest bearing bank and other borrowings — amount due within one year	計息銀行及其他借貸 — 於一年內到期	16	21,730	203,636
Promissory note payable	應付承兌票據	17	700	—
			106,718	293,583
Net current assets	流動資產淨值		246,917	4,129,850
Total assets less current liabilities	資產總值減流動負債		720,031	4,223,390

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

CONDENSED CONSOLIDATED
STATEMENT OF FINANCIAL POSITION

(continued)

At 31 December 2017

簡明綜合財務狀況表(續)

於二零一七年十二月三十一日

		Notes 附註	As at 31 December 2017 於二零一七年 十二月 三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 30 June 2017 於二零一七年 六月 三十日 HK\$'000 千港元 (Restated) (重列)
Non-current liabilities	非流動負債			
Interest bearing bank and other borrowings — amount due after one year	計息銀行及其他借款 — 於一年後到期	16	305,000	—
Promissory note payable	應付承兌票據	17	51,981	—
Retirement benefit obligations	退休福利承擔		59,831	60,727
Deferred tax liabilities	遞延稅項負債		10,108	9,573
			426,920	70,300
Net assets	資產淨值		293,111	4,153,090
Capital and reserves	股本及儲備			
Share capital	股本	18	37,991	633,179
Reserves	儲備		111,896	2,931,886
Equity attributable to owners of the Company	本公司擁有人應佔權益		149,887	3,565,065
Non-controlling interests	非控股股東權益		143,224	588,025
			293,111	4,153,090

冠軍科技集團有限公司

CHAMPION TECHNOLOGY HOLDINGS LIMITED

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合股本權益變動表

For the six months ended 31 December 2017

截至二零一七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	Capital redemption reserve	General reserve	Capital reserve	Merger reserve	Investment revaluation reserve	Property revaluation reserve	Translation reserve	Retained profits/ (accumulated losses)	Total	Non-controlling interests	Total equity
		股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	資本贖回儲備 HK\$'000 千港元	一般儲備 HK\$'000 千港元	資本儲備 HK\$'000 千港元	合併儲備 HK\$'000 千港元	投資重估儲備 HK\$'000 千港元	物業重估儲備 HK\$'000 千港元	匯兌儲備 HK\$'000 千港元	保留溢利/ 保留虧損/ (累計虧損) HK\$'000 千港元	合計 HK\$'000 千港元	非控股 股東權益 HK\$'000 千港元	股本 權益總額 HK\$'000 千港元
At 1 July 2017 (Restated)	於二零一七年七月一日 (重列)	633,179	2,096,276	50	1,366,003	125,036	8,358	-	3,415	5,725	(672,977)	3,565,065	588,025	4,153,090
Loss for the period	期內虧損	-	-	-	-	-	-	-	-	-	(3,654,974)	(3,654,974)	(564,492)	(4,219,466)
Remeasurement of defined benefits pension plans	重新定額福利 退休計劃	-	-	-	-	-	-	-	-	-	3,292	3,292	1,777	5,069
Surplus of revaluation of investment properties	投資物業重估盈餘	-	-	-	-	-	-	-	73,221	-	-	73,221	-	73,221
Exchange difference arising on translation of foreign operations	因國外業務換算所 產生之匯兌差額	-	-	-	-	-	-	-	-	6,791	-	6,791	6,262	13,053
Available-for-sale investments, change in fair value	可供出售投資， 公平價值變動	-	-	-	-	-	-	-	-	-	-	-	-	-
Available-for-sale investments, reclassify from equity to profit or loss on disposal	可供出售投資， 於出售時自權益 重新分類至損益	-	-	-	-	-	-	27,009	-	-	-	27,009	-	27,009
		-	-	-	-	-	-	(825)	-	-	-	(825)	-	(825)
Total comprehensive income/(expense) for the period	期內全面收益/ (開支)總額	-	-	-	-	-	-	26,184	73,221	6,791	(3,651,682)	(3,545,486)	(556,453)	(4,101,939)
Acquisition of subsidiary	收購附屬公司	-	-	-	-	-	-	-	-	-	-	-	111,652	111,652
Issue of new ordinary shares	發行新普通股	126,636	3,672	-	-	-	-	-	-	-	-	130,308	-	130,308
Capital reduction	股本削減	(721,824)	-	-	-	721,824	-	-	-	-	-	-	-	-
At 31 December 2017 (Unaudited)	於二零一七年 十二月三十一日 (未經審核)	37,991	2,099,948	50	1,366,003	846,860	8,358	26,184	76,636	12,516	(4,324,659)	149,887	143,224	293,111
At 1 July 2016 (Restated)	於二零一六年七月一日 (重列)	633,179	2,096,276	50	1,366,003	125,036	8,358	-	3,415	5,603	3,515,297	7,753,217	1,203,889	8,957,106
Loss for the period	期內虧損	-	-	-	-	-	-	-	-	-	(76,930)	(76,930)	(6,227)	(83,157)
Remeasurement of defined benefits pension plans	重新定額福利 退休計劃	-	-	-	-	-	-	-	-	-	(5,374)	(5,374)	(2,901)	(8,275)
Exchange difference arising on translation of foreign operations	因國外業務換算所 產生之匯兌差額	-	-	-	-	-	-	-	-	1,265	-	1,265	683	1,948
Total comprehensive income/(expense) for the period	期內全面收益/ (開支)總額	-	-	-	-	-	-	-	-	1,265	(82,304)	(81,039)	(8,445)	(89,484)
At 31 December 2016 (Restated)	於二零一六年 十二月三十一日 (重列)	633,179	2,096,276	50	1,366,003	125,036	8,358	-	3,415	6,868	3,432,993	7,672,178	1,195,444	8,867,622

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

CONDENSED CONSOLIDATED
STATEMENT OF CASH FLOWS

For the six months ended 31 December 2017

簡明綜合現金流動表

截至二零一七年十二月三十一日止六個月

		Six months ended 31 December 截至十二月三十一日 止六個月	
		2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)	2016 二零一六年 HK\$'000 千港元 (Unaudited) (未經審核)
Operating activities	經營業務		
Cash used in operations	經營活動所用之現金	(104,632)	(30,355)
Tax paid	已付稅款	(17)	—
Net cash used in operating activities	用於經營業務之現金淨額	(104,649)	(30,355)
Investing activities	投資業務		
Payment for the purchase of property, plant and equipment	購買物業、廠房及設備之付款	(3,629)	(3,061)
Payment for the purchase of investment properties through acquisition of subsidiaries	透過收購附屬公司購買投資物業之付款	(29,745)	—
Purchase of available-for-sale investments	購買可供出售投資	(44,968)	—
Proceeds from disposal of available-for-sale investments	出售可供出售投資之所得款項	14,001	—
Other cash flows arising from investing activities	投資業務產生之其他現金流	(896)	(2,456)
Net cash used in investing activities	用於投資業務之現金淨額	(65,237)	(5,517)
Financing activities	融資業務		
Advance from directors	董事墊款	3,680	4,000
Advance from a previous shareholder	一名前股東墊款	—	170,000
Repayment of bank and other borrowings	償還銀行及其他借款	(201,908)	—
Drawdown of bank and other borrowings	動用銀行及其他借貸	324,823	—
Net proceeds from issue of shares	發行股份之所得款項淨值	130,308	—
Repayment of promissory note payable	償還應付承兌票據	(35,950)	—
Other cash flows arising from financing activities	融資業務所用之其他現金流	(33,101)	(194,925)

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

**CONDENSED CONSOLIDATED
STATEMENT OF CASH FLOWS** (continued)

For the six months ended 31 December 2017

簡明綜合現金流動表(續)

截至二零一七年十二月三十一日止六個月

		Six months ended 31 December	
		截至十二月三十一日 止六個月	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Net cash generated from/(used in) financing activities	融資業務產生/(所用)之現金淨額	187,852	(20,925)
Net increase/(decrease) in cash and cash equivalents	現金及現金等值增加/(減少)淨額	17,966	(56,797)
Cash and cash equivalents at beginning of the period	期初現金及現金等值	121,971	131,426
Effect of foreign exchanges rates changes	匯率變動之影響	3,678	(78)
Cash and cash equivalents at end of the period	期末現金及現金等值	143,615	74,551

冠軍科技集團有限公司

CHAMPION TECHNOLOGY HOLDINGS LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2017

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements of Champion Technology Holdings Limited (the "Company") and its subsidiaries (collectively the "Group") have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). In addition, the unaudited condensed consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The unaudited condensed consolidated financial statements have been prepared under historical cost invention except for available-for-sale investments at fair value, financial assets at fair value through profit or loss and investment properties which have been measured at fair value. These unaudited condensed consolidated financial statements are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand except when otherwise indicated.

The accounting policies adopted are consistent with those followed in the preparation of the annual financial statements of the Group for the year ended 30 June 2017, except that the Group has applied for the first time, certain amendments to Hong Kong Financial Reporting Standards ("HKFRS") issued by the HKICPA that are effective for the current period and the prior year adjustment explained below.

簡明綜合財務報告附註

截至二零一七年十二月三十一日止六個月

1. 編製基準及會計政策

冠軍科技集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)之未經審核簡明綜合財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈之香港會計準則(「香港會計準則」)第34號「中期財務報告」之規定編製。此外，未經審核簡明綜合財務報表亦載入按香港聯合交易所有限公司證券上市規則所規定之適用披露資料。

未經審核簡明綜合財務報表乃按歷史成本編製，惟按公平價值計算之可供出售投資、按公平價值計入損益之金融資產及投資物業乃按公平價值計算。除另有所示外，該等未經審核簡明綜合財務報表以港元(「港元」)計值，而所有金額均四捨五入至最接近千位。

已採納會計政策與編製本集團截至二零一七年六月三十日止年度之年度財務報表時所採用者一致，惟下文所釋本集團已首次採納香港會計師公會頒佈於本期間生效之香港財務報告準則(「香港財務報告準則」)之若干修訂本及以下詳細說明過往年度調整除外。

冠軍科技集團有限公司

CHAMPION TECHNOLOGY HOLDINGS LIMITED

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

The HKICPA has issued a number for amendments to HKFRSs that are first effective for the current accounting period of the Group and the following amendments are relevant to the Group:

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

None of these amendments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

Change in accounting policy

In preparing the unaudited condensed consolidated financial statements of the Group for the six months ended 31 December 2017, the directors of the Company had revisited the facts and circumstances of those investment properties and considered to change the accounting policy for the investment properties from cost model to fair value model would better reflect the financial position of the Group.

The effect of the restatement to the unaudited condensed consolidated statement of profit or loss and other comprehensive income for the six months ended 31 December 2016 was to decrease the depreciation charge in the general and administrative expenses by HK\$110,000 and increase the deferred tax expenses by HK\$16,000.

1. 編製基準及會計政策(續)

香港會計師公會已頒佈多項香港財務報告準則之修訂本，而該等修訂於本集團之本會計期間首次生效。其中，以下修訂與本集團有關：

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

以上修訂本對本集團業績及財務狀況於目前或過往期間編製或呈列之方式俱無重大影響。本集團並無應用任何於目前會計期間尚未生效之任何新訂準則或詮釋。

會計政策變動

於編製本集團截至二零一七年十二月三十一日止六個月之未經審核簡明綜合財務報表時，本公司董事已重新審視該等投資物業，並認為投資物業之會計政策由成本模式更改為公平價值模式將更有效反映本集團財務狀況。

重列截至二零一六年十二月三十一日止六個月之未經審核簡明綜合損益及其他全面收益表產生之影響為一般及行政支出之折舊支出減少110,000港元及遞延稅項支出增加16,000港元。

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1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

Change in accounting policy (continued)

Impact on the consolidated statement of financial position as at 30 June 2017 as follows:

1. 編製基準及會計政策(續)

會計政策變動(續)

於二零一七年六月三十日之綜合財務狀況表產生之影響如下：

		The Group as previously reported 本集團之 過往呈報 HK\$'000 千港元 (Audited) (經審核)	Prior year adjustments 過往年度 調整 HK\$'000 千港元 (Unaudited) (未經審核)	The Group as restated 重列後之 本集團 HK\$'000 千港元 (Unaudited) (未經審核)
Property, plant and equipment, at carrying amount	物業、廠房及設備之賬面值	42,470	(3,483)	38,987
Investment properties, at carrying amount	投資物業之賬面值	—	54,094	54,094
Other non-current assets	其他非流動資產	459	—	459
Non-current assets	非流動資產	42,929	50,611	93,540
Current assets	流動資產	4,423,433	—	4,423,433
Current liabilities	流動負債	(293,583)	—	(293,583)
Deferred tax liabilities	遞延稅項負債	—	(9,573)	(9,573)
Other non-current liabilities	其他非流動負債	(60,727)	—	(60,727)
Non-current liabilities	非流動負債	(60,727)	(9,573)	(70,300)
Net assets	資產淨值	4,112,052	41,038	4,153,090
Accumulated losses	累計虧損	(710,600)	37,623	(672,977)
Property revaluation reserve	物業重估儲備	—	3,415	3,415
Share capital and other reserve	股本及其他儲備	4,822,652	—	4,822,652
Capital and reserves	股本及儲備	4,112,052	41,038	4,153,090

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2. REVENUE AND SEGMENT INFORMATION

(a) Revenue

Revenue represents the amounts received and receivable for goods sold and services provided by the Group to external customers and leasing income received and receivable during the period.

The revenue of the Group comprises the following:

2. 收益及分類資料

(a) 收益

收益指期內本集團就向外界客戶出售產品及提供服務之已收及應收款項以及已收及應收租賃收入。

本集團之收益包括下列各項：

		Six months ended	
		31 December	
		截至十二月三十一日止六個月	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Sales of cultural products	銷售文化產品	—	—
Sales of systems and related products	銷售系統及相關產品	42,628	46,569
Rendering of services	提供服務	13,732	13,565
Leasing of systems products	租賃系統產品	11,099	11,100
		67,459	71,234

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2. REVENUE AND SEGMENT INFORMATION (continued)

(b) Segment information

Information regarding the Group's reportable segments for the purpose of resources allocation and performance assessment for the period is reported below:

2. 收益及分類資料(續)

(b) 分類資料

有關本集團期內可呈報分類之資料呈報如下，以作資源分配及表現評估之用：

		Sales of cultural products 銷售文化 產品 HK\$'000 千港元	Sales of and related products 銷售系統 及相關產品 HK\$'000 千港元	Leasing of systems products 租賃系統 產品 HK\$'000 千港元	Strategic investments 策略性 投資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Six months ended	截至二零一七年					
31 December 2017	十二月三十一日					
(Unaudited)	止六個月(未經審核)					
REVENUE	收益					
External and total revenue	對外銷售及總收益	—	56,360	11,099	—	67,459
RESULTS	業績					
Segment result	分類業績	(4,162,472)	2,105	404	(29,140)	(4,189,103)
Gain on early redemption of promissory note payable	提前贖回應付承兌票據之收益					3,444
Interest income	利息收入					1,189
Gain on disposals of subsidiaries	出售附屬公司之收益					1,465
Gain on fair value changes of investment properties	投資物業之公平價值變動收益					13,187
Finance costs	融資成本					(26,747)
Share of result of a joint venture	分佔一間合營公司業績					(1)
Unallocated expenses, net	未分配之開支淨額					(22,010)
						(4,218,576)

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2. REVENUE AND SEGMENT INFORMATION (continued)

2. 收益及分類資料(續)

(b) Segment information (continued)

(b) 分類資料(續)

		Sales of cultural products 銷售文化 產品 HK\$'000 千港元	Sales of and related products 銷售系統 及相關產品 HK\$'000 千港元	Sales of systems and related products 租賃系統 產品 HK\$'000 千港元	Leasing of systems products 租賃系統 產品 HK\$'000 千港元	Strategic investments 策略性 投資 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Six months ended	截至二零一六年						
31 December 2016	十二月三十一日						
(Restated)	止六個月(重列)						
REVENUE	收益						
External and total revenue	對外銷售及總收益	—	60,134	11,100	—	—	71,234
RESULTS	業績						
Segment result	分類業績	(369)	(75,793)	1,921	(853)	—	(75,094)
Interest income	利息收入						78
Gain on disposal of subsidiaries	出售附屬公司 之收益						6,097
Finance costs	財務成本						(1,757)
Share of result of a joint venture	應佔一間合資企業 之業績						(1)
Unallocated expenses, net	未分配開支 — 淨額						(12,464)
Loss before taxation	除稅前虧損						(83,141)

No assets and liabilities are included in segment reporting as it is not practicable to make a meaningful segregation when most of the assets and liabilities are not separately distinguishable in the operation of the Group as a whole.

由於本集團整體營運中之資產及負債不可獨立分辨，作出有意義之分類並不可行，故此資產及負債並無計入分類報告中。

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3. AMORTISATION AND DEPRECIATION

3. 攤銷及折舊

		Six months ended 31 December 截至十二月三十一日止六個月	
		2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)	2016 二零一六年 HK\$'000 千港元 (Restated) (重列)
Amortisation on development costs for systems and networks, included in cost of sales	系統及網絡開發成本之攤銷 (計入銷售成本內)	—	17,702
Depreciation of property, plant and equipment, included in general and administrative expenses	物業、廠房及設備之折舊 (計入一般及行政支出內)	4,554	5,015
Total amortisation and depreciation	攤銷及折舊總額	4,554	22,717

4. INCOME TAX EXPENSE

4. 所得稅支出

		Six months ended 31 December 截至十二月三十一日止六個月	
		2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)	2016 二零一六年 HK\$'000 千港元 (Restated) (重列)
Current tax expense:	即期稅項支出：		
— United Kingdom (“UK”) corporate income tax	— 英國企業所得稅	355	—
Deferred income tax:	遞延所得稅：		
— Charge for the period	— 期內支出	535	16
		890	16

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4. INCOME TAX EXPENSE (continued)

The UK corporate income tax rate was reduced from 20% to 19% effective from 1 April 2017. UK corporate income tax is calculated at 19% (2016: 20%) on the estimated assessable profit derived from UK.

Under the law of the People's Republic of China (the "PRC") on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both periods. There is no estimated assessable profit for PRC Enterprise Income Tax for both periods.

Hong Kong Profits Tax is calculated at 16.5% (2016: 16.5%) on the estimated assessable profits derived from Hong Kong. There was no estimated assessable profit for Hong Kong Profits Tax for both periods.

5. LOSS PER SHARE

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

4. 所得稅支出(續)

由二零一七年四月一日起，英國企業所得稅率自20%減至19%。英國企業所得稅乃以源自英國之估計應課稅溢利按19% (二零一六年：20%)之稅率計算。

根據中華人民共和國(「中國」)企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司於兩個期間之稅率為25%。於該兩個期間，概無就中國企業所得稅估計應課稅溢利。

香港利得稅乃以源自香港之估計應課稅溢利按16.5% (二零一六年：16.5%)之稅率計算。於兩個期間內，就香港利得稅並無估計應課稅溢利。

5. 每股虧損

本公司擁有人應佔每股基本虧損乃根據下列數據計算：

		Six months ended	
		31 December	
		截至十二月三十一日止六個月	
		2017	2016
		二零一七年	二零一六年
		(Unaudited)	(Restated)
		(未經審核)	(重列)
		HK\$'000	HK\$'000
		千港元	千港元
Loss for the period attributable to owners of the Company	本公司擁有人應佔本期間虧損	(3,654,974)	(76,930)
<i>Number of ordinary shares</i>	<i>普通股數目</i>	'000 千股	'000 千股
Weighted average number of ordinary shares for the purpose of basic loss per share	就計算每股基本虧損之普通股加權平均數	366,142	316,589

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5. LOSS PER SHARE (continued)

The weighted average number of ordinary shares for the purposes of calculating basis loss per share for the six months ended 31 December 2017 has been adjusted to reflect the share consolidation occurred during the period. The corresponding weighted average number of ordinary shares for the six months ended 31 December 2016 has been retrospectively adjusted to reflect the said share consolidation. Details of issue of shares and share consolidation are set out in note 18 to the unaudited condensed consolidated financial statements.

Diluted loss per share for the six months ended 31 December 2017 and 31 December 2016 were the same as the basic loss per share as there were no potential ordinary shares outstanding during both periods.

6. DIVIDENDS

The board of directors has resolved not to pay any interim dividend for the six months ended 31 December 2017 (31 December 2016: Nil).

7. PROPERTY, PLANT AND EQUIPMENT

5. 每股虧損(續)

計算截止二零一七年十二月三十一日止六個月之每股基本虧損所採用之普通股加權平均數已作調整，以反映本期間所進行之股份合併。於截至二零一六年十二月三十一日止六個月之相應普通股加權平均數已作追溯調整，以反映上述股份合併。有關發行股份及股份合併之詳情載於未經審核簡明綜合財務報表附註18。

於截至二零一七年十二月三十一日及二零一六年十二月三十一日止六個月之每股攤薄虧損與每股基本虧損相同，原因為於該等期間並無潛在已發行普通股。

6. 股息

董事會議決並不就截至二零一七年十二月三十一日止六個月派付任何中期股息(二零一六年十二月三十一日：無)。

7. 物業、廠房及設備

		Amount
		總額
		HK\$'000
		千港元
At 1 July 2017 (Restated)	於二零一七年七月一日(重列)	38,987
Currency realignment	匯兌調整	1,573
Additions	添置	3,629
Addition by acquisition of subsidiaries (note 21)	透過收購附屬公司添置(附註21)	752
Depreciation	折舊	(4,554)
Disposals	出售	(12)
Elimination due to disposal of subsidiaries	因出售附屬公司對銷	(921)
Transfer to investment properties (note 8)	轉至投資物業(附註8)	(5,279)
Carrying value at 31 December 2017 (Unaudited)	於二零一七年十二月三十一日之賬面值(未經審核)	34,175

As at 31 December 2017, property, plant and equipment of the Group with carrying amounts of HK\$11,716,000 (30 June 2017: HK\$11,215,000) have been pledged as securities for the defined benefit retirement scheme of certain subsidiaries operated in UK.

於二零一七年十二月三十一日，本集團賬面值為11,716,000港元(二零一七年六月三十日：11,215,000港元)之物業、廠房及設備已被抵押，作為若干於英國營運之附屬公司之定額福利退休計劃之擔保。

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8. INVESTMENT PROPERTIES

8. 投資物業

		Amount 總額 HK\$'000 千港元
At 1 July 2017 (Restated)	於二零一七年七月一日(重列)	54,094
Currency realignment	匯兌調整	12,045
Addition by acquisition of subsidiary (note 21)	透過收購附屬公司添置(附註21)	174,596
Transfer from property, plant and equipment (note 7)	轉自物業、廠房及設備(附註7)	5,279
Fair value gain on transfer of property, plant and equipment to investment properties	物業、廠房及設備轉撥至投資物業之公平價值收益	73,221
Increase in fair value of investment properties	投資物業之公平價值增加	13,187
Carrying value at 31 December 2017 (Unaudited)	於二零一七年十二月三十一日之賬面值(未經審核)	332,422

Investment properties have been valuated as at 31 December 2017 by independent firms of professional valuers, Hilco Global Greater China Limited.

投資物業已由獨立專業估值師Hilco Global Greater China Limited。

the fair value of the Group's investment properties acquired through acquisition of subsidiaries which could only be determined on a provisional basis pending completion of the fair value appraisal process. For accounting purposes, the directors expected an impairment on investment properties might have to be made upon finalization of the final valuation.

本集團透過收購附屬公司添置之投資物業之公平價值僅可以暫時基準釐定，以待完成公平價值評估程序。就會計目的而言，董事預計，於最終估值落實後可能須作出投資物業減值。

The fair value gain on transfer of property, plant and equipment to investment properties represents the amount of fair value gain transferred to other comprehensive income at the date of transfer.

由物業、廠房及設備轉移至投資物業所產生的公平價值收益代表於轉移日期轉移至其他全面收益之公平價值金額。

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9. AVAILABLE-FOR-SALE INVESTMENTS

9. 可供出售投資

		As at 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 30 June 2017 於二零一七年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
Unlisted equity securities, at cost	非上市股本證券，按成本值	518,480	518,480
Impairment loss recognised	已確認之減值虧損	(518,480)	(518,480)
		—	—
Listed equity securities, at fair value	上市股本證券，按公平價值	57,976	—
		57,976	—

Unlisted equity securities

The unlisted equity investments represent investments in securities issued by private entities incorporated outside Hong Kong holding strategic investments that were involved in information technology and telecommunications industry. They are measured at cost less any accumulated impairment losses at the end of the reporting period because the range of reasonable fair value estimates is so significant that management has exhausted all means practically possible, including the engagement of lawyers and private investigators etc., to get hold of the disappeared management of the investee companies and to recover part of investment amount. However, nothing fruitful has been achieved, therefore, the management is of the opinion that their fair values have diminished to zero.

非上市股本證券

非上市股本投資指於香港以外地區註冊成立，涉及資訊科技及電信業持有策略性投資之私人實體所發行之證券投資。該等投資於報告期完結時按成本值減任何累計減值虧損計量，此乃由於合理公平價值估算範圍甚大，管理層用盡一切實際可行途徑，包括聘用律師及私家偵探等，以聯絡上獲投資公司的已失蹤管理層及追討部份投資款，但卻一無所獲。因此，所以管理層認為此等投資之公平價值已減少至零。

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9. AVAILABLE-FOR-SALE INVESTMENTS (continued)

Unlisted equity securities (continued)

In assessing the recoverability of the available-for-sale (“AFS”) investments, the management of the Group tried to establish direct communications with the management of the AFS Investees to understand their latest developments and obtain further and updated financial information of the AFS Investees. However, as at date of the Annual Report for the year ended 30 June 2017, the management of the Group had not been able to obtain from the AFS Investees the necessary financial and other information nor been able to establish contacts with the management of the AFS Investees. Having considered the sudden loss of contact of the AFS Investees and the net liabilities as indicated in the unaudited management accounts made up to 30 June 2017, the management of the Group believed that the AFS Investments should be fully impaired. Accordingly, the Group recognised an additional impairment loss of HK\$418,296,000 for the year ended 30 June 2017.

Listed equity securities

As at 31 December 2017, the listed securities in Hong Kong represents the equity interests in Sheng Ye Capital Limited (Stock code: 8469) (30 June 2017: Nil) which are listed on the Growth Enterprise Market of the Stock Exchange of Hong Kong. During the six months ended 31 December 2017, net fair value gain on the available-for-sale investments of the Group amounted to HK\$27,000,000 (2016: HK\$Nil) was recognised in other comprehensive income. During the six months ended 31 December 2017, HK\$800,000 was reclassified to profit or loss as the gain on disposal of certain securities during the period. The fair values of listed equity investments are based on quoted market prices.

As at 31 December 2017, the Group’s listed equity securities classified as available-for-sale investments with carrying amount of HK\$57,976,000 were pledged to secure margin facilities granted by licensed securities companies in Hong Kong to the Group.

9. 可供出售投資(續)

非上市股本證券(續)

評估可供出售(「可供出售」)投資之可收回程度時，本集團管理層試圖直接聯繫可供出售投資之獲投資方之管理層，以了解其最新發展，並進一步取得及更新可供出售投資之獲投資方之財務資料。然而，截至二零一七年六月三十日止年度之年報日期，本集團管理層未能從可供出售投資之獲投資方取得所需財務及其他資料，亦未能與可供出售投資之獲投資方管理層取得聯繫。考慮到與可供出售投資之獲投資方突然失去聯絡及結算至二零一七年六月三十日之未經審核管理帳目中所示之負債淨值，本集團管理層相信，可供出售投資應予全面減值。故此，本集團於截至二零一七年六月三十日止年度確認額外減值虧損418,296,000港元。

上市股本證券

於二零一七年十二月三十一日，香港上市證券指於盛業資本有限公司(股份代號：8469)之權益(二零一七年六月三十日：無)，該公司於香港聯交所創業板上市。於截至二零一七年十二月三十一日止六個月，本集團之可供出售投資之公平價值收益淨值27,000,000港元(二零一六年：零港元)已於其他全面收益中確認。於截至二零一七年十二月三十一日止六個月，800,000港元被重新分類至損益作為期內出售若干證券之收益。上市證券投資之公平價值乃基其於所報市價釐定。

於二零一七年十二月三十一日，本集團賬面值為57,976,000港元被分類為可供出售投資之上市股本證券已被抵押，以擔保香港持牌證券公司向本集團授出之孖展信貸。

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10. FINANCE LEASE RECEIVABLE

10. 應收融資租賃款項

	Minimum lease payments 最低租賃款項		Present value of minimum lease payments 最低租賃款項之現值		
	As at 31 December 2017 於 二零一七年 十二月 三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 30 June 2017 於 二零一七年 六月 三十日 HK\$'000 千港元 (Audited) (經審核)	As at 31 December 2017 於 二零一七年 十二月 三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 30 June 2017 於 二零一七年 六月 三十日 HK\$'000 千港元 (Audited) (經審核)	
Within one year	一年內	4,705	—	4,569	—
In the second to fifth years, inclusive	第二至五年 (包括首尾兩年)	65,864	—	48,083	—
		70,569	—	52,652	—
Less: Unearned finance income	減：未實現融資收入	(17,917)	—		
Present value of minimum lease payment receivables	最低應收租賃款項之現值	52,652	—		
Represented by	以下列各項列示				
Current portion	即期部份			4,569	—
Non-current portion	非即期部份			48,083	—
				52,652	—

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10. FINANCE LEASE RECEIVABLE (continued)

The Group acquired properties which comprise a parcel of land and a hotel property through acquisition of subsidiaries (note 21) from an independent third party with a sub-contracting agreement and a relevant supplemental agreement (“Agreements”).

Under the Agreements, the hotel property was leased to an independent third party for 30 years from 2003 in return for guaranteed income. However, the management considered that, as the beneficial owner of the properties, it has the right to take initiative to terminate the Agreements and the properties are freely transferrable to local or overseas purchasers.

In addition, the land use rights of the properties have been granted for 2 terms, a portion of which will expire on 10 December 2032 and another portion will expire on 24 September 2043. The management through its indirect non-wholly owned subsidiary — 東莞新金域怡景酒店有限公司, may seek for extension of the land use right shortly before expiry which is common in this part of China.

Although the advanced confirmation of above arrangement cannot be made at the present moment, under the current laws and regulations of the PRC, the Group remains in possession of a proper legal title to the properties, after taking into the Agreements and therefore the customary authority of a landlord remains vested in the lessor.

At 31 December 2017, the effective interest rates applicable to the finance lease was approximately 4.01% per annum.

The receivable was neither past due nor impaired. Receivable which was neither past due nor impaired related to one borrower for whom there was no recent history of default. The management of the Group considers that collaterals are sufficient to compensate the non-performance of the borrower. As a result, the directors of the Company considered no provision for impairment loss is considered necessary.

10. 應收融資租賃款項(續)

本集團透過與一名獨立第三方訂立分租協議及一份相關補充協議(「該等協議」),收購附屬公司(附註21)及其物業,當中包括一幅土地及酒店物業。

根據該等協議,自二零零三年向一名獨立第三方出租酒店物業賺取保證收入,年期為30年。然而,管理層認為,作為該等物業之實益擁有人,本集團有權採取措施終止該等協議及該等物業可自由轉讓予當地或海外買方。

此外,該等物業獲授之土地使用權有兩個年期,一部分將於二零三二年十二月十日屆滿,及另一部分將於二零四三年九月二十四日屆滿。透過其間接非全資附屬公司東莞新金域怡景酒店有限公司,管理層可能於年期屆滿前不久尋求延長土地使用權,於中國此情況乃屬常見。

儘管上述管理層目前未能作出預先確認,根據中國現時之法律及法規,本集團於考慮該等協議後,仍然持有該等物業之適當法定所有權,因此,業主之傳統權限仍然歸屬於出租人。

於二零一七年十二月三十一日,融資租賃之適用實際年利率約為4.01%。

應收款項尚未逾期或減值。尚未逾期或減值之應收款項與一名並無最近違約歷史記錄之借款人有關。本集團管理層認為,抵押品足以賠償借款人未有履約。因此,本公司董事認為毋須作出減值虧損撥備。

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11. INVENTORIES

11. 存貨

		As at 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)	As at 30 June 2017 於二零一七年 六月三十日 HK\$'000 千港元 (Audited) (經審核)
Raw materials	原料	8,150	6,602
Work in progress	在製品	5,001	5,786
Finished goods (note)	製成品(附註)	84,383	4,242,356
		97,534	4,254,744

Notes:

- (i) Included in finished goods are cultural products, including precious stones and artifacts, of HK\$76,413,000 (30 June 2017: HK\$4,235,385,000) which are held for trading and resale in the ordinary course of business.
- (ii) As at 31 December 2017, all the culture products are stored in the warehouse of a worldwide security solution company, which is an independent third party storage service provider.

As at 30 June 2017, around 86.7% or 319 pieces out of total 371 pieces of cultural products were stored in a museum operated by a company wholly-owned by Prof. Paul Kan Man Lok, a director and substantial shareholder of the Company up to 30 September 2016 and 1 October 2016 respectively, on a consignment basis.

附註：

- (i) 製成品包括於日常業務過程中持作買賣及轉售之文化產品(包括珍貴石頭及藝術品)76,413,000港元(二零一七年六月三十日：4,235,385,000港元)。
- (ii) 於二零一七年十二月三十一日，所有文化產品已存放於一間全球保安解決方案公司之倉庫，其為獨立第三方存放服務供應商。

於二零一七年六月三十日，合共371件文化產品中，約有86.7%或319件乃按寄售方式存放於本公司董事兼主要股東(分別至二零一六年九月三十日及二零一六年十月一日止)簡文樂教授全資擁有之公司經營之一間博物館內。

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11. INVENTORIES (continued)

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

For the purpose of preparing the unaudited condensed consolidated financial statements for the six months ended 31 December 2017, the Group had arranged another team of cultural products and jewellery experts from “China Cultural Heritage Information and Consulting Center”, being led by Ms. YANG Zhen Hua (楊震華), to perform a detailed authentication on all of the cultural products regarding their grading and classification. According to these experts, further downgradings and reclassifications were required to be made on some of the cultural products. The Group engaged an independent valuer to reassess the current market values of the inventories as at 31 December 2017 based on the findings of the cultural product and jewellery experts concerning the grading and classification of the cultural products. As a result of the assessment, the management of the Group had determined that the net realisable values of the inventory items of cultural products were lower than their costs and that the shortfalls amounted to an aggregate amount of HK\$8,434,893,000. Accordingly, the Group recognised an additional impairment loss of HK\$4,158,972,000 for the period ended 31 December 2017.

11. 存貨(續)

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

就編製截至二零一七年十二月三十一日止六個月之未經審核簡明綜合財務報表而言，本集團已安排由楊震華女士帶領之另一隊「中國文物信息諮詢中心」之文物產品及玉石專家對所有文物產品就其品位及分類進行詳細鑑證。根據該等專家之意見，需要對部分文物產品進行進一步品位下調及重新分類。本集團已聘請獨立估值師按照文物產品及玉石專家就該等文物產品之品位及分類之結論，重估上述存貨於二零一七年十二月三十一日之現時市值。因上述評估關係，本集團管理層釐定文化產品存貨項目之可變現淨值低於其成本，差額合共達8,434,893,000港元。故此，本集團於截至二零一七年十二月三十一日止期間確認額外減值虧損4,158,972,000港元。

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12. TRADE AND OTHER RECEIVABLES

12. 應收貿易及其他賬款

		As at 31 December 2017	As at 30 June 2017
		於二零一七年 十二月三十一日	於二零一七年 六月三十日
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Trade receivables	應收貿易賬款	19,918	17,910
Other receivables	應收其他賬款	26,137	28,808
		46,055	46,718

The Group maintains a well-defined credit policy regarding its trade customers depending on their credit worthiness, nature of services and products, industry practice and condition of the market with credit period ranging from 30 days to 180 days. The other receivables are unsecured, non-interest bearing and refundable, and are expected to be realised in the next twelve months from the end of the reporting period.

本集團就其貿易客戶實行明確之信貸政策。根據彼等之信用、服務及貨品之性質、行內規範及市場情況而給予客戶介乎30日至180日信貸期。應收其他賬款乃無抵押、不計息及可退還，並預計於報告期完結後十二個月內兌現。

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

應收貿易賬款於報告期完結時根據發票日期之賬齡分析呈列如下：

		As at 31 December 2017	As at 30 June 2017
		於二零一七年 十二月三十一日	於二零一七年 六月三十日
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
0 — 60 days	0 — 60日	16,005	16,179
61 — 90 days	61 — 90日	2,625	1,676
91 — 180 days	91 — 180日	1,288	55
		19,918	17,910

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13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (“FINANCIAL ASSETS AT FVTPL”)

13. 按公平價值計入損益之金融資產(「按公平價值計入損益之金融資產」)

	31 December 2017 二零一七年 十二月三十一日 <i>HK\$'000</i> 千港元 (Unaudited) (未經審核)	30 June 2017 二零一七年 六月三十日 <i>HK\$'000</i> 千港元 (Audited) (經審核)
Listed equity investments in Hong Kong 香港上市股本投資	61,862	—

The fair values of the listed shares in Hong Kong are determined based on quoted market prices.

香港上市股份之公平價值乃按所報市場價格釐定。

Assuming the portfolio of the Group's listed equity investments remained unchanged, the market value of the Group's listed equity investments at the date of approval of these financial statements is HK\$80,158,000.

假設本集團之上市股本投資組合維持不變，於批准該等財務報表日期，本集團上市股本投資之市值為80,158,000港元。

As at 31 December 2017, the Group's listed financial assets at FVTPL with an aggregate carrying amount of HK\$45,035,000 were pledged to secure margin facilities granted by licensed securities companies in Hong Kong to the Group.

於二零一七年十二月三十一日，本集團合共賬面值為45,035,000港元之按公平價值計入損益之上市金融資產已被抵押，以擔保香港持牌證券公司向本集團授出之孖展融資。

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14. TRADE AND OTHER PAYABLES

14. 應付貿易及其他賬款

		As at 31 December 2017	As at 30 June 2017
		於二零一七年 十二月三十一日	於二零一七年 六月三十日
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Trade payables	應付貿易賬款	2,839	7,487
Other payables (note)	應付其他賬款(附註)	73,108	67,929
		75,947	75,416

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

購買貨品之信貸期介乎30日至60日。

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

應付貿易賬款於報告期完結時根據發票日期之賬齡分析呈列如下：

		As at 31 December 2017	As at 30 June 2017
		於二零一七年 十二月三十一日	於二零一七年 六月三十日
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
0 — 60 days	0 — 60日	2,563	7,487
61 — 180 days	61 — 180日	274	—
Over 181 days	超過181日	2	—
		2,839	7,487

Note: Other payables mainly represented receipts in advance of HK\$14,671,000 (30 June 2017: HK\$21,188,000) and amount due to a previous substantial shareholder of HK\$14,120,000 (30 June 2017: HK\$11,353,000).

附註：其他應付賬款主要指預收款項14,671,000港元(二零一七年六月三十日：21,188,000港元)及應付一名先前主要股東款項14,120,000港元(二零一七年六月三十日：11,353,000港元)。

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15. AMOUNTS DUE TO DIRECTORS

The amounts due to directors of the Company are unsecured, non-interest bearing and repayable on demand. As at 31 December 2017, one of the directors owned 11% interest in the Company.

As at 30 June 2017, the director owned 27.90% beneficiary interest in the Company but he already resigned on 15 August 2017 and disposed of all the shares held by him on 17 August 2017.

16. INTEREST BEARING BANK AND OTHER BORROWINGS

On 12 June 2017, the Company, Mr. Cheng Yang (the "Guarantor") and a licensed money lender (the "Lender") in Hong Kong had entered into a facility agreement which the lender agreed to lend the Company up to HK\$305,000,000 in aggregate principal amount and the expiry date is 12 months from the date of the first utilisation. The Company had drawn down a loan with principal amount of HK\$203,000,000 on 5 July 2017 and HK\$97,000,000 on 6 July 2017 respectively. The maturity date of the loan is 4 July 2018. The loan is secured by 640,689,792 shares of Kantone Holdings Limited (stock listed in HKEX, stock code: 1059) and personal guarantee by Mr. Cheng Yang, a director of the Company. Mr. Cheng Yang had resigned as director of the Company on 15 August 2017 and disposed of 1,766,860,957 shares of the Company on 17 August 2017. The facility agreement stated that the Guarantor shall ensure that he directly and beneficially own not less than 1,766,860,957 shares of the Company at all times and he shall remain as the chairman of the board of directors of the Company. No action has been taken by the Lender and their waiver was obtained on 28 September 2017 with retrospective effect. The Lender has granted the Company an option to roll over the unpaid balance of the loan for another 12 months from the termination date, i.e. 4 July 2019.

15. 應付董事款項

應付本公司董事款項乃無抵押、不計息及須按要求償還。於二零一七年十二月三十一日，其中一名董事擁有本公司11%之權益。

於二零一七年六月三十日，該董事擁有本公司27.90%之受益人權益，但彼於二零一七年八月十五日辭任，並於二零一七年八月十七日出售其持有之所有股份。

16. 計息銀行及其他借貸

於二零一七年六月十二日，程楊先生（「擔保人」）及一名香港持牌貸款人（「貸款人」）訂立融資協議，貸款人同意向本公司借出本金總額最多305,000,000港元，屆滿日期為首次動用之日起計12個月。本公司分別於二零一七年七月五日及二零一七年七月六日已提取本金額為203,000,000港元及97,000,000港元之貸款。該貸款之到期日為二零一八年七月四日。該貸款以640,689,792股看通集團有限公司（股份在香港交易所上市，股份代號：1059）股份作抵押，並由本公司董事程楊先生作出私人擔保。程楊先生已於二零一七年八月十五日辭任本公司董事並於二零一七年八月十七日出售1,766,860,957股本公司股份。融資協議列明，擔保人須確保彼於任何時間直接及實益擁有不少於1,766,860,957股本公司股份，並須留任為本公司之董事會主席。貸款人並無採取任何行動，並且已於二零一七年九月二十八日取得其具追溯效力之豁免。貸款人已向本公司授出選擇權，可將貸款未付餘額延後至終止日期起計12個月（即二零一九年七月四日）。

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16. INTEREST BEARING BANK AND OTHER
BORROWINGS (continued)

In addition, another waiver was obtained on 2 February 2018 with retrospective effect to reduce the market capitalisation requirement for Kantone Holdings Limited to HK\$150,000,000. There is no breach of any covenant of the facility agreement and any supplemental agreement.

17. PROMISSORY NOTE PAYABLE

The movement on the promissory note payable is as follows:

16. 計息銀行及其他借貸(續)

此外，貸款人並無採取進一步行動及於二零一八年二月二日取得具追溯效力之另一份豁免，將看通集團有限公司之市值要求降低至150,000,000港元。概無違反任何融資協議及任何補充協議之契約。

17. 應付承兌票據

應付承兌票據之變動如下：

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

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17. PROMISSORY NOTE PAYABLE (continued)

- (a) On 19 July 2017, the Company issued HK\$120,000,000 promissory note in connection with the acquisition of subsidiaries (note 21). The interest shall be calculated at 1% per annum on the principal amount then outstanding on a daily basis which shall be due and payable on the anniversary date of the date of the promissory note. The maturity date of the promissory note is 19 December 2019 or such other date as the Company and the holder(s) of the promissory note may agree in writing. Neither the Company nor the holder(s) of the promissory note may assign any of its rights and obligations without the prior written consent of the other party. The Company may repay all or part of the principal together with interest accrued thereon at any time prior to the maturity date by giving 7 days' prior written notice to the holder(s) of the promissory note.
- (b) On 12 December 2017, the Company early settled part of the promissory note with the principal amount of HK\$50,000,000 by cash of HK\$35,950,000. The amortised cost of the said promissory note was approximately HK\$39,394,000 at the date of early redemption. As such, gain on early redemption of promissory notes of approximately HK\$3,444,000 was recognised during the six months ended 31 December 2017.

17. 應付承兌票據(續)

- (a) 於二零一七年七月十九日，本公司就收購附屬公司發行120,000,000港元之承兌票據(附註21)。利息須按當時尚未償還本金額按年利率1%每日計算，並須於承兌票據日期之週年日期繳付及應付。承兌票據之到期日為二零一九年十二月十九日或本公司及承兌票據持有人可能書面協定之有關其他日期。本公司及承兌票據持有人均不得在未經另一方之提前書面同意下轉讓其任何權利及責任。本公司可透過向承兌票據持有人發出7天提前書面通知於到期日前任何時間償付全部或部分本金額及其應計利息。
- (b) 於二零一七年十二月十二日，本公司以現金35,950,000港元提前結付本金額50,000,000港元之部分承兌票據。上述承兌票據之攤銷成本於提前贖回日期為約39,394,000港元。因此，提前贖回承兌票據之收益約3,444,000港元已於截至二零一七年十二月三十一日止六個月確認。

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18. SHARE CAPITAL

18. 股本

		Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
Authorised share capital of HK\$0.1 each:	每股面值0.1港元之法定股本：		
Balance at 1 July 2016 and 30 June 2017 (Audited)	於二零一六年七月一日及二零一七年六月三十日之結餘 (經審核)	30,000,000	3,000,000
Share reorganisation (note b)	股本重組(附註b)	(28,500,000)	(2,850,000)
Balance at 31 December 2017 (Unaudited)	於二零一七年十二月三十一日之結餘(未經審核)	1,500,000	150,000

		Number of shares 股份數目 '000 千股	Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Capital reserve 股本儲備 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Issued and fully paid share capital of HK\$0.1 each:	每股面值0.1港元之已發行及繳足股本：					
Balance at 1 July 2016 and 30 June 2017 (Audited)	於二零一六年七月一日及二零一七年六月三十日之結餘(經審核)	6,331,789	633,179	2,096,276	125,036	2,854,491
Issue of shares (note a)	發行股份(附註a)	1,266,356	126,636	6,331	—	132,967
Share reorganisation (note b)	股本重組(附註b)	(7,218,237)	(721,824)	—	721,824	—
Share issue expense	股份發行開支	—	—	(2,659)	—	(2,659)
Balance at 31 December 2017 (Unaudited)	於二零一七年十二月三十一日之結餘(未經審核)	379,908	37,991	2,099,948	846,860	2,984,799

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18. SHARE CAPITAL (continued)

(a) Issue of shares

On 10 August 2017, the Company allotted and issued 1,266,356,000 ordinary shares to certain independent third parties at a subscription price of HK0.105 per share and raised a total of approximately HK\$132,967,000, before expenses, as general working capital of the Group and for the development of the existing and future projects of the Group.

(b) Share reorganisation

On 26 October 2017, the Company implemented the capital reorganisation, pursuant to a special resolution passed by the shareholders of the Company at the special general meeting of the Company held on 18 October 2017, details are set out as below:

- I. share consolidation of every twenty issued and unissued share of the Company of HK\$0.1 each was consolidated into one consolidated share of HK\$2 each;
- II. (i) the issued share capital of the Company was reduced through a cancellation of the paid-up capital of the Company to the extent of HK\$1.9 on each of the consolidated share of the Company such that the par value of each consolidated share of the Company was reduced from HK\$2 to HK\$0.10 ("New Share"); and (ii) any fractional consolidated share in the issued share capital of the Company arising from the share consolidation was cancelled;
- III. the authorised share capital of the Company decreased to HK\$150,000,000 divided into 1,500,000,000 New Shares.

18. 股本(續)

(a) 發行股份

於二零一七年八月十日，本公司以認購價每股股份0.105港元向若干獨立第三方配發及發行1,266,356,000股普通股，並籌集共約132,967,000港元(未扣除開支)用作本集團之一般營運資金及發展本集團之現有及未來項目。

(b) 股本重組

於二零一七年十月二十六日，根據本公司股東於二零一七年十月十八日舉行之股東特別大會上通過之一項特別決議案，本公司實行股本重組，詳情載列如下：

- I. 將每二十股每股面值0.1港元之本公司已發行及未發行股份合併為一股每股面值2港元之合併股份；
- II. (i)透過註銷本公司繳足股本(以本公司每股合併股份1.9港元為限)削減本公司已發行股本，致使本公司每股合併股份面值由2港元減少至0.10港元(「新股份」)；及(ii)註銷因股份合併而於本公司已發行股本產生之任何零碎合併股份；
- III. 本公司之法定股本減少至150,000,000港元，分為1,500,000,000股新股份。

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19. OPERATING LEASE ARRANGEMENTS

The Group as lessor

At the end of the reporting period, the Group contracted with lessees in respect of leasing of premises and certain equipment which is included in plant and machinery and communications networks, which fall due as follows:

19. 經營租賃安排

本集團作為出租人

於報告期完結時，本集團就租用物業及若干已計入廠房、機器及通信網絡之設備與租戶訂立合約，其到期情況如下：

		As at 31 December 2017 於二零一七年十二月三十一日		As at 30 June 2017 於二零一七年六月三十日	
		Land and buildings	Plant and machinery and communications networks 廠房、機器 及通信網絡	Land and buildings	Plant and machinery and communications networks 廠房、機器 及通信網絡
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
		(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Audited) (經審核)	(Audited) (經審核)
Within one year	一年內	1,338	1,012	309	209
In the second to fifth year inclusive	第二年至第五年(包括首尾兩年)	2,134	8,777	201	9,357
Over five years	五年以上	—	—	—	339
		3,472	9,789	510	9,905

As at 31 December 2017, the future rental income to be generated from the plant and machinery and communication networks of the Group amounting to HK\$35,764,875 (30 June 2017: HK\$34,090,875) have been pledged as securities for the defined benefit retirement scheme of certain subsidiaries operated in UK.

於二零一七年十二月三十一日，本集團之廠房及機器及通信網絡產生將為35,764,875港元(二零一七年六月三十日：34,090,875港元)之未來租金收入已質押，作為於英國營運之若干附屬公司之定額福利退休計劃之抵押。

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19. OPERATING LEASE ARRANGEMENTS (continued)

The Group as lessee

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

19. 經營租賃安排(續)

本集團作為承租人

於報告期完結時，本集團多項就租用物業與汽車之不可註銷經營租賃項下日後最低應付租賃款額之到期情況如下：

		As at 31 December 2017		As at 30 June 2017	
		於二零一七年十二月三十一日		於二零一七年六月三十日	
		Land and buildings	Motor vehicles	Land and buildings	Motor vehicles
		土地及樓宇	汽車	土地及樓宇	汽車
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
		(Unaudited)	(Unaudited)	(Audited)	(Audited)
		(未經審核)	(未經審核)	(經審核)	(經審核)
Operating leases which expire:	於下列年期屆滿之經營租賃：				
Within one year	一年內	16,011	2,950	13,007	2,103
In the second to fifth year inclusive	第二年至第五年 (包括首尾兩年)	9,638	2,096	22,212	2,738
		25,649	5,046	35,219	4,841

Leases are negotiated for terms of one to five years and rentals are fixed for terms of one to four years.

經磋商後之租賃年期介乎一年至五年，而租金乃按一年至四年之年期釐定。

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20. RELATED PARTY TRANSACTIONS

Key management personnel remuneration

Key management personnel are those persons holding positions with authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including the directors of the Company. Key management personnel remuneration are as follows:

20. 關連人士交易

主要管理人員薪酬

主要管理人員為擔任具權力且直接或間接負責本集團業務規劃、指導及控制之職位之人士，包括本公司董事。主要管理人員薪酬如下：

		Six months ended	
		31 December	
		截至十二月三十一日止六個月	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Salaries and other benefits	薪金及其他福利	5,202	2,704
Performance related incentive payments	按工作表現發放之獎金	1,803	255
Retirement benefit scheme contributions	退休福利計劃供款	351	15
		7,356	2,974

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21. ACQUISITION OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES

On 19 July 2017, the Group entered into a sale and purchase agreement with three independent third parties to acquire 51% equity interest of Golden Field Property Limited (the “Golden Field”) from Wealth Track Asia Limited (the “Vendor”) at consideration of HK\$150,000,000, which was satisfied by payment of HK\$30,000,000 and the issue of the promissory note of HK\$120,000,000 by the Company to the Vendor.

Golden Field is an investment holding company incorporated in Hong Kong on 12 March 1992 with limited liability which was 51% owned by the Vendor immediately prior to completion of the acquisition. Golden Field has 95% equity interest in Dongguan Golden Field Yijing Hotel Limited, a company incorporated in People’s Republic of China (the “PRC subsidiary”).

The PRC subsidiary is a sino-foreign equity joint venture established in the PRC on 1 July 2000 and owned a hotel property in the PRC.

The acquisition was completed on 19 July 2017 and the Golden Field and its subsidiary became an indirect non-wholly owned subsidiaries of the Company.

As disclosed in note 10 to the unaudited condensed consolidated financial statements, the Group let the properties acquired through the above transaction to an independent third party tenant for the period from 11 March 2003 to 10 March 2033. The tenant could use the name of the PRC subsidiary as trade name for their business operation. Pursuant to the agreement signed between the tenant and the PRC subsidiary, the tenant has the right to pledge the properties to secure its borrowings by entering into supplementary agreement with the Group and no net liability should be incurred under the name of the PRC subsidiary upon the expiry of the subcontracting arrangement. As at 31 December 2017, no such liability was noted.

The fair value of the Group’s share of Golden Field’s identifiable assets acquired and liabilities and contingent liabilities assumed could only be determined on a provisional basis pending completion of the fair value appraisal process. For accounting purposes, the directors expected an impairment on investment properties might have to be made upon finalization of the final valuation.

21. 透過收購附屬公司收購資產及負債

於二零一七年七月十九日，本集團與三名獨立第三方訂立買賣協議，向富迪亞洲有限公司(「賣方」)收購新金域地產有限公司(「新金域」)之51%股權，代價為150,000,000港元，已以付款30,000,000港元及本公司向賣方發行120,000,000港元承兌票據支付。

新金域為一間於一九九二年三月十二日在香港註冊成立之投資控股有限公司，其緊接收購事項完成前由賣方擁有51%。新金域於在中華人民共和國註冊成立之公司東莞新金域怡景酒店有限公司(「中國附屬公司」)中擁有95%股權。

中國附屬公司為一間於二零零零年七月一日在中國成立之中外合資合營企業，並擁有一間中國酒店物業。

收購事項已於二零一七年七月十九日完成。新金域及其附屬公司已成為本公司之間接非全資附屬公司。

誠如未經審核簡明綜合財務報表附註10所披露，本集團收購之物業通過上述交易已出租予一名獨立第三方租戶，租期由二零零三年三月十一日至二零三三年三月十日。該租戶可用中國附屬公司之名義營運。根據該租戶及中國附屬公司簽訂的協議，租戶有權透過與本集團訂立補充協議抵押該等物業以擔保其借貸，於分包安排屆滿時概無產業以中國附屬公司名義之負債淨額。於二零一七年十二月三十一日，此等負債並無入賬。

本集團分估新金域可識別資產及負債以及所承擔之或然負債之公平價值僅可以暫時基準釐定，以待完成公平價值評估程序。就會計目的而言，董事預計，於最終估值落實後可能須作出投資物業減值。

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

The recognised amount of identifiable assets and liabilities acquired were as follows:

21. 透過收購附屬公司收購資產及負債(續)

已收購可識別資產及負債之已確認金額如下：

		Initial carrying amount 初始賬面值 HK\$'000 千港元 (Unaudited) (未經審核)
Recognised amounts of identifiable assets acquired and liabilities	已收購可識別資產及負債之 已確認金額	
Trade receivable	應收貿易款項	216
Cash and cash equivalents	現金及現金等額	254
Property, plant and equipment (note 7)	物業、廠房及設備(附註7)	752
Investment properties (note 8)	投資物業(附註8)	174,596
Finance lease receivable	應收融資租賃款項	54,025
Accruals and other payables	應計費用及應付其他賬款	(776)
Amount due to a director of Golden Field	應付一名新金域董事款項	(1,206)
Total identifiable net assets	可識別總資產淨值	227,861
Non-controlling interests	非控股權益	(111,652)
Net identifiable net assets	可識別資產淨值	116,209
Consideration	代價	
At 19 July 2017	於二零一七年七月十九日	
Total cash consideration transferred	已轉讓總現金代價	30,000
Promissory note issued	已發行承兌票據	86,209
Total consideration	總代價	116,209
Net cash inflow arising on acquisition	收購事項產生之淨現金流	
Total cash consideration transferred	已轉讓之總現金代價	30,000
Acquisition of cash and cash equivalents	收購現金及現金等額	(254)
		29,746

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22. GAIN ON DISPOSAL OF SUBSIDIARIES

Six months ended 31 December 2017

On 30 August 2017, the Group agreed to dispose of its entire interest in Champion Technology Limited (“CTL”) to an independent third party (the “Purchaser A”) for a consideration of HK\$300,000, in full by wire transfer of immediately available funds to the bank account in Hong Kong as designated by the vendor or by cash at completion date.

On 30 August 2017, the Group agreed to dispose of its entire interest in Chinese Science & technology Limited (“CST”) to an independent third party (the “Purchaser B”) for a consideration of HK\$100,000, in full by wire transfer of immediately available funds to the bank account in Hong Kong as designated by the vendor or by cash at completion date.

On 21 December 2017, the Group agreed to dispose of its entire interest in Zhuo Chong Investments Limited (“ZCI”) to an independent third party (the “Purchaser C”) for a consideration of HK\$100,000, in full by wire transfer of immediately available funds to the bank account in Hong Kong as designated by the vendor or by cash at completion date.

22. 出售附屬公司之收益

截至二零一七年十二月三十一日止六個月

於二零一七年八月三十日，本集團同意向一名獨立第三方(「買方A」)出售其於冠軍科技有限公司(「冠軍科技」)之全部股權，代價為300,000港元，於完成日期透過電匯即時可用資金至賣方指定之香港銀行賬戶或以現金悉數支付。

於二零一七年八月三十日，本集團同意向一名獨立第三方(「買方B」)出售其於中文科技有限公司(「中文科技」)之全部股權，代價為100,000港元，於完成日期透過電匯即時可用資金至賣方指定之香港銀行賬戶或以現金悉數支付。

於二零一七年十二月二十一日，本集團同意向一名獨立第三方(「買方C」)出售其於卓崇投資有限公司(「ZCI」)之全部股權，代價為100,000港元，於完成日期透過電匯即時可用資金至賣方指定之香港銀行賬戶或以現金悉數支付。

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22. GAIN ON DISPOSAL OF SUBSIDIARIES (continued)

Six months ended 31 December 2017 (continued)

As at the relevant disposal dates for the disposal of CTL, CST and ZCI, the collective carrying amount of net liabilities disposed of amounted to HK\$965,000 mainly representing cash and cash equivalents of HK\$1,627,000, inventory of HK\$5,000, other receivables, deposits and prepayments of HK\$3,934,000, property, plant and equipment of HK\$921,000, and other payables and accrued charges of HK\$7,452,000. The net gain on disposal amounted to HK\$1,465,000.

Six months ended 31 December 2016

On 30 August 2016, the Group disposed of its entire interests in Vision Kingdom Limited and Top Gallop International Limited, together with their subsidiaries, Smart (Macao Commercial Offshore) Limited and Victory (Macao Commercial Offshore) Limited, respectively, to an independent third party for a total consideration of HK\$6,000,000 fully satisfied by cash. The consideration was received during the year ended 30 June 2016 and has been included as other payables as at 30 June 2016. As at 30 August 2016, the carrying amount of net liabilities disposed of amounted to HK\$97,000, mainly representing deposits, bank balances and cash of HK\$2,536,000, other receivables of HK\$185,000 and other payables of HK\$2,818,000. The net gain on disposal amounted to HK\$6,097,000.

22. 出售附屬公司之收益(續)

截至二零一七年十二月三十一日止六個月(續)

於出售冠軍科技有限公司、中文科技及ZCI之相關出售日期，965,000港元之已出售負債淨值之賬面總值主要包括現金及現金等額1,627,000港元、存貨5,000港元、應收其他賬款項、按金及預付賬款3,934,000港元、物業、廠房及設備921,000港元、應付其他賬款及應計費用7,452,000港元。出售事項之淨收益為1,465,000港元。

截至二零一六年十二月三十一日止六個月

於二零一六年八月三十日，本集團出售其於耀信興業有限公司、Top Gallop International Limited及其各自之附屬公司佳盛(澳門離岸商業服務)有限公司及進昇(澳門離岸商業服務)有限公司之全部股權予一名獨立第三方，代價為6,000,000港元，以現金悉數償付。該代價已於截至二零一六年六月三十日止年度收取，並計入二零一六年六月三十日之應付其他賬款。於二零一六年八月三十日，97,000港元之已出售負債淨值之賬面值主要包括按金、銀行結餘及現金2,536,000港元、應收其他賬款185,000港元及應付其他賬款項2,818,000港元。出售事項之淨收益為6,097,000港元。

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23. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value hierarchy

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

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

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

Level 3 valuations: Fair value measured using significant unobservable inputs

23. 金融工具之公平價值計量

公平價值層級

下表為按經常性基準計量之本集團於報告期完結時之金融項公平價值，已分類至香港財務報告準則第13號公平價值計量所界定之三個公平價值層級。在公平價值計量中分類之層級乃參考估值技術所用之輸入數據之可觀察性及重要性而釐定，詳情如下：

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

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

第三層級估值：採用重大不可觀察輸入數據計量公平價值

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23. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

The following table provides an analysis of financial instruments that are measured at fair value at the end of the reporting period for recurring measurement, grouped into levels 1 to 3 based on the degree to which the fair value is observable in accordance to the accounting policy.

Financial assets measured at fair value

As at 31 December 2017	於二零一七年十二月三十一日
Financial assets	金融資產
Investment properties	投資物業
Available-for-sale investments	可供出售投資
Financial assets at FVTPL	按公平價值計入損益之金融資產
— listed equity securities	— 上市股本證券

23. 金融工具之公平價值計量(續)

下表列出於報告期結束時就經常性計量以公平價值計量之金融工具之分析，根據會計政策按公平價值之可觀察程度分為第一至第三層級。

按公平價值計量之金融資產

Fair value	Level 1	Level 2
公平價值	第一層級	第二層級
HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元
(Unaudited)	(Unaudited)	(Unaudited)
(未經審核)	(未經審核)	(未經審核)

	Fair value	Level 1	Level 2
	公平價值	第一層級	第二層級
	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元
	(Restated)	(Restated)	(Restated)
	(重列)	(重列)	(重列)

As at 30 June 2017	於二零一七年六月三十日
Financial assets	金融資產
Investment properties	投資物業

24. EVENTS AFTER THE REPORTING PERIOD

On 3 January 2018, a share placing was completed with a placing agent to place, on a best effort basis, a total of 75,980,000 placing shares to placees at the placing price of HK\$0.860 per placing share. The net proceeds from placing were approximately HK\$63.6 million.

24. 報告期後事項

於二零一八年一月三日，股份配售已完成，由配售代理按竭力基準以配售價每股配售股份0.860港元配售合共75,980,000股配售股份予承配人。配售所得款項淨值約為63,600,000港元。

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INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the six months ended 31 December 2017 (2016: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL RESULTS

Revenue

The Group reported a revenue for the six months ended 31 December 2017 of approximately HK\$67 million compared with approximately HK\$71 million for the Previous Period, a slight decrease of approximately 5.3 percent. This was mainly due to changes in the product mix during the period.

Loss attributable to Owners of the Company

The loss for the six months ended 31 December 2017 is approximately HK\$4,219 million compared with approximately HK\$83 million for Previous Period. Loss for the six months ended 31 December 2017 attributable to owners of the Company is approximately HK\$3,655 million compared with approximately HK\$77 million for Previous Period. The loss was mainly due to the impairment losses recognised for the inventories during the period. Loss per share is HK998 cents compared with approximately HK24 cents for Previous Period.

Distribution Costs

The Group's distribution costs for the six months ended 31 December 2017 was mainly incurred by the principal subsidiary in United Kingdom — Multitone Electronics PLC ("Multitone"), which recorded distribution costs for the six months ended 31 December 2017 of approximately HK\$14 million compared with approximately HK\$13 million for Previous Period, representing of a slight increase of approximately 10.7 percent.

中期股息

董事會已議決不宣派截至二零一七年十二月三十一日止六個月之中期股息(二零一六年：無)。

管理層討論及分析

財務業績

收益

本集團於截至二零一七年十二月三十一日止六個月錄得收益約67,000,000港元，較去年同期約71,000,000港元輕微減少約5.3%。此乃主要由於期內產品組合變動所致。

本公司擁有人應佔虧損

截至二零一七年十二月三十一日止六個月之虧損為約4,219,000,000港元，去年同期則為約83,000,000港元。截至二零一七年十二月三十一日止六個月本公司擁有人應佔虧損為約3,655,000,000港元，去年同期則為約77,000,000港元。虧損主要由於期內就存貨已確認之減值虧損所致。每股虧損為998港仙，去年同期則為約24港仙。

分銷成本

截至二零一七年十二月三十一日止六個月，本集團之分銷成本主要來自其英國主要附屬公司Multitone Electronics PLC(「無敵通#」)，其於截至二零一七年十二月三十一日止六個月錄得分銷成本約14,000,000港元，較去年同期約13,000,000港元輕微增加約10.7%。

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MANAGEMENT DISCUSSION AND ANALYSIS (continued)

FINANCIAL RESULTS (continued)

General and Administrative Expenses

General and administrative expenses for the six months ended 31 December 2017 increased by approximately 47.1 percent to approximately HK\$71 million from approximately HK\$48 million for Previous Period. The increase is mainly attributable to the increase in legal and professional fees.

Amortisation and Depreciation

Amortisation and depreciation costs for the six months ended 31 December 2017 decreased to approximately HK\$5 million, compared with approximately HK\$23 million for Previous Period, due to significant decrease in amortisation on development costs for systems and networks as the development costs for systems and networks were fully impaired during the year ended 30 June 2017.

Impairment Loss

During the six months ended 31 December 2017, the Group recognised an impairment loss on inventories of approximately HK\$4,159 million, which was primarily attributable to the downgrading and reclassification required to be made on a number of the inventory items of cultural products according to a preliminary view of a team of cultural product/jewellery experts. Details of the impairment are set out in the section headed "Review of Operation" below.

Finance Costs

Finance costs for the six months ended 31 December 2017 increased to approximately HK\$27 million from approximately HK\$2 million for Previous Period, which was due to the increase in borrowings during the Period.

管理層討論及分析(續)

財務業績(續)

一般及行政開支

一般及行政開支由去年同期約48,000,000港元增加約47.1%至截至二零一七年十二月三十一日止六個月約71,000,000港元。有關增加主要由於法律及專業費用增加所致。

攤銷及折舊

截至二零一七年十二月三十一日止六個月之攤銷及折舊成本減少至約5,000,000港元，去年同期則約為23,000,000港元，主要由於就系統及網絡開發成本之攤銷大幅減少所致，其原因為於截至二零一七年六月三十日止年度系統及網絡開發成本已悉數減值。

減值虧損

於截至二零一七年十二月三十一日止六個月，本集團確認存貨減值虧損約4,159,000,000港元，乃主要由於文物產品存貨根據文物產品／玉石專家團隊初步鑑識須進行品位下調及重新分類。有關減值之詳情載列於下文「業務回顧」一節。

財務成本

截至二零一七年十二月三十一日止六個月之財務成本由去年同期約2,000,000港元增加至約27,000,000港元，乃由於回顧期內借貸增加所致。

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

REVIEW OF OPERATION

As disclosed in our 2016/2017 interim report and 2017 annual report, with the change in management, the Group needs a new business plan for its business realignment so as to build a solid market in culture-related businesses.

System Products

For our system products sector, we have started introducing our existing products from our UK arms into the China market and vice-versa. We shall strive to secure some sale contracts before the end of this financial year. So far, contribution from our system and development products has remained steady.

Cultural Products

Included in finished goods of the Group as at 31 December 2017 were cultural products, including precious stones and artifacts, of HK\$76,413,000 (as at 30 June 2017: HK\$4,235,385,000) which were held for trading and resale in the ordinary course of business.

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

A team of cultural product/jewellery experts organized by 中國文物信息諮詢中心“China Cultural Heritage Information and Consulting Center” (the “Consulting Center”) and led by Ms. YANG Zhen Hua (楊震華) is engaged to perform an inspection on all the 368 pieces of cultural products owned by the Group and, in the mid of January 2018, they came to Hong Kong to do the authentication work on all of the 368 pieces of cultural products and upon completion of their stage 1 field work directed us to arrange for scientific examination with the GEM Appraisal Center of Peking University (the “Appraisal Center”) of selected representative samples plus certain items on which doubts were casted by them. According to the preliminary advice from these experts, substantial reclassification and downgrading might be required. Therefore, the Company's management with the assistance of the Hong Kong valuer came up with their best estimate of the value of inventories based on such latest available information. The Company's management was given to understand that the formal authentication report and evaluation from the Appraisal Center would be ready sometime in mid-March 2018.

管理層討論及分析(續)

業務回顧

誠如二零一六／二零一七年年報及二零一七年年報所披露者，由於更換管理層，本集團需要新業務計劃以重整業務及為文化相關業務建立鞏固的市場。

系統產品

就系統產品分部而言，我們已開始將英國分支的現有產品引入至中國市場，亦同時將中國產品引入英國市場。我們將竭盡所能，以期望在本財政年度結束前可以成功簽署若干銷售合同。至今系統及開發產品的貢獻維持平穩。

文化產品

於二零一七年十二月三十一日計入本集團製成品為文化產品，包括76,413,000港元(於二零一七年六月三十日：4,235,385,000港元)的珍貴石頭及藝術品，於日常業務過程中持作買賣及轉售。

所有合共368件文化產品自二零一七年十二月初起存放於一間獨立知名保險公司的保險庫內。

由中國文物信息諮詢中心(「諮詢中心」)籌組及楊震華女士帶領的文物產品／玉石專家團隊獲委聘就由本集團擁有的全部368件文化產品進行調查，專家團隊並於二零一八年一月中親臨香港進行鑒證工作，檢視全部368件文化產品並在完成其第一期工作的同時指示我們就有疑點的已選定具代表性文化產品樣本加上其他抽取的樣本聯同北京大學寶石鑒定中心(「鑒定中心」)進行科學鑒證。根據該等專家之初步意見，有可能須大幅重新分類及下調品位。因此，本公司管理層在香港估值師之協助下按最新得到的資料就存貨價值盡力作出最佳估算。本公司管理層獲悉鑒定中心之正式鑒證報告及評估將於二零一八年三月中完成。

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MANAGEMENT DISCUSSION AND ANALYSIS (continued)

REVIEW OF OPERATION (continued)

Cultural Products (continued)

In view of the disappointing drop in the value of the cultural products, we have to restructure a suitable plan to develop the line of business on cultural products and to proceed along a more realistic approach in selling the cultural products that we have in hand. Sale of cultural products was held up during the reporting period pending the final results of the authentication exercise.

Available-For-Sale Investments ("AFS")

As at 31 December 2017, regarding the AFS investments related to four unlisted equity securities invested previously ("4 Investee Companies") which was fully impaired in the year of 2017, the management of the Company considered that:

- (1) all possible efforts, including the engagement of private investigators, had been exerted to trace the whereabouts of the management and location of the 4 Investee Companies classified under available-for-sale investments which had a carrying value of HK\$418,296,000 as at 31 December 2016 (as at 30 June 2017: nil); and
- (2) even if the 4 Investee Companies could be located by the Company and had their management connected, their intention had been fully exemplified by the financial statements passed on to us via the Company previous management, that is, all companies were in net liabilities and therefore all shareholders' funds had been wiped out.

The Company is now seeking the opinion of the Company's legal adviser as to conclude the final status of the 4 Investee Companies since the Company's management considered that all possible ways, legal and otherwise, had been exhausted.

管理層討論及分析(續)

業務回顧(續)

文化產品(續)

有鑒於文化產品大幅減值，我們需要重新設計一個適合的計劃，以發展文化產品的業務，並訂定一個實際可行的方法以銷售手頭上的文化產品。由於尚待鑒證的最終結果，我們在報告期間不便出售任何手上的文化產品。

可供出售投資(「可供出售投資」)

於二零一七年十二月三十一日，有關先前獲投資之四項非上市股本證券(「4間獲投資方公司」)之可供出售投資已於二零一七年度悉數減值，本公司管理層認為：

- (1) 已盡最大努力，包括委聘私家調查員追蹤被分類為可供出售投資之4家獲投資公司(於二零一六年十二月三十一日賬面值為418,296,000港元(於二零一七年六月三十日：零))之管理層行踪及位置；及
- (2) 即使本公司可查找4家獲投資公司及與該等管理層有聯繫，彼等之意圖已透過本公司前管理層向我們傳閱的財務報表內清楚顯示，即是所有公司均持有負債淨額，因此所有股東的資本均已耗盡。

由於本公司管理層認為已用盡所有可行方法(包括法律及以其他方式)，本公司現正向本公司法律顧問尋求意見，以判斷4家獲投資公司之最終狀況。

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MANAGEMENT DISCUSSION AND ANALYSIS (continued)

REVIEW OF OPERATION (continued)

Available-For-Sale Investments ("AFS") (continued)

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

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

A. SHORT-TERM SECURITIES TRADING

During the Period, the Group has recorded fair value loss on financial assets at fair value through profit or loss of approximately HK\$6.3 million (2016: Nil) which is attributable to unrealised loss of approximately HK\$6.5 million and realised gain of approximately HK\$0.2 million.

As at 31 December 2017, the fair value of the investments classified as financial assets at fair value through profit or loss amounted to approximately HK\$62.0 million (30 June 2017: Nil). These investment portfolios comprised 6 (30 June 2017: Nil) equity securities listed in The Stock Exchange of Hong Kong Limited (the "Stock Exchange") of which 4 (30 June 2017: Nil) equity securities are listed on the Main Board of the Stock Exchange and the remaining 2 (30 June 2017: Nil) equity securities are listed on the Growth Enterprise Market of the Stock Exchange.

B. LONG-TERM SECURITIES INVESTMENT

During the Period, the Group has recorded fair value gain on available-for-sale investments of approximately HK\$27.0 million (2016: Nil) which is attributable to unrealised gain of approximately HK\$26.2 million and realised gain of approximately HK\$0.8 million due to the fluctuation of Hong Kong equity market.

As at 31 December 2017, the fair value of the investment classified as available-for-sale investments amounted to approximately HK\$58.0 million (30 June 2017: Nil). This investment portfolio comprised 1 (30 June 2017: Nil) equity securities listed on the Growth Enterprise Market of the Stock Exchange (30 June 2017: Nil).

管理層討論及分析(續)

業務回顧(續)

可供出售投資(「可供出售投資」)(續)

另一方面，為提高過往集資活動產生的資金回報，本集團盡量已投資若干香港上市證券，有關投資詳情及資料載列如下：

本集團透過本公司及其全資擁有附屬公司冠軍網絡有限公司專注投資於若干短期證券買賣及長期證券投資。

A. 短期證券買賣

於回顧期內，本集團錄得按公平價值計入損益之金融資產投資公平價值虧損約6,300,000港元(二零一六年：零)，此乃由於未變現虧損約為6,500,000港元及已變現收益約200,000港元所致。

於二零一七年十二月三十一日，被分類為按公平價值計入損益之金融資產之投資之公平價值約為62,000,000港元(二零一七年六月三十日：零)。該等投資組合包括6項(二零一七年六月三十日：無)於香港聯合交易所有限公司(「聯交所」)上市的股權證券，其中4項(二零一七年六月三十日：無)股權證券於聯交所主板上市，而餘下2項(二零一七年六月三十日：無)股權證券於聯交所創業板上市。

B. 長期證券投資

於回顧期內，本集團錄得可供出售投資公平價值收益約為27,000,000港元(二零一六年：零)，此乃由於香港股票市場變動，未變現收益約為26,200,000港元及已變現收益約800,000港元所致。

於二零一七年十二月三十一日，被分類為可供出售投資之公平價值約為58,000,000港元(二零一七年六月三十日：零)。此投資組合包括1項(二零一七年六月三十日：無)於聯交所創業板上市(二零一七年六月三十日：無)的股權證券。

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MANAGEMENT DISCUSSION AND ANALYSIS (continued)

B. LONG-TERM SECURITIES INVESTMENT (continued)

The Group's financial assets at fair value through profit or loss and available-for-sale investments were represented as follows:

管理層討論及分析(續)

B. 長期證券投資(續)

本集團按公平價值計入損益之金融資產及可供出售投資呈列如下：

Company Name/ Stock Code	公司名稱/股份代號	Notes	Number of shares held by the Group at 31 Dec 2017 本集團 於 二零一七年 十二月 三十一日 持有之 股份數目	Percentage of shareholdings at 31 Dec 2017 於 二零一七年 十二月 三十一日 之股權百分比	Investment cost HK\$'000 千港元	Unrealised fair value (loss)/gain for the period 期內未變現 公平價值 (虧損)/收益 HK\$'000 千港元	Dividend income for the period 期內 股息收入 HK\$'000 千港元	Fair value at 31 Dec 2017 於 二零一七年 十二月 三十一日 之公平價值 HK\$'000 千港元	Percentage of total financial assets at fair value through profit or loss/ available- for-sale investments 按公平價值 計入損益之 金融資產/ 可供出售 投資總額之 百分比	Percentage of total assets of the Group at 31 Dec 2017 本集團 於 二零一七年 十二月 三十一日 之資產總額 百分比
Financial assets at fair value through profit or loss	按公平價值計入損益之金融資產									
Wai Chun Mining Industry Group Company Limited (Stock code: 660)	偉俊礦業集團有限公司 (股份代號: 660)	1	204,230,000	1.2%	16,339	(2,451)	—	13,888	22.5%	1.7%
Wai Chun Group Holdings Limited (Stock code: 1013)	偉俊集團控股有限公司 (股份代號: 1013)	2	402,586,000	1.9%	19,805	(481)	—	19,324	31.2%	2.3%
Chinese Strategic Holdings Limited (Stock code: 8089)	華人策略控股有限公司 (股份代號: 8089)	3	9,864,000	4.8%	10,235	(1,555)	—	8,680	14.0%	1.0%
Vinco Financial Group Limited (Stock code: 8340)	域高金融集團有限公司 (股份代號: 8340)	4	20,160,000	3.2%	16,434	(508)	75,813	15,926	25.7%	1.9%
Sun Hing Printing Holdings Limited (Stock code: 1975)	新興印刷控股有限公司 (股份代號: 1975)	5	1,600,000	0.3%	2,096	(320)	—	1,776	2.9%	0.2%
Value Convergence Holdings Limited (Stock code: 821)	滙盈控股有限公司 (股份代號: 821)	6	1,800,000	0.2%	3,492	(1,224)	—	2,268	3.7%	0.3%
					68,401	(6,539)	75,813	61,862	100.0%	7.4%
Available-for-sale investments	可供出售投資									
Sheng Ye Capital Limited (Stock code: 8469)	盛業資本有限公司 (股份代號: 8469)	7	8,318,000	1.1%	31,792	26,184	—	57,976	100.0%	7.0%

冠軍科技集團有限公司

CHAMPION TECHNOLOGY HOLDINGS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

1. 660 WAI CHUN MINING INDUSTRY GROUP CO. LTD.

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

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

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

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

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

管理層討論及分析(續)

1. 660 偉俊礦業集團有限公司

偉俊礦業集團有限公司(「偉俊礦業」)及其附屬公司(統稱「偉俊礦業集團」)主要從事製造及銷售化製澱粉及其他生化產品和一般貿易。

根據偉俊礦業截至二零一七年六月三十日止六個月之中期報告，偉俊礦業集團錄得收益約227,000,000港元及全面開支總額約6,000,000港元。偉俊礦業集團將繼續尋找策略性收購，有助本公司把握中華人民共和國(「中國」)市場的新業務機會，並加強收益及溢利基礎。

管理層將不斷監察化製澱粉及其他生化產品的需求增加，會否導致偉俊礦業集團的經營表現將會有所改善。

於回顧期內，本集團收購偉俊礦業之204,230,000股股份，而本集團就該投資於回顧期內錄得未變現虧損2,451,000港元。

於回顧期內並無出售偉俊礦業之股份。

冠軍科技集團有限公司

CHAMPION TECHNOLOGY HOLDINGS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

2. 1013 WAI CHUN GROUP HOLDINGS LIMITED

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

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

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

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

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

管理層討論及分析(續)

2. 1013 偉俊集團控股有限公司

偉俊集團控股有限公司(「偉俊」)及其附屬公司(統稱「偉俊集團」)主要從事(i)買賣移動電話及電子零件；(ii)透過生產軟件進行網絡及系統整合以及提供解決方案及相關服務；(iii)投資控股；(iv)提供電訊基建解決方案服務。

根據偉俊截至二零一七年九月三十日止六個月之中期報告，偉俊集團錄得收益約43,000,000港元及全面開支總額約20,000,000港元。展望將來，其(i)將透過標準化工作程序及簡化作業過程來移除重複及瓶頸藉以提高營運效率；及(ii)將持續進步加強預算管理，嚴格落實成本和費用控制措施，完善成本分析和評估機制，並持續加強成本管理，使偉俊集團恢復盈利業績。

管理層將不斷監察偉俊集團建議擴大中國電子商業業務會否加強偉俊集團之競爭力，繼而改善其經營表現。

於回顧期內，本集團收購偉俊之402,586,000股股份，而本集團就該投資於期內錄得未變現虧損481,000港元。

於回顧期內並無出售偉俊之股份。

冠軍科技集團有限公司

CHAMPION TECHNOLOGY HOLDINGS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

3. 8089 CHINESE STRATEGIC HOLDINGS LIMITED

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

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

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

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

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

管理層討論及分析(續)

3. 8089 華人策略控股有限公司

華人策略控股有限公司(「華人策略」)及其附屬公司(統稱「華人策略集團」)主要從事融資業務。

根據華人策略截至二零一七年九月三十日止九個月的第三季季度報告，華人策略錄得收益約5,000,000港元及全面開支總額約72,000,000港元。展望未來，華人策略集團將繼續採納積極但審慎的投資策略及緊跟市場形勢，以把握可能不時出現之其他商機。

本集團相信，由於華人策略集團於過去數月為增加其利息收入探究較高利率的短期貸款組合，華人策略集團之經營表現將會有所改善。

於回顧期內，本集團收購華人策略集團之9,864,000股股份，而本集團就該投資於期內錄得未變現虧損1,555,000港元。

於回顧期內並無出售華人策略集團之股本權益。

冠軍科技集團有限公司

CHAMPION TECHNOLOGY HOLDINGS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

4. 8340 VINCO FINANCIAL GROUP LIMITED

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

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

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

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

5. 1975 SUN HING PRINTING HOLDINGS LIMITED

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

管理層討論及分析(續)

4. 8340 域高金融集團有限公司

域高金融集團有限公司(「域高金融」)及其附屬公司(統稱「域高集團」)主要於香港從事提供企業融資顧問服務。

根據域高金融截至二零一七年九月三十日止九個月的第三季季度報告，域高集團錄得收益約25,000,000港元及全面收入總額約11,000,000港元。為維持於市場的競爭力，域高集團將繼續集中於一般香港企業融資顧問服務以及首次公開發售相關項目。同時域高集團亦將繼續尋找其他金融相關服務的業務商機，為其股東產生更大價值。

由於現時香港資本市場繁榮，故本集團對提供企業融資顧問服務的市場持樂觀態度。

於回顧期內，本集團已收購域高金融之24,260,000股股份，並已出售當中4,100,000股股份，於回顧期內取得已變現收益162,000港元。於二零一七年十二月三十一日，本集團持有域高金融20,160,000股股份，而本集團就該投資於回顧期內錄得未變現虧損508,000港元。

5. 1975 新興印刷控股有限公司

新興印刷控股有限公司(「新興」)及其附屬公司(統稱「新興集團」)主要從事提供印刷服務，服務涵蓋印刷解決方案諮詢、前期印刷、膠板印刷、印後加工以至付運。

冠軍科技集團有限公司

CHAMPION TECHNOLOGY HOLDINGS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

5. 1975 SUN HING PRINTING HOLDINGS LIMITED (continued)

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

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

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

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

6. 821 VALUE CONVERGENCE HOLDINGS LIMITED

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

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

管理層討論及分析(續)

5. 1975 新興印刷控股有限公司(續)

根據新興於截至二零一七年十二月三十一日止六個月之中期業績，新興集團錄得收益約151,000,000港元及全面收入總額約6,000,000港元。展望未來，新興集團將會購置四台印刷機，於二零一八年下半年搬遷至新廠房，此舉將有助提高整體產能及提升其企業資源規劃系統。

新興股份發售之所得款項將會為新興未來提供充足財務資源以用最少財務成本提升其產能。

於回顧期內，本集團收購新興集團之1,600,000股股份，而本集團就該投資於回顧期內錄得未變現虧損320,000港元。

於回顧期內並無出售新興之股份。

6. 821 滙盈控股有限公司

滙盈控股有限公司(「滙盈」)及其附屬公司(統稱「滙盈集團」)主要從事提供金融服務及自營買賣業務。

根據滙盈截至二零一七年六月三十日止六個月之中期報告，滙盈集團錄得收益約29,000,000港元及全面開支總額約10,000,000港元。展望未來，滙盈集團的業務策略包括壯大核心業務從而擴闊收益基礎，以及擴大業務企劃藉以拓展新興市場。

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CHAMPION TECHNOLOGY HOLDINGS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

6. 821 VALUE CONVERGENCE HOLDINGS LIMITED (continued)

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

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

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

7. 8469 SHENG YE CAPITAL LIMITED

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

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

管理層討論及分析(續)

6. 821 滙盈控股有限公司(續)

由於推出新的市場互通機制中港債券通，讓中國內地與境外投資者可透過在相關內地及香港建立的金融基礎設施連接，在對方市場買賣債券，有助於可見未來推動當地金融市場增長，本集團對滙盈集團的前景持樂觀態度。

於回顧期內，本集團收購滙盈集團之1,800,000股股份，而本集團就該投資於回顧期內錄得未變現虧損1,224,000港元。

於回顧期內並無出售滙盈之股份。

7. 8469 盛業資本有限公司

盛業資本有限公司(「盛業」)及其附屬公司(統稱「盛業集團」)主要從事提供保理服務(包括向保理客戶提供融資服務(以應收賬款作抵押)及應收賬款管理服務)。

根據盛業截至二零一七年九月三十日止九個月之第三季季度報告，盛業集團錄得收益約人民幣105,000,000元及全面收入總額約人民幣47,000,000元。展望將來，盛業集團將積極應用互聯網金融服務技術。透過網上保理平台「盛易通」，盛業集團可向現有及潛在客戶提供優質、方便及快捷的保理服務，達至雙贏局面。

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CHAMPION TECHNOLOGY HOLDINGS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

7. 8469 SHENG YE CAPITAL LIMITED (continued)

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

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

Dongguan Hotel Project

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

However, the Company's management has also noted that there may be an adverse impact on the financial statements if the Company were to adhere strictly to the relevant accounting standards without taking into account of the commercial value of this particular investment. However, with the following observations, the management holds a different view on this investment.

管理層討論及分析(續)

7. 8469 盛業資本有限公司(續)

由於盛業集團將上市所得資金投放於擴大其保理業務，於截至二零一七年九月三十日止九個月錄得重大增長，本集團對盛業集團的前景持樂觀態度。

於回顧期內，本集團已收購盛業之 11,776,000 股股份，並已出售當中 3,458,000 股股份，於回顧期內取得已變現收益 825,000 港元。於二零一七年十二月三十一日，本集團持有盛業集團 8,318,000 股股份，而本集團就該投資於回顧期內錄得未變現收益 26,184,000 港元。

東莞酒店項目

誠如日期為二零一七年七月十九日之公告所披露，內容有關就收購透過一間中國附屬公司間接持有東莞酒店之香港公司 51% 權益（「收購事項」）之須予披露交易。董事認為，對本集團不時尋求合適的投資機會有益於擴充其現有業務組合至具備增長潛力的新業務範疇，以及擴大其收入來源實屬有利。總括而言，董事認為收購事項與本集團業務多元化策略一致。

然而，本公司之管理層亦注意到，倘本公司嚴格堅持採納相關會計準則而並無計及此項特定投資之商業價值，將可能對財務報表造成不利影響。然而，由於下述觀察，管理層對此項投資持不同觀點。

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CHAMPION TECHNOLOGY HOLDINGS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Dongguan Hotel Project (continued)

Whilst the valuer had considered the impacts of the sub-contracting agreements on the valuation of the property, the valuer had also taken into the true and inherent redevelopment value of the subject property and the land on which it is situated.

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

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

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

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

管理層討論及分析(續)

東莞酒店項目(續)

儘管估值師已考慮分租協議對該物業之估值產生之影響，惟估值師亦已考慮目標物業及其所處土地之真正固有之重新發展價值。

隨著製造業逐漸搬離曾經一度被譽為中國製造業樞紐之東莞及鄰近地區，該等地區對酒店房間之需求將繼續維持暗淡。我們於研究此項目時已考慮此無法逆轉之趨勢。

儘管部分人士可能認為酒店房間之需求持續減少之情況可能於對物業進行估值時產生重大不利影響，但我們對此持完全不同之觀點。由於分租協議，本公司一方面能取得穩定之保證收入，另一方面或可於我們認為合適之時可採取措施與酒店經營者終止該等協議。鑑於酒店經營者不斷蒙受損失，而我們可就建議提前終止提供若干賠償之情況下，我們對酒店經營者充滿信心將會更樂意終止該等協議。

倘分租協議遭終止，我們擬重新發展目標物業(連同空置及其鄰近土地之尚未動用部分)為全新住宅物業項目，從而實現該土地之真正固有價值。

因此，我們認為此項目具有潛在價值，令本公司能夠於可見未來將其實現。

冠軍科技集團有限公司

CHAMPION TECHNOLOGY HOLDINGS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

KANTONE HOLDINGS LIMITED (“KANTONE”)

Revenue for Kantone and its subsidiaries (“Kantone Group”) was approximately HK\$67 million, as compared with approximately HK\$71 million of the Previous Period. Loss for the period under review was approximately HK\$1,610 million, as compared with the loss for the Previous Period of approximately HK\$18 million.

The Kantone Group recorded a slightly drop in revenue of HK\$4 million. Throughout the period under review, the Kantone Group was able to maintain its momentum in the European market within the healthcare and emergency services sectors. For maintaining our products competitiveness, the Kantone Group has continued to focus on optimizing its development resources to provide customers with critical messaging solutions in the niche markets. In addition, The Group’s management is focusing on developing an practical approach to explore the market in China.

In order to keep pace with the challenging business environment, the Group would continue to enhance its products and marketing plans with the aim of improving sales and the overall return.

管理層討論及分析(續)

看通集團有限公司(「看通」)

看通及其附屬公司(「看通集團」)之收益約為67,000,000港元，而去年度同期則約為71,000,000港元。於回顧期間之虧損約為1,610,000,000港元，而去年同期之虧損則約為18,000,000港元。

看通集團錄得收益輕微下跌4,000,000港元。看通集團於整個回顧期間能夠保持其於醫療保健及緊急服務分部內歐洲市場之勢頭。為維持產品競爭力，看通集團已繼續集中於優化其開發資源，為客戶於小眾市場提供重要的訊息解決方案。此外，本集團的管理層現正集中開發實際的方法探索中國市場。

為保持跟上業務環境的步伐，本集團將會加強其產品及市場營銷計劃，旨在改善銷售及整體回報。

冠軍科技集團有限公司

CHAMPION TECHNOLOGY HOLDINGS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

OUTLOOK

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

Overview

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

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

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

管理層討論及分析(續)

未來前景

本集團截至二零一七年十二月三十一日止六個月之業務回顧載於上文「業務回顧」一節，而本集團未來業務發展之前景於下文多段闡述。

概覽

債券回報率跌至有紀錄新低後，最近數週穩步回升。倘此趨勢有系統地持續，當前市場狀況應回復秩序，故此我們預期波幅回復正常。有見美國貨幣政策，我們預期經歷市場上史無前例出現大量流動資金(即過大「量化寬鬆」措施)之漫長時期後逐步回復正常。另一方面，通漲維持相對穩定，全球則維持低水平，加上最近美國減稅，兩者為公司帶來良好平台，提高增長。

正因如此，儘管低風險對沖工具應調配至更為防守性之投資組合，我們並不認為現時屬最佳時機減少股票風險。

我們將會繼續觀察該等主要財務指標，例如，倘債券回報率如最近顯示般繼續迅速上升，同時通漲發出預警信號，我們或要作進一步研究調整全盤策略。

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Cultural Artifacts Investment – Shoushan Stone

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

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

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

管理層討論及分析(續)

文化藝術品投資 — 壽山石

在本集團庫存中擁有大批的藝術品及壽山石。壽山石(Shoushan Stone)是中國傳統「四大印章石」之一。分佈在福州市北郊晉安區與連江縣、羅源縣交界處的「金三角」地帶。若以礦脈走向，又可分為「高山、旗山、月洋」三系。因為壽山礦區開採得早，舊說的「田坑、水坑、山坑」，就是指在此礦區的田底、水澗、山洞開採的礦石。它「色彩斑斕、質地脂潤、晶瑩通透、溫潤如玉、柔而易攻，是天然的良好雕刻材料」。如今「壽山石雕」已經國務院批准列入第一批國家級「非物質文化遺產」名錄，從1999年到2002年，經過四屆國石評選，壽山石最終正式被中國寶玉石協會命名為「中國國石」。

壽山石經過長期的多次火山熱液蝕變作用形成，已證實含有多種對人體有益的宏量元素和微量元素，對人體能夠起到保健作用，故在食品、化妝品、醫藥等領域裏都得到了應用。將壽山石進行深加工後，會被用來製作飲用茶壺，作糖果粉料、化妝品填料、陶瓷器原料以及醫藥摻合劑等。

壽山石中含有豐富的微量元素，如鈣，鎂，鋅，硒，錳等對人體有益礦物質，把玩加熱後具有更多有益於人體的遠紅外線，吸收有益物質，排除雜質。

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CHAMPION TECHNOLOGY HOLDINGS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Cultural Artifacts Investment – Shoushan Stone (continued)

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

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

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

管理層討論及分析(續)

文化藝術品投資 — 壽山石(續)

壽山石產生的遠紅外線的熱效應和使人體共振吸收後主要產生以下幾方面功能：

1. 激活了生物大分子的活性，因而提高身體的含氧量，細胞因而能恢復活力，精神更暢旺。
2. 使生物體的分子處於較高振動狀態，這樣便激活了核酸蛋白質等生物大小分子的活性，從而發揮了生物大分子調節機體代謝、免疫等活動的功能。
3. 所產生的遠紅外線能促進和改善血液循環，並且增強新陳代謝，有提高機體的巨噬細胞吞噬功能，增強人體的細胞免疫功能，有利於人體的健康。

壽山石亦被稱為中國歷史文化的最佳載體：它含蓄的外相美，以及博大精深的文化藝術內涵！是摯愛傳統文化人士的首選。它為歷朝皇帝所鍾愛，曾被清乾隆皇帝奉為祭天御用國石。幾千年來都是貴氣的化身，它代表着統治國家的權力象徵！

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Cultural Artifacts Investment – Shoushan Stone (continued)

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

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

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

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

管理層討論及分析(續)

文化藝術品投資 — 壽山石(續)

壽山石的價值，除了產地、歷史、石質與顏色，雕工也是重點之一。壽山石石雕，尤其是山坑種的旗降最常用「巧色雕刻法」，意指依照石頭的顏色創作，這種藝術品非常受收藏家喜愛。長期以來，國內壽山石雕市場的炒賣及收藏熱不斷升溫，雕工好的壽山石雕有以下特點。

- 一、造型飽滿；
- 二、刀法流暢；
- 三、磨光到位；
- 四、無電鑽洞；
- 五、比例勻稱；
- 六、形象傳神；
- 七、設計周全；
- 八、無缺少瑕；
- 九、取色巧妙；
- 十、珍稀度高。

經驗豐富的雕刻家在雕刻壽山石『薄意雕』作品時，會把心中繪畫的構圖一絲不苟地搬進壽山石裏，而創造了不朽的傑作。雕工優劣及石的大小亦決定了石雕的檔次及價值。

本集團的收藏品，不論雕工繁簡，都具有造型穩重、飽滿，及立體感強的特點。

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MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Investment Plan In Auction Business

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

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

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

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

Strong Rooms & Vaults

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

管理層討論及分析(續)

拍賣行業的投資計劃

拍賣古董行業方興未艾，得益於古董拍賣電視真人秀，掀起一片尋寶熱潮，喚醒了無數買家，紛紛投入拍賣市場中，去追尋自己的心頭至愛。

拍賣行業正在展開新一頁，得益於有關拍賣商及古董收藏家之電視真人秀所掀起的熱潮。拍賣行業並沒有從各項領域中消失，大量買家正熱衷於在拍賣場中競投二手商品。

有見及此，本集團已計劃招攬業內精英，及深諳拍賣技巧之專才去發展拍賣項目。此外，本集團將重點着眼於現場拍賣，將之做强做大，以提升在古董拍賣行業中的市場佔有率。

本集團已計劃招募精英及富有技巧之拍賣專才發展拍賣行項目。此外，考慮將轉以現場拍賣方式作為本集團提升項目本身市場佔有率的方式之一。

保險庫及儲存庫

本集團有意通過涉足保險庫行業，以配合其於拍賣行之業務發展計劃，旨在設計及建造高安全度、預製組合及模組化之保險庫，以供出售及租賃之用。該等高質量及安全之結構可儲存各類貴重物品，使該等物品免受盜竊、侵襲或被脅持交出之風險。該等保安系統之主要特點為提供於拍賣前後之直接倉儲，保障客戶隱私、確保拍賣相關交易之成本減至最低，同時亦可從香港對大部份文物之免稅政策中獲益。

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Strong Rooms & Vaults (continued)

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

Communication Systems

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

管理層討論及分析(續)

保險庫及儲存庫(續)

綜合以上文化藝術品投資、拍賣行業投資計劃及保險庫及儲存庫項目投資，本集團對將來是充滿信心的，因為這三項的投資的成功，可使本集團往後可以以大宗交易模式進行貿易相關交易，同時也可以讓大眾有更好的渠道參與，為日後藝術品證券化鋪路。

通訊系統發展策略

無敵通[#]公司享譽國際，旗下通訊產品質素極高，無論在科技大國德國境內，還是在傳統大國英國市場，都享有極高市場佔有率。無敵通已開始銳意拓展亞洲及東歐市場。本集團管理層將其產品引入中國市場。管理層認為，中國市場對高質素通訊產品需求甚殷，無敵通[#]的產品應大有可為。另一方面，本集團管理層亦將發掘中國高端電子產品與無敵通密切合作，銷往歐洲。相信賃借無敵通[#]現有的歐洲完善的分銷渠道，銷售前景十分可觀。

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MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Smart City

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

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

管理層討論及分析(續)

智慧城市

智慧城市函括「智慧政務」、「創新創業服務系統」、「自然災害應急預警監測系統(城市運行及應急指揮中心)」、「智慧旅遊」、「智慧教育」、「城市大資料中心」及「智慧交通」等七大版塊。智慧城市的建成將更好地統籌協調城市人口、資源、生態環境和經濟發展等的關係，以物聯網、大資料、移動互聯網等先進資訊技術全面提升城市在統籌規劃、政務服務、城市管理、產業發展、惠民便民、應急指揮等方面的智慧化水準。

智慧城市為城市經濟轉型升級提供新動力，為城市管理服務提供新支撐，為民生改善、和諧社會建設注入新活力。

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Smart City (continued)

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

Education Business

Investment Plan in Education

China is experiencing a peak of childbearing couples between at the age of between 20-29, and with the fourth “Baby Boom” and the introduction of “Two Children Policy”, we have strong reason to expect an enormous market of infants and children education.

To cite the National Middle and Long Term Reform and Development Outlines for Education (2010-2020), the market size of preprimary education is RMB350 billion annually, with RMB150 billion of infant education under age of 3, which would experience 15% compounded growth, and RMB200 billion for market of age of 3-6, with 20% compounded growth each year.

管理層討論及分析(續)

智慧城市(續)

與無敵通[#]攜手合作，本集團將會聚焦推廣並發展「自然災害應急預警監測系統(城市運行及應急指揮中心)」及「智慧教育」這兩方面的智慧城市市場。

教育產業

教育投資計劃

目前中國正迎來一個20-29歲育齡人群數量的高峰，隨著第四次「嬰兒潮」的來臨和「二胎政策」的落實，龐大的新生兒群體將會帶來巨大的嬰幼兒教育市場空間。

根據《國家中長期教育改革和發展綱要(2010—2020)》，中國學前教育市場每年的規模為人民幣3,500億元，其中0-3歲早教市場人民幣1,500億元，年複合增長15%；3-6歲幼教市場有人民幣2,000億元市場規模，年複合增長20%。

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MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Education Business (continued)

Investment Plan in Education (continued)

It is estimated that the total number of kindergardens in China would reach over 300,000 by the year 2020, and among which 200,000 would be private-invested. It is clear to conclude that the preschool market in China stands for huge opportunity.

In order to seize the enormous commercial opportunity in China's education market, the Group intends to set up platform company for the purpose of education projects investment and management, and to combine and integrate quality resources into the platform for education projects development.

Internal Control

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

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

管理層討論及分析(續)

教育產業(續)

教育投資計劃(續)

預計到二零二零年，中國的幼稚園總數將超過30萬家，其中民辦幼稚園接近20萬家。可見，中國內地的學前教育行業市場空間巨大。

為抓住中國巨大的教育市場機遇，本集團擬成立教育投資管理公司，作為對國內教育產業的投資平台，並整合相關優質教育資源後，開展對相關學前教育項目的投資。

內部監控

由於可靠且具成本效益之內部監控系統乃成功營運、業務日常運作及達致其業務目標之根基，新管理層已委聘專業內部監控顧問持續審核及進行本集團整體營運(基於管理層本身之觀察及研究，無敵通#之營運乃可靠有效，故並不包括在內)之研究。董事會目前正在實行該顧問之建議，以改善本集團整體之內部監控，及防止以往不足之處之再次發生。

誠如二零一六年／二零一七年中中期報告所示，本集團將尋求顧問意見，將更有效之內部監控納入策略、管治及管理過程，並落實執行內部監控，其中涵蓋本集團與金融操作及匯報直接相關之活動及業務經營所有範疇。我們的長遠目標旨在不僅涵蓋廣泛定義為業務合規事宜方面，並擴展至業務表現方面。

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Internal Control (continued)

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

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

NEW DEVELOPMENT

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

A. Enhancement of Investment Properties

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

管理層討論及分析(續)

內部監控(續)

管理層瞭解，良好內部監控需對特定性質及業務需要作出即時反應。因此，本集團將力求展現出良好之業務實踐，隨著時間之推移於不斷演變之商業環境中與時並進，並使本集團能夠響應業務與行業之具體需求。

最後，本集團管理層樂見增加業務機會及減少不必要事件造成之潛在損失。

新發展

本集團管理層致力改善本集團之業務營運及財務狀況，而本集團之業務策略一直為積極尋找潛在投資機會以提高股東價值。目前，除了取得鑒定中心正式鑒證報告及評估後對文化產品的業務策略規劃外，董事就以下方面已計劃多元化其現有業務組合至具有增長潛力的新業務方向及擴闊其收入來源：

A. 壯大投資物業

本公司現正計劃將本公司持有之樓高五層半之看通中心分隔為小單位，形合物業市場龐大需求。看通中心鄰近柴灣港鐵站，相隔約50米，交通便利。本公司已委任專業顧問進行此項目，項目應為本集團帶來穩定收入，並提高該等物業之價值。

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MANAGEMENT DISCUSSION AND ANALYSIS (continued)

NEW DEVELOPMENT (continued)

B. Properties at Dongguan Golden Field Yijing Hotel

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

CAPITAL REORGANISATION

In September 2017, the Board proposed to implement the capital reorganisation (the "Capital Reorganisation"), details of which are set out in the circular of the Company dated 25 September 2017 (the "Circular") and note 18 to the unaudited condensed consolidated financial statements in this report.

The shareholders of the Company approved the Capital Reorganisation at the special general meeting of the Company held on 18 October 2017 and the Capital Reorganisation became effective on 26 October 2017. For details, please refer to the Circular and the announcements of the Company dated 14 September, 20 September, 10 October, 18 October and 25 October 2017.

ISSUE OF PROMISSORY NOTE

On 19 July 2017, the Company issued promissory note with principal amount of HK\$120,000,000. For details, please refer to the announcement of the Company dated 19 July 2017 and note 17 to the unaudited condensed consolidated financial statements in this report.

管理層討論及分析(續)

新發展(續)

B. 位於東莞新金域怡景酒店之物業

此外，東莞新金域怡景酒店(「酒店」)可為本集團帶來穩定收入。董事現正研究開發酒店持有部分未開發土地之住宅用地之盈利能力。另一方面，董事亦已開始與承租租客商議提前終止其租約以便日後可以將整塊地重新發展。

股本重組

於二零一七年九月，董事會建議實施股本重組(「股本重組」)，有關詳情載列於本公司日期為二零一七年九月二十五日之通函(「通函」)及本報告之未經審核簡明綜合財務報表附註18。

股本重組於二零一七年十月十八日召開之本公司股東特別大會上獲本公司股東批准，並已自二零一七年十月二十六日起生效。詳情請參見本公司之通函及本公司日期為二零一七年九月十四日、九月二十日、十月十日、十月十八日及十月二十五日之公佈。

發行承兌票據

於二零一七年七月十九日，本公司發行承兌票據本金額為120,000,000港元。詳情請參見本公司日期為二零一七年七月十九日之公告及本報告之未經審核簡明綜合財務報表附註17。

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LIQUIDITY AND FINANCIAL RESOURCES

FINANCIAL POSITION AND GEARING

The Group's financial position remained positive with a reasonable gearing.

As at 31 December 2017, the Group had approximately HK\$144 million (30 June 2017: approximately HK\$122 million) liquid assets made up of cash and cash equivalents. Current assets were approximately HK\$354 million (30 June 2017: approximately HK\$4,423 million) and current liabilities amounted to approximately HK\$107 million (30 June 2017: approximately HK\$294 million). With net current assets of approximately HK\$247 million (30 June 2017: approximately HK\$4,130 million), the Group maintained a sufficient level of financial liquidity. The gearing ratio of the Group, which calculation was based on the Group's total borrowings of approximately HK\$379 million (30 June 2017: approximately HK\$204 million) divided by equity attributable to owners of the Company of approximately HK\$150 million (30 June 2017: approximately HK\$3,565 million), was 2.527 (30 June 2017: 0.057).

As at 31 December 2017, the Group's total borrowings comprised bank loan of approximately HK\$1.9 million (30 June 2017: approximately HK\$3.6 million), other borrowing of approximately HK\$324.8 million (30 June 2017: approximately HK\$200 million) and promissory note payable of approximately HK\$52.7 million (30 June 2017: Nil), approximately HK\$22.4 million will be repayable within one year and approximately HK\$357.0 million will be repayable in the second year (30 June 2017: all repayable within one year). The bank loan carried variable interest rates at 2.52% per annum and the other borrowing carried fixed interest rates at 10.3% to 15% per annum. Finance costs for the six months ended 31 December 2017 were approximately HK\$26.7 million compared to approximately HK\$1.8 million for Previous Period.

現金流動性及財務資源

財務狀況及借貸

本集團財務狀況維持正面，貸款權益比率處於合理水平。

於二零一七年十二月三十一日，本集團包括現金及現金等額之流動資金總額為約144,000,000港元(二零一七年六月三十日：約122,000,000港元)。流動資產約為354,000,000港元(二零一七年六月三十日：約4,423,000,000港元)，而流動負債則約為107,000,000港元(二零一七年六月三十日：約294,000,000港元)。本集團保持充足的財務流動性，流動資產淨值約為247,000,000港元(二零一七年六月三十日：約4,130,000,000港元)。按本集團貸款總額約379,000,000港元(二零一七年六月三十日：約204,000,000港元)除以本公司擁有人應佔權益約150,000,000港元(二零一七年六月三十日：約3,565,000,000港元)計算，本集團之貸款權益比率為2.527(二零一七年六月三十日：0.057)。

於二零一七年十二月三十一日，本集團總貸款包括銀行貸款約為1,900,000港元(二零一七年六月三十日：約3,600,000港元)，其他貸款約為324,800,000元(二零一七年六月三十日：約200,000,000港元)及應付承兌票據約為52,700,000港元(二零一七年六月三十日：零)，約22,400,000港元將於一年內償還及約357,000,000港元將於第二年償還(二零一七年六月三十日：全部於一年內償還)。銀行貸款之浮動年利率為2.52%，而其他貸款之固定年利率為10.3%至15%。截至二零一七年十二月三十一日止六個月之財務費用約為26,700,000港元，而去年同期則約1,800,000港元。

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LIQUIDITY AND FINANCIAL RESOURCES

(continued)

NET PROCEEDS FROM PLACING OF NEW SHARES

On 10 August 2017, the placing of new shares was completed. The Company received net proceeds of approximately HK\$129.7 million from the placing. As at 31 December 2017, approximately HK\$83.7 million has been utilised as general working capital of the Group and HK\$30.0 million has been utilised for development of the existing and future projects of the Group, as intended, and the remaining amount of (which is kept as bank deposits in Hong Kong), HK\$16.0 million will be used for general working capital.

TREASURY POLICY

The Group is committed to financial prudence and maintains a positive financial position with low gearing. The Group finances its operation and business development by a combination of internally generated resources, capital markets instruments and banking facilities.

All the borrowings were used by subsidiaries of the Company bearing interest at (i) fixed rates for other borrowing and promissory note payable; and (ii) floating rate for bank loan. As all the Group's borrowings were denominated in their local currencies, the currency risk exposure associated with them was insignificant.

The Group does not engage in any speculative derivatives or structured product transactions, interest rate or foreign exchange speculative activities. It is the Group's policy to manage foreign exchange risk through matching foreign exchange income with expense, and where exposure to foreign exchange is anticipated, appropriate hedging instruments will be used.

現金流動性及財務資源(續)

配售新股份所得款項淨額

配售新股份已於二零一七年八月十日完成。本公司自配售收取之所得款項淨額約129,700,000港元。於二零一七年十二月三十一日，按擬定用途，約83,700,000港元已用作本集團之一般營運資金、30,000,000港元已用作發展本集團之現有及未來項目，及餘下款項16,000,000港元(作為銀行存款存放於香港)將用作一般營運資金。

庫務政策

本集團一直遵從審慎理財原則，財務狀況維持正面，借貸比率處於低水平。本集團主要透過內部營運資源、資本市場財務工具及銀行借貸作為營運及業務開發資金。

所有借貸均由本公司附屬公司運用，(i)其他借貸及應付承兌票據按固定利率計息；及(ii)銀行借貸按浮動利率計息。由於本集團所有借貸均以當地貨幣計值，故與其相關之外匯風險不大。

本集團並無進行任何有關投機性衍生工具或結構性產品之交易、利率或匯率之投機買賣活動。本集團之一貫政策是透過配對外幣收入及支出直接管理外匯風險；假如預計可能出現外匯風險，本集團將運用合適之對沖工具。

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LIQUIDITY AND FINANCIAL RESOURCES

(continued)

CAPITAL COMMITMENTS

As at 31 December 2017, the Group's capital commitments authorised but not contracted were HK\$Nil (30 June 2017: approximately HK\$1 million).

CHARGES

As at 31 December 2017, other borrowings of the Group of HK\$19.8 million was secured by the listed equity securities with an aggregate carrying amount of HK\$103.0 million and HK\$305.0 million was secured by personal guarantee provided by Mr. Cheng Yang (a previous Director who resigned on 15 August 2017) and Ms. Wong Man Winny (a Director) and all the 640,689,792 shares of Kantone owned by the Company, representing approximately 64.94% of the issued share capital of Kantone. Besides, bank borrowing of the Group in the total amount of HK\$1.9 million was secured by the corporate guarantee provided by the Company to its principal subsidiary under Kantone's Group.

Save as disclosed above, the Group did not have any charges on assets as at 31 December 2017.

CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 31 December 2017.

現金流動性及財務資源(續)

資本承擔

於二零一七年十二月三十一日，本集團已授權但未簽署合約之資本承擔為零港元(二零一七年六月三十日：約1,000,000港元)。

抵押

於二零一七年十二月三十一日，本集團之其他借貸中19,800,000港元已由賬面總值為103,000,000港元之上市股本證券作抵押，及305,000,000港元由程楊先生(前董事，已於二零一七年八月十五日辭任)及黃敏女士(董事)提供之個人擔保及本公司擁有之全部640,689,792股看通股份(佔看通已發行股本約64.94%)作抵押。此外，本集團合共1,900,000港元之銀行借貸乃以本公司向看通集團屬下主要附屬公司提供公司擔保為抵押。

除上文所披露者外，本集團於二零一七年十二月三十一日並無任何資產抵押。

或然負債

本集團於二零一七年十二月三十一日無重大或然負債。

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SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save for the acquisition and disposal of subsidiaries as disclosed in notes 21 to 22 to the unaudited condensed consolidated financial statements in this report, there were no other significant investments held, no material acquisitions or disposals of subsidiaries, associates and joint ventures during the six months ended 31 December 2017.

HUMAN RESOURCES AND REMUNERATION POLICY

As at 31 December 2017, the Group employed about 177 staff around the globe. Staff costs of the Group amounted to approximately HK\$26.3 million for the six months ended 31 December 2017 (31 December 2016: approximately HK\$47.3 million). Remuneration is determined with reference to market terms and the performance, qualifications and experience of the individual employee. Remuneration includes monthly salaries, performance-linked bonuses, retirement benefits schemes and other benefits such as medical scheme.

持有之重大投資、附屬公司、聯營公司及合資企業之重大收購及出售事項、以及重大投資或資本資產之未來計劃

除於本報告之未經審核簡明綜合財務報表附註21及22所披露之收購及出售附屬公司事項外，於截至二零一七年十二月三十一日止六個月，概無持有其他重大投資，亦無附屬公司、聯營公司及合資企業之重大收購或出售事項。

人力資源及薪酬政策

於二零一七年十二月三十一日，本集團於全球聘用約177名員工。於截至二零一七年十二月三十一日止六個月，本集團員工成本約26,300,000港元(二零一六年十二月三十一日：約47,300,000港元)。本集團乃參考市場水平，並按照僱員本身之表現、資歷及經驗而釐定薪酬。薪酬包括月薪、與表現相關之獎金、退休福利計劃，以及其他福利如醫療計劃。

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CHAMPION TECHNOLOGY HOLDINGS LIMITED

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 31 December 2017, the interests of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, chapter 571 of the Laws of Hong Kong (the "SFO")) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

董事及最高行政人員之證券權益及淡倉

於二零一七年十二月三十一日，按本公司根據證券及期貨條例(「證券及期貨條例」)第352條須予存置之登記冊記錄所示，或根據聯交所證券上市規則(「上市規則」)附錄10《上市公司董事進行證券交易的標準守則》(「標準守則」)向本公司及聯交所另行作出之通知，本公司董事及最高行政人員在本公司或其任何相關法團(定義見香港法例第571章證券及期貨條例第XV部)之股份相關股份及債券中擁有之權益如下：

Name of director 董事姓名	Capacity 身份	Number of shares 股份數目	Approximate percentage* of the issued share capital 佔已發行股本之概約比率*
Ms. Wong Man Winny ("Ms. Wong") (Note 1) 黃敏女士(「黃女士」)(附註1)	Corporate interest 公司權益	41,802,500 (L)	11.00%

Notes:

1. These shares of the Company were held by Worldwide Peace Limited, which is wholly owned by Ms. Wong, the current chairman and executive director of the Company. Ms. Wong is deemed to be interested in the shares of the Company held by Worldwide Peace Limited.
2. The letter "L" denotes the Director's long position in the shares of the Company.
- * The percentage represents the number of shares involved divided by the number of the Company's issued shares as at 31 December 2017.

附註：

1. 本公司該等股份由本公司現任主席兼執行董事黃女士全資擁有之遠年有限公司持有。黃女士被視為於遠年有限公司持有之本公司股份中擁有權益。
2. 字母「L」表示本公司股份中股東之好倉。
- * 百分比指所涉及之本公司股份數目除以於二零一七年十二月三十一日本公司已發行股份數目。

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DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SECURITIES (continued)

Save as disclosed above, as at 31 December 2017, none of the Directors or chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTIONS AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Each of the Company and Kantone has a share option scheme under which eligible persons, including directors of the Company and Kantone or any of their subsidiaries may be granted options to subscribe for shares of the Company and Kantone respectively.

Other than the share option schemes of the Company and Kantone aforementioned, at no time during the Period was the Company or any of its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

No options have been granted, exercised or cancelled by the Company or Kantone under the share option schemes of the Company and Kantone since their adoption.

董事及最高行政人員之證券權益及淡倉(續)

除上文所披露者外，於二零一七年十二月三十一日，按本公司根據證券及期貨條例第352條須予存置之登記冊記錄所示，或根據標準守則向本公司及聯交所另行作出之通知，本公司董事或行政總裁概無在本公司或其相關法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有任何權益或淡倉。

購股權及董事購買股份或債券之權利

本公司及看通各設有購股權計劃，據此，合資格人士(包括本公司及看通或其任何附屬公司之董事)可獲授購股權以分別認購本公司及看通之股份。

除上述本公司及看通之購股權計劃外，本公司或其任何附屬公司於回顧期內任何時間概無參與任何安排，致使本公司董事可透過購入本公司或任何其他法人團體之股份或債券而獲益。

自其採納日期起，本公司或看通根據本公司及看通購股權計劃並無授出、行使或取消任何購股權。

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SUBSTANTIAL SHAREHOLDERS

As at 31 December 2017, so far as is known to the Directors, the following corporations or persons (other than the Directors or chief executive of the Company) had an interest or a short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name of shareholder	Capacity	Number of shares	Approximate percentage* of the issued share capital
股東名稱	身份	股份數目	佔已發行股本之概約比率*
Worldwide Peace Limited 遠年有限公司	Beneficial owner 實益擁有人	41,802,500 (L)	11.00%
Poon Tak Chun Paul 潘德俊	Beneficial owner 實益擁有人	36,075,000 (L)	9.50%

Note: The letter "L" denotes the shareholder's long position in the shares of the Company.

* The percentage represents the number of shares of the Company involved divided by the number of the Company's issued shares as at 31 December 2017.

Save as disclosed above, as at 31 December 2017, other than the Directors or chief executive of the Company whose interests are set out in the paragraph headed "Directors' and chief executive's interests and short positions in securities" above, no person had any interest or short position in the shares or underlying shares of the Company which were required to be recorded in the register required to be kept by the Company under Section 336 of the SFO.

主要股東

於二零一七年十二月三十一日，就董事所悉，按本公司根據證券及期貨條例第336條須予存置之登記冊記錄所示，下列法團或人士（本公司董事或行政總裁除外）於本公司股份及相關股份中擁有權益或淡倉：

Name of shareholder	Capacity	Number of shares	Approximate percentage* of the issued share capital
股東名稱	身份	股份數目	佔已發行股本之概約比率*
Worldwide Peace Limited 遠年有限公司	Beneficial owner 實益擁有人	41,802,500 (L)	11.00%
Poon Tak Chun Paul 潘德俊	Beneficial owner 實益擁有人	36,075,000 (L)	9.50%

附註：字母「L」表示本公司股份中股東之好倉。

* 百分比指所涉及之本公司股份數目除以於二零一七年十二月三十一日本公司已發行股份數目。

除上文所披露者外，除權益載於上文「董事及最高行政人員之證券權益及淡倉」一段之董事或本公司最高行政人員外，於二零一七年十二月三十一日，按本公司根據證券及期貨條例第336條須予存置之登記冊記錄所示，並無任何人士擁有本公司股份或相關股份之權益或淡倉。

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

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

CORPORATE GOVERNANCE CODE

During the six months ended 31 December 2017, the Company complied with the code provisions of the Corporate Governance Code (the "CG Code") set out in Appendix 14 to the Listing Rules, save for the deviations below:

- (a) Under code provision A.4.1 of the CG Code, all non-executive Directors should be appointed for a specific term, subject to re-election. Whilst the non-executive Directors are not appointed for a specific term, the term of office for non-executive Directors is subject to retirement from office by rotation and is eligible for re-election in accordance with the provisions of the Company's bye-laws. At each annual general meeting of the Company, one-third of the Directors for the time being (or if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation. As such, the Company considers that such provision is sufficient to meet the underlying objectives of the CG Code.
- (b) Under code provision E.1.2 of the CG Code, the chairman of the Board should attend the annual general meeting. Due to other engagement, Ms. Wong Man Winny, the chairman of the Board was out of town and was unable to attend the 2017 annual general meeting held on 28 December 2017.

購買、出售或贖回本公司之上市證券

於回顧期內，本公司或其任何附屬公司概無購買、出售或贖回任何本公司之上市證券。

企業管治守則

於截至二零一七年十二月三十一日止六個月，本公司遵守上市規則(「企業守則」)附錄14所載之「企業管治守則」的守則條文，惟除下列偏差外：

- (a) 根據企業管治守則之守則條文第A.4.1條，全體非執行董事的委任應有指定任期，並須接受重新選舉。儘管非執行董事並無獲委任指定任期，惟根據公司細則條文，非執行董事應輪席退任及符合資格膺選連任。於本公司各股東週年大會上，當時三分之一之董事(或倘其人數並非三之倍數，則最接近但不少於三分之一之人數)須輪席退任。因此，本公司認為該等條文足以達到企業管治守則之相關目標。
- (b) 根據企業管治守則第E.1.2條規定，董事會主席應出席股東週年大會。由於其他事務，董事會主席黃敏女士已離港及未能出席於二零一七年十二月二十八日舉行之二零一七年股東週年大會。

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NON-COMPLIANCE WITH RULES 3.10(1) AND 3.21 OF THE LISTING RULES

Pursuant to Rule 3.10(1) and Rule 3.21 of the Listing Rules, every board of directors of a listed issuer must include at least three independent non-executive directors and the audit committee must comprise a minimum of three members. Following the retirement of Mr. Zhang Jingzhi as an independent non-executive Director and a member of the audit committee of the Company with effect from 28 December 2017, the number of independent non-executive Directors fell below the minimum number of three as required under Rule 3.10(1) of the Listing Rules, and the number of members of the audit committee of the Company fell below the minimum number prescribed under Rule 3.21 of the Listing Rules. The Company has already identified a suitable candidate to fill the vacancy and the Company will process the appointment procedure as soon as practicable. Further announcement will be made by the Company upon fulfillment of the aforesaid requirements.

DISCLOSURE OF INFORMATION ON DIRECTORS PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of the Directors are set out below:

- (a) The director emolument for Ms. Wong Man Winny was set at HK\$288,000 per month with effect from 19 October 2017.
- (b) Mr. Leung Man Fai was appointed as an independent non-executive director of Kantone on 10 October 2017.

Save as disclosed above, there is no other change in the Directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

未能遵守上市規則第3.10(1)及3.21條

按照上市規則第3.10(1)條及第3.21條，各上市發行人董事會必須包括最少三名獨立非執行董事，審核委員會亦須由最少三名成員組成。自二零一七年十二月二十八日起，張敬之先生辭任本公司獨立非執行董事兼審核委員會成員職務後，獨立非執行董事數目低於上市規則第3.10(1)條項下最少三名之規定，本公司審核委員會成員數目亦低於上市規則第3.21條項下所規定之最低數目。本公司已物色合適人選填補空缺，而本公司將儘快進行委任程序。本公司將於符合上述要求後刊登進一步公告。

根據上市規則第13.51B(1)條披露董事之資料

根據上市規則第13.51B(1)條，有關董事變動之資料載列如下：

- (a) 黃敏女士之董事酬金定為每月288,000港元，自二零一七年十月十九日起生效。
- (b) 梁文輝先生於二零一七年十月十日獲委任為看通之獨立非執行董事。

除上文所披露者外，概無其他有關董事資料之變動須根據上市規則第13.51B(1)條予以披露。

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MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding directors' securities transactions on the terms of the Model Code. After specific enquiry made by the Company, all of the Directors confirmed that they have complied with the required standard set out in the Model Code and the code of conduct of the Company governing Directors' securities transactions throughout the Period.

AUDIT COMMITTEE

The audit committee of the Company has reviewed with the management of the Group the financial and accounting policies and practices adopted by the Group, its internal controls and financial reporting matters and this interim report.

By Order of the Board
Wong Man Winny
Chairman

Hong Kong, 27 February 2018

董事進行證券交易之標準守則

本公司就董事進行證券交易採納符合標準守則之操守守則。經本公司作出特定查詢後，所有董事確定，於整個回顧期間均遵守標準守則所載之規定標準及本公司董事證券交易操守守則。

審核委員會

本公司之審核委員會已聯同本集團管理層審閱本集團採用之財務及會計政策及實務、其內部監控及財務申報事宜、以及本中期報告。

承董事會命
主席
黃敏

香港，二零一八年二月二十七日

僅供識別