



HEALTHCARE

华 | 夏 | 健 | 康

China Healthcare Enterprise Group Limited

華夏健康產業集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 1143

2019

INTERIM REPORT 中期報告

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Corporate Information

公司資料

EXECUTIVE DIRECTORS

Mr. Lin Darren (*Chairman*)
(appointed on 12 July 2019)
Mr. Lee Chi Hwa Joshua
Mr. Duan Chuanhong
Mr. Li Wuhao (appointed on 6 June 2019)
Mr. Gong Shaoxiang (*Chairman*)
(resigned on 12 July 2019)
Mr. Shi Xinbiao (resigned on 31 January 2019)

NON-EXECUTIVE DIRECTOR

Mr. Cao Yuyun (resigned on 29 July 2019)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Bao Jinqiao
Mr. Leung Pok Man
Mr. Wong Chun Hung (resigned on 12 August 2019)

COMPANY SECRETARY

Mr. Lee Chi Hwa Joshua

LEGAL ADVISORS AS TO HONG KONG LAWS

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HONG KONG OFFICE

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58/F., Two International Finance Centre
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執行董事

林代聯先生(主席)
(於二零一九年七月十二日委任)
李智華先生
段川紅先生
李武好先生(於二零一九年六月六日委任)
龔少祥先生(主席)
(於二零一九年七月十二日辭任)
史新標先生(於二零一九年一月三十一日辭任)

非執行董事

曹雨云先生(於二零一九年七月二十九日辭任)

獨立非執行董事

鮑金橋先生
梁博文先生
黃鎮雄先生(於二零一九年八月十二日辭任)

公司秘書

李智華先生

法律顧問 有關香港法律

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註冊辦事處

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國際金融中心二期58樓
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Corporate Information

公司資料

MAINLAND OFFICE

No.15 North Guangcong Commercial Street
First Industrial Zone
Zhuliao Town, Baiyun District
Guangzhou
Guangdong Province
PRC

PRINCIPAL BANKERS

Standard Chartered Bank (Hong Kong) Limited
DBS Bank (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited

AUDITORS

RSM Hong Kong
Certified Public Accountants
29th Floor
Lee Garden Two
28 Yun Ping Road
Causeway Bay
Hong Kong

內地辦事處

中國
廣東省
廣州
白雲區竹料鎮
第一工業區
廣從商業北街15號

主要往來銀行

渣打銀行(香港)有限公司
星展銀行(香港)有限公司
香港上海滙豐銀行有限公司

核數師

羅申美會計師事務所
執業會計師
香港
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恩平道28號
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Management Discussion and Analysis

管理層討論及分析

BUSINESS OVERVIEW

The Group has, during the review period, continued to further the development and advancement of its core business operations, comprising the EMS, Distribution of Communication Products, and Securities and Other Assets Investment — principally involved in seizing opportunities from the burgeoning healthcare and medical industry in the PRC.

For the six months ended 30 June 2019, the Group generated total revenue of approximately HK\$349.0 million (2018: HK\$327.4 million). Gross profit amounted to HK\$66.8 million (2018: HK\$66.0 million), with loss attributable to owners of the Company amounting to HK\$56.2 million (2018: loss of HK\$52.3 million).

As at 30 June 2019, the Group remains in a solid financial position with bank and cash balances totalling HK\$382.2 million (31 December 2018: HK\$354.2 million).

Review of Operations

The EMS and Distribution of Communication Products

The EMS and Distribution of Communication Products businesses contributed HK\$269.1 million (2018: HK\$274.4 million) and HK\$17.9 million (2018: HK\$23.4 million) in revenue respectively during the Period. The dip in revenue from the Distribution of Communication Products business reflects a general decline that the industry as a whole has been experiencing over the past few years. As for the EMS operation, while a modest decline in revenue was recorded, owing in part to the generally cautious sentiment adopted by the Group's customers as the Sino-US trade dispute along with other macroeconomic concerns have continued to impact on the global economy, it nonetheless was able to achieve an increase in net profit. The positive metric was attributable to the launch of new products, including IoT, Wi-Fi and Bluetooth enabled smart-home appliances that were warmly received by the market. As such products possess higher margins, they consequently contributed to the encouraging performance of the operation. Also contributing to an increase in the bottom line was effective client management, whereby the Group was able to introduce price adjustments to EMS-related products that were absorbed by its customers.

業務回顧

於回顧期間，本集團繼續推動其核心業務的發展及進步，包括電子製造服務、分銷通訊產品以及證券及其他資產投資 — 主要涉及把握中國保健及醫療行業蓬勃發展的機遇。

截至二零一九年六月三十日止六個月，本集團錄得總收入約349,000,000港元(二零一八年：327,400,000港元)。毛利為66,800,000港元(二零一八年：66,000,000港元)，本公司擁有人應佔虧損為56,200,000港元(二零一八年：虧損52,300,000港元)。

於二零一九年六月三十日，本集團維持穩健財務狀況，銀行及現金結餘總計為382,200,000港元(二零一八年十二月三十一日：354,200,000港元)。

營運回顧

電子製造服務及分銷通訊產品

電子製造服務及分銷通訊產品業務於期內的收入分別為269,100,000港元(二零一八年：274,400,000港元)及17,900,000港元(二零一八年：23,400,000港元)。分銷通訊產品業務的收入下降，反映整個行業於過去幾年普遍下滑。就電子製造服務業務而言，儘管收入略為下跌，部分原因為本集團客戶普遍持審慎態度，因為中美貿易糾紛以及其他宏觀經濟問題持續影響全球經濟，然而，該業務仍能實現純利增長。有關良好表現乃由於新產品(包括具有物聯網、Wi-Fi及藍牙功能的智能家用電器)的推出深受市場歡迎。由於有關產品具有較高的利潤率，因此使該業務取得令人鼓舞的表現。有效的客戶管理亦有助提高利潤，因此本集團能對電子製造服務相關的產品進行價格調整，並轉嫁客戶。

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Securities and Other Assets Investment

The Securities and Other Assets Investment business has been making steady progress, specifically in the PRC healthcare and medical sector which the Group is committed to tapping in view of its tremendous opportunities. Indicative of this commitment, segment revenue of HK\$62.0 million (2018: HK\$29.6 million) was recorded for the Period, principally derived from the sale of medical equipments in the PRC.

Geographical Analysis

Revenue from major European countries (the United Kingdom, Switzerland, Poland and France) totalled HK\$150.0 million (2018: HK\$110.6 million), and accounted for 43.0% of the Group's total revenue for the Period (2018: 33.8%). The U.S.A. market contributed HK\$38.8 million (2018: HK\$79.4 million) in revenue and accounted for 11.1% of the Group's total revenue (2018: 24.3%). The PRC (including Hong Kong) and other countries generated HK\$102.2 million (2018: HK\$73.8 million) and HK\$58.0 million (2018: HK\$63.6 million) revenue respectively during the Period, representing 29.3% (2018: 22.5%) and 16.6% (2018: 19.4%) of the Group's total revenue.

FINANCIAL HIGHLIGHTS

Revenue

For the period ended 30 June 2019, the Group recorded total revenue of HK\$349.0 million (2018: HK\$327.4 million).

Cost of sales

Cost of sales increased by 8.0% from HK\$261.4 million in 2018 to HK\$282.2 million in 2019 mainly corresponded to the level of revenue of the Period.

Gross Profit

Gross profit slightly increased by 1.2% from HK\$66.0 million in 2018 to HK\$66.8 million in 2019, while the gross profit margin gently decreased from 20.2% in 2018 to 19.1% in 2019 maintaining at a stable level between these two periods.

證券及其他資產投資

證券及其他資產投資業務穩步發展，特別是本集團正致力拓展充滿機遇的中國保健及醫療行業。基於此承諾，期內分部收入錄得62,000,000港元(二零一八年：29,600,000港元)，主要來自在中國銷售醫療設備。

地區分析

主要歐洲國家(英國、瑞士、波蘭及法國)的收入總計為150,000,000港元(二零一八年：110,600,000港元)，佔本集團於期內總收入的43.0%(二零一八年：33.8%)。美國市場貢獻收入38,800,000港元(二零一八年：79,400,000港元)，佔本集團總收入的11.1%(二零一八年：24.3%)。期內中國(包括香港)及其他國家的收入分別為102,200,000港元(二零一八年：73,800,000港元)及58,000,000港元(二零一八年：63,600,000港元)，分別佔本集團總收入29.3%(二零一八年：22.5%)及16.6%(二零一八年：19.4%)。

財務摘要

收入

截至二零一九年六月三十日止期間，本集團錄得總收入349,000,000港元(二零一八年：327,400,000港元)。

銷售成本

銷售成本由二零一八年261,400,000港元增加8.0%至二零一九年282,200,000港元，主要與期內的收入水平相符。

毛利

毛利由二零一八年66,000,000港元略增1.2%至二零一九年66,800,000港元，而毛利率由二零一八年20.2%略降至二零一九年19.1%，並於該兩個期間維持穩定水平。

Management Discussion and Analysis

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Other income

Other income increased by HK\$0.8 million to HK\$9.2 million for the current period (2018: HK\$8.4 million). The major components of the other income are exchange gain, interest income on loans to employees and other parties and compensation from the vendor in relation to defective products, amounting to HK\$1.9 million, HK\$3.5 million and HK\$1.2 million, respectively.

Selling and distribution expenses

Selling and distribution expenses of HK\$17.0 million (2018: HK\$18.2 million) accounted for approximately 4.9% in 2019 and 5.6% in 2018 of the Group's revenue respectively.

Administrative expenses

Administrative expense of HK\$78.1 million (2018: HK\$91.6 million) accounted for approximately 22.4% in 2019 and 28.0% in 2018 of the Group's revenue respectively. The decrease in administrative expenses was mainly due to the reduction in staff costs and directors' remuneration of HK\$14.0 million, decrease in consultancy fee of HK\$2.6 million, decrease in entertainment of HK\$2.0 million and decrease in legal and professional fees of HK\$2.0 million, being offset by the net increase in the depreciation of right-of-use assets and operating lease charges of HK\$6.7 million.

Other operating expenses

Other operating expenses increased by HK\$14.0 million from HK\$14.0 million in 2018 to HK\$28.0 million in 2019. The increase in other operating expenses was mainly arising from the recognition of provision for expected credit loss on loans to other parties by HK\$17.4 million, being offset by the decrease in research and development expenditures and provision for bad debts of HK\$2.0 million and HK\$1.6 million respectively.

Finance costs

The Group's finance costs is HK\$4.2 million in 2019 and HK\$2.4 million in 2018, represented 1.2% and 0.7% of the revenue in 2019 and 2018 respectively. The increase in finance costs during the period was mainly due to the initial application of HKFRS 16, leading to the charge of interest on lease liabilities, amounting to HK\$2.0 million.

其他收入

其他收入增加800,000港元至本期間9,200,000港元(二零一八年: 8,400,000港元)。其他收入主要包括匯兌收益、向僱員及其他人士貸款的利息收入及賣方就瑕疵產品的賠償, 分別為1,900,000港元、3,500,000港元及1,200,000港元。

銷售及分銷開支

銷售及分銷開支17,000,000港元(二零一八年: 18,200,000港元)分別佔本集團於二零一九年及二零一八年之收入約4.9%及5.6%。

行政費用

行政費用78,100,000港元(二零一八年: 91,600,000港元)分別佔本集團於二零一九年及二零一八年收入約22.4%及28.0%。行政費用減少主要由於員工成本及董事酬金減少14,000,000港元、諮詢費減少2,600,000港元、業務招待費減少2,000,000港元以及法律及專業費用減少2,000,000港元, 惟被使用權資產折舊及經營租賃費用淨增加6,700,000港元所抵銷。

其他經營費用

其他經營費用由二零一八年14,000,000港元增加14,000,000港元至二零一九年28,000,000港元。其他經營費用增加乃主要由於確認向其他人士貸款的預期信貸虧損撥備17,400,000港元, 被研發開支及壞賬撥備分別減少2,000,000港元及1,600,000港元所抵銷。

融資成本

本集團於二零一九年及二零一八年之融資成本分別為4,200,000港元及2,400,000港元, 分別佔二零一九年及二零一八年收入的1.2%及0.7%。期內融資成本增加乃主要由於首次應用香港財務報告準則第16號, 導致產生租賃負債利息費用2,000,000港元。

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Income tax expenses

The Group's income tax expense represents amounts of income tax paid by the Group, at the applicable tax rate in accordance with the relevant laws and regulations in Hong Kong, the PRC and U.S.A.

The Group's effective income tax rates for the periods ended 30 June 2019 and 2018, was approximately -6.3% and -1.5% respectively.

Loss for the period attributable to owners of the Company

The loss attributed to owners of the Company was HK\$56.2 million for the period ended 30 June 2019 (2018: HK\$52.3 million). The Group's net loss margin attributable to owners of the Company for the period ended 30 June 2019 was -16.1% (2018: -16.0%).

Profit/(loss) for the period attributable to non-controlling interests

The profit attributable to non-controlling interests amounted to HK\$1.6 million for the period ended 30 June 2019 (2018: loss attributable to non-controlling interests HK\$0.3 million).

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations and capital expenditure by internally generated cashflows and borrowings.

The Group's current ratio remains in a healthy position at 2.06 times (2018: 2.15 times). As at 30 June 2019, the cash and cash equivalents amounted to HK\$375.3 million, representing an increase of approximately HK\$35.2 million from 31 December 2018. During the six months ended 30 June 2019, HK\$13.8 million was generated from the operating activities, whilst HK\$38.1 million was generated from investing activities and HK\$16.8 million was used in financing activities.

所得稅開支

本集團之所得稅開支指本集團根據香港、中國及美國之相關法律及條例的適用稅率已付之所得稅款項。

本集團於截至二零一九年及二零一八年六月三十日止期間之實際所得稅稅率分別約為-6.3%及-1.5%。

本公司擁有人應佔期內虧損

截至二零一九年六月三十日止期間，本公司擁有人應佔虧損為56,200,000港元(二零一八年：52,300,000港元)。截至二零一九年六月三十日止期間，本公司擁有人應佔本集團淨虧損率為-16.1%(二零一八年：-16.0%)。

非控股權益應佔期內溢利／(虧損)

截至二零一九年六月三十日止期間，非控股權益應佔溢利為1,600,000港元(二零一八年：非控股權益應佔虧損300,000港元)。

流動資金及財務資源

本集團一般透過內部所產生之現金流及借貸為其經營及資本開支提供資金。

本集團之流動比率維持穩健，達2.06倍(二零一八年：2.15倍)。於二零一九年六月三十日，現金及現金等價物為375,300,000港元，較二零一八年十二月三十一日增加約35,200,000港元。截至二零一九年六月三十日止六個月，13,800,000港元來自經營活動，38,100,000港元來自投資活動，而16,800,000港元用於融資活動。

Management Discussion and Analysis

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As at 30 June 2019, the carrying amounts of the loans from related companies and loan from an independent third party are HK\$20.2 million and HK\$20.0 million, respectively.

CAPITAL STRUCTURE

As at 30 June 2019, the total number of issued shares of the Company is 5,945,311,400 shares with a nominal value of HK\$0.001 each.

EXCHANGE RISK EXPOSURE

The majority of the Group's sales and purchases are denominated in US dollars, RMB and Euro. Due to the fact that the Hong Kong dollar is pegged to the US dollars, the Group's exposure to this foreign exchange risk is low. The RMB is not freely convertible into other foreign currencies and conversion of the RMB into foreign currencies is subject to rules and regulations of foreign exchange control promulgated by the PRC government. As at 30 June 2019, the Group does not have a foreign currency hedging policy in respect of its foreign currency assets and liabilities. The Group had no investment in any financial derivatives, foreign exchange contracts, interest or currency swaps, hedging or other financial arrangement for hedging purpose to reduce any currency risk nor made any over-the-counter contingent forward transactions. The Group will closely monitor its foreign currency exposure and will consider using hedging instruments in respect of significant foreign currency exposure as and when appropriate.

CAPITAL EXPENDITURE AND COMMITMENTS

Capital expenditure for the period ended 30 June 2019 amounted to approximately HK\$2.2 million and the capital commitments as at 30 June 2019 amounted to approximately HK\$0.3 million. Both the capital expenditure and capital commitments were mainly related to the acquisition of plant and machinery and leasehold improvements to cope with the requirement of the EMS operation.

於二零一九年六月三十日，來自關連公司之貸款及來自獨立第三方之貸款之賬面值分別為20,200,000港元及20,000,000港元。

資本結構

於二零一九年六月三十日，本公司已發行股份總數為5,945,311,400股，每股面值0.001港元。

外匯風險

本集團的大部分銷售及採購均以美元、人民幣及歐元計值。由於港元與美元掛鈎，本集團面臨的該外匯風險較低。人民幣不能自由兌換成其他外匯，且將人民幣兌換成其他外匯須遵守中國政府頒佈之外匯管制之規則及法規。於二零一九年六月三十日，本集團並無就其外匯資產及負債實施外匯對沖政策。本集團並無投資於任何金融衍生工具、外匯合約、利率或貨幣掉期、對沖或其他財務安排作對沖用途以減少任何貨幣風險，及並無進行任何場外或然遠期交易。本集團將緊密監察其外匯風險並考慮適時就重大外匯風險使用對沖工具。

資本開支及承擔

截至二零一九年六月三十日止期間之資本開支約為2,200,000港元及於二零一九年六月三十日之資本承擔為約300,000港元。資本開支及資本承擔主要與收購廠房及機器以及租賃改善工程有關，以迎合電子製造服務業務之需要。

Management Discussion and Analysis

管理層討論及分析

CONTINGENT LIABILITIES

- (i) As at 30 June 2019 and 31 December 2018, the Group had an outstanding guarantee (“the Guarantee”) to one of the suppliers of an overseas subsidiary (“Disposed Subsidiary”), which was disposed on 7 October 2015, for payment in relation to a sum of USD2.6 million (equivalent to approximately HK\$20.3 million) representing a trade balance under dispute between the Disposed Subsidiary and the supplier. The supplier subsequently sold the trade balance to a third party.

During 2018, the Disposed Subsidiary had agreed with the third party for a final settlement by instalment of USD650,000 (equivalent to approximately HK\$5.1 million). In this regards, as at 30 June 2019 and 31 December 2018, the Group had an outstanding guarantee of the sum limited to USD650,000 subject to the full payment of the final settlement effected by the Disposed Subsidiary.

The Disposed Subsidiary had issued counter guarantee to the Company to indemnify the Company for any loss in relation to the Guarantee.

- (ii) During 2018, a lawsuit was lodged against a subsidiary of the Company, Guangzhou Telefield Limited. The plaintiff seeks compensation of approximately RMB1 million. Having sought legal advices, the directors are of the view that the above compensation shall be disclosed as contingent liabilities.

Apart from the above, the Group and the Company did not have any significant contingent liabilities.

或然負債

- (i) 於二零一九年六月三十日及二零一八年十二月三十一日，本集團對已於二零一五年十月七日出售之海外附屬公司（「已出售附屬公司」）之其中一名供應商有尚未償付擔保（「該擔保」），其有關支付2,600,000美元（相當於約20,300,000港元）之款項，此乃已出售附屬公司與該供應商之爭議貿易結餘。隨後供應商已出售貿易結餘予第三方。

於二零一八年，已出售附屬公司已與第三方達成最終和解，分期付款650,000美元（相當於約5,100,000港元）。就此而言，於二零一九年六月三十日及二零一八年十二月三十一日，本集團擁有尚未償付擔保金額上限為650,000美元，視乎已出售附屬公司實際悉數支付的最終和解款項而定。

已出售附屬公司已向本公司發出反擔保，以為本公司就該擔保之任何損失提供彌償保證。

- (ii) 於二零一八年，本公司的附屬公司廣州中慧電子有限公司接獲訴訟。原告要求約人民幣1,000,000元的賠償。經諮詢法律意見後，董事認為上述賠償應披露為或然負債。

除上文所述者外，本集團及本公司並無任何重大或然負債。

Management Discussion and Analysis

管理層討論及分析

PLEDGE OF ASSETS

As at 30 June 2019, bank deposits of approximately HK\$1.3 million were pledged to a bank for securing banking facilities such as corporate credit card and general bank account services and also certain shares of subsidiaries have been pledged to an independent third party to secure a loan facility available to the Group.

SIGNIFICANT INVESTMENTS

As at 30 June 2019, the Group was holding listed equity investments at a fair value of approximately HK\$3.7 million, which were classified as financial assets at fair value through other comprehensive income. Due to the movements of the share prices, net fair value change in respect of such investments of approximately HK\$9.5 million was recorded in other comprehensive income. Apart from the change in fair value, the balance of the equity investments decreased significantly due to disposal of certain equity investments during the period ended 30 June 2019.

During the period under review, save as disclosed above, there was no other material acquisition, disposal or investment by the Group that should be notified to the shareholders of the Company.

USE OF PROCEEDS FROM SUBSCRIPTION

On 13 October 2017, the Group entered into share subscription agreement (“Subscription Agreement”) with Keywan Global Limited (“Keywan”). All conditions precedent of the Subscription Agreement have been fulfilled and completion took place on 1 November 2017. Pursuant to the Subscription Agreement, an aggregate of 990,000,000 shares of the Company were allotted and issued to Keywan at a subscription price of HK\$0.3 per share. The net proceeds received by the Group was approximately HK\$297 million. Upon completion of the share subscriptions, Keywan has 16.65% shareholding in the Company. The intended use of the net proceeds from the Subscription was to finance the proposed acquisition of a polyurethane condom business (the “Proposed Acquisition”) as detailed in the circular dated 15 February 2018 and/or the general working capital of the Group. As at 30 June 2019, the Proposed Acquisition did not materialise.

As at the date of 2018 Annual Report, approximately HK\$159 million was used as the Group’s general working capital, of which approximately 39% for staff costs, 27% for office rental and management fee and 34% for other administrative and operating expenses.

資產抵押

於二零一九年六月三十日，銀行存款約1,300,000港元已抵押予銀行作為銀行融資（如公司信用卡及一般銀行賬戶服務）的擔保，且若干附屬公司股份已抵押予獨立第三方，作為本集團可獲得貸款融資的抵押。

重大投資

於二零一九年六月三十日，本集團持有公平值約3,700,000港元之上市股權投資，分類為按公平值計入其他全面收益的金融資產。由於股價變動，就有關投資錄得的公平值淨額變動約9,500,000港元計入其他全面收益。除公平值變動外，由於截至二零一九年六月三十日止期間出售若干股權投資，故股權投資結餘大幅減少。

於回顧期間，除上文所披露者外，本集團概無其他須告知本公司股東之重大收購、出售或投資。

認購事項所得款項用途

於二零一七年十月十三日，本集團與Keywan Global Limited（「Keywan」）訂立股份認購協議（「認購協議」）。認購協議的所有先決條件均已獲達成，並於二零一七年十一月一日完成。根據認購協議，本公司已向Keywan配發及發行合共990,000,000股股份，認購價為每股股份0.3港元。本集團收取的所得款項淨額約為297,000,000港元。股份認購完成後，Keywan擁有本公司16.65%股權。認購事項所得款項淨額擬定用作為日期為二零一八年二月十五日之通函所詳述之建議收購聚氨基酯避孕套業務（「建議收購事項」）提供資金及／或本集團之一般營運資金。於二零一九年六月三十日，建議收購事項沒有落實。

於二零一八年年報日期，約159,000,000港元用作本集團之一般營運資金，其中約39%用作員工成本、27%用作辦公室租金及管理費及34%用作其他行政及營運開支。

Management Discussion and Analysis

管理層討論及分析

Up to 30 June 2019, additionally approximately HK\$12 million was used as the Group's general working capital, of which approximately 48% for staff costs, 41% for office rental and management fee and 11% for other administrative and operating expenses.

As at 30 June 2019, the Group plans to use the remaining unutilised net proceeds of approximately HK\$126 million as the Group's general working capital, of which approximately 40% for staff costs, 29% for office rental and management fee and 31% for other administrative and operating expenses. The remaining unutilised net proceeds is estimated to be fully utilised in the next 12 months.

HUMAN RESOURCES

As at 30 June 2019, the Group had approximately 1,500 employees in various operating units in Hong Kong, U.S.A, and the PRC. In order to attract and retain high quality talents to ensure smooth operation and cater for the Group's constant expansion, it offers competitive remuneration packages, with reference to market conditions and individual qualifications and experience.

There is no outstanding share option as at 30 June 2019 and 31 December 2018. In addition, no share option was granted, cancelled or lapsed during the six months ended 30 June 2019.

PROSPECTS

In respect of the EMS and Distribution of Communication Products businesses, the Group will seek to bolster ties with its business partners in order to seize new opportunities, as well as to work together in overcoming whatever challenges that may arise. In the case of the EMS business in particular, the Group will direct still greater effort towards the research and development of IoT, Wi-Fi and Bluetooth enabled products.

With regard to the Securities and Other Assets Investment operation, the Group will continue to look for business opportunities that can further enhance the Group's growth and facilitate value creation for its investors.

Though the global business climate is becoming increasingly unpredictable, with downside risk a growing concern, the Group remains cautiously optimistic about its fortunes in the longer term due to the strategies in place for bolstering its existing operations, while at the same time expanding its business influence. Such an outlook is reflected in the proposed change of Company name to "Link-Asia International Co. Ltd." and its Chinese equivalent "環亞國際實業有限公司". The Group trusts that the changes will raise awareness of its business nature and direction, both of which will be driving its development well into the future.

於二零一九年六月三十日，另撥約12,000,000港元用作本集團之一般營運資金，其中約48%用作員工成本、41%用作辦公室租金及管理費及11%用作其他行政及營運開支。

於二零一九年六月三十日，本集團擬將餘下未動用所得款項淨額約126,000,000港元用作本集團之一般營運資金，其中約40%用作員工成本、29%用作辦公室租金及管理費及31%用作其他行政及營運開支。餘下未動用所得款項淨額估計將於未來12個月獲悉數動用。

人力資源

於二零一九年六月三十日，本集團位於香港、美國及中國各個營運單位合共僱用約1,500名僱員。為招攬及延攬優質精英，以確保營運順暢及應付本集團持續拓展需要，本集團參照市況以及個人資歷及經驗提供具競爭力的薪酬待遇。

於二零一九年六月三十日及二零一八年十二月三十一日，概無尚未行使之購股權。此外，概無購股權於截至二零一九年六月三十日止六個月授出、註銷或失效。

前景

就電子製造服務以及分銷通訊產品業務而言，本集團將致力鞏固與業務夥伴的關係，以把握新機遇，並共同克服可能出現的任何挑戰。特別是電子製造服務業務而言，本集團將投入更大精力於具有物聯網、Wi-Fi及藍牙功能的產品的研發。

就證券及其他資產投資業務而言，本集團將繼續尋找可進一步提升本集團增長並為投資者創造價值的商機。

儘管全球營商環境越來越難以預測，下行風險日益令人擔憂，但本集團長遠仍對未來保持審慎樂觀，因為本集團已有戰略支持其現有業務，同時擴大其業務影響力。該前景反映在建議將本公司名稱更改為「Link-Asia International Co. Ltd.」及其相應中文名稱「環亞國際實業有限公司」。本集團相信，有關變更將提升對本集團業務性質及方向的認知，而此兩方面均將推動其未來的發展。

Corporate Governance and Other Information

企業管治及其他資料

CORPORATE GOVERNANCE

The Directors are of the opinion that the Company has complied with the code provisions set out in the Corporate Governance Code (the “Code”) under Appendix 14 of the Listing Rules on the Stock Exchange throughout the six months ended 30 June 2019, except for the deviation from code provision A.2.1 of the Code as described below.

Code Provision A.2.1

Under code provision A.2.1 of the Code, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. The Company does not have any officer with the title of “chief executive officer” and this is deviated from the code provision A.2.1 of the Code.

Mr. Lin Darren, who acts as the Chairman and an executive Director of the Company, is also responsible for overseeing the general operations of the Group. The Board will meet regularly to consider major matters affecting the operations of the Group. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Group. The roles of the respective executive directors and senior management, who are in charge of different functions complement the role of the chairman and chief executive officer. The Board believes that this structure is conducive to strong and consistent leadership enabling the Group to operate efficiently.

The Company understands the importance to comply with the code provision A.2.1 and will continue to consider the feasibility to comply with the said code provision. If compliance with the said provision is determined, appropriate persons will be nominated to assume the different roles of chairman and chief executive officer.

Non-Compliance with Rule 3.10 and Rule 3.21 of the Listing Rules

Pursuant to Rule 3.10 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 resignation of Mr. Wong Chun Hung as independent non-executive director and Chairman of the audit committee of the Company with effect from 12 August 2019, the number of independent non-executive director fell below the minimum number of three as required under Rule 3.10(1) of the Listing Rules, and the number of the audit committee of the Company fell below the minimum number prescribed under Rule 3.21 of the Listing Rules and the Board also no longer had an independent non-executive director with the appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules, or an audit committee member as required under Rule 3.21 of the Listing Rules who meet the same requirements as Rule 3.10(2) of the Listing Rules. The Company will take all necessary measures to comply with the Rule 3.10 and Rule 3.21 of the Listing Rules.

企業管治

董事認為，本公司於整個截至二零一九年六月三十日止六個月內一直遵守聯交所上市規則附錄十四下的《企業管治守則》（「守則」）所載的守則條文，惟下文所述就守則的守則條文第A.2.1條有所偏離的情況除外。

守則條文第A.2.1條

根據守則的守則條文第A.2.1條，主席及行政總裁的角色應分開及不應由同一人士擔任。本公司並無任何職銜為「行政總裁」的高級職員，此偏離守則的守則條文第A.2.1條。

林代聯先生為本公司主席兼執行董事，亦負責監督本集團整體運作。董事會定期召開會議考慮影響本集團運作的重大事宜。董事會認為此架構無損董事會與本集團管理層之間的權力均衡和權責。各執行董事及主管不同職能的高級管理層的角色與主席及行政總裁的角色相輔相成。董事會相信，此架構有利於建立鞏固而連貫的領導，讓本集團有效運作。

本公司明白遵守守則條文第A.2.1條的重要性，並將繼續考慮遵守上述守則條文的可行性。如決定遵守上述條文，本公司將提名合適人選分別擔任主席及行政總裁之職務。

不遵守上市規則第3.10條及第3.21條

根據上市規則第3.10條及第3.21條，每個上市發行人董事會必須至少包括三名獨立非執行董事，而審核委員會必須至少包括三名成員。在黃鎮雄先生自二零一九年八月十二日起辭任獨立非執行董事及本公司審核委員會主席後，獨立非執行董事人數低於上市規則第3.10(1)條規定的至少三名人數，且本公司審核委員會人數低於上市規則第3.21條所訂明的最低人數，而董事會亦不再擁有上市規則第3.10(2)條所規定具備適當專業資格，或具備會計或相關的財務管理專長的獨立非執行董事，或上市規則第3.21條所規定符合上市規則第3.10(2)條相同規定的審核委員會成員。本公司將採取一切必要措施以遵守上市規則第3.10條及第3.21條。

Corporate Governance and Other Information

企業管治及其他資料

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules (the “Model Code”) as the required standard for securities transactions by Directors. The Company has made specific enquiries of all Directors and all Directors confirmed that they have complied with the required standards set out in the Model Code and its code of conduct regarding Directors’ securities transactions throughout the six months ended 30 June 2019 and up to the date of this interim report.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The audit committee of the Board (“Audit Committee”) currently has two members comprising Mr. Bao Jinqiao and Mr. Leung Pok Man, all being independent non-executive Directors.

The primary duties of the Audit Committee are mainly to review and supervise the financial reporting process and internal control system of the Group. A copy of the written terms of reference which describes the authority and duties of the Audit Committee has been posted to the Company’s website and the Hong Kong Exchanges and Clearing Limited’s website.

The Audit Committee held two meetings during the reporting period. The Audit Committee of the Company has reviewed jointly with the management of the Company the accounting principles and practices adopted by the Group and discussed the auditing, internal control and financial reporting matters.

On 30 August 2019, the Audit Committee met to review the unaudited Group financial statements for the reporting period in conjunction with the Company’s external auditor and senior management before recommending them to the Board for consideration and approval. The Audit Committee was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosures have been made.

進行證券交易的標準守則

本公司已採納上市規則附錄十所載的上市發行人董事進行證券交易的標準守則(「標準守則」)作為其董事進行證券交易所需的標準。本公司經向全體董事作個別查詢後，全體董事均確認彼等於截至二零一九年六月三十日止六個月及直至本中期報告日期止整個期間已遵守標準守則載列的所需標準及有關董事進行證券交易的行為守則。

審核委員會及審閱中期業績

董事會審核委員會(「審核委員會」)現由兩名成員組成，分別為鮑金橋先生及梁博文先生，全部為獨立非執行董事。

審核委員會之基本職務主要為審閱及監察本集團之財務報告程序及內部監控系統。載列審核委員會的權力及職責的書面職權範圍已刊登於本公司及香港交易及結算所有限公司的網站。

審核委員會於報告期內共舉行兩次會議。本公司審核委員會已與本公司管理層一同審閱本集團所採納的會計原則及慣例，並討論審核、內部控制及財務報告事宜。

於二零一九年八月三十日，審核委員會會同本公司外聘核數師及高級管理層，在向董事會提呈本集團報告期內未經審核財務報表以供審議及批准前，審閱有關財務報表。審核委員會認為，編製該等業績乃符合適用的會計準則及規定，並已作出充分披露。

Corporate Governance and Other Information

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OTHER INFORMATION

Interim Dividend

The Board does not recommend the payment of interim dividend for the Period.

Purchase, Sale or Redemption of Listed Shares

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

Share Option Scheme

As to attract and retain the eligible persons, to provide additional incentive to them and to promote the success of the business of the Group, the Company conditionally adopted a share option scheme (the "Scheme") on 31 December 2010 whereby the Board are authorised, at their absolute discretion and subject to the terms of the Scheme, to grant options to subscribe for the shares of the Company (the "Shares") to, inter alia, any employees (full-time or part-time), Directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners or service providers of the Group. The Scheme shall be valid and effective for a period of ten years commencing from the date on which the Scheme was adopted, subject to the early termination provisions contained in the Scheme.

An offer for the grant of options must be accepted within seven days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an option is HK\$1.00. The subscription price of a Share in respect of any particular option granted under the Scheme shall be a price solely determined by the Board and notified to a participant and shall be at least the highest of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option; (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the 5 trading days immediately preceding the date of grant of the option; and (iii) the nominal value of a Share on the date of grant of the option provided always that for the purpose of calculating the subscription price, where the Company has been listed on the Stock Exchange for less than 5 trading days, the issue price shall be used as the closing price for any trading day fall within the period before the Listing Date.

其他資料

中期股息

董事會並不建議派發期內之中期股息。

購買、出售或贖回上市股份

本公司及其任何附屬公司於截至二零一九年六月三十日止六個月並無購買、出售或贖回本公司任何上市證券。

購股權計劃

為吸引及留聘合資格人士、向彼等提供額外獎勵以及推動本集團創出佳績，本公司已於二零一零年十二月三十一日有條件採納購股權計劃（「計劃」），據此，董事會獲授權全權酌情根據計劃的條款，向（其中包括）本集團任何僱員（全職或兼職）、董事、顧問、諮詢顧問、分銷商、分包商、供應商、代理、客戶、商業夥伴或服務供應商授出購股權，以認購本公司股份（「股份」）。計劃將於採納計劃日期起計十年內存在且生效，惟可根據計劃所載之條款提前終止。

授出購股權的建議須於發出有關建議日期（包括當日）起計七日內接納。承授人於接納授出購股權建議時須就購股權向本公司支付1.00港元。就根據計劃授出的任何特定購股權的股份認購價，將全權由董事會釐定並通知參與者，但不得低於下列最高者：(i) 股份於購股權授出日期在聯交所每日報價表所報的收市價；(ii) 股份於緊接購股權授出日期前五個交易日在聯交所每日報價表所報的平均收市價；及(iii) 股份於購股權授出日期的面值，惟就計算認購價而言，倘本公司於聯交所之上市期間少於五個交易日，發行價將當作上市日期前期間任何交易日之收市價。

Corporate Governance and Other Information

企業管治及其他資料

The Company shall be entitled to issue options, provided that the total number of shares which may be issued upon exercise of all options to be granted under the Scheme does not exceed 10% of the shares in issue from the Listing Date. The Company may at any time refresh such limit, subject to the shareholders' approval and issue of a circular in compliance with the Listing Rules, provided that the total number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under all the share option schemes of the Company does not exceed 30% of the shares in issue at the time. An option may be exercised in accordance with the terms of the Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

There is no outstanding share option as at 30 June 2019 and 31 December 2018. In addition, no share option was granted, cancelled or lapsed during the six months ended 30 June 2019.

Interests and Short Positions of the Directors and Chief Executives in Shares, Underlying Shares and Debentures of the Company and Its Associated Corporations

As at 30 June 2019, no interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) were held by the Directors and chief executives of the Company which are required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO); (ii) pursuant to section 352 of the part XV of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of the Company contained in the Listing Rules to be notified to the Company and the Stock Exchange.

As at 30 June 2019, none of the Director is a director or employee of a company which has an interest or a short position in the shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

本公司有權發行購股權，惟行使計劃項下授予的所有購股權時可能發行的股份總數不得超過上市日期已發行股份的10%。本公司可於任何時間更新有關上限，惟須得到股東批准並遵守上市規則刊發通函後，方可作實，而行使根據本公司所有購股權計劃授予的所有尚未行使購股權及有待行使的購股權時已發行的股份總數，不得超過當時已發行股份的30%。購股權可於董事會釐定的期間內任何時間行使，惟須遵守計劃的條款，而該期間不得超過授出日期後十年，且可根據條文提早終止。

於二零一九年六月三十日及二零一八年十二月三十一日，概無尚未行使之購股權。此外，概無購股權於截至二零一九年六月三十日止六個月授出、註銷或失效。

董事及主要行政人員於本公司及其相聯法團之股份、相關股份及債券之權益及淡倉

於二零一九年六月三十日，概無董事及本公司主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中，擁有(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例之有關條文被當作或被視為擁有之權益及淡倉）；(ii)根據證券及期貨條例第XV部第352條記入該條所述之登記冊內；或(iii)根據上市規則所載本公司董事進行證券交易標準守則須知會本公司及聯交所之權益及淡倉。

於二零一九年六月三十日，概無董事於在本公司股份中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露之權益或淡倉之公司出任董事或僱員。

Corporate Governance and Other Information

企業管治及其他資料

INTEREST AND/OR SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS OF THE COMPANY IN THE SHARES AND UNDERLYING SHARES

As at 30 June 2019, the register of substantial shareholders maintained by the Company pursuant to Section 336 of Part XV of the SFO shows the following shareholders had notified the Company of relevant interests, being 5% or more of the issued share capital of the Company.

本公司主要股東於股份及相關股份之權益及／或淡倉

於二零一九年六月三十日，按根據證券及期貨條例第XV部第336條本公司須存置之主要股東登記冊所記錄，下列股東已知會本公司其相關權益（即佔本公司已發行股本5%或以上）。

Name	Capacity	Number of shares held	Long or short position	Percentage of issued Share Capital of the Company
名稱	身份	所持股份數目	好倉或淡倉	佔本公司已發行股本百分比
Power Port Holdings Limited ("Power Port") (Note 1)	Beneficial Owner 實益擁有人	1,516,340,000	Long 好倉	25.50%
Power Port Holdings Limited ("Power Port")(附註1)				
Mr. Yang Zhihui ("Mr. Yang") (Note 1)	Held by controlled corporation 由受控制法團持有	1,516,340,000	Long 好倉	25.50%
仰智慧先生("仰先生")(附註1)				
Ms. Xu Ning ("Ms. Xu") (Note 2)	Interest of spouse 配偶權益	1,516,340,000	Long 好倉	25.50%
徐寧女士("徐女士")(附註2)				
Keywan Global Limited (Note 3)	Beneficial Owner 實益擁有人	990,000,000	Long 好倉	16.65%
Keywan Global Limited (附註3)				
Mr. He Xiaoming (Note 3)	Held by controlled corporation 由受控制法團持有	990,000,000	Long 好倉	16.65%
何笑明先生(附註3)				
Mr. Cao Longbing (Note 4)	Beneficial Owner 實益擁有人	727,160,000	Long 好倉	12.23%
操隆兵先生(附註4)				
Hearts Capital (Asia) Limited (Note 4)	Held by controlled corporation 由受控制法團持有	718,600,000	Long 好倉	12.09%
Hearts Capital (Asia) Limited (附註4)				
Hearts Capital SPC — Hearts SP2 (Note 4)	Beneficial Owner 實益擁有人	718,600,000	Long 好倉	12.09%
Hearts Capital SPC — Hearts SP2 (附註4)				
Long Asia Asset Management (HK) Limited ("Long Asia") (Note 4)	Investment manager 投資經理	718,600,000	Long 好倉	12.09%
長亞資產管理(香港)有限公司 ("長亞")(附註4)				

Corporate Governance and Other Information

企業管治及其他資料

Notes:

- 1,516,340,000 ordinary shares are held by Power Port, a company incorporated in the British Virgin Islands whose entire issued share capital is held by Mr. Yang.
- Ms. Xu is the spouse of Mr. Yang. Under the SFO, Ms. Xu is deemed to be interested in the same number of Shares in which Mr. Yang is interested.
- 990,000,000 ordinary shares are held by Keywan Global Limited, a company incorporated in the British Virgin Islands whose entire issued share capital is held by Mr. He Xiaoming.
- Long Asia is the investment manager of Hearts Capital SPC – Hearts SP2 and is therefore deemed to be interested in the shares owned by Hearts Capital SPC – Hearts SP2 under the SFO. 718,600,000 ordinary shares are held by Hearts Capital SPC – Hearts SP2, a company incorporated in Cayman Islands whose entire issued share capital is held by Hearts Capital (Asia) Limited, which in turn is 70% controlled by Mr. Cao Longbing who is also interested in 8,560,000 ordinary shares.

Competing Interests

During the six months ended 30 June 2019, none of the Directors or controlling shareholders of the Company nor their respective associates is considered to have interests in a business that competes or is likely to compete, either directly or indirectly, with the businesses of the Group other than those businesses where the Directors have been appointed or were appointed as directors to represent the interests of the Company.

附註：

- 1,516,340,000股普通股由Power Port持有，該公司為於英屬處女群島註冊成立之有限公司，其全部已發行股份由仰先生持有。
- 徐女士為仰先生之配偶。根據證券及期貨條例，徐女士被視為於仰先生擁有權益之相同數目股份中擁有權益。
- 990,000,000股普通股由Keywan Global Limited持有，該公司於英屬處女群島註冊成立，其全部已發行股本由何笑明先生持有。
- 長亞為Hearts Capital SPC – Hearts SP2的投資經理，因此根據證券及期貨條例被視為於Hearts Capital SPC – Hearts SP2擁有的股份中擁有權益。718,600,000股普通股由Hearts Capital SPC – Hearts SP2持有，該公司於開曼群島註冊成立，其全部已發行股本由Hearts Capital (Asia) Limited持有，而Hearts Capital (Asia) Limited則由操隆兵先生控制70%，操隆兵先生亦於8,560,000股普通股股份中擁有權益。

競爭權益

於截至二零一九年六月三十日止六個月，概無董事或本公司控股股東或彼等各自之聯繫人被視為於與本集團業務直接或間接構成或可能構成競爭之業務（董事獲委任或曾獲委任為董事以代表本公司權益之業務除外）中擁有權益。

Independent Review Report

獨立審閱報告



TO THE BOARD OF DIRECTORS OF CHINA HEALTHCARE ENTERPRISE GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 20 to 51 which comprises the condensed consolidated statement of financial position of the Company as at 30 June 2019 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The directors are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

致華夏健康產業集團有限公司 董事會

(於開曼群島註冊成立的有限公司)

引言

我們已審閱第20至51頁所載的中期財務資料，當中包括 貴公司於二零一九年六月三十日的簡明綜合財務狀況表，以及截至該日止六個月期間的相關簡明綜合損益表、簡明綜合損益及其他全面收益表、簡明綜合權益變動表及簡明綜合現金流量表，連同主要會計政策及其他附註解釋概要。香港聯合交易所有限公司證券上市規則規定，中期財務資料報告的編製須符合當中訂明的相關條文，以及由香港會計師公會（「香港會計師公會」）頒佈的香港會計準則第34號「中期財務報告」（「香港會計準則第34號」）。董事須負責根據香港會計準則第34號編製及呈報這些中期財務資料。我們的責任是根據審閱的結果，對這些中期財務資料作出結論，並按照雙方所協定的委聘書條款僅向整體董事會報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

審閱範圍

我們依據香港會計師公會頒佈的香港審閱委聘準則第2410號「由實體的獨立核數師執行的中期財務資料審閱」進行我們的審閱工作。審閱中期財務資料主要包括向負責財務和會計事務之人員作出查詢，以及進行分析性和其他審閱程序。由於審閱的範圍遠較根據香港審計準則進行審核的範圍為小，故我們不保證可知悉所有在審核中可能發現的重大事項。因此，我們不會發表審核意見。

Independent Review Report

獨立審閱報告

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

RSM Hong Kong
Certified Public Accountants
Hong Kong
30 August 2019

結論

根據我們的審閱結果，我們並無發現任何事項而令我們相信中期財務資料在任何重大方面未有根據香港會計準則第34號編製。

羅申美會計師事務所
執業會計師
香港
二零一九年八月三十日

Condensed Consolidated Statement of Profit or Loss

簡明綜合損益表

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

		Six months ended 30 June 截至六月三十日止六個月		
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	
	Note 附註			
Revenue	收入	4	348,976	327,393
Cost of sales	銷售成本		(282,154)	(261,404)
Gross profit	毛利		66,822	65,989
Other income	其他收入	5	9,175	8,363
Selling and distribution expenses	銷售及分銷開支		(17,003)	(18,233)
Administrative expenses	行政費用		(78,131)	(91,555)
Other operating expenses	其他經營費用		(28,015)	(13,998)
Loss from operations	經營虧損		(47,152)	(49,434)
Finance costs	融資成本	6	(4,158)	(2,352)
Loss before tax	除稅前虧損		(51,310)	(51,786)
Income tax expense	所得稅開支	7	(3,229)	(796)
Loss for the period	期內虧損	8	(54,539)	(52,582)
Attributable to:	以下各方應佔：			
Owners of the Company	本公司擁有人		(56,169)	(52,282)
Non-controlling interests	非控股權益		1,630	(300)
			(54,539)	(52,582)
Loss per share	每股虧損			
Basic (cents per share)	基本(每股港仙)	10	(0.945)	(0.879)
Diluted (cents per share)	攤薄(每股港仙)		N/A 不適用	N/A 不適用

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 截至二零一九年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Loss for the period	期內虧損	(54,539)	(52,582)
Other comprehensive income for the period, net of tax	期內其他全面收益，扣除稅項		
<i>Item that will not be reclassified to profit or loss:</i>	<i>將不會重新分類至損益的項目：</i>		
Fair value change of equity investments at fair value through other comprehensive income ("FVTOCI")	按公平值計入其他全面收益 (「按公平值計入其他全面收益」) 的股權投資公平值變動	9,478	(13,040)
<i>Item that will be reclassified to profit or loss:</i>	<i>將重新分類至損益的項目：</i>		
Exchange differences on translating foreign operations	換算海外業務之匯兌差額	515	153
		9,993	(12,887)
Total comprehensive income for the period	期內全面收益總額	(44,546)	(65,469)
Attributable to:	以下各方應佔：		
Owners of the Company	本公司擁有人	(46,399)	(65,133)
Non-controlling interests	非控股權益	1,853	(336)
		(44,546)	(65,469)

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 June 2019 於二零一九年六月三十日

			30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
		Note 附註		
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	11	43,274	51,904
Right-of-use assets	使用權資產	12	62,069	-
Investment properties	投資物業		30,000	30,000
Prepaid lease payments	預付租賃款項		-	1,288
Goodwill	商譽		18,814	18,814
Rental deposits	租金按金		10,991	10,894
Loans to employees and other parties	向僱員及其他人士貸款	15	47,200	44,797
Equity investments at FVTOCI	按公平值計入其他全面收益的 股權投資	16	-	21,859
Deferred tax assets	遞延稅項資產		1,938	1,938
Total non-current assets	非流動資產總值		214,286	181,494
Current assets	流動資產			
Inventories	存貨		96,034	113,962
Trade receivables	應收貿易賬款	13	162,705	155,761
Prepayments, deposits, other receivables and other assets	預付款項、按金、其他應收款項 及其他資產	14	20,457	85,039
Loans to employees and other parties	向僱員及其他人士貸款	15	16,672	30,631
Loan to a non-controlling shareholder of a subsidiary	向一間附屬公司一名非控股 股東貸款		7,149	1,731
Amounts due from a related company	應收一間關連公司款項		1,272	1,274
Equity investments at FVTOCI	按公平值計入其他全面收益的 股權投資	16	3,670	5,328
Current tax assets	即期稅項資產		1,009	183
Pledged bank deposits	已抵押銀行存款	17(i)	1,250	1,250
Bank and cash balances	銀行及現金結餘	17(ii)	382,230	354,209
Total current assets	流動資產總值		692,448	749,368
TOTAL ASSETS	資產總值		906,734	930,862
EQUITY AND LIABILITIES	權益及負債			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	20	5,945	5,945
Reserves	儲備		520,460	566,859
			526,405	572,804
Non-controlling interests	非控股權益		11,881	10,028
Total equity	權益總值		538,286	582,832

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 June 2019 於二零一九年六月三十日

			30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債		31,628	-
Total non-current liabilities	非流動負債總值		31,628	-
Current liabilities	流動負債			
Trade payables	應付貿易賬款	18	64,617	76,474
Accruals and other payables	預提費用及其他應付款項		186,901	215,463
Lease liabilities	租賃負債		29,392	-
Borrowings	借貸	19	40,233	40,267
License rights payable	特許權應付款		3,953	4,108
Product warranty provisions	產品保用撥備		2,104	2,498
Current tax liabilities	即期稅項負債		9,620	9,220
Total current liabilities	流動負債總值		336,820	348,030
Total liabilities	負債總值		368,448	348,030
TOTAL EQUITY AND LIABILITIES	權益及負債總值		906,734	930,862

Approved by the Board of Directors on 30 August 2019 and are signed on its behalf by:

董事會於二零一九年八月三十日批准並由下列人士代為簽署：

Lin Darren
林代聯
Director
董事

Li Wuhao
李武好
Director
董事

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

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

		Unaudited 未經審核													
		Attributable to owners of the Company 本公司擁有人應佔													
		Share capital	Share premium account	Merger reserve	Foreign currency translation reserve	Property revaluation reserve	Contributed surplus	Statutory reserve	Capital reserve	Equity Investments at FVTOCI reserve	Capital contribution	Retained profits / (Accumulated losses)	Total	Non-controlling interests	Total equity
		股本	股份溢價賬	合併儲備	匯兌儲備	物業重估儲備	繳入盈餘	法定儲備	資本儲備	按公平值計入其他全面收益的股權投資儲備	資本出資	保留溢利 / (累計虧損)	總計	非控股權益	權益總值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2018 (audited)	於二零一八年一月一日 (經審核)	5,945	603,750	3,171	13,465	24,297	18,298	2,502	3,836	-	11,280	(31,999)	654,545	(543)	654,002
Adjustments on initial application of – HKFRS 9	初步應用香港財務報告準則第9號的調整	-	-	-	-	-	-	-	-	(28,145)	-	26,424	(1,721)	-	(1,721)
At 1 January 2018 (restated)	於二零一八年一月一日 (經重列)	5,945	603,750	3,171	13,465	24,297	18,298	2,502	3,836	(28,145)	11,280	(5,575)	652,824	(543)	652,281
Total comprehensive income for the period	期內全面收益總額	-	-	-	189	-	-	-	-	(13,040)	-	(52,282)	(65,133)	(336)	(65,469)
Changes in equity for the period	期內權益變動	-	-	-	189	-	-	-	-	(13,040)	-	(52,282)	(65,133)	(336)	(65,469)
At 30 June 2018	於二零一八年六月三十日	5,945	603,750	3,171	13,654	24,297	18,298	2,502	3,836	(41,185)	11,280	(57,857)	587,691	(879)	586,812
At 31 December 2018 (audited)	於二零一八年十二月三十一日 (經審核)	5,945	603,750	3,171	13,953	-	18,298	2,502	4,275	(53,861)	11,280	(36,509)	572,804	10,028	582,832
Total comprehensive income for the period	期內全面收益總額	-	-	-	292	-	-	-	-	9,478	-	(56,169)	(46,399)	1,853	(44,546)
Disposal of equity investments at FVTOCI (note 16)	出售按公平值計入其他全面收益的股權投資 (附註16)	-	-	-	-	-	-	-	-	7,950	-	(7,950)	-	-	-
Changes in equity for the period	期內權益變動	-	-	-	292	-	-	-	-	17,428	-	(64,119)	(46,399)	1,853	(44,546)
At 30 June 2019	於二零一九年六月三十日	5,945	603,750	3,171	14,245	-	18,298	2,502	4,275	(36,433)	11,280	(100,628)	526,405	11,881	538,286

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

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

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES	經營活動所得/(所用)現金淨額	13,772	(86,920)
Interest received	已收利息	118	330
Loans to employees and other parties	向僱員及其他人士貸款	-	(72,106)
Repayment from loans to employees and other parties	向僱員及其他人士貸款的還款	-	93,062
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	-	142
Purchase of property, plant and equipment	購買物業、廠房及設備	(2,238)	(7,562)
Proceeds from disposal of equity investments at FVTOCI	出售按公平值計入其他全面收益的股權投資所得款項	32,995	-
Purchase of equity investments at FVTOCI	購買按公平值計入其他全面收益的股權投資	-	(40,944)
Decrease/(increase) in cash in margin account of brokerage firm	於經紀公司保證金賬戶之現金減少/(增加)	7,177	(14,056)
Decrease in pledged bank deposits	已抵押銀行存款減少	-	600
Decrease in prepaid lease payments	預付租賃款項減少	-	386
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES	投資活動所得/(所用)現金淨額	38,052	(40,148)
Payment of lease liabilities	支付租賃負債	(16,838)	-
NET CASH USED IN FINANCING ACTIVITIES	融資活動所用現金淨額	(16,838)	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加/(減少)淨額	34,986	(127,068)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	期初現金及現金等價物	340,150	479,379
Effect of foreign exchange rate changes	匯率變動影響	212	(46)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末現金及現金等價物	375,348	352,265

Notes to the Condensed Financial Statements

簡明財務報表附註

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

1. BASIS OF PREPARATION

These condensed financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

These condensed financial statements should be read in conjunction with the 2018 annual financial statements. The accounting policies (including the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty) and methods of computation used in the preparation of these condensed financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2018 except as stated below.

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 January 2019. HKFRSs comprise Hong Kong Financial Reporting Standards (“HKFRS”); Hong Kong Accounting Standards (“HKAS”) and Interpretations. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The Group has initially adopted HKFRS 16 Leases from 1 January 2019. A number of other new standards are effective from 1 January 2019 but they do not have a material effect on the Group’s condensed financial statements.

HKFRS 16 Leases

HKFRS 16 supersedes HKAS 17 Leases, HK(IFRIC) 4 Determining whether an Arrangement contains a Lease, HK(SIC)-15 Operating Leases-Incentives and HK(SIC)-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. HKFRS 16 introduced a single, on-balance sheet accounting model for lessees. As a result, the Group, as a lessee, has recognised right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments.

1. 編製基準

該等簡明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第34號「中期財務報告」及香港聯合交易所有限公司證券上市規則之適用披露規定而編製。

該等簡明財務報表應與二零一八年全年財務報表一併閱讀。於編製該等簡明財務報表時所採用之會計政策（包括管理層在應用本集團會計政策時作出的重大判斷及估計不確定性的主要來源）及計算方法與截至二零一八年十二月三十一日止年度之全年財務報表內所採用者互相一致，惟下文所述者除外。

2. 採納新訂及經修訂香港財務報告準則

本期內，本集團已採納香港會計師公會所頒佈與其業務相關，並於二零一九年一月一日開始之會計年度生效之所有新訂及經修訂香港財務報告準則（「香港財務報告準則」）。香港財務報告準則包括香港財務報告準則（「香港財務報告準則」）、香港會計準則（「香港會計準則」）及詮釋。本集團尚未提早採納已頒佈但尚未生效的任何其他準則、詮釋或修訂。

自二零一九年一月一日起，本集團已首次採納香港財務報告準則第16號租賃。若干其他新訂準則自二零一九年一月一日起生效，但對本集團的簡明財務報表並無重大影響。

香港財務報告準則第16號租賃

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（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、香港（準則詮釋委員會）第15號經營租賃—優惠及香港（準則詮釋委員會）第27號評估涉及租賃法律形式交易的內容。香港財務報告準則第16號就承租人引入單一資產負債表內會計處理模式。因此，本集團作為承租人確認代表其使用相關資產權利的的使用權資產和代表其作出租賃付款義務的租賃負債。

Notes to the Condensed Financial Statements

簡明財務報表附註

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

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

HKFRS 16 Leases (Continued)

The Group has applied HKFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in accumulated losses at 1 January 2019. Accordingly, the comparative information presented for 2018 has not been restated – i.e. it is presented, as previously reported, under HKAS 17 and related interpretations. The details of the changes in accounting policies are disclosed below.

(a) Definition of a lease

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

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

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which it is a lessee, the Group has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

2. 採納新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號租賃(續)

本集團已採用經修訂追溯法應用香港財務報告準則第16號，其中首次應用的累計影響會在二零一九年一月一日的累計虧損確認。因此，二零一八年呈列的比較資料沒有重列 – 即按先前報告於香港會計準則第17號及相關詮釋下呈列。會計政策之變動詳情於下文披露。

(a) 租賃的定義

先前，本集團於合約開始時釐定該項安排是否屬或包含香港(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項下的租賃。本集團現根據租賃的新定義評估合約是否屬或包含租賃。根據香港財務報告準則第16號，倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則合約屬或包含租賃。

本集團於過渡至香港財務報告準則第16號時選擇採用實際權宜方法豁免租賃交易所屬的評估。其僅會將香港財務報告準則第16號應用於先前已確定為租賃的合約。根據香港會計準則第17號及香港(國際財務報告詮釋委員會 – 詮釋)第4號未確定為租賃的合約尚未進行重新評估。因此，香港財務報告準則第16號項下的租賃定義僅適用於在二零一九年一月一日或之後訂立或修改的合約。

在包含租賃組成部分的合約開始時或獲重新評估時，本集團將該合約的代價分配至各租賃及非租賃組成部分(以其相對獨立價格為基準)。然而，就其作為承租人的物業租賃而言，本集團選擇不將非租賃組成部分分開計算，而是將租賃及非租賃組成部分作為單一租賃組成部分入賬。

Notes to the Condensed Financial Statements

簡明財務報表附註

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

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

HKFRS 16 Leases (Continued)

(b) As a lessee

The Group leases many properties.

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

However, the Group has elected not to recognise right-of-use assets and lease liabilities for some leases of low-value assets (e.g. IT equipment). The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The recognised right-of-use assets relate to the following types of assets:

2. 採納新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號租賃(續)

(b) 作為承租人

本集團租賃許多物業。

作為承租人，本集團先前根據其對租賃是否將所有權的絕大部分風險及回報轉移的評估，將租賃分類為經營租賃或融資租賃。根據香港財務報告準則第16號，本集團就大多數租賃確認使用權資產及租賃負債。

然而，本集團已選擇不就部分低價值資產租賃(如資訊科技設備)確認使用權資產及租賃負債。本集團在租期內以直線法將與該等租賃相關的租賃付款確認為開支。

所確認的使用權資產與以下類別的資產有關：

		Balance as at	
		於以下日期之結餘	
		30 June	1 January
		2019	2019
		二零一九年	二零一九年
		六月三十日	一月一日
		HK\$'000	HK\$'000
		千港元	千港元
Properties	物業	60,479	75,813
Prepaid lease payments	預付租賃款項	1,590	1,912
Total right-of-use assets	使用權資產總額	62,069	77,725

Notes to the Condensed Financial Statements

簡明財務報表附註

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

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED) HKFRS 16 Leases (Continued)

(b) As a lessee (Continued)

Significant accounting policies

The Group recognises a right-of-use assets and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability.

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

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

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

2. 採納新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號租賃(續)

(b) 作為承租人(續)

主要會計政策

本集團於租賃開始日期確認使用權資產及租賃負債。使用權資產初步按成本計量及其後按成本減任何累計折舊及減值虧損計量，並就租賃負債的若干重新計量作出調整。

租賃負債初步按於開始日期未支付的租賃付款的現值計量，並使用租賃中所隱含的利率貼現，或倘該利率不易釐定，則使用本集團的增量借貸利率。一般而言，本集團採用其增量借貸利率作為貼現率。

租賃負債隨後因租賃負債的利息成本而增加，因作出租賃付款而減少。當指數或利率變動、剩餘殘值擔保下的預期應付估計金額變動、或(如適用)於評估購買或延期權是否合理地確定可予行使或終止權是否合理地確定不可行使時作出的變更而引致未來租賃付款變更時重新計量租賃負債。

本集團已應用判斷以釐定其於其中作為承租人的若干租賃合約(包括續租權)的租期。對本集團是否合理地確定行使有關續租權的評估會影響租期，從而顯著影響已確認租賃負債及使用權資產的金額。

Notes to the Condensed Financial Statements

簡明財務報表附註

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

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

HKFRS 16 Leases (Continued)

(b) As a lessee (Continued)

Transition

Previously, the Group classified property leases as operating leases under HKAS 17. These include offices and factory premises. The leases typically run for a period of 3 to 10 years of non-cancellable period.

At transition, for leases classified as operating leases under HKAS 17, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate as at 1 January 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

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

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

2. 採納新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號租賃(續)

(b) 作為承租人(續)

過渡

過去，本集團根據香港會計準則第17號將物業租賃分類為經營租賃。該等租賃包括辦公室及工廠物業。該等租賃的租期一般介乎3至10年的不可撤銷期間。

於過渡時，就根據香港會計準則第17號分類為經營租賃的租賃而言，租賃負債按餘下租賃付款的現值根據本集團於二零一九年一月一日的增量借貸利率貼現計量。使用權資產按等同於租賃負債的金額計量，並按任何預付或應計租賃款項的金額調整。

本集團於對先前根據香港會計準則第17號分類為經營租賃的租賃應用香港財務報告準則第16號時採用下列實際權宜法。

- 採用豁免，對租期少於12個月的租賃不確認使用權資產及負債。
- 撇除計量初始應用日期使用權資產的初始直接成本。
- 倘合約包含延長或終止租賃選擇權，於釐定租期時使用後續計量。

Notes to the Condensed Financial Statements

簡明財務報表附註

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

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED)

HKFRS 16 Leases (Continued)

(c) Impacts of financial statements

Impact on transition

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

2. 採納新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號租賃(續)

(c) 對財務報表的影響

過渡影響

於過渡至香港財務報告準則第16號時，本集團已確認額外的使用權資產及額外的租賃負債，並確認累計虧損的差額。會計政策變動影響以下於二零一九年一月一日的簡明綜合財務狀況表中的項目(增加/(減少))，概述如下。

		Under HKAS 17 根據香港會計 準則第17號 31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元	Under HKFRS 16 根據 香港財務報告 準則第16號 1 January 2019 二零一九年 一月一日 HK\$'000 千港元
Assets	資產		
Right-of-use assets	使用權資產	-	77,725
Prepaid lease payment (Non-current)	預付租賃款項(非流動)	1,288	-
Prepaid lease payment (Current)	預付租賃款項(流動)	624	-
Liabilities	負債		
Lease liabilities	租賃負債	-	(75,813)
Equity	權益		
Accumulated losses	累計虧損	-	-
Non-controlling interests	非控股權益	-	-

Notes to the Condensed Financial Statements

簡明財務報表附註

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

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (CONTINUED) HKFRS 16 Leases (Continued)

(c) Impacts of financial statements (Continued)

Impact on transition (Continued)

When measuring lease liabilities for leases that were classified as operating leases, the Group discounted lease payments using its incremental borrowing rate at 1 January 2019. The weighted-average rate applied is 6.11%.

		1 January 2019 二零一九年 一月一日 HK\$'000 千港元
Operating lease commitment at 31 December 2018 as disclosed in the Group's consolidated financial statements	於本集團綜合財務報表所披露的 二零一八年十二月三十一日的 經營租賃承擔	90,411
Less: Recognition exemption for leases with less than 12 months of lease term at transition	減：豁免確認於過渡時租期少於12個月 的租賃	(7,811)
		82,600
Discounted using the incremental borrowing rate at 1 January 2019	於二零一九年一月一日使用增量借貸利率 貼現	(6,787)
Lease liabilities recognised as at 1 January 2019	於二零一九年一月一日確認的租賃負債	75,813
Of which are:	其中：	
Current lease liabilities	流動租賃負債	29,879
Non-current lease liabilities	非流動租賃負債	45,934
		75,813

Impacts for the period

As a result of initially applying HKFRS 16, in relation to the leases that were previously classified as operating leases, the Group recognised HK\$62,069,000 of right-of-use assets and HK\$61,020,000 of lease liabilities as at 30 June 2019.

Also in relation to those leases under HKFRS 16, the Group has recognised depreciation and finance costs, instead of operating lease expense. During the six months ended 30 June 2019, the Group recognised HK\$15,656,000 of depreciation charges and HK\$2,045,000 of finance costs from these leases.

2. 採納新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號租賃(續)

(c) 對財務報表的影響(續)

過渡影響(續)

於計量分類為經營租賃的租賃的租賃負債時，本集團使用其於二零一九年一月一日的增量借貸利率貼現租賃付款。所使用的加權平均利率為6.11%。

1 January 2019
二零一九年
一月一日
HK\$'000
千港元

期內影響

由於首次應用香港財務報告準則第16號，就先前分類為經營租賃的租賃而言，本集團於二零一九年六月三十日確認62,069,000港元的使用權資產及61,020,000港元的租賃負債。

同樣，就香港財務報告準則第16號項下的租賃而言，本集團已確認折舊及融資成本，而非確認經營租賃開支。截至二零一九年六月三十日止六個月，本集團已就該等租賃確認15,656,000港元的折舊費用及2,045,000港元的融資成本。

Notes to the Condensed Financial Statements

簡明財務報表附註

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

3. FAIR VALUE MEASUREMENTS

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the condensed consolidated statement of financial position approximate their respective fair values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

3. 公平值計量

本集團於簡明綜合財務狀況表所載金融資產及金融負債的賬面值與其各自的公平值相若。

公平值為市場參與者之間於計量日在有序交易中出售資產所得到或轉讓負債所支付之價格。本集團採用以下公平值等級架構披露公平值計量，其將用於計量公平值的估值技術的輸入資料分為三層等級：

第1層輸入資料：本集團於計量日可取得之相同資產或負債之活躍市場報價(未經調整)。

第2層輸入資料：第1層所包括之報價以外，就資產或負債直接或間接觀察得出之輸入資料。

第3層輸入資料：資產或負債不可觀察之輸入資料。

本集團的政策為在導致轉撥的事宜或情況變動的日期確認三層等級各層的轉入及轉出。

Notes to the Condensed Financial Statements

簡明財務報表附註

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

3. FAIR VALUE MEASUREMENTS (CONTINUED)

(a) Disclosures of level in fair value hierarchy:

30 June 2019
二零一九年六月三十日

		Fair value measurements using: 公平值計量所用的等級：			
		Level 1 第1層 HK\$'000 千港元 (unaudited) (未經審核)	Level 2 第2層 HK\$'000 千港元 (unaudited) (未經審核)	Level 3 第3層 HK\$'000 千港元 (unaudited) (未經審核)	Total 總計 HK\$'000 千港元 (unaudited) (未經審核)
Recurring fair value measurements:	重複性公平值計量：				
Investment properties	投資物業				
Commercial units – Hong Kong	商業單位 – 香港	-	30,000	-	30,000
Financial assets	金融資產				
Equity investments at FVTOCI (note 16)	按公平值計入其他全面收益的 股權投資(附註16)				
– Equity securities listed in Hong Kong	– 於香港上市之股本證券	3,670	-	-	3,670
Total recurring fair value measurements	重複性公平值計量總值	3,670	30,000	-	33,670

31 December 2018
二零一八年十二月三十一日

		Fair value measurements using: 公平值計量所用的等級：			
		Level 1 第1層 HK\$'000 千港元 (audited) (經審核)	Level 2 第2層 HK\$'000 千港元 (audited) (經審核)	Level 3 第3層 HK\$'000 千港元 (audited) (經審核)	Total 總計 HK\$'000 千港元 (audited) (經審核)
Recurring fair value measurements:	重複性公平值計量：				
Investment properties	投資物業				
Commercial units – Hong Kong	商業單位 – 香港	-	30,000	-	30,000
Financial assets	金融資產				
Equity investments at FVTOCI (note 16)	按公平值計入其他全面收益的 股權投資(附註16)				
– Equity securities listed in Hong Kong	– 於香港上市之股本證券	27,187	-	-	27,187
Total recurring fair value measurements	重複性公平值計量總值	27,187	30,000	-	57,187

Notes to the Condensed Financial Statements

簡明財務報表附註

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

3. FAIR VALUE MEASUREMENTS (CONTINUED)

(b) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements:

The Group's financial controller is responsible for the fair value measurements of financial assets and financial liabilities required for financial reporting purposes, including level 3 fair value measurements. The financial controller reports directly to the Board of Directors for these fair value measurements. Discussions of valuation processes and results are held between the financial controller and the Board of Directors at least twice a year.

For level 2 fair value measurements, the Group will normally engage external valuation experts with the recognised professional qualifications and recent experience to perform the valuations.

Level 2 fair value measurements

	Valuation technique 估值技巧	Inputs 輸入資料	Fair value 公平值	
			30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核) Assets 資產	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核) Assets 資產
Commercial units located in Hong Kong 位於香港的商業單位	Market comparable approach 市場比較法	Market prices 市場價格	30,000	30,000

During the two periods, there were no changes in valuation techniques used. For commercial units located in Hong Kong, no revaluation is required for the six months ended 30 June 2019, as in the opinion of the management, the fair value of the commercial units did not differ materially from its carrying amount.

3. 公平值計量(續)

(b) 本集團所採用的估值程序、估值技巧及公平值計量所採用的輸入資料披露：

本集團的財務主管負責就財務報告進行所需的金融資產及金融負債的公平值計量(包括第3層公平值計量)。財務主管就該等公平值計量直接向董事會匯報。財務主管與董事會每年至少兩次討論有關估值程序及結果。

就第2層公平值計量而言，本集團將通常聘請具備獲認可專業資格及最近進行估值經驗之外部估值專家進行估值。

第2層公平值計量

於該兩個期間內，所用之估值技巧並無變動。就位於香港的商業單位而言，毋須就截至二零一九年六月三十日止六個月進行重估，原因是管理層認為，有關商業單位的公平值與其賬面值並無重大出入。

Notes to the Condensed Financial Statements

簡明財務報表附註

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

4. REVENUE AND SEGMENT INFORMATION

The Group has three reportable segments as follows:

EMS	— Electronic manufacturing services
Distribution of Communications Products	— Marketing and distribution of communications products
Securities and Other Assets Investment	— Securities and other assets investment

4. 收入及分部資料

本集團的三個報告分部如下：

電子製造服務	— 電子製造服務
分銷通訊產品	— 營銷及分銷通訊產品
證券及其他資產投資	— 證券及其他資產投資

		EMS	Distribution of Communications Products	Securities and Other Assets Investment	Total
		電子製造服務	分銷通訊產品	證券及其他資產投資	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)
6 months ended 30 June 2019:	截至二零一九年六月三十日止六個月：				
Revenue from external customers	來自外來客戶收入	269,068	17,876	62,032	348,976
Intersegment revenue	分部間收入	6,851	-	-	6,851
Segment profit/(loss)	分部溢利/(虧損)	5,030	(1,874)	(26,086)	(22,930)
As at 30 June 2019:	於二零一九年六月三十日：				
Segment assets	分部資產	390,298	29,211	441,141	860,650
Segment liabilities	分部負債	240,797	32,408	88,077	361,282
6 months ended 30 June 2018:	截至二零一八年六月三十日止六個月：				
Revenue from external customers	來自外來客戶收入	274,432	23,382	29,579	327,393
Intersegment revenue	分部間收入	12,494	-	-	12,494
Segment profit/(loss)	分部溢利/(虧損)	950	(1,683)	(37,164)	(37,897)
As at 31 December 2018:	於二零一八年十二月三十一日：				
Segment assets	分部資產	375,674	27,703	465,166	868,543
Segment liabilities	分部負債	229,985	28,612	84,002	342,599

Notes to the Condensed Financial Statements

簡明財務報表附註

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

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

4. 收入及分部資料(續)

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Reconciliations of segment profit or loss	分部溢利或虧損的對賬		
Total loss of reportable segments	報告分部虧損總額	(22,930)	(37,897)
Intersegment elimination	分部間抵銷	352	207
Unallocated amounts:	未分配金額：		
Consultancy fee	諮詢費	(6,000)	(6,000)
Directors' emoluments	董事酬金	(1,480)	(1,480)
Interest income on loans to employees and other parties	向僱員及其他人士貸款的利息收入	3,528	3,843
Interest on loans from independent third parties	來自獨立第三方之貸款利息	(1,207)	(1,207)
Impairment loss on loans to other parties	向其他人士貸款的減值虧損	(17,433)	(2,803)
Legal and professional fees	法律及專業費用	(3,851)	(902)
Other unallocated head office and corporate expenses	其他未分配總辦事處及公司開支	(2,289)	(5,547)
Consolidated loss before tax for the period	期內綜合除稅前虧損	(51,310)	(51,786)

Notes to the Condensed Financial Statements

簡明財務報表附註

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

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Geographical information

The Group's operations and main revenue streams are those described in the last annual financial statements. The Group's revenue is derived from contracts with customers.

In the following table, revenue is disaggregated by primary geographical market and timing of revenue recognition.

4. 收入及分部資料(續)

地區資料

本集團的業務及主要收入來源為上一份年度財務報表所述。本集團的收入源自客戶合約的收入。

於下表，收入按主要地區市場及收入確認之時間細分。

For the six months ended 30 June (unaudited)	截至六月三十日止六個月 (未經審核)	Distribution of				Securities and Other		Total	
		EMS 電子製造服務		Communications Products 分銷通訊產品		Assets Investment 證券及其他資產投資		Total 總計	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Primary geographical markets	主要地區市場								
– The People's Republic of China (the "PRC") (including Hong Kong)	– 中華人民共和國 (「中國」) (包括香港)	40,179	44,160	–	–	62,032	29,579	102,211	73,739
– The United States of America (the "U.S.A.")	– 美利堅合眾國 (「美國」)	29,193	71,937	16,418	20,004	–	–	45,611	91,941
– Switzerland	– 瑞士	107,232	68,394	–	–	–	–	107,232	68,394
– France	– 法國	18,926	15,291	–	–	–	–	18,926	15,291
– Thailand	– 泰國	10,051	8,333	–	–	–	–	10,051	8,333
– United Kingdom	– 英國	12,232	12,060	–	–	–	–	12,232	12,060
– Others	– 其他	58,106	66,751	1,458	3,378	–	–	59,564	70,129
Segment revenue	分部收入	275,919	286,926	17,876	23,382	62,032	29,579	355,827	339,887
Intersegment revenue	分部間收入								
– The U.S.A.	– 美國	(6,851)	(12,494)	–	–	–	–	(6,851)	(12,494)
Revenue from external customers	來自外來客戶收入	269,068	274,432	17,876	23,382	62,032	29,579	348,976	327,393
Timing of revenue recognition	收入確認之時間								
Products transferred at a point in time	產品於某一時間點轉移	269,068	274,432	17,876	23,382	62,032	29,579	348,976	327,393
Products and services transferred over time	隨時間轉移的產品及服務	–	–	–	–	–	–	–	–
Total	總計	269,068	274,432	17,876	23,382	62,032	29,579	348,976	327,393

Notes to the Condensed Financial Statements

簡明財務報表附註

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

5. OTHER INCOME

5. 其他收入

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Bank interest income	銀行利息收入	118	62
Bank fixed deposits interest income	銀行定期存款利息收入	-	268
Exchange gain	匯兌收益	1,920	3,138
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之 收益	-	73
Interest income on loans to employees and other parties	向僱員及其他人士貸款的 利息收入	3,528	3,843
Others	其他	3,609	979
		9,175	8,363

6. FINANCE COSTS

6. 融資成本

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Interest on loans from independent third parties	來自獨立第三方之貸款利息	1,207	1,206
Interest on loans from a related party	來自一名關連方之貸款利息	904	964
Interest on lease liabilities	租賃負債之利息	2,045	-
Other interest expenses	其他利息開支	2	182
		4,158	2,352

Notes to the Condensed Financial Statements

簡明財務報表附註

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

7. INCOME TAX EXPENSE

7. 所得稅開支

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Current tax — Hong Kong Profits Tax Provision for the period	即期稅項 — 香港利得稅 期內撥備	900	220
Current tax — Overseas Provision for the period	即期稅項 — 海外 期內撥備	2,308	482
Under-provision in prior period	過往期間撥備不足	21	—
		2,329	482
Deferred tax	遞延稅項	—	94
		3,229	796

Hong Kong Profits Tax has been provided at a rate of 16.5% (2018: 16.5%) based on the estimated assessable profit for the period.

香港利得稅乃根據期內估計應課稅溢利按 16.5% (二零一八年：16.5%) 的稅率計提撥備。

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

其他地方應課稅溢利的稅項費用乃按本集團經營所在國家當前稅率，根據當地現行法例、詮釋及慣例計算。

Notes to the Condensed Financial Statements

簡明財務報表附註

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

8. LOSS FOR THE PERIOD

The Group's loss for the period is arrived at after charging/(crediting):

8. 期內虧損

本集團期內虧損已扣除/(計入)以下各項：

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Business entertainment	業務招待	1,974	4,010
Consultancy fee	諮詢費	6,000	8,650
Cost of goods sold	售貨成本		
Cost of inventories sold	已售存貨成本	267,888	256,964
Allowance for inventories	存貨撥備	7,314	5,365
Reversal of allowance for inventories (note (i))	存貨撥備撥回(附註(i))	(4,549)	(6,104)
		270,653	256,225
Depreciation:	折舊：		
— Property, plant and equipment	— 物業、廠房及設備	10,864	7,621
— Right-of-use assets	— 使用權資產	15,656	—
Gain on disposal of property, plant and equipment (included in other income)	出售物業、廠房及設備之收益(計入其他收入)	—	(73)
Operating lease charges — Land and buildings	經營租賃費用 — 土地及樓宇	4,984	11,686
Other operating expenses:	其他經營費用：		
Impairment loss on trade receivables	應收貿易賬款減值虧損	—	564
Impairment loss on other receivables	其他應收款項減值虧損	1,800	—
Impairment loss on loans to other parties	向其他人士貸款減值虧損	17,433	2,803
Research and development expenditures (note (ii))	研發開支(附註(ii))	8,602	10,631
Employee benefits expense including directors' emoluments	僱員福利開支(包括董事酬金)		
Salaries, bonus and allowances	薪金、花紅及津貼	98,785	123,048
Retirement benefit scheme contributions	退休福利計劃供款	5,845	6,590
		104,630	129,638

Notes:

- (i) The Group makes allowance for inventories under respective aging criteria in different operating segments. The reversal of allowance represents the amount of inventories subsequently used in production or sold.
- (ii) During the six months period ended 30 June 2019, research and development expenditure includes approximately HK\$8,596,000 (30 June 2018: HK\$10,518,000) relating to employee benefits expense, which is included in the respective total amount as disclosed separately above.

附註：

- (i) 本集團根據不同營運分部之相關賬齡標準就存貨計提撥備。撥備撥回指其後用於生產或銷售之存貨金額。
- (ii) 截至二零一九年六月三十日止六個月，研發開支包括有關僱員福利開支約8,596,000港元(二零一八年六月三十日：10,518,000港元)，該等金額已計入上文分別披露的有關總額中。

Notes to the Condensed Financial Statements

簡明財務報表附註

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

9. DIVIDENDS

No dividends have been paid or proposed during the six months ended 30 June 2019, nor has any dividend been proposed since the end of the reporting period (six months ended 30 June 2018: Nil).

10. LOSS PER SHARE

The calculation of the basic loss per share is as follows:

9. 股息

截至二零一九年六月三十日止六個月並無派付或建議派付任何股息，自報告期末以來亦無建議派付任何股息（截至二零一八年六月三十日止六個月：無）。

10. 每股虧損

每股基本虧損的計算方式如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Loss	虧損		
Loss attributable to owners of the Company, used in the basic loss per share calculation	用於計算每股基本虧損之本公司擁有人應佔虧損	(56,169)	(52,282)
		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (unaudited) (未經審核)	2018 二零一八年 (unaudited) (未經審核)
Number of shares	股數		
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	用於計算每股基本虧損之加權平均普通股股數	5,945,311,400	5,945,311,400

No diluted loss per share is presented as the Company did not have any dilutive potential ordinary shares for the six months periods ended 30 June 2019 and 2018.

截至二零一九年及二零一八年六月三十日止六個月期間，本公司概無任何潛在攤薄普通股，故並無呈列每股攤薄虧損。

Notes to the Condensed Financial Statements

簡明財務報表附註

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

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2019, the Group has acquired property, plant and equipment of approximately HK\$2,238,000 (six months ended 30 June 2018: HK\$7,562,000).

12. RIGHT-OF-USE ASSETS

During the six months ended 30 June 2019, the Group has not entered into any new lease agreement that required to be recognised as right-of-use assets.

13. TRADE RECEIVABLES

The aging analysis of trade receivables as at the end of the reporting period, based on invoice date and net of allowances, is as follows:

11. 物業、廠房及設備

截至二零一九年六月三十日止六個月，本集團已購買約2,238,000港元(截至二零一八年六月三十日止六個月：7,562,000港元)的物業、廠房及設備。

12. 使用權資產

截至二零一九年六月三十日止六個月，本集團並無訂立任何須確認為使用權資產之新租賃協議。

13. 應收貿易賬款

於報告期末，按發票日期劃分的應收貿易賬款(扣除撥備)的賬齡分析如下：

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
0-90 days	0至90天	119,577	135,996
91-180 days	91至180天	41,265	17,454
181-365 days	181至365天	49	1,305
Over 365 days	365天以上	1,814	1,006
		162,705	155,761

Notes to the Condensed Financial Statements

簡明財務報表附註

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

14. PREPAYMENTS, DEPOSITS, OTHER RECEIVABLES AND OTHER ASSETS

14. 預付款項、按金、其他應收款項及其他資產

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Prepayments	預付款項	586	4,651
Prepaid consultancy fee	預付諮詢費	4,500	7,500
Prepaid lease payments	預付租賃款項	-	624
Deposits	按金	4,086	8,145
Purchase deposits	購買按金	4,727	49,533
Other assets — consumables	其他資產 — 消耗品	3,618	4,171
Other receivables	其他應收款項	2,940	10,415
		20,457	85,039

Notes to the Condensed Financial Statements

簡明財務報表附註

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

15. LOANS TO EMPLOYEES AND OTHER PARTIES

Loans to employees and other parties represent loans advanced to employees and other independent third parties detailed as follows:

15. 向僱員及其他人士貸款

向僱員及其他人士貸款指向僱員及其他獨立第三方墊付的貸款，詳情如下：

Name	Terms of loan	Principal balance at 30 June 2019 於二零一九年六月三十日之 本金結餘 HK\$'000 千港元 (unaudited) (未經審核)	Accrued interest as at 30 June 2019 於二零一九年六月三十日之 應計利息 HK\$'000 千港元 (unaudited) (未經審核)	Allowance 撥備 HK\$'000 千港元 (unaudited) (未經審核)	Total 總計 HK\$'000 千港元 (unaudited) (未經審核)	Balance at 31 December 2018 於二零一八年十二月三十一日 之結餘 HK\$'000 千港元 (audited) (經審核)
Non-current portion						
非即期部分						
Independent third party 獨立第三方	Unsecured, repayable within two years and bears interest of 12% p.a. 無抵押、於兩年內償還及按12%的 年利率計息	45,000	6,998	(4,798)	47,200	44,797
Current portion						
即期部分						
Employees 僱員	Unsecured, repayable within one year or on demand, bearing interest of 9% or interest free 無抵押、於一年內或按要求償還、 按9%的利率計息或免息	4,996	-	-	4,996	2,649
Individual 個人	Unsecured, repayable within one year and bears interest of 12% p.a. 無抵押、於一年內償還、按12% 的年利率計息	27,000	3,240	(18,564)	11,676	27,982
Current portion 即期部分		31,996	3,240	(18,564)	16,672	30,631
Total 總計		76,996	10,238	(23,362)	63,872	75,428

Notes to the Condensed Financial Statements

簡明財務報表附註

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

16. EQUITY INVESTMENTS AT FVTOCI

16. 按公平值計入其他全面收益的股權投資

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Listed investments, at fair value	上市投資，按公平值		
Equity securities listed in Hong Kong	於香港上市之股本證券		
— non-current portion	— 非即期部分	—	21,859
— current portion	— 即期部分	3,670	5,328
Total	總計	3,670	27,187

The fair values of equity investments at FVTOCI are based on quoted closing prices at the end of the reporting period. All equity investments at FVTOCI are denominated in Hong Kong dollars.

按公平值計入其他全面收益的股權投資公平值乃根據報告期末之所報收市價而定。按公平值計入其他全面收益的所有股權投資以港元計值。

During the period, fair value changes in respect of the Group's remaining equity investments recognised in other comprehensive income amounted to HK\$1,658,000.

期內，本集團於其他全面收益確認之餘下股權投資之公平值變動為1,658,000港元。

Notes to the Condensed Financial Statements

簡明財務報表附註

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

17. PLEDGED BANK DEPOSITS AND BANK AND CASH BALANCES

- (i) Pledged bank deposits represented deposits pledged to bank to secure banking facilities such as corporate credit card and general bank account services.
- (ii) The followings are bank and cash balances details:

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Cash on hand	庫存現金	97	118
Cash in transit	在途現金	15	45
Fixed deposits	定期存款	65,875	11,625
Cash at bank	銀行現金	309,361	328,362
Cash and cash equivalents in the condensed consolidated statement of cash flows	於簡明綜合現金流量表的現金及現金等價物	375,348	340,150
Cash in margin accounts of brokerage firms	經紀行保證金賬戶之現金	6,882	14,059
		382,230	354,209

18. TRADE PAYABLES

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

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
0-90 days	0至90天	62,264	70,149
91-180 days	91至180天	382	2,619
181-365 days	181至365天	921	2,133
Over 365 days	365天以上	1,050	1,573
		64,617	76,474

17. 已抵押銀行存款及銀行及現金結餘

- (i) 已抵押銀行存款指為獲得銀行融資(如公司信用卡和一般銀行賬戶服務)而抵押予銀行的存款。
- (ii) 銀行及現金結餘詳情如下：

18. 應付貿易賬款

於報告期末，按發票日期劃分的應付貿易賬款的賬齡分析如下：

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簡明財務報表附註

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

19. BORROWINGS

19. 借貸

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Loan from a related company (note (i))	來自一間關連公司的貸款(附註(i))	568	569
Loans from a related company (note (ii))	來自一間關連公司的貸款(附註(ii))	19,665	19,698
Loan from an independent third party (note (iii))	來自一名獨立第三方的貸款(附註(iii))	20,000	20,000
		40,233	40,267

Notes:

- (i) The amount represented loan from a related company which is non-interest bearing, unsecured and repayable on demand.
- (ii) The amounts represented loans from a related company which bear interest at 9% p.a., unsecured and repayable on 31 December 2019.
- (iii) The amount represented loan from an independent third party, which bears interest at 12% p.a., secured by charges over the shares of the Company's subsidiaries (China Khan Limited and Telefield Holdings Limited) and repayable within one year. During the period, the loan was being extended for one year while remaining terms are unchanged. At 30 June 2019, the aforementioned subsidiaries held non-current assets of HK\$52,334,000 (unaudited) (31 December 2018: HK\$44,173,000) and current assets of HK\$348,991,000 (unaudited) (31 December 2018: HK\$339,915,000).

附註：

- (i) 該金額為來自一間關連公司的無息、無抵押及按要求償還的貸款。
- (ii) 該金額為來自一間關連公司的貸款，該貸款按年利率9%計息、無抵押及須於二零一九年十二月三十一日償還。
- (iii) 該金額為來自一名獨立第三方的貸款，該貸款按年利率12%計息，由本公司附屬公司(華將有限公司及Telefield Holdings Limited)的股份押記擔保及須於一年內償還。於期內，貸款獲延長一年，其餘條款保持不變。於二零一九年六月三十日，上述附屬公司持有非流動資產52,334,000港元(未經審核)(二零一八年十二月三十一日：44,173,000港元)及流動資產348,991,000港元(未經審核)(二零一八年十二月三十一日：339,915,000港元)。

Borrowings are arranged at fixed interest rates or non-interest bearing thus expose the Group to fair value interest rate risk. Except for the loans from related parties which are denominated in Renminbi ("RMB"), other loans are denominated in Hong Kong dollars.

借貸按固定利率計息或無息，因此使本集團面對公平值利率風險。除來自關連公司的貸款以人民幣(「人民幣」)計值外，其他貸款以港元計值。

The directors estimate the fair value of the Group's borrowings at 30 June 2019 and 31 December 2018 approximate to their carrying amounts.

董事估計，本集團的借貸於二零一九年六月三十日及二零一八年十二月三十一日之公平值與其賬面值相若。

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簡明財務報表附註

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

20. SHARE CAPITAL

20. 股本

		30 June 2019 (unaudited) 二零一九年六月三十日 (未經審核)		31 December 2018 (audited) 二零一八年十二月三十一日 (經審核)	
		Number of shares 股數	Amount 金額 HK\$'000 千港元	Number of shares 股數	Amount 金額 HK\$'000 千港元
Authorised:	法定：				
Ordinary shares of HK\$0.001 each At the beginning and the end of the period/year	每股面值0.001港元普通股 於期初/年初及期末/年末	1,500,000,000	1,500,000	1,500,000,000	1,500,000
Issued and fully paid:	已發行及繳足：				
Ordinary shares of HK\$0.001 each At the beginning and the end of the period/year	每股面值0.001港元普通股 於期初/年初及期末/年末	5,945,311,400	5,945	5,945,311,400	5,945

21. RELATED PARTY TRANSACTIONS

In addition to those related party transactions and balances disclosed elsewhere in the condensed financial statements, the Group had the following transactions with its related parties during the period:

21. 關連方交易

除簡明財務報表其他地方披露的該等關連方交易及結餘外，本集團於期內與其關連方有以下交易：

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)
Interest on loans from a related company owned by a substantial shareholder (note i)	來自一間由一名主要股東擁有的 關連公司的貸款利息(附註i)	904	964
Management fee paid to a related company	向一間關連公司支付的管理費	1,440	1,440

Note:

- (i) As at 30 June 2019, the amount of loans from related companies which are indirectly and wholly-owned by a substantial shareholder was approximately HK\$20,233,000 (31 December 2018: HK\$20,267,000).

附註：

- (i) 於二零一九年六月三十日，來自關連公司(由一名主要股東間接及全資擁有)之貸款約為20,233,000港元(二零一八年十二月三十一日：20,267,000港元)。

Notes to the Condensed Financial Statements

簡明財務報表附註

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

22. CONTINGENT LIABILITIES

- (i) As at 30 June 2019 and 31 December 2018, the Group had an outstanding guarantee (“the Guarantee”) to one of the suppliers of an overseas subsidiary (“Disposed Subsidiary”), which was disposed on 7 October 2015, for payment in relation to a sum of USD2.6 million (equivalent to approximately HK\$20.3 million) representing a trade balance under dispute between the Disposed Subsidiary and the supplier. The supplier subsequently sold the trade balance to a third party.

During 2018, the Disposed Subsidiary had agreed with the third party for a final settlement by instalment of USD650,000 (equivalent to approximately HK\$5.1 million). In this regards, as at 30 June 2019 and 31 December 2018, the Group had an outstanding guarantee of the sum limited to USD650,000 subject to the full payment of the final settlement effected by the Disposed Subsidiary.

The Disposed Subsidiary had issued counter guarantee to the Company to indemnify the Company for any loss in relation to the Guarantee.

- (ii) During 2018, a lawsuit was lodged against a subsidiary of the Company, Guangzhou Telefield Limited. The plaintiff seeks compensation of approximately RMB1 million. Having sought legal advices, the directors are of the view that the above compensation shall be disclosed as contingent liabilities.

Apart from the above, the Group and the Company did not have any significant contingent liabilities.

22. 或然負債

- (i) 於二零一九年六月三十日及二零一八年十二月三十一日，本集團對已於二零一五年十月七日出售之海外附屬公司（「已出售附屬公司」）之其中一名供應商有尚未償付擔保（「該擔保」），其有關支付2,600,000美元（相當於約20,300,000港元）之款項，此乃已出售附屬公司與該供應商之爭議貿易結餘。隨後供應商已出售貿易結餘予第三方。

於二零一八年，已出售附屬公司已與第三方達成最終和解，分期付款650,000美元（相當於約5,100,000港元）。就此而言，於二零一九年六月三十日及二零一八年十二月三十一日，本集團擁有尚未償付擔保金額上限為650,000美元，視乎已出售附屬公司實際悉數支付的最終和解款項而定。

已出售附屬公司已向本公司發出反擔保，以為本公司就該擔保之任何損失提供彌償保證。

- (ii) 於二零一八年，本公司的附屬公司廣州中慧電子有限公司接獲訴訟。原告要求約人民幣1,000,000元的賠償。經諮詢法律意見後，董事認為上述賠償應披露為或然負債。

除上文所述者外，本集團及本公司並無任何重大或然負債。

Notes to the Condensed Financial Statements

簡明財務報表附註

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

23. CAPITAL COMMITMENTS

The Group's capital commitments at the end of the reporting period are as follows:

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (audited) (經審核)
Plant and machinery	廠房及機器		
Contracted but not yet incurred	已訂約但尚未產生	320	320

24. EVENTS AFTER THE REPORTING PERIOD

The Group entered into a memorandum of understanding (the "MOU") with LF Joy Realty, Inc. ("LF Joy") on 23 July 2019, in relation to obtain the exclusive agency sale right to sell residential units in Philippine, subject to, among others, the terms of the formal cooperation agreement to be signed within one month from the date of the MOU. The Company has paid LF Joy a refundable deposit of HK\$1,500,000.

25. APPROVAL OF INTERIM FINANCIAL STATEMENTS

The interim financial statements were approved and authorised for issue by the Board of Directors on 30 August 2019.

23. 資本承擔

本集團於報告期末之資本承擔如下：

24. 報告期後事項

本集團於二零一九年七月二十三日與樂房地產(「樂房」)訂立諒解備忘錄(「諒解備忘錄」)，內容有關取得在菲律賓出售住宅單位的獨家代理銷售權，惟受(其中包括)自諒解備忘錄日期起計一個月內簽訂的正式合作協議條款所規限。本公司已向樂房支付可退還按金1,500,000港元。

25. 審批中期財務報表

董事會於二零一九年八月三十日審批並授權刊發中期財務報表。

Information for Investors

投資者資料

LISTING INFORMATION

Listing: Hong Kong Stock Exchange
Stock code: 1143
Ticker Symbol
Reuters: 1143.HK
Bloomberg: 1143 HK Equity

KEY DATES

27 January 2011
Listed on Hong Kong Stock Exchange

30 August 2019
Announcement of 2019 Interim Results

REGISTRAR & TRANSFER OFFICES

Principal:

Royal Bank of Canada Trust Company (Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110
Cayman Islands

Hong Kong Branch:

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

WEBSITE

www.chinahealthcare.com.hk

上市資料

上市：香港聯合交易所
股份代號：1143
股票簡稱
路透社：1143.HK
彭博：1143 HK Equity

重要日子

二零一一年一月二十七日
於香港聯合交易所上市

二零一九年八月三十日
公佈二零一九年中期業績

過戶登記處

總處：

Royal Bank of Canada Trust Company (Cayman)
Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110
Cayman Islands

香港分處：

卓佳證券登記有限公司
香港
皇后大道東 183 號
合和中心 54 樓

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China Healthcare Enterprise Group Limited

華夏健康產業集團有限公司