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## **PROSPERITY INVESTMENT HOLDINGS LIMITED**

### **嘉進投資國際有限公司\***

*(Incorporated in Bermuda with limited liability)*

(於百慕達註冊成立之有限公司)

**(Stock Code: 310)**

**(股份代號：310)**

## **INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2019**

**截至2019年6月30日止六個月之**

**中期業績公佈**

### **INTERIM RESULTS**

#### **中期業績**

The Board announces the unaudited results of the Group for the Period.

董事會公佈本集團於本期間之未經審核業績。

\* For identification purpose only

\* 僅供識別

# Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 簡明綜合損益及其他全面收益表

For the six months ended 30 June 2019 截至2019年6月30日止六個月

		For the six months ended 30 June 截至6月30日止六個月		
		NOTES 附註	2019 HK\$'000 千港元 (unaudited) (未經審核)	2018 HK\$'000 千港元 (unaudited) (未經審核)
Gross proceeds from operation	營運所得款項總額	5	6,734	1,640
Revenue	收入	5	2,440	13
Other gains and losses	其他收益及虧損	6	(24,355)	(26,543)
Bank interest income	銀行利息收入		160	2
Administrative expenses	行政開支		(6,400)	(6,677)
Investment management expenses	投資管理開支		(3,600)	(3,600)
Finance cost	財務成本		(2,115)	(2,327)
Loss for the period, attributable to owners of the Company	本公司擁有人應佔期間虧損		(33,870)	(39,132)
<b>Other comprehensive expense for the period</b>	<b>期間其他全面開支</b>			
<i>Item that will not be reclassified to profit or loss:</i>	<i>不會重新分類至損益的項目：</i>			
Fair value loss on equity investments at fair value through other comprehensive income	按公平值計入其他全面收益之股本投資之公平值虧損		(13,322)	(6,985)
Total comprehensive expense for the period, attributable to owners of the Company	本公司擁有人應佔期間全面開支總額		(47,192)	(46,117)
Loss per share	每股虧損			
— Basic (HK\$)	— 基本(港元)	7	(0.028)	(0.032)

# Condensed Consolidated Statement of Financial Position

## 簡明綜合財務狀況表

At 30 June 2019 於2019年6月30日

		NOTE 附註	30 June 2019 2019年 6月30日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2018 2018年 12月31日 HK\$'000 千港元 (audited) (經審核)
Non-current assets	非流動資產			
Plant and equipment	廠房及設備		845	1,087
Right-of-use assets	使用權資產		653	—
Equity investments at fair value through other comprehensive income	按公平值計入其他全面收益之股本投資		36,766	50,088
Equity investments at fair value through profit or loss	按公平值計入損益之股本投資		141,118	154,191
			179,382	205,366
Current assets	流動資產			
Equity investments at fair value through profit or loss	按公平值計入損益之股本投資		12,988	14,348
Other receivables	其他應收賬項		7,557	27,629
Cash held by securities brokers	證券經紀持有之現金		3,489	5,197
Bank balances and cash	銀行結餘及現金		38,348	45,738
			62,382	92,912
Current liabilities	流動負債			
Loan from a securities broker	來自證券經紀的貸款		46,748	46,185
Accruals and other payable	應計及其他應付賬項		1,455	12,000
Lease liabilities	租賃負債		315	—
			48,518	58,185
Net current assets	流動資產淨值		13,864	34,727
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債		345	—
Net assets	資產淨值		192,901	240,093
Capital and reserves	資本及儲備			
Share capital	股本	9	30,283	30,283
Reserves	儲備		162,618	209,810
Total equity	股本總值		192,901	240,093
Net Asset Value per Share (HK\$)	每股資產淨值(港元)		0.16	0.20

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the six months ended 30 June 2019 截至2019年6月30日止六個月

### 1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with HKAS 34 “Interim Financial Reporting” as well as with the applicable disclosure requirements of Appendix 16 to the Listing Rules.

### 2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value, as appropriate.

Other than changes in accounting policies resulting from application of new and amendments to HKFRSs, the accounting policies and methods of computation used in the condensed consolidated financial statements for the Period are the same as those presented in the Group’s annual financial statements for the year ended 31 December 2018.

#### Application of new and amendments to HKFRSs

In the Period, the Group has applied, for the first time, the following new and amendments to HKFRSs which are mandatory effective for the annual period beginning on or after 1 January 2019 for the preparation of the Group’s condensed consolidated financial statements:

HKFRS 16	Leases
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle

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

### 1. 編製基準

簡明綜合財務報表乃根據香港會計準則第34號「中期財務報告」以及上市規則附錄16之適用披露規定而編製。

### 2. 主要會計政策

簡明綜合財務報表乃按歷史成本基準編製，惟若干金融工具則按公平值計量。

除因應用新訂及經修訂之香港財務報告準則而導致的會計政策變動外，本期間之簡明綜合財務報表所使用之會計政策及計算方法與編製本集團截至2018年12月31日止年度之年度財務報表所列示者相同。

#### 應用新訂及經修訂之香港財務報告準則

於本期間，本集團首次應用下列新訂及經修訂香港財務報告準則，該修訂於2019年1月1日或之後開始的年度期間強制生效，並用以編製本集團的簡明綜合財務報表：

香港財務報告準則 租賃第16號	
香港(國際財務報告詮釋委員會)–詮釋第23號	所得稅處理之不確定性
香港財務報告準則 具有負補償之提前還款特性第9號之修訂	
香港會計準則 計劃修訂、縮減或第19號之修訂 結算	
香港會計準則 對聯營公司及合資公司之長期權益第28號之修訂	
香港財務報告準則 2015年至2017年週期之修訂	香港財務報告準則的年度改進

除下文所述外，於本年度應用香港財務報告準則之新訂及修訂對本集團於本年度及過往年度的財務狀況及表現及／或該等綜合財務報表所載之披露並無重大影響。

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Application of new and amendments to HKFRSs (Continued)

#### 2.1 Impacts and changes in accounting policies of application on HKFRS 16 Leases

The Group has applied HKFRS 16 for the first time in the current interim period. HKFRS 16 superseded HKAS 17 *Leases* ("HKAS 17"), and the related interpretations.

##### 2.1.1 Key changes in accounting policies resulting from application of HKFRS 16

The Group applied the following accounting policies in accordance with the transition provisions of HKFRS 16.

##### Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### As a lessee

##### Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

##### Right-of-use assets

Except for short-term leases and leases of low value assets, the Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

## 2. 主要會計政策 (續)

### 應用新訂及經修訂之香港財務報告準則 (續)

#### 2.1 採用香港財務報告準則第16號「租賃」對會計政策的影響及改變

本集團於本中期期間首次應用香港財務報告準則第16號。香港財務報告準則第16號取代香港會計準則第17號「租賃」(「香港會計準則第17號」)及相關詮釋。

##### 2.1.1 應用香港財務報告準則第16號產生的會計政策重大變動

本集團根據香港財務報告準則第16號的過渡條文應用以下會計政策。

##### 租賃的定義

倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約是租賃或包含租賃。

##### 作為承租人

##### 短期租賃及低價值資產之租賃

本集團將短期租賃確認豁免應用於自開始日期起計的租期為十二個月或以下並且不包括購買選擇權的租賃。本集團亦應用低價值資產的租賃確認豁免於被認為低價值的資產。短期租賃的租賃付款額及低價值資產的租賃在租賃期內按直線法確認為開支。

##### 使用權資產

除短期租賃及低價值資產租賃外，本集團於租賃開始日期(即相關資產可供使用的日期)確認使用權資產。使用權資產按成本減去任何累計折舊及減值虧損計量，並就租賃負債的任何重新計量作出調整。

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Application of new and amendments to HKFRSs (Continued)

#### 2.1 Impacts and changes in accounting policies of application on HKFRS 16 Leases (Continued)

##### 2.1.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Right-of-use assets (Continued)

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

## 2. 主要會計政策(續)

### 應用新訂及經修訂之香港財務報告準則(續)

#### 2.1 採用香港財務報告準則第16號「租賃」對會計政策的影響及改變(續)

##### 2.1.1 應用香港財務報告準則第16號產生的會計政策重大變動(續)

作為承租人(續)

使用權資產(續)

使用權資產的成本包括：

- 租賃負債的初步計量金額；
- 於開始日期或之前作出的任何租賃付款，減任何已收租賃優惠；
- 本集團產生的任何初始直接成本；及
- 本集團於拆解及搬遷相關資產，復原相關資產所在場地或復原相關資產至租賃的條款及條件所規定的狀況時產生的成本估計。

就本集團於租期結束時合理確定獲取相關租賃資產所有權的使用權資產而言，有關使用權資產自開始日期起至使用年期結束期間計提折舊。在其他情況下，使用權資產以直線法於其估計使用年期及租期(以較短者為準)內計提折舊。

本集團於綜合財務狀況表內將使用權資產呈列為單獨項目。

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Application of new and amendments to HKFRSs (Continued)

#### 2.1 Impacts and changes in accounting policies of application on HKFRS 16 Leases (Continued)

##### 2.1.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 *Financial Instruments* ("HKFRS 9") and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

## 2. 主要會計政策 (續)

### 應用新訂及經修訂之香港財務報告準則 (續)

#### 2.1 採用香港財務報告準則第16號「租賃」對會計政策的影響及改變 (續)

##### 2.1.1 應用香港財務報告準則第16號產生的會計政策重大變動 (續)

作為承租人 (續)

可退回租金按金

已付可退回租金按金乃根據香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)入賬且初步按公平值計量。對初步確認時的公平值作出的調整被視為額外租賃付款並計入使用權資產成本。

租賃負債

於租賃開始日期，本集團按該日未付的租賃付款現值確認及計量租賃負債。倘租賃隱含的利率難以釐定，則本集團會使用租賃開始日期的增量借款利率計算租賃付款的現值。

租賃付款包括：

- 固定付款(包括實質性的固定付款)減任何應收租賃優惠；及
- 倘租期反映本集團會行使選擇權終止租賃時，終止租賃的相關罰款。

在開始日期後，租賃負債通過利息增加及租賃付款進行調整。

## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Application of new and amendments to HKFRSs (Continued)

#### 2.1 Impacts and changes in accounting policies of application on HKFRS 16 Leases (Continued)

##### 2.1.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Taxation

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 *Income Taxes* requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

##### 2.1.2 Transition and summary of effects arising from initial application of HKFRS 16

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease* and not apply this standards to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 January 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

## 2. 主要會計政策(續)

### 應用新訂及經修訂之香港財務報告準則(續)

#### 2.1 採用香港財務報告準則第16號「租賃」對會計政策的影響及改變(續)

##### 2.1.1 應用香港財務報告準則第16號產生的會計政策重大變動(續)

作為承租人(續)

稅項

就計量本集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項而言，本集團首先釐定稅項扣除是否歸屬於使用權資產或租賃負債。

就稅務扣減項目歸屬於租賃負債的租賃交易而言，本集團將香港會計準則第12號「所得稅」的規定分別應用於使用權資產及租賃負債。由於須應用初始確認豁免，故與使用權資產及租賃負債有關的暫時差額並不會在初始確認時及於租期內確認。

##### 2.1.2 因首次應用香港財務報告準則第16號而進行的過渡及產生的影響概要

租賃的定義

本集團已選擇可行權宜方法，就先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號「釐定安排是否包括租賃」獲識別為租賃的合約應用香港財務報告準則第16號，且並無對先前無獲識別為包括租賃的合約應用該準則。因此，本集團並無重新評估於首次應用日期前已存在的合約。

就於2019年1月1日或之後訂立或修改的合約而言，本集團於評估合約是否包含租賃時根據香港財務報告準則第16號所載的規定應用租賃的定義。



## 2. PRINCIPAL ACCOUNTING POLICIES (Continued)

### Application of new and amendments to HKFRSs (Continued)

#### 2.1 Impacts and changes in accounting policies of application on HKFRS 16 Leases (Continued)

##### 2.1.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 January 2019. Any difference at the date of initial application is recognised in the accumulated losses and comparative information has not been restated.

The Group had no outstanding operating lease commitment as at 31 December 2018, the application of HKFRS 16 has no financial impact on the condensed consolidated statement of financial position and opening accumulated losses at 1 January 2019.

## 3. PRINCIPAL ACTIVITIES AND SEGMENT INFORMATION

The Group's operating segment is identified on the basis of internal reports about components of the Group that are regularly reviewed by the CODM, in order to allocate resources and to assess performance. The CODM reviews the Group's investment portfolio and the Group's management accounts as a whole, which is determined in accordance with the Group's accounting policies, for performance assessment and therefore no separate segment information is prepared by the Group.

## 2. 主要會計政策 (續)

### 應用新訂及經修訂之香港財務報告準則 (續)

#### 2.1 採用香港財務報告準則第16號「租賃」對會計政策的影響及改變 (續)

##### 2.1.2 因首次應用香港財務報告準則第16號而進行的過渡及產生的影響概要 (續)

作為承租人

本集團已追溯應用香港財務報告準則第16號，而累計影響於首次應用日期二零一九年一月一日確認。首次應用日期的任何差額於累計虧損確認，及並無重列比較資料。

於二零一八年十二月三十一日，本集團並無未完成的營運租賃承擔。採用香港財務報告準則第16號對簡明綜合財務狀況表及於二零一九年一月一日之期初累計虧損並無財務影響。

## 3. 主要活動及分部資料

本集團經營分部乃主要經營決策者基於審閱本集團組成的內部報告進行識別，作為分配資源及評估財務表現。主要經營決策者檢討本集團整體投資組合及管理帳(根據本集團之會計政策釐定)以進行表現評估，因此本集團並無另行編製分部資料。

#### 4. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax is made for both periods since there was no assessable profit for both periods.

At Period End Date, the Group has unused tax losses of HK\$319,245,000 (31 December 2018: HK\$282,408,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. Tax losses may be carried forward indefinitely.

#### 5. GROSS PROCEEDS FROM OPERATION/REVENUE

The following tables show the revenue of the Group which represents the dividend income and the gross proceeds from disposal of equity investments at FVTPL which are revenue in nature for tax purposes:

#### 4. 所得稅開支

由於本集團於兩個期間均無產生應課稅溢利，故並無於該兩個期間就香港利得稅作出撥備。

於期結日，本集團之未動用稅項虧損319,245,000港元（2018年12月31日：282,408,000港元）可用於抵銷未來溢利。由於未來溢利流量不可預測，故並無確認遞延稅項資產。稅項虧損可無限期承前結轉。

#### 5. 營運所得款項總額／收入

下表顯示本集團由股息所獲之收入及就稅務而言為收益性質的按公平值計入損益之出售股本投資所得款項總額：

		<b>Six months ended 30 June</b>	
		<b>截至6月30日止六個月</b>	
		<b>2019</b>	<b>2018</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>千港元</b>	<b>千港元</b>
		<b>(unaudited)</b>	<b>(unaudited)</b>
		<b>(未經審核)</b>	<b>(未經審核)</b>
Gross proceeds from disposal of equity investments at FVTPL which are revenue in nature for tax purposes	就稅務而言為收益性質的按公平值計入損益之出售股本投資所得款項總額	<b>4,294</b>	1,627
Dividend income	股息收入	<b>2,440</b>	13
		<b>6,734</b>	1,640

## 5. GROSS PROCEEDS FROM OPERATION/ REVENUE (Continued)

Revenue represents dividend income. An analysis of the Group's revenue for the period is as follows:

		Six months ended 30 June	
		截至6月30日止六個月	
		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Dividend income	股息收入	2,440	13

## 5. 營運所得款項總額／ 收入(續)

收入指股息收入。本集團期間之收入分析如下：

## 6. OTHER GAINS AND LOSSES

		Six months ended 30 June	
		截至6月30日止六個月	
		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Fair value changes of equity investments at FVTPL	按公平值計入損益之股本投資之公平值變動	(24,308)	(27,541)
Exchange difference	匯兌差額	(47)	998
		(24,355)	(26,543)

Note: Included in fair value change of equity investments at FVTPL are net losses of HK\$23,474,000 (2018 Period: HK\$21,723,000) and HK\$834,000 (2018 Period: HK\$5,818,000) which are revenue and capital in nature respectively for tax purposes.

附註：就稅務而言，按公平值計入損益之股本投資之公平值變動包括淨虧損23,474,000港元(2018期間：21,723,000港元)及834,000港元(2018期間：5,818,000港元)分別為收益性質及資本性質。

## 7. LOSS PER SHARE

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

## 7. 每股虧損

本公司擁有人應佔每股基本虧損乃按以下數據計算：

		Six months ended 30 June	
		截至6月30日止六個月	
		2019	2018
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
<b>Loss</b>	<b>虧損</b>		
Loss for purposes of basic loss per share	計算每股基本虧損之虧損		
Loss for the period attributable to the owners of the Company	本公司擁有人應佔期間虧損	(33,870)	(39,132)
		<b>2019</b>	<b>2018</b>
<b>Number of shares</b>	<b>股份數目</b>		
Weighted average number of ordinary shares for the purposes of basic loss per share	計算每股基本虧損之普通股加權平均數	1,211,320,200	1,211,320,200

For both periods, no diluted loss per share is presented as there was no potential dilutive ordinary share outstanding during both periods.

於該兩個期間內，由於該兩個期間並無發行在外之潛在攤薄普通股，故並無呈列每股攤薄虧損。

## 8. DIVIDEND

The directors do not recommend the payment of interim dividend for the Period (2018 Period: nil).

## 8. 股息

董事不建議派發本期間之中期股息(2018期間：無)。

## 9. SHARE CAPITAL

## 9. 股本

		<b>Number of Shares 股份數目</b>	<b>Nominal value 面值 HK\$'000 千港元</b>
<hr/>			
<b>Ordinary shares of HK\$0.025 each</b>	<b>每股面值0.025港元的普通股</b>		
Authorised:	法定：		
At 1 January 2018, 30 June 2018, 31 December 2018 and 30 June 2019	於2018年1月1日、2018年6月 30日、2018年12月31日及 2019年6月30日	4,000,000,000	100,000
<hr/>			
Issued and fully paid:	已發行及已繳足：		
At 1 January 2018, 30 June 2018, 31 December 2018 and 30 June 2019	於2018年1月1日、2018年6月 30日、2018年12月31日及 2019年6月30日	1,211,320,200	30,283
<hr/>			

## 10. SUBSEQUENT EVENTS

## 10. 期後事件

There is no major event subsequent to Period End Date.

期結日後概無發生重大事項。

# Management Discussion and Analysis

## 管理層論述及分析

### BUSINESS REVIEW

#### Market review

The stock market was mainly affected by the trade war between USA and PRC since the mid of last year. The trade negotiation between USA and PRC was capricious. Especially in May of this year, USA was unsatisfied with the progress of the negotiation and decided to impose custom tariff on additional products produced in PRC. Although it was detente at the end of June, the Hong Kong stock market was affected and kept at lower level.

#### Operational review

During the Period, the Group continue its investment activities in both listed and unlisted investments and other related financial assets.

The activities of the Group were concentrated in the first half of the Period due to the good atmosphere of the stock market at the start of the Period. The Group also participated again in the investments of A share of the PRC. Upon the action of USA in May this year as mentioned in the market review above, the Group withheld the activities in order to avoid the direct hit from the uncertain market situation.

Also because of the action of USA near the end of the Period, the share price of our investments decreased which in turn led to the significant fair value loss of our investments held at the Period End Date.

Other than the listed investments, the Group did not have new unlisted investment during the Period.

### FINANCIAL REVIEW

#### Results for the Period

The Group reported a loss of approximately HK\$34 million for the Period which is similar to the loss of HK\$39 million for 2018 Period.

Other than the administrative expenses, investment management expense and finance cost which were rather stable, the major component of the loss for both periods was the fair value loss of HK\$24 million and HK\$27 million on the equity investments at FVTPL for the Period and 2018 Period respectively. There were significant fair value losses for both periods because they were both affected by the trade war between USA and PRC. The USA started the trade war in June 2018 which led to the substantial decrease in share prices at the end of 2018 Period. The share prices at the Period End Date were also affected by the action of USA as mentioned in the business review section above.

### 業務回顧

#### 市場回顧

自去年年中以來，股市主要受美國與中國之間的貿易戰影響。美國與中國之間的貿易談判反覆無常。尤其是今年5月，美國不滿談判進展，決定對向中國生產的其他產品徵收關稅。雖然在6月底有所緩和，但香港股市受到其影響停留在較低水平。

#### 營運回顧

於本期間，本集團繼續從事其上市及非上市投資及其他相關金融資產的投資活動。

由於本期間初期股票市場氣氛良好，本集團的活動集中於本期間的上半年。本集團亦再度參與中國A股投資。如上文市場回顧所述，今年5月美國採取行動後，本集團暫緩這些活動，避免受市場不明朗發展直接打擊。

此外，由於美國近期結日的行動，我們的投資股價下跌，導致我們在期結日的投資產生重大的公平值損失。

除上市投資外，本集團於本期間並無新增的非上市投資。

### 財務回顧

#### 本期間的業績

本集團於本期間錄得虧損約3,400萬港元，與2018期間虧損3,900萬港元相若。

除管理費用，投資管理費用及財務成本相當穩定外，兩個期間虧損的主要組成部分，分別為於本期間及2018期間按公平值計入損益之股本投資的公平值虧損2,400萬港元及2,700萬港元。這兩個期間都存有重大的公平值虧損，因為兩個期間都受到美國和中國之間貿易摩擦的影響。美國於2018年6月掀起貿易戰，導致2018期間末股價大幅下滑。期結日的股價也受到上述業務回顧部份中提及的美國行為影響。

## Gross Proceeds from Operation

## 營運所得款項總額

		2019 HK\$'000 千港元	2018 HK\$'000 千港元
Gross proceeds from disposal of equity investments at FVTPL which are revenue in nature for tax purposes	就稅務而言為收益性質的 按公平值計入損益之出售股本 投資所得款項總額	4,294	1,627
Dividend income	股息收入	2,440	13
		<b>6,734</b>	<b>1,640</b>

As mentioned in the business review section, the investing activities of the Group was kept at low level in order to avoid the hit from the market fluctuation.

如業務回顧部分所述，本集團限制投資活動至低水平，免受市場波動衝擊。

## Other gains and losses

Other gains and losses mainly comprise of fair value loss of equity investments at FVTPL. Included in fair value loss of equity investments at FVTPL are net losses of HK\$23,474,000 (2018 Period: HK\$21,723,000) and HK\$834,000 (2018 Period: HK\$5,818,000) which are revenue and capital in nature respectively for tax purposes. Net loss of HK\$23,474,000 included a realised gain on disposal of equity investments at FVTPL which is revenue in nature for tax purposes of HK\$124,000 (2018 Period: realised gain of HK\$4,000). The net loss of HK\$834,000 included a realised loss on disposal of equity investments at FVTPL which is capital in nature for tax purposes of HK\$56,000 (2018 Period: nil). Please refer to results for the Period section above for analysis and details.

## 其他收益及虧損

其他收益及虧損主要由按公平值計入損益之股本投資的公平值虧損所組成。就稅務而言，按公平值計入損益之股本投資之公平值虧損包括淨虧損23,474,000港元(2018期間：21,723,000港元)及834,000港元(2018期間：5,818,000港元)分別為收益性質及資本性質。淨虧損23,474,000港元包括出售按公平值計入損益之就稅務而言為收益性質股本投資之已變現收益124,000港元(2018期間：已變現收益4,000港元)。淨虧損834,000港元包括出售按公平值計入損益之就稅務而言為資本性質股本投資之已變現虧損56,000港元(2018期間：無)。其分析及詳情請參照上述本期間的業績部份。

## Administrative expenses

Among the administrative expenses, staff remuneration of HK\$1,941,000 (2018 Period: HK\$1,769,000) is the largest expenses which represents approximately 30% (2018 Period: 26%) of the administrative expenses. Employees are regarded as the most valuable asset and the Group is aimed to reward the staff with competitive remuneration package.

## 行政開支

於行政開支當中，1,941,000港元(2018期間：1,769,000港元)的員工薪酬為最大開支，其代表約30%(2018期間：26%)的行政開支。員工乃本集團最有價值的資產，而本集團旨在以具競爭力的薪酬待遇補償員工。

## Investment Management expense

Investment Management expense of HK\$3,600,000 (2018 Period: HK\$3,600,000) represents expense paid to the investment managers for the provision of investment management services to the Group. Please refer to the announcement of the Company dated 18 December 2018 for details.

## Finance cost

Finance cost includes HK\$2,100,000 (2018 Period: HK\$2,327,000) interest payment to a securities broker for provision of margin loan financing to the Group. The interest expenses for both periods are similar as the margin loan balances were kept at similar level for both periods.

## Investments

The investment objective of the Group is to enhance the corporate value to the Shareholders. The strategy of the Group is to identify and invest in both listed and unlisted investments with potential of growth within their industries. In identifying potential investment, the Group will consider its business segment, operation, current value and the potential of going public. Currently, the Group has no specific industry focus on potential investment.

As mentioned above, the trade war between USA and PRC affect the stock market and hence, the value of listed investments of the Group decrease significantly at Period End Date.

## OUTLOOK

For the rest of 2019, the trade war between USA and PRC is the major subject which dominates the stock market. It is expected that the trade dispute will finally be resolved in 2020. The stock market will still be fluctuated before the dispute is resolved.

Besides, the current social movement in Hong Kong may affect the business activities and political environment in Hong Kong and trigger the downturn of the economy and stock market.

All in all, the above major events will affect the Hong Kong stock market for the rest of 2019 which in turn affect the return and value of our investments.

## 投資管理開支

投資管理開支3,600,000港元(2018期間: 3,600,000港元)代表因向本集團提供投資管理服務而支付給投資經理的開支。詳情請參閱本公司2018年12月18日之公告。

## 財務成本

財務成本包括2,100,000港元(2018期間: 2,327,000港元)作為向本集團提供保證金融資的證券經紀的利息支出。由於兩個期間的保證金貸款結餘保持在相約程度，利息開支於兩個期間相約。

## 投資

本集團之投資目標是為股東提升企業的價值。本集團之策略是識別及投資於其行業內具有增長潛力之上市及非上市投資。在識別潛在投資時，本集團將考慮其業務分部、營運、現值及上市潛力。目前，本集團於潛在投資上並無特定行業重點。

如上文所述，美國與中國之間的貿易戰影響股票市場，因此，本集團的上市投資價值於期結日有顯著下跌。

## 展望

於2019年餘下時間裡，美國和中國間的貿易磨擦仍是主導股市的重點議題。預期貿易爭議最終可於2020年得到解決。爭議解決之前，股市依然波動。

此外，目前香港的社會運動可能會影響香港的商業活動及政治環境，引發經濟及股市下滑。

總括而言，上文重大事項將影響2019年餘下時間的香港股票市場，最終影響我們投資的回報與價值。



## LIQUIDITY AND FINANCIAL RESOURCES

At Period End Date, the Group had: (i) cash and cash equivalents of approximately HK\$41,837,000 (at 31 December 2018: HK\$50,935,000); and (ii) a loan of approximately HK\$46,748,000 (at 31 December 2018: HK\$46,185,000) from a securities broker for margin financing of the listed equity investments of the Group.

In order to better utilise the resources, the Group used the margin loan provided by a securities broker for the investment in listed equity investments since 2017.

## GEARING RATIO

The gearing ratio (total liabilities/total assets) at Period End Date was 20.21% (at 31 December 2018: 19.51%).

## CONTINGENT LIABILITIES

There is no contingent liability at Period End Date.

## EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

During the Period, the investments of the Group were mainly denominated in HK\$, USD and RMB. Since HK\$ is pegged to USD, significant exposure is not expected in USD transactions and balances. During the Period, the Group invested in A shares while during 2018 Period, the Group received the proceeds denominated in RMB (equivalent to approximately HK\$32 million) from the disposal of a available-for-sale investment in 2017 which was then translated into HK\$. Except for this, other transactions and balances in RMB were not significant and the exposure to RMB is insignificant.

The Group does not have foreign exchange hedging policy. However, management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

## 流動資金及財務資源

於期結日，本集團有：(i)現金及等值現金約41,837,000港元(於2018年12月31日：50,935,000港元)；及(ii)來自證券經紀有關本集團上市股本投資的孖展融資的貸款約46,748,000港元(於2018年12月31日：46,185,000)。

為了更好利用資源，本集團自2017年起動用證券經紀提供的孖展貸款投資於上市股本投資。

## 資本負債比率

期結日之資本負債比率(總負債／總資產)為20.21%(於2018年12月31日：19.51%)。

## 或然負債

於期結日概無或然負債。

## 匯率波動風險及相關對沖

於本期間，本集團之投資主要以港元、美元及人民幣計值。由於港元與美元掛鈎，預期以美元計值之交易及結餘將不會面對重大風險。本期間內，本集團投資於A股而於2018期間內，本集團收到因於2017年出售可供出售投資之以人民幣計值(等值約32,000,000港元)的出售款項，並於其後兌換為港元。除此外，以人民幣計值的其他交易及結餘並不重大，故人民幣的風險微不足道。

本集團並無外匯對沖政策。然而，管理層監控外匯風險，並於有需求時考慮對沖重大外幣風險。

## MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the Period, the Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures.

## 重大收購及出售附屬公司、聯營公司及合營企業

本期間，本集團並無任何重大收購及出售附屬公司、聯營公司及合營企業。

## MAJOR CUSTOMERS AND SUPPLIERS

Due to the business nature, the Group has no major customer and supplier. Therefore, there is no ageing analysis of the accounts receivable and accounts payable.

## 主要客戶及供應商

由於業務性質，本集團並無主要客戶及供應商。因此，並沒有應收賬及應付賬賬齡分析。

## CAPITAL STRUCTURE

It is the treasury policy in utilising Shareholders' fund and internal resources primarily for the investing activities and daily operations of the Group. In order to preserve resources for potential investments and daily operations, the Group may also borrow from third parties when the circumstances thought fit. Funds are mainly kept in HK\$ and will be translated into foreign currencies when necessary. The Group has no hedging policy.

## 資本架構

財務政策為利用股東資金和內部資源作為本集團的投資活動和日常運營。為了保存足夠資源作為潛在投資及日常運營用途，本集團亦可在情況合適時向第三方借款。資金主要以港元存置，並會在有需要時轉換為外幣。本集團並無對沖政策。

## Other Information 其他資料

### PURCHASE, SALE OR REDEMPTION OF SHARES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Shares during the Period.

### CORPORATE GOVERNANCE

During the Period, the Company complied with the code provisions in the CG Code except for the following deviation:

Under the code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. Being the only executive Director, Mr. Cheng Hairong, the chairman of the Company, has assumed the role of chief executive officer of the Company as well. The Board believes that in light of the nature and scale of the Group's business operations, it is in the interest of the Group for Mr. Cheng Hairong to be the chairman and assume the role of chief executive officer of the Company at the same time, as it helps to ensure consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively.

### AUDIT COMMITTEE

The audit committee comprises three INEDs, namely Mr. Lui Siu Tsuen, Richard, Mr. Feng Nien Shu and Ms. Wong Lai Kin, Elsa. The audit committee reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the unaudited condensed consolidated financial statements for the Period.

### 購買、出售或贖回本公司股份

本公司及其任何附屬公司於本期間內概無購買、出售或贖回任何股份。

### 企業管治

於本期間，本公司已遵守企管守則之守則條文，惟以下偏離者除外：

根據企管守則之守則條文第A.2.1條，主席及行政總裁之職務應予以區分，並不應由同一人擔任。本公司主席成海榮先生作為唯一的執行董事，亦擔任本公司行政總裁一職的角色。董事會相信，就本集團業務運作的性質及規模而言，由於此安排有助確保本集團的領導方針一致並使本集團整體戰略規劃更具效益及效率，故成海榮先生擔任本公司主席及行政總裁一職的角色符合本集團利益。董事會認為目前的安排將不會削弱權力及授權制衡，而此架構亦將令本公司得以及時及有效地作出並實行決策。

### 審核委員會

審核委員會由三名獨立非執行董事，即呂兆泉先生、鄧念叔先生及黃麗堅女士組成。審核委員會與管理層已審閱本集團所採納之會計原則及常規，並商討審核、內部監控及財務申報事宜，包括審閱本期間之未經審核簡明綜合財務報表。

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the codes of conduct regarding securities transactions by Directors and by relevant employees of the Company. All Directors have confirmed, following specific enquiries by the Company, that they fully complied with the Model Code and its code of conduct regarding directors' securities transactions throughout the Period.

## PUBLICATION OF INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

The Group's interim results will be included in the Company's interim report for the Period which will be published on the website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)) as well as the website of the Company ([www.irasia.com/listco/hk/prosperityinv](http://www.irasia.com/listco/hk/prosperityinv)) as soon as possible.

By Order of the Board

**Prosperity Investment Holdings Limited**

**Cheng Hairong**

*Chairman and Managing Director*

Hong Kong, 29 August 2019

*As at the date of this announcement, the Board comprises one executive director, namely Mr. Cheng Hairong, one non-executive director, namely Mr. Lau Tom Ko Yuen and three independent non-executive directors, namely Mr. Feng Nien Shu, Mr. Lui Siu Tsuen, Richard and Ms. Wong Lai Kin, Elsa.*

## 董事進行證券交易之標準守則

本公司已採納標準守則作為有關本公司董事及相關僱員進行證券交易之操守準則。經本公司作出具體查詢後，全體董事已確認彼等於本期間內一直全面遵守標準守則及其董事進行證券交易的操守守則。

## 於聯交所及本公司網站上刊登中期報告

本集團之中期業績將載於本公司於本期間之中期報告內，該報告將盡快於聯交所網站([www.hkex.com.hk](http://www.hkex.com.hk))及本公司網站([www.irasia.com/listco/hk/prosperityinv](http://www.irasia.com/listco/hk/prosperityinv))刊載。

承董事會命

**嘉進投資國際有限公司**

主席兼董事總經理

成海榮

香港，2019年8月29日

於本公佈日期，董事會由一名執行董事成海榮先生，一名非執行董事劉高原先生，以及三名獨立非執行董事鄧念叔先生、呂兆泉先生及黃麗堅女士組成。

# Glossary

## 詞彙

Board 董事會	the board of Directors 董事會
CG Code 企管守則	the Corporate Governance Code as contained in Appendix 14 of the Listing Rules 載於上市規則附錄14之企業管治守則
CODM 主要經營決策者	the chief operating decision maker 主要經營決策者
Company 本公司	Prosperity Investment Holdings Limited, a company incorporated in Bermuda with limited liability, whose issued Shares are listed on the Main Board of the Stock Exchange 嘉進投資國際有限公司，一間於百慕達註冊成立之有限公司，其已發行股份於聯交所主板上市
Director(s) 董事	the director(s) of the Company 本公司董事
FVTPL 按公平值計入損益	fair value through profit or loss 按公平值計入損益
Group 本集團	the Company and its subsidiaries 本公司及其附屬公司
HKAS 香港會計準則	the Hong Kong Accounting Standards issued by HKICPA 香港會計師公會頒佈之香港會計準則
HKFRS(s) 香港財務報告準則	the Hong Kong Financial Reporting Standards issued by HKICPA 香港會計師公會頒佈之香港財務報告準則
HKICPA 香港會計師公會	the Hong Kong Institute of Certified Public Accountants 香港會計師公會
Hong Kong 香港	the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
INED(s) 獨立非執行董事	the independent non-executive Directors(s) 獨立非執行董事
Listing Rules 上市規則	the Rules Governing the Listing of Securities on the Stock Exchange 聯交所證券上市規則
Model Code 標準守則	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules 上市規則附錄10所載之上市發行人董事進行證券交易的標準守則
Period 本期間	the six months ended 30 June 2019 截至2019年6月30日止六個月

Period End Date 期結日	at 30 June 2019 於2019年6月30日
2018 Period 2018期間	the six months ended 30 June 2018 截至2018年6月30日止六個月
PRC 中國	the People's Republic of China, which for the purpose of this interim report, excludes Hong Kong, Macau and Taiwan 中華人民共和國，就本中期報告而言，不包括香港、澳門及台灣
Share(s) 股份	share(s) of HK\$0.025 each in the share capital of the Company 本公司股本中每股面值0.025港元之股份
Shareholder(s) 股東	holder(s) of Share(s) 股份持有人
Stock Exchange 聯交所	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
USA 美國	United States of America 美利堅合眾國
HK\$ 港元	Hong Kong Dollar, the lawful currency of Hong Kong 香港法定貨幣港元
RMB 人民幣	Renminbi, the lawful currency of PRC 中國法定貨幣人民幣
USD 美元	United States Dollar, the lawful currency of USA 美國法定貨幣美元