

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

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

(Stock Code 股份代號: 1073)

2020 中期業績報告 INTERIM REPORT



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

Interim Report
中期業績報告

For the six months ended 30 June 2020
截至二零二零年六月三十日止六個月

Corporate Information 公司資料

BOARD OF DIRECTORS

Executive Directors:

Mr. Lee Wa Lun, Warren (*Managing Director*)
Mr. Lam Chi Shing
Ms. Li Ming

Non-Executive Directors:

Mr. Li Chi Kong (*Chairman*)
Mr. Kuo Jen-Hao

Independent Non-Executive Directors:

Mr. Chan Sze Chung
Mr. Suen Chi Wai
Mr. Sum Wai Kei, Wilfred

COMPANY SECRETARY

Mr. Lee Hon Sang

MEMBERS OF THE AUDIT COMMITTEE

Mr. Chan Sze Chung (*Chairman*)
Mr. Suen Chi Wai
Mr. Sum Wai Kei, Wilfred
Mr. Li Chi Kong
Mr. Kuo Jen-Hao

MEMBERS OF THE NOMINATION COMMITTEE

Mr. Li Chi Kong (*Chairman*)
Mr. Chan Sze Chung
Mr. Suen Chi Wai
Mr. Sum Wai Kei, Wilfred

MEMBERS OF THE REMUNERATION COMMITTEE

Mr. Sum Wai Kei, Wilfred (*Chairman*)
Mr. Chan Sze Chung
Mr. Li Chi Kong
Mr. Suen Chi Wai
Mr. Kuo Jen-Hao

INDEPENDENT AUDITOR

BDO Limited

COMPLIANCE ADVISER

Emperor Capital Limited

董事會

執行董事：

李華倫先生 (*董事總經理*)
林志成先生
李銘女士

非執行董事：

李志剛先生 (*主席*)
郭人豪先生

獨立非執行董事：

陳思聰先生
孫志偉先生
岑偉基先生

公司秘書

李漢生先生

審核委員會成員

陳思聰先生 (*主席*)
孫志偉先生
岑偉基先生
李志剛先生
郭人豪先生

提名委員會成員

李志剛先生 (*主席*)
陳思聰先生
孫志偉先生
岑偉基先生

薪酬委員會成員

岑偉基先生 (*主席*)
陳思聰先生
李志剛先生
孫志偉先生
郭人豪先生

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

Corporate Information (Continued)

公司資料(續)

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/dayufinancial/

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

總部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/dayufinancial/

Management Discussion and Analysis

管理層論述及分析

BUSINESS REVIEW

For the six months ended 30 June 2020 (the “Interim Period”), Da Yu Financial Holdings Limited (the “Company”) and its subsidiary (collectively 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 (Chapter 571 of the Laws of Hong Kong).

Corporate Finance Advisory

During the Interim 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 Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”), the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) and/or the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs (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 Interim Period, Yu Ming provided asset management services solely to SHK Hong Kong Industries Limited, the first investment company listed on the Stock Exchange.

業務回顧

截至二零二零年六月三十日止六個月（「中期期間」），大禹金融控股有限公司（「本公司」）及其附屬公司（統稱「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」）從事提供企業融資顧問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（香港法例第571章）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

於中期期間，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，以就有關香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）、聯交所創業板證券上市規則（「創業板上市規則」）及／或香港公司收購、合併及股份購回守則（「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

於中期期間，禹銘僅向首家在聯交所上市之投資公司—新工投資有限公司—提供資產管理服務。

Management Discussion and Analysis (Continued)

管理層論述及分析 (續)

Revenue

Revenue for the Interim Period mainly consisted of income from corporate finance advisory and related services of approximately HK\$26.2 million (six months ended 31 December 2019 (“December 2019 reporting period”): approximately HK\$37.4 million) and asset management services of approximately HK\$7.9 million (December 2019 reporting period: 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\$4.5 million (December 2019 reporting period: approximately HK\$4.0 million), Nil (December 2019 reporting period: approximately HK\$9.7 million), approximately HK\$0.2 million (December 2019 reporting period: approximately HK\$0.2 million) and approximately HK\$0.2 million (December 2019 reporting period: approximately HK\$0.2 million) respectively during the Interim Period.

Administrative and Other Expenses

Apart from the Group’s administrative expenses, other expenses for the Interim Period included the amortisation on intangible assets of approximately HK\$7.6 million (December 2019 reporting period: approximately HK\$6.3 million).

INTERIM DIVIDEND

The Board resolved not to declare an interim dividend for the Interim Period (December 2019 reporting period: Nil).

收益

中期期間之收益主要包括來自企業融資顧問及相關服務收益約26,200,000港元(截至二零一九年十二月三十一日止六個月(「二零一九年十二月報告期間」):約37,400,000港元)及資產管理服務約7,900,000港元(二零一九年十二月報告期間: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。於中期期間，僱員的工資、獎金及強積金以及董事袍金分別約4,500,000港元(二零一九年十二月報告期間:約4,000,000港元)、無(二零一九年十二月報告期間:約9,700,000港元)、約200,000港元(二零一九年十二月報告期間:約200,000港元)及約200,000港元(二零一九年十二月報告期間:約200,000港元)。

行政及其他開支

除本集團的行政開支外，中期期間之其他開支包括無形資產攤銷約7,600,000港元(二零一九年十二月報告期間:約6,300,000港元)。

中期股息

董事會議決不宣派截至中期期間之中期股息(二零一九年十二月報告期間:無)。

Management Discussion and Analysis (Continued)

管理層論述及分析(續)

FINANCIAL REVIEW

Overall Results

The Group recorded a net profit of approximately HK\$15.6 million for the Interim Period (December 2019 reporting period: approximately HK\$842.3 million), representing a decrease in profit of approximately HK\$826.7 million. The reasons are mainly due to the liquidation and restructuring of the Company during last financial period, deconsolidation of subsidiaries and incomplete books and records available as mentioned in the 2019 Annual Report.

Revenue and Financial Resources

For the Interim Period, the Group had revenue of approximately HK\$34.6 million (December 2019 reporting period: approximately HK\$46.8 million) and the Group's net profit was approximately HK\$15.6 million (December 2019 reporting period: approximately HK\$842.3 million (if excluding restructuring expenses and gain on debt restructuring, approximately HK\$17.6 million)).

As at 30 June 2020, the Group had cash and cash equivalents of approximately HK\$63.4 million (31 December 2019: approximately HK\$39.9 million). As at 30 June 2020, the Group's current ratio (current assets to current liabilities) was approximately 296.5% (31 December 2019: approximately 192.3%).

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

Indebtedness and Banking Facilities

The Group had no bank and other borrowings as at 30 June 2020 and 31 December 2019.

The Group's gearing ratio, calculated by reference to the ratio of total bank borrowings (if any) to total equity attributable to the owners of the Company as at 30 June 2020 and 31 December 2019, was 0%.

Assets and Liabilities

As at 30 June 2020, the Group had total assets of approximately HK\$473.7 million (31 December 2019: approximately HK\$465.5 million) and total liabilities of approximately HK\$41.6 million (31 December 2019: approximately HK\$49.0 million). The net assets of the Group as at 30 June 2020 were approximately HK\$432.2 million (31 December 2019: approximately HK\$416.5 million).

財務回顧

整體業績

截至中期期間，本集團錄得淨溢利約15,600,000港元(二零一九年十二月報告期間：約842,300,000港元)，溢利減少約826,700,000港元。原因主要乃由於本公司在上一個財務期間清盤及重組、終止入賬的附屬公司以及不完整的賬目及記錄(誠如2019年報中所述)所致。

收益及財務資源

截至中期期間，本集團收益約34,600,000港元(二零一九年十二月報告期間：約46,800,000港元)及本集團的淨溢利約15,600,000港元(二零一九年十二月報告期間：約842,300,000港元(如不包括重組開支及債務重組收益，約17,600,000港元))。

於二零二零年六月三十日，本集團持有現金及現金等價物約63,400,000港元(二零一九年十二月三十一日：約39,900,000港元)。於二零二零年六月三十日，本集團的流動比率(流動資產對流動負債)約296.5%(二零一九年十二月三十一日：約192.3%)。

截至中期期間，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

於二零二零年六月三十日及二零一九年十二月三十一日，本集團並無銀行及其他借貸。

本集團之資本與負債比率(乃根據於二零二零年六月三十日及二零一九年十二月三十一日之銀行貸款總額(如有)與本公司擁有人應佔權益總額之比率計算)為0%。

資產及負債

於二零二零年六月三十日，本集團資產總額約473,700,000港元(二零一九年十二月三十一日：約465,500,000港元)及負債總額約41,600,000港元(二零一九年十二月三十一日：約49,000,000港元)。於二零二零年六月三十日，本集團的資產淨額約432,200,000港元(二零一九年十二月三十一日：約416,500,000港元)。

Management Discussion and Analysis (Continued)

管理層論述及分析(續)

Capital Structure

As part of the Group's 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 months ended 31 December 2019. There was no change to the share capital during the Interim Period.

Commitments

As at 30 June 2020 and 31 December 2019, the Group had no significant outstanding contracted capital commitments.

Charges on Group Assets

As at 30 June 2020 and 31 December 2019, the Group had no assets under pledge.

Significant Investments and Acquisition

There are no significant investments and acquisition during the Interim Period.

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. Please refer to the 2019 Annual Report under "Business and Financial Review" section for details.

Contingent Liabilities

As at the date of this 2020 Interim Report and as at 30 June 2020 and 31 December 2019, the Board is not aware of any material contingent liabilities.

Events after the Reporting Date

There are no important events affecting the Group which have occurred after the end of the Interim Period and up to the date of this 2020 Interim Report.

資本架構

作為本集團之重組之一部分，本公司於截至二零一九年十二月三十一日止六個月內完成一系列資本重組，包括股本削減、股份合併、股份溢價註銷及增加法定股本。於中期期間，股本並無變動。

承擔

於二零二零年六月三十日及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。

集團資產抵押

於二零二零年六月三十日及二零一九年十二月三十一日，本集團並無任何抵押資產。

重大投資及收購

於中期期間，本集團並無重大投資及收購。

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分別訂立收購協議及補充收購協議。根據該等協議，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。

該等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。有關詳情，請參閱2019年報內「業務及財務回顧」部分。

或然負債

於本2020中期業績報告日期及於二零二零年六月三十日及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。

結算日後之事項

於中期期間結束後及直至本2020中期業績報告日期，概無發生對本集團有重大影響之事件。

Management Discussion and Analysis (Continued)

管理層論述及分析(續)

Remuneration Policies and Share Option Scheme

As at 30 June 2020, the Group, including its subsidiary but excluding associates, had 21 staff including Directors (31 December 2019: 19). 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. In addition, share options may be granted to eligible employees of the Group in accordance with the terms of the approved share option scheme.

COVID-19 Pandemic Response

The coronavirus disease 2019 (“COVID-19”) spread globally during the first half of 2020. The Group has implemented, since January 2020, certain protocols below to protect the health and safety of our workforce, their families, local suppliers and neighbouring communities while ensuring a safe environment for operations to continue as usual:

- measures to maximize social distancing and staff protection within the offices;
- meetings are held off-site or by conference calls as far as possible;
- cancellation of all non-essential travel;
- flexible and remote working plans for employees;
- self-isolation following outbound travel, development of symptoms, or interaction with a confirmed case of COVID-19 and do coronavirus test as and when necessary at the Company’s cost;
- increased inventory of face mask, hand sanitiser and hygiene supplies; and
- increased focus on cleaning and sanitation.

薪酬政策及購股權計劃

於二零二零年六月三十日，本集團(包括其附屬公司，但不包括聯營公司)共有21名員工(包括董事)(二零一九年十二月三十一日：19名)。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。此外，購股權可根據已批准的購股權計劃的條款授予本集團之合資格僱員。

2019冠狀病毒病大流行應對措施

2019冠狀病毒病(「2019冠狀病毒病」)於二零二零年上半年在全球蔓延。自二零二零年一月起，為保護我們的員工、彼等的家人、當地供應商及鄰近社區的健康及安全，同時確保營運環境安全，使其能照常進行，本集團實施了以下對策：

- 在辦公室內最大限度拉開社交距離及保障員工的措施；
- 會議盡可能非現場召開或通過電話會議的方式舉行；
- 取消一切非必要的差旅；
- 為員工制定彈性及遙距工作計劃；
- 外出差旅、出現症狀或與2019冠狀病毒病確診患者接觸後，應自我隔離，必要時可做冠狀病毒檢測，費用由本公司承擔；
- 增加口罩、洗手液及衛生用品的庫存；及
- 加強注重清潔及衛生。

Management Discussion and Analysis (Continued)

管理層論述及分析(續)

PROSPECT

A majority of Yu Ming's corporate finance business is non-recurrent in nature. In the past few years, corporate finance income surpassed asset management income, but asset management income is recurrent and stable and provides a stabilizing buffer. The profit sharing arrangement in asset management with its client above a certain threshold and high-watermark also gives a significant boost to the profits occasionally.

Some of the corporate finance transactions undertaken by Yu Ming are complex, some involve resolving shareholders' disputes, and some tangled in regulatory deadlocks. Whilst Yu Ming also advises straight forward corporate finance transactions, such transactions usually require mundane skill set and attract much competition from our peers, and command modest advisory fees. For complex transactions, completion depends on the attitude of the Stock Exchange, which can sometimes be overly conservative. Depending on the mandates, Yu Ming's terms of payment range from no-contingency, staged payment and some contingent payment. Therefore, the attitude of the Stock Exchange can affect the revenue of Yu Ming.

As at the date of this 2020 Interim Report, Yu Ming's new mandates from corporate finance have been satisfactory, and less affected than initial public offering transactions which Yu Ming does not advise. Shareholders should note that according to the prevailing accounting standards, revenue recognition (the amount that can be reported in the financial statements), even for fully-paid fees, can be affected by the completion date of the transaction, and may or may not be fully reflected in the financial statements.

Yu Ming team is cautiously optimistic in sailing through the unprecedented challenges in 2020, and there is no lay-off, no pay-cut, and no head-count freeze.

前景

禹銘的企業融資業務大都屬非經常性質。於過去數年，企業融資收入超過資產管理收入，但資產管理收入屬經常性及穩定並提供平穩緩衝。資產管理與其高出若干水位及高淨值水平的客戶的溢利分享安排，偶然亦令溢利大幅增加。

禹銘進行的若干企業融資交易結構複雜，部份涉及股東紛爭，部分更陷入監管僵局。雖然禹銘亦有就簡單企業融資交易提供意見，但有關交易通常只需要一些平凡的技巧及吸引同行的激烈競爭，且所收取顧問費不高。就複雜的交易而言，完成交易取決於聯交所的態度，而其取態有時會過於保守。視乎客戶所作委託，禹銘的收費條款包括固定費用、分階段收費及若干或有費用。因此，聯交所的取態會影響禹銘的收益。

於本2020中期業績報告日期，禹銘自企業融資獲得的新委託項目表現令人滿意，且所受到的影響較禹銘並非擔任顧問的首次公開發售交易更小。股東務請注意，根據現行會計準則，收益確認(於財務報表中呈報的金額)，即使為繳足費用，或會受到交易完成日期的影響，及未必一定會於財務報表中悉數反映。

在面臨二零二零年前所未有的挑戰過程中，禹銘團隊保持審慎樂觀的態度，且並無出現裁員、減薪及凍結招聘情況。

Other Information 其他資料

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

As at 30 June 2020, the interests and short positions of the Directors and Chief Executives of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") which were notified to the Company and The Stock Exchange of Hong Kong Limited (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") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

Long positions in shares of the Company

| Name of Directors | Capacity | Nature of interests | Number of shares held | % of the total relevant issued shares as at 30 June 2020 於二零二零年六月三十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 | 19.94% |
| 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% |

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

於二零二零年六月三十日，本公司董事及最高行政人員於本公司及其相聯法團（定義見證券及期貨條例（香港法例第571章）（「證券及期貨條例」）第XV部）之任何股份、相關股份或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香港聯合交易所有限公司（「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），或須列入及已列入按證券及期貨條例第352條存置之登記冊內，或根據聯交所證券上市規則（「上市規則」）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：

於本公司股份之好倉

Other Information (Continued)

其他資料(續)

Save as disclosed above, at no time during the six months ended 30 June 2020 was the Company, its subsidiaries or its associated corporations, a party to any arrangement to enable the Directors or Chief Executives of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or its associated corporations.

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 of its 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.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As at 30 June 2020, so far as is known to the Board, the following persons (not being the Directors or Chief Executives 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 Directors as disclosed in the section headed "Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations":

除上述披露外，於截至二零二零年六月三十日止六個月內之任何時間，本公司、其附屬公司或其相聯法團概無訂立任何安排，令本公司董事或最高行政人員可藉購入本公司或其相聯法團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或淡倉。

主要股東之證券權益

於二零二零年六月三十日，就董事會所知，下列人士(並非本公司董事或最高行政人員)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(好倉)或淡倉，或直接或間接於任何類別股本面值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」一節中披露的董事的權益外)：

Other Information (Continued) 其他資料(續)

Long positions in shares of the Company

於本公司股份之好倉

| Name of Substantial Shareholders | Notes | Capacity | Nature of interests | Number of shares held | % of the total relevant issued shares as at 30 June 2020 於二零二零年六月三十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 | 總數百分比 |
| 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% |
| 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% |
| Chan Kin 陳健 | 4 | Interest of controlled corporation 受控制公司的權益 | Corporate interest 公司權益 | 57,360,000 | 5.03% |
| Argyle Street Management Holdings Limited ("ASMH") | 4 | Interest of controlled corporation 受控制公司的權益 | Corporate interest 公司權益 | 57,360,000 | 5.03% |

Notes:

附註:

- | | |
|--|--|
| <p>1. As per notification filed by First Steamship on 19 December 2019, Heritage Riches Limited ("HRL") and Mariner Far East Limited ("MFE") hold 234,065,000 shares and 96,990,000 shares of the Company respectively, representing 20.54% and 8.51% of the total relevant issued shares of the Company as at 30 June 2020 respectively. HRL and MFE are wholly-owned by First Steamship S.A. ("FSSA") and First Mariner Holding Limited ("FMH") respectively. FSSA and FMH are wholly-owned by First Steamship. Therefore, First Steamship, FSSA and FMH are respectively deemed to have an interest in the said shares in which HRL and MFE are interested.</p> | <p>1. 根據First Steamship於二零一九年十二月十九日提交之通知書，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，分別於二零二零年六月三十日佔本公司有關已發行股份總數20.54%及8.51%。HRL及MFE分別由First Steamship S.A.(「FSSA」)及First Mariner Holding Limited(「FMH」)全資擁有。FSSA及FMH皆由First Steamship全資擁有。因此，First Steamship、FSSA及FMH分別被視為擁有該等由HRL及MFE擁有之股份權益。</p> |
| <p>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 have an interest in the said shares in which Mr. Lee Wa Lun, Warren is interested.</p> | <p>2. 張潔珊女士為李華倫先生的配偶。根據證券及期貨條例，張潔珊女士被視為擁有該等由李華倫先生擁有之股份權益。</p> |

Other Information (Continued)

其他資料(續)

- BH Equities holds 75,590,000 shares of the Company. BH Equities is wholly-owned by Mr. Lau. Therefore, Mr. Lau is deemed to have an interest in the said shares in which BH Equities is interested. In addition, Mr. Lau has personal interest in 10,000 shares and family interest in 5,000 shares of the Company.
- As per notifications filed by Mr. Chan Kin and ASMH respectively on 24 February 2020, ASM Connaught House Fund LP and ASM Connaught House (Master) Fund III LP hold 45,850,000 shares and 11,510,000 shares of the Company respectively, which are held indirectly by ASMH through a number of controlled corporations. Mr. Chan Kin has over 50% controlling interests in ASMH. Therefore, Mr. Chan Kin and ASMH are respectively deemed to have an interest in the shares held by ASM Connaught House Fund LP and ASM Connaught House (Master) Fund III LP.
- 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，劉先生被視為擁有該等由BH Equities擁有之股份權益。此外，劉先生持有本公司10,000股個人權益及5,000股家族權益。
- 根據陳健先生及ASMH分別於二零二零年二月二十四日提交之通知書，ASM Connaught House Fund LP及ASM Connaught House (Master) Fund III LP分別持有本公司之45,850,000股股份及11,510,000股股份，彼等皆由ASMH透過多家受控制公司間接持有。陳健先生擁有ASMH超過50%控制權益。因此，陳健先生及ASMH分別被視為擁有該等由ASM Connaught House Fund LP及ASM Connaught House (Master) Fund III LP持有之股份權益。

Save as disclosed above, the Board is not aware, as at 30 June 2020, of any person (who are not Directors and Chief Executives of the Company) who 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.

除上述披露外，於二零二零年六月三十日，董事會並不知悉有任何人士（並非本公司董事及最高行政人員）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（好倉）或淡倉，或直接或間接於任何類別股本面值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5%或以上權益。

SHARE OPTION SCHEME

The Company adopted a new share option scheme (the "New Share Option Scheme") pursuant to a resolution passed at an extraordinary general meeting of the Company held on 22 May 2019. The New Share Option Scheme has a remaining life of approximately 8 years as at the date of this 2020 Interim Report.

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.

During the Interim Period, no share option was granted, exercised, cancelled, lapsed or outstanding under the New Share Option Scheme.

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採納新購股權計劃（「新購股權計劃」）。於本2020中期業績報告日期，新購股權計劃之剩餘年期約為8年。

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股股份，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之1%。授出超出個人限額的任何額外購股權須獲股東批准。

於中期期間，概無任何購股權根據新購股權計劃獲授出、行使、註銷、失效或尚未行使。

Other Information (Continued) 其他資料(續)

AUDIT COMMITTEE

The Company had an Audit Committee established in accordance with Rule 3.21 of the Listing Rules.

The Audit Committee has reviewed financial reporting matters and this 2020 Interim Report including a general review of the unaudited interim condensed consolidated financial statements for the six months ended 30 June 2020. In carrying out this review, the Audit Committee has relied on a review conducted by the Group's external auditor in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants and representations from management. The Audit Committee has not undertaken detailed independent audit checks.

COMPLIANCE WITH THE CODE PROVISIONS OF THE CORPORATE GOVERNANCE CODE

The Company has applied the principles and complied with all the applicable code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules during the Interim Period.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standard set out in the Model Code during the Interim Period.

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 securities during the Interim Period.

By Order of the Board
Da Yu Financial Holdings Limited

Lee Wa Lun, Warren
Managing Director

Hong Kong, 28 August 2020

審核委員會

本公司已遵照上市規則第3.21條成立審核委員會。

審核委員會已審閱財務報告事項及本2020中期業績報告，包括對截至二零二零年六月三十日止六個月之未經審核中期簡明綜合財務報表作出概括之審閱。審核委員會乃依賴本集團外聘核數師按照香港會計師公會頒佈之香港審閱工作準則第2410號「由實體之獨立核數師執行中期財務資料審閱」所作出之審閱結果及管理層的陳述，進行上述審閱。審核委員會並無進行詳細之獨立核數審查。

遵守企業管治守則的守則條文

本公司於中期期間內一直遵守上市規則附錄14所載之企業管治守則之一切適用守則條文並應用有關原則。

董事進行證券交易的標準守則

本公司已採納上市規則附錄10所載之標準守則作為董事進行證券交易之行為守則。經向全體董事個別作出查詢後，本公司確認全體董事於中期期間內已遵守標準守則所載的規定。

購買、出售或贖回本公司上市證券

本公司及其附屬公司於中期期間內概無購買、出售或贖回本公司任何上市證券。

承董事會命
大禹金融控股有限公司

董事總經理
李華倫

香港，二零二零年八月二十八日

Auditor's Independent Review Report

核數師之獨立審閱報告



Tel : +852 2218 8288
Fax : +852 2815 2239
www.bdo.com.hk

25th Floor Wing On Centre
111 Connaught Road Central
Hong Kong

電話 : +852 2218 8288
傳真 : +852 2815 2239
www.bdo.com.hk

香港干諾道中111號
永安中心25樓

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

審閱中期簡明綜合財務報表之報告

TO THE BOARD OF DIRECTORS OF DA YU FINANCIAL HOLDINGS LIMITED

致大禹金融控股有限公司董事會

(incorporated in the Cayman Islands with limited liability)

(在開曼群島註冊成立之有限公司)

INTRODUCTION

引言

We have reviewed the interim condensed consolidated financial statements set out on pages 22 to 60 which comprise the condensed consolidated statement of financial position of Da Yu Financial Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") as of 30 June 2020 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes (the "interim condensed consolidated financial statements"). The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The directors are responsible for the preparation and presentation of the interim condensed consolidated financial statements in accordance with HKAS 34.

本所已審閱第22頁至第60頁所載的中期簡明綜合財務報表，此中期財務報表包括大禹金融控股有限公司（「貴公司」）及其附屬公司（統稱為「貴集團」）於二零二零年六月三十日之簡明綜合財務狀況表及截至該日止六個月期間之相關簡明綜合損益及其他全面收益表、簡明綜合權益變動表及簡明綜合現金流量表及主要會計政策概要及其他說明附註（「中期簡明綜合財務報表」）。香港聯合交易所有限公司證券上市規則規定，編製中期財務資料報告須符合有關條文及香港會計師公會（「香港會計師公會」）頒佈的香港會計準則第34號「中期財務報告」（「香港會計準則第34號」）規定。董事須負責根據香港會計準則第34號編製及呈列中期簡明綜合財務報表。

Our responsibility is to express a conclusion on the interim condensed consolidated financial statements based on our review. This report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

本所之責任乃根據審閱對中期簡明綜合財務報表作出結論，並按照雙方所協定的應聘書條款僅向整體董事會報告，除此之外，本報告別無其他目的。本所不會就本報告的內容向任何其他人士負責或承擔任何責任。

Auditor's Independent Review Report (Continued)

核數師之獨立審閱報告(續)

SCOPE OF REVIEW

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

BASIS FOR QUALIFIED CONCLUSION

1. Deconsolidation of companies

As set out in Note 6 to the Company's interim condensed consolidated financial statements, the Group lost control over certain companies from 1 January 2014 and therefore the Group deconsolidated those companies ("Deconsolidated Companies"). The Group's investments in the Deconsolidated Companies were classified as financial assets at fair value through other comprehensive income and the directors assessed the fair value of the investments was HK\$0 on 1 July 2019 and 25 July 2019.

Pursuant to the creditors' scheme under the Group's restructuring (the "Creditors' Scheme"), the Group has effectively disposed of its entire interests in the Deconsolidated Companies on 25 July 2019.

審閱工作範疇

除「保留意見結論的基礎」下各段所述外，本所已按照香港會計師公會所頒佈的香港審閱工作準則第2410號「由實體之獨立核數師執行中期財務資料審閱」進行審閱。審閱中期財務資料包括主要向負責財務及會計事項人員作出查詢，並應用分析及其他審閱程序。由於審閱範圍遠較按照香港審計準則進行審核之範圍為小，故不能令本所保證本所知悉在審核中可能發現的所有重大事項。因此，本所不會發表審核意見。

保留意見結論的基礎

1. 不再綜合計算公司

誠如貴公司之中期簡明綜合財務報表附註6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」）。貴集團於不再綜合計算公司中的投資已分類為按公平值入其他全面收益之財務資產，而董事評估，該等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公平值均為零港元。

根據貴集團重組項下的債權人計劃（「債權人計劃」），貴集團已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。

Auditor's Independent Review Report (Continued)

核數師之獨立審閱報告(續)

BASIS FOR QUALIFIED CONCLUSION (CONTINUED)

1. Deconsolidation of companies (Continued)

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. In our audit of the Company's consolidated financial statements for the period from 1 July 2019 to 31 December 2019 ("December 2019 Consolidated Financial Statements"), 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 period from 1 July 2019 to 31 December 2019 and the respective disclosures in December 2019 Consolidated Financial Statements.

Due to limitations on our scope of work on the Group's conclusion of loss of control over the Deconsolidated Companies and other audit scope limitations, we disclaimed our audit opinion on December 2019 Consolidated Financial Statements.

Our review conclusion on the Company's interim condensed consolidated financial statements was also qualified because of the possible effect of limitation of scope of our work on the comparability of the current period's figures and the corresponding figures.

保留意見結論的基礎(續)

1. 不再綜合計算公司(續)

貴公司董事並未向本所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。貴公司亦並未向本所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公平值時使用的估值方法及關鍵估計假設。本所對貴公司二零一九年七月一日至二零一九年十二月三十一日期間的綜合財務報表(「二零一九年十二月綜合財務報表」)的審核中，本所無法執行其他替代程序令本所信納，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至二零一九年十二月三十一日止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有影響。

由於本所對貴集團失去對不再綜合計算公司的控制權的結論的工作範圍受到限制，以及其他審核範圍的限制，本所對二零一九年十二月綜合財務報表拒絕發表審核意見。

本所亦保留對貴公司的中期簡明綜合財務報表的審閱結論，因為本所的工作範圍受到限制，可能會影響當前期間數據及相應數據的可比性。

Auditor's Independent Review Report (Continued)

核數師之獨立審閱報告(續)

BASIS FOR QUALIFIED CONCLUSION (CONTINUED)

1. Deconsolidation of companies (Continued)

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 adjustments to the carrying amounts of these investments as at 25 July 2019 would have impact on the Group's gain on the disposal for the period from 1 July 2019 to 31 December 2019. Details are in Point 4 of this report.

2. Convertible bonds

As at 1 July 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 6 and Note 16(i) to the Company's interim condensed 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.

保留意見結論的基礎(續)

1. 不再綜合計算公司(續)

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已於二零一九年七月二十五日實際出售。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於二零一九年七月一日至二零一九年十二月三十一日期間之出售收益產生影響。詳情載於本報告第4點。

2. 可換股債券

於二零一九年七月一日，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。誠如貴公司之中期簡明綜合財務報表附註6及附註16(i)所載，於二零一九年七月二十五日債權人計劃生效及進行貴公司股本重組（「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。

Auditor's Independent Review Report (Continued)

核數師之獨立審閱報告(續)

BASIS FOR QUALIFIED CONCLUSION (CONTINUED)

2. Convertible bonds (Continued)

In our audit of 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 could 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 the presentation in consolidated statement of cash flows for the period from 1 July 2019 to 31 December 2019 and the respective disclosures included in December 2019 Consolidated Financial Statements. Accordingly, together with other matters, we disclaimed our audit opinion on December 2019 Consolidated Financial Statements.

Our review conclusion on the Company's interim condensed consolidated financial statements was also qualified because of the possible effect of limitation of scope of our work on the comparability of the current period's figures and the corresponding figures.

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 for the period from 1 July 2019 to 31 December 2019. Details are in Point 4 of this report.

保留意見結論的基礎(續)

2. 可換股債券(續)

於本所對二零一九年十二月綜合財務報表的審核中，貴公司董事並未向本所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。本所無法執行其他替代程序令本所信納，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。就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貴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至二零一九年十二月三十一日止期間貴集團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。因此，連同其他事項，本所對二零一九年十二月綜合財務報表拒絕發表審核意見。

本所亦保留對貴公司之中期簡明綜合財務報表的審閱結論，因為本所的工作範圍受到限制，可能會影響當前期間數據及相應數據的可比性。

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於二零一九年七月一日至二零一九年十二月三十一日期間之出售收益產生影響。詳情載於本報告第4點。

Auditor's Independent Review Report (Continued)

核數師之獨立審閱報告(續)

3. Limitation of scope of work on certain liabilities

Listed below were the balances of certain liabilities of the Group as at 1 July 2019 (the "Liabilities").

| | | HK\$'000 千港元 |
|---|--------------|-----------------|
| Accruals and other payables | 應計費用及其他應付款項 | 29,621 |
| 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 |

In our audit of December 2019 Consolidated Financial Statements, the directors of the Company were unable to provide us with the details and related supportings of the Liabilities as at 1 July 2019 and 25 July 2019. There were no alternative procedures that we could perform to satisfy ourselves as to whether the carrying amounts of the Liabilities as at 1 July 2019 and 25 July 2019 were free from material misstatement. Any adjustments to the carrying amounts of the Liabilities 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 the presentation in consolidated statement of cash flows for the period from 1 July 2019 to 31 December 2019 and the respective disclosures included in December 2019 Consolidated Financial Statements. Accordingly, together with other matters, we disclaimed our opinion on December 2019 Consolidated Financial Statements.

Our review conclusion on the Company's interim condensed consolidated financial statements was also qualified because of the possible effect of limitation of scope of our work on the comparability of the current period's figures and the corresponding figures.

The Liabilities, 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 as at 25 July 2019 would have impact on the Group's gain on the disposal for the period from 1 July 2019 to 31 December 2019. Details are in Point 4 of this report.

3. 若干負債工作範圍的局限性

以下列示於二零一九年七月一日，貴集團若干負債的結餘（「負債」）。

於本所對二零一九年十二月綜合財務報表的審核中，貴公司董事無法向本所提供有關負債於二零一九年七月一日及於二零一九年七月二十五日的詳情及相關支持文件。本所無法執行其他替代程序令本所信納，於二零一九年七月一日及於二零一九年七月二十五日負債的賬面值並無重大錯報。就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至二零一九年十二月三十一日止期間貴集團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。因此，連同其他事項，本所對二零一九年十二月綜合財務報表拒絕發表審核意見。

本所亦保留對貴公司之中期簡明綜合財務報表的審閱結論，因為本所的工作範圍受到限制，可能會影響當期數據及相應數據的可比性。

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於二零一九年七月一日至二零一九年十二月三十一日期間之出售收益產生影響。詳情載於本報告第4點。

Auditor's Independent Review Report (Continued)

核數師之獨立審閱報告(續)

BASIS FOR QUALIFIED CONCLUSION (CONTINUED)

4. Gain on debt restructuring

Pursuant to the Creditors' Scheme as detailed in Note 6 to the Company's interim condensed consolidated financial statements, on 25 July 2019, the Company transferred to scheme companies (a) the convertible bonds mentioned in Point 2, (b) the Liabilities 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 respective disclosures included in December 2019 Consolidated Financial Statements. Accordingly, together with other matters, we disclaimed our opinion on December 2019 Consolidated Financial Statements.

Our review conclusion on the Company's interim condensed consolidated financial statements was also qualified because of the possible effect of limitation of scope of our work on the comparability of the current period's figures and the corresponding figures.

5. Warrant reserve

As at 1 July 2019, the Group's warrant reserve amounted to HK\$449,000. As set out in Note 16(i) to the Company's interim condensed 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.

保留意見結論的基礎(續)

4. 債務重組收益

根據貴公司之中期簡明綜合財務報表附註6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點提述的負債，(c)第1點提述的其於不再綜合計算公司的投資，(d)其於所有附屬公司中的全部股權及(e)現金付款80,959,000港元轉讓予計劃公司。

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，本所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各自披露產生影響。因此，連同其他事項，本所對二零一九年十二月綜合財務報表拒絕發表審核意見。

本所亦保留對貴公司之中期簡明綜合財務報表的審閱結論，因為本所的工作範圍受到限制，可能會影響當前期數據及相應數據的可比性。

5. 認股權證儲備

於二零一九年七月一日，貴集團的認股權證儲備為449,000港元。根據貴公司之中期簡明綜合財務報表附註16(i)所述，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。

Auditor's Independent Review Report (Continued)

核數師之獨立審閱報告(續)

BASIS FOR QUALIFIED CONCLUSION (CONTINUED)

5. Warrant reserve (Continued)

In our audit of 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 period from 1 July 2019 to 31 December 2019 and the respective disclosures included in December 2019 Consolidated Financial Statements. Accordingly, we disclaimed our opinion on December 2019 Consolidated Financial Statements on the above matters.

Our review conclusion on the Company's interim condensed consolidated financial statements was also qualified because of the possible effect of limitation of scope of our work on the comparability of the current period's figures and the corresponding figures.

QUALIFIED CONCLUSION

Except for the adjustments to the corresponding figures included in the interim condensed consolidated financial statements that we might have become aware of had it not been for the situation described in the "Basis for Qualified Conclusion" paragraphs above, based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

BDO Limited

Certified Public Accountants

Cheung Or Ping

Practising Certificate Number: P05412

Hong Kong, 28 August 2020

保留意見結論的基礎(續)

5. 認股權證儲備(續)

於本所對二零一九年十二月綜合財務報表的審核中，貴公司董事無法向本所提供認股權證發行文件。本所無法執行其他替代程序使本所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。就發現對貴公司發行認股權證會計處理(包括計量認股權證儲備)的任何必需調整，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至二零一九年十二月三十一日止期間綜合損益及其他全面收益表及綜合現金流量表之呈列及各自披露造成影響。因此，本所就上述事項對二零一九年十二月綜合財務報表拒絕發表審核意見。

本所亦保留對貴公司之中期簡明綜合財務報表的審閱結論，因為本所的工作範圍受到限制，可能會影響當前期間數據及相應數據的可比性。

保留意見結論

除倘非因上文「保留意見結論的基礎」各段所述情況本所應會知悉對包含在中期簡明綜合財務報表之相應數據需作的調整外，根據本所的審閱工作，本所並沒有注意到任何事項，足以令本所相信中期簡明綜合財務報表並非在所有重大方面均按照香港會計準則第34號編製。

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，二零二零年八月二十八日

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收益表

For the six months ended 30 June 2020
截至二零二零年六月三十日止六個月

| | | | Unaudited Six months ended 30 June 2020 未經審核 截至二零二零年 六月三十日 止六個月 HK\$'000 千港元 | Audited Six months ended 31 December 2019 經審核 截至二零一九年 十二月三十一日 止六個月 HK\$'000 千港元 |
|--|-------------------------|-------------|--|---|
| | | Notes 附註 | | |
| Revenue | 收益 | 3 | 34,649 | 46,793 |
| Other net income | 其他收入淨額 | 3 | 347 | 83 |
| Other net financial (loss)/income | 其他財務(虧損)/收入淨額 | 5 | (589) | 556 |
| Employee benefit expense | 僱員福利開支 | | (4,983) | (14,105) |
| Administrative and other expenses | 行政及其他開支 | | (10,977) | (12,154) |
| Finance costs | 融資成本 | | (32) | (177) |
| Gain on debt restructuring | 債務重組收益 | 6 | - | 844,894 |
| Restructuring expenses | 重組開支 | | - | (20,132) |
| Profit before income tax | 除所得稅前溢利 | 7 | 18,415 | 845,758 |
| Income tax expense | 所得稅開支 | 8 | (2,782) | (3,424) |
| Profit and total comprehensive income for the period (Note) | 本期間溢利及全面收益總額(附註) | | 15,633 | 842,334 |
| Earnings per share attributable to the owners of the Company (HK cents) | 本公司擁有人應佔每股盈利(港仙) | | | |
| - Basic | - 基本 | 9 | 1.37 | 83.92 |
| - Diluted | - 攤薄 | | 1.37 | 83.92 |

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

簡明綜合損益及其他全面收益表(續)

For the six months ended 30 June 2020
截至二零二零年六月三十日止六個月

Note:

附註：

| | | Unaudited | Audited |
|--|--|-------------------------|------------------|
| | | Six months ended | Six months ended |
| | | 30 June 2020 | 31 December 2019 |
| | | 未經審核 | 經審核 |
| | | 截至二零二零年 | 截至二零一九年 |
| | | 六月三十日 | 十二月三十一日 |
| | | 止六個月 | 止六個月 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| For illustration purpose only | 僅供說明 | | |
| (Non-Hong Kong Financial Reporting Standard | (非香港財務報告準則 | | |
| “Non-HKFRS”) Measures): | (「非香港財務報告準則」 | | |
| | 計量)： | | |
| Profit and total comprehensive income for the period | 本期間溢利及全面收益總額 | 15,633 | 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 months ended 31 December 2019 ⁽¹⁾ | 截至二零一九年十二月三十一日止六個月，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⁾ | 15,633 | 17,572 |

⁽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 Hong Kong Financial Reporting Standard ("HKFRS"). You should not view the adjusted results on a standalone basis or as a substitute for results under HKFRS.

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

⁽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（「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。

此附註並不構成綜合損益及其他全面收益表的一部份。

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 June 2020
於二零二零年六月三十日

| | | | Unaudited As at 30 June 2020 未經審核 於二零二零年 六月三十日 HK\$'000 千港元 | Audited As at 31 December 2019 經審核 於二零一九年 十二月三十一日 HK\$'000 千港元 |
|--|-----------------------------------|----|---|--|
| ASSETS AND LIABILITIES | 資產及負債 | | | |
| Non-current assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | | 321 | 387 |
| Goodwill | 商譽 | 11 | 302,965 | 302,965 |
| Intangible assets | 無形資產 | 12 | 90,184 | 97,746 |
| Right-of-use assets | 使用權資產 | | 1,134 | 1,891 |
| Other assets | 其他資產 | | - | 50 |
| | | | 394,604 | 403,039 |
| Current assets | 流動資產 | | | |
| Contract assets | 合約資產 | 13 | 53 | 150 |
| 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 | 14 | 10,889 | 16,466 |
| Amount due from a related company | 應收一間關聯公司 款項 | | 4,549 | 4,902 |
| Financial assets at fair value through profit or loss ("FVPL") | 按公平值計入損益(「按 公平值計入損益」)之 財務資產 | | 246 | 1,093 |
| Cash and cash equivalents | 現金及現金等價物 | 15 | 63,377 | 39,875 |
| | | | 79,114 | 62,486 |
| Current liabilities | 流動負債 | | | |
| Contract liabilities | 合約負債 | 13 | 18,270 | 16,200 |
| Other payables and accrued expenses | 其他應付款項 及應計開支 | | 1,152 | 10,575 |
| Lease liabilities | 租賃負債 | | 1,157 | 1,520 |
| Taxation payable | 應付稅項 | | 6,105 | 4,191 |
| | | | 26,684 | 32,486 |
| Net current assets | 流動資產淨額 | | 52,430 | 30,000 |
| Total assets less current liabilities | 資產總額減 流動負債 | | 447,034 | 433,039 |
| Non-current liabilities | 非流動負債 | | | |
| Lease liabilities | 租賃負債 | | - | 390 |
| Deferred tax liabilities | 遞延稅項負債 | | 14,880 | 16,128 |
| | | | 14,880 | 16,518 |
| Net assets | 資產淨值 | | 432,154 | 416,521 |

Condensed Consolidated Statement of Financial Position (Continued)

簡明綜合財務狀況表(續)

As at 30 June 2020
於二零二零年六月三十日

| | | | Unaudited | Audited |
|---|-------------------|-------|------------------|-------------|
| | | | As at | As at |
| | | | 30 June | 31 December |
| | | | 2020 | 2019 |
| | | | 未經審核 | 經審核 |
| | | | 於二零二零年 | 於二零一九年 |
| | | | 六月三十日 | 十二月三十一日 |
| | | Notes | HK\$'000 | HK\$'000 |
| | | 附註 | 千港元 | 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 | 股本 | 16 | 113,933 | 113,933 |
| Reserves | 儲備 | | 318,221 | 302,588 |
| Total equity | 權益總額 | | 432,154 | 416,521 |

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the six months ended 30 June 2020
截至二零二零年六月三十日止六個月

| | | Share capital | Share premium | Convertible bond equity reserve | Warrant reserve | Accumulated losses | Total (deficit)/ equity |
|--|-------------------------|---------------|---------------|---------------------------------|-----------------|--------------------|-------------------------|
| | | (Note 16(i)) | (Note 16(i)) | (Note 16(i)) | (Note 16(i)) | | (虧損)/ 權益總額 |
| | | 股本 | 股份溢價 | 可換股債券權益儲備 | 認股權證儲備 | 累計虧損 | 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 |
| (Audited) | (經審核) | | | | | | |
| At 1 July 2019 | 於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 (Note 16(ii)) | 於重組時發行股份(附註16(ii)) | 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 and 1 January 2020 | 於二零一九年十二月三十一日及二零二零年一月一日 | 113,933 | 431,023 | - | - | (128,435) | 416,521 |
| (Unaudited) | (未經審核) | | | | | | |
| Profit and total comprehensive income for the period | 本期間溢利及全面收益總額 | - | - | - | - | 15,633 | 15,633 |
| At 30 June 2020 | 於二零二零年六月三十日 | 113,933 | 431,023 | - | - | (112,802) | 432,154 |

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 June 2020
截至二零二零年六月三十日止六個月

| | | Unaudited Six months ended 30 June 2020 未經審核 截至二零二零年 六月三十日 止六個月 HK\$'000 千港元 | Audited Six months ended 31 December 2019 經審核 截至二零一九年 十二月三十一日 止六個月 HK\$'000 千港元 |
|---|----------------------------|--|---|
| Cash flows from operating activities | 經營活動所得現金流量 | | |
| Profit before income tax | 除所得稅前溢利 | 18,415 | 845,758 |
| Adjustments for: | 調整： | | |
| Amortisation on intangible assets | 無形資產攤銷 | 7,562 | 6,303 |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 88 | 88 |
| Depreciation of right-of-use assets | 使用權資產折舊 | 757 | 756 |
| Fair value loss/(gain) on financial assets at FVPL | 按公平值計入損益之財務資產之公平值虧損/(收益) | 867 | (384) |
| Finance costs | 融資成本 | 32 | 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 | (278) | (172) |
| Operating profit before working capital changes | 營運資金變動前的經營溢利 | 27,443 | 7,632 |
| Decrease in other assets | 其他資產減少 | 50 | - |
| Decrease/(increase) in contract assets | 合約資產減少/(增加) | 97 | (54) |
| Decrease/(increase) 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減少/(增加) | 5,577 | (7,921) |
| Decrease/(increase) in amount due from a related company | 應收一間關聯公司款項減少/(增加) | 353 | (828) |
| Increase in contract liabilities | 合約負債增加 | 2,070 | 1,017 |
| (Decrease)/increase in other payables and accrued expenses | 其他應付款項及應計開支(減少)/增加 | (9,423) | 2,916 |
| Cash generated from operations | 經營所得現金 | 26,167 | 2,762 |
| Taxation paid | 已繳稅項 | (2,116) | - |
| Bank interest received | 已收銀行利息 | 278 | 172 |
| Net cash generated from operating activities | 經營活動所得現金淨額 | 24,329 | 2,934 |

Condensed Consolidated Statement of Cash Flows (Continued)

簡明綜合現金流量表(續)

For the six months ended 30 June 2020
截至二零二零年六月三十日止六個月

| | | Unaudited Six months ended 30 June 2020 未經審核 截至二零二零年 六月三十日 止六個月 HK\$'000 千港元 | Audited Six months ended 31 December 2019 經審核 截至二零一九年 十二月三十一日 止六個月 HK\$'000 千港元 |
|---|-----------------------|--|---|
| Cash flows from investing activities | 投資活動所得現金流量 | | |
| Purchase of financial assets at FVPL | 購入按公平值計入損益之財務資產 | (20) | - |
| Purchase of property, plant and equipment | 購買物業、廠房及設備 | (22) | (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 | (42) | (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 | (753) | (737) |
| Interest paid | 已付利息 | (32) | (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) |
| Net cash (used in)/generated from financing activities | 融資活動(所用)/所得現金淨額 | (785) | 421,135 |
| Net increase in cash and cash equivalents | 現金及現金等價物增加淨額 | 23,502 | 36,874 |
| Cash and cash equivalents at beginning of period | 於本期間初之現金及現金等價物 | 39,875 | 3,001 |
| Cash and cash equivalents at end of period | 於本期末末之現金及現金等價物 | 63,377 | 39,875 |

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

1. GENERAL INFORMATION AND BASIS OF PREPARATION

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 Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and principally engaged in activities including dealing in securities, advising on securities, advising on corporate finance and asset management.

The unaudited interim condensed consolidated financial statements for the six months ended 30 June 2020 on pages 22 to 60 have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

1. 一般資料及編製基準

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及其附屬公司(禹銘投資管理有限公司(「禹銘」))(統稱為「本集團」)為根據證券及期貨條例(香港法例第571章)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。

載於第22頁至第60頁之截至二零二零年六月三十日止六個月之未經審核中期簡明綜合財務報表乃按照聯交所證券上市規則(「上市規則」)附錄16之適用披露規定及香港會計師公會(「香港會計師公會」)頒佈之香港會計準則(「香港會計準則」)第34號「中期財務報告」而編製。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

1. GENERAL INFORMATION AND BASIS OF PREPARATION (CONTINUED)

During the six months ended 31 December 2019, the reporting period end date of the Group was changed from 30 June to 31 December because the Directors of the Company determine to bring the annual financial year end date of the Group in line with that of the principal operating subsidiary, Yu Ming. Accordingly, the unaudited interim condensed consolidated financial statements and the related notes presented for the current period cover the six months period from 1 January 2020 to 30 June 2020. The corresponding comparative amounts shown for the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and related notes covered the six months ended 31 December 2019 and therefore may not be comparable with amounts shown for the current period.

The unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the six months ended 31 December 2019.

The unaudited interim condensed consolidated financial statements have been approved and authorised for issue by the Board of Directors of the Company (the "Board") on 28 August 2020.

1. 一般資料及編製基準(續)

截至二零一九年十二月三十一日止六個月內，由於本公司董事決定使本集團之財政年度年結日與其主要營運附屬公司(禹銘)一致，本集團之財政年度年結日由六月三十日更改為十二月三十一日。因此本未經審核中期簡明綜合財務報表及相關附註列示涵蓋由二零二零年一月一日至二零二零年六月三十日止六個月期間。簡明綜合損益及其他全面收益表、簡明綜合權益變動表、簡明綜合現金流量表及相關附註所示的相應比較金額涵蓋截至二零一九年十二月三十一日止六個月，因此未必可與本期間所示的金額作比較。

本未經審核中期簡明綜合財務報表並未包括全年財務報表的一切所需資料及披露，並應與本集團二零一九年十二月三十一日止六個月之全年財務報表一起查閱。

本未經審核中期簡明綜合財務報表已經由本公司之董事會(「董事會」)於二零二零年八月二十八日批准及授權刊發。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The accounting policies adopted in the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the six months ended 31 December 2019, except for the adoption of the new/revised HKFRSs (which include individual HKFRSs, HKASs and Interpretations) as disclosed below.

Adoption of New/Revised HKFRSs – effective 1 January 2020

In the current period, the Group has applied for the first time the following new/revised HKFRSs issued by the HKICPA, which are relevant to and effective for the Group's financial statements for the annual financial period beginning on 1 January 2020.

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

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

2. 重大會計政策概要

除若干金融工具按公平值(如適用)列賬外, 本未經審核中期簡明綜合財務報表乃按歷史成本基準編製。

除以下所披露已採納之新/經修訂香港財務報告準則外(該準則包括個別香港財務報告準則、香港會計準則及詮釋), 本未經審核中期簡明綜合財務報表採納之會計政策與編製本集團截至二零一九年十二月三十一日止六個月年度之全年財務報表所用者一致。

採納新/經修訂香港財務報告準則 – 二零二零年一月一日起生效

於本期間, 本集團已首次應用下列由香港會計師公會所頒佈之新/經修訂香港財務報告準則, 其與本集團於二零二零年一月一日開始之年度期間之財務報表相關並有效。

| | |
|---------------------------------------|--------|
| 香港財務報告準則第3號之修訂 | 業務之定義 |
| 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 |
| 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 |

採納該等新/經修訂香港財務報告準則對本集團之未經審核中期簡明綜合財務報表並無重大影響。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

3. REVENUE AND OTHER NET INCOME

All of the Group's revenue is derived from contracts with customers during the six months ended 30 June 2020 and 31 December 2019.

(a) Disaggregation of revenue

3. 收益及其他收入淨額

截至二零二零年六月三十日及二零一九年十二月三十一日止六個月內，本集團所有收益均來自與客戶的合約。

(a) 分拆收益

| | | Unaudited | Audited |
|--------------------------------------|---------------|-------------------|-------------|
| | | Six months | Six months |
| | | ended | ended |
| | | 30 June | 31 December |
| | | 2020 | 2019 |
| | | 未經審核 | 經審核 |
| | | 截至二零二零年 | 截至二零一九年 |
| | | 六月三十日 | 十二月三十一日 |
| | | 止六個月 | 止六個月 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Type of services | 服務類別 | | |
| Advisory and related services | 顧問及相關服務 | 26,163 | 37,428 |
| Asset management services | 資產管理服務 | 7,920 | 8,123 |
| Sundry income | 雜項收入 | 566 | 1,242 |
| | | 34,649 | 46,793 |
| Type of customers | 客戶類別 | | |
| Listed companies | 上市公司 | 30,549 | 31,353 |
| Non-listed companies and others | 非上市公司及其他 | 4,100 | 15,440 |
| | | 34,649 | 46,793 |
| Timing of revenue recognition | 收益確認時間 | | |
| At a point in time | 於某個時間點 | 16,100 | 23,190 |
| Transferred over time | 於一段時間內轉移 | 18,549 | 23,603 |
| | | 34,649 | 46,793 |

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

3. REVENUE AND OTHER NET INCOME (CONTINUED)

(b) Transaction price allocated to remaining performance obligations

As of 30 June 2020 and 31 December 2019, the aggregate amount of the transaction price allocated to the performance obligation that is unsatisfied (or partially unsatisfied) is approximately HK\$63,550,000 and HK\$47,700,000 respectively. The Group expects to recognise the amount as revenue when the performance obligations are satisfied in coming 6 months, depending on the contract terms. The following table shows the time band for remaining performance obligations to be satisfied.

| | | Unaudited | Audited |
|---|--------------------|---------------|-------------|
| | | As at | As at |
| | | 30 June | 31 December |
| | | 2020 | 2019 |
| | | 未經審核 | 經審核 |
| | | 於二零二零年 | 於二零一九年 |
| | | 六月三十日 | 十二月三十一日 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Remaining performance obligations expected to be satisfied during the year ending | 預期於以下期間將達成的餘下履約責任： | | |
| 31 December 2020 | 截至二零二零年十二月三十一日止年度 | 63,550 | 47,700 |

3. 收益及其他收入淨額(續)

(b) 分配至餘下履約責任的交易價

於二零二零年六月三十日及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未履行(或部分未履行)，分別約63,550,000港元及47,700,000港元。本集團預期於未來6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。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

3. REVENUE AND OTHER NET INCOME (CONTINUED)

(c) Other net income

| | | Unaudited Six months ended 30 June 2020 | Audited Six months ended 31 December 2019 |
|---------------------------|-----------------|---|---|
| | | 未經審核 截至二零二零年 六月三十日 止六個月 HK\$'000 千港元 | 經審核 截至二零一九年 十二月三十一日 止六個月 HK\$'000 千港元 |
| Government grant | 政府補貼 | 351 | - |
| Exchange (loss)/gain, net | 匯兌(虧損)/收益 淨額 | (4) | 83 |
| | | 347 | 83 |

4. SEGMENT INFORMATION

Information reported to the Chief operating decision-maker ("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.

3. 收益及其他收入淨額(續)

(c) 其他收入淨額

4. 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(「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。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

4. SEGMENT INFORMATION (CONTINUED)

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.

Segment revenue and results

4. 分部資料(續)

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、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)。

分部收益及業績

| | | Corporate finance services, investment and others 企業融資服務、 投資及其他 | Asset management services 資產管理服務 | Total 總計 |
|--|------------------|---|---|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Unaudited | 未經審核 | | | |
| Six months ended | 截至二零二零年 | | | |
| 30 June 2020 | 六月三十日止六個月 | | | |
| External segment revenue and other income (Note) | 外部分部收益及其他收入(附註) | 25,728 | 8,679 | 34,407 |
| Result | 業績 | | | |
| Segment profit | 分部溢利 | 13,379 | 5,036 | 18,415 |
| Profit before income tax | 除所得稅前溢利 | | | 18,415 |

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

4. SEGMENT INFORMATION (CONTINUED)

Segment revenue and results (Continued)

| | | Corporate finance services, investment and others 企業融資服務、 投資及其他 | Asset management services 資產管理服務 | Total 總計 |
|---|------------------------|---|---|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Audited | 經審核 | | | |
| Six months ended 31 December 2019 | 截至二零一九年 十二月三十一日止六個月 | | | |
| 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 (loss)/income generated from proprietary trading included in external segment revenue and other income under corporate finance services, investment and others for the six months ended 30 June 2020 were loss of approximately HK\$242,000 (six months ended 31 December 2019: income of approximately HK\$639,000).

4. 分部資料(續)

分部收益及業績(續)

| | | Corporate finance services, investment and others 企業融資服務、 投資及其他 | Asset management services 資產管理服務 | Total 總計 |
|---|------------------------|---|---|-----------------|
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Audited | 經審核 | | | |
| Six months ended 31 December 2019 | 截至二零一九年 十二月三十一日止六個月 | | | |
| 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 |

附註：截至二零二零年六月三十日止六個月，計入外部分部收益及企業融資服務、投資及其他項下的其他收入的自營買賣產生的財務(虧損)/收入淨額為虧損約242,000港元(截至二零一九年十二月三十一日止六個月：收入約639,000港元)。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

4. SEGMENT INFORMATION (CONTINUED)

Segment assets and liabilities

| | | Unaudited As at 30 June 2020 未經審核 於二零二零年 六月三十日 HK\$'000 千港元 | Audited As at 31 December 2019 經審核 於二零一九年 十二月三十一日 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 | 424,433 | 412,667 |
| Asset management services | 資產管理服務 | 49,285 | 52,858 |
| Total assets | 資產總值 | 473,718 | 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 | 31,476 | 30,123 |
| Asset management services | 資產管理服務 | 1,674 | 2,205 |
| Total segment liabilities | 分部負債總額 | 33,150 | 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 | 8,414 | 16,676 |
| Total liabilities | 負債總額 | 41,564 | 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 payables and accrued expenses and taxation payable.

就監管分部表現及分部之間分配資源而言：

- 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 Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

4. SEGMENT INFORMATION (CONTINUED)

Major customers information

Revenue from major customers, each of whom amounted to 10% or more of Group's revenue during the six months ended 30 June 2020 and 31 December 2019, is set out below:

| | | Unaudited Six months ended 30 June 2020 未經審核 截至二零二零年 六月三十日 止六個月 HK\$'000 千港元 | Audited Six months ended 31 December 2019 經審核 截至二零一九年 十二月三十一日 止六個月 HK\$'000 千港元 |
|-------------------------|------------------|---|--|
| Customer A ¹ | 客戶A ¹ | 8,486 | 9,365 |
| Customer B ² | 客戶B ² | 8,903 | 7,597 |
| Customer C ² | 客戶C ² | - | 5,000 |
| Customer D ² | 客戶D ² | 5,187 | - |
| Customer E ² | 客戶E ² | 5,000 | - |

¹ Revenue from Customer A is attributable to asset management services.

² Revenue from Customers B, C, D and E are attributable to corporate finance services, investment and others.

Geographic information

The Group's operations after completion of the Group's restructuring are mainly located in Hong Kong and all the Group's non-current assets are located in Hong Kong.

4. 分部資料(續)

主要客戶資料

來自主要客戶收益(各自佔本集團截至二零二零年六月三十日及二零一九年十二月三十一日止六個月內收益10%或以上)載列如下:

| | | Unaudited Six months ended 30 June 2020 未經審核 截至二零二零年 六月三十日 止六個月 HK\$'000 千港元 | Audited Six months ended 31 December 2019 經審核 截至二零一九年 十二月三十一日 止六個月 HK\$'000 千港元 |
|-------------------------|------------------|---|--|
| Customer A ¹ | 客戶A ¹ | 8,486 | 9,365 |
| Customer B ² | 客戶B ² | 8,903 | 7,597 |
| Customer C ² | 客戶C ² | - | 5,000 |
| Customer D ² | 客戶D ² | 5,187 | - |
| Customer E ² | 客戶E 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、C、D及E的收益歸因於企業融資服務、投資及其他。

地理資料

完成本集團之重組後，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 Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

5. OTHER NET FINANCIAL (LOSS)/ INCOME

| | | Unaudited Six months ended 30 June 2020 未經審核 截至二零二零年 六月三十日 止六個月 HK\$'000 千港元 | Audited Six months ended 31 December 2019 經審核 截至二零一九年 十二月三十一日 止六個月 HK\$'000 千港元 |
|--|--------------------------|--|---|
| Interest income from bank deposits | 銀行存款之利息收入 | 278 | 172 |
| Fair value (loss)/gain on financial assets at FVPL | 按公平值計入損益之財務資產之公平值(虧損)/收益 | (867) | 384 |
| | | (589) | 556 |

5. 其他財務(虧損)/收入淨額

6. GAIN ON DEBT RESTRUCTURING

The creditors' scheme under the Group's 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 fair value through other comprehensive income ("FVOCI") were disposed through the Transfer.

The Directors considered that Group lost control over the Deconsolidated Companies from 1 January 2014.

6. 債務重組收益

本集團之重組下的債權人計劃(「債權人計劃」)於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期轉讓其申索、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(「按公平值計入其他全面收益」)之財務資產已通過轉讓出售。

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。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

6. GAIN ON DEBT RESTRUCTURING (CONTINUED)

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 16 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's restructuring.

Therefore, a gain on debt restructuring under the Creditors' Scheme of approximately HK\$844,894,000 was recognised during the six months ended 31 December 2019, being calculated as follows:

6. 債務重組收益(續)

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，現金付款80,000,000港元(即認購事項及新配售(定義見附註16)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(有關本集團之重組之專業費用應付款除外)將獲全面解除及和解。

因此，債權人計劃項下之債務重組收益約844,894,000港元已於截至二零一九年十二月三十一日止六個月內確認，即按如下計算：

| | | |
|--|---------------------------------|---|
| | | Audited Six months ended 31 December 2019 經審核 截至二零一九年 十二月三十一日 止六個月 HK\$'000 千港元 |
| Assets transferred pursuant to the Creditors' Scheme: | 根據債權人計劃已轉讓資產： | |
| Financial assets at FVOCI, representing equity interests in Excluded Companies | 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 | (80,959) |
| Liabilities discharged pursuant to the Creditors' Scheme: | 根據債權人計劃解除負債： | |
| Other payables and accrued expenses | 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 |

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

7. PROFIT BEFORE INCOME TAX

7. 除所得稅前溢利

| | | Unaudited Six months ended 30 June 2020 未經審核 截至二零二零年 六月三十日 止六個月 HK\$'000 千港元 | Audited Six months ended 31 December 2019 經審核 截至二零一九年 十二月三十一日 止六個月 HK\$'000 千港元 |
|--|----------------------|--|---|
| Profit before income tax is arrived at after charging: | 所得稅前溢利已扣除下列各項： | | |
| Amortisation on intangible assets | 無形資產攤銷 | 7,562 | 6,303 |
| Depreciation of | 以下之折舊 | | |
| – Owned property, plant and equipment | – 自有物業、廠房及設備 | 88 | 88 |
| – Right-of-use assets | – 使用權資產 | 757 | 756 |
| Employee benefit expense (including directors' emoluments) (Note 18) | 僱員福利開支(包括董事酬金)(附註18) | 4,983 | 14,105 |
| Interest on lease liabilities | 租賃負債利息 | 32 | 46 |
| Impairment losses on trade receivables | 貿易應收款項之減值虧損 | – | 149 |

8. INCOME TAX EXPENSE

8. 所得稅開支

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 "Regime"). The Bill was signed into law on 28 March 2018 and was gazetted on the following day.

Under 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%.

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(「該稅制」)。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。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

8. INCOME TAX EXPENSE (CONTINUED)

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.

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 both reporting periods.

8. 所得稅開支(續)

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。

於兩個報告期內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。

| | | Unaudited Six months ended 30 June 2020 未經審核 截至二零二零年 六月三十日 止六個月 HK\$'000 千港元 | Audited Six months ended 31 December 2019 經審核 截至二零一九年 十二月三十一日 止六個月 HK\$'000 千港元 |
|-------------------------|---------|--|---|
| Current tax | 即期稅項 | | |
| – Hong Kong profits tax | – 香港利得稅 | 4,030 | 4,464 |
| Deferred tax | 遞延稅項 | (1,248) | (1,040) |
| Income tax expense | 所得稅開支 | 2,782 | 3,424 |

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

9. EARNINGS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE COMPANY

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

9. 本公司擁有人應佔每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃按以下數據計算：

| | | Unaudited Six months ended 30 June 2020 未經審核 截至二零二零年 六月三十日 止六個月 HK\$'000 千港元 | Audited Six months ended 31 December 2019 經審核 截至二零一九年 十二月三十一日 止六個月 HK\$'000 千港元 |
|--|---------------------------------|---|--|
| Earnings | 盈利 | | |
| Earnings for the purpose of basic and diluted earnings per share (profit for the period attributable to the owners of the Company) | 就計算每股基本及攤薄盈利之盈利(本公司擁有人應佔本期間之溢利) | 15,633 | 842,334 |
| Number of shares | 股份數目 | | |
| Weighted average number of ordinary shares in issue for the purpose of basic and diluted earnings per share | 就計算每股基本及攤薄盈利之已發行普通股股份加權平均數 | 1,139,330,190 | 1,003,788,407 |

There were no dilutive potential ordinary share in issue for the six months ended 30 June 2020 and 31 December 2019. Accordingly, the diluted earnings per share presented are the same as the basic earnings per share.

截至二零二零年六月三十日及二零一九年十二月三十一日止六個月，並無已發行攤薄潛在普通股。因此，每股攤薄盈利與每股基本盈利相同。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

10. DIVIDEND

At a Board meeting held on 28 August 2020, the Board resolved not to declare an interim dividend for the period (six months ended 31 December 2019: Nil).

11. GOODWILL

The amount of goodwill recognised as an asset, arising from acquisition of a subsidiary, is as follows:

10. 股息

於二零二零年八月二十八日舉行之董事會會議，董事會議決不派發本期間之中期股息(截至二零一九年十二月三十一日止六個月：無)。

11. 商譽

因收購一間附屬公司而確認為資產之商譽之金額如下：

| | | HK\$'000 千港元 |
|---|---|-----------------|
| Cost | 成本 | |
| At 1 July 2019 | 於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, 1 January 2020 and 30 June 2020 | 於二零一九年十二月三十一日、 二零二零年一月一日 及二零二零年六月三十日 | 302,965 |
| Accumulated impairment | 累計減值 | |
| At 1 July 2019 | 於二零一九年七月一日 | - |
| Impairment loss | 減值虧損 | - |
| At 31 December 2019, 1 January 2020 and 30 June 2020 | 於二零一九年十二月三十一日、 二零二零年一月一日及 二零二零年六月三十日 | - |
| Carrying amount | 賬面值 | |
| At 31 December 2019 | 於二零一九年十二月三十一日 | 302,965 |
| At 30 June 2020 | 於二零二零年六月三十日 | 302,965 |

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

11. GOODWILL (CONTINUED)

For the purpose of impairment testing, goodwill is allocated to the cash-generating units as follows:

| | | Unaudited | Audited |
|---|--------------|------------------|-------------|
| | | As at | As at |
| | | 30 June | 31 December |
| | | 2020 | 2019 |
| | | 未經審核 | 經審核 |
| | | 於二零二零年 | 於二零一九年 |
| | | 六月三十日 | 十二月三十一日 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Corporate finance services, investment and others | 企業融資服務、投資及其他 | 268,373 | 268,373 |
| Asset management services | 資產管理服務 | 34,592 | 34,592 |
| | | 302,965 | 302,965 |

Impairment testing on goodwill

For the six months ended 30 June 2020, the management has reviewed goodwill for impairment testing purposes. The review comprised a comparison of the carrying amount and the value-in-use, of the above aforesaid segments (the smallest cash-generating unit) to which the goodwill has been allocated.

The management of the Group determines that there is no impairment loss on the goodwill for the six months ended 30 June 2020.

11. 商譽(續)

就減值測試而言，商譽分配至現金產生單位如下：

| | Unaudited | Audited |
|---|------------------|-------------|
| | As at | As at |
| | 30 June | 31 December |
| | 2020 | 2019 |
| | 未經審核 | 經審核 |
| | 於二零二零年 | 於二零一九年 |
| | 六月三十日 | 十二月三十一日 |
| | HK\$'000 | HK\$'000 |
| | 千港元 | 千港元 |
| Corporate finance services, investment and others | 268,373 | 268,373 |
| Asset management services | 34,592 | 34,592 |
| | 302,965 | 302,965 |

對商譽進行減值測試

截至二零二零年六月三十日止六個月，管理層已檢討商譽以進行減值測試。檢討包括比較上述商譽已分配至上述各分部(最小現金產生單位)的賬面值與使用價值。

截至二零二零年六月三十日止六個月，本集團管理層釐定並沒有商譽減值虧損。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

12. INTANGIBLE ASSETS

12. 無形資產

| | | Investment management agreement 投資管理協議 | Backlog 存貨 | Trade name 商標名 | SFC licences 證監會牌照 | Total 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 |
| Cost | 成本 | | | | | |
| At 1 July 2019 | 於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, 1 January 2020 and 30 June 2020 | 於二零一九年十二月三十一日、 二零二零年一月一日 及二零二零年六月三十日 | 15,560 | 15,705 | 69,044 | 3,740 | 104,049 |
| Amortisation and impairment | 攤銷及減值 | | | | | |
| At 1 July 2019 | 於二零一九年七月一日 | - | - | - | - | - |
| Amortisation | 攤銷 | 2,683 | 2,181 | 1,439 | - | 6,303 |
| At 31 December 2019 and 1 January 2020 | 於二零一九年十二月三十一日及 二零二零年一月一日 | 2,683 | 2,181 | 1,439 | - | 6,303 |
| Amortisation | 攤銷 | 3,219 | 2,617 | 1,726 | - | 7,562 |
| At 30 June 2020 | 於二零二零年六月三十日 | 5,902 | 4,798 | 3,165 | - | 13,865 |
| Carrying amount | 賬面值 | | | | | |
| 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 |
| At 30 June 2020 | 於二零二零年六月三十日 | 9,658 | 10,907 | 65,879 | 3,740 | 90,184 |

13. CONTRACT ASSETS AND CONTRACT LIABILITIES

13. 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。

| | | Unaudited As at 30 June 2020 未經審核 於二零二零年 六月三十日 HK\$'000 千港元 | Audited As at 31 December 2019 經審核 於二零一九年 十二月三十一日 HK\$'000 千港元 |
|----------------------|------|---|--|
| Contract assets | 合約資產 | 53 | 150 |
| Contract liabilities | 合約負債 | 18,270 | 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.

確認收益時間、向客戶發出進度結算賬單及收訖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。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

13. CONTRACT ASSETS AND CONTRACT LIABILITIES (CONTINUED)

The expected timing of recovery or settlement for contract assets is as follows:

| | Unaudited | Audited |
|-----------------|------------------|-------------|
| | As at | As at |
| | 30 June | 31 December |
| | 2020 | 2019 |
| | 未經審核 | 經審核 |
| | 於二零二零年 | 於二零一九年 |
| | 六月三十日 | 十二月三十一日 |
| | HK\$'000 | HK\$'000 |
| | 千港元 | 千港元 |
| Within one year | 53 | 150 |
| | 一年內 | |

The contract liabilities mainly relate to the advance consideration received from customers.

Movements in the contract liabilities during the six months ended 30 June 2020 and 31 December 2019 are as follows:

| | Unaudited | Audited |
|---|-------------------|-------------|
| | Six months | Six months |
| | ended | ended |
| | 30 June | 31 December |
| | 2020 | 2019 |
| | 未經審核 | 經審核 |
| | 截至二零二零年 | 截至二零一九年 |
| | 六月三十日 | 十二月三十一日 |
| | 止六個月 | 止六個月 |
| | HK\$'000 | HK\$'000 |
| | 千港元 | 千港元 |
| At 1 January 2020/ 1 July 2019 | 16,200 | - |
| Additions through acquisition of a subsidiary | - | 15,183 |
| Revenue recognised that was included in the contract liabilities balance at beginning of period | (3,800) | (6,883) |
| Increase due to cash received, excluding amount recognised as revenue during the period | 5,870 | 7,900 |
| At 30 June 2020/ 31 December 2019 | 18,270 | 16,200 |

13. 合約資產及合約負債(續)

合約資產預計收回或結算時間如下：

合約負債主要與預收客戶代價有關。

截至二零二零年六月三十日及二零一九年十二月三十一日止六個月內，合約負債的變動如下：

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

14. TRADE AND OTHER RECEIVABLES, DEPOSITS PAID AND PREPAYMENTS

14. 貿易及其他應收款項、已付按金及預付款項

| | | Unaudited As at 30 June 2020 未經審核 於二零二零年 六月三十日 HK\$'000 千港元 | Audited As at 31 December 2019 經審核 於二零一九年 十二月三十一日 HK\$'000 千港元 |
|-----------------------------|------------|--|--|
| Trade receivables (Note) | 貿易應收款項(附註) | 10,478 | 15,672 |
| Other receivables | 其他應收款項 | 39 | 164 |
| Prepayments | 預付款項 | 31 | 289 |
| Rental and utility deposits | 租金及水電按金 | 341 | 341 |
| | | 10,889 | 16,466 |

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。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

14. 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:

| | | Unaudited As at 30 June 2020 未經審核 於二零二零年 六月三十日 HK\$'000 千港元 | Audited As at 31 December 2019 經審核 於二零一九年 十二月三十一日 HK\$'000 千港元 |
|----------------------------------|--------------|--|---|
| Within 30 days | 30日內 | 2,282 | 7,174 |
| Over 30 days but within 60 days | 超過30日但於60日內 | 1,484 | 6,413 |
| Over 60 days but within 90 days | 超過60日但於90日內 | 1,478 | 296 |
| Over 90 days but within 365 days | 超過90日但於365日內 | 4,553 | 1,333 |
| Over 365 days | 超過365日 | 681 | 456 |
| | | 10,478 | 15,672 |

14. 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：

15. CASH AND CASH EQUIVALENTS

| | | Unaudited As at 30 June 2020 未經審核 於二零二零年 六月三十日 HK\$'000 千港元 | Audited As at 31 December 2019 經審核 於二零一九年 十二月三十一日 HK\$'000 千港元 |
|---------------------------|----------|--|---|
| Cash on hand and at banks | 手頭及銀行現金 | 4,216 | 2,019 |
| Short-term time deposits | 短期定期存款 | 59,161 | 37,856 |
| Cash and cash equivalents | 現金及現金等價物 | 63,377 | 39,875 |

15. 現金及現金等價物

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

16. SHARE CAPITAL

| | | 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 2019 | 於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, 1 January 2020 and 30 June 2020 | 於二零一九年十二月三十一日、 二零二零年一月一日 及二零二零年六月三十日 | 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 2019 | 於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 (iii)) | 根據新配售 發行股份(附註(iii)) | 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, 1 January 2020 and 30 June 2020 | 於二零一九年十二月三十一日、 二零二零年一月一日 及二零二零年六月三十日 | 1,139,330,190 | 113,933 |

Notes:

(i) On 25 July 2019, a capital reorganisation (the "Capital Reorganisation") became effective, pursuant to a special resolution passed in the Company's extraordinary general meeting on 22 May 2019 in which, 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. For further information of the Capital Reorganisation, please refer to annual financial statements for the six months ended 31 December 2019.

附註：

(i) 於二零一九年七月二十五日，股本重組（「股本重組」）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，於二零一九年七月二十五日，本公司股份溢價賬、可換股價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。有關股本重組之更多資料，請參閱截至二零一九年十二月三十一日止六個月的年度財務報表。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

16. SHARE CAPITAL (CONTINUED)

Notes: (Continued)

(ii) Subscription and new placing

On 25 July 2019, the subscription (the "Subscription") of a total of 284,750,000 new ordinary shares of the Company 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 25 July 2019, new placing shares of a total of 512,698,586 new ordinary shares of the Company have been allotted and issued to several independent third parties at a price of HK\$0.52 per share (the "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

According to announcement of allotment results dated 25 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, 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.

17. SHARE OPTION SCHEME

No share options were granted under the share option schemes for the six months ended 30 June 2020 and 31 December 2019.

16. 股本(續)

附註：(續)

(ii) 認購事項及新配售

於二零一九年七月二十五日，認購本公司合共284,750,000股新普通股(「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。

於二零一九年七月二十五日，配售本公司512,698,586股新普通股(「新配售」)已按每股0.52港元之價格配發及發行予若干獨立第三方。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

根據日期為二零一九年七月二十五日的分配結果公告，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東發售30,531,469股發售股份作為預留股份。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。

17. 購股權計劃

截至二零二零年六月三十日及二零一九年十二月三十一日止六個月概無根據購股權計劃授出購股權。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

18. RELATED PARTY TRANSACTIONS

Save as those disclosed elsewhere in these unaudited interim condensed consolidated financial statements, the Group had the following significant related party transactions during the six months ended 30 June 2020 and 31 December 2019, which were carried out in the normal course of the Group's business:

| | | Unaudited Six months ended 30 June 2020 未經審核 截至二零二零年 六月三十日 止六個月 HK\$'000 千港元 | Audited Six months ended 31 December 2019 經審核 截至二零一九年 十二月三十一日 止六個月 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)) | 7,920 | 8,123 |
| Sundry income (Note (i)(b)) | 雜項收入(附註(i)(b)) | 566 | 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 Investment Management Agreement.

18. 關聯方交易

除該等未經審核中期簡明綜合財務報表其他地方所披露者外，本集團截至二零二零年六月三十日及二零一九年十二月三十一日止六個月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：

| | Unaudited Six months ended 30 June 2020 未經審核 截至二零二零年 六月三十日 止六個月 HK\$'000 千港元 | Audited Six months ended 31 December 2019 經審核 截至二零一九年 十二月三十一日 止六個月 HK\$'000 千港元 |
|---|---|--|
| Received or receivable from SHK Hong Kong Industries Limited ("SHK"), a related company | | |
| Management fee income (Note (i)(a)) | 7,920 | 8,123 |
| Sundry income (Note (i)(b)) | 566 | 1,242 |

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)，費用根據投資管理協議收取。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

18. RELATED PARTY TRANSACTIONS (CONTINUED)

Notes: (Continued)

- (ii) Save as disclosed elsewhere in the condensed 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 months ended 30 June 2020 are salaries, allowances and bonus of approximately HK\$1,801,000 (six months ended 31 December 2019: approximately HK\$10,376,000) and pension costs for defined contribution plan of approximately HK\$90,000 (six months ended 31 December 2019: approximately HK\$81,000).

19. 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 GEM 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.

18. 關聯方交易(續)

附註：(續)

- (ii) 除該等簡明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) 截至二零二零年六月三十日止六個月本集團主要管理人員的薪酬為薪金、津貼及花紅約1,801,000港元(截至二零一九年十二月三十一日止六個月：約10,376,000港元)及界定供款計劃退休金成本約90,000港元(截至二零一九年十二月三十一日止六個月：約81,000港元)。

19. 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) 馮銘；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)宣判馮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。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

19. LITIGATIONS (CONTINUED)

(1) (Continued)

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 2020 Interim 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 months ended 30 June 2020 and 31 December 2019.

(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.

19. 訴訟(續)

(1) (續)

董事已獲得法律顧問的法律意見，直至本2020中期業績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，並確定於截至二零二零年六月三十日及二零一九年十二月三十一日止六個月並無就本案件作出撥備。

(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。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

19. LITIGATIONS (CONTINUED)

(2) (Continued)

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 2020 Interim 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 months ended 30 June 2020 and 31 December 2019.

(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

19. 訴訟(續)

(2) (續)

董事已獲得法律顧問的法律意見，直至本2020中期業績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，並確定於截至二零二零年六月三十日及二零一九年十二月三十一日止六個月並無就本案件作出撥備。

(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理由之訴訟

19. LITIGATIONS (CONTINUED)

(3) (Continued)

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. The Plaintiff 3 has filed in court a Re-renewed Writ of Summons on 4 June 2019, and the Re-renewed Writ of Summons has expired on 8 May 2020.

19. 訴訟(續)

(3) (續)

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。原告3已於二零一九年六月四日向法院提交一份傳訊令狀續期，而該傳訊令狀續期已於二零二零年五月八日到期。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

19. 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 months ended 30 June 2020 and 31 December 2019.

19. 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，撤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，並確定於截至二零二零年六月三十日及二零一九年十二月三十一日止六個月並無就本案件作出撥備。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

20. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Financial assets carried at fair value

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:

- 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).

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.

20. 金融工具之公平值計量

按公平值列賬之財務資產

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數據的相對可靠性，將財務資產劃分為三層。公平值層級分為以下各層：

- 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數據，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)。

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。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

20. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONTINUED)

Financial assets carried at fair value (Continued)

The financial assets measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

| | | Unaudited As at 30 June 2020 未經審核 於二零二零年六月三十日 | | | |
|---|---------------|--|-----------------------------------|-----------------------------------|--------------------------------|
| | | Level 1 第一層 HK\$'000 千港元 | Level 2 第二層 HK\$'000 千港元 | Level 3 第三層 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
| Assets | 資產 | | | | |
| Financial assets at FVPL | 按公平值計入損益之財務資產 | | | | |
| – Listed equity securities held for trading | – 持作買賣的上市股本證券 | 246 | – | – | 246 |
| Total fair value | 公平值總值 | 246 | – | – | 246 |

| | | Audited As at 31 December 2019 經審核 於二零一九年十二月三十一日 | | | |
|---|---------------|---|-----------------------------------|-----------------------------------|--------------------------------|
| | | Level 1 第一層 HK\$'000 千港元 | Level 2 第二層 HK\$'000 千港元 | Level 3 第三層 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
| Assets | 資產 | | | | |
| Financial assets at FVPL | 按公平值計入損益之財務資產 | | | | |
| – 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 six months ended 30 June 2020 and 31 December 2019.

20. 金融工具之公平值計量(續)

按公平值列賬之財務資產(續)

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：

| | | Unaudited As at 30 June 2020 未經審核 於二零二零年六月三十日 | | | |
|---|---------------|--|-----------------------------------|-----------------------------------|--------------------------------|
| | | Level 1 第一層 HK\$'000 千港元 | Level 2 第二層 HK\$'000 千港元 | Level 3 第三層 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
| Assets | 資產 | | | | |
| Financial assets at FVPL | 按公平值計入損益之財務資產 | | | | |
| – Listed equity securities held for trading | – 持作買賣的上市股本證券 | 246 | – | – | 246 |
| Total fair value | 公平值總值 | 246 | – | – | 246 |

| | | Audited As at 31 December 2019 經審核 於二零一九年十二月三十一日 | | | |
|---|---------------|---|-----------------------------------|-----------------------------------|--------------------------------|
| | | Level 1 第一層 HK\$'000 千港元 | Level 2 第二層 HK\$'000 千港元 | Level 3 第三層 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
| Assets | 資產 | | | | |
| Financial assets at FVPL | 按公平值計入損益之財務資產 | | | | |
| – 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 |

截至二零二零年六月三十日及二零一九年十二月三十一日止六個月內，層級之間並無轉移。

Notes to the Condensed Consolidated Financial Statements (Continued)

簡明綜合財務報表附註(續)

21. IMPACT OF NOVEL CORONAVIRUS OUTBREAK TO THE GROUP

Though Yu Ming has secured significant mandates during the six months ended 30 June 2020, the repercussions of the People's Republic of China ("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 fourteen-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.

The Group applied for a government support program introduced in response to the global pandemic. Included in profit or loss is HK\$351,000 (six months ended 31 December 2019: Nil) of government grants obtained relating to supporting the payroll of the Group's employees. The Group has presented this government grant in other net income. The Group had to commit to spending the assistance on payroll expenses, and not reducing employee head count below prescribed levels for a specified period of time. The Group does not have any unfulfilled obligations relating to this program.

21. 新型冠狀病毒疫情爆發對本集團的影響

截至二零二零年六月三十日止六個月內，雖然禹銘已獲得重要委託書，但因冠狀病毒導致的中華人民共和國（「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十四天的隔離，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。

本集團申請了針對全球大流行的政府支持計劃。於損益中包含與支援本集團僱員薪金支出有關的政府補貼351,000港元(截至二零一九年十二月三十一日止六個月：無)。本集團已將該政府補助於其他收入淨額列示。本集團必須承諾將該補貼用於薪金支出並在一定時間內不得將員工人數減少到規定水平以下。本集團沒有任何未履行與此計劃有關的義務。

