

DA YU FINANCIAL HOLDINGS LIMITED
大禹金融控股有限公司

(Stock Code 股份代號: 1073)

2019年報
ANNUAL REPORT



We always ask, "Why, and why not?"

"Why" holds us back, makes us ponder the commonly accepted routines and long established practices. Why we and others do it this way? What purpose do the routines or practices serve? Are they even right?

"Why not" pushes us to innovate, to make changes, to do different, to become extraordinary.



For instance, why go for a new listing?

And, why not go for an RTO (reverse takeover)?

We are not the best, not the biggest, not the most profitable, but we are moving ahead.

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors:

Mr. Lee Wa Lun, Warren (<i>Managing Director</i>)	(appointed on 25 July 2019)
Mr. Lam Chi Shing	(appointed on 25 July 2019)
Ms. Li Ming	(appointed on 25 July 2019)

Non-Executive Directors:

Mr. Li Chi Kong (<i>Chairman</i>)	(appointed on 25 July 2019)
Mr. Kuo Jen-Hao	(appointed on 23 December 2019)

Independent Non-Executive Directors:

Mr. Chan Sze Chung	(appointed on 26 July 2019)
Mr. Suen Chi Wai	(appointed on 26 July 2019)
Mr. Sum Wai Kei, Wilfred	(appointed on 26 July 2019)

COMPANY SECRETARY

Mr. Lee Hon Sang	(appointed on 26 July 2019)
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MEMBERS OF THE AUDIT COMMITTEE

Mr. Chan Sze Chung (<i>Chairman</i>)	(appointed on 26 July 2019)
Mr. Suen Chi Wai	(appointed on 26 July 2019)
Mr. Sum Wai Kei, Wilfred	(appointed on 26 July 2019)
Mr. Li Chi Kong	(appointed on 23 December 2019)
Mr. Kuo Jen-Hao	(appointed on 23 December 2019)

MEMBERS OF THE NOMINATION COMMITTEE

Mr. Li Chi Kong (<i>Chairman</i>)	(appointed on 26 July 2019)
Mr. Chan Sze Chung	(appointed on 26 July 2019)
Mr. Suen Chi Wai	(appointed on 26 July 2019)
Mr. Sum Wai Kei, Wilfred	(appointed on 26 July 2019)

MEMBERS OF THE REMUNERATION COMMITTEE

Mr. Sum Wai Kei, Wilfred (<i>Chairman</i>)	(appointed on 26 July 2019)
Mr. Chan Sze Chung	(appointed on 26 July 2019)
Mr. Li Chi Kong	(appointed on 26 July 2019)
Mr. Suen Chi Wai	(appointed on 26 July 2019)
Mr. Kuo Jen-Hao	(appointed on 23 December 2019)

INDEPENDENT AUDITOR

BDO Limited

COMPLIANCE ADVISER

Emperor Capital Limited

董事會

執行董事：

李華倫先生(<i>董事總經理</i>)	(二零一九年七月二十五日獲委任)
林志成先生	(二零一九年七月二十五日獲委任)
李銘女士	(二零一九年七月二十五日獲委任)

非執行董事：

李志剛先生(<i>主席</i>)	(二零一九年七月二十五日獲委任)
郭人豪先生	(二零一九年十二月二十三日獲委任)

獨立非執行董事：

陳思聰先生	(二零一九年七月二十六日獲委任)
孫志偉先生	(二零一九年七月二十六日獲委任)
岑偉基先生	(二零一九年七月二十六日獲委任)

公司秘書

李漢生先生	(二零一九年七月二十六日獲委任)
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審核委員會成員

陳思聰先生(<i>主席</i>)	(二零一九年七月二十六日獲委任)
孫志偉先生	(二零一九年七月二十六日獲委任)
岑偉基先生	(二零一九年七月二十六日獲委任)
李志剛先生	(二零一九年十二月二十三日獲委任)
郭人豪先生	(二零一九年十二月二十三日獲委任)

提名委員會成員

李志剛先生(<i>主席</i>)	(二零一九年七月二十六日獲委任)
陳思聰先生	(二零一九年七月二十六日獲委任)
孫志偉先生	(二零一九年七月二十六日獲委任)
岑偉基先生	(二零一九年七月二十六日獲委任)

薪酬委員會成員

岑偉基先生(<i>主席</i>)	(二零一九年七月二十六日獲委任)
陳思聰先生	(二零一九年七月二十六日獲委任)
李志剛先生	(二零一九年七月二十六日獲委任)
孫志偉先生	(二零一九年七月二十六日獲委任)
郭人豪先生	(二零一九年十二月二十三日獲委任)

獨立核數師

香港立信德豪會計師事務所有限公司

合規顧問

英皇融資有限公司

AUTHORISED REPRESENTATIVES

Mr. Li Chi Kong
Mr. Lee Wa Lun, Warren

PRINCIPAL BANKERS

OCBC Wing Hang Bank Limited
BNP Paribas Hong Kong Branch

HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1801, 18th Floor
Allied Kajima Building
138 Gloucester Road
Wanchai, Hong Kong

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Hong Kong Registrars Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

STOCK CODE

1073 (listed on the Main Board of The Stock Exchange of Hong Kong Limited)

WEBSITE

www.irasia.com/listco/hk/chinaagrotech/

授權代表

李志剛先生
李華倫先生

主要往來銀行

華僑永亨銀行有限公司
法國巴黎銀行香港分行

總辦事處及香港主要營業地點

香港灣仔
告士打道138號
聯合鹿島大廈
18樓1801室

註冊辦事處

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

主要股份過戶登記處

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

香港股份過戶登記分處

香港證券登記有限公司
香港灣仔
皇后大道東183號
合和中心
17樓1712-1716號舖

股份代號

1073(於香港聯合交易所有限公司主板上市)

網站

www.irasia.com/listco/hk/chinaagrotech/

Chairman's Statement

主席報告



I am pleased to present the first annual results of Da Yu Financial Holdings Limited (the "Company") and its subsidiary (collectively the "Group") for the six-month period from 1 July 2019 to 31 December 2019 ("the 2019 year end results") post completion of the successful restructuring of the Company, which brought the Company out of a provisional liquidation through the reverse takeover of Yu Ming Investment Management Limited ("Yu Ming") as approved by The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and the Securities and Futures Commission (the "SFC"), and sanctioned by the courts of Hong Kong and Cayman Islands. It is noted that, as announced by the Company on 10 October 2019, the financial year end date of the Company has been changed from 30 June to 31 December. The present management took over from the liquidators on 25 July 2019, followed by the resumption of listing on the Stock Exchange on 26 July 2019. The 2019 year end results of the Group reflect its performance and financial position after resumption and acquisition completion of the wholly-owned subsidiary, Yu Ming, as well as the one-off impact from the completion of the restructuring.

FINANCIAL RESULTS

For the six-month period from 1 July 2019 to 31 December 2019, the Group's revenue was approximately HK\$46.8 million (year ended 30 June 2019: Nil). Profit attributable to the owners of the Company in the six-month period from 1 July 2019 to 31 December 2019 was approximately HK\$842.3 million (year ended 30 June 2019: loss of approximately HK\$13.9 million). The net profit contributed by Yu Ming of approximately HK\$17.6 million began a new chapter of the Group, bringing the Group back to profitability for the first time since 2013. Earnings per share amounted to HK\$83.92 cents, as compared to loss per share of HK\$13.89 cents in year ended 30 June 2019.

本人欣然發表在大禹金融控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)重組後的首份於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間之年度業績(「二零一九年年度業績」)，重組經過香港聯合交易所有限公司(「聯交所」)及證券及期貨事務監察委員會(「證監會」)批准反向收購禹銘投資管理有限公司(「禹銘」)，從而撤銷本公司臨時清盤，並經香港及開曼群島法院認可。謹請留意，誠如本公司於二零一九年十月十日之公告，本公司之財政年度結算日已由六月三十日改為十二月三十一日。現任管理層於二零一九年七月二十五日從清盤人手中接管後，本公司隨即於二零一九年七月二十六日在聯交所恢復上市。本集團二零一九年年度業績上反映其於復牌後及完成收購全資附屬公司禹銘以及來自完成重組一次性影響的表現及財務狀況。

財務業績

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，本集團收益約為46,800,000港元(截至二零一九年六月三十日止年度：無)。於二零一九年七月一日起至二零一九年十二月三十一日止六個月止期間，本公司擁有人應佔溢利約為842,300,000港元(截至二零一九年六月三十日止年度：虧損約13,900,000港元)。禹銘貢獻的淨溢利約17,600,000港元為本集團開啓新篇章，使本集團自二零一三年之財政年度起，至今恢復盈利能力。每股盈利為83.92港仙，而截至二零一九年六月三十日止年度每股虧損為13.89港仙。

It should be noted that due to the historical mishaps of the Company before completion of the restructuring, significant books and records of the Company and its past subsidiaries (excluding Yu Ming) were missing and could not be located. As a consequence, and as common for listed companies coming out of a debt restructuring, auditors would issue disclaimer of opinion or qualified opinion in the first auditors' report after the completion of restructuring. In the case of the Company, the substantial one-off gain of approximately HK\$844.9 million arising out of the debt restructuring (because a substantial portion of the Group's past debts was extinguished through the legal process) compelled the auditors of the Company to issue a disclaimer. Shareholders should note that the disclaimer of opinion is not related to the financial reporting of the existing business and activities of the Group, which are undertaken solely through Yu Ming, a corporation licensed by the SFC to provide, inter alia, asset management and corporate finance services in Hong Kong.

DIVIDEND

The board of Directors of the Company (the "Board") does not recommend the payment of a dividend for the six-month period from 1 July 2019 to 31 December 2019 (year ended 30 June 2019: Nil).

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the forthcoming annual general meeting of the Company ("AGM")

The forthcoming AGM of the Company is scheduled to be held on Friday, 29 May 2020. The register of members of the Company will be closed from Tuesday, 26 May 2020 to Friday, 29 May 2020, during which period no transfer of shares of the Company will be registered. To be eligible to attend and vote at the AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Hong Kong Registrars Limited of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 25 May 2020.

FUTURE PROSPECTS

The "Business and Financial Review" by the Managing Director, which immediately follows this statement, incorporates the Group's business outlook for the future.

務請注意，由於本公司於重組前的過往不幸經歷，本公司及其過往附屬公司(不包括禹銘)的重要賬簿及記錄已丟失且無法找回。因此，與其他進行債務重組後的上市公司一樣，核數師會於重組完成後的首份核數師報告中拒絕發表意見或持保留意見。就本公司而言，債務重組產生的一次性重大收益約為844,900,000港元(因為本集團重組前債務的絕大部分已通過法律程序撇銷)迫使本公司核數師拒絕發表意見。股東務請注意，該拒絕發表意見與本集團的現有業務及活動的財務報告無關，該等現有業務及活動僅透過禹銘開展，而禹銘為一間獲證監會許可在香港提供(其中包括)資產管理及企業融資服務的持牌法團。

股息

本公司董事會(「董事會」)不建議就於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間派付股息(截至二零一九年六月三十日止年度：無)。

暫停辦理股份過戶登記

釐定出席本公司即將舉行之股東週年大會(「股東週年大會」)並於會上投票的資格

本公司謹訂於由二零二零年五月二十九日(星期五)舉行應屆股東週年大會。本公司將自二零二零年五月二十六日(星期二)至二零二零年五月二十九日(星期五)暫停辦理股份過戶登記手續，在此期間不會辦理任何股份過戶。為符合資格出席股東週年大會並於會上投票，所有股份過戶文件連同有關股票須於二零二零年五月二十五日(星期一)下午四時三十分前送達本公司之股份過戶登記處香港證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。

未來前景

董事總經理緊隨本主席報告後作出的「業務及財務回顧」包含未來有關本集團的業務前景。

Chairman's Statement (Continued)

主席報告 (續)

APPRECIATION

The Board is proud of Yu Ming and the professional advisers for successfully re-listing of the Company on the Stock Exchange on 26 July 2019 which recovered significant value for its past shareholders and creditors, and is excited about the future of the Group in the financial services sector, being one of the pillars of Hong Kong's foundation.

The Group expects there will be various challenges arising from the trade war between China and USA, the protests and unrests in Hong Kong in the past months, as well as the ongoing global coronavirus outbreak, which is unprecedented and is causing the world economy to slow down. We believe that with our competitive strengths, and the dedication and professionalism of its staff, the Group is well prepared to meet these challenges.

I would like to express the Group's appreciation for the efforts of our staff and look forward to their continued support. 2019 was particularly challenging in view of the additional workload generated by the final pursuit of the Company's listing resumption after a few attempts in the past few years. I would also like to thank my fellow Directors, including Mr. Kuo Jen-Hao, who joined the Board in December 2019, our professional advisers and our shareholders for their support.

Li Chi Kong
Chairman

Hong Kong, 26 March 2020

致謝

董事會為禹銘及專業顧問對本公司的股份於二零一九年七月二十六日成功在聯交所復牌，為其過往股東及債權人收回重大部分價值感到自豪，並對本集團於作為香港經濟支柱基石之一的金融服務領域之未來發展表示期待。

本集團預期，中美的貿易戰、香港過去數月的示威與動盪以及持續不斷全球性冠狀病毒爆發將會帶來重重挑戰，最後者是前所未有的，並正導致世界經濟放緩。我們相信，憑藉我們的競爭優勢，加上員工的奉獻和職業精神，本集團做好充分準備迎接各種挑戰。

本人謹此代表本集團對員工的付出致以謝意並希望繼續獲得彼等的支持。鑒於歷經過去數年不斷嘗試，二零一九年本公司恢復上市的最後衝刺帶來額外的工作量，尤為充滿挑戰。本人亦謹此就各董事（包括二零一九年十二月加入董事會之郭人豪先生）、專業顧問及股東的鼎力支持致以衷心感謝。

李志剛
主席

香港，二零二零年三月二十六日

Business and Financial Review 業務及財務回顧



"Our team is proud not just because of the listing of Yu Ming via the reverse takeover of the Company, but the benevolence bestowed upon the Company's past shareholders and creditors as a result. Yu Ming demonstrated to the capital market that the Stock Exchange and the Securities and Futures Commission do accommodate reverse takeovers so long as they are properly structured and implemented.

I feel particularly accomplished when people congratulated me, "Congratulations! So, now you are listed on the GEM Board?" No, Yu Ming is listed on the Main Board, but would never be possible without the devotion of our elite team, and the unflinching professionals, and the over 3,000 amazing new shareholders who subscribed our new shares. Our team will treasure their support and strive to achieve greatness with unremitting courage and creativity".

令我們團隊感到自豪的，不僅因為「禹銘」通過公司的反向收購而上市，而是通過這上市方式使公司舊股東和債權人終於得到一些補償，不致血本無歸。「禹銘」也印證，在資本市場，只要用恰當的架構，認真地實施，「聯交所」和「證券及期貨事務監察委員會」對反向收購是不抗拒的。

當別人得知「禹銘」上市後，祝賀我道：「啊，你在創業板上上市？恭喜！」。我不其然產生優越感，因為「禹銘」是在主板上上市，不是創業板。這一切，要是沒有我們的精英團隊，堅定不移的專業人士以及超過3,000名新股東認購我們的新股份，是不可能實現的。我們的團隊很珍惜他們的支持，並會繼續以不懈的勇氣和創造力，來成就大事。

Warren Lee, Managing Director
李華倫 董事總經理

"At Yu Ming, the philosophy is "Learn details, master details, and forget details". Only then can we be more than just another adviser, look beyond the letters of rules and codes, and tell right from wrong. Corporate finance is an art, and artists put away instruction books after they have mastered the techniques, they start using hearts instead of books to make great things in life".

「禹銘」的理念是「學會細節，掌握細節，忘掉細節」。只有這樣，我們才能夠成為一個不凡的顧問、能看穿透條例和守則精髓、分辨是非對錯。企業融資是一門藝術，當藝術家掌握了技巧後便會把書收起，開始用心來創造美好。

Fiona Li, Executive Director
李銘 執行董事



Business and Financial Review (Continued)

業務及財務回顧(續)



"Very few know that our asset management client is the first investment company listed on the Main Board of the Stock Exchange as early back as in 1990. That's before I joined the industry, and probably before many in the Listing Division of the Stock Exchange. Our client's founding shareholders and directors included the who's who in Hong Kong and China at the time.

Our philosophy is to manage our client's money like our own, but with added care and conservatism".

很少人知道我們的資產管理客戶是早在1990年第一家在聯交所主板上市的投資基金公司。那比我入行更早得多。也許許多現任聯交所上市科的同事們也未加入聯交所呢。客戶的創始股東和董事包括當時在香港和中國的顯赫名人。

我們資金管理的哲學是對客戶的資金如自己的一樣用心，但要更加謹慎和保守。

Gavin Lam, Executive Director

林志成 執行董事

"If your child is taken hostage and held at gunpoint, do you ask the odds of success to decide whether to attempt the rescue? No, you go in with all you have, because there can only be one outcome if you don't.

In Yu Ming, we do not stop at being bold, innovative and out of the box, we do everything legally permissible, treating our client's problems like our own."

假如您的孩子被綁匪用槍脅持，您會否因為成功機率低而決定不去嘗試營救？不會的，您絕不會放棄的，您只會用盡洪荒之力。因為如果不營救，就只得一個結果。

在「禹銘」，我們不僅勇於創新，還會想盡一切辦法，只要是合法的，都要考慮，將客戶的問題視為自己的一樣。

Raymond Tam, Business Director

譚家熙 業務董事



BUSINESS REVIEW

For the six-month period from 1 July 2019 to 31 December 2019 (the “Current Reporting Period”), Da Yu Financial Holdings Limited (the “Company”) and its subsidiary (the “Group”) are principally engaged in the provision of corporate finance advisory services and asset management services through its wholly-owned subsidiary, Yu Ming Investment Management Limited (“Yu Ming”).

Yu Ming is a financial services provider engaged in the provision of corporate finance advisory services and asset management services. Yu Ming is licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance.

Corporate Finance Advisory

During the Current Reporting Period, the corporate finance advisory services provided by Yu Ming mainly included the following:

- (i) acting as financial adviser to advise listed issuers, shareholders and investors of listed issuers and entities on specific transactions in respect of the Listing Rules, the GEM Listing Rules and/or the Takeovers Code;
- (ii) acting as independent financial adviser to listed issuers to provide independent advice required under the Listing Rules, the Takeovers Code or other specific circumstances; and
- (iii) acting as financial adviser to listed issuers on retainer basis to advise listed issuers on corporate strategies and compliance with the Listing Rules, the GEM Listing Rules and the Takeovers Code.

Asset Management

During the Current Reporting Period, Yu Ming provided asset management services solely to SHK Hong Kong Industries Limited, the first investment company listed on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Revenue

Revenue for the six-month period from 1 July 2019 to 31 December 2019 mainly consisted of income from corporate finance advisory services of approximately HK\$37.4 million and asset management services of approximately HK\$8.1 million.

Employee Benefit Expense

The Group’s employee benefit expense mainly consisted of salaries, bonuses and mandatory provident fund for the employees as well as fees for the Directors. Salaries, bonuses, mandatory provident fund and Directors’ fee amounted to approximately HK\$4.0 million, HK\$9.7 million, HK\$0.2 million and HK\$0.2 million respectively during the Current Reporting Period.

業務回顧

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間(「本報告期間」)，大禹金融控股有限公司(「本公司」)及其附屬公司(「本集團」)主要透過其全資附屬公司禹銘投資管理有限公司(「禹銘」)從事提供企業融資諮詢服務及資產管理服務。

禹銘為金融服務供應商，從事提供企業融資顧問服務及資產管理服務。禹銘根據證券及期貨條例獲發牌從事第1類(證券交易)、第4類(就證券提供意見)、第6類(就機構融資提供意見)及第9類(提供資產管理)受規管活動。

企業融資顧問

於本報告期間，禹銘提供之企業融資顧問服務主要包括下述：

- (i) 擔任財務顧問，以就有關上市規則、創業板上市規則及／或收購守則之具體交易向上市發行人、上市發行人及實體之股東及投資者提供意見；
- (ii) 擔任上市發行人之獨立財務顧問，以根據上市規則、收購守則或其他具體情況提供獨立意見；及
- (iii) 擔任上市發行人之長期聘用財務顧問，以就企業策略及遵守上市規則、創業板上市規則及收購守則向上市發行人提供意見。

資產管理

於本報告期間，禹銘只提供資產管理服務給單獨客戶，該客戶乃第一家在香港聯合交易所有限公司(「聯交所」)上市之投資公司—新工投資有限公司。

收益

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間之收益主要包括來自企業融資諮詢服務收益約37,400,000港元及資產管理服務約8,100,000港元。

僱員福利開支

本集團的僱員福利開支主要包括僱員的工資、獎金及強積金以及董事袍金。於本報告期間，僱員的工資、獎金及強積金以及董事袍金分別約為4,000,000港元、9,700,000港元、200,000港元及200,000港元。

Business and Financial Review (Continued)

業務及財務回顧(續)

Administrative and Other Expenses

Apart from the Group's administrative expenses, other expenses for the Current Reporting Period included the amortisation on intangible assets of approximately HK\$6.3 million.

Gain on Debt Restructuring and Restructuring Expenses

During the Current Reporting Period, the Group recorded a gain on debt restructuring under the Creditors' Scheme of approximately HK\$844.9 million and restructuring expenses (mainly legal and professional fees) of approximately HK\$20.1 million. Details regarding the debt restructuring, please refer to the "Debt Restructuring and Resumption" section below and Note 11 to the consolidated financial statements.

CHANGE OF COMPANY NAME

On 14 June 2019, the English name of the Company was changed from "China Agrotech Holdings Limited" to "Da Yu Financial Holdings Limited" and the Chinese name "大禹金融控股有限公司" was adopted and registered as dual foreign name of the Company to replace the Chinese name "浩倫農業科技集團有限公司" (for identification purpose only) and both the new English and Chinese names of the Company were registered in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) with effect from 28 June 2019.

The English and Chinese stock short names of the Company for trading in the shares of the Company on the Main Board of the Stock Exchange were changed from "CHINA AGROTECH" to "DA YU FIN" in English and from "浩倫農科" to "大禹金融" in Chinese with effect from 9:00 a.m. on 17 July 2019.

CHANGE OF YEAR END DATE

The Company announced on 10 October 2019 that the financial year end date of the Company has been changed from 30 June to 31 December. For details, please refer to that announcement.

Accordingly, this annual report covers a reporting period for only six months from 1 July 2019 to 31 December 2019 while the last annual report covered the 12 months from 1 July 2018 to 30 June 2019.

DEBT RESTRUCTURING AND RESUMPTION

Reference is made to the public offer prospectus of the Company dated 28 June 2019 (the "Prospectus"). Unless otherwise stated, capitalised terms used in this report shall have the same meanings as those defined in the Prospectus.

During the Current Reporting Period, the Company completed a series of corporate exercises including, but not limited to, the Capital Reorganisation, the Creditors' Scheme, the YM Subscription, the New Placing, the Public Offer and the Acquisition. In addition, the Creditors' Scheme was effective on 25 July 2019 and the joint and several liquidators (the "Former Liquidators") were discharged on the same date. Accordingly, the resumption conditions of the Company were fulfilled on 25 July 2019 and the trading of shares of the Company was resumed on 26 July 2019.

行政及其他開支

除本集團的行政開支外，本報告期間之其他開支包括無形資產攤銷約6,300,000港元。

債務重組收益及重組開支

於本報告期間，本集團根據債權人計劃錄得債務重組收益約844,900,000港元及重組開支(主要為法律及專業費用)約20,100,000港元。有關債務重組的詳情，請參閱下文「債務重組及復牌」一節及綜合財務報表附註11。

更改公司名稱

於二零一九年六月十四日，本公司之英文名稱由「China Agrotech Holdings Limited」更改為「Da Yu Financial Holdings Limited」，並採納及註冊中文名稱「大禹金融控股有限公司」取代中文名稱「浩倫農業科技集團有限公司」(僅供識別)作為本公司雙重外文名稱，並且本公司新英文及中文名稱已分別根據香港法例第622章公司條例第16部於香港註冊，自二零一九年六月二十八日起生效。

於聯交所主板買賣本公司股份所用的本公司英文及中文股份簡稱已由英文股份簡稱「CHINA AGROTECH」更改為「DA YU FIN」及由中文股份簡稱「浩倫農科」更改為「大禹金融」，自二零一九年七月十七日上午九時正起生效。

變更財政年度結算日

本公司於二零一九年十月十日的公告中公佈，本公司之財政年度結算日已由六月三十日改為十二月三十一日。詳情請參閱該公告。

據此，本年報包括自二零一九年七月一日起至二零一九年十二月三十一日止僅六個月之報告期間，而上一份年報則包括自二零一八年七月一日至二零一九年六月三十日之十二個月。

債務重組及復牌

參照本公司於二零一九年六月二十八日之公開發售招股章程(「招股章程」)。除另有指明外，本報告所用詞彙與招股章程所界定者具有相同涵義。

於本報告期間，本公司已完成一系列企業活動，包括(但不限於)股本重組、債權人計劃、禹銘認購事項、新配售、公開發售及收購事項。此外，債權人計劃於二零一九年七月二十五日生效，且共同及各別清盤人(「前清盤人」)於同日被解除。因此，本公司之復牌條件於二零一九年七月二十五日達成，且本公司股份於二零一九年七月二十六日恢復買賣。

FINANCIAL REVIEW

Overall Results

The financial results of the Group are highlighted as follows:

Notes 附註	Yu Ming (Full Year) 禹銘 (全年)	Yu Ming's Results Consolidated 禹銘被綜合 的業績	Gain on Debt Restructuring 債務 重組收益	Restructuring Expenses 重組開支	Group Level Items 集團 層面項目	The Group (Six Months) 本集團 (六個月)
	A	B	C	D	E	
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue and other income 收益及其他收入	68,639	47,428	-	-	4	47,432
Employee benefit 僱員福利	(9,306)	(4,179)	-	-	(183)	(4,362)
Administrative and other expenses 行政及其他開支	(4,931)	(3,006)	-	-	-	(3,006)
Gain on debt restructuring 債務重組收益	-	-	844,894	-	-	844,894
Restructuring expenses 重組開支	-	-	-	(20,132)	-	(20,132)
Amortisation on intangible assets 無形資產攤銷	-	-	-	-	(6,303)	(6,303)
Expenses of the Company 本公司開支	-	-	-	-	(3,022)	(3,022)
Profit before staff bonus and income tax 除員工獎金及所得稅前溢利	54,402	40,243	844,894	(20,132)	(9,504)	855,501
Staff bonus for full year 員工全年獎金	(9,743)	(9,743)	-	-	-	(9,743)
Profit after staff bonus and before income tax 除員工獎金後及所得稅前溢利	44,659	30,500	844,894	(20,132)	(9,504)	845,758

Notes:

- A. Whole-year performance of Yu Ming recorded a total revenue of approximately HK\$68,639,000 and a profit before income tax of approximately HK\$44,659,000 for the year ended 31 December 2019.
- B. As the Company acquired Yu Ming on 25 July 2019, only the results of Yu Ming since that date to 31 December 2019 were consolidated. However, staff discretionary bonus, if any, would only be determined at financial year end, so bonus amount of full year instead of half-year apportionment was consolidated.
- C. Gain on debt restructuring represented the gain arising from the implementation of the Creditors' Scheme.
- D. Restructuring expenses were mainly legal and professional fees incurred in respect of the debt restructuring.
- E. Group level items represented mainly amortisation on intangible assets, share registration fee, listing fee and professional fees incurred by the Company after Resumption.

Yu Ming is the wholly-owned subsidiary of the Company. Its own financial statements recorded a profit before income tax of approximately HK\$44.7 million or a profit before staff bonus and income tax of approximately HK\$54.4 million for the 12 months ended 31 December 2019.

本集團的財務業績概述如下：

財務回顧

整體業績

附註：

- A. 截至二零一九年十二月三十一日止年度，禹銘的全年表現錄得總收益約68,639,000港元及除所得稅前溢利約44,659,000港元。
- B. 由於本公司於二零一九年七月二十五日收購禹銘，僅合併自該日起至二零一九年十二月三十一日止禹銘的業績。然而，員工酌情獎金(如有)將僅於財政年度末釐定，故合併全年而非半年分額的獎金金額。
- C. 債務重組收益指執行債權人計劃所產生之收益。
- D. 重組開支主要為就債務重組產生之法律及專業費用。
- E. 集團層面項目主要指無形資產攤銷與及本公司於復牌後產生的股份登記費、上市費用及專業費用。

禹銘為本公司之全資附屬公司。其財務報表於二零一九年十二月三十一日止十二個月內錄得除所得稅前溢利約44,700,000港元或除員工獎金及所得稅前溢利約54,400,000港元。

Business and Financial Review (Continued)

業務及財務回顧(續)

The Company acquired Yu Ming in July 2019. Yu Ming's results were consolidated into the Group's financial statements since then. For the Current Reporting Period, Yu Ming contributed a profit before income tax of approximately HK\$30.5 million.

It should be noted that a provision of staff bonus had been made during the Current Reporting Period. Since the staff bonus is discretionary in nature and will only be determined at the end of the financial year, staff bonus based on performance of 12 months had been finally consolidated. If not counting the staff bonus, Yu Ming contributed a profit before income tax of approximately HK\$40.2 million.

Gain on debt restructuring net of restructuring expenses amounted to approximately HK\$824.8 million. These were one-off exceptional gain and expenses on debt restructuring.

Excluding the gain and expenses on debt restructuring, the Group recorded a profit before income tax of approximately HK\$21.0 million or a profit before staff bonus and income tax of approximately HK\$30.7 million for the Current Reporting Period.

Notwithstanding that the independent auditor has issued a disclaimer of opinion on the Company's consolidated financial statements for the six-month period from 1 July 2019 to 31 December 2019, the board of Directors of the Company (the "Board") would like to state that the disclaimer of opinion is due to the gain on debt restructuring (which was completed on 25 July 2019), convertible bonds, warrant reserve and certain liabilities (all of them were either disposed of or eliminated in the debt restructuring on 25 July 2019) as well as the historical figures of the companies deconsolidated and excluded from the existing Group in the group reorganisation completed on 25 July 2019. As stated in the last section of the Report of the Directors on page 37, the Board agrees with the view of BDO Limited, the independent auditor of the Company, that these have no on-going effect on the Group's consolidated financial statements in future reporting periods.

Lost of Control in Subsidiaries and Deconsolidation

Since the winding up of the Company, the official receiver and Former Liquidators were unable to contact, or obtain relevant information from, any of the previous legal representatives, directors and management of the subsidiaries of the Company. Due to absence of information and the non-cooperation of the previous directors and management of the subsidiaries of the Company, both the official receiver and the Former Liquidators were unable to obtain and access to the books and records of the subsidiaries of the Company despite the fact that they had taken all reasonable steps and had used their best endeavors to resolve the matter.

As a result, the Company no longer had the power to govern the financial and operating activities of those subsidiaries.

Before the Former Liquidators were appointed, the last financial results published by the Company were the interim report for the six-month ended 31 December 2013. Since the books and records of most of the Company's subsidiaries were not available to the Former Liquidators after their appointment, the Former Liquidators could not ascertain the financial position of those subsidiaries after 31 December 2013. Together with the fact that the Company had lost control over those subsidiaries, the Former Liquidators were of the view that those subsidiaries should be deconsolidated from the Group with effect from 1 January 2014.

Details of the deconsolidated subsidiaries are set out in Note 11 to the consolidated financial statements.

本公司於二零一九年七月收購禹銘。自此，禹銘之業績被綜合在本集團之財務報表內。於本報告期間，禹銘貢獻除所得稅前溢利約30,500,000港元。

可留意的是於本報告期間內有為員工獎金做準備。由於員工獎金是酌情性質及僅於財政年度末才釐定，故最後綜合的為以十二個月表現計算之員工獎金。若不計及員工獎金，禹銘貢獻除所得稅前溢利約40,200,000港元。

債務重組收益扣除重組開支總計約824,800,000港元。此為一次性之特殊債務重組收益及開支。

不計及債務重組收益及開支，本集團於本報告期間內錄得除所得稅前溢利約21,000,000港元或除員工獎金及所得稅前溢利約30,700,000港元。

儘管獨立核數師已就本公司於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間之綜合財務報表出具拒絕發表意見，本公司董事會（「董事會」）強調該拒絕發表意見乃由於集團重組（已於二零一九年七月二十五日完成）時產生之債務重組收益、可換股債券、認股權證儲備及若干負債（已於二零一九年七月二十五日債權重股中出售或撤銷）以及不再綜合計算之公司（已於二零一九年七月二十五日完成集團重組時從現時集團排除）之歷史數據。按第37頁董事會報告末節所述，董事會與香港立信德豪會計師事務所有限公司意見一致，此等事項對未來報告期間之財務報表不會產生持續影響。

喪失附屬公司的控制權及終止入賬

自本公司清盤起，破產管理署署長及前清盤人未能聯絡或自本公司附屬公司的任何前任法律代表、董事及管理層獲取相關資料。由於缺乏資料及本公司附屬公司前任董事及管理層不合作，破產管理署署長及前清盤人均未能獲得及取得本公司附屬公司的賬目及記錄，儘管彼等已採取一切合理步驟及已盡力解決該事宜。

因此，本公司不再擁有權力監管該等附屬公司的財務及經營活動。

委任前清盤人前，本公司刊發的最新財務業績為截至二零一三年十二月三十一日止六個月的中期報告。委任前清盤人後，由於大部分本公司附屬公司的賬目及記錄不可供前清盤人查閱，前清盤人不能確認二零一三年十二月三十一日後該等附屬公司的財務狀況。加之本公司已喪失對該等附屬公司的控制權，前清盤人認為該等附屬公司應自二零一四年一月一日起終止於本集團綜合入賬。

不再綜合計算附屬公司的詳情載於綜合財務報表附註11。

Revenue and Financial Resources

Given the liquidation and restructuring of the Company during this financial period, deconsolidation of subsidiaries as mentioned above and based on the books and records available, for the Current Reporting Period, the Group had revenue of HK\$46.8 million (year ended 30 June 2019: Nil) and the Group's net profit was approximately HK\$842.3 million (year ended 30 June 2019: loss of HK\$13.9 million), representing an increase in profit of approximately HK\$856.2 million as compared to the Group's net loss of approximately HK\$13.9 million for the year ended 30 June 2019.

As at 31 December 2019, the Group had cash and cash equivalents of approximately HK\$39.9 million (as at 30 June 2019: HK\$3.0 million). As at 31 December 2019, the Group's current ratio (current assets to current liabilities) was approximately 192.3% (as at 30 June 2019: 0.3%).

For the Current Reporting Period, the Group had no material exposure to fluctuations in exchange rates.

Indebtedness and Banking Facilities

As at 31 December 2019, the Group had no bank and other borrowings (as at 30 June 2019: bank and other borrowings of approximately HK\$84.3 million).

As at 30 June 2019, the Group had unsecured bank borrowings and other borrowings (excluding corporate bonds) of approximately HK\$7.4 million and HK\$31.9 million respectively.

As at 30 June 2019, the Group had eight unlisted straight bonds to eight independent investors in an aggregate principal amount of HK\$45.0 million (the "Bonds"). The Bonds are unsecured, arranged at fixed interest rates of 6% to 7% per annum and were immediately due because of the liquidation of the Company.

The Group's gearing ratio, calculated by reference to the ratio of total borrowings to total equity attributable to the owners of the Company as at 31 December 2019, was 0%.

As at 30 June 2019, the Group's gearing ratio could not be determined because there was a deficit of equity attributable to owners of the Company. The gearing ratio was calculated based on the division of the total amount of bank borrowings and other loans and convertible bonds (liability components) by total equity attributable to owners of the Company.

Assets and Liabilities

As at 31 December 2019, the Group had total assets of approximately HK\$465.5 million (as at 30 June 2019: approximately HK\$3.2 million) and total liabilities of HK\$49.0 million (as at 30 June 2019: approximately HK\$963.9 million). The net assets of the Group as at 31 December 2019 were approximately HK\$416.5 million (as at 30 June 2019: net liabilities of approximately HK\$960.8 million).

收益及財務資源

鑑於本公司在本財務期間清盤及重組，前述終止入賬的附屬公司及根據現有賬目及記錄，截至本報告期間，本集團收益為46,800,000港元(截至二零一九年六月三十日止年度：無)及本集團的淨溢利約為842,300,000港元(截至二零一九年六月三十日止年度：虧損13,900,000港元)，較截至二零一九年六月三十日止年度本集團淨虧損約13,900,000港元增加溢利約856,200,000港元。

於二零一九年十二月三十一日，本集團持有現金及現金等價物約39,900,000港元(於二零一九年六月三十日：3,000,000港元)。於二零一九年十二月三十一日，本集團的流動比率(流動資產對流動負債)約為192.3%(於二零一九年六月三十日：0.3%)。

截至本報告期間，本集團並無重大匯率波動風險及相關對沖。

債務及銀行融資

於二零一九年十二月三十一日，本集團並無銀行及其他借貸(於二零一九年六月三十日：銀行及其他借貸約為84,300,000港元)。

於二零一九年六月三十日，本集團有無抵押銀行借貸及其他借貸(不包括公司債券)分別約7,400,000港元及31,900,000港元。

於二零一九年六月三十日，本集團有八批本金總額為45,000,000港元非上市普通債券(「該等債券」)發行予八名獨立投資者。該等債券為無抵押、按固定利率每年6%至7%計息及由於本公司清盤立即到期。

本集團之資本與負債比率(乃根據於二零一九年十二月三十一日之貸款總額與本公司擁有人應佔權益總額之比率計算)為0%。

於二零一九年六月三十日，本集團資本負債比率無法釐定，原因為本公司擁有人應佔權益出現虧損。資本負債比率乃根據銀行借貸及其他貸款及可換股債券(負債部分)的總額除以本公司擁有人應佔權益總額計算。

資產及負債

於二零一九年十二月三十一日，本集團資產總額約為465,500,000港元(於二零一九年六月三十日：約為3,200,000港元)及負債總額為49,000,000港元(於二零一九年六月三十日：約為963,900,000港元)。於二零一九年十二月三十一日，本集團的資產淨額約為416,500,000港元(於二零一九年六月三十日：負債淨額約為960,800,000港元)。

Business and Financial Review (Continued)

業務及財務回顧(續)

Capital Structure

As part of the group restructuring, the Company completed a series of capital restructuring, including capital reduction, share consolidation, share premium cancellation and increase in authorised share capital during the six-month period from 1 July 2019 to 31 December 2019.

YM Subscription, New Placing and Public Offer

As part of the group restructuring and after the capital restructuring, the Company completed the YM Subscription, the New Placing and the Public Offer by issuing 284,750,000 shares, 512,698,586 shares and 241,705,083 shares of HK\$0.52 each respectively and raised a gross proceeds of fund totalling approximately HK\$540,360,000 in July 2019.

As a result, as at 31 December 2019, there were 1,139,330,190 ordinary shares (as at 30 June 2019: 1,001,765,216 ordinary shares) in issue. Details of the movements in share capital of the Company during the Current Reporting Period are set out in Note 31 to the consolidated financial statements.

Commitments

As at 31 December 2019, the Group had no significant outstanding contracted capital commitments (as at 30 June 2019: Nil).

Charges on Group Assets

As at 31 December 2019, the Group had no assets under pledge.

There is insufficient information available to the Company to ascertain whether there were any charged assets at a Group level as at 30 June 2019.

Significant Investments and Acquisition

On 24 August 2016 and 7 February 2017, the Vendor, the Company and the Former Liquidators entered into the Acquisition Agreement and the Supplemental Acquisition Agreement respectively in relation to the Acquisition. Pursuant to the agreements, the Company would acquire the entire issued share capital of Yu Ming, now a wholly-owned subsidiary of the Company, free from all encumbrances, at the Acquisition Consideration of HK\$400.0 million.

All the conditions to the agreements have been either fulfilled or waived and the Acquisition Completion took place on 25 July 2019.

資本架構

作為集團重組之一部分，本公司於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間內完成一系列資本重組，包括股本削減、股份合併、註銷股份溢價及增加法定股本。

禹銘認購事項、新配股及公開發售

作為集團重組之一部分，本公司於二零一九年七月內以每股0.52港元發行284,750,000股、512,698,586股及241,705,083股完成禹銘認購事項、新配股及公開發售並籌得總價值約為540,360,000港元。

因此，於二零一九年十二月三十一日，已發行普通股為1,139,330,190股(於二零一九年六月三十日：1,001,765,216普通股)。截至本報告期間，本公司股本之變動詳情載於綜合財務報表附註31。

承擔

於二零一九年十二月三十一日，本集團並無重大未履行已簽約資本承擔(於二零一九年六月三十日：無)。

集團資產抵押

於二零一九年十二月三十一日，本集團並無任何抵押資產。

本公司無法獲得充足資料以確定於二零一九年六月三十日是否有任何集團層面的任何已抵押資產。

重大投資及收購

於二零一六年八月二十四日及二零一七年二月七日，賣方、本公司及前清盤人就收購事項訂立收購協議及修訂收購協議。根據收購協議，本公司將收購禹銘(本公司目前全資擁有附屬公司)全部已發行股本，而無附帶一切產權負擔，收購事項代價為400,000,000港元。

收購協議之所有條件已獲達成或豁免且收購事項完成已於二零一九年七月二十五日作實。

Contingent Liabilities

As at the date of this report and as at 31 December 2019, the Board is not aware of any material contingent liabilities.

There is insufficient information available to the Company to ascertain whether the Group and the Company had any significant contingent liabilities as at 30 June 2019.

Upon the completion of the resumption proposal and the scheme of arrangement taking effect on 25 July 2019, all the creditors' claims against the Company as at that date on which the Creditors' Scheme became effective (which were assigned and transferred to a special vehicle held and controlled by the Scheme Administrators) had been discharged and compromised in full.

Remuneration Policies and Share Option Scheme

As at 31 December 2019, the Group, including its subsidiary but excluding associates, had 19 staff including Directors (as at 30 June 2019: Nil). The remuneration policy of the Group is to ensure that all staff, including Directors, are sufficiently compensated for their efforts and time dedicated to the Group and remuneration offered is appropriate for their duties and in line with market practice. No Director, or any of his associates, or executive is involved in deciding his own remuneration.

During the Current Reporting Period, no share option was granted (year ended 30 June 2019: Nil).

或然負債

於本報告日期及於二零一九年十二月三十一日，董事會並不知悉任何重大或然負債。

本公司無法獲得充足資料以確定於二零一九年六月三十日本集團及本公司是否有任何重大或然負債。

復牌建議完成及安排計劃於二零一九年七月二十五日生效後，債權人針對本公司且被轉讓及轉移予計劃管理人持有或控制的特殊工具之所有索賠，已於債權人計劃生效當日獲悉數解除及和解。

薪酬政策及購股權計劃

於二零一九年十二月三十一日，本集團(包括其附屬公司，但不包括聯營公司)共有19名員工(包括董事)(於二零一九年六月三十日：無)。本集團之酬金政策在於確保所有員工(包括董事)為本集團貢獻之能力及時間均獲得充份之酬勞，而所提供之酬金乃與其職責相符及與市場水平相若。概無董事或其任何聯繫人士或行政人員參與決定其本身酬金。

截至本報告期間，並無授出購股權(截至二零一九年六月三十日止年度：無)。

Business and Financial Review (Continued)

業務及財務回顧(續)

USE OF NET PROCEEDS

As disclosed in the Prospectus, the Company intended to utilise the net proceeds of approximately HK\$123.2 million from the Public Offer as follows:

- (i) approximately HK\$68.0 million for the settlement of the Acquisition Consideration;
- (ii) approximately HK\$46.0 million for the repayment of the Cash Advance;
- (iii) approximately HK\$4.3 million for settlement of professional fees relating to the Resumption; and
- (iv) approximately HK\$4.9 million for general working capital of the Enlarged Group.

As at the date of this report, the intended usage of net proceeds from the Public Offer (i) to (iii) above had been utilised as planned.

The legal actions brought against the Company by its previous substantial shareholder, Perfect Gate Holdings Limited, as announced before and subsequent to the publication of the Prospectus, required the Company to appoint legal counsels both in Hong Kong and Cayman Islands to defend them in order to resume trading of shares of the Company on 26 July 2019.

The legal costs finally agreed with the legal advisers were in excess of those budgeted for in the Prospectus. As such the HK\$4.9 million earmarked for working capital in respect of (iv) above has been reallocated wholly for settlement of additional professional fees relating to the Resumption.

The Board considered that there would be no material adverse effect on the working capital of the Enlarged Group and the reallocation under the circumstance was appropriate and in the interest of the Company and the shareholders of the Company as a whole.

所得款項淨額之用途

誠如招股章程所披露，本公司本擬將公開發售所得款淨額約123,200,000港元用作以下用途：

- (i) 約68,000,000港元用於結算收購事項代價；
- (ii) 約46,000,000港元用於償還現金墊款；
- (iii) 約4,300,000港元用於結算與復牌有關之專業費用；及
- (iv) 約4,900,000港元保留用作經擴大集團之一般營運資金。

於本報告日期，上述公開發售所得款項淨額本擬定用途之(i)至(iii)已按計劃使用。

招股章程發行前後，前大股東Perfect Gate Holdings Limited，對本公司提出之法律訴訟逼令本公司需要在香港和開曼群島任命法律顧問為本公司抗辯，以令本公司之股份能於二零一九年七月二十六日恢復買賣。

與法律顧問最終商定之法律費用超過了招股章程中所預算之費用。因此，上述(iv)項指定用作一般營運資金之4,900,000港元已全部被重新分配，以支付與復牌有關之額外專業費用。

董事會認為，這對經擴大集團之營運資金並無重大不利影響，並且在此情況下之重新分配是恰當及符合本公司及本公司股東之整體利益。

PRINCIPAL RISKS AND UNCERTAINTIES

The key risks and uncertainties to which the Group is exposed to are summarised as follows:

- i. Goodwill impairment could negatively affect reported results of operations of the Group;
- ii. Intangible assets impairment could negatively affect reported results of operations of the Group;
- iii. The revenue of the Group's corporate financial advisory service is on a project-by-project basis and non-recurring in nature;
- iv. The Group derives a significant portion of its revenue from its asset management services under which it only has one client;
- v. Delay in or termination of transactions may have an adverse impact on the Group's financial performance;
- vi. The Group derives a significant portion of its revenue under its corporate finance advisory services from some major clients;
- vii. Revenue derived from commission based services may be uncertain;
- viii. The Group is reliant on key management personnel to conduct business. Failure to retain them or to attract suitable replacements would have an adverse impact on operations;
- ix. Potential employee misconduct could damage the Group's reputation, financial position, and business relationships with clients;
- x. Potential exposure to professional liability and litigation;
- xi. The Group is subject to extensive regulatory requirements, including under the Hong Kong Securities and Futures Ordinance, non-compliance with which, or changes in these regulatory requirements, may affect the Group's business operations and financial results;
- xii. The Group is subject to credit risk;
- xiii. The Group's internal control system may be subject to failures and limitations; and
- xiv. The Group may experience failure in its information technology system.

For further elaboration of the risks and uncertainties facing by the Group, please refer to the section headed "Risk Factors" in the Prospectus.

主要風險及不確定因素

本集團所承受的主要風險及不確定因素概述如下：

- i. 商譽減值可能會對本集團呈報的經營業績造成不利影響；
- ii. 無形資產減值可能會對本集團呈報的經營業績造成不利影響；
- iii. 本集團企業融資顧問服務的收益乃按逐項項目基準及為非經常性質；
- iv. 本集團收益的重大部分來自其資產管理服務，而該服務項下僅有一名客戶；
- v. 延遲或終止交易或會對本集團的財務表現產生不利影響；
- vi. 本集團的企業融資顧問服務項下收益的重大部分來自若干主要客戶；
- vii. 以佣金為基礎服務產生的收益可能存在不確定性；
- viii. 本集團倚賴主要管理人員開展業務及未能挽留主要管理人員或吸引合適替代人選將對營運產生不利影響；
- ix. 潛在僱員不當行為可能損害本集團的聲譽、財務狀況以及與客戶的業務關係；
- x. 可能承擔專業責任及面臨訴訟的風險；
- xi. 本集團須遵守香港證券及期貨條例項下的大量監管規定，不符合該等監管規定或者監管規定有變動均可能會影響本集團的業務經營及財務業績；
- xii. 本集團面臨信用風險；
- xiii. 本集團的內部監控制度或會失效及受限制；及
- xiv. 本集團可能經歷其資訊科技系統故障。

有關本集團所面臨的風險及不確定因素的進一步說明，請參閱招股章程「風險因素」一節。

Business and Financial Review (Continued)

業務及財務回顧(續)

PROSPECT

Yu Ming has been active in its corporate finance and asset management business since its inception in 1997. Though Yu Ming has secured significant mandates in January and February, the repercussions of the PRC travel restrictions caused by the coronavirus create low visibility to our corporate finance advisory operations:-

1. Since face to face meetings have been the common interface with clients, the challenges Yu Ming faces in 2020 will be the difficulties of meeting PRC clients in the corporate finance business, where client instructions and professional parties' discussions are most effective in physical meetings.
2. Some of our works involve reviewing recommendations or decisions of the Stock Exchange where we and clients physically attend to make effective representation at listing committee hearings. The imposition of a 14-day quarantine on PRC clients travelling to Hong Kong with a standard seven-day stay permit make it impossible for them to attend those hearings physically. If hearings are postponed, the income recognition of such mandates would likewise be postponed. If the hearings are held with a conference call, the clients would not be able to make an effective representation face-to-face with the listing committee members. Therefore, the travel restrictions are expected to affect revenue, but the extent is too early to conclude.

Other than the coronavirus, the aggressive regime adopted by the Stock Exchange in the past two years in delisting listed companies created new business opportunities for Yu Ming. We will continue to maintain our presence in assisting listed companies to minimise procedural abuses in the delisting process.

Lee Wa Lun, Warren
Managing Director

Hong Kong, 26 March 2020

前景

禹銘自其於一九九七年成立起活躍於企業融資及資產管理業務。雖然禹銘於一月及二月已獲得重要委託書，但因冠狀病毒導致的中國出行限制之影響使我們企業融資顧問業務的可見度很低：

1. 由於面對面會議已成為與客戶的常見交流方式，禹銘於二零二零年面臨的最大挑戰將是難以會見中國企業融資業務客戶，而親身列席會議是客戶指示及專業人士討論最為有效的。
2. 我們的部分工作涉及審閱聯交所的建議或決定，而我們及客戶須親自出席上市委員會聆訊並作出有效陳述。對持有標準七天逗留許可證前往香港的中國客戶施加14天的隔離，使彼等無法親身出席該等聆訊。倘聆訊延遲，則該等委託書之收入確認會相應延遲。倘聆訊以電話會議的形式進行，則客戶可能無法面對面與上市委員會成員進行有效陳述。因此，預期出行限制將影響收益，但得出影響程度之結論尚為時過早。

除冠狀病毒外，聯交所於過去兩年對除牌上市公司採取的積極機制為禹銘帶來新的商機。我們將繼續協助上市公司以將除牌過程中程序化弊端最小化來維持我們的知名度。

李華倫
董事總經理

香港，二零二零年三月二十六日

Biographical Details of Directors

董事履歷詳情

EXECUTIVE DIRECTORS

Mr. Lee Wa Lun, Warren (“Mr. Warren Lee”), aged 56, was appointed as an executive Director on 25 July 2019 and acts as the Managing Director of the Company. He was one of the founding directors of Yu Ming Investment Management Limited (“Yu Ming”), the wholly-owned subsidiary of the Company in August 1996 and has worked in Yu Ming ever since. Mr. Warren Lee is responsible for overseeing business development of Yu Ming, maintaining client relationship, monitoring industry developments and supervising corporate finance advisory and asset management teams on the provision of services to clients.

Mr. Warren Lee is currently the chairman of the board of directors and an executive director of SHK Hong Kong Industries Limited (“SHK”), a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (stock code: 666). He was appointed as SHK’s director in September 2004.

Mr. Warren Lee is appointed as an independent non-executive director of Wise Ally International Holdings Limited (“Wise Ally”) in December 2019. Wise Ally is the company listed on the Main board of the Stock Exchange (stock code: 9918).

From December 2008 to November 2013, Mr. Warren Lee was a director of First Natural Foods Holdings Limited (now known as Imperial Pacific International Holdings Limited), a company listed on the Main Board of the Stock Exchange (stock code: 1076). From June 2010 to June 2013, Mr. Warren Lee was an executive director of Viva China Holdings Limited, a company listed on GEM of the Stock Exchange (stock code: 8032).

From December 2006 to May 2007, Mr. Warren Lee was the chief executive officer of Nam Tai Electronics, Inc. (now known as Nam Tai Property Inc.), an electronics manufacturing services provider listed on the New York Stock Exchange (NYSE: NTP). Between March 2004 and February 2006, he was an independent non-executive director of Nam Tai Electronic & Electrical Products Limited (“NTEEP”), a company formerly listed on the Main Board of the Stock Exchange (former stock code: 2633, which was privatised on 13 November 2009). Between February 2006 and April 2007, he was re-designated as a non-executive director of NTEEP. Between January 2007 and April 2007, he was also a non-executive director of J.I.C. Technology Company Limited (now known as China Renewable Energy Investment Limited), a company listed on the Main Board of the Stock Exchange (stock code: 987).

Mr. Warren Lee graduated with a Bachelor of Science degree from The University of East Anglia in England in 1986 and obtained a Master of Science degree from The City University Business School, London in 1988.

Mr. Warren Lee is licensed by the Securities and Futures Commission (“SFC”) to act as a Responsible Officer to carry on Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (“SFO”).

執行董事

李華倫先生(「李華倫先生」)，56歲，於二零一九年七月二十五日獲委任為執行董事，並擔任本公司董事總經理。彼為本公司全資附屬公司禹銘投資管理有限公司(「禹銘」)於一九九六年八月成立時首屆董事會成員之一，並自此於禹銘任職。李華倫先生負責監督禹銘業務發展、維持客戶關係、監督行業發展及監管企業融資顧問及資產管理團隊向客戶提供服務。

李華倫先生目前為新工投資有限公司(「新工」)(一間於香港聯合交易所有限公司(「聯交所」)主板上市的公司(股份代號：666))的董事會主席及執行董事。彼於二零零四年九月獲委任為新工之董事。

李華倫先生於二零一九年十二月獲委任為麗年國際控股有限公司(「麗年」)的獨立非執行董事。麗年為聯交所主板上市公司(股份代號：9918)。

於二零零八年十二月至二零一三年十一月，李華倫先生擔任第一天然食品有限公司(現稱為博華太平洋國際控股有限公司)(一間於聯交所主板上市的公司(股份代號：1076))的董事。於二零一零年六月至二零一三年六月，李華倫先生擔任非凡中國控股有限公司(一間於聯交所創業板上市的公司(股份代號：8032))的執行董事。

於二零零六年十二月至二零零七年五月，李華倫先生擔任Nam Tai Electronics, Inc. (現稱為Nam Tai Property Inc.) (一間於紐約證券交易所上市的電子製造服務供應商(NYSE: NTP))的行政總裁。於二零零四年三月至二零零六年二月，彼擔任Nam Tai Electronic & Electrical Products Limited (「NTEEP」) (一間之前於聯交所主板上市的公司(前股份代號：2633)，已於二零零九年十一月十三日被私有化)的獨立非執行董事。於二零零六年二月至二零零七年四月，彼獲調任為NTEEP的非執行董事。於二零零七年一月至二零零七年四月，彼亦擔任J.I.C. Technology Company Limited (現稱為中國再生能源投資有限公司) (一間於聯交所主板上市的公司(股份代號：987))的非執行董事。

李華倫先生於一九八六年畢業於英國The University of East Anglia並取得理學學士學位，並於一九八八年獲The City University Business School, London頒授理學碩士學位。

李華倫先生獲證券及期貨事務監察委員會(「證監會」)發牌擔任負責人員，根據證券及期貨條例(「證券及期貨條例」)從事第1類(證券交易)、第4類(就證券提供意見)、第6類(就機構融資提供意見)及第9類(提供資產管理)受規管活動。

Biographical Details of Directors (Continued)

董事履歷詳情(續)

Mr. Lam Chi Shing (“Mr. Lam”), aged 39, was appointed as an executive Director on 25 July 2019. He is a functional director and the portfolio manager of Yu Ming. He joined Yu Ming in 2005 and is a Responsible Officer for Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO. Mr. Lam mainly supervises the asset management business of Yu Ming. He is responsible for formulating investments ideas, identifying different investment opportunities both in listed and unlisted securities and execution of investment decisions. He is also involved in the provision of corporate finance services by Yu Ming.

Mr. Lam has over 13 years of experience in asset management and corporate finance gained in Yu Ming. Prior to joining Yu Ming, Mr. Lam worked in corporate lending and syndication department of the Bank of East Asia, Limited.

Mr. Lam graduated from The Chinese University of Hong Kong in 2002 with a Bachelor of Business Administration degree, and is accredited with Chartered Financial Analyst since September 2009.

Ms. Li Ming (“Ms. Li”), aged 42, was appointed as an executive Director on 25 July 2019. She joined Yu Ming in October 2007 and was appointed as an associate director and a corporate finance director of Yu Ming since January 2010 and January 2014 respectively. She is a Responsible Officer in Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities as well as a Licensed Representative in Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO and is responsible for supervising and leading execution of corporate finance projects of Yu Ming. She is also involved in the provision of asset management services by Yu Ming.

Ms. Li has over 17 years of experience in corporate finance. Prior to joining Yu Ming, she worked with Asian Capital (Corporate Finance) Limited (whose business was listed under ZZ Capital International Limited (formerly known as Asian Capital Holdings Limited) on the GEM of the Stock Exchange in 2010 with stock code: 8295) from April 2001 to October 2007.

Ms. Li obtained Master of Finance (Investment Management) degree from The Hong Kong Polytechnic University in 2010 and Bachelor of Arts degree in Business Administration awarded by the University of Hertfordshire of the United Kingdom in 2000 (under a programme offered in conjunction with Beijing Inti Management College and INTI International University & Colleges).

林志成先生(「林先生」)，39歲，於二零一九年七月二十五日獲委任為執行董事。彼為禹銘職能總監及組合基金經理。彼於二零零五年加入禹銘，並為根據證券及期貨條例可從事第1類(證券交易)、第4類(就證券提供意見)、第6類(就機構融資提供意見)及第9類(提供資產管理)受規管活動的負責人員。林先生主要監督禹銘資產管理業務。彼負責制定投資理念、於上市及非上市證券發掘不同投資機會及執行投資決定。彼亦參與禹銘提供企業融資服務。

林先生於禹銘累積逾13年資產管理及企業融資方面的經驗。於加入禹銘前，林先生曾任職於東亞銀行有限公司之企業及銀團貸款部。

林先生於二零零二年畢業於香港中文大學，獲授工商管理學士學位，且自二零零九年九月起獲認可為特許財務分析師。

李銘女士(「李女士」)，42歲，於二零一九年七月二十五日獲委任為執行董事。彼於二零零七年十月加入禹銘並分別自二零一零年一月及二零一四年一月起獲委任為禹銘聯席董事及企業融資總監。彼為根據證券及期貨條例可從事第1類(證券交易)及第6類(就機構融資提供意見)受規管活動的負責人員以及第4類(就證券提供意見)及第9類(提供資產管理)受規管活動的持牌代表，負責監督及帶領執行禹銘企業融資項目。彼亦參與禹銘提供資產管理服務。

李女士於企業融資方面擁有逾17年經驗。於加入禹銘前，於二零零一年四月至二零零七年十月，彼任職於卓亞(企業融資)有限公司(其業務透過中植資本國際有限公司(前稱為卓亞資本有限公司)於二零一零年在聯交所創業板上市(股份代號：8295))。

李女士於二零一零年取得香港理工大學金融(投資管理)碩士學位及於二零零零年榮獲英國University of Hertfordshire頒發的工商管理文學學士學位(連同Beijing Inti Management College及INTI International University & Colleges一併提供的課程)。

NON-EXECUTIVE DIRECTORS

Mr. Li Chi Kong (“Mr. Li”), aged 66, was appointed as a non-executive Director on 25 July 2019. Mr. Li is the chairman of the board of directors of the Company, the chairman and member of nomination committee and member of audit committee and remuneration committee of the Company. He joined Yu Ming in 2008 as a director. He is responsible for overseeing the corporate strategy and development of Yu Ming. Mr. Li has extensive experience in finance and accounting and was an executive director of Allied Properties (H.K.) Limited, a company listed on the Main Board of the Stock Exchange (stock code: 56), from October 1999 until redesignation as a non-executive director in July 2018. He is also general consultant of Allied Group Limited (“Allied Group”), a company listed on the Main Board of the Stock Exchange (stock code: 373), since July 2018 when he retired from the position of the group financial controller.

From December 2011 to March 2014, Mr. Li was an executive director of Tongfang Kontafarma Holdings Limited (formerly known as Allied Cement Holdings Limited), a company listed on the Main Board of the Stock Exchange (stock code: 1312). Prior to joining Allied Group in 1996 as the group financial controller, Mr. Li worked for Peat, Marwick, Mitchell & Company (now known as KPMG) and Price Waterhouse & Company (now known as PricewaterhouseCoopers) and acted as the group financial controller of Hopewell Holdings Limited (former stock code: 54, which was privatised in May 2019), Century City International Holdings Limited (“Century City”, stock code: 355) and Paliburg International Holdings Limited (the listing of which was replaced by Paliburg Holdings Limited, stock code: 617), as well as two other listed companies which were disposed of by Century City, known at the time as Richfield International Holdings Limited and Cathay City International Holdings Limited.

Mr. Li graduated from the University of Edinburgh in Scotland, United Kingdom in 1975 with a Bachelor of Science degree and obtained a Postgraduate Diploma in Accounting from Heriot-Watt University in Edinburgh in 1976. He is a member of the Institute of Chartered Accountants of Scotland and a fellow of the Hong Kong Institute of Certified Public Accountants.

Mr. Kuo Jen-Hao (“Mr. Kuo”), aged 43, was appointed as a non-executive Director on 23 December 2019. He is also a member of audit committee and remuneration committee of the Company. Mr. Kuo is the chairman and the general manager of First Steamship Co. Limited (“First Steamship”), a substantial Shareholder. He is also a director and the chairman of Grand Ocean Retail Group Limited, a subsidiary of First Steamship. Both companies listed on the Taiwan Stock Exchange Corporation. In addition, Mr. Kuo is a director of Taiwan Environment Scientific Co., Ltd., a company listed on the Taipei Exchange, and a non-executive director of Sandmartin International Holdings Limited (“Sandmartin”), a company incorporated in Bermuda with limited liability with its shares listed on the Main board of the Stock Exchange (stock code: 482). He was a non-executive director and chairman of the board of Summit Ascent Holdings Limited, a company listed on the Main board of the Stock Exchange (stock code: 102), for a period from December 2017 to April 2019. He was also a director of IRC Properties Inc., a company listed on the Philippine Stock Exchange, for the period from July 2017 to May 2018.

非執行董事

李志剛先生(「李先生」)，66歲，於二零一九年七月二十五日獲委任為非執行董事。李先生為本公司董事會主席、本公司提名委員會主席及成員以及審核委員會和薪酬委員會成員。彼於二零零八年加入禹銘擔任董事。彼負責監督禹銘公司策略及發展。李先生於財務及會計方面擁有豐富經驗，並自一九九九年十月起擔任聯合地產(香港)有限公司(一間聯交所主板上市公司(股份代號：56))的執行董事，直至於二零一八年七月起調任為非執行董事。自二零一八年七月起退任集團財務總監職位時，彼亦擔任聯合集團有限公司(「聯合集團」)(一間聯交所主板上市公司(股份代號：373))的顧問。

於二零一一年十二月至二零一四年三月，李先生為同方康泰產業集團有限公司(前稱為聯合水泥控股有限公司，一間聯交所主板上市公司(股份代號：1312))的執行董事。於一九九六年加入聯合集團擔任集團財務總監之前，李先生曾任職於Peat, Marwick, Mitchell & Company(現稱畢馬威會計師事務所)及Price Waterhouse & Company(現稱羅兵咸永道會計師事務所)及曾擔任合和實業有限公司(前股份代號：54，已於二零一九年五月被私有化)、世紀城市國際控股有限公司(「世紀城市」，股份代號：355)及百利保國際控股有限公司(該公司的上市以百利保控股有限公司替代，股份代號：617)以及世紀城市已出售之兩家其他上市公司(當時稱為富利國際控股有限公司及Cathay City International Holdings Limited)之集團財務總監。

李先生於一九七五年畢業於英國蘇格蘭愛丁堡大學，持有理學學士學位，並於一九七六年在愛丁堡的Heriot-Watt University取得會計深造文憑。彼為蘇格蘭特許會計師公會會員及香港會計師公會資深會員。

郭人豪先生(「郭先生」)，43歲，於二零一九年十二月二十三日獲委任為非執行董事。彼亦為本公司審核委員會成員及提名委員會成員。郭先生現為益航股份有限公司(「益航」)(主要股東)之董事長兼總經理。郭先生亦為大洋百貨集團控股股份有限公司(為益航之附屬公司)之董事兼董事長。上述兩公司均於臺灣證券交易所上市。另外，郭先生亦為台境企業股份有限公司(該公司於臺灣證券櫃檯買賣中心上市)之董事，以及聖馬丁國際控股有限公司(「聖馬丁」)(一家在百慕達註冊成立的有限公司及其股票於聯交所主板上市(股份代號：482))之非執行董事。彼曾於二零一七年十二月至二零一九年四月期間出任凱升控股有限公司(於聯交所主板上市公司(股份代號：102))之非執行董事及董事會主席。彼亦曾於二零一七年七月至二零一八年五月期間，擔任IRC Properties Inc.(一間於菲律賓證券交易所上市之公司)之董事。

Biographical Details of Directors (Continued)

董事履歷詳情(續)

A winding up petition dated 5 July 2017 was filed by a petitioner against Sandmartin (the "Petition"), which was prior to the appointment of Mr. Kuo as a non-executive director of Sandmartin, and the Petition was dismissed by an order granted by the High Court of Hong Kong on 7 January 2019.

Mr. Kuo has several years of work experience in investment advisory, financial advisory and corporate finance at PricewaterhouseCoopers, Bank of America Merrill Lynch and Private Equity Management Group and held various key roles at several private and listed companies engaging in (i) the administrative and corporate business; (ii) corporate finance; and (iii) general management in real estate development business, shipping business, retailing business and logistics business. Mr. Kuo has a wealth of experience in business strategy development and innovation management.

Mr. Kuo graduated with a bachelor's degree in Business Administration from Aletheia University in Taiwan and holds a master degree of business administration from Pace University in 2003 in the United States. Mr. Kuo is an inactive certified public accountant of the New Jersey State Board of Accountancy.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan Sze Chung ("Mr. Chan"), aged 50, was appointed as an independent non-executive Director on 26 July 2019. He is the chairman and member of audit committee and member of remuneration committee and nomination committee of the Company. He has over 20 years of experience in finance and accounting. Mr. Chan is currently an independent non-executive director of Tongfang Kontafarma Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1312).

From December 2009 to August 2010, Mr. Chan was the chief financial officer of Coolpoint Energy Limited (now known as Viva China Holdings Limited), a company listed on GEM of the Stock Exchange (stock code: 8032).

Mr. Chan became financial controller of Nam Tai Group Management Limited in April 2001, and was promoted in September 2008 as chief financial officer of NTEEP, a company formerly listed on the Main Board of the Stock Exchange (former stock code: 2633, which was privatised on 13 November 2009) and also as acting chief financial officer of Nam Tai Electronics, Inc. (now known as Nam Tai Property, Inc.), a company listed on the New York Stock Exchange (NYSE: NTP).

一名呈請人對聖馬丁提起日期為二零一七年七月五日之清盤呈請(「該呈請」)。該呈請乃於郭先生獲委任為聖馬丁的獨立非執行董事前提出。並且該呈請已被香港高等法院於二零一九年一月七日發出之命令駁回。

郭先生於羅兵咸永道會計師事務所、美銀美林及Private Equity Management Group累積數年有關投資顧問、財務顧問及企業融資之經驗，並曾於若干私人及上市公司擔任不同的主要職位，有關公司乃從事(i)行政管理及企業業務；(ii)企業融資；及(iii)房地產發展業務、航運業務、零售業務及物流業務之日常管理。郭先生於制定業務策略及創新管理方面擁有豐富經驗。

郭先生畢業於台灣真理大學，獲得工商管理學士學位，並於二零零三年取得美國佩斯大學之工商管理碩士學位。郭先生為新澤西州會計委員會之非活躍執業會計師。

獨立非執行董事

陳思聰先生(「陳先生」)，50歲，於二零一九年七月二十六日獲委任為獨立非執行董事。陳先生為本公司審核委員會主席及成員及薪酬委員會及提名委員會成員。彼於財務及會計方面擁有逾20年經驗。陳先生現為同方康泰產業集團有限公司(一間聯交所主板上市公司(股份代號：1312))的獨立非執行董事。

於二零零九年十二月至二零一零年八月，陳先生擔任快意節能有限公司(現稱為非凡中國控股有限公司，一間聯交所創業板上市公司(股份代號：8032))的財務總裁。

陳先生於二零零一年四月擔任南太集團管理有限公司的財務總監，並於二零零八年九月晉升為NTEEP(一間之前於聯交所主板上市的公司(前股份代號：2633)，已於二零零九年十一月十三日被私有化)的財務總監，其亦擔任Nam Tai Electronics, Inc.(現稱為Nam Tai Property, Inc.，一間於紐約證券交易所上市的公司(NYSE: NTP))財務總監。

Biographical Details of Directors (Continued) 董事履歷詳情(續)

Before joining Nam Tai Group Management Limited, Mr. Chan was employed as the financial controller of J.I.C. Enterprises (Hong Kong) Limited, a company engaged in manufacturing and trading of liquid crystal display panels, and was employed by Deloitte Touche Tohmatsu during the period from January 1993 to August 1997 and served as a senior accountant at the time of his resignation.

Mr. Chan graduated from the University of Wales with a Bachelor of Arts degree in Accounting and Finance in 1991 and obtained a Master of Arts degree in Accounting and Finance at the University of Lancaster in December 1992. Mr. Chan is a certified public accountant of the Hong Kong Institute of Certified Public Accountants and a member of the American Institute of Certified Public Accountants, and that he is also recognised as a chartered financial analyst by the CFA Institute of the United States of America.

Mr. Suen Chi Wai (“Mr. Suen”), aged 55, was appointed as an independent non-executive Director on 26 July 2019. He is also a member of audit committee, nomination committee and remuneration committee of the Company. He is a practising solicitor in Hong Kong and a partner of Withers. Mr. Suen has approximately 20 years of experience in corporate finance and with area of practice principally in initial public offerings on the Stock Exchange, mergers and acquisitions, corporate reorganisations and Listing Rules compliance, and he has advised clients from various industries such as clean energy, pharmaceutical, medical, retails, manufacturing, entertainment and biological.

Mr. Suen has served as an independent non-executive director of Xin Yuan Enterprises Group Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1748) since September 2018, and Venus Medtech (Hangzhou) Inc., a company listed on the Main Board of the Stock Exchange (stock code: 2500) since July 2019.

Before joining Withers, Mr. Suen was an associate and later a partner of DLA Piper Hong Kong from June 2007 to May 2012 and May 2012 to February 2018, respectively, and served as a manager in the investment products department of the SFC from October 2005 to July 2006, responsible for reviewing applications of collective investment schemes and monitoring continuing compliance of authorised schemes. Mr. Suen was an assistant solicitor at Woo Kwan Lee & Lo from September 2000 to March 2005.

Mr. Suen received a bachelor of science degree from the University of East Anglia in the United Kingdom in July 1987 and a postgraduate certificate in laws from the University of Hong Kong in June 1998. Mr. Suen was admitted as a solicitor in Hong Kong in October 2000 and in England and Wales in December 2003. Mr. Suen has also been a fellow member of the Association of Chartered Certified Accountants since May 1998 and a certified public accountant of the Hong Kong Institute of Certified Public Accountants since April 1993.

於加入南太集團管理有限公司前，陳先生受僱擔任捷誠電子貿易(香港)有限公司(從事製造及買賣液晶顯示屏)的財務總監，並於一九九三年一月至一九九七年八月期間任職於德勤•關黃陳方會計師行，於其辭任時擔任高級會計師。

陳先生於一九九一年畢業於威爾斯大學，取得會計及財務文學學士學位，並於一九九二年十二月獲得蘭開斯特大學的會計及財務文學碩士學位。陳先生為香港會計師公會的註冊會計師及美國註冊會計師公會會員，陳先生亦獲認可為美國特許財務分析員協會的特許財務分析員。

孫志偉先生(「孫先生」)，55歲，於二零一九年七月二十六日獲委任為獨立非執行董事。彼亦為本公司審核委員會成員、提名委員會成員及薪酬委員會成員。彼為香港執業律師及及衛達仕合夥人。孫先生具備約20年企業融資經驗，且執業領域主要包括聯交所首次公開發售、併購、公司重組及上市規則合規，而其諮詢客戶來自清潔能源、製藥、醫療、零售、製造、娛樂及生物等多個行業。

孫先生自二零一八年九月起擔任信源企業集團有限公司(於聯交所主板上市公司(股份代號：1748))及自二零一九年七月起擔任杭州啟明醫療器械股份有限公司(於聯交所主板上市公司(股份代號：2500))的獨立非執行董事。

在加入衛達仕之前，孫先生分別於二零零七年六月至二零一二年五月及二零一二年五月至二零一八年二月於歐華律師事務所先後擔任律師及合夥人，並於二零零五年十月至二零零六年七月擔任證監會投資產品部經理，負責檢討集體投資計劃的申請，並監察認可計劃的持續合規。孫先生於二零零零年九月至二零零五年三月於胡關李羅律師行擔任助理律師。

孫先生於一九八七年七月於英國東安格利亞大學獲得理學士學位，於一九九八年六月於香港大學獲得法學研究生證書。孫先生於二零零零年十月於香港及於二零零三年十二月於英格蘭及威爾斯取得律師資格。孫先生亦自一九九八年五月起成為特許公認會計師公會資深會員，並自一九九三年四月起成為香港會計師公會註冊會計師。

Biographical Details of Directors (Continued)

董事履歷詳情(續)

Mr. Sum Wai Kei, Wilfred (“Mr. Sum”), aged 55, was appointed as an independent non-executive Director on 26 July 2019. He is the chairman and member of remuneration committee and member of audit committee and nomination committee of the Company. He is the Head of Corporate Finance, Equity Capital Markets and Debt Capital Markets Department of BOCOM International Holdings Company Limited (“BOCOM”). He had been with BOCOM from September 2008 to September 2016 and re-joined in March 2017. Between 2002 and 2008, Mr. Sum had been with Taiwan Securities (Hong Kong) Company Limited (now known as KGI Capital (Hong Kong) Limited). After leaving BOCOM in September 2016 and before re-joining in March 2017, he worked in CEB International Capital Corporation Limited and Celestial Capital Limited.

Mr. Sum was admitted as Certified Practising Accountant of the Australian Society of Certified Practising Accountants in 1997 until 2008. Mr. Sum obtained a Bachelor of Science degree from The University of East Anglia in England in 1986 and a Master of Commerce degree from The University of New South Wales in Australia in 1992.

岑偉基先生(「岑先生」)，55歲，於二零一九年七月二十六日獲委任為獨立非執行董事。彼為本公司薪酬委員會主席及成員以及審核委員會及提名委員會成員。彼為交銀國際控股有限公司(「交銀國際」)企業融資、股權融資市場及債務資本市場部主管。彼於二零零八年九月至二零一六年九月任職於交銀國際並於二零一七年三月再次加入該公司。於二零零二年至二零零八年，岑先生任職於台灣證券(香港)有限公司(現為凱基金融(香港)有限公司)。於二零一六年九月離開交銀國際後及於二零一七年三月重新加入該公司之前，彼任職於光銀國際資本有限公司及時富融資有限公司。

岑先生於一九九七年至二零零八年為澳洲會計師公會執業會計師。岑先生於一九八六年獲得英格蘭University of East Anglia理學學士學位，並於一九九二年獲得澳洲新南威爾斯大學商業碩士學位。

Report of the Directors

董事會報告

For the period from 1 July 2019 to 24 July 2019, The current board of Directors of Da Yu Financial Holdings Limited (the “Company”) (the “Board”) and the joint and several liquidators (the “Former Liquidators”) were only able to obtain incomplete books and records of the Company despite having taken all reasonable steps. Due to absence of information and the non-cooperation of the former directors of the Company, the Report of the Directors was prepared in accordance with the best knowledge and the limited information available to the current Directors. Accordingly, the Board submitted its report together with the audited financial statements of the Company and its subsidiaries (together referred to as the “Group”) for the six-month period from 1 July 2019 to 31 December 2019.

References are made to the circular dated 27 April 2019 (the “Circular”) and announcement of annual results for the year ended 30 June 2019 of the Company dated 30 September 2019 (the “Announcement”) respectively. Unless otherwise stated, capitalised terms used in this annual report shall have the same meanings as those defined in the Circular and the Announcement.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Company’s subsidiary are investment holding and general trading and export up to the Acquisition Completion and has been changed into provision of corporate finance advisory services and asset management services from 25 July 2019.

BUSINESS REVIEW

A review of the business of the Group during the six-month period from 1 July 2019 to 31 December 2019 and a discussion on the Group’s future business development are provided in the Chairman’s Statement and Business and Financial Review on pages 4 to 18 of this annual report. Possible risks and uncertainties that the Group may be facing are set out in the Business and Financial Review on page 17 of this annual report and the Corporate Governance Report on pages 38 to 54 of this annual report.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The environmental policies and performance of the Group are set out in the Environmental, Social and Governance Report on pages 55 to 60.

儘管已採取所有合理步驟，由二零一九年七月一日至二零一九年七月二十四日期間大禹金融控股有限公司（「本公司」）現時董事會（「董事會」）及共同及各別清盤人（「前清盤人」）僅能夠取得本公司不完整賬目及記錄。由於缺乏資料及本公司前董事不合作，董事會報告乃按現任董事所深知及其可獲得的有限資料編製。因此，董事會提交其報告以及本公司及其附屬公司（統稱「本集團」）於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間之經審核財務報表。

茲分別提述本公司日期為二零一九年四月二十七日之通函（「該通函」）及日期為二零一九年九月三十日有關截至二零一九年六月三十日止年度之年度業績公告（「該公告」）。除另有指明外，本年報所用詞彙與該通函及該公告所界定者具有相同涵義。

主要活動

本公司的主要活動為投資控股。本公司附屬公司的主要活動為投資控股及一般貿易及出口直至收購事項完成，由二零一九年七月二十五日起改為提供企業融資顧問服務和資產管理服務。

業務回顧

本集團於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間的業務回顧及有關本集團未來業務發展的討論載於本年報第4頁至第18頁主席報告以及業務及財務回顧。本集團可能面臨的風險及不確定因素載於本年報第17頁業務及財務回顧以及本年報第38頁至第54頁企業管治報告。

環境政策及表現

本集團的環境政策及表現載於第55至60頁之環境、社會及管治報告。

Report of the Directors (Continued)

董事會報告 (續)

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The Company itself is an investment holding company incorporated in the Cayman Islands and listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Group's operations are carried out by its operating subsidiary, Yu Ming. Yu Ming is licensed by the Securities and Futures Commission in Hong Kong, and is subject to applicable laws, regulations and codes of relevant regulatory authorities in Hong Kong, such as the Hong Kong Securities and Futures Ordinance (the "SFO") and Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Chapter 615 of the Laws of Hong Kong). During the reporting period and up to the date of this annual report, the Group has complied with all the relevant laws and regulations in the Cayman Islands and Hong Kong in all material respects relating to the business operations of the Group.

RELATIONSHIPS WITH EMPLOYEES AND CLIENTS

The key relationships of the Group with its employees and clients are discussed in the Environmental, Social and Governance Report on pages 55 to 60.

AUDIT COMMITTEE REVIEW

Following the retirement of all former directors on 12 June 2019, the Company has no director up to 24 July 2019. Accordingly, the audit committee has not been maintained from 1 July 2019 to 25 July 2019. The current Directors were appointed on 25 July 2019 and 26 July 2019 and the Board has set up an audit committee on 26 July 2019.

The audit committee has reviewed the annual results for the six-month period from 1 July 2019 to 31 December 2019.

The figures contained in the financial information set out in pages 68 to 151 of this annual report have been audited by the Company's auditor, BDO Limited ("BDO").

CHARITABLE DONATIONS

Charitable and other donations made by the Group during the six-month period from 1 July 2019 to 31 December 2019 amounted to HK\$20,000 (year ended 30 June 2019: Nil).

遵守相關法律及法規

本公司本身為於開曼群島註冊成立及於香港聯合交易所有限公司(「聯交所」)上市的投资控股公司。本集團的營運由其經營附屬公司禹銘投資管理有限公司(「禹銘」)開展。禹銘於香港獲證監會發牌，且須遵守香港適用法律、法規及相關監管機構守則(如香港證券及期貨條例(「證券及期貨條例」)及香港法例第615章打擊洗錢及恐怖分子資金籌集條例)。於報告期間及直至本年報日期，本集團有關本集團的業務營運於所有重大方面遵守所有相關開曼群島及香港法律及法規。

與僱員及客戶的關係

本集團與僱員及客戶的主要關係於第55頁至第60頁之環境、社會及管治報告。

審核委員會審閱

於二零一九年六月十二日所有前董事退任後，本公司並無任何董事至二零一九年七月二十四日。因此，由二零一九年七月一日至二零一九年七月二十五日尚未設立審核委員會。現任董事乃於二零一九年七月二十五日及於二零一九年七月二十六日獲委任，故董事會於二零一九年七月二十六日設立審核委員會。

審核委員會已審閱於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間之年度業績。

載於本年報第68頁至第151頁之財務資料所載數字已經本公司核數師香港立信德豪會計師事務所有限公司(「香港立信德豪」)審核。

慈善捐款

本集團於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間作出的慈善及其他捐款金額為20,000港元(截至二零一九年六月三十日止年度：無)。

MAJOR CUSTOMERS AND SUPPLIERS

During the six-month period from 1 July 2019 to 31 December 2019, the top five customers together accounted for approximately 65.7% (year ended 30 June 2019: N/A) of the Group's revenue and the Group's largest customer accounted for approximately 20.0% (year ended 30 June 2019: N/A) of the Group's revenue.

The Group had no major suppliers due to the nature of the principal activities of the Group. None of the Directors or any of their close associates, or any Shareholder (which to the knowledge of the Directors owns 5% or more of the issued Shares) had any beneficial interest in the Group's five largest customers or suppliers.

RESULTS AND DIVIDEND

The financial performance of the Group for the six-month period from 1 July 2019 to 31 December 2019 and the financial position of the Group at that date are set out in the consolidated financial statements on pages 68 to 151.

No dividend is declared or recommended for the six-month period from 1 July 2019 to 31 December 2019 (year ended 30 June 2019: Nil).

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the Group's property, plant and equipment during the six-month period from 1 July 2019 to 31 December 2019 are set out in Note 16 to the consolidated financial statements.

BORROWINGS

Particulars of borrowings of the Group as at 31 December 2019 are set out in Note 27 to the consolidated financial statements.

SHARE CAPITAL

Details of the movements in the share capital of the Company are set out in Note 31 to the consolidated financial statements.

RESERVES AND DISTRIBUTABLE RESERVES

Details of movements in the reserves of the Company and the Group during the six-month period from 1 July 2019 to 31 December 2019 are set out in Note 32 to the consolidated financial statements. As at 31 December 2019, details of the distributable reserves of the Company are set out in Note 32 to the consolidated financial statements.

There is insufficient information for the Company to ascertain whether there were any reserves available for distribution as at 30 June 2019.

主要客戶及供應商

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，五大客戶合共佔本集團收益約65.7%（截至二零一九年六月三十日止年度：不適用），而本集團最大客戶佔本集團收益約20.0%（截至二零一九年六月三十日止年度：不適用）。

由於本集團主要業務性質，本集團並無主要供應商。概無董事或彼等任何緊密聯繫人，或任何股東（就董事所知擁有5%或以上已發行股份）於本集團五大客戶或供應商擁有任何實益。

業績及股息

本集團於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間之財務表現及本集團於該日的財務狀況載於綜合財務報表第68頁至第151頁。

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間並無宣派或建議股息（截至二零一九年六月三十日止年度：無）。

物業、廠房及設備

本集團物業及設備於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間變動的詳情載於綜合財務報表附註16。

借貸

本集團於二零一九年十二月三十一日的借貸詳情載於綜合財務本年度報表附註27。

股本

本公司股本變動的詳情載於綜合財務報表附註31。

儲備及可供分派儲備

本公司及本集團於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間的儲備變動詳情載於綜合財務報表附註32。於二零一九年十二月三十一日，本公司可供分派儲備之詳情載於綜合財務報表附註32。

本公司無法獲得充足資料以確定於二零一九年六月三十日是否有任何可供分派儲備。

Report of the Directors (Continued)

董事會報告 (續)

In accordance with the laws of the Cayman Islands and articles of association of the Company (the "Articles of Association"), the Company's share premium account is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 152.

DIRECTORS

The Directors during the reporting period and as at the date of this report were:

Executive Directors:

Mr. Lee Wa Lun, Warren (*Managing Director*) (appointed on 25 July 2019)
Mr. Lam Chi Shing (appointed on 25 July 2019)
Ms. Li Ming (appointed on 25 July 2019)

Non-Executive Directors:

Mr. Li Chi Kong (*Chairman*) (appointed on 25 July 2019)
Mr. Kuo Jen-Hao (appointed on 23 December 2019)

Independent Non-Executive Directors:

Mr. Chan Sze Chung (appointed on 26 July 2019)
Mr. Suen Chi Wai (appointed on 26 July 2019)
Mr. Sum Wai Kei, Wilfred (appointed on 26 July 2019)

Biographical details of Directors of the Company are set out on pages 19 to 24 of the annual report.

In accordance with the article 108 of the Articles of Association, Mr. Lee Wa Lun, Warren, Mr. Suen Chi Wai and Mr. Sum Wai Kei, Wilfred will retire by rotation at the forthcoming annual general meeting of the Company (the "AGM"). Mr. Kuo Jen-Hao was appointed as Director by the Board and who will hold office until the AGM. Each of the above retiring Directors, being eligible, will offer himself for re-election at the AGM.

The Company has received confirmations of independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange from all current independent non-executive directors of the Company, and considers them to be independent.

根據開曼群島法例及本公司組織章程細則(「組織章程細則」)，倘於緊隨擬分派股息當日後，本公司有能力償還在日常業務中到期之債務，則本公司的股份溢價賬可用於向本公司股東分派股息。

五年財政概要

有關本集團過去五個財政年度之業績及資產與負債概要載於第152頁。

董事

於報告期間及於本報告日期之董事為：

執行董事：

李華倫先生(*董事總經理*) (二零一九年七月二十五日獲委任)
林志成先生(二零一九年七月二十五日獲委任)
李銘女士(二零一九年七月二十五日獲委任)

非執行董事：

李志剛先生(*主席*) (二零一九年七月二十五日獲委任)
郭人豪先生(二零一九年十二月二十三日獲委任)

獨立非執行董事：

陳思聰先生(二零一九年七月二十六日獲委任)
孫志偉先生(二零一九年七月二十六日獲委任)
岑偉基先生(二零一九年七月二十六日獲委任)

本公司董事的履歷詳情載於年報第19頁至第24頁。

根據組織章程細則第108條，李華倫先生、孫志偉先生及岑偉基先生將須於本公司應屆股東週年大會(「股東週年大會」)上輪值退任。郭人豪先生獲董事會委任為董事及彼之任期直至股東週年大會為止。各上述退任董事符合資格並願意於股東週年大會上膺選連任。

本公司已收到本公司所有現任獨立非執行董事有關根據聯交所證券上市規則(「上市規則」)第3.13條對其獨立性之確認，並認為彼等屬獨立。

DIRECTORS' SERVICE CONTRACTS

Mr. Lee Wa Lun, Warren, executive Director, has entered into a service agreement with the Company for an initial term of five years commencing from 25 July 2019, which shall continue thereafter unless and until terminated by not less than three months' notice in writing served by either party on the other.

Mr. Lam Chi Shing and Ms. Li Ming, the executive Directors and Mr. Li Chi Kong, a non-executive Director, have entered into service agreements and a letter of appointment with the Company respectively for an initial term of three years commencing from 25 July 2019, which shall continue thereafter unless and until terminated by not less than three months' notice, three months' notice and one month's notice in writing served by either party on the other respectively.

Each of Mr. Chan Sze Chung, Mr. Suen Chi Wai and Mr. Sum Wai Kei, Wilfred, the independent non-executive Directors, has entered into a letter of appointment with the Company for an initial term of three years commencing from 26 July 2019, which shall continue thereafter unless and until terminated by not less than one month's notice in writing served by either party on the other.

Mr. Kuo Jen-Hao, a non-executive Director has entered into a letter of appointment with the Company for an initial term of three years commencing from 23 December 2019, which shall continue thereafter unless and until terminated by not less than one month's notice in writing served by either party on the other.

None of the current Directors proposed for re-election at the forthcoming AGM has an unexpired service contract with the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

TERMS OF OFFICE FOR THE NON-EXECUTIVE DIRECTORS

As at the date of this report, all the current non-executive Directors (including the independent non-executive Directors) were appointed for a specific term of three years which shall continue thereafter but subject to the relevant provisions of the Articles of Association or any other applicable laws whereby the Directors shall vacate or retire from their office.

REMUNERATION OF DIRECTORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the emolument of the Directors and five individuals with highest emoluments are set out in Notes 9 and 10 to the consolidated financial statements, respectively.

董事服務合約

執行董事李華倫先生已與本公司訂立服務協議，初步任期由二零一九年七月二十五日起計為期五年，其後會繼續留任，除非及直至其中一方向另一方發出不少於三個月的書面通知終止為止。

執行董事林志成先生及李銘女士及非執行董事李志剛先生已分別與本公司訂立服務協議及一份委任信，初步任期由二零一九年七月二十五日起計為期三年，其後會繼續留任，除非及直至其中一方向另一方分別發出不少於三個月、三個月及一個月的書面通知終止為止。

各獨立非執行董事陳思聰先生，孫志偉先生及岑偉基先生已與本公司訂立委任信，初步任期由二零一九年七月二十六日起計為期三年，其後會繼續留任，除非及直至其中一方向另一方發出不少於一個月的書面通知終止為止。

非執行董事郭人豪先生已與本公司訂立委任信，初步任期由二零一九年十二月二十三日起計為期三年，其後會繼續留任，除非及直至其中一方向另一方發出不少於一個月的書面通知終止為止。

概無於即將舉行之股東週年大會膺選連任之現有候任董事與本集團訂立任何令本集團若不作出賠償(除法定賠償外)，則不可於一年內提出終止之未到期服務合約。

非執行董事任期

於本報告日期，所有現任非執行董事(包括獨立非執行董事)獲委任為指定任期為三年，此後將持續，惟董事的離任或退任須受組織章程細則或任何其他適用法例的有關條文所規限。

董事及五名最高薪酬人士的薪酬

董事及五名最高薪酬人士的薪酬詳情分別載於綜合財務報表附註9及10。

Report of the Directors (Continued)

董事會報告 (續)

DIRECTORS' INTEREST IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

During the six-month period from 1 July 2019 to 31 December 2019, SHK Hong Kong Industries Limited ("SHK"), of which Mr. Lee Wa Lun, Warren is a director, is obliged to pay a management fee of HK\$8,123,000 receivable by the Group in accordance with a management agreement signed between the Group and SHK.

Save as disclosed above, no other transactions, arrangements or contracts of significance in relation to the Group's business to which the Company, or its subsidiaries were a party and in which a Director of the Company or his connected entities had a material interest, either directly or indirectly, subsisted at the end of the period or at any time during the period.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the six-month period from 1 July 2019 to 31 December 2019, the Board is not aware of any Directors of the Company being considered to have interests in businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group pursuant to the Listing Rules.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ASSOCIATED CORPORATIONS

The interests and short positions of the Directors of the Company in any shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as at 31 December 2019, which were 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 the Directors and the Chief Executives of the Company were deemed or taken to have under such provisions of the SFO) or which were required to be and were recorded in the register required to be kept pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules were as follows:

董事於交易、安排或之合約之權益

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，新工投資有限公司(「新工」(李華倫先生為該公司董事))有責任就本集團與新工簽訂之管理協議向本集團支付應收之8,123,000港元之管理費用。

除上文所披露者所載外，期內或期結時，本公司、或其附屬公司概無其他簽訂任何涉及本集團之業務而本公司董事或其有關連實體直接或間接在其中擁有重大權益之重要交易、安排或合約。

董事於競爭業務之權益

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，董事會並不知悉根據上市規則本公司任何董事被視為直接或間接與本集團業務構成競爭或可能構成競爭之業務中擁有權益。

董事於本公司及相聯法團之股份、相關股份及債券之權益及淡倉

於二零一九年十二月三十一日，本公司董事於本公司及其相聯法團(定義見證券及期貨條例第XV部)之任何股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第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該等條文本公司董事及最高行政人員被視為或被當作擁有之權益及淡倉)，或須列入而已列入按證券及期貨條例第352條存置之登記冊內，或根據上市規則之附錄10所載上市發行人董事進行證券交易之標準守則(「標準守則」)須知會本公司及聯交所之權益及淡倉如下：

Interests in shares of the Company

於本公司股份權益

Name of Directors	Capacity	Nature of interests	Number of shares held	% of the total relevant issued shares as at 31 December 2019 於二零一九年十二月三十一日佔有關已發行股份總數百分比
董事姓名	身份	權益性質	持有股份數目	
Lee Wa Lun, Warren 李華倫	Beneficial owner 實益擁有人	Personal 個人	227,250,000	19.95%
Lam Chi Shing 林志成	Beneficial owner 實益擁有人	Personal 個人	17,800,000	1.56%
Li Ming 李銘	Beneficial owner 實益擁有人	Personal 個人	17,800,000	1.56%

Save as disclosed above, at no time during the six-month period from 1 July 2019 to 31 December 2019 was the Company, its subsidiaries or its associated corporations, a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Save as disclosed above, none of the Directors or the Chief Executives of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

PERMITTED INDEMNITY PROVISION

The Articles of Association provides that every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he or she may sustain or incur in or about the execution of the duties of his or her office otherwise in relation thereto. In addition, the Company has maintained appropriate directors and officers liability insurance in respect of relevant legal actions against the Directors of the Group.

除上述披露外，於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間內之任何時間，本公司、其附屬公司或其相聯法團概無訂立任何安排，令本公司之董事可藉購入本公司或其他公司之股份或債券而獲益。

除上述披露外，本公司各董事或最高行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之任何股份、相關股份或債券擁有須登記於根據證券及期貨條例第352條規定須存置之登記冊內，或根據標準守則須知會本公司及聯交所之任何權益及淡倉。

獲准許之彌償條文

根據組織章程細則，本公司每名董事在其執行職責或其他方面與此有關之情況下可能蒙受或產生之所有損失或責任，有權獲得從本公司之資產中撥付彌償。此外，本公司已就董事可能面對之有關法律行動安排適當的董事及高級職員責任保險。

Report of the Directors (Continued) 董事會報告(續)

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As at 31 December 2019, so far as is known to the Board, the following persons (not being former directors or the current Directors or chief executive of the Company) had an interest (long positions) or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company, other than the interests of the current Directors as disclosed in the section headed "Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations":

主要股東之證券權益

於二零一九年十二月三十一日，就董事會所知，下列人士(並非本公司前董事、現任董事及主要行政人員)於根據證券及期貨條例第336條須存置於登記冊的本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部條文須知會本公司之權益(或好倉)或淡倉，或直接或間接於任何類別股本中擁有附帶權利可在一切情況下於本公司股東大會上投票之面值5%或以上權益(除「董事於本公司及相聯法團之股份、相關股份及債券之權益及淡倉」一節中披露的現任董事的權益外)：

Name of Substantial Shareholders	Notes	Capacity	Nature of interests	Number of shares held	% of the total relevant issued shares as at 31 December 2019 於二零一九年十二月三十一日佔有關已發行股份總數百分比
主要股東名稱	附註	身份	權益性質	持有股份數目	
First Steamship Company Limited ("First Steamship")	1	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	331,055,000	29.05%
First Mariner Holding Limited ("FMH")	1	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	331,055,000	29.05%
First Steamship S.A. ("FSSA")	1	Interest of controlled corporation 受控制公司的權益	Corporate interest 公司權益	331,055,000	29.05%
Cheung Kit Shan Susanna 張潔珊	2	Interest of a spouse 配偶權益	Family interest 家族權益	227,250,000	19.94%
Lau Yau Cheung ("Mr. Lau") 劉幼祥(「劉先生」)	3	Interest of controlled corporation/ Beneficial owner/ Interest of a spouse 受控制公司的權益/ 實益擁有人/ 配偶權益	Corporate interest/ Personal interest/ Family interest 公司權益/ 個人權益/ 家族權益	75,605,000	6.64%
BH Equities Limited ("BH Equities")	3	Beneficial owner 實益擁有人	Beneficial interest 實益權益	75,590,000	6.63%

Note:

1. Heritage Riches Limited (“HRL”) and Mariner Far East Limited (“MFE”) hold 234,065,000 shares and 96,990,000 shares of the Company respectively. HRL and MFE are wholly-owned by FSSA and FMH respectively. FSSA and FMH are wholly-owned by First Steamship. Therefore, First Steamship, FSSA and FMH are deemed to have an interest in the said shares in which HRL and MFE are interested.
2. Ms. Cheung Kit Shan Susanna is the spouse of Mr. Lee Wa Lun, Warren. By virtue of the SFO, Ms. Cheung Kit Shan Susanna is deemed to be interested in the shares of the Company held by Mr. Lee Wa Lun, Warren.
3. BH Equities holds 75,590,000 shares of the Company. BH Equities is wholly-owned by Mr. Lau. Therefore, Mr. Lau controlled 6.64% interest in the Company (inclusive of Mr. Lau’s and his spouse’s personal interests) and is deemed to have an interest in the said shares in which BH Equities is interested.
4. Reference is made to the section headed “Substantial Shareholders’ Interests in Securities” in the Report of the Directors set out in 2018/19 Annual Report and the public offer prospectus of the Company dated 28 June 2019, the percentage level of beneficial interests of Perfect Gate Holdings Limited (“Perfect Gate”) in the Company (interested in 230,000,000 shares of the Company as reported in its notification of disclosure of interest dated 8 December 2017) might be diluted from around 23% to even around 2% after Completion of the Capital Reorganisation, YM Subscription, the New Placing and the Public Offer and therefore ceased to have a notifiable interest. Although no notice about cessation or change of notifiable interest in the Company has been received from Perfect Gate, it is reasonable not to include it in the list of substantial shareholders above and in future until further notice has been received.

The information stated in Note 4 above is based on the public information and the available books and records of the Company provided by the Former Liquidators. No representation is made by the Company as to the accuracy and completeness of the information.

Save as disclosed above, the Board is not aware, as at 31 December 2019, of any person (who are not directors and chief executive of the Company) who had an interest (in long position) or short position in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company.

Note :

1. Heritage Riches Limited (「HRL」)及Mariner Far East Limited (「MFE」)分別持有本公司之234,065,000股股份及96,990,000股股份。HRL及MFE分別為FSSA及FMH全資擁有。FSSA及FMH皆由First Steamship全資擁有。因此，First Steamship被視為擁有該等由HRL及MFE擁有之股份權益。
2. 張潔珊女士為李華倫先生的配偶。根據證券及期貨條例，張潔珊女士被視作於李華倫先生所持有本公司股份中擁有權益。
3. BH Equities持有本公司75,590,000股股份。BH Equities由劉先生全資擁有。因此，劉先生控制本公司之6.64%權益(當中包括劉先生及其配偶之個人權益)及因此被視為擁有該等由BH Equities擁有之股份權益。
4. 茲提述二零一八/一九年報所載董事會報告中「主要股東之證券權益」一節及本公司於二零一九年六月二十八日之公開發售招股章程，緊隨股本重組，禹銘認購事項，新配售及公開發售完成後，Perfect Gate Holdings Limited (「Perfect Gate」)於本公司之實益權益(於二零一七年十二月八日之權益披露通知書報告擁有本公司230,000,000股股份的權益)百分比由約23.0%攤薄至2.0%及因此不再持有須予披露權益。雖然尚未收到Perfect Gate就股權終止或變動之通知，除非收到進一步通知，否則於上述及將來之主要股東列表中不包括其名字屬合理做法。

上述附註4之資料乃基於公開資料及前清盤人提供可獲得的本公司賬目及記錄。本公司並無就資料的準確性及完整性作出聲明。

除上文所披露者外，於二零一九年十二月三十一日，董事會並無知悉，任何人士(並非本公司董事及主要行政人員)於根據證券及期貨條例第336條須存置於登記冊的本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部條文須知會本公司之權益(或好倉)或淡倉，或直接或間接於任何類別股本中擁有附帶權利可在一切情況下於本公司股東大會上投票之面值5%或以上權益。

Report of the Directors (Continued)

董事會報告(續)

SHARE OPTION SCHEME

The Company adopted a share option scheme (“Old Share Option Scheme”) pursuant to a resolution passed at the extraordinary general meeting (“EGM”) of the Company held on 19 June 2013. The Old Share Option Scheme was terminated and a new share option scheme (the “New Share Option Scheme”) was adopted by the Company pursuant to a resolution passed at the EGM of the Company held on 22 May 2019. The New Share Option Scheme has a remaining life of approximately 9 years.

The New Share Option Scheme was adopted for the primary purpose of providing incentives or rewards to eligible persons for their contribution to the Group, which will expire on 21 May 2029. Under the New Share Option Scheme, the Company may grant options to any participant (“Participant(s)”) which includes (1) any employee (whether full-time or part-time) of the Group and any entity in which the Group holds any equity interest (“Invested Entity”); (2) any director (including executive, non-executive and independent non-executive directors) of the Group or any Invested Entity; (3) any supplier of goods or services to any member of the Group or any Invested Entity; (4) any customer of the Group or any Invested Entity; (5) any consultant, adviser, manager, officer or entity that provides research, development or other technological support to the Group or any Invested Entity; or (6) any person who, in the sole discretion of the Board, has contributed or may contribute to the Group or any Invested Entity eligible for options under the New Share Option Scheme.

The total number of shares in respect of which options may be granted under the New Share Option Scheme must not exceed 113,933,019 shares, being 10% of the shares of the Company in issue as at the date of resumption of trading (i.e. 26 July 2019). The total number of shares issued and to be issued upon exercise of the options granted and to be granted to a Participant in any 12-month period must not exceed 1% of the shares of the Company in issue. Any further grant of options in excess of the individual limit must be subject to shareholders’ approval.

購股權計劃

本公司曾根據一項本公司於二零一三年六月十九日舉行之股東特別大會(「股東特別大會」)上通過的決議案採納購股權計劃(「舊購股權計劃」)。本公司於二零一九年五月二十二日舉行之股東特別大會上通過決議案方式終止舊購股權計劃及採納新購股權計劃(「新購股權計劃」)。新購股權計劃之剩餘年期約為9年。

採納新購股權計劃主要目的旨在鼓勵或獎勵合資格人士對本集團所作出的貢獻，該計劃將於二零一九年五月三十一日屆滿。根據新購股權計劃，本公司可向任何參與者(「參與者」)授出購股權，其中包括：(1)本集團及本集團於其中持有任何股權之任何實體(「投資實體」)的任何僱員(不論全職或兼職僱員)；(2)本集團或任何投資實體的任何董事(包括執行、非執行及獨立非執行董事)；(3)本集團任何成員公司或任何投資實體的任何商品或服務供應商；(4)本集團或任何投資實體的任何客戶；(5)任何向本集團或任何投資實體提供研究、開發或其他技術支援的顧問、諮詢人士、經理、高級職員或實體；或(6)獲董事會全權酌情認為已經或可能對本集團或任何投資實體有貢獻或可能有貢獻而有資格獲得新購股權計劃項下購股權的任何人士。

就根據新購股權計劃可能授出的購股權的股份總數合共不得超過113,933,019股，即於恢復買賣日期(即二零一九年七月二十六日)本公司已發行股份之10%。於任何12個月期間，向參與者已授出及將予授出之購股權獲行使發行及將予發行的股份總數不得超過本公司已發行股份的1%。授出超出個人限額的任何額外購股權須獲股東批准。

Options granted must be taken up within 21 business days from the offer date, upon payment of HK\$1.00 per offer of grant of an option. Option may be exercised after it has vested at any time during the period to be notified by the Board (as defined in the New Share Option Scheme) at the time of the grant of the option but shall end in any event not later than 10 years from the offer date, subject to the provisions for early termination of the New Share Option Scheme. The Subscription Price shall be determined by the Board (as defined in the New Share Option Scheme) and notified to a Participant and shall not be less than the higher of (a) the closing price of the shares as stated in the Stock Exchange's daily quotation sheets on the offer date, which must be a business day; (b) the average closing price of the shares as stated in the Stock Exchange's daily quotation sheets for the five consecutive business days immediately preceding the offer date; and (c) the nominal value of the shares.

During the six-month period from 1 July 2019 to 31 December 2019 and the year ended 30 June 2019, no share option was granted, exercised, cancelled, lapsed or outstanding under the Old Share Option Scheme and the New Share Option Scheme.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed shares during the six-month period from 1 July 2019 to 31 December 2019.

RELATED PARTY TRANSACTIONS

Details of the related party transaction are set out in Note 35 to the consolidated financial statements.

CONNECTED TRANSACTIONS

During the six-month period from 1 July 2019 to 31 December 2019, the Board is not aware of any connected transactions or continuing connected transactions made for the six-month period from 1 July 2019 to 31 December 2019.

PRE-EMPTIVE RIGHTS

The Company has no pre-emptive rights existing.

PUBLIC FLOAT

Based on the information available, as at the date of this report, the Company has maintained sufficient public float.

CORPORATE GOVERNANCE

A detailed Corporate Governance Report is set out on pages 38 to 54 of the Annual Report.

授出的購股權須於授出日期起21個營業日內獲接納，並支付每份授出購股權要約1.00港元的費用。購股權可於其歸屬後，在董事會(定義見新購股權計劃)授出購股權時知會的期間內任何時間行使，惟於任何情況下，於授出日期10年內屆滿，並可根據有關條文提早終止新購股權計劃。認購價由董事會(定義見新購股權計劃)釐定，並知會參與者，惟不得低於下列各項的最高者：(a)於授出日期(必須為營業日)聯交所每日報價表所報股份收市價；(b)緊接授出日期前五個連續營業日聯交所每日報價表所報股份平均收市價；及(c)股份面值。

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間及截至二零一九年六月三十日止年度，概無任何購股權根據舊購股權計劃及新購股權計劃獲授出、行使、註銷、失效或尚未行使。

購買、出售或贖回本公司上市證券

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市股份。

關聯方交易

與有關連人士之交易的詳情載於綜合財務報表附註35。

關連交易

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，董事會並不知悉於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間訂立任何關連交易或持續關連交易。

優先購買權

根據可獲得的資料，本公司並無存在優先購買權。

公眾持股量

根據可獲得的資料，於本報告日期，本公司已維持充足公眾持股量。

企業管治

企業管治報告詳情載列於年報第38頁至第54頁。

Report of the Directors (Continued) 董事會報告(續)

EVENTS AFTER THE REPORTING PERIOD

Impact of Novel Coronavirus Outbreak to the Group

Since January 2020, the outbreak of Novel Coronavirus ("COVID-19") has dealt a big blow to the global business environment. Up to the date of this annual report, COVID-19 has not resulted in material negative impact on the Group. In view of the development and spread of COVID-19 subsequent to the date of this annual report, further changes in economic conditions for the Group arising thereof may have negative impact on the financial results of the Group, the extent of which could not be estimated as at the date of this annual report. The Group will keep continuous attention to the situation of the COVID-19 and react actively to its impact on the financial position and operating results of the Group.

AUDITOR

BDO was appointed as auditors of the Company on 25 November 2019 upon the retirement of ZHONGHUI ANDA CPA Limited ("ZHONGHUI ANDA") with effect from that date. ZHONGHUI ANDA was the auditor of the Company for the financial years ended 30 June 2017, 2018 and 2019.

The accompanying financial statements for the six-month period from 1 July 2019 to 31 December 2019 were audited by BDO who will retire and, being eligible, offer itself for re-appointment. A resolution for its reappointment as auditor of the Company will be proposed at the AGM.

INDEPENDENT AUDITOR'S REPORT ON THE COMPANY'S CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD FROM 1 JULY 2019 TO 31 DECEMBER 2019

As disclosed in sections headed "Disclaimer of Opinion" in independent auditor's report contained on pages 61 to 67 of this report, the auditor of the Company issued a disclaimer of opinion on the consolidated financial statements of the Group for the six-month period from 1 July 2019 to 31 December 2019 in relation to (1) deconsolidation of companies; (2) convertible bonds; (3) limitation of scope of work on certain liabilities; (4) gain on debt restructuring; (5) warrant reserve; and (6) comparative information.

報告期後事件

新型冠狀病毒疫情爆發對本集團的影響

自二零二零年一月起，新型冠狀病毒(「COVID-19」)疫情的爆發對全球營商環境造成重大打擊。截至本報告日期，COVID-19概無對本集團造成重大不利影響。鑒於COVID-19於本報告日期後的發展及蔓延情況，如本集團的經濟狀況因此出現進一步變動，則本集團的業績或會受到影響，惟於本年報日無法估計有關影響程度。本集團將會繼續留意COVID-19的疫情狀況，亦會積極應對有關情況對本集團財務狀況及經營業績的影響。

核數師

自中匯安達會計師事務所有限公司(「中匯安達」)退任，於二零一九年十一月二十五日香港立信德豪獲委任為本公司核數師即時生效。中匯安達為本公司截至二零一七年、二零一八年及二零一九年六月三十日止財政年度之核數師。

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間之財務報表經由香港立信德豪審核。香港立信德豪服務期滿，惟將合資格重選並願意獲重新委任。關於其繼任本公司核數師之決議案將於股東週年大會上提呈。

有關本公司於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間之綜合財務報表之獨立核數師報告

誠如本報告第61頁至第67頁所載獨立核數師報告「拒絕發表意見」一節所披露，本公司核數師就本集團於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間之綜合財務報表出具拒絕發表意見，內容有關(1)不再綜合計算公司；(2)可換股債券；(3)若干負債工作範圍的局限性；(4)債務重組收益；(5)認股權證儲備；及(6)比較資料。

THE VIEW OF THE MANAGEMENT OF THE COMPANY, THE AUDIT COMMITTEE AND THE BOARD ON THE AUDITORS' OPINION

As disclosed in section headed "Disclaimer of Opinion" in Independent Auditor's Report on the Group's Consolidation Financial Statements for the six-month period from 1 July 2019 to 31 December 2019 on pages 61 to 67 of this Annual Report, the auditor of the Company issued a disclaimer of opinion on the consolidated financial statements of the Group for the six-month period from 1 July 2019 to 31 December 2019 in relation to (1) deconsolidation of companies; (2) convertible bonds; (3) limitation of scope of work on certain liabilities; (4) gain on debt restructuring; (5) warrant reserve; and (6) comparative information (collectively, the "Audit Modifications").

It should be noted that the Audit Modifications were related to the financial information on or before completion of the group restructuring which took place on 25 July 2019.

As advised by BDO, the independent auditors of the Company, the Group's financial information of the corresponding period (six-month period from 1 July 2019 to 31 December 2019) will be required to be disclosed as comparative figures ("2019 Comparative Figures") in the consolidated financial statements of the Group for the year ending 31 December 2020. BDO expects to issue qualified opinion on the Group's consolidated financial statements for the year ending 31 December 2020 on the comparability of the related 2019 Comparative Figures and current year's figures in the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows and the respective disclosures of the consolidated financial statements for the year ending 31 December 2020 arising from the audit scope limitations on the audit of consolidated financial statements for the six-month period from 1 July 2019 to 31 December 2019. In addition, since there will be no 2019 Comparative Figures contained in the consolidated financial statements for the year ending 31 December 2021, the qualified opinion in the independent auditors' report will be removed in respect of the Group's consolidated financial statements for the year ending 31 December 2021.

Based on the above-mentioned information, the management of the Company, the audit committee of the Company and the Board agree with the view of BDO that the Group's affairs on or before completion of the Group's restructuring which led to the Audit Modifications have no on-going effect on the Group's consolidated financial information in future reporting periods.

By order of the Board
Da Yu Financial Holdings Limited

Lee Wa Lun, Warren
Managing Director

Hong Kong, 26 March 2020

本公司管理層、審核委員會及董事會對核數師意見的看法

誠如本年報第61頁至第67頁本集團於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間綜合財務報表之獨立核數師報告「拒絕發表意見」一節所披露，本公司核數師就本集團於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間之綜合財務報表出具拒絕發表意見，內容有關(1)不再綜合計算公司；(2)可換股債券；(3)若干負債工作範圍的局限性；(4)債務重組收益；(5)認股權證儲備；及(6)比較資料(統稱「審核修改」)。

務請注意，審核修改與本集團重組於二零一九年七月二十五日完成時或之前財務資料有關。

據本公司獨立核數師香港立信德豪告知，本集團比較期間(於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間)的財務資料將須於本公司截至二零二零年十二月三十一日止年度的綜合財務報表中披露為比較數字(「二零一九年比較數字」)。香港立信德豪預期由於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間綜合財務報表審計的審計範圍局限性所以導致對截至二零二零年十二月三十一日止年度綜合財務報表之綜合損益及其他全面收益表、綜合權益變動表、綜合現金流量表及各自披露中相關二零一九年比較數字與本年度數字的可比性發表保留意見。此外，由於截至二零二一年十二月三十一日止年度的綜合財務報表中不包括二零一九年比較數字，獨立核數師報告中有關本集團截至二零二一年十二月三十一日止年度綜合財務報表的保留意見將會移除。

基於上述資料，本公司管理層、本公司之審核委員會及董事會與香港立信德豪一致認為，該等導致審核修改之本集團重組完成時或之前之集團事務並不會對本集團未來報告期間的綜合財務資料有持續影響。

承董事會命
大禹金融控股有限公司

李華倫
董事總經理

香港，二零二零年三月二十六日

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE

The joint and several liquidators (the “Former Liquidators”) were appointed on 17 August 2015 pursuant to an Order of the High Court of Hong Kong. Since the appointment of the Former Liquidators, it was found that certain books and records of Da Yu Financial Holdings Limited (the “Company”) and its subsidiaries cannot be obtained and accessed during the period from 17 August 2015 to 25 July 2019 (the “Corporate Governance Period before Resumption”). The current Directors were appointed on 25 and 26 July 2019 and 23 December 2019.

The current board of Directors of the Company (the “Board”) believes that corporate governance is essential to the success of the Company and has adopted various measures to ensure that a high standard of corporate governance is maintained. With effect from 26 July 2019, the Company has applied the principles (the “Principles”) and adopted code provisions (the “Code Provisions”) set out in the Corporate Governance Code and Corporate Governance Report (the “CG Code”) in Appendix 14 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) as its own code on corporate governance practices. The current practices will be reviewed and updated regularly to follow the latest practices in corporate governance.

During the six-month period from 1 July 2019 to 31 December 2019, except for the Corporate Governance Period before Resumption, the Company has complied with the Principles and the Code Provisions as set out in the CG Code, except for the following:

- (a) Given the winding up and restructuring of the Company, all former directors retired on 12 June 2019. The current Directors were appointed on 25 and 26 July 2019 and 23 December 2019. Accordingly, the Company has no director, thus has no chairman and no chief executive from 1 July 2019 to 24 July 2019. Since the Company has no director from 1 July 2019 to 24 July 2019, the audit committee, nomination committee and remuneration committee have not been maintained from 1 July 2019 to 25 July 2019 and therefore the Company was unable to comply with relevant Code Provisions under Sections A, B, C, D, E and F of the CG Code.
- (b) An issuer must include at least three independent non-executive directors, with at least one of the independent non-executive directors having appropriate professional qualifications or accounting or related financial management expertise, and the number of independent non-executive directors must represent at least one-third of the Board pursuant to the Rules 3.10(1) and (2), and 3.10A of Listing Rules. Based on the information available, following to the retirement of Ms. Zhao Jianhua on 12 June 2019 and the resignation of Mr. Li Yik Sang on 18 June 2014, Mr. Cheung Ka Yue on 14 November 2014, Mr. Zhang Shaosheng on 19 November 2014 and Mr. Wong Kin Tak on 9 February 2015, there was no independent non-executive director on the Board from 1 July 2019 to 25 July 2019.

企業管治

共同及各別清盤人(「前清盤人」)於二零一五年八月十七日根據香港高等法院的命令獲委任。自委任前清盤人起，發現由二零一五年八月十七日至二零一九年七月二十五日期間(「恢復上市前之企業管治期間」)無法取得及閱覽大禹金融控股有限公司(「本公司」)及其附屬公司的若干賬目及記錄。現任董事於二零一九年七月二十五日及二十六日及二零一九年十二月二十三日獲委任。

本公司現行董事會(「董事會」)深信企業管治為本公司成功的關鍵，並已採取各項措施，以確保維持高標準的企業管治。自二零一九年七月二十六日起，本公司已採用香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄14所載之企業管治守則及企業管治報告(「企管守則」)的原則(「原則」)及採納守則條文(「守則條文」)為其企業管治常規。本公司將定期檢討及更新現行的常規，以追隨企業管治的最新發展。

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，根據獲得的有限資料，本公司似乎遵守企管守則所規定的企業管治報告所載原則及守則條文，惟下列除外：

- (a) 鑒於本公司清盤及重組，所有前董事已於二零一九年六月十二日退任。現任董事已於二零一九年七月二十五日及二十六日及二零一九年十二月二十三日獲委任。因此，本公司由二零一九年七月一日至二零一九年七月二十四日並無董事，故並無主席及亦無主要行政人員。由於本公司由二零一九年七月一日至二零一九年七月二十四日並無董事，故於由二零一九年七月一日至二零一九年七月二十五日並無設立審核委員會、提名委員會及薪酬委員會，因此本公司無法遵守企管守則之相關守則條文第A、B、C、D、E及F節。
- (b) 根據上市規則第3.10(1)及(2)以及3.10A條，發行人必須包括最少三名獨立非執行董事，而最少一名獨立非執行董事具備合適的專業資格或會計或相關財務管理專業知識，且獨立非執行董事佔董事會最少三分之一人數。根據可得之資料，趙建華女士於二零一九年六月十二日退任及李奕生先生於二零一四年六月十八日辭任、張嘉裕先生於二零一四年十一月十四日辭任、張紹升先生於二零一四年十一月十九日辭任及黃健德先生於二零一五年二月九日辭任後，由二零一九年七月一日至二零一九年七月二十五日，董事會並無任何獨立非執行董事。

- (c) The audit committee should comprise non-executive directors only pursuant to Rule 3.21 of the Listing Rules. Following to the winding up of the Company, the Company has only one independent non-executive director who retired on 12 June 2019. The Company has no directors from 1 July 2019 to 24 July 2019 and therefore the audit committee has not been maintained from 1 July 2019 to 25 July 2019.
- (d) An issuer's management should ensure the external auditor attend the annual general meeting to answer questions about the conduct of the audit, the preparation and content of the auditors' report, the accounting policies and auditor's independence (under code Provision E.1.2). The management had requested the representative of auditors to attend the annual general meeting of the Company ("AGM") held on 25 November 2019. However, the representative of auditor was absent from the AGM as he passed away on the same date.

The exceptions (a) to (c) above occurred during the Corporate Governance Period before Resumption.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

During the six-month period from 1 July 2019 to 31 December 2019, the Company had adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as the code of conduct regarding securities transactions by the Directors. Due to the non-cooperation of the former Directors of the Company, the Company was unable to confirm whether the former Directors of the Company had complied with the required standard set out in the Model Code for period from 1 July 2019 to 24 July 2019.

Having made specific enquiry of all current Directors, the Company confirmed that all current Directors have complied with the required standards as set out in the Model Code during the six-month period from 1 July 2019 to 31 December 2019, except for the Corporate Governance Period before Resumption.

BOARD OF DIRECTORS

For the period from 1 July 2019 to 24 July 2019, the Company has no director. All executive directors, Ms. Chen Xiao Fang, Mr. Zhang Liang and Mr. Xu Jiangtao and independence non-executive director Ms. Zhao Jianhua retired on 12 June 2019. After the Resumption of the Company, the current Directors were appointed on 25 and 26 July 2019 and 23 December 2019.

Except for the Corporate Governance Period before Resumption, during the six-month period from 1 July 2019 to 31 December 2019, the roles of the Chairman of the Company and the Managing Director of the Group are not exercised by the same individual.

- (c) 根據上市規則第3.21條，審核委員會應僅由非執行董事組成。於本公司清盤後，本公司僅有一名獨立非執行董事，而彼於二零一九年六月十二日退任。本公司由二零一九年七月一日至二零一九年七月二十四日並無任何董事，及因此由二零一九年七月一日至二零一九年七月二十五日並無設立審核委員會。
- (d) 發行人之管理層應確保外聘核數師出席股東週年大會，回答有關審計工作，編制核數師報告及其內容，會計政策以及核數師的獨立性等問題(根據守則條文E.1.2)。管理層已要求核數師代表出席本公司於二零一九年十一月二十五日舉行之股東週年大會。然而，核數師的代表因於同日辭世而缺席該股東週年大會。

除上述(a)至(c)於恢復上市前之企業管治期間發生。

董事進行證券交易的標準守則

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，本公司已採納上市規則附錄10所載之上市發行人董事進行證券交易的標準守則(「標準守則」)作為董事進行證券交易之行為守則。由於本公司前董事不合作，本公司無法確認本公司前董事由二零一九年七月一日至二零一九年七月二十四日期間內是否已遵守標準守則所載的規定標準。

經向全體現任董事個別作出查詢後，本公司確認全體現任董事在於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間內已遵守標準守則所載的規定，恢復上市前之企業管治期間除外。

董事會

於二零一九年七月一日起至二零一九年七月二十四日止期間，本公司並無任何董事。所有執行董事陳小芳女士、張良先生及許江濤先生及獨立非執行董事趙建華女士於二零一九年六月十二日退任。於本公司復牌後，現任董事於二零一九年七月二十五日及二十六日及二零一九年十二月二十三日獲委任。

除恢復上市前之企業管治期間，於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，本公司主席及本集團董事總經理的職務並非同一人擔任。

Corporate Governance Report (Continued)

企業管治報告(續)

Subsequent to the Resumption of the Company on 26 July 2019, the Company has adopted a system of corporate governance. The Company has observed the CG Code and appointed three independent non-executive directors and two non-executive directors constituting not less than one-third of the members of the Board upon Resumption. The composition of the Board is as follows:

Executive Directors:

Mr. Lee Wa Lun, Warren (Managing Director) (appointed on 25 July 2019)
Mr. Lam Chi Shing (appointed on 25 July 2019)
Ms. Li Ming (appointed on 25 July 2019)

Non-Executive Directors:

Mr. Li Chi Kong (Chairman) (appointed on 25 July 2019)
Mr. Kuo Jen-Hao (appointed on 23 December 2019)

Independent Non-Executive Directors:

Mr. Chan Sze Chung (appointed on 26 July 2019)
Mr. Suen Chi Wai (appointed on 26 July 2019)
Mr. Sum Wai Kei, Wilfred (appointed on 26 July 2019)

The independent non-executive directors comprised top-notch professionals (one lawyer, one accountant and one senior investment banker) who are capable of safeguarding the corporate governance of the Company and protecting the interest of all shareholders. Biographical details of the Directors of the Company are set out on pages 19 to 24.

There is no relationship (including financial, business, family or other material/relevant relationship) between any members of the Board and in particular, between the Chairman and the Managing Director.

All Directors have access to the services of the company secretary who regularly updates the Board on governance and regulatory matters. Any Director and member of the audit committee, nomination committee and remuneration committee of the Company may take independent professional advice if they so wish at the expense of the Company, as arranged by the company secretary.

The Board has had regular Board meetings in accordance with the CG Code.

本公司於二零一九年七月二十六日復牌後，本公司已採納一套企業管治制度。本公司已遵照企管守則並委任三名獨立非執行董事及兩名非執行董事，構成復牌後不少於董事會之三分之一成員。董事會組成如下：

執行董事：

李華倫先生(董事總經理)(二零一九年七月二十五日獲委任)
林志成先生(二零一九年七月二十五日獲委任)
李銘女士(二零一九年七月二十五日獲委任)

非執行董事：

李志剛先生(主席)(二零一九年七月二十五日獲委任)
郭人豪先生(二零一九年十二月二十三日獲委任)

獨立非執行董事：

陳思聰先生(二零一九年七月二十六日獲委任)
孫志偉先生(二零一九年七月二十六日獲委任)
岑偉基先生(二零一九年七月二十六日獲委任)

獨立非執行董事由優秀專業人員(一名律師、一名會計師及一名資深投資銀行家)組成，彼等有能力保障本公司的企業管治及保護全體股東的利益。本公司董事的履歷詳情載列於第19至24頁。

任何董事會成員間，尤其是董事長與董事總經理之間並無關係(包括財務、業務、家族或其他重大/相關關係)。

公司秘書負責定期為董事會更新有關管治及監管事宜，全體董事均可獲取有關資料。本公司任何董事及審核委員會成員、提名委員會成員及薪酬委員會成員如欲獲取獨立專業建議，可由本公司負責有關費用，並透過公司秘書安排下進行。

董事會已依從企管守則之規定舉行董事會定期會議。

Attendance of individual Directors at Board meetings for the six-month period from 1 July 2019 to 31 December 2019:

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，董事會會議個別董事的出席率：

Number of regular meetings

定期會議次數

2

Executive Directors

執行董事

Mr. Lee Wa Lun, Warren (Managing Director) (appointed on 25 July 2019) 李華倫先生(董事總經理)(二零一九年七月二十五日獲委任)	2/2	100%
Mr. Lam Chi Shing (appointed on 25 July 2019) 林志成先生(二零一九年七月二十五日獲委任)	2/2	100%
Ms. Li Ming (appointed on 25 July 2019) 李銘女士(二零一九年七月二十五日獲委任)	2/2	100%

Non-Executive Directors

非執行董事

Mr. Li Chi Kong (Chairman) (appointed on 25 July 2019) 李志剛先生(主席)(二零一九年七月二十五日獲委任)	2/2	100%
Mr. Kuo Jen-Hao (appointed on 23 December 2019) 郭人豪先生(二零一九年十二月二十三日獲委任)	N/A 不適用	N/A 不適用

Independent Non-Executive Directors

獨立非執行董事

Mr. Chan Sze Chung (appointed on 26 July 2019) 陳思聰先生(二零一九年七月二十六日獲委任)	2/2	100%
Mr. Suen Chi Wai (appointed on 26 July 2019) 孫志偉先生(二零一九年七月二十六日獲委任)	2/2	100%
Mr. Sum Wai Kei, Wilfred (appointed on 26 July 2019) 岑偉基先生(二零一九年七月二十六日獲委任)	2/2	100%

Due to change of financial year end from 30 June to 31 December as announced by the Company on 10 October 2019, 2 regular Board meetings had been held for the six-month period from 1 July 2019 to 31 December 2019 at approximately quarterly intervals. At least 14 days' notice of a regular Board meeting is given to all Directors to provide them with an opportunity to attend and all Directors are given an opportunity to include matters in the agenda for a regular meeting. Board papers are despatched to the Directors at least 3 days before the meeting to ensure that they have sufficient time to review the papers and be adequately prepared for the meeting.

由於本公司於二零一九年十月十日公佈財政年度結算日由六月三十日變更為十二月三十一日，於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間舉行兩次董事會定期會議，大約每季一次。董事會定期會議前須向所有董事發出至少14日之通知，讓彼等有機會出席會議，而所有董事均有機會在例會議程內加入事項。董事會文件須於會議前至少3天送交董事，以確保彼等擁有足夠時間審閱文件及為會議作出充份準備。

(a) Roles and Responsibilities of the Board and Management

The Board is responsible for running the Group and drawing up the strategies to be adopted. It ensures that proper risk management and internal control systems are in place and that the Group's business conforms to applicable laws and regulations.

The Board may delegate any of its powers, authorities and discretion to committees consisting of such Director or Directors and other persons as the Board thinks fit, and it may from time to time revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes, but every committee so formed must, in the exercise of the powers, authorities and discretion so delegated, conform to any regulations that may from time to time be imposed upon it by the Board.

(a) 董事會及管理層之角色及職責

董事會負責運營本集團及制訂將由董事會採納的策略。彼等確保已實施適當的風險管理及內部監控制度及本集團的業務符合適用法律及法規。

董事會可授出權力、權限及酌情權予董事會認為合適的相關董事或董事或其他人士所組成的委員會，並可不時全部或部分(不論就人士或任何目的)撤銷有關授權或任命及解散任何該等委員會，惟據此成立的各個委員會，在行使所獲授權力、權限及酌情權時須遵守董事會不時施加的任何規例。

Corporate Governance Report (Continued)

企業管治報告(續)

During regular meetings of the Board, the Board discusses and formulates the overall strategies of the Group, monitors financial and investment performances and discusses and approves the annual results, discusses and decides on other significant matters, if necessary.

The Company has arranged appropriate directors and officers liability insurance coverage for the Directors and officers of the Company.

Director's training is an ongoing process. During the six-month period from 1 July 2019 to 31 December 2019, the management had provide all members of the Board with monthly updates giving a balanced and understandable assessment of the Company's performance, position and prospects in sufficient detail to enable the Board as a whole and each Director to discharge their duties under the Listing Rules. The Company had funded training courses during the period and will continue to arrange and/or funding training opportunities in respect of the roles, functions and duties of Directors upon requested by Directors. The Company had received record of trainings from each Director relating to development and refreshment of their knowledge and skills. The participation by individual Directors in the continuous professional development during the period is recorded in the table below:

於董事會定期會議上，董事會討論及為本集團制定整體策略、監察財務及投資表現、討論及批准年度業績，討論及決策其他重大事項(如需)。

本公司已就本公司董事及高級職員的責任作出適當之投保安排。

董事培訓為持續進行的過程。於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，管理層已向董事會全體成員提供每月更新，就本公司之表現、狀況及前景作出平衡及容易理解的詳細評估，讓董事會全體成員及每名董事根據上市規則履行其職務。本公司期內曾資助培訓課程，如董事要求，本公司將繼續安排及/或資助有關董事之角色、功能及職務的培訓機會。本公司已接獲各董事有關發展及更新其知識及技能的培訓記錄。下表列出個別董事於期內參與持續專業發展的記錄：

Directors	Reading regulatory or monthly updates/ attending in-house briefings	Attending expert briefings/seminars/conferences relevant to the business or directors' duties or risk management or taxation or financial reporting
董事	閱覽法規最新資訊或每月更新資料/出席內部簡介會	參與有關業務或董事職責或風險管理或稅務或財務匯報之專家簡介會/座談會/會議
Executive Directors		
執行董事		
Mr. Lee Wa Lun, Warren (Managing Director) (appointed on 25 July 2019) 李華倫先生(董事總經理)(二零一九年七月二十五日獲委任)	✓	✓
Mr. Lam Chi Shing (appointed on 25 July 2019) 林志成先生(二零一九年七月二十五日獲委任)	✓	✓
Ms. Li Ming (appointed on 25 July 2019) 李銘女士(二零一九年七月二十五日獲委任)	✓	✓
Non-Executive Directors		
非執行董事		
Mr. Li Chi Kong (Chairman) (appointed on 25 July 2019) 李志剛先生(主席)(二零一九年七月二十五日獲委任)	✓	✓
Mr. Kuo Jen-Hao (appointed on 23 December 2019) 郭人豪先生(二零一九年十二月二十三日獲委任)	-	✓
Independent Non-Executive Directors		
獨立非執行董事		
Mr. Chan Sze Chung (appointed on 26 July 2019) 陳思聰先生(二零一九年七月二十六日獲委任)	✓	✓
Mr. Suen Chi Wai (appointed on 26 July 2019) 孫志偉先生(二零一九年七月二十六日獲委任)	✓	✓
Mr. Sum Wai Kei, Wilfred (appointed on 26 July 2019) 岑偉基先生(二零一九年七月二十六日獲委任)	✓	-

All responsible officers and licensed representatives of Yu Ming Investment Management Limited, the wholly-owned subsidiary of the Company, three of which are Executive Directors of the Company, are also required to undertake a sufficient number of hours of continuous professional training in order to maintain their Securities and Futures Commission licences to carry on regulated activities.

The Board is also responsible for performing the corporate governance duties as required under the CG Code. The major roles and functions of the Board in respect of the corporate governance are:

- to develop and review the Company's policy and practices on corporate governance;
- to review and monitor the training and continuous professional development of Directors and senior management;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual applicable to employees and Directors; and
- to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

The Board had considered the following corporate governance matters for the six-month period from 1 July 2019 to 31 December 2019:

- adoption of relevant policies and procedures after the Resumption;
- review of all policies and practices adopted by the Company including, inter alia, shareholders communication policy, etc; and
- review of the compliance with the CG Code.

(b) Chairman and Managing Director

The Chairman of the Board is responsible for the leadership and effective running of the Board.

The position of Managing Director is delegated with the authorities to manage the Group's business in all aspects effectively, implement major strategies, make day-to-day decision and coordinate overall business operation.

本公司全資附屬公司禹銘投資管理有限公司的全部負責人員及持牌代表(其中三位亦為本公司的執行董事)亦須接受足夠小時的持續專業培訓，以維持其證券及期貨事務監察委員會執照可從事受規管活動。

董事會亦須根據企管守則之規定履行企業管治責任。董事會就企業管治之主要角色及職能為：

- 發展及檢討本公司政策及企業管治常規；
- 檢討及監察董事及高級管理人員之培訓及持續專業發展；
- 檢討及監察本公司政策及常規符合法例及監管規定的情況；
- 發展、檢討及監察適用於員工及董事之行為守則及遵例手冊；及
- 檢討本公司符合企管守則及企業管治報告之披露情況。

董事會就於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間已審議以下企業管治事項：

- 復牌後，採納相關政策及程序；
- 檢討本公司採納的所有政策及常規其中包括，股東通訊政策等；及
- 檢討符合企管守則之情況。

(b) 主席及董事總經理

董事會主席負責領導及有效管理董事會。

董事總經理一職獲授予職權以有效方式管理本集團業務之所有方面、執行重要策略、作出日常決定及協調整體業務運作。

Corporate Governance Report (Continued)

企業管治報告(續)

(c) Terms of appointment and re-election of Directors

Non-Executive Directors (including Independent Non-Executive Directors) of the Company have a specific term of appointment for three years, subject to retirement and re-election in accordance with the articles of association of the Company. At each AGM, one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years.

The Company has formal letters of appointment or service agreement for Directors setting out the key terms and conditions of their appointment.

Board Committees

The Board is supported by three sub-committees, namely the audit committee, remuneration committee and nomination committee to assist the Board in discharging its responsibilities and to enhance the Group's corporate governance framework. Each committee has its own defined terms of reference which clearly states the corresponding roles and responsibilities.

Audit Committee

An audit committee of the Board has been set up with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code. The primary duties of the audit committee are mainly to make recommendations to the Board on the appointment, re-appointment and removal of external auditor, review financial statements and oversee financial reporting system and internal control procedures of the Company. The term of reference of the audit committee has been published on the website of the Company and the website of the Stock Exchange on 25 July 2019.

The audit committee consists of Mr. Chan Sze Chung, Mr. Li Chi Kong, Mr. Suen Chi Wai, Mr. Sum Wai Kei, Wilfred and Mr. Kuo Jen-Hao. Mr. Chan Sze Chung has been appointed as the chairman of the audit committee.

The audit committee is provided with sufficient resources to discharge its duties and has access to independent professional advice according to the Company's policy if considered necessary.

The major roles and functions of the audit committee are:

- to recommend to the Board on the appointment, reappointment and removal of the external auditor, to approve the remuneration and terms of engagement of the external auditor, and to consider any questions of resignation or dismissal of the auditor;
- to consider and discuss with external auditor the nature and scope of each year's audit;
- to review and monitor the external auditor's independence and objectivity;

(c) 董事之委任年期及重選董事

本公司之非執行董事(包括獨立非執行董事)獲委任為期三年之指定任期，惟須根據本公司組織章程細則退任及接受重選。於每屆股東週年大會上，當時三分之一人數之董事或(倘其人數並非三或三之倍數)最接近但不少於三分之一人數應輪值退任，惟每名董事須至少每三年退任一次。

本公司有正式之董事委任書或服務協議，訂明有關委任之主要條款及條件。

董事委員會

董事會獲旗下三個委員會支持，即審核委員會、薪酬委員會及提名委員會，以協助董事會履行其職責及提升本集團企業管治架構。各委員會均制訂其本身的職權範圍，當中清楚載明相應職務及職責。

審核委員會

於本報告日期，董事會審核委員會已遵照上市規則第3.21條及企管守則制訂書面職權範圍。審核委員會的主要職責主要包括就委任、重新委任及罷免外聘核數師向董事會提出建議、審閱財務報表及監督本公司財務申報制度及內部監控程序。審核委員會的職權範圍已於二零一九年七月二十五日刊登於本公司網站及聯交所網站。

審核委員會包括陳思聰先生、李志剛先生、孫志偉先生、岑偉基先生及郭人豪先生。陳思聰先生已獲委任為審核委員會主席。

審核委員會獲提供充裕資源以履行其職務，並可按本公司政策在有需要時尋求獨立專業意見。

審核委員會之主要角色及職能為：

- 向董事會提出建議有關外聘核數師之委任、重新委任及罷免，以及批准外聘核數師之薪酬及聘用條款，並考慮任何有關該核數師辭任或辭退該核數師之問題；
- 考慮及與外聘核數師討論每年核數之性質及範疇；
- 檢討及監察外聘核數師之獨立性及客觀性；

- (d) to review the interim and annual consolidated financial statements before submission to the Board;
- (e) to discuss any problems and reservation arising from the interim review and final audit, and any matters the external auditor may wish to discuss;
- (f) to review the external auditor's management letters (if any) and management's response; and
- (g) to review the Group's financial controls, risk management and internal control systems.

The works of the audit committee during the period under review included:

- (a) reviewing annual results for the year ended 30 June 2019;
- (b) discussing with the management of the Company and the Former Liquidator over the completeness, fairness and adequate accounting standards and policies of the Group in the preparation of the annual financial statements for the year ended 30 June 2019;
- (c) reviewing and discussing with the external auditor over the financial reporting of the Company;
- (d) reviewing and approving the 2019 audit scope and fees;
- (e) recommending to the Board, for the approval by the shareholders of the Company (the "Shareholders"), of the appointment of the external auditor;
- (f) appointing the internal audit adviser and setting its audit scope and fee; and
- (g) reviewing the arrangement (including investigation and following up action, if any) under the whistle blower policy.

As at 31 December 2019, the arrangement for employees of the Group to raise concerns about possible improprieties in financial reporting, internal control and other matters through whistle blower policy is in place. No reporting had been received by audit committee during the six-month period from 1 July 2019 to 31 December 2019.

During the six-month period from 1 July 2019 to 31 December 2019, the audit committee members met 1 time with external auditor. Each committee meeting was supplied with the necessary financial information of the Group for enabling the members to consider, review and assess matters of significance arising from the work conducted.

- (d) 於中期及全年綜合財務報表提交董事會前先行審閱；
- (e) 商議就中期審閱及年終審核而產生之任何問題及保留事項，及外聘核數師擬商討之任何事宜；
- (f) 審閱外聘核數師致管理層之函件(如有)及管理層之回應；及
- (g) 檢討本集團之財務監控、風險管理及內部監控系統。

審核委員會於回顧期內之工作包括：

- (a) 審閱本集團之截至二零一九年六月三十日止年度全年業績；
- (b) 在編製截至二零一九年六月三十日止年度財務報表時，與本公司管理層及前清盤人討論本集團之會計準則及政策是否完整、公平及足夠；
- (c) 與外聘核數師審閱及討論本公司之財務報告事宜；
- (d) 檢討及批准二零一九年審核範疇及費用；
- (e) 向董事會推薦委任外聘核數師，以待本公司股東(「股東」)批准；
- (f) 委任內部核數顧問及訂定其審核範疇及費用；及
- (g) 審閱舉報政策之安排(包括調查及跟進行動，如有)。

於二零一九年十二月三十一日，已有透過舉報政策之安排，讓本集團員工可就財務報告、內部監控及其他事項可能存在不妥之處提出關注之部署。於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，審核委員會並無接獲任何舉報。

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，審核委員會成員與外聘核數師共召開一次會議。每次委員會會議均獲提供必須之本集團財務資料，供成員考慮、檢討及評審工作中涉及之重大事宜。

Corporate Governance Report (Continued) 企業管治報告(續)

Attendance of individual members of audit committee at audit committee meetings during the six-month period from 1 July 2019 to 31 December 2019:

Number of meetings

會議次數	1	
Mr. Chan Sze Chung (Chairman) (appointed on 26 July 2019) 陳思聰先生(主席)(二零一九年七月二十六日獲委任)	1/1	100%
Mr. Suen Chi Wai (appointed on 26 July 2019) 孫志偉先生(二零一九年七月二十六日獲委任)	1/1	100%
Mr. Sum Wai Kei, Wilfred (appointed on 26 July 2019) 岑偉基先生(二零一九年七月二十六日獲委任)	1/1	100%
Mr. Li Chi Kong (appointed on 23 December 2019) 李志剛先生(二零一九年十二月二十三日獲委任)	1/1*	100%
Mr. Kuo Jen-Hao (appointed on 23 December 2019) 郭人豪先生(二零一九年十二月二十三日獲委任)	N/A 不適用	N/A 不適用

* by invitation

Remuneration Committee

A remuneration committee of the Board has been set up with written terms of reference in compliance with Rule 3.25 of the Listing Rules and the CG Code. The primary duties of the remuneration committee are to make recommendations to the Board on the overall remuneration policy and structure relating to all directors and senior management of the Group, review and approve remuneration proposals with reference to the Board's corporate goals and objectives, and ensure none of the directors or any of their associates determines their own remuneration. The term of reference of the remuneration committee has been published on the website of the Company and the website of the Stock Exchange on 25 July 2019.

The remuneration committee consists of Mr. Sum Wai Kei, Wilfred, Mr. Chan Sze Chung, Mr. Li Chi Kong, Mr. Suen Chi Wai and Mr. Kuo Jen-Hao. Mr. Sum Wai Kei, Wilfred has been appointed as the chairman of the remuneration committee.

The remuneration committee is provided with sufficient resources to discharge its duties and has access to independent professional advice according to the Company's policy if considered necessary.

The major roles and functions of the remuneration committee are:

- to recommend to the Board on the Company's policy and structure for all remuneration of Directors and senior management;
- to recommend to the Board on the remuneration packages of individual Executive Directors and senior management;
- to review and approve performance-based remuneration by reference to corporate goals and objectives approved by the Board from time to time;
- to review and approve the compensation payable to Executive Directors relating to any loss or termination of their office or appointment;

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間審核委員會會議個別審核委員會成員的出席率：

薪酬委員會

於本報告日期，董事會薪酬委員會已遵照上市規則第3.25條及企管守則制訂書面職權範圍。薪酬委員會的主要職責主要包括就有關本集團全體董事及高級管理人員的整體薪酬政策及架構向董事會提出建議、因應董事會所訂企業方針及目標而檢討及批准薪酬建議及確保任何董事或其任何聯繫人不得參與釐定其本身的薪酬。薪酬委員會的職權範圍已於二零一九年七月二十五日刊登於本公司網站及聯交所網站。

薪酬委員會包括岑偉基先生、陳思聰先生、李志剛先生、孫志偉先生及郭人豪先生。岑偉基先生已獲委任為薪酬委員會主席。

薪酬委員會獲提供充裕資源以履行其職務，並可按本公司政策在有需要時尋求獨立專業意見。

薪酬委員會之主要角色及職能為：

- 就本公司董事及高級管理人員之全體薪酬政策及架構向董事會提出建議；
- 就個別執行董事及高級管理人員的特定薪酬待遇向董事會提出建議；
- 透過參照董事會不時批准之公司宗旨及目標，以檢討並批准按表現釐定之薪酬；
- 檢討並批准向執行董事支付予任何喪失或終止其職務或委任有關之賠償；

- (e) to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct; and
- (f) to ensure that no Director is involved in deciding his own remuneration.

During the six-month period from 1 July 2019 to 31 December 2019, 2 remuneration committee meetings were held with 100% attendance rate in the presence of Mr. Li Chi Kong, Mr. Chan Sze Chung, Mr. Suen Chi Wai and Mr. Sum Wai Kei, Wilfred. The Remuneration Committee had discussed and reviewed remuneration of Executive Directors and Directors' fee of all members of the Board; and reviewed the remuneration of a candidate to be appointed as a new non-executive Director; and made recommendation to the Board as well as the Group remuneration policy, etc.

The remuneration committee adopted the model under Code Provision B.1.2(c)(ii).

Remuneration Policy

The remuneration policy of the Company is to ensure that all employees, including Directors, are sufficiently compensated for their efforts and time dedicated to the Company and remuneration offered is appropriate for their duties and in line with market practice. No Director, or any of his associates, and executive is involved in deciding his own remuneration.

Nomination Committee

A nomination committee of the Board has been set up with written terms of reference in compliance with the CG Code. The primary duties of the nomination committee are to review the structure, size and composition of the Board, identify qualified individuals to become members of the Board, assess the independence of the Independent Non-Executive Directors and make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors. The term of reference of the nomination committee has been published on the website of the Company and the website of the Stock Exchange on 25 July 2019.

The nomination committee consists of Mr. Li Chi Kong, Mr. Chan Sze Chung, Mr. Suen Chi Wai and Mr. Sum Wai Kei, Wilfred. Mr. Li Chi Kong has been appointed as the chairman of the nomination committee.

The nomination committee is provided with sufficient resources to discharge its duties.

The major roles and functions of the nomination committee are:

- (a) to review the structure, size and composition (including the skill, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (b) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorship;

- (e) 檢討並批准因董事行為失當而解僱或罷免有關董事所涉及之賠償安排；及
- (f) 確保概無董事參與釐定其本身之薪酬。

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，曾舉行兩次薪酬委員會會議並以100%出席率得李志剛先生，陳思聰先生，孫志偉先生及岑偉基先生出席。薪酬委員會已討論及檢討執行董事酬金及董事會全體成員之董事袍金及審查了被任命為新的非執行董事的候選人的薪酬，並向董事會提出建議以及本集團薪金政策等。

薪酬委員會採納守則條文B.1.2(c)(ii)之模式。

酬金政策

本公司之酬金政策為確保所有僱員(包括董事)為本公司貢獻之能力及時間均獲充份之酬勞補償，而所提供之酬金乃與其職責相符及與市場水平相若。概無董事或其任何聯繫人士及行政人員參與決定其本身酬金。

提名委員會

於本報告日期，董事會提名委員會已遵照企管守則制訂書面職權範圍。提名委員會的主要職責為檢討董事會的架構、人數及組成、物色具備合適資格可擔任董事的人士、評核獨立非執行董事的獨立性以及就董事委任或重新委任以及董事繼任計劃向董事會提出建議。提名委員會的職權範圍已於二零一九年七月二十五日刊登於本公司網站及聯交所網站。

提名委員會包括李志剛先生、陳思聰先生、孫志偉先生及岑偉基先生。李志剛先生已獲委任為提名委員會主席。

提名委員會獲提供充裕資源以履行其職務。

提名委員會之主要角色及職能為：

- (a) 至少每年檢討董事會的架構、人數及組成(包括技能、知識及經驗方面)，並就任何為配合本公司的公司策略而擬對董事會作出的變動提出建議；
- (b) 物色具備合適資格可擔任董事會成員的人士，並挑選提名有關人士出任董事或就此向董事會提供意見；

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- (c) to assess the independence of Independent Non-Executive Directors; and
- (d) to make recommendations to the Board on the appointment or re-appointment of the Directors and succession planning for Directors, in particular the chairman and the chief executive.

The nomination committee has formulated and set out the nomination policy ("Nomination Policy") in its terms of reference. The objective of the Nomination Policy is to ensure that the Board should have a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. To ensure changes to the Board composition can be managed without undue disruption, there should be a formal, considered and transparent procedure for selection, appointment and re-appointment of Directors, as well as plans in place for orderly succession (if considered necessary), including periodical review of such plans. The appointment of a new Director (to be an additional Director or fill a casual vacancy as and when it arises) or any re-appointment of Directors is a matter for decision by the Board upon the recommendation of the proposed candidate by the nomination committee.

The criteria to be applied in considering whether a candidate is qualified shall be his or her ability to devote sufficient time and attention to the affairs of the Company and contribute to the diversity of the Board as well as the effective carrying out by the Board of the responsibilities. Further details of the selection criteria and the procedure are set out in the terms of reference of the nomination committee which are available on the websites of the Stock Exchange and the Company.

During the six-month period from 1 July 2019 to 31 December 2019, 2 nomination committee meetings were held with 100% attendance rate in the presence of Mr. Li Chi Kong, Mr. Chan Sze Chung, Mr. Suen Chi Wai and Mr. Sum Wai Kei, Wilfred to (i) review the structure, size and composition of the Board, (ii) assess the independence of Independent Non-Executive Directors, (iii) review the re-election of retiring directors at the annual general meeting held in 2019, (iv) review the board diversity policy, (v) nomination of a candidate to be appointed as a non-executive Director; and (vi) make recommendations to the Board.

In considering the nomination of appointment of new non-executive Director and re-appointment of retiring Directors, the nomination committee, based on the Nomination Policy, assessed the relevant candidates on criteria such as integrity, experience, skill, professional qualifications, independent mind and ability to commit time etc, and made recommendation to the Board for approval.

Board Diversity Policy

The board diversity policy of the Company sets out the objectives and principles regarding board diversity for the benefits of achieving the Company's strategic objectives with a view of having a balanced diversity of both skills and experience and of perspective. Board appointments will be based on merit and candidates will be considered against measurable objectives, taking into account the Company's business and needs.

- (c) 評核獨立非執行董事的獨立性；及
- (d) 就董事委任或重新委任以及董事(尤其是主席及最高行政人員)繼任計劃向董事會提出建議。

提名委員會已製定並於職權範圍書設置提名政策(「提名政策」)。提名政策目標確保董事會應根據本公司業務而具備適當所需技巧、經驗及多樣的觀點與角度。為確保董事會組成人員的變動不會帶來不適當的干擾，本公司應設有正式、經審慎考慮並具透明度的董事甄選、委任及重新委任程序，並設定有秩序的董事繼任計劃(如認為有需要)，包括定期檢討此類計劃。委任新董事(作為新增董事或填補所出現的臨時空缺)或重新委任任何董事乃經委員會推薦候選人後由董事會作出決定。

用於考慮候選人是否符合資格的標準，應視乎候選人是否能投入足夠時間及精神以處理本公司事務，並促進董事會成員多元化，使董事會能有效履行其職責。有關甄選標準及程序的進一步詳情，請參閱登載於香港聯交所及本公司網站內的提名委員會職權範圍書。

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，曾舉行2次提名委員會會議並100%出席率李志剛先生，陳思聰先生，孫志偉先生及岑偉基先生出席以(i)檢討董事會的架構、人數及組成，(ii)評核獨立非執行董事的獨立性，(iii)檢討2019股東週年大會上膺選即將退任董事，(iv)檢討多元化政策，(v)提名將被任命為非執行董事的候選人及(vi)向董事會提出建議。

在考慮任命新的非執行董事並重新任命退任董事時，提名委員會根據提名政策，以正直，經驗，技能，專業資格，獨立思想和能夠投入時間等能力評估相關候選人，並向董事會提出建議以供批准。

董事會多元化政策

本公司董事會多元化政策載有董事會多元化之目標及原則，旨在考量於技能與經驗以及觀點方面具有適當多元化以達致本公司戰略目標。經考慮本公司之業務及需求，董事會將任人唯賢，並根據可行目標考慮候選人。

Selection of candidates will be based on a range of diversity criteria, including but not limited to gender, age, cultural and educational background, knowledge, professional experience and skills. The ultimate decision will be based on merit and the contribution that the selected candidates may bring to the Board.

The Directors will consider and review the diversity of the Board and to set up, if appropriate, measurable objectives according to the Company's own business model and specific needs.

Dividend Policy

The Company's dividend policy aims at providing reasonable and sustainable returns to its Shareholders whilst maintaining a position of financial stability which allows the Company to take advantage of any investment and expansion opportunities that may arise from time to time.

The Board may declare or propose dividend on an annual basis and/or may declare interim dividends or special dividends. Proposal or declaration of dividends by the Board is subject to consideration of the Company's and the Group's operating results, accumulated and future earnings, gearing, liquidity position, capital commitment requirement and future expansion plan as well as general economic conditions and external factors that may have impact on the financial performance and position of the Company and the Group. In addition, as the Company is a holding company, the Board will also consider the dividends received from its subsidiaries, associates and joint ventures as the ability to pay dividends by the Company is dependent on the dividends received from those subsidiaries, associates and joint ventures.

The Board will regularly review the dividend policy and will amend and/or modify the dividend policy if necessary.

Remuneration of Directors and Senior Management

The Executive Directors are closely involved in and are directly responsible for all activities of the Group. The Board considers that the senior management comprise the Executive Directors.

Particulars regarding senior management and other Directors' remuneration and the five highest paid employees as required to be disclosed pursuant to Appendix 16 to the Listing Rules are set out in Note 10 to the consolidated financial statements on pages 111 to 112.

ACCOUNTABILITY AND AUDIT

BDO Limited was appointed as the external auditor of the Company with effect from 25 November 2019. BDO Limited had issued a disclaimer of opinion on the consolidated financial statements for the six-month period from 1 July 2019 to 31 December 2019. The responsibility of the external auditors with respect to the financial reporting and details of the disclaimer of opinion are set out in the "Independent Auditor's Report" on pages 61 to 67 of this report.

甄別人選將按一系列多元化準則為基準，包括但不限於性別、年齡、文化及教育背景、知識、專業經驗及技能。最終將按人選的長處及可為董事會提供的貢獻而作決定。

董事將考慮及審閱董事會之多元化並根據本公司自身之業務模式及特定需求設立可行目標(如適用)。

股息政策

本公司之股息政策旨在為股東提供合理持續回報，同時維持財務穩定，使本公司得以把握任何可能不時出現之投資及擴充機遇。

董事會可按年宣派或建議派付股息及/或可宣派中期股息或特別股息。董事會提出之股息建議或宣派涉及多項考慮因素，包括本公司及本集團之經營業績、累計及未來盈利、資本與負債、流動資金狀況、資本承擔需求及未來擴充計劃，以及整體經濟狀況及或會對本公司及本集團財務表現及狀況構成影響之外在因素。此外，由於本公司為一間控股公司，董事會亦將考慮自其附屬公司、聯營公司及合營企業收取的股息，原因是本公司派付股息的能力取決於自該等附屬公司、聯營公司及合營企業收取的股息。

董事會將定期檢討股息政策並在必要時修訂及/或修改股息政策。

董事及高級管理人員酬金

各執行董事積極參與及直接負責本集團各項事務。董事會認為彼等執行董事為高級管理人員。

根據上市規則附錄16須予披露有關高級管理人員及其他董事酬金及五名最高薪酬僱員之詳情載於綜合財務報表第111頁至第112頁附註10。

問責及審核

香港立信德豪會計師事務所有限公司已獲委任為本公司外聘核數師，自二零一九年十一月二十五日起生效。香港立信德豪對於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間之綜合財務報表發出拒絕發表意見。外部核數師有關財務申報之責任及拒絕發表意見之詳情載於本報告第61至67頁之「獨立核數師報告」中。

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企業管治報告(續)

AUDITOR'S REMUNERATION

During the six-month period from 1 July 2019 to 31 December 2019, the fees payable to the external auditors are set out as follows:

	HK\$'000 千港元
Audit fees payable 應付審計費用	510
Non-audit services 非審計服務	Nil 無
Total 總計	510

COMPANY SECRETARY

The former company secretary, Mr Tong Hing Wah, resigned on 10 February 2015 and no company secretary was appointed since then. Based on the information available, the Board are unable to confirm whether Mr. Tong Hing Wah had performed his duties diligently in accordance with the Listing Rules to assist the operations of the Company and maintain the relationship between the Company and its Shareholders or complied with relevant training requirement under Rule 3.29 of the Listing Rules.

The Company appointed Mr. Lee Hon Sang as the company secretary of the Company on 26 July 2019. He is a certified public accountant of the Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants. The company secretary of the Company has complied with the relevant training requirement under Rule 3.29 of the Listing Rules.

CORPORATE COMMUNICATION

The Company had established a shareholders' communication policy and shall review it on a periodic basis to ensure its effectiveness.

The Company communicates with the Shareholders mainly in the following ways: (i) the holding of the AGM and extraordinary general meetings ("EGM"), if any, which may be convened for specific purposes and provide opportunities for the Shareholders to communicate directly to the Board; (ii) the publication of announcements, annual reports, interim reports, circulars on the websites of the Company and the Stock Exchange; and (iii) the availability of latest information of the Group on the website of the Company.

Separate resolutions are proposed at the general meetings for substantial issues, including the re-election of retiring Directors.

The Company's notices to the Shareholders for the AGM are sent to the Shareholders at least 20 clear business days or 21 clear days whichever is the longer and for EGM at least 10 clear business days or 14 clear days, whichever is the longest.

核數師酬金

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，應付予外部核數師的酬金載列如下：

	HK\$'000 千港元
Audit fees payable 應付審計費用	510
Non-audit services 非審計服務	Nil 無
Total 總計	510

公司秘書

前公司秘書湯慶華先生已於二零一五年二月十日辭任及自此並無委任任何公司秘書。根據可得之資料，董事會無法確定湯慶華先生是否已根據上市規則認真履行其職責，以協助本公司之運作及維持本公司與其股東之關係或遵守上市規則第3.29條的相關培訓規定。

本公司已於二零一九年七月二十六日委任李漢生先生為本公司公司秘書。彼為香港會計師公會之註冊會計師並為英國特許會計師公會的資深會員。本公司公司秘書已適當遵守上市規則第3.29條有關培訓規定。

企業通訊

本公司已訂立股東通訊政策，並將定期檢討及確保其成效。

本公司與股東主要以下列方法溝通：(i)舉行股東週年大會及就特定目的舉行特別股東大會(「特別股東大會」)(如有)，藉以提供機會讓股東直接與董事會溝通；(ii)於公司及聯交所網站刊載公告、年報、中期報告及通函；及(iii)於本公司網站提供本集團之最新資料。

重大事項(包括重選退任董事)均會於股東大會上提呈個別決議案。

本公司之股東週年大會及股東特別大會舉行前分別至少足20個營業日或足21日(以時間最長為準)及至少足10個營業日或足14日(以時間最長為準)向股東發送有關通告。

Certain Directors, including the Chairman of the Board, chairman and members of the audit committee, nomination committee and remuneration committee were available at the AGM held on 25 November 2019 to answer questions from the Shareholders. The Chairman of the Board explained the procedures for conducting a poll during the meeting. All resolutions proposed at the AGM were voted separately by way of poll. All the votes cast at the said meeting were properly counted and recorded. The representative of the retiring auditor, ZHONGHUI ANDA CPA Limited had not attended the AGM as he passed away on that date.

Attendance of individual Directors at general meetings during the six-month period from 1 July 2019 to 31 December 2019:

若干董事(包括董事會主席、審核委員會、提名委員會及薪酬委員會之主席及成員)均有出席於二零一九年十一月二十五日舉行之股東週年大會，以回答股東之提問。董事會主席於大會期間已解釋進行投票之程序。於股東週年大會上提呈之所有決議案均以獨立投票方式表決。於股東週年大會上之所有投票數目已適當點算及記錄。退任核數師中匯安達會計師事務所有限公司之代表缺席股東週年大會因他於當日辭世。

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間股東大會個別董事的出席率：

Number of meetings 會議次數	AGM 股東週年大會	
Executive Directors 執行董事		
Mr. Lee Wa Lun, Warren (Managing Director) (appointed on 25 July 2019) 李華倫先生(董事總經理)(二零一九年七月二十五日獲委任)	0/1	0%
Mr. Lam Chi Shing (appointed on 25 July 2019) 林志成先生(二零一九年七月二十五日獲委任)	1/1	100%
Ms. Li Ming (appointed on 25 July 2019) 李銘女士(二零一九年七月二十五日獲委任)	1/1	100%
Non-Executive Directors 非執行董事		
Mr. Li Chi Kong (Chairman) (appointed on 25 July 2019) 李志剛先生(主席)(二零一九年七月二十五日獲委任)	1/1	100%
Mr. Kuo Jen-Hao (appointed on 23 December 2019) 郭人豪先生(二零一九年十二月二十三日獲委任)	N/A 不適用	N/A 不適用
Independent Non-Executive Directors 獨立非執行董事		
Mr. Chan Sze Chung (appointed on 26 July 2019) 陳思聰先生(二零一九年七月二十六日獲委任)	1/1	100%
Mr. Suen Chi Wai (appointed on 26 July 2019) 孫志偉先生(二零一九年七月二十六日獲委任)	1/1	100%
Mr. Sum Wai Kei, Wilfred (appointed on 26 July 2019) 岑偉基先生(二零一九年七月二十六日獲委任)	1/1	100%

The forthcoming AGM of the Company will be held on 29 May 2020 and resolutions to be proposed thereat will be voted separately by way of poll.

本公司應屆股東週年大會將於二零二零年五月二十九日舉行，在會上提呈的議案將以獨立投票方式進行表決。

CONVENING AN EGM OF THE COMPANY BY SHAREHOLDERS

Any one or more Shareholder holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings can convene EGM by depositing or sending a written requisition addressed to the Board or the Company Secretary for the transaction of any business specified in such requisition.

股東召開本公司股東特別大會

於遞交呈請通知書日期持有獲賦予於本公司股東大會上投票權利的本公司繳足股本不少於十分之一的任何一名或多名股東可透過向董事會或公司秘書以郵遞書面呈請的方式要求董事會就處理該呈請要求所列明的任何事務召開股東特別大會。

Such meeting shall be held within two months after the deposit of such requisition. If the Board fails to proceed to convene such meeting within 21 days of the deposit of the requisition, then the requisitionist(s) himself/themselves may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board will be reimbursed to the requisitionist(s) by the Company.

該大會須於遞交該項呈請要求後兩個月內舉行。倘董事會於接獲呈請通知書21日內未能召開會議，則呈請人可自行以相同方式召開會議，而呈請人因董事會未能召開會議產生的所有合理開支，均須由本公司償付予呈請人。

Corporate Governance Report (Continued) 企業管治報告(續)

PROCEDURES FOR PUTTING FORWARD PROPOSALS AT GENERAL MEETINGS

To put forward proposals at a general meeting of the Company, a Shareholder should lodge a written request, duly signed by the Shareholder concerned, setting out the proposals at the Company's principal place of business in Hong Kong for the attention of the Board or the Company Secretary. The request will be verified with the Company's branch share registrars in Hong Kong and upon their confirmation that the request is proper and in order, the Company Secretary will pass the request to the Board. Whether a proposal will be put to a general meeting will be decided by the Board in its discretion, unless the proposal put forward by a Shareholder is (a) pursuant to a requisition by a Shareholder to convene an EGM referred to above or (b) forms part of ordinary business to be considered at an AGM as described in the Articles of Association.

SHAREHOLDERS' ENQUIRIES

Enquiries by shareholders and the investment community to be put to the Board can be sent in writing to the principal place of business of the Company in Hong Kong. For share registration related matters, shareholders can contact the Company's branch share registrar in Hong Kong, Hong Kong Registrars Limited.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATION

The Company releases all necessary disclosures and corporate communication through the website of Stock Exchange in order to keep Shareholders, the public and any other stakeholders informed of all major developments that affect the Company.

The AGM provides a valuable forum for direct communication between the Company and the Shareholders. The AGM circulars are distributed to all Shareholders at least 20 clear business days before the meeting. Separate resolutions are proposed at general meetings on each separate issue and voting of which are taken by poll pursuant to the Listing Rules. Any results of the poll are published on the Stock Exchange's website.

CONSTITUTIONAL DOCUMENTS

There was no change in the articles of association of the Company during the six-month period from 1 July 2019 to 31 December 2019.

The memorandum and the articles of association of the Company are available on the websites of the Company and the Stock Exchange.

INTERNAL AUDIT FUNCTIONS

The Group has engaged an independent professional adviser (the "Internal Audit Adviser") to carry out the internal audit functions by performing an independent appraisal of the adequacy and effectiveness of the Group's risk management and internal control systems. The Internal Audit Adviser has conducted an annual review and made recommendations to improve the effectiveness of the Group's risk management and internal control systems.

於股東大會提呈建議的程序

如欲於本公司股東大會提呈建議，股東須遞交經有關股東正式簽署之書面請求予董事會或公司秘書，地址為本公司於香港的主要營業地點，並載列有關建議。有關要求將由本公司之香港股份過戶登記分處核實，且彼等確認有關要求乃妥為發出後，則公司秘書將轉交要求至董事會。建議會否於股東大會提呈將由董事會酌情決定，除非股東提呈的建議乃(a)根據上述召開股東特別大會的股東所提出的要求而作出，或(b)如組織章程細則所述構成將於股東週年大會考慮之一般事項的一部分。

股東查詢

股東及一般投資人士將向董事會作出之查詢可以書面方式寄交至本公司於香港之主要營業地點。就股份登記相關事宜，股東可聯繫本公司於香港之股份過戶登記分處香港證券登記有限公司。

與股東之通訊及投資者關係

本公司透過聯交所網站發佈所有所需之披露及公司通訊，以確保股東、公眾人士及任何其他持份者知悉對影響本公司之全部主要發展。

股東週年大會為本公司與股東提供直接溝通的寶貴平台。股東週年大會通函於會議前至少20個完整營業日向全體股東派發。就各個別議題的獨立決議案會於股東大會上提呈，並根據上市規則以投票方式表決。任何投票表決結果刊載於聯交所網站。

章程文件

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，本公司組織章程細則並無變動。

本公司之組織章程大綱及細則於本公司網站及聯交所網站可供查閱。

內部審核職能

本公司已委聘一名獨立專業顧問(「內部審核顧問」)執行內部審核職能，對本集團的風險管理及內部監控系統是否足夠及有效進行獨立評估。內部監控顧問已對本集團的風險管理及內部監控系統的有效性進行年度檢討並提出改進建議。

The Internal Audit Adviser is independent of the Group's daily operation and carries out appraisal of the risk management and internal control systems by conducting reviews, walkthroughs and tests of operational effectiveness.

An internal audit plan has been approved by the Board. According to the established plan, review of the risk management and internal control systems is conducted annually and the results are reported to the audit committee and then in turn to the Board.

RISK MANAGEMENT AND INTERNAL CONTROL

The Group's systems of risk management and internal control involve the operation and/or supervision of the Board, the audit committee and the internal audit adviser. The main features and the key processes that have been established in reviewing the adequacy and effectiveness of such systems are stated below.

The Board is responsible for overseeing the Group's systems of risk management and internal control. However, such systems are designed to manage the Group's risks within an acceptable risk profile, rather than to eliminate the risk of failure to achieve the business objectives of the Group. Accordingly, it can only provide reasonable assurance but not absolute assurance against material misstatement of management and financial information and records or against financial losses or fraud.

The Board has overall responsibility in monitoring the process of corporate reporting and control system throughout the Group. It delegates the duties of proper and regular reviews on the deployment of resources and financial reporting systems, the corporate governance practices and compliance with the Listing Rules, the Hong Kong Securities and Futures Ordinance and other applicable regulations to the top management. The top management reviews and briefs the reporting systems with the audit committee at least annually.

The Board, through the recommendations from the top management, has established an on-going process for identifying, evaluating and managing the significant risks faced by the Group and this process includes updating the systems of risk management and internal control when there are changes to business environment or regulatory guidelines. The effectiveness and efficiency of the risk management and internal control systems are reviewed annually.

Excluding the Corporate Governance Period before Resumption, the Board, through the audit committee with the assistance of internal audit adviser and the top management of the Company, reviewed the risk management and internal control systems of the Group (including the consideration of the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting function) for the period from 26 July 2019 to 31 December 2019. The controls within these systems were considered effective and adequate. No significant areas of concern that may affect financial, operational, compliance controls, internal audit, risk management and internal control functions of the Group were identified.

內部審核顧問獨立於本集團的日常營運並通過訪談、穿行測試和運行有效性測試對風險管理和內部監控系統進行評估。

內審計劃已經董事會批准。根據既定計劃，風險管理和內部監控系統的審核每年進行一次，結果將通過審核委員會向董事會報告。

風險管理及內部監控

本集團之風險管理及內部監控系統涉營運及／或指導及董事會、審核委員會及內部核數顧問。本集團已確立主要特點及主要程序以審閱該等系統的充足性及有效性並載列如下。

董事會負責監督本集團風險管理及內部監控系統。然而，該系統的設計旨在將本集團的風險控制在可接受的風險範圍內(而非能完全消除失誤風險)，並達至本集團業務目標。因此，對於防止管理層及財務資料及紀錄的重大誤述，或財務損失或欺詐，它只能提供合理的保證而非絕對的保證。

董事會整體上負責監察本集團內企業匯報及控制系統之進行。董事會已把責任交予高級管理層適當地定期檢討資源調配及財務匯報系統、企業管治常規，以及符合上市規則、香港證券及期貨條例及其他適用法規等事宜。高級管理層至少每年一次與審核委員會檢討及簡述匯報系統。

董事會透過高級管理層之建議已確立既定程序，以確定、評估及管理本集團所面對的重大風險，程序包括當營商環境或規例指引變更時，更新風險管理及內部監控系統。風險管理及內部監控系統之有效性及其效率均每年檢討。

除恢復上市前之企業管治期間，董事會透過審核委員會及獲得內部審核顧問與本公司之高級管理人員之協助，對本集團由二零一九年七月二十六日至二零一九年十二月三十一日期間的風險管理及內部監控系統(包括考慮本公司在會計、內部審核及財務匯報功能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是否足夠)作出檢討。經考慮認為該等系統內之監控有效及足夠，亦無發現任何可能影響集團財務、營運及合規監控、內部審核、風險管理及內部監控職能的重要事項。

Corporate Governance Report (Continued)

企業管治報告(續)

The Board implements the Board's policies and procedures on risk and control by identifying and assessing the risks faced, and involving in the design, operation and monitoring of suitable internal control to mitigate and control these risks.

The key processes that have been established in reviewing the adequacy and integrity of the systems of risk management and internal control include the following:

- The Executive Directors ensure the effectiveness of the daily operations and that the operations are in accordance with the corporate objectives and strategies.
- The audit committee reviews risk management and internal control issues (if any) identified by Internal Audit Adviser, external auditor, regulatory authorities and top management, and evaluates the adequacy and effectiveness of the Group's risk management and internal control systems.

The Internal Audit Adviser checks for compliance with statutory requirement, internal policies and procedures. They assess the operating effectiveness and efficiency of the risk management and internal control systems in the course of their audit. The audit scope and frequency are determined by the level of assessed risks and have to be reviewed and approved by the audit committee.

The Group has already established the Inside Information Policies. They depict clearly the decision trees to distinguish inside information and the necessary actions.

Employees are required to keep all inside information in strict confidence. Once the inside information needs disclosure, the manner must be equal, timely and effective.

DIRECTORS' RESPONSIBILITY IN PREPARING AND REPORTING THE FINANCIAL STATEMENTS

The current Directors acknowledge that it is their responsibility to prepare the financial statements which give a true and fair view of the state of affairs of the Group and of the profit and cash flows of the Group for the six-month period from 1 July 2019 to 31 December 2019.

Details of the view of the management of the Company, the audit committee and the Board on the auditors' opinion are set out in the Report of Directors on page 37 of this Annual Report.

董事會推行董事會之風險及控制的政策及措施，確定及評估所面對的風險，並參與設計、運作及監察合適的內部監控措施，以減少及控制此等風險。

本集團已確立主要程序以審閱風險管理及內部監控系統的充足性及完整性，該等程序包括：

- 執行董事委員會，確保日常運作有效率，及是根據企業目標及策略。
- 審核委員會審閱內部審核顧問、外聘核數師、監管機構及高級管理人員所確定的風險管理及內部監控事項(如有)，並評估本集團風險管理及內部監控系統的充足性及有效性。

內部審核顧問檢查是否符合法定要求，內部政策及程序。彼等以其日常審核方式評核風險管理及內部監控系統運作之有效性及效率。審核範疇及頻率均按評估風險水平釐定及須由審核委員會檢討及批准。

本集團已訂立內幕消息政策。該政策已清楚描述決策樹以區別內幕消息及必要行動。

僱員均須絕對保密所有內幕消息。如需披露內幕消息，必須以平等、適時及有效的方式披露。

董事就編製及報告財務報表須承擔的責任

現董事會確認編製真實而公平地反映本集團事務及本集團於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間之溢利及現金流之財務報表乃彼等之責任。

本公司管理層、審核委員會及董事會對核數師意見的看法之詳情載列於本年報第37頁之董事會報告中。

Environmental, Social and Governance Report

環境、社會及管治報告

APPROACH AND STRATEGY

Da Yu Financial Holdings Limited (the “Company”) believes in delivering long term, sustainable value creation to our shareholders. In doing so, we recognise that the choices we make will have an impact on the communities in which we carry on our business and we should make such impact a positive one. We are committed to contributing to the sustainable development of society and the environment, and endeavour to embrace these principles as part of our practice and governance. The Company has adopted a Sustainability Policy in November 2019 which covers our principles in the area of employment and labour practices, business integrity, the environment and the community.

This report outlines the sustainability initiatives and selected Key Performance Indicators (“KPI”) of the Company and its subsidiary (the “Group”) that are material to the Group and its stakeholders on Environmental, Social and Governance (“ESG”) issues for the six-month period from 1 July 2019 to 31 December 2019. This report supplements information disclosed in this Annual Report.

REPORTING SCOPE

The subject areas and aspects are presented based on the “Environmental, Social and Governance Reporting Guide” (the “ESG Reporting Guide”) for listed issuers published by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

MATERIALITY ASSESSMENT AND STAKEHOLDER ENGAGEMENT

Amongst various environmental and social issues based on the ESG Reporting Guide, the following is the list of issues that are considered to be material and relevant to the Group. The priorities are set based on management’s view as well as certain conclusions from our stakeholders’ engagement. Based on management’s view, the aspects and KPIs relevant to this report’s disclosure are set out as follows:

Material and relevant issues:

Supply chain management (Aspect B5) general disclosure, KPI B5.1, B5.2
Anti-corruption (Aspect B7) general disclosure, KPI B7.2

Other relevant issues:

Emissions (Aspect A1) general disclosure
Use of resources (Aspect A2) general disclosure, KPI A2.1
The environment and natural resources (Aspect A3) general disclosure, KPI A3.1
Employment (Aspect B1) general disclosure
Health and safety (Aspect B2) general disclosure
Development and training (Aspect B3) general disclosure, KPI B3.1, B3.2

方針及策略

大禹金融控股有限公司(「本公司」)相信要為股東創造長期及可持續的價值。於此過程中，我們明白到，我們所作的選擇將對我們開展業務的社區產生影響，因此我們應令此影響成為正面。我們致力促進社會和環境的可持續發展，並努力將該等原則作為我們實踐及管治的一部分。本公司於二零一九年十一月採用一套可持續發展政策，其中包括我們於就業及勞工實務、商業誠信、環境及社會各方面之原則。

本報告概述本公司及其附屬公司(「本集團」)的可持續發展舉措及選定的關鍵績效指標(「關鍵績效指標」)，這些指標於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間在環境、社會及管治(「環社管」)議題方面對本集團及其持分者具有重要意義。本報告是對本集團本年報內披露資料的補充。

報告範圍

所涉範疇及層面乃根據香港聯合交易所有限公司(「聯交所」)所頒佈的上市發行人《環境、社會及管治報告指引》(「環社管報告指引」)而編製。

重要性評估及持分者參與

根據環社管報告指引所提出的多個環境及社會議題作為基準，以下是被認為對本集團而言具重要性和相關性的議題清單。依照管理層的意見以及持分者參與的若干結論設定優先次序。根據管理層的意見，本報告披露的相關層面及關鍵績效指標載列如下：

重大相關議題：

供應鏈管理(層面B5)一般披露，關鍵績效指標B5.1、B5.2
反貪污(層面B7)一般披露，關鍵績效指標B7.2

其他相關議題：

排放物(層面A1)一般披露
資源使用(層面A2)一般披露，關鍵績效指標A2.1
環境及天然資源(層面A3)一般披露，關鍵績效指標A3.1
僱傭(層面B1)一般披露
健康與安全(層面B2)一般披露
發展及培訓(層面B3)一般披露，關鍵績效指標B3.1、B3.2

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

Labour standards (Aspect B4) general disclosure
Service responsibility (Aspect B6) general disclosure, KPI B6.2, B6.5
Community investment (Aspect B8) general disclosure, KPI B8.1, B8.2

All other KPIs not mentioned above were considered not relevant for detailed disclosure.

The following ESG issues are presented based on the classification of provisions by the ESG Reporting Guide.

A. ENVIRONMENTAL ISSUES

The Group's Sustainability Policy encompasses our general approach towards environmental issues. We endeavour to:

- observe relevant laws and regulations and aim to go beyond minimum requirements;
- prevent/minimise air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste;
- make efficient use of resources, including energy and water;
- minimise the impact of the Group's activities on the environment and natural resources; and
- engage our staff and partners to promote environmentally sustainable business practices and constantly re-assess our processes to minimise environmental impact.

Emissions (Aspect A1)

The Group is not involved in any manufacturing activities. Emissions produced are mostly on a "second degree" basis as incurred during occasional business travels.

In line with our policy to minimise air and greenhouse gas emissions, major operations are equipped with audio conferencing facilities to minimise the need for face to face meetings and keep business travelling to a minimum.

There are no relevant laws and regulations applicable to our business on this aspect.

勞工準則(層面B4)一般披露
服務責任(層面B6)一般披露，關鍵績效指標B6.2、B6.5
社區投資(層面B8)一般披露，關鍵績效指標B8.1、B8.2

上文未提及的其他所有關鍵績效指標被認為無需詳細披露。

以下環社管議題乃根據環社管報告指引的分類條款呈列。

A. 環境議題

本集團的可持續發展政策包括我們對環境議題的一貫方針。我們致力：

- 遵守相關法律及法規並致力超越最低要求；
- 防止／盡量減少廢氣及溫室氣體排放，向水土排污，以及產生有害及無害廢棄物；
- 有效利用資源，包括能源及水；
- 盡量減少對環境及自然資源做成影響的本集團活動；及
- 邀請我們的員工及合作夥伴宣揚環境性可持續營商常規，不斷重新評估我們的流程，以盡量減少對環境的影響。

排放物(層面A1)

本集團並無參與任何製造業活動。集團在偶爾出差期間所產生的其他排放物基本上屬於「次要的」影響。

因應我們盡量減少廢氣及溫室氣體排放的政策，主要經營場地均設有語音會議設備，以盡量減少直接會面需要，使差旅保持在最低水平。

在這方面並無適用於我們業務的相關法律及法規。

Use of Resources (Aspect A2) and The Environment and Natural Resources (Aspect A3)

We place a high priority on the efficient use of resources. With only 19 staff across the Company, we consume limited amounts of electricity and paper. Water consumption is not material to our business as it relates only to the personal consumption of our staff for their personal hygiene.

Environmental protection guidelines in relation to energy savings and reduction in paper consumption are circulated to all staff. For instance, staff are reminded to switch off lights and equipment after work, during lunch break or during the time working outside the office and wherever possible. Energy efficient office equipment is always preferred in making purchase decisions. During the period, the Group's total electricity consumption was below 5,000 kwh.

Throughout the Group, the following business processes were implemented whenever possible to improve efficiency and to reduce paper usage:

- Electronic bank and broker statements
- Recycling schemes of office equipment and supplies
- Internal electronic administration and communication platform

Recycling scheme for paper has been launched within the Group.

Except for the abovementioned, the Group's businesses have no direct impact on the environment and natural resources.

B. SOCIAL ISSUES

Employment, Health and Safety and Labour Standards (Aspect B1, B2, B4)

Being in the financial services industry, our people are our most important assets that drive the long-term development and sustainability of the Group. The Group's policy on employment is as follows:

- observing relevant laws and regulations;
- being an equal-opportunity employer, implementing fair practices relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits for our staff;
- providing a safe, healthy and quality workplace and protecting employees from occupational hazards;
- promoting a good work-life balance for staff;
- investing in training and professional development of our staff for the purpose of improving their knowledge and skills for discharging duties at work; and

資源使用(層面A2)及環境及天然資源(層面A3)

我們高度重視資源的有效使用。本公司內只有19名員工，我們消耗電力及紙張有限。耗水量僅限於與員工個人衛生消耗有關，故與我們的業務並非重要。

我們向全體員工發放關於節能及減少紙張消耗的環保指引。例如，提醒員工在工作後、午休時間或在辦公室外工作的時間內，盡可能關閉燈光及設備。在決定購置設備時總會首選節能辦公設備。期內，本集團的總用電量低於5,000千瓦時。

本集團於可能情況下盡量貫徹實施以下業務過程，以提高效率及減少用紙：

- 銀行及經紀電子報表
- 辦公設備及用品循環計劃
- 內部電子管理及溝通平台

紙張循環計劃已於本集團內部推行。

除上文所述外，本集團業務對環境及自然資源並無直接影響。

B. 社會議題

僱傭、健康與安全及勞工準則(層面B1、B2、B4)

身處金融服務業，員工是我們最重要的資產，是推動本集團長期發展及可持續發展的動力。本集團關於僱傭方面的政策如下：

- 遵守有關法律及法規；
- 作為一個平等機會的僱主，我們在員工薪酬及解僱、招聘與晉升、工時與假期、平等機會、多元化、反歧視以及其他待遇方面實施公平的做法；
- 提供安全、健康及優質的工作場所，保護員工免受職業性危害；
- 提倡員工工作與生活的適當平衡；
- 為提升員工履行工作職責的知識及技能，投放資源於員工培訓及其專業發展；及

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

- maintaining an open dialogue with our staff, facilitating a transparent two way communication.

In Hong Kong, the Group's employment of staff is governed by the Employment Ordinance, the Minimum Wage Ordinance, as well as the Employees' Compensation Ordinance. The Group has no known non-compliance with the above relevant regulations.

Our compensation and benefits (including working hours, rest periods, welfare) need to be competitive with other peers in the financial services sector and in general exceeds the minimum as required by the relevant regulations. Owing to the nature of our businesses, work related injuries, occupational health issues and the incurrence of child labour are not significant risk factors.

The Group endeavours to provide a safe and pleasant working environment for our staff. On top of this, for community service purposes, the Group also participates in various donation activities organised by Hang Seng University of Hong Kong and Hong Kong International School Association Limited.

As at 31 December 2019, the Group has a total of 19 staff (including Directors). By gender, 79% is male and 21% is female. By age group, 5%, 21%, 37%, 16% and 21% are between age groups of below 25, 26 to 35, 36 to 45, 46 to 55 and over 56 respectively.

Development and Training (Aspect B3)

The Group is committed to fostering a culture of continuous learning in our organisation. Heavy emphasis is placed on staff training which is tailored to equip our workforce with the necessary knowledge and skills relevant to their work, as well as to build our talent pool. During the six-month period from 1 July 2019 to 31 December 2019, the Group had funded its staff to join relevant training programmes that meet the demands of the work place.

Supply Chain Management (Aspect B5)

The Group interacts with a number of business partners such as law firms, securities brokers, tax advisers and consulting companies. These are not considered to pose significant social risks for our business and procurement decisions are based on pricing, suitability as well as the reputation of suppliers.

- 與我們的員工公開對話，促進透明而雙向的溝通。

在香港，本集團聘用員工需受《僱傭條例》、《最低工資條例》及《僱員補償條例》所規限。本集團並不知悉任何不遵守上述有關規例的情況。

我們的薪酬及福利(包括工作時數、假期和福利)需在金融服務業業界中具備一定的競爭力，所以在一般情況下超過相關法規規定的最低要求。由於我們的業務性質，工傷、職業健康問題及發生僱用童工的情況並非重大風險因素。

本集團致力為員工提供安全舒適的工作環境。除此之外，為著服務社會，本集團亦參與由香港恒生大學及 Hong Kong International School Association Limited 組織的不同捐獻活動。

於二零一九年十二月三十一日，本集團共有19名員工(包括董事)。按性別劃分，79%為男性，而21%為女性。按年齡劃，5%、21%、37%、16%及21%分別為25歲以下、26歲至35歲、36歲至45歲、46歲至55歲及56歲以上。

發展及培訓(層面B3)

本集團致力建立持續學習文化，極力提倡為員工提供適合培訓，使他們擁有與工作相關的所需知識及技能，同時培養人才。於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間內本集團曾資助其員工參加相關培訓課程以符合工作環境所需。

供應鏈管理(層面B5)

本集團與律師事務所、證券經紀、稅務顧問及諮詢公司等若干業務夥伴有互動。我們並不認為彼等會對我們的業務構成重大社交風險，而且採購決策乃根據供應商的定價、合適性和聲譽作出。

Service Responsibility

Service Quality

The Group's business is regulated by the Securities and Futures Commission (the "SFC") and Yu Ming Investment Management Limited ("Yu Ming") is a licensed corporation under Securities and Future Ordinance. As at 31 December 2019, all professional employees of Yu Ming were properly licensed and registered with the SFC. 3 employees were Responsible Officers and 5 were Licensed Representatives. All Responsible Officers have more than 10 years of relevant experience.

The Group gains new business through marketing initiatives, referrals from existing clients and professional firms and the personal connections of directors or employees of the Group. In this regard, the Group places great emphasis on building clients' loyalty by providing them with prompt, competent and unbiased professional services.

Throughout its operations, the Group conforms to the requirements of the rules and regulations of the HKSAR, the SFC, the Stock Exchange and other regulatory authorities, such as the Prevention of Bribery Ordinance, the Code of Conduct for Persons Licensed by or Registered with the SFC, the Corporate Finance Adviser Code of Conduct, the Guidelines on Competence, and the Hong Kong Sponsor Due Diligence Guidelines. When conducting the Group's business activities, all employees are required to be aware of the Group's reputation and act with the highest level of integrity and professional ethics.

Privacy of Client Information and Data Protection

The Group respects and values the privacy of all client information. In compliance with the Personal Data (Privacy) Ordinance, the Group collects and uses client information in a responsible and non-discriminatory manner, restricting the use of the client information as required by the confidentiality clause included in the mandate. All employees are required to maintain strict confidentiality about the affairs of the Group. Employees are not allowed to disclose to other individuals or third parties, directly or indirectly, exploit or use confidential information concerning the Group and its clients.

During the period, there have been no cases or complaints in relation to violation of relevant confidentiality laws.

Client Feedback Handling

Feedback and suggestions from clients provide an opportunity for the Group to enhance the quality of its services in a sustainable manner. The Group is committed to responding and resolving all clients' enquiries and comments promptly and with care in order to maintain and improve our reputation in the corporate finance advisory industry. In compliance with the Group's internal guidelines on complaint handling procedures, the Group is required to investigate each case, work out a solution and provide a written response to the complainant promptly upon receipt of a complaint.

服務責任

服務質素

本集團的業務受證券及期貨事務監察委員會(「證監會」)規管，而禹銘投資管理有限公司(「禹銘」)為《證券及期貨條例》項下的持牌法團。於二零一九年十二月三十一日，禹銘所有專業僱員均領有適當的執照且已於證監會登記，其中3名僱員為負責人員而5名為持牌代表。所有負責人員擁有逾10年的相關經驗。

本集團透過營銷舉措、現有客戶的轉介、專業公司及本集團董事或僱員的人脈拓攬新業務。就此而言，本集團尤其重視透過向客戶提供及時、稱心及公正的專業服務以培養客戶忠誠度。

整個營運期間，本集團遵守香港特別行政區、證監會、聯交所及其他監管機構規則及法規的規定，如《防止賄賂條例》、《證券及期貨事務監察委員會持牌人或註冊人操守準則》、《企業融資顧問操守準則》、《勝任能力的指引》及《香港保薦人盡職審查指引》。當進行本集團業務活動時，所有僱員均須對本集團聲譽有所意識並以最高的誠信及職業道德行事。

客戶資料及數據保護隱私

本集團尊重並重視所有客戶資料的隱私。為遵守《個人資料(私隱)條例》，本集團以負責任及非歧視的方式收集並使用客戶資料，根據授權書所載保密條款要求限制客戶信息的使用。所有員工對本集團事務須嚴格保密。僱員不可向其他獨立人士或第三方作出披露，直接或間接利用或使用有關本集團及客戶的機密資料。

於期內，概無違反相關保密法律的案件或申訴。

客戶反饋處理

客戶的反饋及建議為本集團提供機會以可持續性的方式提高其服務的質量。本集團致力及時謹慎地回應及解決所有客戶的詢問及意見，從而維持及提高我們於企業融資諮詢行業的聲譽。就遵守本集團有關投訴處理程序的內部指引而言，本集團需於收到投訴後及時調查各事例、解決問題並就投訴提供書面回應。

Environmental, Social and Governance Report (Continued)

環境、社會及管治報告(續)

During the six-month period from 1 July 2019 to 31 December 2019, Yu Ming did not receive any material complaints regarding the services it provided.

Anti-Corruption (Aspect B7)

A Whistle Blower Policy has been established to facilitate the Company's employees' direct reporting of any unlawful conduct, any incident of corruption, avoidance of internal control, incorrect or improper financial or other reporting to senior management. This policy is either circulated in the Company's employees periodically or placed on the corporate electronic platform of the Group to facilitate their easy access and reporting.

Community Investment (Aspect B8)

We strive to excel and undertake the responsibility of a good corporate citizen contributing to the community by encouraging our staff to enroll in charity and social services.

During the six-month period from 1 July 2019 to 31 December 2019, the Group sponsored the activities organised by Hang Seng University of Hong Kong, and Hong Kong International School Association Limited because we share the similar missions with these organisations. Everyone deserves to be treated equally no matter their gender or background. Hang Seng University of Hong Kong nurtures future professional leaders with integrity and a strong sense of social responsibility in pursuit of providing quality undergraduate education. Hong Kong International School Association Limited provides educational excellence with a difference, emphasising compassion and community service across all grades.

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，禹銘並未收到有關其提供服務的任何重大投訴。

反貪污(層面B7)

集團已設立舉報者政策，以便本公司之僱員直接向高級管理人員報告任何非法行為、任何貪污事件、逃避內部監控、不正確或不當的財務或其他報告。此政策會定期發送給本公司之僱員或設於本集團之公司電子平台，以便該僱員使用及進行報告。

社區投資(層面B8)

我們致力精益求精，並透過鼓勵員工參加慈善及社會服務，承擔作為良好企業公民貢獻社區的責任。

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，本集團贊助香港恒生大學及Hong Kong International School Association Limited舉辦的活動，皆因我們與這些機構肩負相似的使命。無論其性別或背景如何，每個人都應得到平等對待。香港恒生大學致力提供優質教育，為社會培育具備專業道德和操守、誠信及勇於承擔的專業領導人才。Hong Kong International School Association Limited提供卓越的教育，與眾不同，強調各個年級的同情心和社區服務。

Independent Auditor's Report

獨立核數師報告



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To the Shareholders of Da Yu Financial Holdings Limited
(incorporated in the Cayman Islands with limited liability)

致大禹金融控股有限公司股東
(於開曼群島註冊成立的有限公司)

Disclaimer of Opinion

We were engaged to audit the consolidated financial statements of Da Yu Financial Holdings Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 68 to 151, which comprise the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the six-month period from 1 July 2019 to 31 December 2019, and notes to the consolidated financial statements, including a summary of significant accounting policies.

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the "Basis for Disclaimer of Opinion" section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Disclaimer of Opinion

1. Deconsolidation of companies

As set out in Note 11 to the Company's consolidated financial statements for the six-month period from 1 July 2019 to 31 December 2019 ("December 2019 Consolidated Financial Statements"), the Group lost control over certain companies from 1 January 2014 and therefore the Group deconsolidated those companies ("Deconsolidated Companies"). Upon the deconsolidation, the Group's investments in the Deconsolidated Companies were recognised as available-for-sale investments and measured at fair value in accordance with Hong Kong Accounting Standard 39 "Financial Instruments: Recognition and Measurement". The directors of the Company considered the fair value of the investments was of HK\$0 upon initial recognition on 1 January 2014. The Group's investments in the Deconsolidated Companies were reclassified as financial assets at fair value through other comprehensive income on 1 July 2018 upon adoption of Hong Kong Financial Reporting Standard 9 "Financial Instruments" ("HKFRS 9"). The directors assessed the fair value of the investments was HK\$0 on 1 July 2018, 30 June 2019 and 25 July 2019.

拒絕發表意見

吾等獲委任審核第68頁至第151頁所載大禹金融控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)綜合財務報表，包括於二零一九年十二月三十一日的綜合財務狀況表，及於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括重大會計政策概要。

吾等並不就 貴集團的綜合財務報表發表意見。基於吾等報告中「拒絕發表意見的基礎」一節所述事宜的重要性，吾等未能取得充分及恰當之審核憑證，以就該等綜合財務報表發表審核意見。於所有其他方面，吾等認為，綜合財務報表已遵照香港公司條例的披露規定妥為編製。

拒絕發表意見的基礎

1. 不再綜合計算公司

誠如 貴公司於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間的綜合財務報表(「二零一九年十二月綜合財務報表」)附註11所載， 貴集團自二零一四年一月一日起失去對若干公司的控制權，因此， 貴集團不再綜合計算該等公司(「不再綜合計算公司」)。於不再綜合計算後，根據香港會計準則第39號「金融工具：確認及計量」， 貴集團於不再綜合計算公司中的投資已確認為可供出售投資及以公平值計量。 貴公司董事認為該等投資於二零一四年一月一日首次確認時的公平值為零港元。於採用香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)後，於二零一八年七月一日， 貴集團於不再綜合計算公司的投資重新分類為按公平值計入其他全面收益的財務資產。董事評估，該等投資於二零一八年七月一日、二零一九年六月三十日及二零一九年七月二十五日的公平值均為零港元。

Independent Auditor's Report (Continued)

獨立核數師報告(續)

Basis for Disclaimer of Opinion (Continued)

1. Deconsolidation of companies (Continued)

Pursuant to the creditors' scheme under the Group's restructuring (the "Creditors' Scheme"), as detailed in Note 11 to the Company's December 2019 Consolidated Financial Statements, the Group has effectively disposed of its entire interests in the Deconsolidated Companies on 25 July 2019.

Due to limitations on their scope of work on the Group's conclusion of loss of control over the Deconsolidated Companies and other audit scope limitations, the predecessor auditor of the Company disclaimed their audit opinion on the Company's consolidated financial statements for the year ended 30 June 2019 ("June 2019 Consolidated Financial Statements"). The limitation on audit work on the Group's conclusion of loss of control remained unresolved in our audit of the Company's December 2019 Consolidated Financial Statements.

The directors of the Company did not provide us with their assessment details and related supportings as the basis for their conclusion that the Group had no control over the Deconsolidated Companies since 1 January 2014. The Company also did not provide us with their assessment details such as valuation method and key assumptions in their estimation of the fair value of the Group's investments in the Deconsolidated Companies as at 1 July 2019 and 25 July 2019. There were no alternative procedures that we can perform to satisfy ourselves that the Group's conclusion of its loss of control over those companies since 1 January 2014 was appropriate and the carrying amount of the Group's investments in the Deconsolidated Companies was fairly stated as at 1 July 2019 and 25 July 2019.

Any adjustments found necessary might have effect on the Group's consolidated financial position as at 1 July 2019 and on its consolidated statement of profit or loss and other comprehensive income and presentation in the consolidated statement of cash flows for the six-month period from 1 July 2019 to 31 December 2019 and the respective disclosures, including the segment information and the related party disclosures, in December 2019 Consolidated Financial Statements. Our audit opinion on the December 2019 Consolidated Financial Statements is also modified for the possible effects of the predecessor auditor's disclaimer of audit opinion on June 2019 Consolidated Financial Statements on the comparability of the current period's figures and the corresponding figures.

The Group's investments in the Deconsolidated Companies, together with other assets and liabilities were effectively disposed of on 25 July 2019 under the Creditors' Scheme. Any adjustment to the carrying amount of these investments as at 25 July 2019 would have impact on the Group's gain on the disposal. Details are in Point 4 of this report.

拒絕發表意見的基礎(續)

1. 不再綜合計算公司(續)

根據 貴公司二零一九年十二月綜合財務報表附註 11 所詳述 貴集團重組項下的債權人計劃(「債權人計劃」)， 貴集團於二零一九年七月二十五日實際出售其於不再綜合計算公司的全部股權。

由於 貴公司前任核數師對 貴集團失去對不再綜合計算公司控制權帶來的工作範圍的局限性及其他審計範圍的局限性，彼等在 貴公司截至二零一九年六月三十日止年度的綜合財務報表(「二零一九年六月財務報表」)中拒絕發表審計意見。於吾等對 貴公司於二零一九年十二月綜合財務報表審計中，對 貴集團喪失控制權結論的審計工作之局限性仍未解決。

貴公司董事並未向吾等提供彼等有關彼等認為 貴集團自二零一四年一月一日失去對不再綜合計算公司控制權的評估詳情及相應支持文件。 貴公司亦未向吾等提供彼等的評估詳情，例如彼等估計 貴集團於不再綜合計算公司投資於二零一九年七月一日及二零一九年七月二十五日的賬面值時使用的估值方法及關鍵估計假設。吾等無法執行其他替代程序令吾等信納， 貴集團認為自二零一四年一月一日起失去對該等公司的控制權屬合適以及 貴集團於不再綜合計算公司的投資於二零一九年七月一日及二零一九年七月二十五日之賬面值乃公平呈列。

所須作出的任何必要調整，可能會對二零一九年十二月綜合財務報表中 貴集團於二零一九年七月一日的綜合財務狀況及其於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間的綜合損益及其他全面收益表及綜合現金流量表及各自的披露(包括分部資料及關聯方披露)有影響。吾等亦修改吾等對 貴公司二零一九年十二月綜合財務報表的審核意見，以應對前任核數師於二零一九年六月綜合財務報表中拒絕發表審核意見對當前期間數據及相應數據的可比性之可能影響。

貴集團於不再綜合計算公司的投資，連同其他資產及負債根據債權人計劃於二零一九年七月二十五日實益出售。對該等投資於二零一九年七月二十五日之賬面值的任何調整可能對 貴集團出售收益產生影響。詳情載於本報告第4點。

Basis for Disclaimer of Opinion (Continued)

2. Convertible bonds

As at 30 June 2019, the carrying amounts of the liability component of the convertible bonds issued by the Company and the convertible bond equity reserve were HK\$701,099,000 and HK\$164,169,000, respectively. As set out in Note 11 and Note 31(i)c to the December 2019 Consolidated Financial Statements, upon the effective of the Creditors' Scheme and the Company's capital reorganisation ("Capital Reorganisation") on 25 July 2019, the Group's obligation under the convertible bonds were discharged. On 25 July 2019, the carrying amount of the liability component of HK\$701,099,000 was derecognised and the carrying amount of the convertible bonds equity reserve of HK\$164,169,000 was transferred to the Group's accumulated losses.

The predecessor auditor of the Company was not able to obtain sufficient appropriate audit evidence to satisfy themselves as to whether the carrying amounts of the liability component and the equity reserve of the convertible bonds as at 30 June 2019 have been appropriately accounted for in the June 2019 Consolidated Financial Statements. Together with other matters, the predecessor auditor of the Company disclaimed their audit opinion on the June 2019 Consolidated Financial Statements.

The predecessor auditor's limitation in audit work on the convertible bonds remained unresolved in our audit of the Company's December 2019 Consolidated Financial Statements. In our audit of the December 2019 Consolidated Financial Statements, the directors of the Company did not provide us with the supporting documents related to the convertible bonds and the details of the assessment and measurement of the liability component and the equity reserve of the convertible bonds. There were no alternative procedures that we can perform to satisfy ourselves that the liability and equity balances of the convertible bonds as at 1 July 2019 and 25 July 2019 were free from material misstatement.

Any adjustments to the carrying amounts of the liability component of the convertible bonds issued by the Company and the convertible bond equity reserve as at 1 July 2019 and 25 July 2019 found necessary would have an impact on the Group's consolidated statement of profit or loss and other comprehensive income and presentation in the consolidated statement of cash flows for the six-month period from 1 July 2019 to 31 December 2019 and the respective disclosures included in the December 2019 Consolidated Financial Statements. Our audit opinion on the Company's December 2019 Consolidated Financial Statements is also modified for the possible effects of the predecessor auditor's disclaimer of audit opinion on June 2019 Consolidated Financial Statements on the comparability of the current period's figures and the corresponding figures.

拒絕發表意見的基礎(續)

2. 可換股債券

於二零一九年六月三十日，貴公司發行的可換股債券負債部分的賬面值及可換股債券股權儲備分別為701,099,000港元及164,169,000港元。如二零一九年十二月綜合財務報表附註11及附註31(i)c所載，於二零一九年七月二十五日債權人計劃生效及進行本公司股本重組(「股本重組」)後，貴集團根據可換股債券承擔的債務已獲解除。於二零一九年七月二十五日，負債部分賬面值701,099,000港元已終止確認及可換股債券權益儲備賬面值164,169,000港元已轉撥至貴集團累計虧損。

貴公司前任核數師無法獲得足夠的適當審計證據以令彼等信納，於二零一九年六月三十日負債部分的賬面值及可換股債券權益儲備的賬面值是否已於二零一九年六月綜合財務報表中妥為入賬。連同其他事項，貴公司前任核數師於二零一九年六月綜合財務報表中拒絕發表其審計意見。

前任核數師在可轉換債券審計工作中的局限性於吾等對貴公司二零一九年十二月綜合財務報表的審計中仍未解決。於吾等對二零一九年十二月綜合財務報表的審計中，貴公司董事未向吾等提供有關可換股債券負債部分及權益儲備的評估及計量的詳情。吾等無法執行其他替代程序令吾等信納，於二零一九年七月一日及於二零一九年七月二十五日可換股債券負債部分及權益結餘並無重大錯報。

所發現對於二零一九年七月一日及二零一九年七月二十五日本公司發行之可轉換債券負債部分及可換股債券股權儲備賬面值作出之任何必需調整，可能會對二零一九年十二月綜合財務報表中貴集團於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間的綜合損益及其他全面收益表及綜合現金流量表的呈列及各自披露造成影響。吾等亦修改吾等對貴公司二零一九年十二月綜合財務報表的審核意見，以應對前任核數師於二零一九年六月綜合財務報表中拒絕發表審核意見對當前期間數據及相應數據的可比性之可能影響。

Independent Auditor's Report (Continued)

獨立核數師報告(續)

Basis for Disclaimer of Opinion (Continued)

2. Convertible bonds (Continued)

The Group's convertible bonds, together with other assets and liabilities of the Group were effectively disposed of on 25 July 2019 under the Creditors' Scheme. Any adjustments to the carrying amounts of the liability component and the equity reserve of the convertible bonds as at 25 July 2019 would have impact on the Group's gain on the disposal. Details are in Point 4 of this report.

3. Limitation of scope of work on certain liabilities

Listed below were the balances of certain liabilities of the Group as at 30 June 2019 (Liabilities Group A).

		HK\$'000 千港元
Accruals and other payables	應計費用及其他應付款項	27,618
Borrowings	借貸	7,358
Corporate bonds	公司債券	45,000
Taxation payable	應付稅項	6,678
Amounts due to Deconsolidated Companies	應付不再綜合計算公司款項	136,097

The predecessor auditor of the Company had limitations on their audit work on Liabilities Group A as at 30 June 2019. Together with other matters, the predecessor auditor of the Company disclaimed their audit opinion on the June 2019 Consolidated Financial Statements. The predecessor auditor's limitations on audit work on Liabilities Group A remained unresolved in our audit of the Company's December 2019 Consolidated Financial Statements.

In our audit of the December 2019 Consolidated Financial Statements, the directors of the Company were unable to provide us with the details and related supportings of Liabilities Group A and certain other liabilities of the Group included in accruals and other payables with carrying amounts of approximately HK\$2,003,000 as at 1 July 2019 and 25 July 2019 (together with Liabilities Group A, refer to as "Liabilities Group B"). There were no alternative procedures that we could perform to satisfy ourselves as to whether the carrying amounts of Liabilities Group B as at 1 July 2019 and 25 July 2019 were free from material misstatement.

Any adjustments to the carrying amounts of Liabilities Group B as at 1 July 2019 and 25 July 2019 found necessary might impact the Group's consolidated statement of profit or loss and other comprehensive income and presentation in the consolidated statement of cash flows for the six-month period from 1 July 2019 to 31 December 2019 and the respective disclosures included in the December 2019 Consolidated Financial Statements. Our audit opinion on the Company's December 2019 Consolidated Financial Statements is also modified for the possible effects of the predecessor auditor's disclaimer of audit opinion on June 2019 Consolidated Financial Statements on the comparability of the current period's figures and the corresponding figures.

拒絕發表意見的基礎(續)

2. 可換股債券

貴集團可換股債券，連同 貴集團其他資產及負債根據債權人計劃已於二零一九年七月二十五日實際出售。對可換股債券負債部分及權益部分於二零一九年七月二十五日之賬面值的任何調整可能對 貴集團出售收益產生影響。詳情載於本報告第4點。

3. 若干負債工作範圍的局限性

以下列示於二零一九年六月三十日， 貴集團若干負債的結餘(「A組負債」)。

	HK\$'000 千港元
應計費用及其他應付款項	27,618
借貸	7,358
公司債券	45,000
應付稅項	6,678
應付不再綜合計算公司款項	136,097

貴公司前任核數師對於二零一九年六月三十日之A組負債的審計工作有局限性。連同其他事項， 貴公司前任核數師於二零一九年六月綜合財務報表中拒絕發表其審計意見。前任核數師對A組負債審計工作的局限性於吾等對二零一九年十二月綜合財務報表的審計中仍未解決。

於吾等對二零一九年十二月綜合財務報表的審核中， 貴公司董事無法向吾等提供有關應計費用及其他應付款項中於二零一九年七月一日及於二零一九年七月二十五日賬面值約2,003,000港元的A組負債及 貴集團若干其他負債(連同A組負債，統稱為「B組負債」)的詳情及相關支持文件。吾等無法執行其他替代程序令吾等信納，於二零一九年七月一日及於二零一九年七月二十五日B組負債的賬面值並無重大錯報。

所發現對於二零一九年七月一日及於二零一九年七月二十五日B組負債賬面值之任何必需調整，可能會對二零一九年十二月綜合財務報表中 貴集團於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間的綜合損益及其他全面收益表及綜合現金流量表的呈列及各自披露造成影響。吾等亦修改吾等對 貴公司二零一九年十二月綜合財務報表的審核意見，以應對前任核數師於二零一九年六月綜合財務報表中拒絕發表審核意見對當前期間數據及相應數據的可比性之可能影響。

Basis for Disclaimer of Opinion (Continued)

3. Limitation of scope of work on certain liabilities (Continued)

Liabilities Group B, together with other assets and liabilities of the Group were effectively disposed of on 25 July 2019 under the Creditors' Scheme. Any adjustments to the carrying amount of Liabilities B as at 25 July 2019 would have impact on the Group's gain on the disposal. Details are in Point 4 of this report.

4. Gain on debt restructuring

Pursuant to the Creditors' Scheme as detailed in Note 11 to the December 2019 Consolidated Financial Statements, on 25 July 2019, the Company transferred to scheme companies (a) the convertible bonds mentioned in Point 2, (b) Liabilities Group B mentioned in Point 3, (c) its investments in the Deconsolidated Companies mentioned in Point 1, (d) its entire equity interest in all the subsidiaries and (e) a cash payment of HK\$80,959,000.

Upon effective of the Creditors' Scheme, the Group's liabilities under items (a) and (b) were discharged and its ownership of items (c) and (d) was lost. As a result of the debt restructuring, the Group recognised a gain of approximately HK\$844,894,000.

Due to the limitations on our scope of work as mentioned in Points 1 to 3 above, we are unable to satisfy ourselves as to whether the gain on debt restructuring was fairly stated. Any adjustments to the carrying amounts of items (a) to (c) as at 25 July 2019 would have impact on the gain on debt restructuring and the related disclosures included in the December 2019 Consolidated Financial Statements.

5. Warrant reserve

As at 30 June 2019, the Group's warrant reserve amounted to HK\$449,000. As set out in Note 31(i)c to the December 2019 Consolidated Financial Statements, upon the effective of the Capital Reorganisation on 25 July 2019, the entire amount standing to the credit of the warrant reserve account of HK\$449,000 was applied to eliminate an equivalent amount of the accumulated losses of the Group.

The predecessor auditor of the Company had limitation in their scope of work on the warrant reserve as at 30 June 2019. Together with other matters, the predecessor auditor of the Company disclaimed their audit opinion on the June 2019 Consolidated Financial Statements.

拒絕發表意見的基礎(續)

3. 若干負債工作範圍的局限性(續)

B組負債，連同 貴集團其他資產及負債根據債權人計劃已於二零一九年七月二十五日實際出售。對B組負債於二零一九年七月二十五日之賬面值的任何調整可能對 貴集團出售收益產生影響。詳情載於本報告第4點。

4. 債務重組收益

根據二零一九年十二月綜合財務報表附註11詳述的債權人計劃，於二零一九年七月二十五日， 貴公司將(a)第2點提述的可換股債券，(b)第3點提述的B組負債，(c)第1點提述的其於不再綜合計算公司的投資，(d)於所有附屬公司中的全部股權轉讓予計劃公司及(e)支付現金80,959,000港元。

債權人計劃生效後， 貴集團於(a)及(b)項下的債務獲解除以及其失去於(c)及(d)項下的所有權。由於債務重組， 貴集團確認收益約844,894,000港元。

由於上文第1至3點中提述的工作範圍局限性，吾等無法信納債務重組收益是否公平呈列。於二零一九年七月二十五日，(a)至(c)項的賬面值的任何調整將會對二零一九年十二月綜合財務報表中的債務重組收益及相關披露產生影響。

5. 認股權證儲備

於二零一九年六月三十日， 貴集團的認股權證儲備為449,000港元。根據二零一九年十二月綜合財務報表附註31(i)c中詳述的 貴集團債務重組，計入於二零一九年七月二十五日股本重組生效後認股權證儲備賬的全部金額449,000港元用於等額抵銷 貴集團的累計虧損。

貴公司前任核數師對於二零一九年六月三十日認股權證儲備的工作範圍有局限性。連同其他事項， 貴公司前任核數師於二零一九年六月綜合財務報表中拒絕發表其審計意見。

Independent Auditor's Report (Continued)

獨立核數師報告(續)

Basis for Disclaimer of Opinion (Continued)

5. Warrant reserve (Continued)

The predecessor auditor's limitation of scope of work remained unresolved in our audit of the December 2019 Consolidated Financial Statements. The directors of the Company were unable to provide us with the warrants issue documents. There were no alternative procedures that we could perform to provide us sufficient appropriate audit evidence on the accounting for the issue of warrants including measurement of the warrant reserve as at 1 July 2019 and 25 July 2019.

Any adjustments to the Company's accounting for the issue of warrants, including the measurement of the warrants reserve, that are necessary might impact on the Group's consolidated statement of profit or loss and other comprehensive income and presentation in the consolidated statement of cash flows for the six-month period from 1 July 2019 to 31 December 2019 and the respective disclosures included in the December 2019 Consolidated Financial Statements. Our audit opinion on the December 2019 Consolidated Financial Statements is also modified for the possible effects of the predecessor auditor's disclaimer of opinion on June 2019 Consolidated Financial Statements on the comparability of the current period's figures and the corresponding figures.

6. Comparative information

The predecessor auditor of the Company did not express an audit opinion on the Company's June 2019 Consolidated Financial Statements due to matters mentioned in Point 1 to Point 3 and Point 5 above and limitations of scope of audit procedures on the balances with related parties of the Group as at 30 June 2019, existence and completeness of the disclosures of commitments, contingent liabilities and related party transactions and accuracy and completeness of the disclosures in relation to the financial risk management, share option scheme and statement of financial position of the Company included in the June 2019 Consolidated Financial Statements. In our audit of the December 2019 Consolidated Financial Statements, the predecessor auditor's limitation on audit procedures detailed in this point remain unresolved. Our opinion on the Company's December 2019 Consolidated Financial Statements is also modified because of the possible effect of these matters on the comparability of the figures and disclosures of the current period and the preceding period.

Other Matter

The consolidated financial statements of the Group for the year ended 30 June 2019, were audited by another auditor who expressed a disclaimer of opinion on those statements on 30 September 2019.

拒絕發表意見的基礎(續)

5. 認股權證儲備(續)

前任核數師在審計工作中的局限性於吾等對 貴公司二零一九年十二月綜合財務報表的審計中仍未解決。 貴公司董事無法向吾等提供認股權證發行文件。吾等無法執行其他替代程序使吾等獲提供發行認股權證會計處理的充足合適審計憑證，包括於二零一九年七月一日及於二零一九年七月二十五日認股權證儲備的計量。

所發現對 貴公司發行認股權證會計處理的任何必需調整，包括計量認股權證儲備及於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間綜合現金流量表之呈列及於二零一九年十二月綜合財務報表之相關披露，可能對 貴集團綜合損益及其他全面收益表產生影響。吾等亦修改吾等對 貴公司二零一九年十二月綜合財務報表的審核意見，以應對前任核數師於二零一九年六月綜合財務報表中拒絕發表審核意見對當前期間數據及相應數據的可比性之可能影響。

6. 比較資料

由於上文第1至3點及第5點所述事項及對二零一九年六月綜合財務報表中 貴集團於二零一九年六月三十日與關聯方交易之結餘、披露承擔、或然負債及關聯方交易的存在性及完整性以及有關財務風險管理、購股權計劃及 貴公司財務狀況表的準確性及完整性之審核程序範圍的局限性， 貴公司前任核數師並無對 貴公司二零一九年六月綜合財務報表發表審核意見。於吾等對二零一九年十二月綜合財務報表進行審核時，該點詳述的前任核數師審核程序的局限性仍未得到解決。吾等對 貴公司二零一九年十二月綜合財務報表之意見亦因該等事項對當前期間及之前期間的數據之可比性及披露的可能影響而作出修改。

其他事項

貴集團截至二零一九年六月三十日止年度的綜合財務報表已由另一名核數師審核，該核數師於二零一九年九月三十日對該等報表出具拒絕發表意見。

Directors' Responsibilities for the Consolidated Financial Statements

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibility in this regard.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Hong Kong Standards on Auditing issued by the HKICPA and to issue an auditor's report. This report is made solely to you, as a body, in accordance with the terms of our 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.

However, because of the matter described in the "Basis for Disclaimer of Opinion" section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

We are independent of the Group in accordance with the HKICPA's "Code of Ethics for Professional Accountants" (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

BDO Limited

Certified Public Accountants
Cheung Or Ping
Practising Certificate Number P05412
Hong Kong, 26 March 2020

董事對綜合財務報表的責任

董事負責根據香港會計師公會(「香港會計師公會」)發佈的香港財務報告準則以及香港公司條例的披露要求編製真實及公平的綜合財務報表，以及落實其認為必要的內部控制，以令綜合財務報表的編製不存在重大錯報(不論是否因欺詐或錯誤)。

在編製綜合財務報表時，董事須負責評估 貴集團持續經營的能力，並披露與持續經營有關的事宜(如適用)。除非董事有意將 貴集團清盤，或停止營運，或除此之外並無其他實際可行的辦法，否則董事須採用以持續經營為基礎的會計法。

董事亦負責監管 貴集團財務申報程序。就此而言，審核委員會協助董事履行彼等的職責。

核數師對審核綜合財務報表的責任

吾等的責任是遵循香港會計師公會發佈的香港核數準則對 貴集團的綜合財務報表執行審核工作並發表核數師報告。根據吾等的委聘條款，吾等僅向 閣下(作為整體)作出報告，除此之外別無其他目的。吾等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。

然而，由於吾等之報告「拒絕發表意見的基礎」章節所述事宜，吾等未能取得足夠適當的審核證據，作為就該等綜合財務報表發表審核意見的依據。

根據香港會計師公會的專業會計師道德守則(「守則」)，吾等與 貴集團是相互獨立，吾等亦根據守則履行吾等的其他道德責任。

香港立信德豪會計師事務所有限公司

執業會計師
張珂屏
執業證書編號：P05412
香港，二零二零年三月二十六日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

			Six-month period from 1 July 2019 to 31 December 2019 於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間	Year ended 30 June 2019 截至二零一九年 六月三十日止年度
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Revenue	收益	6	46,793	–
Other net income	其他收入淨額	6	83	–
Other net financial income	其他財務收入淨額	8	556	–
Employee benefit expense	僱員福利開支	9	(14,105)	–
Administrative and other expenses	行政及其他開支		(12,154)	(12,625)
Gain on debt restructuring	債務重組收益	11	844,894	–
Restructuring expenses	重組開支		(20,132)	–
Finance costs	融資成本	12	(177)	(1,291)
Profit/(loss) before income tax	除所得稅前溢利/(虧損)	13	845,758	(13,916)
Income tax expense	所得稅開支	14	(3,424)	–
Profit/(loss) and total comprehensive income/(expenses) for the period/year (Note)	本期間/年度溢利/(虧損)及全面收益/(開支)總額(附註)		842,334	(13,916)
Earnings/(loss) per share attributable to the owners of the Company (HK cents)	本公司擁有人應佔每股盈利/(虧損)(港仙)	15		(restated) (經重列)
– Basic	– 基本		83.92	(13.89)
– Diluted	– 攤薄		83.92	(restated) (經重列) (13.89)

Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)

綜合損益及其他全面收益表(續)

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

Note:

附註：

		Six-month period from 1 July 2019 to 31 December 2019	Year ended 30 June 2019
		於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間	截至二零一九年 六月三十日止年度
		HK\$'000	HK\$'000
		千港元	千港元
For illustration purpose only (Non-Hong Kong Financial Reporting Standard ("HKFRS") Measures):	僅供說明 (非香港財務報告準則 (「香港財務報告準則」計量)：		
Profit and total comprehensive income for the period	本期間溢利及全面收益總額	842,334	–
Less: Gain on debt restructuring	減：債務重組收益	(844,894)	–
Add: Restructuring expenses	加：重組開支	20,132	–
Profit and total comprehensive income after adjusting net of restructuring gain and expenses from the restructuring for the six-month period from 1 July 2019 to 31 December 2019 ⁽¹⁾	於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，扣除重組收益及開支淨額調整後之溢利及全面收益總額 ⁽¹⁾	17,572	N/A 不適用

⁽¹⁾ The Company believes that the adjusted financial measures provide useful information to investors in understanding and evaluating the Group's consolidated statements of profit or loss in the same manner as they helped the Company's management, and that the Company's management and investors may benefit from referring to these adjusted financial measures in assessing the Group's financial and operating performance from period to period by eliminating impacts of items that the Group does not consider indicative of the Group's operating performance. However, the presentation of these non-HKFRS financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with HKFRS. You should not view the adjusted results on a standalone basis or as a substitute for results under HKFRS.

⁽¹⁾ 本公司認為，經調整財務計量方法為投資者提供有用資料，有助其按管理層一致之方式了解及評估本集團的綜合損益表，且認為本公司管理層及投資者參照上述經調整財務計量方法消除本集團認為並非營運表現指標之項目的影響，有助其評估本集團不同期間的財務及營運表現。然而，上述呈列之非香港財務報告準則財務計量方法不應獨立考慮或作為根據香港財務報告準則編製及呈列的財務資料的替代者。閣下不應獨立看待經調整業績或視其為香港財務報告準則下業績的替代者。

This note does not form part of the consolidated statement of profit or loss and other comprehensive income.

此附註並不構成綜合損益及其他全面收益表的一部份。

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2019
於二零一九年十二月三十一日

			As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元	As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元
	Notes 附註			
ASSETS AND LIABILITIES		資產及負債		
Non-current assets		非流動資產		
Property, plant and equipment	16	物業、廠房及設備	387	-
Goodwill	17	商譽	302,965	-
Intangible assets	18	無形資產	97,746	-
Right-of-use assets	19	使用權資產	1,891	-
Other assets	20	其他資產	50	-
			403,039	-
Current assets		流動資產		
Contract assets	21	合約資產	150	-
Trade and other receivables, deposits paid and prepayments	22	貿易及其他應收款項、已付按金及預付款項	16,466	174
Amount due from a related company	23	應收一間關聯公司款項	4,902	-
Financial assets at fair value through profit or loss ("FVPL")	24	按公平值計入損益(「按公平值計入損益」)的財務資產	1,093	-
Cash and cash equivalents	25	現金及現金等價物	39,875	3,001
			62,486	3,175
Current liabilities		流動負債		
Contract liabilities	21	合約負債	16,200	-
Other payables and accrued expenses	26	其他應付款項及應計開支	10,575	35,764
Lease liabilities	19	租賃負債	1,520	-
Taxation payable		應付稅項	4,191	6,678
Borrowings	27	借貸	-	39,288
Corporate bonds	27	公司債券	-	45,000
Amounts due to deconsolidated companies	28	應付不再綜合計算公司款項	-	136,097
Convertible bonds	29	可換股債券	-	701,099
			32,486	963,926
Net current assets/(liabilities)		流動資產/(負債)淨額	30,000	(960,751)
Total assets less current liabilities		資產總額減流動負債	433,039	(960,751)
Non-current liabilities		非流動負債		
Lease liabilities	19	租賃負債	390	-
Deferred tax liabilities	30	遞延稅項負債	16,128	-
			16,518	-
Net assets/(liabilities)		資產/(負債)淨值	416,521	(960,751)

Consolidated Statement of Financial Position (Continued)

綜合財務狀況表(續)

As at 31 December 2019
於二零一九年十二月三十一日

			As at 31 December 2019 於二零一九年 十二月三十一日	As at 30 June 2019 於二零一九年 六月三十日
	Notes 附註		HK\$'000 千港元	HK\$'000 千港元
EQUITY		權益		
Equity attributable to the owners of the Company		本公司擁有人應佔 權益		
Share capital	31	股本	113,933	100,177
Reserves	32	儲備	302,588	(1,060,928)
Total equity/(deficit)		權益/(虧損)總額	416,521	(960,751)

The consolidated financial statements on pages 68 to 151 were approved and authorised for issue by the board of Directors of the Company (the "Board") on 26 March 2020 and is signed on its behalf by:

第68至151頁的綜合財務報表於二零二零年三月二十六日獲本公司董事會(「董事會」)批准及授權刊發，並由以下董事代表簽署：

Lee Wa Lun, Warren

李華倫
Director
董事

Li Chi Kong

李志剛
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

		Share capital (Note 31)	Share Premium (Note 32)	Convertible bond equity reserve (Note 32)	Warrant reserve (Note 32)	Accumulated losses	Total (deficit)/ equity
		股本 (附註31)	股份溢價 (附註32)	可換股債券 權益儲備 (附註32)	認股權證 儲備 (附註32)	累計虧損	(虧損)/ 權益總額
		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
At 1 July 2018	於二零一八年七月一日	100,177	453,352	164,169	449	(1,664,982)	(946,835)
Loss and total comprehensive expenses for the year	本年度虧損及全面 開支總額	-	-	-	-	(13,916)	(13,916)
At 30 June 2019 and 1 July 2019	於二零一九年六月三十日及 二零一九年七月一日	100,177	453,352 [#]	164,169 [#]	449 [#]	(1,678,898) [#]	(960,751)
Capital reorganisation	股本重組	(90,159)	(453,352)	(164,169)	(449)	708,129 [^]	-
Issue of shares upon restructuring	於重組時發行股份	103,915	431,023	-	-	-	534,938
Profit and total comprehensive income for the period	本期間溢利及全面 收益總額	-	-	-	-	842,334	842,334
At 31 December 2019	於二零一九年十二月三十一日	113,933	431,023 [#]	- [#]	- [#]	(128,435) [#]	416,521

[#] The aggregate amount of those balances of HK\$(1,060,928,000) and HK\$302,588,000 represents the reserves in the consolidated statement of financial position as at 30 June 2019 and 31 December 2019 respectively.

[#] 該等結餘總額(1,060,928,000)港元及302,588,000港元指分別於二零一九年六月三十日及二零一九年十二月三十一日綜合財務狀況表內的儲備。

[^] As a result of the capital reorganisation, share capital, share premium, convertible bond equity reserve and warrant reserve included in the consolidated statement of changes in equity, totally approximately HK\$708,129,000, were transferred to the accumulated losses of the Group.

[^] 由於股本重組，計入綜合權益變動表的股本、股份溢價、可換股債券權益儲備及認股權證儲備合共約708,129,000港元轉撥至本集團的累計虧損。

Consolidated Statement of Cash Flows

綜合現金流量表

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

		Six-month period from 1 July 2019 to 31 December 2019 於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間	Year ended 30 June 2019 截至二零一九年 六月三十日止年度
		HK\$'000 千港元	HK\$'000 千港元
	Notes 附註		
Cash flows from operating activities	經營活動所得現金流量		
Profit/(loss) before income tax	除所得稅前溢利/(虧損)	845,758	(13,916)
Adjustments for:	調整：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	88	-
Amortisation on intangible assets	無形資產攤銷	6,303	-
Depreciation of right-of-use assets	使用權資產折舊	756	-
Fair value gain on financial assets at FVPL	按公平值計入損益之財務資產	(384)	-
Finance costs	融資成本	177	-
Gain on debt restructuring	債務重組收益	(844,894)	-
Interest income from bank deposits	銀行存款之利息收入	(172)	-
Operating profit/(loss) before working capital changes	營運資金變動前的經營溢利/(虧損)	7,632	(13,916)
Increase in contract assets	合約資產增加	(54)	-
(Increase)/decrease in trade and other receivables, deposits paid and prepayments	貿易及其他應收款項、已付按金及預付款項(增加)/減少	(7,921)	2
Increase in amount due from a related company	應付一間關聯公司款項增加	(828)	-
Increase in contract liabilities	合約負債增加	1,017	-
Increase in other payables and accrued expenses	其他應付款項及應計開支增加	2,916	751
Cash generated from/(used in) operations	經營所得/(所用)現金	2,762	(13,163)
Bank interest received	已收銀行利息	172	-
Net cash generated from/(used in) operating activities	經營活動所得/(所用)現金淨額	2,934	(13,163)
Cash flows from investing activities	投資活動所得現金流量		
Purchase of property, plant and equipment	購買物業、廠房及設備	(2)	-
Net cash outflow arising from acquisition of a subsidiary	收購一間附屬公司所產生之現金流出淨額	(387,193)	-
Net cash used in investing activities	投資活動所用現金淨額	(387,195)	-
Cash flows from financing activities	融資活動所得現金流量		
Net proceeds from issue of ordinary shares	發行普通股所得款項	534,938	-
Repayment of principal portion of the lease	償還租賃本金部分	(737)	-
Interest paid	已付利息	(177)	-
Net payment to the creditors' scheme	債權人計劃付款淨額	(80,959)	-
Repayment of borrowings	償還借貸	(31,930)	-
Proceeds from borrowings	借貸所得款項	-	14,654
Net cash generated from financing activities	融資活動所得現金淨額	421,135	14,654
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	36,874	1,491
Cash and cash equivalents at beginning of period/year	於本期間/年度初之現金及現金等價物	3,001	1,510
Cash and cash equivalents at end of period/year	於本期間/年度末之現金及現金等價物	39,875	3,001

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

1. GENERAL INFORMATION

Da Yu Financial Holdings Limited (the “Company”) was incorporated in the Cayman Islands with limited liability on 9 September 1999. The address of the Company’s registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business is Room 1801, 18th Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong. The Company’s shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Company is an investment holding company and its subsidiary, Yu Ming Investment Management Limited (“Yu Ming”), (collectively referred to as the “Group”) is a licensed corporation under the Hong Kong Securities and Futures Ordinance and principally engaged in activities including dealing in securities, advising on securities, advising on corporate finance and asset management.

2. BASIS OF PREPARATION AND PRESENTATION

Completion of the restructuring of the Group and resumption of trading in the shares of the Company

At the request of the Company, trading in shares of the Company had been suspended since 18 September 2014.

On 11 November 2014, a winding up petition against the Company was presented to the High Court of Hong Kong Special Administrative Region (“High Court”). On 9 February 2015, the Company was ordered to be wound up and the official receiver was appointed as the provisional liquidator of the Company. On 17 August 2015, Mr. Stephen Liu Yiu Keung and Mr. David Yen Ching Wai of Ernst & Young Transactions Limited were appointed as joint and several liquidators (“Liquidators”) of the Company to take control the affairs of the Company.

Since then, the Liquidators had commenced restructuring the Company. On 24 August 2016, a resumption proposal had been submitted to the Stock Exchange seeking its approval for the resumption of trading in the shares of the Company. The resumption proposal included, inter alia, (i) a very substantial acquisition (Note 38); (ii) capital reorganisation (Note 31); (iii) subscription and new placing (Note 31); (iv) public offer (Note 31) and (v) creditors’ scheme (Note 11) (collectively the “Group Restructuring”). Details of the Group Restructuring are set out in the circular of the Company dated 27 April 2019. On 25 July 2019, the Group Restructuring was completed and the Liquidators were discharged.

Upon the grant from the Stock Exchange, trading in the shares of the Company was resumed on 26 July 2019.

1. 一般資料

大禹金融控股有限公司(「本公司」)為於一九九九年九月九日在開曼群島註冊成立之有限公司。本公司之註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands及其主要營業地點位於香港灣仔告士打道138號聯合鹿島大廈18樓1801室。本公司股份於香港聯合交易所有限公司(「聯交所」)上市。

本公司為一間投資控股公司且其附屬公司(禹銘投資管理有限公司(「禹銘」))(統稱為「本集團」)為根據香港證券及期貨條例的持牌法團，其主要從事活動包括證券交易、就證券提供意見、就機構融資提供意見及提供資產管理。

2. 編製及呈列基準

完成本集團重組及本公司股份恢復買賣

應本公司之要求，本公司股份已自二零一四年九月十八日起暫停買賣。

於二零一四年十一月十一日，向香港特別行政區高等法院(「高等法院」)呈請針對本公司的清盤呈請。於二零一五年二月九日，本公司被勒令清盤，而破產管理署署長獲委任為本公司的臨時清盤人。於二零一五年八月十七日，安永企業財務服務有限公司的廖耀強先生及閻正為先生獲委任為本公司共同及各別清盤人(「清盤人」)以接管本公司事務。

自此，清盤人開始重組本公司。於二零一六年八月二十四日，本公司向聯交所遞交一份復牌建議以尋求批准本公司股份復牌。復牌建議包括(其中包括)(i)非常重大收購事項(附註38)；(ii)股本重組(附註31)；(iii)認購事項及新配售(附註31)；(iv)公開發售(附註31)及(v)債權人計劃(附註11)(統稱為「集團重組」)。集團重組的詳情載於本公司日期為二零一九年四月二十七日的通函。於二零一九年七月二十五日，已完成集團重組及已解散清盤人。

於獲得聯交所批准後，本公司股份於二零一九年七月二十六日恢復買賣。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

2. BASIS OF PREPARATION AND PRESENTATION (Continued)

Change of year end date

Pursuant to a resolution passed by the Board on 10 October 2019, the Company's financial year end was changed from 30 June to 31 December each year. Accordingly, the consolidated financial statements for the current period cover the six-month period from 1 July 2019 to 31 December 2019 whilst the comparative amounts shown for the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and related notes cover the 12 months from 1 July 2018 to 30 June 2019. The comparative information may not be comparable with amounts shown for the current period.

3. ADOPTION OF NEW/REVISED HKFRSs

3.1 Adoption of new/revised HKFRSs – effective on 1 July 2019

In the current period, the Group has applied for the first time the following new/revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are relevant to and effective for the Group's consolidated financial statements for the annual period beginning on 1 July 2019.

HKFRS 16	Leases
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features and Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23	Annual Improvements to HKFRSs 2015-2017 Cycle

The adoption of these new/revised HKFRSs has no significant impact on the Group's consolidated financial statements.

2. 編製及呈列基準(續)

變更財政年度結算日

根據董事會於二零一九年十月十日通過的決議案，本公司的財政年結日由每年的六月三十日更改為十二月三十一日。因此，本期間的綜合財務報表涵蓋於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，而綜合損益及其他全面收益表、綜合權益變動表、綜合現金流量表及相關附註所比較金額涵蓋於二零一八年七月一日起至二零一九年六月三十日止十二個月。本期間所示金額之比較資料可能無法進行比較。

3. 採納新訂／經修訂香港財務報告準則

3.1 採納新訂／經修訂香港財務報告準則—於二零一九年七月一日生效

於本期間，本集團首次應用以下由香港會計師公會(「香港會計師公會」)頒佈，且於二零一九年七月一日開始之年度期間與本集團之綜合財務報表有關且對其生效之新訂／經修訂香港財務報告準則。

香港財務報告準則第16號	租賃
香港(國際財務報告詮釋委員會)–詮釋第23號	所得稅不確定性事項的處理
香港財務報告準則第9號之修訂	提早還款特性及負補償
香港會計準則第19號之修訂	計劃修訂、縮減或結算
香港會計準則第28號之修訂	於聯營公司及合營企業之長期權益
香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號之修訂	香港財務報告準則二零一五年至二零一七年週期之年度改進

採納該等新訂／經修訂香港財務報告準則對本集團的綜合財務報表並無重大影響。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

3. ADOPTION OF NEW/REVISED HKFRSs (Continued)

3.1 Adoption of new/revised HKFRSs – effective on 1 July 2019 (Continued)

HK(IFRIC)-Int 23 – Uncertainty over Income Tax Treatments

The Interpretation supports the requirements of HKAS 12, Income Taxes, by providing guidance over how to reflect the effects of uncertainty in accounting for income taxes. Under the Interpretation, the entity shall determine whether to consider each uncertain tax treatment separately or together based on which approach better predicts the resolution of the uncertainty. The entity shall also assume the tax authority will examine amounts that it has a right to examine and have full knowledge of all related information when making those examinations. If the entity determines it is probable that the tax authority will accept an uncertain tax treatment, then the entity should measure current and deferred tax in line with its tax filings. If the entity determines it is not probable, then the uncertainty in the determination of tax is reflected using either the “most likely amount” or the “expected value” approach, whichever better predicts the resolution of the uncertainty.

Amendments to HKFRS 9 – Prepayment Features with Negative Compensation

The amendments clarify that prepayable financial assets with negative compensation can be measured at amortised cost or at fair value through other comprehensive income if specified conditions are met – instead of at fair value through profit or loss.

Amendments to HKAS 19 – Plan amendments, Curtailment or Settlement

The amendments clarify that on amendment, curtailment or settlement of a defined benefit plan, a company should use updated actuarial assumptions to determine its current service cost and net interest for the period. Additionally, the effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the plan and is dealt with separately in other comprehensive income.

3. 採納新訂／經修訂香港財務報告準則(續)

3.1 採納新訂／經修訂香港財務報告準則 – 於二零一九年七月一日生效(續)

香港(國際財務報告詮釋委員會) – 詮釋第23號 – 所得稅不確定性事項的處理

該詮釋透過就如何反映所得稅會計處理所涉及的不確定性的影響提供指引，為香港會計準則第12號所得稅的規定提供支持。根據該詮釋，實體須釐定分開或共同考慮各項不確定稅項處理，以據此更有效預測不確定性的解決方法。實體亦須假設稅務機關將查驗其有權查驗的金額，並在作出上述查驗時全面知悉所有相關資料。倘實體認為稅務機關可能會接受一項不確定稅項處理，則實體須按與其稅務申報相同的方式計量即期及遞延稅項。倘實體認為稅務機關不可能會接受一項不確定稅項處理，則採用「最可能金額」或「預期值」兩個方法中能更有效預測不確定性解決方式的方法反映釐定稅項涉及的不確定性。

香港財務報告準則第9號之修訂本 – 提早還款特性及負補償

該等修訂澄清在符合特別條件下，具有負補償特性的預付財務資產可按攤銷成本或按公平值計入其他全面收益計量，而非按公平值計入損益計量。

香港會計準則第19號之修訂 – 計劃修訂、縮減或結算

該等修訂澄清修訂、縮減或結算定額福利計劃時，公司應使用更新精算假設以釐定其當前服務成本及期內淨利息。再者，在計算任何該計劃之清償收益或虧損時，不考慮資產上限成本之影響，並在其他全面收益中單獨處理。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

3. ADOPTION OF NEW/REVISED HKFRSs (Continued)

3.1 Adoption of new/revised HKFRSs – effective on 1 July 2019 (Continued)

Amendments to HKAS 28 – Long-term Interests in Associates and Joint Ventures

The amendment clarifies that HKFRS 9 applies to long-term interests (“LTI”) in associates or joint ventures which form part of the net investment in the associates or joint ventures and stipulates that HKFRS 9 is applied to these LTI before the impairment losses guidance within HKAS 28.

Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKFRS 3, Business Combinations

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 3 which clarifies that when a joint operator of a business obtains control over a joint operation, this is a business combination achieved in stages and the previously held equity interest should therefore be remeasured to its acquisition date fair value.

Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKFRS 11, Joint Arrangements

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 11 which clarify that when a party that participates in, but does not have joint control of, a joint operation which is a business and subsequently obtains joint control of the joint operation, the previously held equity interest should not be remeasured to its acquisition date fair value.

3. 採納新訂／經修訂香港財務報告準則(續)

3.1 採納新訂／經修訂香港財務報告準則 – 於二零一九年七月一日生效(續)

香港會計準則第28號之修訂 – 於聯營公司及合營企業之長期權益

該等修訂澄清香港財務報告準則第9號應用於構成於聯營公司或合營企業投資淨額一部分的於聯營公司或合營企業之長期權益(「長期權益」)，並規定香港財務報告準則第9號在應用於該等長期權益時先於香港會計準則第28號減值虧損指引。

香港財務報告準則二零一五年至二零一七年週期之年度改進 – 香港財務報告準則第3號之修訂，業務合併

根據年度改進過程頒佈的該等修訂對現時並不明確的準則作出細微及不急切的改動。該等修訂包括對香港財務報告準則第3號的修訂，該修訂澄清業務共同經營方取得共同經營業務的控制權時即構成分階段業務合併，先前所持股權因此須重新計量為其收購日期的公平值。

香港財務報告準則二零一五年至二零一七年週期之年度改進 – 香港財務報告準則第11號之修訂，合營安排

根據年度改進過程頒佈的該等修訂對現時並不明確的準則作出細微及不急切的改動。該等修訂包括對香港財務報告準則第11號的修訂，該修訂澄清當參與但未取得共同經營業務共同控制權的一方其後取得對該項共同經營業務的共同控制權時，先前所持股權不得重新計量為其收購日期公平值。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

3. ADOPTION OF NEW/REVISED HKFRSs (Continued)

3.1 Adoption of new/revised HKFRSs – effective on 1 July 2019 (Continued)

Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKAS 12, Income Taxes

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 12 which clarify that all income tax consequences of dividends are recognised consistently with the transactions that generated the distributable profits, either in profit or loss, other comprehensive income or directly in equity.

Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKAS 23, Borrowing Costs

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 23 which clarifies that a borrowing made specifically to obtain a qualifying asset which remains outstanding after the related qualifying asset is ready for its intended use or sale would become part of the funds an entity borrows generally and therefore included in the general pool.

3.2 New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group's consolidated financial statements, have been issued, but are not yet effective and have not been early adopted by the Group.

Amendments to HKFRS 3	Definition of a Business ¹
Amendments to HKAS 1 and HKAS 8	Definition of Material ¹
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform ¹

¹ Effective for annual periods beginning on or after 1 January 2020

3. 採納新訂／經修訂香港財務報告準則(續)

3.1 採納新訂／經修訂香港財務報告準則 – 於二零一九年七月一日生效(續)

香港財務報告準則二零一五年至二零一七年週期之年度改進 – 香港會計準則第12號之修訂，所得稅

根據年度改進過程頒佈的該等修訂對現時並不明確的準則作出細微及不急切的改動。該等變動包括對香港會計準則第12號的修訂，該修訂澄清股息的所有所得稅後果與產生可分派溢利的交易採取一致的方式於損益或其他全面收益或直接於權益內確認。

香港財務報告準則二零一五年至二零一七年週期之年度改進 – 香港會計準則第23號之修訂，借貸成本

根據年度改進過程頒佈的該等修訂對現時並不明確的準則作出細微及不急切的改動。該等修訂包括對香港會計準則第23號之修訂，該修訂澄清為取得合資格資產而專門作出之借貸，於相關合資格資產可用於其擬定用途或進行銷售時仍未償還，則該借貸將成為該實體一般所借資金的一部分並因此計入一般資產池內。

3.2 已頒佈但尚未生效之新訂／經修訂香港財務報告準則

本集團並無提早採納下列可能與本集團綜合財務報表有關已頒佈但尚未生效之新訂／經修訂香港財務報告準則。

香港財務報告準則第3號之修訂	業務之定義 ¹
香港會計準則第1號及香港會計準則第8號之修訂	重大之定義 ¹
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂	利率基準改革 ¹

¹ 於二零二零年一月一日或之後開始之年度期間生效

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

3. ADOPTION OF NEW/REVISED HKFRSs (Continued)

3.2 New/revised HKFRSs that have been issued but are not yet effective (Continued)

Amendments to HKFRS 3 – Definition of a Business

The amendments clarify that a business must include, as a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs, together with providing extensive guidance on what is meant by a “substantive process”. Additionally, the amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs, whilst narrowing the definition of “outputs” and a “business” to focus on returns from selling goods and services to customers, rather than on cost reductions. An optional concentration test has also been added that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

Amendments to HKAS 1 and HKAS 8 – Definition of Material

The amendments clarify the definition and explanation of “material”, aligning the definition across all HKFRS Standards and the Conceptual Framework, and incorporating supporting requirements in HKAS 1 into the definition.

Amendments to HKFRS 9, HKAS 39 and HKFRS 7 – Interest Rate Benchmark Reform

The amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainties caused by interest rate benchmark reform. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties.

The Group is in the process of making an assessment of the potential impact of these new/revised HKFRSs and the Board so far concluded that the application of these new/revised HKFRSs will have no material impact on the Group’s consolidated financial statements.

3. 採納新訂／經修訂香港財務報告準則(續)

3.2 已頒佈但尚未生效之新訂／經修訂香港財務報告準則(續)

香港財務報告準則第3號之修訂－業務之定義

該等修訂澄清業務必須包括至少一項投入及一個實質性過程，而兩者對創造產出之能力有重大貢獻，並對「實質性過程」之定義提供廣泛指引。此外，該等修訂取消市場參與者是否有能力取代任何缺失之投入或過程及持續產出之評估，同時收窄「產出」及「業務」之定義範圍，重點關注向客戶銷售商品及服務所得之回報而非降低成本。該等修訂亦加入選擇性之集中度測試，允許簡化所收購之一組活動及資產是否並非業務之評估。

香港會計準則第1號及香港會計準則第8號之修訂－重大之定義

該等修訂澄清「重大」之定義及解釋，與所有香港財務報告準則及概念框架之定義相同，且將香港會計準則第1號之支持性規定納入定義。

香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂－利率基準改革

該等修訂修改部分指定對沖會計規定，以就利率基準改革所引起的不確定性之潛在影響提供緩和。此外，該等修訂要求公司向投資者提供有關受該等不確定因素直接影響的對沖關係的額外資料。

本集團正在對該等新訂／經修訂香港財務報告準則的潛在影響作出評估，且董事會迄今為止認為，應用該等新訂／經修訂香港財務報告準則將不會對本集團的綜合財務報表造成重大影響。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Statement of compliance and basis of measurement

The consolidated financial statements on pages 68 to 151 have been prepared in accordance with HKFRSs, which collective term includes all applicable HKFRSs, Hong Kong Accounting Standards and Interpretations issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance. The financial statements include the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below.

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments classified as financial assets at FVPL which are stated at fair values. The measurement bases are fully described in the accounting policies below.

It should be noted that accounting estimates and assumptions are used in preparation of the consolidated financial statements. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are described in Note 5.

4.2 Basis of consolidation and business combination

The consolidated financial statements incorporate the financial statements of the Group made up from 1 July 2019 to 31 December 2019 for the current period and from 1 July 2018 to 30 June 2019 for the preceding period.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are excluded from consolidation from the date that control ceases. The results of the subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss from the effective date of acquisition or up to the effective date of the disposal, as appropriate.

All intra-group transactions, balances and unrealised gains and losses on transactions between group companies are eliminated in preparing the consolidated financial statements. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from the Group's perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

4. 重大會計政策概要

4.1 合規聲明及計量基準

第68至151頁之綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則(其包括所有香港財務報告準則、香港會計準則及詮釋)及香港公司條例的披露規定而編製。財務報表包括聯交所證券上市規則(「上市規則」)的適用披露條文。

編製該等綜合財務報表所用重大會計政策載於下文。

綜合財務報表乃按照歷史成本法編製，惟分類為按公平值計入損益的財務資產的金融工具按公平值列賬除外。計量基準於下文會計政策內詳述。

務請注意，編製綜合財務報表時須採用會計估計及假設。儘管此等估計乃按管理層對現行事件及行動所深知及判斷而作出，惟實際結果最終或會有別於該等估計。涉及較高程度判斷或複雜性之範圍或於綜合財務報表作出重大假設及估計之範圍均於附註5詳述。

4.2 綜合及業務合併之基準

綜合財務報表包括本集團本期於二零一九年七月一日起至二零一九年十二月三十一日止及前期於二零一八年七月一日起至二零一九年六月三十日止編製之財務報表。

附屬公司於本集團獲轉交控制權當日起計綜合入賬，並於終止控制日期起計不再綜合有關賬目。年內所收購或出售附屬公司之業績乃自收購生效日期起或截至出售生效日期止(按適當情況)計入綜合損益表。

集團各成員公司之間之所有集團內部交易、結餘及未變現收益及虧損均於編製綜合財務報表時對銷。集團內部資產銷售之未變現虧損於綜合賬目時撥回，而相關資產亦會從本集團之角度進行減值測試。附屬公司財務報表內之所報告金額已於需要時作出調整，以確保與本集團採納之會計政策貫徹一致。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.2 Basis of consolidation and business combination (Continued)

Acquisition of subsidiaries or businesses is accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition-date fair value of assets transferred, liabilities incurred and equity interests issued by the Group, as the acquirer. The identifiable assets acquired and liabilities assumed are principally measured at acquisition-date fair value. The Group's previously held equity interest in the acquiree is re-measured at acquisition-date fair value and the resulting gains or losses are recognised in profit or loss. The Group may elect, on a transaction-by-transaction basis, to measure the non-controlling interests that represent present ownership interests in the subsidiary either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other non-controlling interests are measured at fair value, unless another measurement basis is required by HKFRSs. Acquisition-related costs incurred are expensed unless they are incurred in issuing equity instruments in which case the costs are deducted from equity.

Any contingent consideration to be transferred by the acquirer is recognised at acquisition-date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

4. 重大會計政策概要(續)

4.2 綜合及業務合併之基準

收購附屬公司或業務乃以收購法入賬。收購成本按本集團(作為收購方)所轉移之資產、產生之負債及發行之股權於收購日期之公平值總額計量。所收購之可識別資產及所承擔之負債主要按收購日期之公平值計量。本集團先前持有被收購方之股權按收購日期之公平值重新計量，所產生之盈虧於損益確認。本集團可按每宗交易選擇按公平值或按應佔被收購方可識別淨資產之比例計量非控股權益(即現時於附屬公司之擁有權權益)。除非香港財務報告準則規定使用其他計量基準，否則所有其他非控股權益均按公平值計量。所產生之收購相關成本均予支銷，除非該等成本乃於發行股本工具時產生，在該情況下，有關成本自權益中扣除。

收購方將予轉讓之任何或然代價按收購日期之公平值確認。其後對代價之調整僅於調整源自於計量期(最長為收購日期起計十二個月)內所取得有關於收購日期之公平值之新資料時，方以商譽確認。所有其他分類為資產或負債之或然代價之其後調整均於損益確認。

本集團於附屬公司之權益變動如並無導致喪失控制權，則列作權益交易入賬。本集團之權益與非控股權益之賬面值均予以調整，以反映其於附屬公司相對權益之變動。非控股權益之調整數額與已付或已取代價公平值之間之任何差額，均直接於權益確認，並歸屬於本公司擁有人。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.2 Basis of consolidation and business combination (Continued)

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest; and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

Subsequent to acquisition, the carrying amount of non-controlling interests that represent present ownership interests in the subsidiary is the amount of those interests at initial recognition plus such non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to such non-controlling interests even if this results in those non-controlling interests having a deficit balance.

4.3 Subsidiaries

Subsidiaries are investees over which the Group is able to exercise control. The Group controls investees if all three of the following elements are present: power over the investees, exposure, or rights, to variable returns from the investees, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

In the Company's statement of financial position, investment in a subsidiary is carried at cost less any impairment loss (Note 4.18) unless the subsidiary is held for sale or included in a disposal group. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable at the reporting date. All dividends whether received out of the investee's pre or post-acquisition profits are recognised in the Company's profit or loss.

4. 重大會計政策概要(續)

4.2 綜合及業務合併之基準(續)

當本集團喪失附屬公司控制權，出售損益為以下兩者之差額：(i)已收代價公平值與任何保留權益公平值之總額；及(ii)資產(包括商譽)過往賬面值與附屬公司及任何非控股權益負債之總額。以往於其他全面收益確認與附屬公司有關之金額乃以相同方式入賬，猶如相關資產或負債已經出售。

收購後，非控股權益(即現時之附屬公司擁有權益)之賬面值為該等權益於初步確認時之款額加上有關非控股權益應佔權益其後變動之部分。即使會導致該等非控股權益出現虧絀結餘，全面收益總額仍歸屬於有關非控股權益。

4.3 附屬公司

附屬公司為本集團可行使控制權之被投資方。倘以下三個因素全部滿足時，本集團控制被投資方：對被投資方之權力，來自被投資方可變回報之風險或權利及利用其權力影響該等可變回報之能力。當有事實或情況顯示任何該等控制因素可能出現變動時，控制權會被重新評估。

在本公司財務狀況表中，於附屬公司之投資以成本減任何減值虧損(附註4.18)入賬，惟附屬公司乃持作出售或包含在出售組別中則除外。本公司按截至報告日期已收及應收股息作為附屬公司之業績入賬。所有已收取股息不論來自投資對象之收購前或後溢利，均於本公司之損益內確認。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.4 Goodwill

Where the fair value of identifiable assets and liabilities exceed the aggregate of the fair value of consideration paid, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of the acquirer's previously held equity interest in the acquiree, the excess is recognised in profit or loss on the acquisition date, after re-assessment.

Goodwill is measured at cost less impairment losses. For the purpose of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units ("CGUs") that are expected to benefit from the synergies of the acquisition. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. A CGU to which goodwill has been allocated is tested for impairment annually, by comparing its carrying amount with its recoverable amount, and whenever there is an indication that the unit may be impaired.

For goodwill arising on an acquisition in a financial period, the CGU to which goodwill has been allocated is tested for impairment before the end of that financial period. When the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro-rata on the basis of the carrying amount to each asset in the unit. However, the loss allocated to each asset will not reduce the individual asset's carrying amount to below its fair value less cost of disposal (if measurable) or its value in use (if determinable), whichever is the higher. Any impairment loss for goodwill is recognised in profit or loss and is not reversed in subsequent periods.

4. 重大會計政策概要(續)

4.4 商譽

倘可識別資產及負債之公平值高於所付代價之公平值、於被收購方之任何非控股權益之金額以及收購方先前於被收購方持有之股本權益之收購日期公平值的總額，則超出部份於重估後於收購日期在損益表確認。

商譽乃按成本減去減值虧損計量。就減值測試而言，收購產生之商譽分配予預期會受惠於收購協同效益之各相關現金產生單位（「現金產生單位」）。現金產生單位為其產生的現金流入大部分獨立於其他資產或資產組別的現金流入之最小可識別資產組合。獲分配商譽之現金產生單位會每年透過將其賬面值與其可收回金額作比較而進行減值測試及於有跡象顯示該單位可能出現減值時進行減值測試。

就於財政期間內收購所產生商譽而言，獲分配商譽之現金產生單位於該財政期間結算日前進行減值測試。倘現金產生單位之可收回金額少於該單位之賬面值，則會首先將減值虧損分配至該單位以減少該單位獲分配商譽之賬面值，其後以該單位內各資產之賬面值為基準按比例分配至該單位之其他資產。然而，分配至各項資產之虧損將不會令獨立資產之賬面值減至低於其公平值減出售成本（如可計量）或其使用價值（如可釐定）（以較高者為準）。商譽之任何減值虧損於損益中確認，且於其後期間不予撥回。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.5 Intangible assets (other than goodwill)

Intangible assets acquired separately are initially recognised at cost. The cost of intangible assets acquired in a business combination is fair value at the date of acquisition. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is provided on a straight-line basis over their useful lives as follows. Intangible assets with indefinite useful lives are carried at cost less any accumulated impairment losses. The amortisation expense is recognised in profit or loss and included in administrative and other expenses.

Investment management agreement	29 months
Backlog	3 years
Tradename	20 years
Securities and Futures Commission (the "SFC") licences	Indefinite

Intangible assets with finite lives are tested for impairment when there is an indication that an asset may be impaired. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, irrespective of whether there is any indication that they may be impaired. Intangible assets are tested for impairment by comparing their carrying amounts with their recoverable amounts (Note 4.18).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as revaluation decrease to the extent of its revaluation surplus.

4. 重大會計政策概要(續)

4.5 無形資產(商譽除外)

獨立收購之無形資產初步按成本確認。於業務合併中購入之無形資產成本為收購日期之公平值。其後，具有有限可使用年期之無形資產按成本減累計攤銷及累計減值虧損列賬。

攤銷乃按其以下可使用年期以直線法計提撥備。具有無限可使用年期之無形資產按成本減任何累計減值虧損列賬。攤銷開支於損益中確認，計入行政及其他開支。

投資管理協議	29個月
存貨	3年
商標名	20年
證券及期貨事務監察委 員會(「證監會」)牌照	無限

倘有跡象顯示具有有限可使用年期之無形資產可能減值時，則會進行減值測試。具無限可使用年期之無形資產及尚未可供使用之無形資產每年進行減值測試，而不論該等無形資產是否已出現任何減值跡象。無形資產乃透過比較其賬面值及可收回金額進行減值測試(附註4.18)。

倘估計資產之可收回金額少於其賬面值，則該項資產之賬面值將減少至其可收回金額。

減值虧損即時確認為開支，除非有關資產乃以重估金額列賬，在該情況下，減值虧損視為重估減值，減值以重估盈餘為限。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.6 Foreign currency translation

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is also the functional currency of the Company and all values are rounded to the nearest thousand (HK\$'000) except when otherwise indicated.

In the individual financial statements of the consolidated entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions. At reporting date, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the reporting date retranslation of monetary assets and liabilities are recognised in profit or loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined and are reported as part of the fair value gain or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

In the consolidated financial statements, all individual financial statements of foreign operations, originally presented in a currency different from the Group's presentation currency, have been converted into HK\$. Assets and liabilities have been translated into HK\$ at the closing rates at the reporting date. Income and expenses have been converted into HK\$ at the exchange rates ruling at the transaction dates, or at average rates over the reporting period provided that the exchange rates do not fluctuate significantly. Any differences arising from this procedure have been recognised in other comprehensive income and accumulated separately in the translation reserve in equity.

4. 重大會計政策概要(續)

4.6 外幣換算

綜合財務報表以港元(「港元」)呈列，而港元亦為本公司的功能貨幣且所有金額均四捨五入至最接近千位(千港元)，惟另有說明者除外。

於合併實體之獨立財務報表中，外幣交易乃按交易當日之匯率換算為個別實體之功能貨幣。於報告日，以外幣計值之貨幣資產及負債乃按該日期之匯率換算。因結算該等交易及於報告日期重新換算貨幣資產及負債所產生之外匯盈虧均於損益中確認。

以外幣計值且按公平值列賬之非貨幣項目乃按公平值釐定當日適用之匯率重新換算，並呈報為公平值盈虧之一部分。按歷史成本以外幣計量之非貨幣項目不作重新換算。

於綜合財務報表中，原以本集團呈報貨幣以外之貨幣呈列之海外業務之所有獨立財務報表均已換算為港元。資產及負債已按報告日期的收市匯率換算為港元。收入與支出按交易日之匯率，或按報告期間之平均匯率換算為港元(假設匯率並無重大波動)。任何因該程序產生之差額已於其他全面收益中確認並於權益內之換算儲備單獨累計。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.7 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and the costs directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as an expense in profit or loss during the financial period in which they are incurred.

Property, plant and equipment are depreciated so as to write off their cost over their estimated useful lives on a straight-line basis at the following rates per annum.

Office equipment	辦公室設備	33.3%
Leasehold improvements	租賃裝修	20% – 33.3%

The useful lives and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

The gain or loss on disposal of an item of property, plant and equipment is the difference between the net sale proceeds and its carrying amount, and is recognised in profit or loss on disposal.

4. 重大會計政策概要(續)

4.7 物業、廠房及設備

物業、廠房及設備按成本減累計折舊及累計減值虧損後列賬。物業、廠房及設備之成本包括其購入價及收購該等項目之直接應佔成本。

其後成本僅會在項目相關之未來經濟利益可能會流入本集團及能可靠地計量項目成本時，方會計入資產賬面值或確認為獨立資產(視情況而定)。已更換零件之賬面值已取消確認。所有其他維修及保養均於其產生之財政期間於損益內確認為開支。

物業、廠房及設備會進行折舊，藉以於其估計可使用年期以直線法按下列年率撇銷成本。

可使用年期及折舊方法會於各報告期末進行審閱及作出調整(如適用)。

資產之賬面值如高於其估計可收回金額，則會被即時撇減至其可收回金額。

出售物業、廠房及設備項目的收益或虧損為銷售所得款項淨額與其賬面值之間的差額，並在出售時於損益確認。

Notes to the Consolidated Financial Statements (Continued)

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.8 a Leases (accounting policies applied from 1 July 2019)

All leases (irrespective of they are operating leases or finance leases) are required to be capitalised in the statement of financial position as right-of-use assets and lease liabilities, but accounting policy choices exist for an entity to choose not to capitalise (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low-value. The Group has elected not to recognise right-of-use assets and lease liabilities for low-value assets and leases for which at the commencement date have a lease term less than 12 months. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

Right-of-use asset

The right-of-use asset should be recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee; and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. Except for right-of-use asset that meets the definition of an investment property or a class of property, plant and equipment to which the Group applies the revaluation model, the Group measures the right-of-use assets applying a cost model. Under the cost model, the Group measures the right-of-use at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability.

4. 重大會計政策概要(續)

4.8 a 租賃(自二零一九年七月一日起應用之會計政策)

所有租賃(不論是經營租賃或融資租賃)須於財務狀況報表內撥充資本作為使用權資產及租賃負債,惟存在為實體提供會計政策選項,可選擇不將(i)屬短期租賃之租賃及/或(ii)相關資產屬低價值資產之租賃撥充資本。本集團已選擇不就低價值資產及於租賃開始當日租期少於12個月之租賃確認使用權資產及租賃負債。與該等租賃相關之租賃付款已於租期內以直線法支銷。

使用權資產

使用權資產應按成本確認,並將包括:(i)初始計量租賃負債之金額(見下文有關租賃負債入賬之會計政策);(ii)於開始日期或之前支付之任何租賃付款減去任何已收租賃優惠;(iii)承租人產生之任何初始直接成本;及(iv)承租人拆除及移除相關資產以符合租賃條款及條件所規定情況時將產生之估計成本,除非該等成本乃為生產存貨而產生則作別論。除符合投資物業或某類物業、廠房及設備(本集團就此應用重估模型)定義之使用權資產外,本集團應用成本模型計量使用權資產。根據成本模型,本集團按成本減去任何累計折舊及任何減值虧損計量使用權資產,並就租賃負債之任何重新計量作出調整。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.8 a Leases (accounting policies applied from 1 July 2019) (Continued)

Lease liability

The lease liability is recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate.

The following payments for the right-to-use the underlying asset during the lease term that are not paid at the commencement date of the lease are considered to be lease payments: (i) fixed payments less any lease incentives receivable; (ii) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at commencement date; (iii) amounts expected to be payable by the lessee under residual value guarantees; (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequent to the commencement date, the Group measures the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g., a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in substance fixed lease payments or a change in assessment to purchase the underlying asset.

4.8 b Leases (accounting policies applied until 30 June 2019)

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to lessee. All other leases are classified as operating leases.

The total rentals payable under the operating leases are recognised in profit or loss on a straight-line basis over the lease term. Lease incentives received are recognised in profit or loss as an integrated part of the total rental expense, over the term of the lease.

4. 重大會計政策概要(續)

4.8 a 租賃(自二零一九年七月一日起應用之會計政策)(續)

租賃負債

租賃負債按於租賃開始日期尚未支付之租賃款項現值確認。如可即時釐定租賃隱含之利率，則租賃付款使用該利率貼現。如不可即時釐定該利率，則本集團將使用其增量借貸利率貼現。

下列就於租期內相關資產之使用權而於租賃開始日期尚未支付之付款被視為租賃付款：(i) 固定付款減任何應收租賃優惠；(ii) 視乎某一指數或比率而定之可變租賃付款(初步按於開始日期之指數或比率計量)；(iii) 承租人根據餘值擔保預期應付之金額；(iv) 購買選擇權之行使價(倘承租人合理確定將行使該選擇權)；及(v) 終止租賃之罰款(倘租期反映承租人行使選擇權終止租賃)。

於開始日期後，本集團將以以下列方式計量租賃負債：(i) 增加賬面值以反映租賃負債利息；(ii) 減少賬面值以反映已作出之租賃付款；及(iii) 重新計量賬面值以反映任何重新評估或租賃修訂，例如某一指數或比率改變、租期改變、實質固定租賃付款改變或對於購買相關資產之評估改變令未來租賃付款改變。

4.8 b 租賃(於二零一九年六月三十日之前應用之會計政策)

當租賃條款將擁有權的絕大部分風險及回報轉移至承租人，則該等租賃會被分類為融資租賃。所有其他租賃乃分類為經營租賃。

根據經營租賃應付的租金總額按直線法於租期內在損益中確認。已收租賃優惠於損益內確認為租期內租金開支總額的組成部分。

Notes to the Consolidated Financial Statements (Continued)

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.9 Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at FVPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

Fair value through other comprehensive income ("FVOCI"): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Debt investments at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

4. 重大會計政策概要(續)

4.9 財務資產

就並非按公平值計入損益的項目而言，財務資產(並無重大融資部分的貿易應收款項除外)初步按公平值加上其收購或發行直接相關的交易成本計量。並無重大融資部分的貿易應收款項初步按交易價格計量。

所有常規買賣之財務資產於交易日(即本集團承諾購買或出售該資產之日期)確認。常規買賣是指於規定或市場慣例通常設定之期間內交付資產之財務資產買賣。

釐定具有嵌入衍生工具的財務資產的現金流量是否僅為支付本金和利息時，應予以整體考慮。

債務工具

債務工具的后續計量視乎本集團管理該資產之業務模式及該資產之現金流量特徵而定。本集團將其債務工具分類為三個計量類別：

攤銷成本：倘為收回合約現金流量而持有之資產的現金流量僅為支付本金及利息，則該等資產按攤銷成本計量。按攤銷成本計量的財務資產其後採用實際利率法計量。利息收入、外匯盈虧及減值於損益確認。終止確認的任何收益於損益確認。

按公平值計入其他全面收益(「按公平值計入其他全面收益」)：就收取合約現金流量及出售財務資產(倘資產的現金流量僅為本金及利息付款)而持有的資產按公平值計入其他全面收益計量。按公平值計入其他全面收益的債務投資其後按公平值計量。使用實際利率法計算的利息收益、外匯收益及虧損及減值於損益中確認。其他收益及虧損淨額於其他全面收益中確認。終止確認時於其他全面收益中累計的收益及虧損重新分類至損益。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.9 Financial assets (Continued)

Debt instruments (Continued)

FVPL: Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Equity investments at FVOCI are measured at fair value. Dividend income are recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss. All other equity instruments are classified as FVPL, whereby changes in fair value, dividends and interest income are recognised in profit or loss.

Impairment loss on financial assets

The Group recognises loss allowances for expected credit loss ("ECL") on trade receivables, contract assets, financial assets measured at amortised cost and debt investments measured at FVOCI. The ECLs are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

4. 重大會計政策概要(續)

4.9 財務資產(續)

債務工具(續)

按公平值計入損益：按公平值計入損益的財務資產包括持作買賣的財務資產，於初步確認時指定按公平值計入損益的財務資產，或強制要求按公平值計量的財務資產。倘為於近期出售或購回而收購財務資產，則該等財務資產分類為持作買賣。衍生工具(包括獨立嵌入式衍生工具)亦分類為持作買賣，惟該等衍生工具被指定為有效對沖工具則除外。現金流量並非純粹支付本金及利息的財務資產，不論其業務模式如何，均按公平值計入損益分類及計量。儘管如上文所述債務工具可按攤銷成本或按公平值計入其他全面收益分類，但於初步確認時，倘能夠消除或顯著減少會計錯配，則債務工具可指定為按公平值計入損益。

權益工具

於初步確認並非持作買賣的權益投資時，本集團可以不可撤回地選擇於其他全面收益中呈列投資公平值的後續變動。該選擇乃按投資逐項作出。按公平值計入其他全面收益之權益投資按公平值計量。除非股息收入明確表示收回部分投資成本，否則股息收入於損益確認。其他收益及虧損淨額於其他全面收益確認，且不會重新分類至損益。所有其他權益工具乃分類為按公平值計入損益，據此，公平值變動、股息及利息收入則於損益確認。

財務資產之減值虧損

本集團就貿易應收款項、合約資產、按攤銷成本計量的財務資產及按公平值計入其他全面收益的債券投資的預期信貸虧損(「預期信貸虧損」)確認虧損撥備。預期信貸虧損將採用以下基準計量：(1) 12個月預期信貸虧損：指報告日期後12個月內可能發生的違約事件而導致的預期信貸虧損；及(2) 全期預期信貸虧損：指金融工具的預計年期內所有可能發生的違約事件而導致的預期信貸虧損。於估計預期信貸虧損時所考慮的最長期間為本集團面臨信貸風險的最長合約期限。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.9 Financial assets (Continued)

Impairment loss on financial assets (Continued)

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group has elected to measure loss allowances for trade receivables and contract assets using HKFRS 9 "Financial Instruments" simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets, the ECLs are based on the 12-month ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be credit-impaired when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non-credit-impaired financial assets interest income is calculated based on the gross carrying amount.

4. 重大會計政策概要(續)

4.9 財務資產(續)

財務資產之減值虧損(續)

預期信貸虧損為信貸虧損的概率加權估計。信貸虧損乃按本集團根據合約應付的所有合約現金流量與本集團預期收取的所有現金流量之間的差額計量。該差額其後按資產原有實際利率相近的利率貼現。

本集團已選用香港財務報告準則第9號「金融工具」簡化法計量貿易應收款項及合約資產的虧損撥備，並已根據全期預期信貸虧損計算預期信貸虧損。本集團已設立根據本集團過往信貸虧損經驗計算之撥備矩陣，並按債務人特定之前瞻性因素及經濟環境作出調整。

就其他債務財務資產而言，預期信貸虧損乃根據12個月預期信貸虧損計算。然而，倘信貸風險自產生以來顯著增加，則撥備將根據全期預期信貸虧損計算。

當釐定財務資產之信貸風險自初步確認以來是否有大幅增加及於估計預期信貸虧損時，本集團考慮相關且無需付出過多成本或努力便可取得之合理及有根據資料。這包括根據本集團之過往經驗及已知信貸評估作出的定量及定性資料分析，並包括前瞻性資料。

倘財務資產逾期30日以上，本集團假設財務資產的信貸風險大幅增加。

本集團認為財務資產於下列情況屬信貸減值：(1) 在本集團並無追索權採取如變現抵押品(如持有)等行動之情況下，借款人則不大可能向本集團悉數支付其信貸債務；或(2)財務資產逾期超過90日。

信貸減值財務資產的利息收入乃根據財務資產之攤銷成本(即賬面總值減虧損撥備)計算。對於非信貸減值財務資產而言，利息收入乃根據賬面總額計算。

Notes to the Consolidated Financial Statements (Continued)

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.10 Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short-term highly liquid investments that are readily convertible into known amount of cash, and are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the statements of financial position, cash and cash equivalents comprise cash on hand and at banks and other financial institutions, including term deposits, which are not restricted as to use.

4.11 Financial liabilities

Financial liabilities at amortised cost

Financial liabilities at amortised cost, are initially measured at fair value, net of directly attributable costs incurred and subsequently measured at amortised cost using the effective interest method. The related interest expense is recognised in profit or loss.

4.12 Share Capital

Ordinary shares are classified as equity.

Any transaction costs associated with the issuing of shares are deducted from share capital (net of any related income tax benefits) to the extent they are incremental costs directly attributable to the equity transaction.

4. 重大會計政策概要(續)

4.10 現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括可隨時轉換為已知數額現金，並承受價值變動風險甚微之手頭現金及活期存款，及短期高流通性投資，一般於購入時三個月內到期，減去須應要求償還之銀行透支及組成本集團現金管理整體一部份。

就財務狀況表而言，現金及現金等價物包括手頭現金及銀行及其他金融機構存款(包括定期存款)，其用途並無限制。

4.11 財務負債

按攤銷成本列賬的財務負債

按攤銷成本列賬的財務負債，初步按公平值扣除所產生的直接應佔成本計量，隨後採用實際利率法按攤銷成本計量。相關利息支出於損益內確認。

4.12 股本

普通股乃分類為權益。

任何有關發行股份之交易成本自股本(扣除任何相關所得稅利益)扣減，惟以該權益交易直接應佔遞增成本為限。

Notes to the Consolidated Financial Statements (Continued)

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.13 Revenue recognition

Revenue is recognised to depict the transfer of promised services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those services. Specifically, the Group uses a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customers
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “Control” of the services underlying the particular performance obligation is transferred to the customers.

Control of the services may be transferred over time or at a point in time. Control of the services is transferred over time if:

- the customer simultaneously receives and consumes the benefits provided by the entity’s performance as the entity performs;
- the Group’s performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the services transfer over time, revenue is recognised over the period of the contract by reference to the progress complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the services.

4. 重大會計政策概要(續)

4.13 收益確認

收益按向客戶轉移所承諾服務的金額確認，而該金額反映實體預計可就該等服務換取的代價。具體而言，本集團引入確認收益之五個步驟：

- 第一步：識別與客戶訂立之合約
- 第二步：識別合約中的履約責任
- 第三步：釐定交易價
- 第四步：分配交易價
- 第五步：於(或當)實體完成履約責任時確認收益

本集團於履約責任獲履行(即某項履約責任下服務的「控制權」轉讓予客戶時)確認收益。

服務控制權可於一段時間內或於某一時間點轉移。以下情況屬服務控制權於一段時間內轉讓：

- 客戶隨著實體履約的同時獲得及消費實體履約所提供的利益；
- 本集團履約會創造及加強客戶隨著本集團履約而控制的資產；或
- 本集團履約不會創造可由本集團另作他用的資產，且本集團對迄今完成的履約付款擁有可強制執行的權利。

倘服務控制權在一段時間內轉讓，收益乃於合約期參照履約責任圓滿完成的進展確認。否則，收益於客戶取得服務控制權的時間點確認。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.13 Revenue recognition (Continued)

(i) *Advisory fee income and related services*

Advisory fee income from providing specified financial advisory and acting as independent financial are recognised over time as services are performed if the Group has a legally enforceable right to payment for all services provided through the end of the contract or termination date. For other advisory contracts in which the Group does not have an enforceable right to payment for performance completed to date at all times throughout the duration of the contract, revenue is recognised at a point in time when the services for the transactions are completed under the terms of each engagement and the revenue can be measured reliably, as only at that time the Group has a present right to payment from the customers for the service performed.

Advisory fee income from provision of services under retainers is recognised over time based on contractual terms specified in the underlying agreements, as the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs and the revenue can be measured reliably.

Commission based and other services are recognised at a point in time when the services for the transactions are completed under the terms of each engagement and the revenue can be measured reliably, as only at that time the Group has a present right to payment from the customers for the service performed.

(ii) *Management fee income*

Management fee income from provision of investment management services is recognised over time based on contractual terms specified in the underlying investment management agreement, as the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs and the revenue can be measured reliably.

4. 重大會計政策概要(續)

4.13 收益確認(續)

(i) *顧問費收入及相關服務*

倘本集團在合約終止或終止日期前對所提供的服務均享有法律上可強制執行的付款權利，則本集團因提供指明的財務顧問服務及以獨立財務身份行事而獲得的顧問費收入會隨時間確認。對於在整個合約期間，本集團無法律上可強制執行就迄今為止完成的業績要求付款權利其他顧問合約而言，收益在交易服務按每次委聘的條款完成並能可靠計量時確認，原因為僅在此時，本集團方有權從客戶處就所提供的服務要求付款。

根據長期聘用提供服務的顧問費收入於根據相關協議指明合約條款的一段時間內確認，乃因客戶隨著實體履約的同時獲得及消費實體履約所提供的利益且收益能夠可靠計量。

佣金類及其他服務於交易服務根據各委聘條款完成時某一時間點確認，且收益能可靠計量，乃因本集團於該時間點方有權利就所提供的服務向客戶收取付款。

(ii) *管理費收入*

提供投資管理服務的管理費收入於根據相關投資管理協議指明合約條款的一段時間內確認，乃因客戶隨著實體履約的同時獲得及消費實體履約所提供的利益且收益能夠可靠計量。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.13 Revenue recognition (Continued)

(iii) Performance fee income

Performance fee income based on the performance of the investment company (i.e. the customer) is a form of variable consideration in its contract with the customer to provide investment management services. Performance fee income is earned based on the performance of the investment company during the period, subject to the achievement of high water mark, in accordance with the respective terms set out in the investment management agreement. Performance fee income will not be recognised as revenue until (a) it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur, or (b) the uncertainty associated with the variable consideration is subsequently resolved.

(iv) Interest income

Interest income from a financial asset is accrued on a time basis using the effective interest method, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on the initial recognition.

4.14 Employee benefits

Retirement benefits

Retirement benefits to employees are provided through a defined contribution plan.

The Group operates a defined contribution retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance (the "MPF Scheme"), for all of its employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries.

Contributions are recognised as an expense in profit or loss as employees render services during the year. The Group's obligation under this plan is limited to the fixed percentage contributions payable.

4. 重大會計政策概要(續)

4.13 收益確認(續)

(iii) 表現費收入

表現費收入乃基於投資公司(即客戶)的表現,為於合約中客戶提供投資管理服務的浮動代價形式。表現費收入於期內根據投資管理協議所載各條款並依據投資公司的表現賺取,惟待實現高水平的標記方可作實。表現費收入將不會確認為收益,直至(a)確認累計收益金額不大可能大幅撥回,或(b)與可變代價有關的不確定因素其後獲解決時。

(iv) 利息收入

財務資產之利息收入使用實際利率法按時間基準並參考未償還本金及適用實際利率累計,而該利率指於初始確認時於財務資產預計年期內將財務資產之估計未來所收現金準確貼現至該資產賬面淨額之利率。

4.14 僱員福利

退休福利

向僱員提供之退休福利乃透過定額供款計劃提供。

本集團根據強制性公積金計劃條例設有定額供款之退休福利計劃(「強積金計劃」),以供其全體合資格參與強積金計劃之僱員參加。供款乃按僱員基本薪金之某一百分比作出。

供款於年內僱員提供服務時於損益確認為開支。本集團於該等計劃項下的責任僅限於應付的固定百分比供款。

Notes to the Consolidated Financial Statements (Continued)

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.14 Employee benefits (Continued)

Short-term employee benefits

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

4.15 Borrowing costs

Borrowing costs incurred for the acquisition, construction or production of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. Other borrowing costs are expensed when incurred.

Borrowing costs are capitalised as part of the cost of a qualifying asset when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are being undertaken. Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

4. 重大會計政策概要(續)

4.14 僱員福利(續)

短期僱員福利

僱員享有之年假權利於應計入僱員權利時確認。本集團已就截至報告日由僱員所提供服務而產生之年假估計責任作出撥備。

非累計補償如病假及產假於提出休假時方予確認。

4.15 借貸成本

收購、建設或生產任何合資格資產產生之借貸成本，於須完成及準備資產作擬定用途之期間撥充資本。合資格資產乃需要一定時間準備方可作擬定用途或出售之資產。其他借貸成本於產生時支銷。

當就產生資產開支、借貸成本及進行將資產作擬定用途或出售所需之活動時，借貸成本會撥充為合資格資產成本之一部分。當將合資格資產作擬定用途或出售所需之絕大部分活動完成時，借貸成本將不再撥充資本。

Notes to the Consolidated Financial Statements (Continued)

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.16 Accounting for income taxes

Income tax comprises current tax and deferred tax.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the reporting date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in profit or loss.

Deferred tax is calculated using the liability method on temporary differences at the reporting date between the carrying amounts of assets and liabilities in the consolidated financial statements and their respective tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, tax losses available to be carried forward as well as other unused tax credits, to the extent that it is probable that taxable profit, including existing taxable temporary differences, will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither taxable nor accounting profit or loss.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax is calculated, without discounting, at tax rates that are expected to apply in the period the liability is settled or the asset is realised, provided they are enacted or substantively enacted at the reporting date.

Changes in deferred tax assets or liabilities are recognised in profit or loss, or in other comprehensive income or directly in equity if they relate to items that are charged or credited to other comprehensive income or directly in equity.

4. 重大會計政策概要(續)

4.16 所得稅之會計方法

所得稅包括本期稅項及遞延稅項。

本期所得稅資產及／或負債包括於報告日尚未繳付並與本期或先前申報期有關應向財政當局履行之稅務責任或稅收機關發出之申索。該等稅務責任乃根據其相關財政期間之適用稅率及稅法，按年度應課稅溢利計算。即期稅項資產或負債的所有變動於損益內確認為稅項支出的組成部分。

遞延稅項乃採用負債法就財務報表之資產及負債賬面值與彼等各自之課稅基準於報告日之暫時差額計算。遞延稅項負債一般就所有應課稅暫時差額確認。所有可扣稅暫時差額、可供結轉稅務虧損及其他未用稅項抵免產生之遞延稅項資產，只會在很可能有應課稅溢利(包括現存應課稅暫時差額)用作抵銷該等可扣稅暫時差額、未用稅務虧損及未用稅項抵免之情況下，才予以確認。

倘暫時差額來自商譽或就對稅務溢利及會計盈虧並無影響之交易初步確認資產與負債(業務合併除外)，則不會確認遞延稅項資產及負債。

遞延稅項負債乃就投資於附屬公司、聯營公司及合營企業所產生應課稅暫時差額而予以確認，惟本集團能夠控制暫時差額之撥回及暫時差額有可能不會於可見將來撥回則除外。

遞延稅項不予貼現，並按預期應用於償還負債或變現資產期間之稅率計算，惟稅率須於報告日為已頒佈或實際上已頒佈。

倘遞延稅項資產或負債與其他全面收益扣除或計入之項目有關或與直接與權益有關，則有關變動會於損益或其他全面收益或直接於權益確認。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.16 Accounting for income taxes (Continued)

Current tax assets and current tax liabilities are presented in net if, and only if,

- (a) the Group has the legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Group presents deferred tax assets and deferred tax liabilities in net if, and only if,

- (a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
 - (i) the same taxable entity; or
 - (ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

4. 重大會計政策概要(續)

4.16 所得稅之會計方法(續)

於及僅於下列情況下會以淨額呈列當期稅項資產及當期稅項負債：

- (a) 本集團有在法律上可強制執行之權利對銷已確認之金額；及
- (b) 有意按淨額基準結算或同時變現淨額及清償負債。

於及僅於下列情況下，本集團會以淨額呈列遞延稅項資產及遞延稅項負債：

- (a) 該實體有在法律上可強制執行之權利以當期稅項資產對銷當期稅項負債；及
- (b) 遞延稅項資產及遞延稅項負債乃關於同一稅務機關在預期清償或收回大額遞延稅項負債或資產之各個未來期間，就
 - (i) 同一應課稅實體；或
 - (ii) 不同應課稅實體(該等實體有意按淨額基準結算或同時變現淨額及清償負債)徵收之所得稅。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.17 Related parties

- (a) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control of the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of key management personnel of the Group or the Company's parent.
- (b) An entity is related to the Group if any of the following conditions apply:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

4. 重大會計政策概要(續)

4.17 關聯方

- (a) 倘適用下列情況，該名人士或該名人士的近親家屬成員便被視為與本集團有關聯：
- (i) 對本集團有控制權或共同控制權；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本公司母公司主要管理人員。
- (b) 倘適用下列情況，該實體便被視為與本集團有關聯：
- (i) 該實體及本集團屬同一集團的成員（即各母公司、附屬公司及同系附屬公司互相關聯）。
 - (ii) 一個實體為另一實體的聯繫人或合營企業（或為某一集團的成員的聯繫人或合營企業，而該另一實體為此集團的成員）。
 - (iii) 兩個實體皆為相同第三方的合營企業。
 - (iv) 一個實體為第三實體的合營企業及另一實體為第三實體的聯繫人。
 - (v) 該實體為本集團或與本集團有關聯的實體的僱員福利而設的離職後福利計劃。
 - (vi) 該實體受(a)部所識別的人士控制或共同控制。
 - (vii) 於(a)(i)所識別對實體有重大影響的人士，或是實體（或實體的母公司）高級管理人員。
 - (viii) 向本集團或向本集團的母公司提供主要管理人員服務的實體或其所屬集團的任何成員公司。

Notes to the Consolidated Financial Statements (Continued)

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.17 Related parties (Continued)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

4.18 Impairment of non-financial assets

Property, plant and equipment, intangible assets and investment in a subsidiary are subject to impairment testing.

It is tested for impairment whenever there are indications that the asset's carrying amount may not be recoverable.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of time value of money and the risk specific to the asset.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a CGU). As a result, some assets are tested individually for impairment and some are tested at CGU level.

Impairment losses recognised for CGUs are charged pro rata to the assets in the CGU, except that the carrying value of an asset will not be reduced below its individual fair value less cost to sell, or value in use, if determinable.

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

4. 重大會計政策概要(續)

4.17 關聯方(續)

某一人士的近親家屬成員指預期可影響該人士與實體進行買賣或於買賣時受該人士影響的有關家屬成員並包括：

- (i) 該名人士的子女及配偶或家庭夥伴；
- (ii) 該名人士的配偶或家庭夥伴的子女；及
- (iii) 該名人士或該名人士的配偶或家庭夥伴的受養人。

4.18 非財務資產減值

物業、廠房及設備、無形資產及於附屬公司之投資須進行減值測試。

只要有跡象顯示可能不能收回資產賬面值時進行減值測試。

當資產賬面值高於其可收回金額時，有關金額將為減值虧損並會立即確認為開支。可收回金額為公平值(反映市場條件減去銷售成本)與使用價值中之較高者。評估使用價值時，估計未來現金流量乃以反映金錢時間值及資產特定風險之現行市場評估之稅前貼現率貼現至其現值。

為評估減值，倘資產未能帶來大致上獨立於其他資產之現金流入，則會就可獨立產生現金流入之最小組別資產(即現金產生單位)釐定可收回金額。因此，部分資產個別進行減值測試，部分則在現金產生單位層面進行測試。

除資產賬面值將不會調減至低於其個別公平值減銷售成本或使用價值(如可釐定)外，減值虧損乃按比例自該現金產生單位之資產中扣除。

倘用於釐定資產可收回金額之估計出現有利改變，則撥回減值虧損，惟以資產之賬面值不得超出於並無確認減值虧損之情況下原應釐定之賬面值(扣除折舊)。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions.

4.20 Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which it is probable will result in an outflow of economic benefits that can be reliably estimated.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

4. 重大會計政策概要(續)

4.19 分部報告

經營分部的報告方式須與主要營運決策人(「主要營運決策人」)獲提供的內部報告方式一致。主要營運決策者負責分配資源及評估經營分部的表現，並已被確認為作出策略性決策的指導委員會。

4.20 撥備及或然負債

當本集團因已發生的事件須承擔現有法定或推定責任，而履行責任有可能導致經濟利益流出，並可準確估計責任金額的情況下，須對該等時間或金額不確定之負債確認撥備。

倘需要流出經濟利益的機會不大，或責任金額無法可靠估計，則責任乃披露為或然負債，除非經濟利益流出之可能性極低則另作別論。可能出現之責任，即是否存在將取決於日後是否會發生一宗或多宗事件，除非經濟利益流出之可能性極低，否則該等負債亦披露為或然負債。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

(a) Critical judgments in applying accounting policies

Deconsolidation of companies

It is determined that the Group lost the control over certain companies on 1 January 2014. The results, assets and liabilities and cash flows of these companies were deconsolidated from the financial statements of the Group since then. Significant judgement is required in determination of control of an investee based on HKFRS 10 "Consolidated Financial Statements".

Deferred taxes

Significant judgement is required in determining the amount of deferred taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the deferred taxes in the period in which such determination is made.

5. 關鍵會計判斷及估計不確定因素的主要來源

於應用本集團的會計政策時，董事須就從其他來源不顯而易見的資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃以過往經驗及被認為屬有關的其他因素為基礎。實際結果可能有別於該等估計。

估計及相關假設會持續檢討。倘若會計估計修訂只影響該期間，則有關修訂會在修訂估計期間確認。倘若有關修訂既影響當期，亦影響未來期間，則有關修訂會在修訂期間及未來期間確認。

(a) 應用會計政策上的重大判斷

不再綜合計算公司

經確定自二零一四年一月一日起本集團已喪失若干公司的控制權。該等公司之業績、資產及負債自此不再綜合計算至本集團財務報表。根據香港財務報告準則第10號「綜合財務報表」，在確定被投資方的控制權時需要作出重大判斷。

遞延稅項

在釐定遞延稅項金額時須作出重大判斷。在一般業務過程中最終稅項釐定因有許多交易及計算而變得不明朗。如該等事項之最終稅項結果與初始入賬金額有所不同，該差額將會影響作出決定期間之遞延稅項。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

(b) Key sources of estimation uncertainty

In addition to information disclosed elsewhere in these financial statements, other key sources of estimation uncertainty that have a significant risk of resulting a material adjustment to the carrying amounts of assets and liabilities within next financial year are as follows:

Impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in Note 4.18. The recoverable amounts of CGUs have been determined based on value in use calculations. These calculations require the use of estimates about future cash flows and discount rates. In the process of estimating expected future cash flows management makes assumptions about future revenues and profits. These assumptions relate to future events and circumstances. The actual results may vary and may cause a material adjustment to the carrying amount of goodwill within the next financial year. Determining the appropriate discount rate involves estimating the appropriate adjustment for market risk and for asset specific risk factors. Details of the estimates of the recoverable amounts of CGUs containing goodwill are disclosed in Note 17.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Indefinite life intangible assets are tested for impairment annually and at other times when such indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or CGU and choose a suitable discount rate in order to calculate the present value of those cash flows.

5. 關鍵會計判斷及估計不確定因素的主要來源(續)

(b) 估計不確定因素之主要來源

除該等綜合財務報表其他地方所披露的資料外，具有造成對下個財政年度內資產及負債的賬面值作出重大調整之重大風險的估計不確定因素之其他主要來源如下：

商譽減值

本集團每年按照附註4.18所述會計政策，測試商譽是否有任何減值。現金產生單位的可回收的金額乃根據使用價值計算釐定。該等計算須使用對未來現金流量及貼現率的估計。在估計預期未來現金流量的過程中，管理者對未來收益及溢利作出假設。該等假設與未來事件及狀況相關。實際結果可能會有不同，並可能導致在下一個財政年度內對商譽的賬面值作出重大調整。釐定適當的貼現率涉及對市場風險及特定資產風險因素的適當調整進行估計。現金產生單位(包括商譽)的可收回金額估計之詳情於附註17中披露。

非財務資產減值

本集團於每個報告日期評估全部非財務資產是否有任何減值跡象。無限年期之無形資產須每年及於存在該跡象之其他時間進行減值測試。其他非財務資產於有跡象顯示賬面值可能無法收回時進行減值測試。管理層計算使用價值時，須估計資產或現金產生單元之預期未來現金流量，以及須選用合適之折現率，以計算現金流量之現值。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

(b) Key sources of estimation uncertainty (Continued)

Impairment allowances of financial assets

The measurement of impairment losses under HKFRS 9 across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

At each reporting date, the Group assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and also, forward-looking analysis.

5. 關鍵會計判斷及估計不確定因素的主要來源(續)

(b) 估計不確定因素之主要來源(續)

財務資產減值撥備

根據香港財務報告準則第9號對所有類別的財務資產進行減值虧損計量須作出判斷，特別是在釐定減值虧損及評估信貸風險的大幅增加時，對未來現金流量及抵押價值的金額及發生的時間的估計。此等估計受多項因素推動，當中有關的變動可能導致須作出不同程度的撥備。

於各報告日期，本公司會將通過對由報告日期至初步確認日期之間的預計年期內發生的違約風險進行比較，以評估自初步確認以來信貸風險是否有顯著增加。本公司就此會考慮相關及毋須付出過度成本或努力而可用的合理及具支持理據的資料，當中包括量化及質化資料以及前瞻性分析。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

6. REVENUE AND OTHER NET INCOME

All of the Group's revenue is derived from contracts with customers for the six-month period from 1 July 2019 to 31 December 2019.

(a) Disaggregation of revenue

6. 收益及其他收入淨額

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，本集團所有收益均來自與客戶的合約。

(a) 分拆收益

		Six-month period from 1 July 2019 to 31 December 2019 於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間 HK\$'000 千港元	Year ended 30 June 2019 截至二零一九年 六月三十日 止年度 HK\$'000 千港元
Type of services	服務類別		
Advisory and related services	顧問及相關服務	37,428	–
Asset management services	資產管理服務	8,123	–
Sundry income	雜項收入	1,242	–
		46,793	–
Type of customers	客戶類別		
Listed companies	上市公司	31,353	–
Non-listed companies and others	非上市公司及其他	15,440	–
		46,793	–
Timing of revenue recognition	收益確認時間		
At a point in time	於某個時間點	23,190	–
Transferred over time	於一段時間內轉移	23,603	–
		46,793	–

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

6. REVENUE AND OTHER NET INCOME (Continued)

(b) Transaction price allocated to remaining performance obligations

As of 31 December 2019, the aggregate amount of the transaction price allocated to the performance obligation that is unsatisfied (or partially unsatisfied) is approximately HK\$47,700,000. The Group expects to recognise the amount as revenue when the performance obligations are satisfied in coming 12 months, depending on the contract terms. The following table shows the time band for remaining performance obligations to be satisfied.

	HK\$000 千港元
Remaining performance obligations expected to be satisfied during: the year ending 31 December 2020	47,700

(c) Other net income

Exchange gain, net	匯兌收益淨額	83	-
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6. 收益及其他收入淨額(續)

(b) 分配至餘下履約責任的交易價

於二零一九年十二月三十一日，分配至履約責任的交易價總額並不理想(或部分不理想)，約為47,700,000港元。本集團預期於未來12個月達成履約責任時將有關款項確認為收益，取決於合約條款。下表列示將達成餘下履約責任的時間範疇。

(c) 其他收入淨額

	Six-month period from 1 July 2019 to 31 December 2019 於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間 HK\$'000 千港元	Year ended 30 June 2019 截至二零一九年 六月三十日 止年度 HK\$'000 千港元
Exchange gain, net	83	-

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

7. SEGMENT INFORMATION

Information reported to the CODM, being the Directors of Company, for the purpose of resource allocation and assessment of segment performance focuses on type of services provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

The Group's reportable and operating segments are as follows:

- (a) Corporate finance services, investment and others – provision of corporate finance advisory services including financial advisory services, services incidental to financial advisory, compliance advisory services, placing agency and/or underwriting services, investment business and others.
- (b) Asset management services – provision of asset management services including investment advisory services.

7. 分部資料

就資源分配及評估分部表現目的而向主要經營決策人(即本公司董事)匯報的資料集中於所提供服務的類別。主要經營決策人所識別的經營分部概無在達致本集團的可申報分部時匯總。

本集團的可申報及經營分部如下：

- (a) 企業融資服務、投資及其他—提供企業融資顧問服務，包括財務顧問服務、與財務顧問有關的服務、合規顧問服務、配售代理及／或包銷服務以、投資業務及其他。
- (b) 資產管理服務—提供資產管理服務(包括投資顧問服務)。

Segment revenue and results

分部收益及業績

		Corporate finance services, investment and others 企業融資服務、 投資及其他 HK\$'000 千港元	Asset management services 資產管理服務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 30 June 2019	截至二零一九年六月三十日止年度			
External segment revenue and other income (Note)	外部分部收益及其他收入(附註)	-	-	-
Result	業績			
Segment profit	分部溢利	-	-	-
Loss before income tax	除所得稅前虧損			-
For the six-month period from 1 July 2019 to 31 December 2019	於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間			
External segment revenue and other income (Note)	外部分部收益及其他收入(附註)	38,067	9,365	47,432
Result	業績			
Segment profit	分部溢利	17,267	3,729	20,996
Gain on debt restructuring	債務重組收益			844,894
Restructuring expenses	重組開支			(20,132)
Profit before income tax	除所得稅前溢利			845,758

Note: Net financial income generated from proprietary trading included in external segment revenue and other income under corporate finance services, investment and others for the year ended 30 June 2019 and for the six-month period from 1 July 2019 to 31 December 2019 were Nil and HK\$639,000 respectively.

附註：截至二零一九年六月三十日止年度及於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，計入外部分部收益及企業融資服務及、投資及其他項下的其他收入的自營買賣產生的財務收入淨額分別為零及639,000港元。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

7. SEGMENT INFORMATION (Continued)

Segment assets and liabilities

7. 分部資料(續)

分部資產及負債

		Six-month period from 1 July 2019 to 31 December 2019 於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間 HK\$'000 千港元	Year ended 30 June 2019 截至二零一九年 六月三十日止年度 HK\$'000 千港元
Segment assets	分部資產		
Corporate finance services, investment and others	企業融資服務、投資及其他	412,667	-
Asset management services	資產管理服務	52,858	-
Total assets	資產總值	465,525	-
Segment liabilities	分部負債		
Corporate finance services, investment and others	企業融資服務、投資及其他	30,123	-
Asset management services	資產管理服務	2,205	-
Total segment liabilities	分部負債總額	32,328	-
Other payables and accrued expenses and taxation payable	其他應付款項及應計開支及應付稅項	16,676	-
Total liabilities	負債總額	49,004	-

For the purpose of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments; and
- all liabilities are allocated to operating segments other than other payable and accrued expenses and taxation payable.

就監管分部表現及分部間分配資源而言：

- 所有資產分配至經營分部；及
- 所有負債分配至經營分部，惟其他應付款項及應計開支及應付稅項除外。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

7. SEGMENT INFORMATION (Continued)

Major customers information

Revenue from major customers, each of whom amounted to 10% or more of Group's revenue for the six-month period from 1 July 2019 to 31 December 2019, is set out below:

		Six-month period from 1 July 2019 to 31 December 2019	Year ended 30 June 2019
		於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間	截至二零一九年 六月三十日 止年度
		HK\$'000	HK\$'000
		千港元	千港元
Customer A ¹	客戶A ¹	9,365	–
Customer B ²	客戶B ²	7,597	–
Customer C ²	客戶C ²	5,000	–

1 Revenue from Customer A is attributable to asset management services.

2 Revenue from Customers B and C are attributable to corporate finance services, investment and others.

Geographic information

The Group's operations after completion of the Group Restructuring are mainly located in Hong Kong and all the Group's non-current assets are located in Hong Kong.

7. 分部資料(續)

主要客戶資料

來自主要客戶收益(各自佔本集團於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間收益10%或以上)載列如下:

	Six-month period from 1 July 2019 to 31 December 2019	Year ended 30 June 2019
	於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間	截至二零一九年 六月三十日 止年度
	HK\$'000	HK\$'000
	千港元	千港元
Customer A ¹	9,365	–
Customer B ²	7,597	–
Customer C ²	5,000	–

1 來自客戶A的收益歸因於資產管理服務。

2 來自客戶B及C的收益歸因於企業融資服務、投資及其他。

地理資料

完成集團重組後，本集團業務經營主要在香港進行及本集團所有非流動資產均為於香港。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

8. OTHER NET FINANCIAL INCOME

8. 其他財務收入淨額

		Six-month period from 1 July 2019 to 31 December 2019	Year ended 30 June 2019
		於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間	截至二零一九年 六月三十日止年度
		HK\$'000	HK\$'000
		千港元	千港元
Interest income from bank deposits	銀行存款之利息收入	172	-
Fair value gain on financial assets at FVPL	按公平值計入損益 財務資產之公平值收益	384	-
		556	-

9. EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS)

9. 僱員福利開支(包括董事酬金)

		Six-month period from 1 July 2019 to 31 December 2019	Year ended 30 June 2019
		於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間	截至二零一九年 六月三十日止年度
		HK\$'000	HK\$'000
		千港元	千港元
Salaries, other benefits, incentive fee and Directors' fee	薪金、其他福利、獎金及董事袍金	13,922	-
Retirement benefits scheme contributions	退休福利計劃供款	183	-
		14,105	-

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

10. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS' EMOLUMENTS

10. 董事薪酬及五名最高薪酬個人之薪酬

10.1 Directors' emoluments

10.1 董事薪酬

The emoluments paid or payable to the Directors were as follows:

已付或應付董事薪酬如下：

		Directors' fees	Salaries and other benefits	Bonus payments	Retirement benefits contributions	Total
		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
Six-month period from 1 July 2019 to 31 December 2019	於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間					
Executive Directors	執行董事					
Mr. Lee Wa Lun, Warren (Managing Director) (Note)	李華倫先生 (董事總經理)(附註)	26	-	6,622	-	6,648
Mr. Lam Chi Shing (Note)	林志成先生(附註)	26	575	820	27	1,448
Ms. Li Ming (Note)	李銘女士(附註)	26	667	820	31	1,544
Non-Executive Directors	非執行董事					
Mr. Li Chi Kong (Chairman)	李志剛先生(主席)	26	-	-	-	26
Mr. Kuo Jen-Hao*	郭人豪先生*	1	-	-	-	1
Independent Non-Executive Directors	獨立非執行董事					
Mr. Chan Sze Chung	陳思聰先生	26	-	-	-	26
Mr. Suen Chi Wai	孫志偉先生	26	-	-	-	26
Mr. Sum Wai Kei, Wilfred	岑偉基先生	26	-	-	-	26
		183	1,242	8,262	58	9,745

* Appointed with effect from 23 December 2019

* 於二零一九年十二月二十三日獲委任

Note: In respect of the term of employment, Mr. Lee Wa Lun, Warren, Mr. Lam Chi Shing and Ms. Li Ming are entitled to a discretionary bonus. The amount of the discretionary bonus is at the discretion of the Board taking into account of the performance of Yu Ming. No salary was paid on payable to Mr. Lee Wa Lun, Warren during the period.

附註：就僱傭條款而言，李華倫先生、林志成先生及李銘女士有權獲得酌情花紅。酌情花紅金額須由董事會經計及馮銘表現後方可作實。期內，並無薪金支付或應付予李華倫先生。

There was no arrangement under which a Director waived or agreed to waive any remuneration during the period/year.

於期間/年度內，概無董事放棄或同意放棄任何薪酬。

The executive directors', the non-executive directors' and the independent non-executive directors' emoluments shown above were mainly for their services as Directors of the Company or its subsidiary.

上文所示執行董事、非執行董事及獨立非執行董事薪酬主要由於彼等作為本公司或其附屬公司董事服提供的服務。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

10. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS' EMOLUMENTS (Continued)

10.2 Five highest paid individuals

The five highest paid individuals included 3 of the Directors for the six-month period from 1 July 2019 to 31 December 2019, details of whose emoluments are set out in Note 10.1 above. The emoluments of the remaining 2 highest paid individuals are as follows:

		Six-month period from 1 July 2019 to 31 December 2019 於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	1,021
Bonus payments	花紅付款	685
Retirement benefits scheme contributions	退休福利計劃供款	47
		1,753

Their emoluments fell within the following bands:

		Six-month period from 1 July 2019 to 31 December 2019 於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間 HK\$'000 千港元
HK\$800,001 to HK\$850,000	800,001港元至850,000港元	1
HK\$900,001 to HK\$950,000	900,001港元至950,000港元	1
		2

During the six-month period from 1 July 2019 to 31 December 2019, no emoluments were paid by the Group to the Directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

10. 董事薪酬及五名最高薪酬個人之薪酬(續)

10.2 五名最高薪酬個人

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，五名最高薪酬個人包括三名董事，有關其薪酬詳情列示於上文附註10.1。餘下兩名最高薪酬個人的薪酬載列如下：

彼等的薪酬屬於如下範圍：

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，本集團並無向董事或五名最高薪酬人士支付酬金作為誘使加入或於加入本集團時之獎勵或離職時之補償。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

11. GAIN ON DEBT RESTRUCTURING

The creditors' scheme under the Group Restructuring (the "Creditors' Scheme") was approved by the requisite statutory majorities of the creditors at the meeting of Creditors' Scheme held on 5 July 2019. The Creditors' Scheme was also sanctioned by the Grand Court of Cayman Islands and High Court of Hong Kong on 16 July 2019 and 22 July 2019 respectively. Accordingly, the Creditors' Scheme became effective on 25 July 2019.

Pursuant to the Creditors' Scheme, the Company transferred its claims, rights to claim, rights to any assets and the entire equity interests of its subsidiaries (the "Subsidiaries") to the Creditors' Scheme on 25 July 2019, the effective date of the Creditors Scheme (the "Transfer"). Accordingly, the companies which were deconsolidated by the Group from 1 January 2014 (the "Deconsolidated Companies") and classified as financial assets at FVOCI were disposed through the Transfer. The major Deconsolidated Companies were shown below:

- (1) 福建浩倫農業科技集團有限公司 Fujian Agrotech Holdings Co., Ltd.*
- (2) 福州浩倫作物科學有限公司 Fuzhou Agrotech Crop Science Co., Ltd.*
- (3) 福建浩倫生物工程技術有限公司 Fujian Agrotech Bioengineering Co., Ltd.*
- (4) 江西浩倫農業科技有限公司 Jiangxi Haolun Agrotech Co., Ltd.*
- (5) 湖南浩倫農業科技有限公司 Hunan Haolun Agrotech Co., Ltd.*
- (6) 江蘇浩倫農業科技有限公司 Jiangsu Haolun Agrotech Co., Ltd.*
- (7) 海南浩倫農業科技有限公司 Hainan Haolun Agrotech Co., Ltd.*
- (8) 山西天行若木生物工程開發有限公司 Shanxi Astrowood Bioengineering Development Co., Ltd.*
- (9) 濟南一農化工有限公司 Jinan Yinong Chemical Co., Ltd.*
- (10) 福建省三明市浩倫園藝植保有限公司 Fujian Sanming Agrotech Landscaping and Plant Protection Co., Ltd.*
- (11) 福建浩倫東方資源物產有限公司 Fujian Agrotech Oriental Import and Export Co., Ltd.*
- (12) 山東浩倫農業科技有限公司 Shandong Haolun Agrotech Co., Ltd.*

* The English name is for identification purpose only.

The Directors considered that Group lost control over the Deconsolidated Companies from 1 January 2014.

After the Transfer, dividend distributed by the Subsidiaries and the Deconsolidated Companies (hereinafter collectively referred to as the "Excluded Companies") or recovery from the Excluded Companies, if any, would be distributed to the creditors under the Creditors' Scheme (the "Scheme Creditors") subject to adjudication. In addition, on the same date, a cash payment of HK\$80,000,000, being partial proceeds from the Subscription and New Placing as defined in Note 31 was transferred to the Creditors' Scheme and all the claims of the Scheme Creditors against, and liabilities of, the Company discharged and compromised in full other than the payables in relation to professional fees for the Group Restructuring.

11. 債務重組收益

本集團重組項下的債權人計劃(「債權人計劃」)於在二零一九年七月五日舉行的債權人計劃會議上獲法定所需之多數債權人批准。債權人計劃亦於二零一九年七月十六日及二零一九年七月二十二日分別獲開曼群島大法院及香港高等法院批准。因此，債權人計劃於二零一九年七月二十五日生效。

根據債權人計劃，本公司於債權人計劃生效日轉讓其申索、申索權、任何資產權利及於二零一九年七月二十五日其附屬公司(「附屬公司」)的全部股權(「轉讓」)。因此，自二零一四年一月一日起本集團終止綜合入賬之公司(「不再綜合計算公司」)並分類為按公平值計入其他全面收益財務資產已通過轉讓出售。主要不再綜合計算公司披露如下：

- (1) 福建浩倫農業科技集團有限公司
- (2) 福州浩倫作物科學有限公司
- (3) 福建浩倫生物工程技術有限公司
- (4) 江西浩倫農業科技有限公司
- (5) 湖南浩倫農業科技有限公司
- (6) 江蘇浩倫農業科技有限公司
- (7) 海南浩倫農業科技有限公司
- (8) 山西天行若木生物工程開發有限公司
- (9) 濟南一農化工有限公司
- (10) 福建省三明市浩倫園藝植保有限公司
- (11) 福建浩倫東方資源物產有限公司
- (12) 山東浩倫農業科技有限公司

* 英文名稱僅供識別。

董事認為自二零一四年一月一日起已喪失對不再綜合計算公司的控制權。

於轉讓後，附屬公司及不再綜合計算公司(以下統稱為「除外公司」)所分派或自除外公司收回的股息(如有)將分派予債權人計劃項下的債權人(「計劃債權人」)(待裁定)。此外，於同日，現金代價80,000,000港元(即認購事項及新配售(定義見附註31)的部分所得款項)已轉入債權人計劃及本公司所受計劃債權人的所有申索及負債(有關本集團重組之專業費用應付款除外)將獲全面解除及和解。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

11. GAIN ON DEBT RESTRUCTURING (Continued)

Therefore, a gain on debt restructuring under the Creditors' Scheme of approximately HK\$844,894,000 (year ended 30 June 2019: Nil) was recognised during the six-month period from 1 July 2019 to 31 December 2019, being calculated as follows:

11. 債務重組收益(續)

因此，債權人計劃項下之債務重組收益約844,894,000港元(截至二零一九年六月三十日止年度：零)已於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間確認，即按如下計算：

	Note	Six-month period from 1 July 2019 to 31 December 2019 於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間 HK\$'000 千港元
Assets transferred pursuant to the Creditors' Scheme:		
Financial assets at FVOCI, representing equity interests in Excluded Companies	根據債權人計劃已轉讓資產： 按公平值計入其他全面收益之財務資產 (代表於除外公司之股權權益)	-
Cash	現金 (i)	(80,959)
Liabilities discharged pursuant to the Creditors' Scheme:		
Other payables and accrued expenses	根據債權人計劃解除負債： 其他應付款項及應計開支	29,621
Borrowings	借貸	7,358
Corporate bonds	公司債券	45,000
Taxation payables	應付稅項	6,678
Amounts due to Deconsolidated Companies	應付不再綜合計算公司的款項	136,097
Convertible bonds	可換股債券	701,099
		925,853
Gain on debt restructuring	債務重組收益	844,894

Note:

(i) Cash outflow arising from debt restructuring

附註：

(i) 債務重組所產生之現金流出

	Six-month period from 1 July 2019 to 31 December 2019 於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間 HK\$'000 千港元	
Cash payment to the Creditors' Scheme	支付予債權人計劃的現金付款	80,959

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

12. FINANCE COSTS

12. 融資成本

		Six-month period from 1 July 2019 to 31 December 2019	Year ended 30 June 2019
		於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間	截至二零一九年 六月三十日止年度
		HK\$'000	HK\$'000
		千港元	千港元
Interest on other borrowings	其他借貸利息	131	1,291
Interest on lease liabilities (Note 19)	租賃負債利息(附註19)	46	-
		177	1,291

13. PROFIT/(LOSS) BEFORE INCOME TAX

13. 除所得稅前溢利/(虧損)

		Six-month period from 1 July 2019 to 31 December 2019	Year ended 30 June 2019
		於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間	截至二零一九年 六月三十日止年度
		HK\$'000	HK\$'000
		千港元	千港元
Profit/(loss) before income tax is arrived at after charging:	除所得稅前溢利/(虧損)已扣除以下各項後達致:		
Amortisation on intangible assets	無形資產攤銷	6,303	-
Auditor's remuneration	核數師薪酬	490	450
Depreciation of	以下之折舊		
– Owned property, plant and equipment	– 自有物業、廠房及設備	88	-
– Right-of-use assets	– 使用權資產	756	-
Employee benefit expense (including directors' emoluments (Note 10)) (Note 9)	僱員福利開支(包括董事酬金(附註10))(附註9)	14,105	-
Interest on lease liabilities	租賃負債利息	46	-
Impairment losses on trade receivables	貿易應收款項之減值虧損	149	-

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

14. INCOME TAX EXPENSE

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the 'Bill') which introduced the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day.

Under the two-tiered profits tax rates regime (the "Regime"), the first HK\$2 million of profits of qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of corporations not qualifying for the Regime will be continued to be taxed at a flat rate of 16.5%.

The Regime only allows a group of connected entities to nominate one entity to apply the reduced tax rate for a given year of assessment. The others would not qualify for the two-tiered profits tax rates.

For the six-month period from 1 July 2019 to 31 December 2019, Hong Kong profits tax is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits of the subsidiary of the Company and at 16.5% on the estimated assessable profits above HK\$2 million of that subsidiary. For the year ended 30 June 2019, no Hong Kong profits tax was provided as the Group had no estimated assessable profits.

14. 所得稅開支

於二零一八年三月二十一日，香港立法會通過二零一七年稅務(修訂)(第7號)條例草案(「條例草案」)，引入利得稅兩級制。條例草案於二零一八年三月二十八日獲簽署成為法律，並於翌日在憲報刊登。

根據利得稅兩級制(「該稅制」)，合資格集團實體首筆2,000,000港元溢利的稅率為8.25%，而超過2,000,000港元溢利的稅率為16.5%。不符合該稅制的法團的溢利將繼續按16.5%的統一稅率徵稅。

該稅制僅允許一組關連實體提名一家實體於應課稅年度內應用調低稅率。其他實體將不符合資格應用兩級利得稅稅率。

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，本公司一間附屬公司的估計應課稅溢利中首2,000,000港元按8.25%計算香港利得稅，本公司該附屬公司估計應課稅溢利中超過2,000,000港元的部分按16.5%計算香港利得稅。截至二零一九年六月三十日止年度，由於本集團並無估計應課稅溢利，故並無計提香港利得稅。

		Six-month period from 1 July 2019 to 31 December 2019 於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間 HK\$'000 千港元	Year ended 30 June 2019 截至二零一九年 六月三十日止年度 HK\$'000 千港元
Current tax	即期稅項		
– Hong Kong profits tax	– 香港利得稅	4,464	–
Deferred tax (Note 30)	遞延稅項(附註30)	(1,040)	–
Income tax expense	所得稅開支	3,424	–

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

14. INCOME TAX EXPENSE (Continued)

Reconciliation between income tax expense and accounting profit/(loss) at applicable tax rates is as follows:

14. 所得稅開支(續)

所得稅開支與按適用稅率計算的會計溢利/(虧損)之對賬如下：

		Six-month period from 1 July 2019 to 31 December 2019	Year ended 30 June 2019
		於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間	截至二零一九年 六月三十日止年度
		HK\$'000	HK\$'000
		千港元	千港元
Profit/(loss) before income tax	除所得稅前溢利/(虧損)	845,758	(13,916)
Tax calculated at the applicable Hong Kong profits tax rates (2018: 16.5%)	按適用香港利得稅稅率計算的稅項 (二零一八年：16.5%)	139,550	(2,296)
Income tax at concessionary rate	按寬減稅率計算之所得稅	(165)	-
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(139,780)	-
Tax effect of non-deductible expenses	不可扣減開支之稅務影響	3,501	2,296
Tax effect of temporary differences not recognised	未確認暫時性差額之稅務影響	(58)	-
Tax effect of unused tax losses not recognised	未確認未動用稅務虧損之稅務影響	376	-
Income tax expense	所得稅開支	3,424	-

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

15. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE COMPANY

The calculation of basic and diluted earnings/(loss) per share attributable to the owners of the Company is based on the following data:

		Six-month period from 1 July 2019 to 31 December 2019	Year ended 30 June 2019
		於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間 HK\$'000 千港元	截至二零一九年 六月三十日止年度 HK\$'000 千港元
Earnings/(loss)	盈利/(虧損)		
Earnings/(loss) for the purpose of basic and diluted earnings/(loss) per share (profit/(loss) for the period/year attributable to the owners of the Company)	就計算每股基本及攤薄盈利/(虧損)之盈利/(虧損) (本公司擁有人應佔本期間/年度之溢利/(虧損))	842,334	(13,916)
			(restated) (經重列)
Number of shares	股份數目		
Weighted average number of ordinary shares in issue for the purpose of basic and diluted earnings/(loss) per share	就計算每股基本及攤薄盈利/(虧損)之已發行普通股股份加權平均數	1,003,788,407	100,176,521

The weighted average number of ordinary shares for the year ended 30 June 2019 was restated to reflect the Capital Reduction (Note 31) and the Share Consolidation (Note 31) completed on 25 July 2019.

There were no dilutive potential ordinary share in issue for the six-month period from 1 July 2019 to 31 December 2019 and for the year ended 30 June 2019. Accordingly, the diluted earnings/(loss) per share presented are the same as the basic earnings/(loss) per share.

15. 本公司擁有人應佔每股盈利/(虧損)

本公司擁有人應佔每股基本及攤薄盈利/(虧損)乃按以下數據計算：

	Six-month period from 1 July 2019 to 31 December 2019	Year ended 30 June 2019
	於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間 HK\$'000 千港元	截至二零一九年 六月三十日止年度 HK\$'000 千港元
Earnings/(loss)		
Earnings/(loss) for the purpose of basic and diluted earnings/(loss) per share (profit/(loss) for the period/year attributable to the owners of the Company)	842,334	(13,916)
		(restated) (經重列)
Number of shares		
Weighted average number of ordinary shares in issue for the purpose of basic and diluted earnings/(loss) per share	1,003,788,407	100,176,521

重列截至二零一九年六月三十日止年度之普通股加權平均數以反映於二零一九年七月二十五日完成之股本削減(附註31)及股份合併(附註31)。

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間以及截至二零一九年六月三十日止年度，並無已發行攤薄潛在普通股。因此，每股攤薄盈利/(虧損)與每股基本盈利/(虧損)相同。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

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於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Office equipment 辦公室設備 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本			
At 1 July 2018, 30 June 2019 and 1 July 2019	於二零一八年七月一日、二零一九年 六月三十日及二零一九年七月一日	-	-	-
Additions through acquisition of a subsidiary	透過收購一間附屬公司添置	458	15	473
Additions	添置	2	-	2
At 31 December 2019	於二零一九年十二月三十一日	460	15	475
Accumulated depreciation	累計折舊			
At 1 July 2018, 30 June 2019 and 1 July 2019	於二零一八年七月一日、二零一九年 六月三十日及二零一九年七月一日	-	-	-
Depreciation	折舊	85	3	88
At 31 December 2019	於二零一九年十二月三十一日	85	3	88
Carrying amount	賬面值			
At 30 June 2019	於二零一九年六月三十日	-	-	-
At 31 December 2019	於二零一九年十二月三十一日	375	12	387

17. GOODWILL

17. 商譽

The amount of goodwill capitalised as an asset, arising from acquisition of a subsidiary, is as follows:

因收購一間附屬公司而資本化為資產之商譽之金額如下：

		HK\$000 千港元
Cost	成本	
At 1 July 2018, 30 June 2019 and 1 July 2019	於二零一八年七月一日、二零一九年六月三十日 及二零一九年七月一日	-
Additions through acquisition of a subsidiary	透過收購一間附屬公司添置	302,965
At 31 December 2019	於二零一九年十二月三十一日	302,965
Accumulated impairment	累計減值	
At 1 July 2018, 30 June 2019 and 1 July 2019	於二零一八年七月一日、二零一九年六月三十日 及二零一九年七月一日	-
Impairment loss	減值虧損	-
At 31 December 2019	於二零一九年十二月三十一日	-
Carrying amount	賬面值	
At 30 June 2019	於二零一九年六月三十日	-
At 31 December 2019	於二零一九年十二月三十一日	302,965

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17. GOODWILL (Continued)

For the purpose of impairment testing, goodwill is allocated to the CGU as follows:

		As at 31 December 2019 於二零一九年 十二月三十一日 HK\$000 千港元	As at 30 June 2019 於二零一九年 六月三十日 HK\$000 千港元
Corporate finance services, investment and others	企業融資服務、投資及其他	268,373	-
Asset management services	資產管理服務	34,592	-
		302,965	-

Impairment testing on goodwill

The recoverable amounts of the CGU has been determined from value in use calculations based on cash flow projections from formally approved budgets covering a five-year period. Cash flows beyond the five-year period are extrapolated using an estimated weighted average growth rate of 3%, which does not exceed the long-term growth rate for the advisory and asset management industry in Hong Kong. The cash flows are discounted using a discount rate of 16.0% and 16.4% for segment of corporate finance services, investment and others and asset management services respectively. The Directors concluded that the CGUs demonstrates sufficient cash flows that justify the carrying value of the goodwill and hence no impairment of goodwill is necessary as at 31 December 2019.

Assumptions were used in the value in use calculations of the CGUs for 31 December 2019. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

Discount rate (corporate finance services, investment and others)	16.0%
Discount rate (asset management services)	16.4%
Operating margin	65.4%
Growth rate within the five-year period	5.0%

The discount rates used is pre-tax and reflect specific risks relating to the relevant CGU.

The operating margin and growth rate within the five-year period have been based on past experience.

17. 商譽(續)

就減值測試而言，商譽分配至現金產生單位如下：

	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$000 千港元	As at 30 June 2019 於二零一九年 六月三十日 HK\$000 千港元
Corporate finance services, investment and others	268,373	-
Asset management services	34,592	-
	302,965	-

對商譽進行減值測試

現金產生單位的可收回金額以使用價值計算釐定，此乃根據正式批准預算(涵蓋五年期間)的現金流預測。五年期間後的現金流以估計加權平均增長率3%推算，其並無超出香港顧問及資產管理行業的長期增長率。企業融資服務、投資及其他分部以及資產管理服務分部的現金流量分別使用16.0%及16.4%的貼現率貼現。董事認為，現金產生單位表明充足的現金流量證明商譽的賬面值，因此於二零一九年十二月三十一日無必要進行商譽減值測試。

於二零一九年十二月三十一日，假設用於計算現金產生單位的使用價值。管理層進行上述減值測試時預測現金流量所用的各重要假設如下：

貼現率(企業融資服務、投資及其他)	16.0%
貼現率(資產管理服務)	16.4%
經營利潤	65.4%
五年期間內的增長率	5.0%

所用貼現率為除稅前，並反映與相關單位有關的特定風險。

五年期間內的經營利潤及增長率乃基於過往經驗。

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18. INTANGIBLE ASSETS

18. 無形資產

		Investment management agreement 投資管理協議 HK\$'000 千港元	Backlog 存貨 HK\$'000 千港元	Trade name 商標名 HK\$'000 千港元	SFC licences 證監會牌照 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本					
At 1 July 2018, 30 June 2019 and 1 July 2019	於二零一八年七月一日、二零一九年 六月三十日及二零一九年七月一日	-	-	-	-	-
Additions through acquisition of a subsidiary	透過收購一間附屬公司添置	15,560	15,705	69,044	3,740	104,049
At 31 December 2019	於二零一九年十二月三十一日	15,560	15,705	69,044	3,740	104,049
Amortisation and impairment	攤銷及減值					
At 1 July 2018, 30 June 2019 and 1 July 2019	於二零一八年七月一日、二零一九年 六月三十日及二零一九年七月一日	-	-	-	-	-
Amortisation	攤銷	2,683	2,181	1,439	-	6,303
At 31 December 2019	於二零一九年十二月三十一日	2,683	2,181	1,439	-	6,303
Carrying amount	賬面值					
At 30 June 2019	於二零一九年六月三十日	-	-	-	-	-
At 31 December 2019	於二零一九年十二月三十一日	12,877	13,524	67,605	3,740	97,746

19. LEASES

19. 租賃

(a) Right-of-use assets

(a) 使用權資產

The carrying amounts of the Group's right-of-use assets and the movements during the period/year are as follows:

本集團使用權資產的賬面值及於期間/年度內的變動如下：

		Premises 物業 HK\$000 千港元
At 1 July 2018, 30 June 2019 and 1 July 2019	於二零一八年七月一日、二零一九年 六月三十日及二零一九年七月一日	-
Additions through acquisition of a subsidiary	透過收購一間附屬公司添置	2,647
Depreciation	折舊	(756)
At 31 December 2019	於二零一九年十二月三十一日	1,891

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19. LEASES (Continued)

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the period/year are as follows:

		Six-month period from 1 July 2019 to 31 December 2019	Year ended 30 June 2019
		於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間	截至二零一九年 六月三十日止年度
		HK\$000	HK\$000
		千港元	千港元
At 1 July 2019/ 1 July 2018	於二零一九年七月一日/ 二零一八年七月一日	-	-
Additions through acquisition of a subsidiary	透過收購一間附屬公司添置	2,647	-
Accretion of interest recognised during the period/year	於期間/年度內已確認 利息增幅	46	-
Payments	付款	(783)	-
At 31 December 2019/ 30 June 2019	於二零一九年十二月三十一日/ 二零一九年六月三十日	1,910	-
Analysed into:	分析為：		
Current portion	流動部分	1,520	-
Non-current portion	非流動部分	390	-

(c) The amounts recognised in profit or loss in relation to leases are as follows:

19. 租賃(續)

(b) 租賃負債

本集團租賃負債的賬面值及於期間/年度內的變動如下：

	Six-month period from 1 July 2019 to 31 December 2019	Year ended 30 June 2019
	於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間	截至二零一九年 六月三十日止年度
	HK\$000	HK\$000
	千港元	千港元
At 1 July 2019/ 1 July 2018	-	-
Additions through acquisition of a subsidiary	2,647	-
Accretion of interest recognised during the period/year	46	-
Payments	(783)	-
At 31 December 2019/ 30 June 2019	1,910	-
Analysed into:		
Current portion	1,520	-
Non-current portion	390	-

(c) 於損益中確認的租賃相關款項如下：

		Six-month period from 1 July 2019 to 31 December 2019
		於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間
		HK\$000
		千港元
Interest on lease liabilities	租賃負債利息	46
Depreciation of right-of-use assets	使用權資產折舊	756
Total amount recognised in profit or loss	於損益中確認的總金額	802

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20. OTHER ASSETS

20. 其他資產

	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$000 千港元	As at 30 June 2019 於二零一九年 六月三十日 HK\$000 千港元
Dealer deposit with the SFC 證監會交易商按金	50	-

21. CONTRACT ASSETS AND CONTRACT LIABILITIES

21. 合約資產及合約負債

The Group has recognised the following revenue-related contract assets and contract liabilities.

本集團已確認以下收益相關合約資產及合約負債。

	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$000 千港元	As at 30 June 2019 於二零一九年 六月三十日 HK\$000 千港元
Contract assets 合約資產	150	-
Contract liabilities 合約負債	16,200	-

The timing of revenue recognition, progress billings to customers and payments received from customers would affect the amount of trade receivables, contract assets and contract liabilities recognised as at the reporting date on the statement of financial position.

收益確認時間、應付客戶進度賬及已收客戶付款將會影響財務狀況表中於報告日期已確認的貿易應收款項、合約資產及合約負債的金額。

The expected timing of recovery or settlement for contract assets is as follows:

合約資產預計收回或結算時間如下：

	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$000 千港元	As at 30 June 2019 於二零一九年 六月三十日 HK\$000 千港元
Within one year 一年內	150	-

The contract liabilities mainly relate to the advance consideration received from customers.

合約負債主要與預收客戶代價有關。

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21. CONTRACT ASSETS AND CONTRACT LIABILITIES (Continued)

21. 合約資產及合約負債(續)

Movements in the contract liabilities during the period/year are as follows:

於期間/年度內，合約負債的變動如下：

		Six-month period from 1 July 2019 to 31 December 2019	Year ended 30 June 2019
		於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間	截至二零一九年 六月三十日止年度
		HK\$000	HK\$000
		千港元	千港元
At 1 July 2019/ 1 July 2018	於二零一九年七月一日/ 二零一八年七月一日	-	-
Additions through acquisition of a subsidiary	透過收購一間附屬公司添置	15,183	-
Revenue recognised that was included in the contract liabilities balance at beginning of period/year	於期初/年度初計入合約負債結餘之 已確認收益	(6,883)	-
Increase due to cash received, excluding amount recognised as revenue during the period/year	於期間/年度初因已收現金(不包括確 為收益的金額)而增加	7,900	-
At 31 December 2019/ 30 June 2019	於二零一九年十二月三十一日/ 二零一九年六月三十日	16,200	-

22. TRADE AND OTHER RECEIVABLES, DEPOSITS PAID AND PREPAYMENTS

22. 貿易及其他應收款項、已付按金及預付款項

		As at 31 December 2019	As at 30 June 2019
		於二零一九年 十二月三十一日	於二零一九年 六月三十日
		HK\$000	HK\$000
		千港元	千港元
Current Asset	流動資產		
Trade receivables (Note)	貿易應收款項(附註)	15,672	-
Other receivables	其他應收款項	164	-
Prepayments	預付款項	289	174
Rental and utility deposits	租金及水電按金	341	-
		16,466	174

Note: The Group normally applies credit terms to its customers according to industry practice together with consideration of their creditability, repayment history and years of establishment. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are regularly reviewed by senior management.

附註：本集團一般按照行業慣例及考慮客戶之信譽、還款記錄及經營年期後釐訂客戶之信貸條款。每名客戶均設有最高信貸額。本集團對其未償還應收款項維持嚴格控制。逾期款項由高級管理層定期進行審閱。

The Board considers that the fair values of trade and other receivables which are expected to be recovered within one year are not materially different from their carrying amounts because these balances have short maturity periods on their inception.

董事會認為，由於預期將於一年內收回之貿易及其他應收款項於開始時之到期期間較短，故該等結餘之公平值與其賬面值並無重大差異。

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22. TRADE AND OTHER RECEIVABLES, DEPOSITS PAID AND PREPAYMENTS (Continued)

The ageing analysis of Group's trade receivables as at the reporting date, based on invoice dates, is as follows:

		As at 31 December 2019 於二零一九年 十二月三十一日 HK\$000 千港元	As at 30 June 2019 於二零一九年 六月三十日 HK\$000 千港元
Within 30 days	30日內	7,174	-
Over 30 days but within 60 days	超過30日但於60日內	6,413	-
Over 60 days but within 90 days	超過60日但於90日內	296	-
Over 90 days but within 365 days	超過90日但於365日內	1,333	-
Over 365 days	超過365日	456	-
		15,672	-

At each reporting date, the Group reviews trade receivables for evidence of impairment on both individual and collective basis.

As at 31 December 2019, loss allowances of HK\$149,000 were made against the gross amount of trade receivables.

Movement in the loss allowances amount in respect of trade receivables during the six-month period from 1 July 2019 to 31 December 2019 and year ended 30 June 2019 is as follows:

		Six-month period from 1 July 2019 to 31 December 2019 於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間 HK\$000 千港元	Year ended 30 June 2019 截至二零一九年 六月三十日止年度 HK\$000 千港元
At 1 July 2019/ 1 July 2018	於二零一九年七月一日/ 二零一八年七月一日	-	-
ECLs recognised during the period/year	於期間/年度內確認的預期信貸虧損	149	-
At 31 December 2019/ 30 June 2019	於二零一九年十二月三十一日/ 二零一九年六月三十日	149	-

22. 貿易及其他應收款項、已付按金及預付款項(續)

本集團貿易應收款項於報告日期基於發票日期的賬齡分析如下：

		As at 31 December 2019 於二零一九年 十二月三十一日 HK\$000 千港元	As at 30 June 2019 於二零一九年 六月三十日 HK\$000 千港元
Within 30 days	30日內	7,174	-
Over 30 days but within 60 days	超過30日但於60日內	6,413	-
Over 60 days but within 90 days	超過60日但於90日內	296	-
Over 90 days but within 365 days	超過90日但於365日內	1,333	-
Over 365 days	超過365日	456	-
		15,672	-

於各報告日期，本集團審閱貿易應收款項，以個別及整體基準衡量是否有減值證據。

於二零一九年十二月三十一日，就貿易應收款項總額作出虧損撥備149,000港元。

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間及截至二零一九年六月三十日止年度，就貿易應收款項作出虧損撥備之變動如下：

		Six-month period from 1 July 2019 to 31 December 2019 於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間 HK\$000 千港元	Year ended 30 June 2019 截至二零一九年 六月三十日止年度 HK\$000 千港元
At 1 July 2019/ 1 July 2018	於二零一九年七月一日/ 二零一八年七月一日	-	-
ECLs recognised during the period/year	於期間/年度內確認的預期信貸虧損	149	-
At 31 December 2019/ 30 June 2019	於二零一九年十二月三十一日/ 二零一九年六月三十日	149	-

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23. AMOUNT DUE FROM A RELATED COMPANY

23. 應收一間關聯公司款項

		As at 31 December 2019 於二零一九年 十二月三十一日 HK\$000 千港元	As at 30 June 2019 於二零一九年 六月三十日 HK\$000 千港元
Trade in nature	貿易性質	4,902	-

The amount due from a related company is unsecured, interest free and repayable on demand.

應收一間關聯公司款項為無抵押、免息及須按要求償還。

24. FINANCIAL ASSETS AT FVPL

24. 按公平值計入損益的財務資產

		As at 31 December 2019 於二零一九年 十二月三十一日 HK\$000 千港元	As at 30 June 2019 於二零一九年 六月三十日 HK\$000 千港元
Financial assets	財務資產		
Equity securities held for trading	持作買賣之股本證券		
- Listed in Hong Kong	- 於香港上市	1,093	-

Financial assets at FVPL are denominated in HK\$.

按公平值計入損益的財務資產以港元計值。

Fair values for these instruments have been measured as described in Note 40.7.

該等財務工具的公平值已被計量，如附註40.7所述。

These financial assets are subject to financial risk exposure in term of price risk.

該等財務資產須承受涉及價格風險之財務風險。

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25. CASH AND CASH EQUIVALENTS

		As at 31 December 2019 於二零一九年 十二月三十一日 HK\$000 千港元	As at 30 June 2019 於二零一九年 六月三十日 HK\$000 千港元
Cash on hand and at banks	手頭及銀行現金	2,019	3,001
Short-term time deposits	短期定期存款	37,856	-
Cash and cash equivalents	現金及現金等價物	39,875	3,001

Included in cash and cash equivalents of the Group is HK\$901,000 (30 June 2019: Nil) and HK\$1,000 (30 June 2019: Nil) of bank balances denominated in United States dollar ("USD") and Renminbi ("RMB") respectively. The Group did not have significant exposure to foreign currency risk at 31 December 2019 and 30 June 2019.

計入本集團的現金及現金等價物分別為以美元(「美元」)及人民幣(「人民幣」)計值的銀行結餘901,000港元(二零一九年六月三十日：無)及1,000港元(二零一九年六月三十日：無)。於二零一九年十二月三十一日及二零一九年六月三十日，本集團並無面臨任何重大外幣風險。

26. OTHER PAYABLES AND ACCRUED EXPENSES

		As at 31 December 2019 於二零一九年 十二月三十一日 HK\$000 千港元	As at 30 June 2019 於二零一九年 六月三十日 HK\$000 千港元
Accrued charges	應計開支	10,575	25,516
Due to a director (Note 34)	應付一名董事款項(附註34)	-	10,248
		10,575	35,764

26. 其他應付款項及應計開支

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27. BORROWINGS AND CORPORATE BONDS

27. 借貸及公司債券

			As at 31 December 2019 於二零一九年 十二月三十一日	As at 30 June 2019 於二零一九年 六月三十日
		Notes 附註	HK\$000 千港元	HK\$000 千港元
Unsecured bank borrowings	無抵押銀行借貸	(a)	-	7,358
Corporate bonds	公司債券	(b)	-	45,000
Other borrowings repayable within one year	須於一年內償還的其他借貸	(c)	-	31,930
			-	84,288

Notes:

- (a) At 30 June 2019, the effective interest rates of the bank borrowings are at 1.07% per annum.
- (b) As at 30 June 2019, the Group has eight unlisted straight bonds issued to eight independent investors in an aggregate principal amount of HK\$45.0 million (the "Bonds"). The Bonds are unsecured, arranged at fixed interest rates of 6% to 7% per annum and immediately due because of the liquidation of the Company.
- (c) Other borrowings as at 30 June 2019 are denominated in HK\$, unsecured and bear an interest charge at 6% per annum.
- (d) On 25 July 2019, the above liabilities were discharged pursuant to the Creditors' Scheme (Note 11).

附註：

- (a) 於二零一九年六月三十日，銀行借貸的實際年利率為1.07%。
- (b) 於二零一九年六月三十日，本集團有八份非上市普通債券發行予八名獨立投資者，本金總額為45,000,000港元（「該等債券」）。該等債券為無抵押、按固定年利率6%至7%計息，且因本公司清盤而須即時償還。
- (c) 於二零一九年六月三十日，其他借貸以港元計值，無抵押及按每年6%計算利息開支。
- (d) 於二零一九年七月二十五日，上述負債根據債權人計劃解除（附註11）。

28. AMOUNTS DUE TO DECONSOLIDATED COMPANIES

28. 應付不再綜合計算公司款項

The amounts due to Deconsolidated Companies are unsecured, interest-free and has no fixed term of repayment.

On 25 July 2019, the above liabilities were discharged pursuant to the Creditors' Scheme (Note 11).

應付不再綜合計算公司款項為無抵押、免息且無固定還款期。

於二零一九年七月二十五日，上述負債根據債權人計劃解除（附註11）。

Notes to the Consolidated Financial Statements (Continued)

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29. CONVERTIBLE BONDS

The carrying value of the liability component of the convertible bonds is as follows:

		As at 31 December 2019 於二零一九年 十二月三十一日 HK\$000 千港元	As at 30 June 2019 於二零一九年 六月三十日 HK\$000 千港元
At 1 July 2019/ 1 July 2018	於二零一九年七月一日/ 二零一八年七月一日	701,099	701,099
Liabilities discharged pursuant to the Creditors' Scheme (Note 11)	根據債權人計劃已解除負債 (附註11)	(701,099)	-
At 31 December 2019/ 30 June 2019	於二零一九年十二月三十一日/ 二零一九年六月三十日	-	701,099

29. 可換股債券

可換股債券負債部分的賬面值如下：

30. DEFERRED TAX LIABILITIES

Deferred taxation is calculated in full on temporary differences under the balance sheet liability method using principle taxation rate of 16.5% for the six-month period from 1 July 2019 to 31 December 2019. The following is the major deferred tax liabilities recognised by the Group and the movements thereon during the period.

30. 遞延稅項負債

遞延稅項乃根據資產負債表負債法按暫時差額全額計算，而於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間使用的主要稅率為16.5%。以下載列本集團已確認的主要遞延稅項負債及其期內變動。

		Adjustment on intangible assets arising from acquisition of a subsidiary 就收購一間附屬公司 產生的無形資產作出調整 HK\$'000 千港元
At 1 July 2018, 30 June 2019 and 1 July 2019	於二零一八年七月一日、二零一九年六月三十日 及二零一九年七月一日	-
Additions through acquisition of a subsidiary	透過收購一間附屬公司添置	17,168
Credit to profit or loss for the period (Note 14)	計入期內損益(附註14)	(1,040)
At 31 December 2019	於二零一九年十二月三十一日	16,128

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31. SHARE CAPITAL

31. 股本

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Authorised:	法定：		
Ordinary shares of HK\$0.10 each	每股0.10港元之普通股		
At 1 July 2018, 30 June 2019 and 1 July 2019	於二零一八年七月一日、二零一九年 六月三十日及二零一九年七月一日	3,000,000,000	300,000
Increase in authorised share capital (Note (i))	法定股本增加(附註(i))	7,000,000,000	700,000
At 31 December 2019	於二零一九年十二月三十一日	10,000,000,000	1,000,000

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Issued and fully paid:	已發行及繳足：		
At 1 July 2018, 30 June 2019 and 1 July 2019	於二零一八年七月一日、二零一九年 六月三十日及二零一九年七月一日	1,001,765,216	100,177
Capital Reorganisation (Note (i))	股本重組(附註(i))	(901,588,695)	(90,159)
Issue of shares pursuant to Subscription (Note (ii))	根據認購事項發行股份(附註(ii))	284,750,000	28,475
Issue of shares pursuant to New Placing (Note (ii))	根據新配售發行股份(附註(ii))	512,698,586	51,270
Issue of shares pursuant to Public Offer (Note (ii))	根據公開發售發行股份(附註(ii))	241,705,083	24,170
At 31 December 2019	於二零一九年十二月三十一日	1,139,330,190	113,933

Notes:

- (i) On 25 July 2019, a Capital Reorganisation (as defined below) became effective, pursuant to a special resolution passed in the Company's extraordinary general meeting on 22 May 2019, in which,
- the nominal value of each share of the Company (the "Share(s)") in issue was reduced from HK\$0.10 to HK\$0.01 (the "Reorganised Share(s)") by cancelling HK\$0.09 from the paid-up capital of each issued Share, with each such Reorganised Shares treated as one fully paid new share with a par value of HK\$0.01 (the "Capital Reduction");
 - every ten (10) Reorganised Shares of HK\$0.01 each in the issued share capital of the Company immediately after the Capital Reduction were consolidated (the "Share Consolidation") into one (1) new share of HK\$0.10 each (the "New Share(s)"), the total number of New Shares in the issued share capital of the Company immediately following the Share Consolidation were rounded down to a whole number by cancelling any fraction in the issued share capital of the Company which arose from the Share Consolidation;
 - the entire amount standing to the credit of the share premium account, convertible bond equity reserve and warrant reserve of the Company on 25 July 2019 was applied to eliminate an equivalent amount of the accumulated losses of the Company;

附註：

- (i) 於二零一九年七月二十五日，股本重組(定義見下文)生效，根據本公司於二零一九年五月二十二日舉行的股東特別大會上通過的特別決議案，其中，
- 本公司已發行股份(「股份」)每股面值透過自每股已發行股份的繳足股本中註銷0.09港元的方式由0.10港元削減至0.01港元(「經重組股份」)，而各經重組股份被視為一股每股面值為0.01港元的繳足新股份(「股本削減」)；
 - 緊隨股本削減後本公司已發行股本中每十(10)股每股面值為0.01港元的經重組股份合併為一(1)股面值為0.10港元的新股份(「新股份」，合併指「股份合併」)，緊隨股份合併後，透過註銷本公司已發行股本中因股份合併而產生之任何零碎股份，將本公司已發行股本之新股份總數向下湊整至整數；
 - 於二零一九年七月二十五日，本公司股份溢價賬、可換股債券股權儲備及認股權證儲備的全部進賬額已用於對銷本公司累計虧損之等值金額；

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31. SHARE CAPITAL (Continued)

Notes: (Continued)

(i) (Continued)

- d. the authorised share capital of the Company was increased from HK\$300,000,000 Shares divided into 3,000,000,000 to HK\$1,000,000,000 divided into 10,000,000,000 New Shares of HK\$0.10 (the "Authorised Capital Increase" and together with the Capital Reduction and the Share Consolidation, the "Capital Reorganisation"); and
- e. the credit arising from the Capital Reduction was transferred to the contributed surplus account of the Company and was applied to eliminate an equivalent amount of the accumulated losses of the Company.

(ii) **Subscription and new placing**

On 28 December 2018, the Company entered into a subscription agreement with Mr. Lee Wa Lun, Warren and certain employees of Yu Ming (collectively "Subscribers") for the subscription (the "Subscription") of a total of 284,750,000 new ordinary shares of the Company. On 25 July 2019, the Subscription has taken place and Subscription shares have been allotted and issued to Subscribers at a price of HK\$0.52 per share. The Company received a net proceeds from the Subscription of approximately HK\$148,070,000, comprising share capital of HK\$28,475,000 and share premium of HK\$119,595,000.

On 28 December 2018, the Company entered into a new placing agreement with Sun Hung Kai Investment Services Limited for the placing of 512,698,586 new ordinary shares ("New Placing Shares"). On 25 July 2019, all New Placing Shares have been allotted and issued to several independent third parties at a price of HK\$0.52 per share ("New Placing"). Net proceeds of approximately HK\$263,917,000 were raised, comprising share capital of HK\$51,270,000 and share premium of HK\$212,647,000, net of share issue expenses of approximately HK\$2,686,000.

Public offer

On 28 June 2019, the Company proposed to made a public offer of 241,705,083 offer shares at the offer price of HK\$0.52 per share. Subsequently, in July 2019, the Company has allotted 211,173,614 offer shares to the public and 30,531,469 offer shares as reserved shares to the qualifying shareholders under the preferential offering (as detailed in the Prospectus of Company dated 28 June 2019 and announcement of allotment results dated 25 July 2019), at the offer price of HK\$0.52 per offer share. Net proceeds of approximately HK\$122,951,000 were raised, comprising share capital of HK\$24,170,000 and share premium of HK\$98,781,000, net of share issue expenses of approximately HK\$2,736,000.

31. 股本(續)

附註：(續)

(i) (續)

- d. 將本公司法定股本由300,000,000港元(分為3,000,000,000股)增至1,000,000,000港元，分為10,000,000,000股，每股面值0.10港元的新股份(「法定股本增加」，連同股本削減及股份合併，統稱為「股本重組」)；及
- e. 將股本削減產生的進賬額轉至本公司的實繳盈餘賬戶，並用於對銷本公司的累計虧損之等值金額。

(ii) **認購事項及新配售**

於二零一八年十二月二十八日，本公司與李華倫先生及馮銘若干僱員(統稱為「認購人」)訂立認購協議，以認購本公司合共284,750,000股新普通股(「認購事項」)。於二零一九年七月二十五日，認購事項已落實及已按每股0.52港元之價格配發及發行予認購人。本公司自認購事項收取所得款項淨額約148,070,000港元，包括股本28,475,000港元及股份溢價119,595,000港元。

於二零一八年十二月二十八日，本公司與新鴻基投資服務有限公司訂立新配售協議，以配售512,698,586股新普通股(「新配售股份」)。於二零一九年七月二十五日，所有新配售股份已按每股0.52港元之價格配發及發行予若干獨立第三方(「新配售」)。已籌集所得款項淨額約263,917,000港元，包括股本51,270,000港元及股份溢價212,647,000港元，扣除股份發行開支約2,686,000港元。

公開發售

於二零一九年六月二十八日，本公司建議按發售價每股0.52港元作出公開發售241,705,083股發售股份。其後，於二零一九年七月，本公司已按發售價每股發售股份0.52港元向公眾配發211,173,614股發售股份及根據優先發售向合資格股份發售30,531,469股發售股份作為預留股份(詳見本公司日期為二零一九年六月二十八日的招股章程及日期為二零一九年七月二十五日的分配結果公告)。已籌集所得款項淨額約122,951,000港元，包括股本24,170,000港元及股份溢價98,781,000港元，扣除股份發行開支約2,736,000港元。

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32. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein are presented in the consolidated statement of changes in equity.

(b) Company

32. 儲備

(a) 本集團

本集團的儲備金額及其變動乃於綜合權益變動表中呈列。

(b) 本公司

	Note	Share premium	Contributed surplus	Convertible bond equity reserve	Warrant reserve	Accumulated Losses	Total
	附註	股份溢價	實繳盈餘	可換股債券 股權儲備	認股權證儲備	累計虧損	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 July 2018	於二零一八年七月一日	453,352	11,527	164,169	449	(1,524,299)	(894,802)
Loss for the year	年內虧損	-	-	-	-	(13,911)	(13,911)
At 30 June 2019 and 1 July 2019	於二零一九年六月三十日 及二零一九年七月一日	453,352	11,527	164,169	449	(1,538,210)	(908,713)
Capital reorganisation	股本重組	(453,352)	(11,527)	(164,169)	(449)	719,656	90,159
Issue of shares upon restructuring	於重組時發行股份	431,023	-	-	-	-	431,023
Profit for the period	期內溢利	-	-	-	-	669,345	669,345
At 31 December 2019	於二零一九年十二月三十一日	431,023	-	-	-	(149,209)	281,814

(c) Nature and purpose of reserves of the Group and the Company

(i) Share premium and contributed surplus

Contributed surplus of the Company represents the difference between the nominal value of the ordinary shares issued by the Company and the net asset value of the subsidiaries acquired through exchange of shares pursuant to the Group reorganisation in 2000.

Under the Companies Law (Revised) of the Cayman Islands, share premium and contributed surplus are distributable to shareholders, subject to the condition that the Company cannot declare or pay a dividend, or make a distribution out of share premium and contributed surplus if (i) it is, or would after the payment be, unable to pay its liabilities as they become due; or (ii) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital account.

(c) 本集團及本公司儲備性質及目的

(i) 股份溢價及實繳盈餘

本公司實繳盈餘指本公司所發行普通股面值與在二零零零年根據集團重組透過交換股份所得附屬公司資產淨值間之差額。

根據開曼群島公司法(經修訂)，股份溢價及實繳盈餘可分派予股東，條件為倘(i)本公司現時或於派付股息或作出分派後將無力償還其到期負債；或(ii)本公司資產的可變現價值將因而少於其負債及其已發行股本賬之總和，則本公司不得自股份溢價及實繳盈餘宣派或派付股息或作出分派。

Notes to the Consolidated Financial Statements (Continued)

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32. RESERVES (Continued)

(c) Nature and purpose of reserves of the Group and the Company (Continued)

(ii) Convertible bond equity reserve

Convertible bond equity reserve represents the net proceeds received from the issue of convertible bonds of the Company.

(iii) Warrant reserve

Warrant reserve represents the net proceeds received from the issue of warrants of the Company.

- (d) As a result of the Capital Reorganisation, share premium, contributed surplus, convertible bond equity reserve and warrant reserve included in the statement of changes in equity, totally approximately HK\$719,656,000, were transferred to the accumulated losses of the Company.

33. SHARE OPTION SCHEME

The share option scheme adopted by the Company pursuant to a resolution passed on 19 June 2013 was revoked, cancelled and terminated with effect from the adoption of a new share option scheme (the "New Share Option Scheme") which was passed in the Company's extraordinary general meeting on 22 May 2019.

The Company operates the New Share Option Scheme for the purpose of providing incentives and rewards to eligible persons for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group or any entity in which the Group holds any equity interest (the "Invested entity"). Eligible participants of the New Share Option Scheme include (1) any employee (whether full-time or part-time) of the Group and any Invested Entity; (2) any director (including executive, non-executive and independent non-executive directors) of the Group or any Invested Entity; (3) any supplier of goods or services to any member of the Group or any Invested Entity; (4) any customer of the Group or any Invested Entity; (5) any consultant, adviser, manager, officer or entity that provides research, development or other technological support to the Group or any Invested Entity; or (6) any person who, in the sole discretion of the Board, has contributed or may contribute to the Group or any Invested Entity eligible for options under the New Share Option Scheme. summary of the principal terms of the New Share Option Scheme set out in the Appendix IV to the Company's circular on 27 April 2019. The New Share Option Scheme became effective on 25 July 2019 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

32. 儲備(續)

(c) 本集團及本公司儲備性質及目的(續)

(ii) 可換股債券股權儲備

可換股債券股權儲備指來自發行本公司可換股債券收取的所得款項淨額。

(iii) 認股權證儲備

認股權證儲備指來自發行本公司認股權證收取的所得款項淨額。

- (d) 由於股本重組、股份溢價、實繳盈餘、可換股債券儲備及認股權證儲備計入權益變動表，合共約719,656,000港元轉撥至本公司的累計虧損。

33. 購股權計劃

本公司根據於二零一三年六月十九日通過的決議案採納的購股權計劃已駁回、註銷及終止，自採納新購股權計劃(「新購股權計劃」)，該計劃於本公司日期為二零一九年五月二十二日的股東特別大會上獲通過。

本公司運行購股權計劃旨在鼓勵及獎賞合資格人士對本集團所作出的貢獻及/或使經擴大集團能夠聘請及挽留優秀僱員及吸引對經本集團或本集團持有其任何股權的任何實體(「投資實體」)具價值的人力資源。新購股權計劃的合資格參與者包括(1)本集團及任何投資實體的任何僱員(不論全職或兼職僱員)；(2)本集團或任何投資實體的任何董事(包括執行、非執行及獨立非執行董事)；(3)本集團的任何成員公司或任何投資實體的任何商品或服務供應商；(4)本集團或任何投資實體的任何客戶；(5)任何向本集團或任何投資實體提供研究、開發或其他技術支援的顧問、諮詢人士、經理、高級職員或實體；或(6)獲董事會全權酌情認為已經或可能對本集團或任何投資實體有貢獻或可能有貢獻而有資格獲得新購股權計劃項下購股權的任何人士。本公司日期為二零一九年四月二十七日通函附錄四載錄新購股權計劃的主要條款概要。新購股權計劃自二零一九年七月二十五日生效，及除非另行註銷或修訂，其將自該日起計10年有效。

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於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

33. SHARE OPTION SCHEME (Continued)

The maximum number of unexercised share options currently permitted to be granted under the New Share Option Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant in the New Share Option Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 21 business days from the date of offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. An option may be exercised in whole or in part by the grantee (or his/her personal representative(s)) at any time before the expiry of the period to be determined and notified by the Board to the grantee which in any event shall not be longer than ten (10) years commencing on the date of the offer letter and expiring on the last day of such ten (10)-year period subject to the provisions for early termination as contained in the New Share Option Scheme. There is no general requirement on the minimum period for which option must be held before the exercise of any option.

The exercise price of share options is determinable by the Directors, but may not be less than the higher of (1) the closing price of the New Shares as stated in the Stock Exchange's daily quotations sheet on the offer date; (2) the average of the closing price of the New Shares as stated in the Stock Exchange's daily quotation sheets for the five consecutive business days immediately preceding the offer date; and (3) the nominal value of a New Share on the offer date.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

No share options were granted under the share option schemes for the six-month period from 1 July 2019 to 31 December 2019 and for the year ended 30 June 2019.

34. AMOUNT DUE TO A DIRECTOR

The amount due to a director, Mr. Wu Shaoning, was included in other payables and accrued expenses (Note 26). The amount due to a director was unsecured, interest-free and repayable on demand. On 25 July 2019, amount due to a director was discharged pursuant to the Creditors' Scheme (Note 11).

33. 購股權計劃(續)

現時根據新購股權計劃獲准授出的未行使購股權的最高數目，於行使後，等於本公司於任何時間已發行股份的10%。在任何12個月期間內，每名新購股權計劃的合資格參與者根據購股權可發行的股份數目上限為本公司於任何時間已發行股份的1%。任何超過此限額的購股權的進一步授予，須經股東於股東大會上批准。

授予本公司董事、行政總裁或主要股東，或其任何聯繫人的購股權，須事先獲得獨立非執行董事的批准。此外，如在任何12個月期間內授予本公司主要股東或獨立非執行董事或其任何聯繫人的任何購股權，超過本公司於任何時間已發行股份的0.1%或總價值超過5,000,000港元，均須事先於股東大會上獲得股東批准。

授出購股權的要約可由承授人支付名義代價總計1港元後自要約日期起計21個營業日內接納。承授人(或其個人代理)可於董事會將釐定及知會承授人的期間屆滿前隨時行使全部或部分購股權，惟該期間無論如何不得遲於要約函件日期起計十(10)年，並將於該十(10)年期最後一日屆滿，並受新購股權計劃所載的提前終止條文所規限。就行使任何購股權前，一般沒有規定為必須持有的購股權設最低期限。

購股權的行使價由董事釐定，但不得低於下列三者中的最高者：(1)新股份於要約日期於聯交所每日報價表所報的收市價；(2)新股份於緊接要約日期前五個連續營業日於聯交所每日報價表所報的平均收市價；及(3)於要約日期一股新股份的面值。

購股權並無授予持有人權利可獲得股息或於股東大會上投票。

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間及截至二零一九年六月三十日止年度概無根據購股權計劃授出購股權。

34. 應付一名董事款項

應付一名董事吳少寧先生的款項計入其他應付款項及應計費用(附註26)。應付一名董事款項為無抵押、免息及須按要求償還。於二零一九年七月二十五日，應付一名董事款項根據債權人計劃解除(附註11)。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

35. RELATED PARTY TRANSACTIONS

Saved as those disclosed elsewhere in these financial statements, the Group had the following significant related party transactions during the period/year, which were carried out in the normal course of the Group's business:

35. 關聯方交易

除該等財務報表其他地方所披露者外，本集團於期間/年度內有下列重大關聯方交易，其於本集團日常業務過程中進行：

		Six-month period from 1 July 2019 to 31 December 2019 於二零一九年 七月一日起至 二零一九年 十二月三十一日 止六個月期間 HK\$000 千港元	Year ended 30 June 2019 截至 二零一九年 六月三十日止年度 HK\$000 千港元
Received or receivable from SHK Hong Kong Industries Limited ("SHK"), a related company	已收或應收新工投資有限公司(「新工」)(一間關聯公司)款項		
Management fee income (Note (i)(a))	管理費收入(附註(i)(a))	8,123	-
Sundry income (Note (i)(b))	雜項收入(附註(i)(b))	1,242	-

Notes:

- (i)(a) An investment management agreement (the "Investment Management Agreement") was entered into by the subsidiary, Yu Ming and SHK, which was approved by the shareholders of SHK on 12 September 2018. Under the Investment Management Agreement, Yu Ming agreed to assist the board of directors of SHK with the day-to-day management of SHK from 1 January 2019 to 31 December 2021. Yu Ming is entitled to a management fee equal to 1.5% per annum of the consolidated net asset value attributable to the owners of SHK, calculated and payable in arrears on a quarterly basis by reference to the arithmetical average of the published consolidated net asset value attributable to the owners of SHK on the last day of each calendar month during each quarter; and a performance fee equal to 20% of the amount by which the audited consolidated net asset value attributable to the owners of SHK of each year ending 31 December exceeds the audited consolidated net asset value attributable to the owners of SHK as at the end of the latest financial year in which Yu Ming was entitled to a performance fee.
- (i)(b) Yu Ming provided day-to-day management (including office administration and operation) to SHK and fees were charged in accordance with the management agreement.
- (ii) Save as disclosed elsewhere in the consolidated financial statements, the other transactions with the Group's related parties mainly related to the expenses paid by the Group on behalf of its related parties and net advances made to the Group's related parties.
- (iii) The compensation of key management personnel of the Group for the six-month period from 1 July 2019 to 31 December 2019 are salaries, allowances and bonus of HK\$10,376,000 (year ended 30 June 2019: Nil) and pension costs for defined contribution plan of HK\$81,000 (year ended 30 June 2019: Nil).

附註：

- (i)(a) 附屬公司禹銘與新工訂立投資管理協議(「投資管理協議」)，由新工股東於二零一八年九月十二日批准。根據投資管理協議，禹銘同意於二零一九年一月一日至二零二一年十二月三十一日協助新工董事會對新工進行日常管理。禹銘有權享有相等於新工擁有人應佔綜合資產淨值1.5%之年管理費(乃經參考新工擁有人應佔已刊發綜合資產淨值於各季度在各曆月最後一日之平均數以每季計算及支付)；及相當於新工擁有人於截至十二月三十一日止各年應佔經審核綜合資產淨值超過新工擁有人於禹銘有權享有表現費的最近財政年度末應佔經審核綜合資產淨值之金額之20%之表現費。
- (i)(b) 禹銘向新工提供日常管理(包括辦公室管理及經營)，費用根據管理協議收取。
- (ii) 除該等綜合財務報表其他地方所披露者外，與本集團關聯方進行的其他交易主要與本集團代表其關聯方支付的費用及向本集團關聯方提供的墊款淨額有關。
- (iii) 於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間本集團主要管理人員的薪酬為薪金、津貼及花紅10,376,000港元(截至二零一九年六月三十日止年度：無)及界定供款計劃退休金成本81,000港元(截至二零一九年六月三十日止年度：無)。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

During the six-month period from 1 July 2019 to 31 December 2019, the Group had non-cash additions to right-of-use assets and lease liabilities of HK\$2,647,000 and HK\$2,647,000, respectively, in respect of lease arrangements for premises (year ended 30 June 2019: Nil).

(b) Reconciliation of liabilities arising from financing activities

36. 綜合現金流量表附註

(a) 重大非現金交易

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，本集團擁有關於物業租賃安排的使用權資產及租賃負債的非現金增加分別為2,647,000港元及2,647,000港元(截至二零一九年六月三十日止年度：無)。

(b) 融資活動所產生的負債之對賬

		Borrowings 借貸 HK\$'000 千港元	Lease liabilities 租賃負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 July 2019	於二零一九年七月一日	39,288	-	39,288
Changes from cash flows:	現金流變動：			
Lease payments	租賃付款	-	(737)	(737)
Interest paid	已付利息	-	(46)	(46)
Repayment	還款	(31,930)	-	(31,930)
Total changes from financing cash flows	融資現金流變動總額	(31,930)	(783)	(32,713)
Other changes:	其他變動：			
Interest expenses	利息開支	-	46	46
Lease adjustment	租賃調整	-	2,647	2,647
Gain on debt restructuring	債務重組收益	(7,358)	-	(7,358)
Total other changes	其他變動總額	(7,358)	2,693	(4,665)
At 31 December 2019	於二零一九年十二月三十一日	-	1,910	1,910

		Borrowings 借貸 HK\$'000 千港元
At 1 July 2018	於二零一八年七月一日	24,634
Changes from cash flows:	現金流變動：	
Proceeds from borrowings	借貸所得款項	14,654
Total changes from financing cash flows	融資現金流變動總額	14,654
At 30 June 2019	於二零一九年六月三十日	39,288

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

37. PARTICULARS OF THE PRINCIPAL SUBSIDIARIES OF THE COMPANY

Particulars of the principal subsidiaries at 31 December 2019 are as follows:

37. 本公司主要附屬公司詳情

於二零一九年十二月三十一日，主要附屬公司詳情如下：

Name of Companies	Place of incorporation/ registration	Issued and paid-up capital	Percentage of ownership interest Directly		Principal activities
			As at 31 December 2019	As at 30 June 2019	
公司名稱	註冊成立/註冊地點	發行及繳足股本	於二零一九年 十二月三十一日	於二零一九年 六月三十日	主要業務活動
Yu Ming	Hong Kong	HK\$10,000,000	100%		- Dealing in securities, advising on securities, advising on corporate finance and asset management
禹銘	香港	10,000,000港元	100%		- 證券交易，就證券提供意見，就企業融資提供意見及提供資產管理

38. BUSINESS ACQUISITION

On 25 July 2019, the Group acquired 100% of the equity interests of Yu Ming, a company whose principal activities are dealing in securities, advising on securities, advising on corporate finance and asset management. The acquisition was made with the aims to expand the Group's business. The transaction was satisfied in form of cash consideration of HK\$400,000,000.

The fair value of identifiable assets and liabilities of the acquiree as at the date of acquisition were:

38. 業務收購

於二零一九年七月二十五日，本集團收購禹銘100%股權，該公司主要業務為證券交易、就證券提供意見、就企業融資提供意見及提供資產管理。收購旨在擴大本集團業務。交易以現金代價400,000,000港元的形式結算。

於收購日期收購對象的可識別資產及負債的公平值為：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	473
Intangible assets	無形資產	104,049
Right-of-use assets	使用權資產	2,647
Other assets	其他資產	50
Contract assets	合約資產	96
Trade and other receivables, deposits paid and prepayments	貿易及其他應收款項、已付按金及預付款項	8,371
Financial assets at FVPL	按公平值計入損益的財務資產	709
Amount due from a related company	應收一間關聯公司款項	4,074
Taxation recoverable	可收回稅項	273
Cash and cash equivalents	現金及現金等價物	12,807
Contract liabilities	合約負債	(15,183)
Other payables and accrued expenses	其他應付款項及應計開支	(1,516)
Lease liabilities	租賃負債	(2,647)
Deferred tax liabilities	遞延稅項負債	(17,168)
Fair value of net assets acquired	已收購淨資產的公平值	97,035
Cash consideration	現金代價	(400,000)
Goodwill	商譽	302,965
Cash flow:	現金流：	
Cash payment	現金付款	400,000
Cash and cash equivalents acquired	已收購現金及現金等價物	(12,807)
Net cash outflow arising from acquisition of a subsidiary	收購一間附屬公司所產生的現金流出淨額	387,193

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

39. 本公司財務狀況表

		Notes	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元	As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元
	附註			
Non-current assets	非流動資產			
Investment in a subsidiary	於一間附屬公司的投資		400,000	-
			400,000	-
Current assets	流動資產			
Other receivables and prepayment	其他應收款項及預付款項		257	177
Cash and cash equivalents	現金及現金等價物		-	2,419
			257	2,596
Current liabilities	流動負債			
Accruals and other payables	應計費用及其他應付款項		499	33,103
Amount due to a subsidiary	應付一間附屬公司款項		4,011	-
Borrowings	借貸		-	31,930
Convertible bonds	可換股債券		-	701,099
Corporate bonds	企業債券		-	45,000
			4,510	811,132
Net current liabilities	淨流動負債		(4,253)	(808,536)
Net assets/(liabilities)	淨資產/(負債)		395,747	(808,536)
Equity	權益			
Share capital	股本	31	113,933	100,177
Reserves	儲備	32	281,814	(908,713)
Total equity/(deficit)	權益/(虧損)總額		395,747	(808,536)

The statement of financial position of the Company was approved and authorised for issue by the Board of on 26 March 2020 and is signed on its behalf by:

本公司綜合財務狀況表於二零二零年三月二十六日獲董事會批准及授權刊發，並由以下董事代表簽署：

Lee Wa Lun, Warren

李華倫

Director

董事

Li Chi Kong

李志剛

Director

董事

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS

The Group is exposed to financial risks through its use of financial instruments in its ordinary course of operations and in its investment activities. The financial risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

Financial risk management is coordinated at the Group's headquarters, in close co-operation with the Board periodically. The overall objectives in managing financial risks focus on securing the Group's short-to-medium-term cash flows by minimising its exposure to financial markets. Long-term financial investments are managed to generate lasting returns with acceptable risk levels.

40.1 Categories of financial assets and liabilities

The carrying amounts presented in the consolidated statement of financial position relate to the following categories of financial assets and liabilities:

40. 財務風險管理及公平值計量

本集團於其日常業務過程中及於其投資活動中使用金融工具時面臨財務風險。財務風險包括市場風險(包括貨幣風險、利率風險及其他價格風險)、信貸風險及流動資金風險。

財務風險管理由本集團總部負責，並定期與董事會緊密合作。管理財務風險的整體目標為透過降低其於金融市場面臨的風險以保持禹銘的中短期現金流量。本集團在可接受之風險水平之情況下，管理長期金融投資以產生持久回報。

40.1 財務資產及負債之類別

於綜合財務狀況表中呈列的有關如下類別財務資產及負債的賬面值：

		As at 31 December 2019 於二零一九年 十二月三十一日 HK\$000 千港元	As at 30 June 2019 於二零一九年 六月三十日 HK\$000 千港元
Financial assets	財務資產		
Financial assets at FVPL	按公平值計入損益的財務資產	1,093	–
Financial assets at amortised costs:	按攤銷成本計量的財務資產：		
– Trade and other receivables	– 貿易及其他應收款項	15,836	–
– Amount due from a related company	– 應收一間關聯公司款項	4,902	–
– Cash and cash equivalents	– 現金及現金等價物	39,875	3,001
		61,706	3,001
Financial liabilities	財務負債		
Financial liabilities at amortised cost:	按攤銷成本計量的財務負債：		
– Other payables and accrued expenses	– 其他應付款項及應計開支	10,575	35,764
– Amounts due to deconsolidated companies	– 應付不再綜合計算公司款項	–	136,097
– Lease liabilities	– 租賃負債	1,910	–
		12,485	171,861

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

40.2 Foreign currency risk

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Most of the Group's transactions are carried out in HK\$. Exposures to currency exchange rates mainly arise from the Group's investments, which are primarily denominated in USD and RMB.

Foreign currency denominated financial assets and liabilities, translated into HK\$ at the closing rates, are as follows:

As at 31 December 2019

於二零一九年十二月三十一日

		USD 美元 HK\$'000 千港元	RMB 人民幣 HK\$000 千港元
Financial assets	財務資產	901	1
Short-term exposure	短期風險	901	1

A reasonable change in foreign exchange rate for USD and RMB in the next 12 months is assessed to result in immaterial change in the Group's profit after tax, retained earnings and other components of equity.

40.3 Interest rate risk

Interest rate risk relates to the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group is exposed to fair value interest rate risk for changes in market interest rates through its investments in debt securities. Change in interest rates may affect the value of the debt securities and therefore result in a potential gain or loss to the Group.

The Group is also exposed to cash flow interest rate risk for changes in market interest rates through its deposits at floating interest rates, which are subject to variable interest rates.

40. 財務風險管理及公平值計量(續)

40.2 外幣風險

外幣風險指金融工具之公平值或未來現金流量因外幣匯率變動而產生波動的風險。本集團大部分交易以港元進行。貨幣匯率風險主要來自本集團的投資，該等投資主要以美元及人民幣計值。

以收市匯率換算為港元之以外幣計值之財務資產及負債如下：

美元及人民幣的外幣匯率於未來十二個月的合理變動已獲評估為導致溢利除稅後溢利、保留溢利及其他權益部分出現輕微變動。

40.3 利率風險

利率風險涉及金融工具之公平值或現金流量將因市場利率變動產生波動的風險。

本集團通過其債務證券投資而承受市場利率變動之公平值利率風險。利率變動可能影響債務證券價值，並因此導致本集團的潛在收益或虧損。

本集團亦通過其存款的浮動利率(視乎可變利率而定)而承受市場利率變動之現金流利率風險。

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40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

40. 財務風險管理及公平值計量(續)

40.3 Interest rate risk (Continued)

40.3 利率風險(續)

The following table indicates the approximate change in the Group's profit after tax (and retained earnings) in response to reasonably possible changes in the interest rates at variable interest rates as at the reporting date.

下表列出因應於報告日以可變利率計息之利率合理可能變動，本集團除稅後溢利(及保留盈利)之概約變動。

		As at 31 December 2019		As at 30 June 2019	
		於二零一九年十二月三十一日		於二零一九年六月三十日	
		Increase/ (decrease) in interest rate	Effect on profit after tax and retained earnings (Note)	Increase/ (decrease) in interest rate	Effect on profit after tax and retained earnings (Note)
		利率增加/ (減少)	除稅後溢利及 保留盈利之影響 (附註)	利率增加/ (減少)	除稅後溢利及 保留盈利之影響 (附註)
		HK\$000		HK\$000	
		千港元		千港元	
Deposits	存款	0.5%	199	0.5%	15
Deposits	存款	(0.5%)	(199)	(0.5%)	(15)

Note:

Positive figure represents increase in profit and retained earnings or decrease in loss whereas negative figure represents decrease in profit and retained earnings or increase in loss as appropriate.

The sensitivity analysis of the Group's exposure to interest rate risk at the reporting date has been determined based on the assumed percentage changes in interest rates taking place at the beginning of the financial period/year and held constant throughout the period/year. The assumed changes in interest rates are considered to be reasonably possible based on observation of current market conditions and represents management's assessment of a reasonably possible change in interest rates over the period until the next reporting date. These are the method and assumption used in preparing the sensitivity analysis included in consolidated financial statements for the year ended 30 June 2019.

附註：

正數代表溢利及保留盈利增加或虧損減少，然而負數代表溢利及保留盈利減少或虧損增加。

於報告日，本集團所面對利率風險之敏感度分析乃假設利率變動百分比於財政期間/年度初發生並於整個期間/年度內維持不變而釐定。利率之假設變動乃經觀察現行市場情況後視為合理地可能出現之變動，並指管理層對利率變動在直至下一個報告日為止期間之合理可能變動的評估。此等方法及假設與編製於截至二零一九年六月三十日止年度綜合財務報表所載敏感度分析所使用者相同。

40.4 Equity price risk

40.4 股價風險

Equity price risk relates to the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in market prices.

股價風險涉及金融工具之公平值或未來現金流量因市場股價改變而出現波動之風險。

The Group is exposed to equity price changes arising from equity investments classified as trading securities. All of these investments are listed.

本集團面對列作買賣證券之股本投資產生之股價變動風險。所有該等投資均為上市。

Notes to the Consolidated Financial Statements (Continued)

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40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

40.4 Equity price risk (Continued)

The Group's listed investments are primarily listed on Stock Exchange. The portfolio is in accordance with the limits set by the Group.

The following table indicates the approximate change in the Group's profit after tax (and retained earnings) and other components of the equity in response to the reasonably possible changes in the relevant stock market prices, to which the Group has significant exposure at the reporting date.

In response to the reasonably possible change in the market price of the listed equity securities, the Group's investment in listed equity securities has the following exposures:

		As at 31 December 2019 於二零一九年十二月三十一日		As at 30 June 2019 於二零一九年六月三十日	
		Increase/ (decrease) in securities' market price	Effect on profit after tax and retained earnings (Note)	Increase/ (decrease) in securities' market price	Effect on profit after tax and retained earnings (Note)
		證券市價增加/ (減少)	除稅後溢利及 保留盈利之影響 (附註)	證券市價增加/ (減少)	除稅後溢利及 保留盈利之影響 (附註)
			HK\$000 千港元		HK\$000 千港元
Hong Kong market	香港市場	3%	27	-	-
Hong Kong market	香港市場	(3%)	(27)	-	-

Note:

Positive figure represents increase in profit and retained earnings or decrease in loss whereas negative figure represents decrease in profit and retained earnings or increase in loss as appropriate.

The sensitivity analysis of the Group's exposure to equity price risk at the reporting date has been determined based on the assumed percentage changes in the stock market price or other relevant risk variables taking place at the beginning of the financial period/year and held constant throughout the period/year. The assumed changes represent management's assessment of reasonably possible changes in the relevant stock market index or the relevant risk variables over the period until the next reporting date.

40. 財務風險管理及公平值計量(續)

40.4 股價風險(續)

本集團之上市投資之主要上市地為香港聯合交易所有限公司。投資組合按照禹銘設定限額在行業分佈上作分散投資。

下表列出因應於報告日本集團有重大風險之相關股票市價合理可能變動，而引致本集團除稅後溢利(及保留盈利)及權益其他成分之概約變動。

因應上市股本證券市價之合理可能變動，本集團於上市股本證券之投資有以下風險：

附註：

正數代表溢利及保留盈利增加或虧損減少，然而負數代表溢利及保留盈利減少或虧損增加。

於報告日，本集團所面對股價風險之敏感度分析乃假設股票市價或其他相關風險可變因素變動百分比於財政期間/年度初發生並於整個期間/年度內維持不變而釐定。假設變動指管理層對相關股票市場指數或其他相關風險可變因素在直至下一個報告日為止期間之合理可能變動的評估。

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40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

40.5 Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to the Group.

The credit risk for liquid funds is considered negligible as the counterparties are reputable financial institutions with high quality and credit ratings.

The Group adopts conservative investment strategies. Usually investments are in liquid securities quoted on recognised stock exchanges, except where entered into for long-term strategic purposes.

The Group's management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality. The Group assessed the credit quality of the counterparties by taking into account their financial position, credit history and other factors. Management also regularly reviews the recoverability of these receivables and follow up the disputes or amounts overdue, if any. The Directors are of the opinion that the risk of default by counterparties is low.

None of the Group's financial assets are secured by collateral or other credit enhancements.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

40. 財務風險管理及公平值計量(續)

40.5 信貸風險

信貸風險指金融工具之對手方未能按金融工具之條款履行其責任，並導致本集團錄得財務虧損之風險。

由於流動資金交易對手方乃信譽良好、質素高，且具備高信貸評級的金融機構，故相關信貸風險甚低。

本集團採納保守投資策略。通常投資為認可證券交易所所報之流動證券，惟訂立作長期策略性投資除外。

本集團管理層認為，所有該等財務資產於各報告日期無減值者，均具良好信貸質素。本集團透過計及對手方之財務狀況、信貸記錄及其他因素評估其信貸質素。管理層亦會定期檢討該等應收款項之可收回性及跟進糾紛或逾期款項(如有)。董事認為對手方違約之風險較低。

本集團的財務資產概無以抵押品或其他信用加強物作為抵押。

本集團於初始確認資產時考慮違約之可能性，亦評估於資產存續之每個報告期間信貸風險是否會持續顯著增加。為評估信貸風險是否顯著增加，本集團將資產於報告日期發生違約之風險與初始確認日期發生違約之風險進行比較，同時亦考慮可獲得之合理及支持性前瞻性資料。

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40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

40.5 Credit risk (Continued)

(i) Trade receivables

The Group applies the simplified approach to providing for ECLs prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. The Group always measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are estimated by reference to past default experience of the debtor and current market condition in relation to each debtor's exposure. The ECLs also incorporate forward-looking information with reference to general macroeconomic conditions that may affect the ability of the debtors to settle receivables. To measure ECLs, the trade receivables have been grouped based on share credit risk characteristics and the days past due according to the ageing as disclosed in Note 22. Expected loss rate of current trade receivables are determined as below as the trade receivables mainly represent amounts due from the customers with high credit rating and no history of default. There is no change in the expected loss rate for trade receivables for the six-month period from 1 July 2019 to 31 December 2019 mainly due to no significant change in the historical default rates of trade receivables based on which the expected loss rate is determined.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix as at 31 December 2019:

		Expected loss rate	Gross carrying amount	ECLs
		預期虧損率	賬面總值	預期信貸虧損
			HK\$000 千港元	HK\$000 千港元
Within 30 days	30日內	0.3%	7,197	23
Over 30 days but within 60 days	超過30日但於60日內	0.7%	6,460	47
Over 60 days but within 90 days	超過60日但於90日內	1.3%	300	4
Over 90 days but within 365 days	超過90日但於365日內	1.8%	1,358	25
Over 365 days	超過365日	10.0%	506	50
			15,821	149

40. 財務風險管理及公平值計量(續)

40.5 信貸風險(續)

(i) 貿易應收款項

本集團採用簡化方法對香港財務報告準則第9號所規定之預期信貸虧損計提撥備，其允許對所有貿易應收款項採用全期預期虧損撥備。本集團一直按相當於全期預期信貸虧損之金額計量貿易應收款項之減值撥備。貿易應收款項之預期信貸虧損乃經參考債務人過往拖欠經歷及各債務人面臨風險之當前市場狀況估計。預期信貸虧損亦包含前瞻性資料，並參考可能影響債務人清償應收款項能力之一般宏觀經濟條件。為計量預期信貸虧損，貿易應收款項已根據附註22所披露之賬齡按股份信貸風險特徵及逾期天數而分組。當前貿易應收款項之預期虧損率評估按下文釐定，乃因貿易應收款項主要為應收具有高信貸評級且並無歷史違約客戶之款項。於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間，貿易應收款項之預期虧損率並無變動，主要由於貿易應收款項之歷史違約率(預期虧損率據此釐定)並無重大變動。

下表載列於二零一九年十二月三十一日本集團使用撥備矩陣計算的貿易應收款項的信貸風險資料：

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40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

40.5 Credit risk (Continued)

(ii) Other receivables

Upon adoption of HKFRS 9, the management of the Group takes into account the historical default experience and forward-looking information, as appropriate, for example the Group considers the consistently low historical default rates of counterparties, and concludes that credit risk inherent in the Group's outstanding other receivables is insignificant. The management of the Group has assessed that other receivables do not have a significant increase in credit risk since initial recognition and risk of default is insignificant, therefore the ECLs for these receivables are not material under the 12-month ECLs and no loss allowance provision was recognised during the six-month period from 1 July 2019 to 31 December 2019.

40.6 Liquidity risk

Liquidity risk relates to the risk that the Group will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Group is exposed to liquidity risk in respect of settlement of other payables and its financing obligations, and also in respect of its cash flow management. The Group's objective is to maintain an appropriate level of liquid assets to meet its liquidity requirements in the short and long term.

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business. Liquidity needs are monitored on a day-to-day basis. Long-term liquidity needs for 360-day lookout period are identified monthly.

The Group maintains cash, short-term bank deposits and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is secured by the ability to sell long-term financial assets.

40. 財務風險管理及公平值計量(續)

40.5 信貸風險(續)

(ii) 其他應收款項

於採納香港財務報告準則第9號後，本集團管理層經計及歷史違約經歷及前瞻性資料(如適用)，例如本集團認為對手方歷史違約率一直較低，並總結認為本集團未收到其他應收款項之固有信貸風險並不重大。本集團管理層評估後認為，自初始確認以來其他應收款項不會大幅提高信貸風險，且違約風險並不重大，因此，該等應收款項之預期信貸虧損根據十二個月預期虧損法並不重大，且於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間並無確認虧損撥備。

40.6 流動資金風險

流動資金風險涉及與本集團未能履行以交付現金或其他財務資產結算財務負債相關責任之風險有關。本集團在清償其他應付款項及履行融資承擔方面以及亦在現金流量管理方面承擔流動資金風險。本集團之目標為維持適當之流動資產水平，以應付其長短期流動資金需要。

本集團主要透過謹慎控制長期財務負債的還款期及日常業務現金流出，以管理其流動資金需要。本集團按日監察其流動資金需求，另每月釐定為期360日的長期流動資金需要。

本集團維持現金、短期銀行存款及有價證券以應付未來最多30日期間之流動資金需要。透過出售長期財務資產之能力保障長期流動資金需要。

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40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

40. 財務風險管理及公平值計量(續)

40.6 Liquidity risk (Continued)

40.6 流動資金風險(續)

Analysed below is the Group's remaining contractual maturities for its non-derivative financial liabilities as at 31 December 2019.

以下分析為本集團於二零一九年十二月三十一日之非衍生財務負債之剩餘合約期限。

		Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years
		賬面值	合約未貼現金金流量總	一年內或按要求	超過1年但少於2年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 31 December 2019	於二零一九年十二月三十一日				
Non-derivatives:	非衍生：				
Other payables and accrued expenses	其他應付款項及應計開支	10,575	10,575	10,575	-
Lease liabilities	租賃負債	1,910	1,960	1,568	392
		12,485	12,535	12,143	392

40.7 Fair value measurements

40.7 公平值計量

Financial assets carried at fair value

按公平值列賬之財務資產

The following table presents financial assets measured at fair value at the reporting date in accordance with fair value hierarchy. The hierarchy groups financial assets into three levels based on the relative reliability of significant inputs used in measuring the fair value of these financial assets and liabilities. The fair value hierarchy has the following levels:

下表呈列根據公平值層級，於報告日按公平值計量的財務資產之資料。此層級根據計量此等財務資產之公平值所使用的重要輸入資料的相對可靠性，將財務資產劃分為三層。公平值層級分為以下各層：

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

- 第一層：相同資產及負債於活躍市場的報價(未作調整)；
- 第二層：第一層所包括之報價以外就該資產或負債可觀察之輸入，可為直接(即如價格)或間接(即源自價格)；及
- 第三層：資產或負債並非依據可觀察市場數據之輸入數據(非可觀察輸入數據)。

Notes to the Consolidated Financial Statements (Continued)

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40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

40.7 Fair value measurements (Continued)

Financial assets carried at fair value (Continued)

The level in the fair value hierarchy within which the financial asset is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

The financial assets measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

		As at 31 December 2019 於二零一九年十二月三十一日			
		Level 1 第一層	Level 2 第二層	Level 3 第三層	Total 總計
		HK\$000 千港元	HK\$000 千港元	HK\$000 千港元	HK\$000 千港元
Assets	資產				
Financial assets at FVPL	按公平值計入損益的財務資產				
– Listed equity securities held for trading	– 持作買賣的上市股本證券	1,093	–	–	1,093
Total fair value	公平值總值	1,093	–	–	1,093

There were no transfers between levels during the period.

期內，層級之間並無轉移。

41. CAPITAL MANAGEMENT

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to the shareholders.

The Group actively and regularly reviews its capital structure and makes adjustments to the capital structure in light of changes in economic conditions. The Group monitors its capital structure on the basis of debt to equity ratio.

The debt to equity ratio at reporting date was as follows:

40. 財務風險管理及公平值計量(續)

40.7 公平值計量(續)

按公平值列賬之財務資產(續)

公平值層級乃基於對公平值計量而言屬重大之輸入數據最低層級，該層對財務資產進行整體分類。

於財務狀況表內按公平值計量之財務資產乃劃分為以下的公平值層級：

		As at 31 December 2019 於二零一九年十二月三十一日			
		Level 1 第一層	Level 2 第二層	Level 3 第三層	Total 總計
		HK\$000 千港元	HK\$000 千港元	HK\$000 千港元	HK\$000 千港元
Assets	資產				
Financial assets at FVPL	按公平值計入損益的財務資產				
– Listed equity securities held for trading	– 持作買賣的上市股本證券	1,093	–	–	1,093
Total fair value	公平值總值	1,093	–	–	1,093

There were no transfers between levels during the period.

期內，層級之間並無轉移。

41. 資本管理

本集團之資本管理目標為確保本集團有能力以持續經營基準運作及為股東提供足夠回報。

本集團積極及定期審閱其資本結構並因應經濟狀況變動調整資本結構。本集團以負債與權益比率為基準監控其資本結構。

於報告日之債務與權益比率如下：

		As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
Borrowings	借貸	–
Total equity	權益總額	416,521
Debt-to-equity ratio	債務與權益比率	0:1

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

41. CAPITAL MANAGEMENT (Continued)

Yu Ming is registered with the SFC for the business it operates in. Yu Ming is subject to liquid capital requirements under Hong Kong Securities and Futures (Financial Resources) Rules ("SF(FR)R") adopted by the SFC. Under SF(FR)R, Yu Ming must maintain its liquid capital (assets and liabilities adjusted as determined by SF(FR)R) in excess of statutory floor requirement or 5% its total adjusted liabilities, whichever is higher. The required information is filed with SFC on a regular basis and Yu Ming has complied with those requirements during the six-month period from 1 July 2019 to 31 December 2019.

42. LITIGATIONS

- (1) Mr. Lim Hang Young ("Plaintiff 1") as the plaintiff filed a writ of summons ("Writ 1") in December 2016 against (i) the Stock Exchange; (ii) Yu Ming; and (iii) L & A International Holdings Limited ("L & A International"), its shares are listed on the Growth Enterprise Market of the Stock Exchange as the defendants under a legal proceeding in High Court. Pursuant to the claims generally indorsed on Writ 1, Plaintiff 1 sought, inter alia, for (i) a declaration against the Stock Exchange that the Stock Exchange has acted in bad faith in the vetting of the share subscription during the general offer period; (ii) an order against Stock Exchange to rescind all listing approvals; (iii) a declaration against Yu Ming that Yu Ming purposefully ill advised L & A International to break various the Listing Rules, including assisting L & A International in its multi-layer marketing scheme; and (iv) an order against L & A International to apply for self-delisting. On 21 December 2017, L & A International announced that, inter alia, High Court Action No. HCA 3325/2016 against L & A International was dismissed by the High Court on the ground that the Plaintiff 1 failed to file and serve statement of claim on L & A International.

The Directors, having obtained the legal opinion from the legal advisers that no litigation has yet been commenced against Yu Ming up to the date of this report, although Plaintiff 1 is entitled to serve a writ on any defendant within 12 months of the issue of writ and to apply for extension of the validity of the writ for a period of not exceeding 12 months from the expiry date of the writ and to serve the writ within such extended period, the writ has lapsed since it has not been served within such period, and no demand or claim has been received from Plaintiff 1 in relation to any of the matters mentioned in the said writ, considered that the ultimate outcome and potential obligation of this case cannot be reliably estimated and determined that no provision in respect of this case was made for the six-month period from 1 July 2019 to 31 December 2019.

41. 資本管理(續)

禹銘就其所經營業務於證監會註冊。禹銘須遵守證監會採納之香港證券及期貨(財政資源)規則(「證券及期貨(財政資源)規則」)項下流動資金規定。根據證券及期貨(財政資源)規則，禹銘須維持其流動資金(經證券及期貨(財政資源)規則釐定之已調整資產及負債)超出法定下限規定或其已調整負債總額之5%(以較高者為準)。所規定之資料須定期提交予證監會，禹銘於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間內已遵守該等規定。

42. 訴訟

- (1) 於二零一六年十二月，Lim Hang Young先生作為一宗法律訴訟的原告(「原告1」)入稟高等法院對案中被告(i)聯交所；(ii) 禹銘；及(iii) 樂亞國際控股有限公司(「樂亞國際」，其股份於聯交所GEM上市)(作為被告)所發出的傳訊令狀(「傳訊令狀1」)。據傳訊令狀1大致上聲稱，原告1尋求(其中包括)(i)宣判聯交所於全面要約期間在審批股份認購事項上辦事不力；(ii)頒令聯交所撤銷所有上市批准；(iii)宣判禹銘蓄意誤導樂亞國際違反多項上市規則，包括協助樂亞國際的多層營銷計劃；及(iv)頒令樂亞國際申請自行除牌。於二零一七年十二月二十一日，樂亞國際宣佈(其中包括)因原告1未能提交及呈送針對樂亞國際的起訴書，高等法院已駁回對樂亞國際提起的編號為HCA 3325/2016的高等法院訴訟。

董事已獲得法律顧問的法律意見，直至本報告日期尚未對禹銘提起任何訴訟，儘管原告1有權於發出傳訊令狀十二個月內向被告入送達傳訊令狀及申請將傳訊令狀的有效期限延長至自傳訊令狀屆滿日期不超過12個月期間及於該延長期間內送達傳訊令狀，由於傳訊令狀於該期間並無送達而已失效，及原告1尚未就上述傳訊令狀所述任何事宜收到要求或索償，經考慮本案件最終結果及潛在責任不能可靠估計及釐定，故於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間並未就本案件作出撥備。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

42. LITIGATIONS (Continued)

- (2) Mr. Kim Sungho ("Plaintiff 2") as the plaintiff filed a writ of summons ("Writ 2") in January 2017 against (i) Strong Light Investments Limited, a substantial shareholder of the L & A International ("Strong Light"); (ii) FP Sino-Rich Securities & Futures Limited ("FP"); (iii) Yu Ming; and (iv) L&A International as the defendants under a legal proceeding in High Court. Pursuant to the claims generally indorsed on Writ 2, Plaintiff 2 sought, inter alia, for (i) a declaration against Strong Light that Strong Light and its parties acting in concert has accumulated over 30% of the outstanding shares in L & A International, thus triggering the mandatory general offer; and (ii) a declaration against FP and Yu Ming that FP purposefully ill advised L & A International to break various Listing Rules, including assisting L & A International in its multi-layer marketing scheme.

The Directors, having obtained the legal opinion from the legal advisers that no litigation has yet been commenced against Yu Ming up to the date of this report, although Plaintiff 2 is entitled to serve a writ on any defendant within 12 months of the issue of writ and to apply for extension of the validity of the writ for a period of not exceeding 12 months from the expiry date of the writ and to serve the writ within such extended period, the writ has lapsed since it has not been served within such period, and no demand or claim has been received from Plaintiff 2 in relation to any of the matters mentioned in the said writ, considered that the ultimate outcome and potential obligation of this case cannot be reliably estimated and determined that no provision in respect of this case was made for the six-month period from 1 July 2019 to 31 December 2019.

42. 訴訟(續)

- (2) 於二零一七年一月，Kim Sungho 先生作為一宗法律訴訟的原告(「原告2」)入稟高等法院對案中被告(i)樂亞國際主要股東昌亮投資有限公司(「昌亮」)；(ii)富泰中順證券期貨有限公司(「富泰」)；(iii)禹銘；及(iv)樂亞國際所發出的傳訊令狀(「傳訊令狀2」)。據傳訊令狀2大致上聲稱，原告2尋求(其中包括)(i)針對昌亮的宣判，內容有關昌亮及其一致行動人士因累計擁有樂亞國際發行在外股份逾30%而觸發強制性全面要約；及(ii)針對富泰及禹銘的宣判，內容有關富泰蓄意誤導樂亞國際違反多項上市規則，包括協助樂亞國際的多層營銷計劃。

董事已獲得法律顧問的法律意見，直至本報告日期尚未對禹銘提起任何訴訟，儘管原告2有權於發出傳訊令狀十二個月內向被告入送達傳訊令狀及申請將傳訊令狀的有效期限延長至自傳訊令狀屆滿日期不超過12個月期間及於該延長期間內送達傳訊令狀，由於傳訊令狀於該期間並無送達而已失效，及原告2尚未就上述傳訊令狀所述任何事宜收到要求或索償，經考慮本案件最終結果及潛在責任不能可靠估計及釐定，故於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間並無就該案件作出撥備。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019

於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

42. LITIGATIONS (Continued)

- (3) On 8 May 2017 Yu Ming received a writ of summons (“Writ 3”) dated 5 May 2017 filed by China Health Group Limited (formerly China Healthcare Holdings Limited) as plaintiff (“Plaintiff 3”) against (i) Yu Ming; (the “Action”) (ii) 賈虹生; and (iii) 趙愷 as defendants under High Court Action No. HCA1077/2017. Pursuant to the statement of claim therein, Plaintiff 3 sought, inter alia, against Yu Ming a declaration that the engagement letter entered into in March 2016 and another engagement letter entered into in May 2016 between Plaintiff 3 and Yu Ming are void and an order that Yu Ming do forthwith pay the sum of HK\$5,300,000, being the fees paid by Plaintiff 3 to Yu Ming under the said engagement letters, to Plaintiff 3. Yu Ming has appointed legal adviser to act for it in relation to the Action, and based on the information and documents Yu Ming provided to it, such legal adviser is of the opinion that Yu Ming has good prospect of successfully defending the Action. Furthermore, Yu Ming has on 7 June 2017 taken out an application to the court to strike out the Action on the ground that it discloses no reasonable cause of action and/or is frivolous or vexatious and/or is unnecessary and tends to prejudice, embarrass or delay the fair trial of the action and/or is otherwise an abuse of the process of the court. The hearing of the application scheduled to be heard on 21 June 2017 has been adjourned by consent. Plaintiff 3 filed and served its affirmation in opposition to the striking out summons on 29 August 2017, and Yu Ming filed and served its affirmation in reply on 1 November 2017. The hearing for the striking out summons was heard on 19 June 2018 and the application was dismissed. Plaintiff 3 filed its amended statement of claim (which amendments are principally additional details which Plaintiff 3 averred support its claims, but no amendments were made to the actual claims and reliefs sought against the defendants in the statement of claim) on 30 August 2018, Yu Ming has filed its defence and counterclaim by 11 October 2018 and Plaintiff 3 has filed its reply and also served a Mediation Notice on 4 January 2019. Yu Ming served its request for further and better particulars of Plaintiff 3’s reply on 10 January 2019 and filed and served an amended defence on 17 January 2019. Mediation took place on 25 February 2019 but was unsuccessful and the parties failed to reach any agreement. Plaintiff 3 filed and served answers to the request for further and better particulars of Plaintiff 3’s reply on 18 April 2019.

42. 訴訟(續)

- (3) 於二零一七年五月八日，禹銘收到中國衛生集團有限公司(前稱中國衛生控股有限公司)作為原告(「原告3」)於二零一七年五月五日向(i)禹銘(「該訴訟」)、(ii)賈虹生;及(iii)趙愷(作為被告)發出高等法院訴訟編號為HCA1077/2017的傳訊令狀(「傳訊令狀3」)。根據起訴書，原告3尋求(其中包括)對禹銘宣告原告3與禹銘於二零一六年三月訂立的委聘函及於二零一六年五月訂立的另一份委聘函無效，並頒令禹銘即時支付款項5,300,000港元(即原告3已根據上述委聘函支付予禹銘的費用)予原告3。禹銘已就該訴訟委任法律顧問代其行事，及根據禹銘向其提供的資料及文件，該法律顧問認為，禹銘有頗大機會就該訴訟成功抗辯。此外，禹銘已於二零一七年六月七日向法院申請剔除該訴訟，理據為其披露並無合理因由之訴訟及/或內容屬瑣屑無聊或無理取鬧及/或並無必要及可能會對該訴訟的公平審訊造成損害、妨礙或延遲及/或以其他方式濫用法院程序。該申請原計劃於二零一七年六月二十一日進行聆訊，已獲同意予以押後。原告3已於二零一七年八月二十九日呈交及送達其有關刪除傳訊令狀的抗辯誓章，而禹銘已於二零一七年十一月一日呈交及送達其答覆誓章。有關刪除傳訊令狀的聆訊已於二零一八年六月十九日進行聆訊，而相關申請已被駁回。於二零一八年八月三十日，原告3已發出其經修訂起訴書(當中修訂主要為原告3主張支持其申索的其他詳情，但並無於起訴書中對實際申索作出修訂及對被告作出減輕)，而禹銘已於二零一八年十月十一日前提交其抗辯及反申索，並亦於二零一九年一月四日送達一份仲裁通知。禹銘於二零一九年一月十日送達其要求，以尋求原告3回覆的進一步及更佳詳情，並於二零一九年一月十七日提交及送達經修訂抗辯。仲裁已於二零一九年二月二十五日進行，但並無成功，各方未能達成任何協議。原告3已於二零一九年四月十八日就其回覆提供更詳盡清楚資料之要求提交送達回覆。

Notes to the Consolidated Financial Statements (Continued)

綜合財務報表附註(續)

For the six-month period from 1 July 2019 to 31 December 2019
於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間

42. LITIGATIONS (Continued)

(3) (Continued)

The Group's legal adviser is of the view that Yu Ming is entitled to rely on the "indoor management rule", which states that any person contracting with a company and dealing in good faith with the same may assume that acts within its constitution and powers have been properly and duly performed and are not bound to inquire whether acts of internal management have been regular. They are also of the view that there are contemporaneous records and correspondence evidencing Yu Ming's work done for the plaintiff pursuant to the engagement letters. Based on the information and documents provided to it by Yu Ming, the Group's legal adviser is of the opinion that, the vagaries of litigation aside, Yu Ming is very likely to successfully defend the Action.

The Directors, having obtained the legal opinion from the legal adviser, considered that the ultimate outcome and potential obligation of this case cannot be reliably estimated and determined that no provision in respect of this case was made for the six-month period from 1 July 2019 to 31 December 2019.

43. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and authorised for issue by the Board on 26 March 2020.

42. 訴訟(續)

(3) (續)

本集團法律顧問認為，禹銘有權依據「內部管理規則」，當中規定任何人士與一間公司訂立合約及與該公司以誠信進行交易時，可假設其規章及權力已妥善及正式履行的事實，且不受內部管理行為是否定期進行的約束。彼等亦認為，同期記錄及通信證明禹銘根據委聘函對原告所作的工作。根據禹銘向其提供的資料及文件，本集團法律顧問認為，撇除訴訟的無常變化禹銘有頗大機會就該訴訟成功抗辯。

董事已獲得法律顧問的法律意見，認為本案件之最終結果及潛在責任不能可靠估計，並確定於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間內毋須就本案件計提撥備。

43. 批准財務報表

該等財務報表於二零二零年三月二十六日獲董事會批准授權刊發。

Five Year Financial Summary

五年財務概要

	Year ended 30 June				Six-month period from
	2016	2017	2018	2019	1 July 2019 to 31 December 2019
	截至六月三十日止年度				於二零一九年七月一日起至二零一九年十二月三十一日止六個月期間
	二零一六年	二零一七年	二零一八年	二零一九年	
	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
Results:					
業績：					
(Loss)/profit attributable to the owners of the Company					
本公司擁有人應佔(虧損)/溢利	(621)	(17,391)	(4,887)	(13,916)	842,334
As at					
	As at 30 June				31 December
	2016	2017	2018	2019	2019
	於六月三十日				於二零一九年十二月三十一日
	二零一六年	二零一七年	二零一八年	二零一九年	
	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
Assets and liabilities:					
資產及負債：					
Current assets					
流動資產	1,751	4,545	1,686	3,175	62,486
Total assets					
資產總值	1,751	4,545	1,686	3,175	465,525
Current liabilities					
流動負債	926,308	946,493	948,521	963,926	32,486
Total liabilities					
負債總額	926,308	946,493	948,521	963,926	49,004
Total (deficit)/equity					
(虧損)/權益總額	(924,557)	(941,948)	(946,835)	(960,751)	416,521

我們經常反思：「點解？」及「點解不可以？」

「點解」讓我們慢下來，思考一下我們現有的常規、默守的慣例。到底點解我們是這樣做的呢？這個做法到底有甚麼好處？甚至乎，這個慣常做法，是對的嗎？

「點解不可以」促使我們創新、改變故有、求異、立新、超越自己。



例如，問「點解」要上市？

同埋，問「點解不可以」借殼上市呢？

我們公司不是最好、並非最大、更非最賺錢，但是，我們是向前走的。

