



高陽科技(中國)有限公司*

HI SUN TECHNOLOGY (CHINA) LIMITED

(於百慕達註冊成立之有限公司)

(Incorporated in Bermuda with limited liability)

(股份代號 Stock code: 00818)



2019 | INTERIM REPORT

中期報告

* For identification purpose only
僅供識別

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Business Review

業務回顧

INTERIM CONDENSED SEGMENT RESULT ANALYSIS 中期簡明分類業績分析

		Note 附註	Turnover 營業額		EBITDA [#] EBITDA [#]	
			1H2019 二零一九年 上半年 HK\$'000 千港元	1H2018 二零一八年 上半年 HK\$'000 千港元	1H2019 二零一九年 上半年 HK\$'000 千港元	1H2018 二零一八年 上半年 HK\$'000 千港元
Payment processing solutions	支付交易處理解決方案	1	2,564,269	1,490,689	621,560	387,705
Information security chips and solutions	信息安全芯片及解決方案	2	168,775	172,979	12,439	15,398
Platform operation solutions	平台運營解決方案	3	89,811	101,093	(9,490)	(10,338)
Financial solutions	金融解決方案	4	83,223	91,434	(34,577)	(13,242)
Electronic power meters and solutions	電能計量產品及解決方案	5	99,718	89,967	5,683	(7,415)
Others	其他		–	–	(5,729)	(3,076)
Segmental results	分類業績		3,005,796	1,946,162	589,886	369,032
Less: Inter-segment turnover	減：分類間營業額		–	(1,087)	–	–
Total	合計		3,005,796	1,945,075	589,886	369,032
Depreciation	折舊				(197,437)	(141,035)
Amortisation	攤銷				(58)	(230)
Fair value gain on financial asset at fair value through profit or loss	按公平值計入損益之金融資產公平值收益	B			6,111	17,784
Employees' incentive programme of a subsidiary	一間附屬公司之僱員獎勵計劃	C			(7,896)	(195,300)
Segmental operating profit	分類經營溢利				390,606	50,251
Unallocated other income	未分配其他收入				3,338	2,600
Unallocated corporate expenses	未分配企業開支				(33,571)	(24,144)
Operating profit	經營溢利				360,373	28,707

[#] Represents earnings/(losses) before interest expenses, taxes, depreciation and amortisation but excludes employees' incentive programme of a subsidiary and fair value gain on financial asset at fair value through profit or loss.

[#] 指未計利息支出、稅項、折舊及攤銷前盈利/(虧損)，但不包括一間附屬公司之僱員獎勵計劃及按公平值計入損益之金融資產公平值收益。

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INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT 中期簡明綜合收益表

			1H2019 二零一九年 上半年 HK\$'000 千港元	1H2018 二零一八年 上半年 HK\$'000 千港元
Revenue	收入	A	3,005,796	1,945,075
Cost of sales	銷售成本	C	(2,262,078)	(1,447,783)
Gross profit	毛利		743,718	497,292
Other income	其他收入	B	30,808	19,078
Other gains, net	其他收益淨額	B	5,575	17,897
Selling expenses	銷售開支		(37,219)	(48,381)
Administrative expenses	行政費用	C	(354,025)	(258,778)
Employees' incentive programme of a subsidiary	一間附屬公司之僱員獎勵計劃	C	(7,896)	(195,300)
Credit impairment loss	信貸減值虧損	C	(20,588)	(3,101)
Operating profit	經營溢利		360,373	28,707
Finance costs	融資成本		(1,434)	(31)
Share of results of investments accounted for using the equity method	應佔以權益法入賬之投資業績	D	111,058	83,543
Profit before income tax	除所得稅前溢利		469,997	112,219
Income tax expense	所得稅開支		(69,726)	(42,376)
Profit for the period	期內溢利		400,271	69,843
Profit attributable to:	應佔溢利:			
- Owners of the Company	- 本公司擁有人		329,586	67,544
- Non-controlling interests	- 非控股權益		70,685	2,299
			400,271	69,843
Earnings per share for profit attributable to the owners of the Company:	本公司擁有人應佔溢利之每股盈利:		HK\$ per share 每股港元	HK\$ per share 每股港元
Basic	基本		0.12	0.02
Diluted	攤薄		0.11	0.02

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INTERIM CONDENSED CONSOLIDATED BALANCE SHEET 中期簡明綜合資產負債表

			As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元	As at 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元
	Note 附註			
ASSETS		資產		
Investment properties and property, plant and equipment		投資物業及物業、廠房及設備		
Leasehold land	E	租賃土地	596,707	716,768
Right-of-use assets		使用權資產	29,990	30,490
Intangible assets	F	無形資產	58,386	–
Investments accounted for using the equity method	G	以權益法入賬之投資	1,826	1,884
Financial asset at fair value through other comprehensive income		按公平值計入其他全面收益之金融資產	2,026,439	1,931,188
Financial assets at fair value through profit or loss		按公平值計入損益之金融資產	556	895
Inventories	H	存貨	277,138	273,745
Trade and bills receivables	I	應收賬款及應收票據	131,280	162,275
Other financial assets at amortised cost and other current assets	J	按攤銷成本計量之其他金融資產及其他流動資產	251,628	149,178
Loan receivables	J	應收貸款	185,726	131,625
Amounts due from investments accounted for using the equity method	K	應收以權益法入賬之投資之款項	308,565	536,295
Short-term bank deposits	L	短期銀行存款	17,195	15,116
Cash and cash equivalents		現金及現金等價物	1,446	1,583
			3,448,407	2,681,475
Total assets		資產總值	7,335,289	6,632,517
EQUITY		權益		
Capital and reserves attributable to the owners of the Company		本公司擁有人應佔資本及儲備		
Share capital		股本	6,942	6,942
Reserves		儲備	4,702,055	4,371,271
			4,708,997	4,378,213
Non-controlling interests		非控股權益	262,281	193,062
Total equity		權益總額	4,971,278	4,571,275
LIABILITIES		負債		
Deferred income tax liabilities		遞延所得稅負債	97	109
Trade and bills payables	M	應付賬款及應付票據	365,729	251,043
Payables for payment processing solutions business		支付交易處理解決方案業務之應付款項	600,857	266,710
Other payables and accruals	M	其他應付款項及應計款項	1,231,864	1,376,874
Amounts due to investments accounted for using the equity method	L	應付以權益法入賬之投資之款項	26,109	114,190
Current tax liabilities	N	當期稅項負債	80,700	42,069
Lease liabilities	F	租賃負債	58,655	–
Borrowing		借款	–	10,247
Total liabilities		負債總額	2,364,011	2,061,242
Total equity and liabilities		權益及負債總額	7,335,289	6,632,517
			As at 30 June 2019 於二零一九年 六月三十日 HK\$ per share 每股港元	As at 31 December 2018 於二零一八年 十二月三十一日 HK\$ per share 每股港元
Net assets per share		每股資產淨值	1.790	1.646

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INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT 中期簡明綜合現金流量表

		1H2019 二零一九年 上半年 HK\$'000 千港元	1H2018 二零一八年 上半年 HK\$'000 千港元
Net cash generated from operating activities	經營業務所得現金淨額	913,076	139,479
Net cash used in investing activities	投資活動所用現金淨額	(108,585)	(195,594)
Net cash (used in)/generated from financing activities	融資活動(所用)/所得現金淨額	(23,725)	3,268
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物之增加/(減少)淨額	780,766	(52,847)
Cash and cash equivalents at beginning of the period	期初之現金及現金等價物	2,681,475	2,541,482
Exchange (loss)/gain on cash and cash equivalents	現金及現金等價物之匯兌(虧損)/收益	(13,834)	42,630
Cash and cash equivalents at end of the period	期終之現金及現金等價物	3,448,407	2,531,265

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During the six months ended 30 June 2019 (“1H2019”), the consolidated turnover of Hi Sun Technology (China) Limited (the “Company”) and its subsidiaries (the “Group”) amounted to HK\$3,005.8 million, representing an increase of 55% when compared with the six months ended 30 June 2018 (“1H2018”). Profit for the period totalled HK\$400.3 million as compared to a profit of HK\$69.8 million in 1H2018. The increase in net profit was primarily due to (i) the absence of share option expenses of approximately HK\$195.3 million recorded in 1H2018 under the payment processing solutions segment attributable to the share options granted by a subsidiary of the Company in February 2018; and (ii) the continued growth of the payment processing solutions segment in 1H2019 as compared to 1H2018.

With regard to the balance sheet, the total assets as at 30 June 2019 amounted to HK\$7,335.3 million, when compared with HK\$6,632.5 million as at 31 December 2018. As at 30 June 2019, net current assets amounted to HK\$2,011.8 million, when compared with HK\$1,606.1 million as at 31 December 2018.

截至二零一九年六月三十日止六個月（「二零一九年上半年」），高陽科技（中國）有限公司（「本公司」）及其附屬公司（「本集團」）之綜合營業額為3,005,800,000港元，較截至二零一八年六月三十日止六個月（「二零一八年上半年」）增加55%。期內溢利合共為400,300,000港元，而於二零一八年上半年之溢利則為69,800,000港元。溢利淨額增加主要由於：(i)缺乏了二零一八年上半年因本公司一間附屬公司於二零一八年二月授出的購股權而於支付交易處理解決方案分類確認之購股權開支約195,300,000港元；及(ii)與二零一八年上半年相比二零一九年上半年支付交易處理解決方案分類繼續增長。

就資產負債表而言，於二零一九年六月三十日，資產總值為7,335,300,000港元，而於二零一八年十二月三十一日則為6,632,500,000港元。於二零一九年六月三十日，流動資產淨值為2,011,800,000港元，而於二零一八年十二月三十一日則為1,606,100,000港元。

SEGMENT PERFORMANCE REVIEW

(1) Payment processing solutions

Key performance indicators

Turnover*	營業額*
EBITDA [†]	EBITDA [†]
Employees' incentive programme of a subsidiary	一間附屬公司之僱員獎勵計劃
Operating profit	經營溢利

* Turnover from external customers

[†] Represents earnings before interest expenses, taxes, depreciation and amortisation but excludes employees' incentive programme of a subsidiary.

分類表現回顧

(1) 支付交易處理解決方案

主要表現指標

1H2019 二零一九年 上半年 HK\$'000 千港元	1H2018 二零一八年 上半年 HK\$'000 千港元	Change 變動 + / (-)
2,564,269	1,490,689	+72%
621,560	387,705	+60%
–	(195,300)	N/A不適用
431,871	54,677	+690%

* 來自外部客戶之營業額

[†] 指未計利息支出、稅項、折舊及攤銷前盈利，但不包括一間附屬公司之僱員獎勵計劃。

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Segmental turnover amounted to HK\$2,564.3 million, 72% up as compared to 1H2018. The increase in segmental turnover was mainly due to increased scale of transaction operations as compared to 1H2018. As at 30 June 2019, there were over 3,900,000 accumulated active domestic merchants and the monthly transaction volume in June 2019 exceeded RMB140 billion. Segmental operating profit amounted to HK\$431.9 million, as compared to HK\$54.7 million in 1H2018. The increase in segmental operating profit is primarily attributable to (i) the absence of share option expenses of approximately HK\$195.3 million in 1H2018 under the payment processing solutions segment attributable to the share options granted in February 2018 and; (ii) the continued growth of the payment processing solutions segment in 1H2019 as compared to 1H2018.

分類營業額為2,564,300,000港元，較二零一八年上半年增加72%。與二零一八年上半年相比分類營業額有所增加乃主要由於交易運作的規模擴大所致。於二零一九年六月三十日，累計活躍國內商戶數超過3,900,000戶，而二零一九年六月之月度交易額逾人民幣1,400億元。分類經營溢利為431,900,000港元，而二零一八年上半年則為54,700,000港元。分類經營溢利增加乃主要歸因於(i)缺乏了於二零一八年上半年因於二零一八年二月授出的購股權而於支付交易處理解決方案分類之購股權開支約195,300,000港元；及(ii)二零一九年上半年支付交易處理解決方案分類較二零一八年上半年持續增長。

(2) Information security chips and solutions

Key performance indicators

Turnover*	營業額*
EBITDA [‡]	EBITDA [‡]
Employees' incentive programme of a subsidiary	一間附屬公司之僱員獎勵計劃
Operating profit	經營溢利

* Turnover from external customers

[‡] Represents earnings before interest expenses, taxes, depreciation and amortisation but excludes employees' incentive programme of a subsidiary.

During the period, segmental turnover amounted to HK\$168.8 million, which is comparable to 1H2018. Segmental operating profit amounted to HK\$3.4 million, as compared to operating profit of HK\$15.1 million in 1H2018. The decline in operating profit was mainly due to share option expenses of approximately HK\$7.9 million.

(2) 信息安全芯片及解決方案

主要表現指標

1H2019 二零一九年 上半年 HK\$'000 千港元	1H2018 二零一八年 上半年 HK\$'000 千港元	Change 變動 + / (-)
168,775	172,979	-2%
12,439	15,398	-19%
(7,896)	-	N/A不適用
3,408	15,147	-78%

* 來自外部客戶之營業額

[‡] 指未計利息支出、稅項、折舊及攤銷前盈利，但不包括一間附屬公司之僱員獎勵計劃。

期內，分類營業額為168,800,000港元，與二零一八年上半年相當。分類經營溢利為3,400,000港元，而二零一八年上半年則為15,100,000港元。經營溢利減少乃主要由於購股權開支約7,900,000港元所致。

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(3) Platform operation solutions

Key performance indicators

Turnover*	營業額*
EBITDA [†]	EBITDA [†]
Fair value gains on financial assets at fair value through profit or loss	按公平值計入損益之金融資產公平值收益
Operating (loss)/profit	經營(虧損)/溢利

* Turnover from external customers

[†] Represents losses before interest expenses, taxes, depreciation and amortisation and excludes fair value gains on financial assets at fair value through profit or loss.

During the period, segmental turnover amounted to HK\$89.8 million as compared to HK\$100.0 million in 1H2018. Segmental operating loss amounted to HK\$6.1 million, as compared to a segmental operating profit of HK\$6.2 million in 1H2018. The decline in operating profit was mainly contributed by the decrease in fair values gains on certain financial assets at fair value through profit or loss.

(4) Financial solutions

Key performance indicators

Turnover*	營業額*
EBITDA	EBITDA
Operating loss	經營虧損

* Turnover from external customers

During the current period, segmental turnover amounted to HK\$83.2 million, as compared to HK\$91.4 million in 1H2018. Segmental operating loss totaled HK\$36.3 million, as compared to HK\$13.5 million in 1H2018. Increase in segmental operating loss was mainly due to an increase in staff cost for increased headcounts during the period.

(3) 平台運營解決方案

主要表現指標

1H2019 二零一九年 上半年 HK\$'000 千港元	1H2018 二零一八年 上半年 HK\$'000 千港元	Change 變動 +/(–)
89,811	100,006	-10%
(9,490)	(10,338)	N/A不適用
6,111	17,784	-66%
(6,128)	6,165	N/A不適用

* 來自外部客戶之營業額

[†] 指未計利息支出、稅項、折舊及攤銷前虧損，但不包括按公平值計入損益之金融資產公平值收益。

期內，分類營業額為89,800,000港元，而二零一八年上半年則為100,000,000港元。分類經營虧損為6,100,000港元，而二零一八年上半年則為分類經營溢利6,200,000港元。經營溢利減少乃主要受按公平值計入損益之若干金融資產之公平值收益的減少影響。

(4) 金融解決方案

主要表現指標

1H2019 二零一九年 上半年 HK\$'000 千港元	1H2018 二零一八年 上半年 HK\$'000 千港元	Change 變動 +/(–)
83,223	91,434	-9%
(34,577)	(13,242)	N/A不適用
(36,345)	(13,466)	N/A不適用

* 來自外部客戶之營業額

於本期間，分類營業額為83,200,000港元，而二零一八年上半年則為91,400,000港元。分類經營虧損合共36,300,000港元，而二零一八年上半年則為13,500,000港元。分類經營虧損增加乃主要由於期內人數增加導致員工成本增加。

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(5) Electronic power meters and solutions

Key performance indicators

Turnover*	營業額*
EBITDA	EBITDA
Operating profit/(loss)	經營溢利/(虧損)

* Turnover from external customers

Segmental turnover amounted to HK\$99.7 million as compared to HK\$90.0 million in 1H2018. Segmental operating profit amounted to HK\$4.2 million, as compared to a segmental operating loss of HK\$9.1 million in 1H2018. Increase in segmental turnover and hence a segmental operating profit was mainly attributable to increase in shipment and improved gross profit margin in 1H 2019 as compared to 1H 2018.

(5) 電能計量產品及解決方案

主要表現指標

1H2019 二零一九年 上半年 HK\$'000 千港元	1H2018 二零一八年 上半年 HK\$'000 千港元	Change 變動 +/-
99,718	89,967	+11%
5,683	(7,415)	N/A不適用
4,164	(9,145)	N/A不適用

* 來自外部客戶之營業額

分類營業額為99,700,000港元，而二零一八年上半年則為90,000,000港元。分類經營溢利為4,200,000港元，而二零一八年上半年則為分類經營虧損9,100,000港元。分類營業額及分類經營溢利增加主要歸因於二零一九年上半年的出貨量及毛利率提高較二零一八年上半年有所增加。

OVERALL FINANCIAL RESULTS AND POSITION

(A) Revenue

The consolidated turnover amounted to HK\$3,005.8 million, representing an increase of 55% over 1H2018. Such increase was mainly contributed by increase in segmental turnover of our payment processing solutions segment. Please also refer to Notes (1) to (5) above.

(B) Other income and other gains

Increase in other income was due to an increase in interest income during the period.

Decline in other gains mainly resulted from decrease in fair values gains on financial assets at fair value through profit or loss in 1H 2019.

(C) Cost of sales and operating expenses

Increase in cost of sales was primarily due to increase in commission paid to merchant recruitment agents in relation to our payment processing solutions segment, which was in line with the increase in segmental turnover.

整體財務業績及狀況

(A) 收入

綜合營業額為3,005,800,000港元，較二零一八年上半年增加55%。有關增加主要由於支付交易處理解決方案分類之分類營業額增加。請同時參閱上文附註(1)至(5)。

(B) 其他收入及其他收益

其他收入增加乃由於期內利息收入增加。

其他收益下跌主要由於二零一九年上半年之按公平值計入損益之金融資產之公平值收益減少。

(C) 銷售成本及經營開支

銷售成本增加主要由於支付予我們的支付交易處理解決方案分類的招攬商戶代理的佣金增加，此與分類營業額增加一致。

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Increase in administrative expenses during the current period was primarily due to (i) increase in wages and salaries; (ii) increase in R&D expenses; and (iii) decrease in net foreign exchange gain.

Share option expenses of approximately HK\$7.9 million in 1H2019 was attributable to the share options granted under the information security chips and solutions segment while the share option expenses of approximately HK\$195.3 million in 1H2018 was attributable to the share options granted under the payment processing solutions segment.

Increase in credit impairment loss was primarily due to provision for impairment loss of receivables of HK\$7.1 million under the electronic power meters and solutions segment; and impairment loss on loan receivables of HK\$13.5 million under the micro-lending business of payment processing solutions segment.

(D) Share of results of investments accounted for using the equity method

The Group shares the results of PAX Global Technology Limited (“PAX Global”), an associated company, the shares of which are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

As an ordinary shareholder of Cloopen Group Holding Limited (“Clopen”), an associated company of the Group, the Group’s share of loss exceeded its interest in the ordinary shares of Cloopen, there is no overall financial impact on the interim condensed consolidated income statement from the investment for the current period.

(E) Investment properties and property, plant and equipment

Balance mainly represents fixed assets of payment processing solutions and electronic power meter and solutions segments.

(F) Right-of-use assets and lease liabilities

From 1 January 2019, upon the adoption of HKFRS 16 Leases, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Comparatives for the 2018 reporting period has not been restated, as permitted under the specific transitional provisions in the standard.

本期間行政費用增加乃主要由於(i)工資及薪金增加; (ii)研發開支增加; 及(iii)外匯收益淨額減少。

於二零一九年上半年的購股權開支約為7,900,000港元, 乃歸因於信息安全芯片及解決方案分類授出的購股權, 而二零一八年上半年的購股權開支則約為195,300,000港元, 乃歸因於支付交易處理解決方案分類授出的購股權。

信貸減值虧損增加乃主要由於電能計量產品及解決方案分類之應收款項減值虧損撥備7,100,000港元; 以及支付交易處理解決方案分類的小額貸款業務之應收貸款減值虧損13,500,000港元。

(D) 應佔以權益法入賬之投資業績

本集團應佔聯營公司百富環球科技有限公司(「百富環球」, 其股份於香港聯合交易所有限公司(「聯交所」)上市)之業績。

本集團作為Clopen Group Holding Limited(「Clopen」, 為本集團一間聯營公司)之普通股股東, 本集團應佔虧損超過其於Clopen普通股之權益。該項投資於本期間對中期簡明綜合收益表並無整體財務影響。

(E) 投資物業及物業、廠房及設備

結餘主要指支付交易處理解決方案、電能計量產品及解決方案分類之固定資產。

(F) 使用權資產及租賃負債

自二零一九年一月一日起採納香港財務報告準則第16號租賃之後, 租賃確認為使用權資產, 並在租賃資產可供本集團使用之日確認相應負債, 但按準則中的特定過渡條文所允許, 並無重列二零一八年報告期間的比較數字。

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(G) Investments accounted for using the equity method

Balances mainly represents the Group's interests in PAX Global. As at 30 June 2019, the fair value of the Group's 33.1% effective interest in PAX Global was HK\$1,157.5 million and the fair value of the investment was lower than its carrying value. An impairment test is performed to determine the recoverable amount of the investment. The recoverable amount calculated based on value-in-use exceeded the carrying value as at 30 June 2019.

The Group's effective interest in the ordinary shares of Cloopen, calculated based on all issued and outstanding ordinary shares of Cloopen which are held by the Group, was 50.5%. As at 30 June 2019, the Group's share of loss of Cloopen exceeded its interest in the ordinary shares of Cloopen, there was no overall financial impact on the consolidated income statement from the investment for the current period. As at 30 June 2019, the carrying amount of the Group's interest in the ordinary shares of Cloopen was zero. Meanwhile, the fair value of the Group's interest in the ordinary shares of Cloopen was approximately HK\$446.6 million.

The Group is optimistic about the future prospects of PAX Global and Cloopen and will continue to demonstrate prudence and resilience in assessing its investment strategy towards the enhancement of shareholders' value. Details of the performance of these investments are set out in Note 27 to the interim condensed consolidated financial information.

(H) Financial assets at fair value through profit and loss

The balances represented (i) the fair value of the Group's interest in the Convertible Series C Preferred Shares of Cloopen of HK\$107.4 million, (ii) the fair value of the Group's interest in the Convertible Series D Preferred Shares of Cloopen of HK\$43.7 million, (iii) the fair value of trading securities listed in Hong Kong of HK\$1.3 million; and (iv) the fair value of interest in a venture capital fund of HK\$124.7 million.

(G) 以權益法入賬之投資

結餘主要指本集團於百富環球之權益。於二零一九年六月三十日，本集團於百富環球之33.1%實際權益之公平值為1,157,500,000港元，而投資公平值低於其賬面值。已進行減值測試，以釐定投資之可收回金額。於二零一九年六月三十日，基於使用價值計算之可收回金額超過賬面值。

按本集團所持Cloopen全部已發行及發行在外普通股計算，本集團於Cloopen普通股之實際權益為50.5%。於二零一九年六月三十日，本集團應佔Cloopen虧損超逾其於Cloopen普通股之權益，該項投資於本期間對綜合收益表並無整體財務影響。於二零一九年六月三十日，本集團於Cloopen普通股之權益賬面值為零。同時，本集團於Cloopen之普通股之權益公平值約為446,600,000港元。

本集團對百富環球及Cloopen的未來前景持樂觀態度，並將繼續審慎及靈活評估其投資策略，以提升股東價值。有關該等投資表現的詳情載於中期簡明綜合財務資料附註27。

(H) 按公平值計入損益之金融資產

結餘乃指(i)本集團於Cloopen C系列可換股優先股之權益的公平值107,400,000港元；(ii)本集團於Cloopen D系列可換股優先股之權益的公平值43,700,000港元；(iii)香港上市買賣證券的公平值1,300,000港元；及(iv)於創投基金的權益的公平值124,700,000港元。



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(I) Inventories

The amount mainly represents inventories of electronic power meters and solutions segment and information security chips and solutions segment.

(I) 存貨

金額主要指電能計量產品及解決方案分類及信息安全芯片及解決方案分類的存貨。

(J) Trade and bills receivables, other financial assets at amortised cost and other current assets

(J) 應收賬款及應收票據、按攤銷成本計量之其他金融資產及其他流動資產

		As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元	As at 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元
Trade receivables (Note (i) (a))	應收賬款 (附註(i)(a))	244,524	148,173
Bills receivables (Note (i) (b))	應收票據 (附註(i)(b))	24,499	11,468
Less: provision for impairment of receivables	減：應收款項減值撥備	(17,395)	(10,463)
		251,628	149,178
Other receivables, prepayments and deposits (Note (ii))	其他應收款項、預付款項及按金 (附註(ii))	185,726	131,625
Total	合計	437,354	280,803

Note (i):

- (a) The Group's credit terms to trade debtors normally range from 0 to 180 days. The ageing analysis of the trade receivables primarily based on invoice date was as follows:

附註(i)：

- (a) 本集團一般給予貿易債務人之信貸期由0至180日不等。主要根據發票日期之應收賬款賬齡分析如下：

		As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元	As at 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元
Current to 90 days	即期至90日	135,218	109,685
91 to 180 days	91至180日	58,852	2,919
181 to 365 days	181至365日	19,614	8,335
Over 365 days	365日以上	30,840	27,234
		244,524	148,173

- Increase in trade receivables aged between current to 90 days and 91-180 days was mainly contributed by the electronic power meter and solutions segment and information security chips and solutions segment.

- 賬齡介乎即期至90日以及91至180日之應收賬款增加主要由於電能計量產品及解決方案分類及信息安全芯片及解決方案分類所致。

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- (b) Bills receivables mainly belong to the information security chips and solutions segment.

Note (ii):

The increase in balance was mainly due to increased in other receivables from payment processing solutions segment.

(K) Loan receivables

Loan receivables are amounts due from customers under the payment processing solutions segment in the ordinary course of business, unsecured and primarily denominated in RMB.

The ageing analysis of loan receivables based on the payment due date is as follows:

		As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元	As at 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元
Current	即期	305,569	553,676
1 to 3 months past due	逾期一至三個月	12,935	9,365
Over 3 months past due	逾期超過三個月	36,128	6,061
Loan receivables, gross	應收貸款總額	354,632	569,102
Less: provision for impairment of receivables	減：應收款項減值撥備	(46,067)	(32,807)
Loan receivables, net	應收貸款淨額	308,565	536,295
Non-current	非流動	11	479
Current	流動	308,554	535,816
		308,565	536,295

(L) Amounts due from/to investments accounted for using the equity method

The amounts due from/to investments accounted for using the equity method represent payables from/to PAX Global and Cloopen and its subsidiaries as at 30 June 2019. Amounts due from/to investments accounted for using the equity method are unsecured, interest-free and repayable on demand.

- (b) 應收票據主要歸屬於信息安全芯片及解決方案分類。

附註(ii)：

結餘增加主要由於來自支付交易處理解決方案分類之其他應收款項增加。

(K) 應收貸款

應收貸款為於日常業務過程中支付交易處理解決方案分類應收客戶的款項，有關款項為無抵押及主要以人民幣計值。

根據到期付款日之應收貸款賬齡分析如下：

(L) 應收／應付以權益法入賬之投資之款項

應收／應付以權益法入賬之投資之款項指於二零一九年六月三十日應收／應付百富環球以及 Cloopen 及其附屬公司之款項。應收／應付以權益法入賬之投資之款項為無抵押、免息及按要求償還。

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(M) Trade and bills payables, payables for payment processing solutions business and other payables and accruals

(M) 應付賬款及應付票據、支付交易處理解決方案業務之應付款項及其他應付款項及應計款項

		As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元	As at 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元
Trade payables (Note (i)(a))	應付賬款 (附註(i)(a))	362,837	247,878
Bills payables (Note (i)(b))	應付票據 (附註(i)(b))	2,892	3,165
Payables for payment processing solutions business (Note (ii))	支付交易處理解決方案業務之應付款項 (附註(ii))	600,857	266,710
Other payables and accruals (Note (iii))	其他應付款項及應計款項 (附註(iii))	1,231,864	1,376,874
Total	合計	2,198,450	1,894,627

Note (i):

- (a) The credit period granted by the suppliers ranges from 0 to 180 days. The ageing analysis of the trade payables primarily based on invoice date was as follows:

附註(i):

- (a) 獲供應商授予之信貸期由0至180日不等。主要根據發票日期之應付賬款賬齡分析如下:

		As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元	As at 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元
Current to 90 days	即期至90日	300,384	205,694
91 to 180 days	91至180日	44,831	2,663
181 to 365 days	181至365日	2,921	17,774
Over 365 days	365日以上	14,701	21,747
		362,837	247,878

- Increase in trade payables aged between current to 90 days and 91-180 days was mainly due to increase in outstanding balances from payment processing solutions segment and electronic power meters and solutions segment.
- Decrease in trade payables aged between 181 to 365 days was mainly due to decrease in outstanding balance from the electronic power meters and solutions segment.

- 賬齡介乎即期至90日以及91至180日之應付賬款增加主要由於支付交易處理解決方案分類以及電能計量產品及解決方案分類之未償還結餘增加。
- 賬齡介乎181至365日之應付賬款減少主要由於電能計量產品及解決方案分類之未償還結餘減少。

- (b) Bills payables belong to the electronic power meters and solutions segment.

- (b) 應付票據歸屬於電能計量產品及解決方案分類。

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Note (ii):

This balance represents payables to merchants for the payment processing solutions business. The amounts are generally due for settlement with these customers within 30 days.

Note (iii):

附註(ii):

有關結餘指就支付交易處理解決方案業務應付商戶之款項。有關金額一般於30日內與該等客戶進行結算。

附註(iii):

		As at 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元	As at 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元
Accrued staff costs and pension obligations*	應計員工成本及退休金供款*	213,860	273,934
Deposits	按金	74,565	84,556
Receipt in advance from customers**	預先收取客戶之款項**	144,582	186,467
Advance from merchant recruitment agents**	來自招攬商戶代理的墊款**	419,047	519,935
Others	其他	379,810	311,982
		1,231,864	1,376,874

* The decrease in accrued staff costs and pension obligations was mainly due to the payment of year-end bonus for 2018 during the period.

** The decrease in receipt in advance from customers and advance from merchant recruitment agents was mainly due to decrease in advances and guarantees received from merchants and agents under the payment processing solutions segment.

* 應計員工成本及退休金供款減少主要由於期內支付二零一八年之年終花紅所致。

** 預先收取客戶之款項及來自招攬商戶代理的墊款減少主要由於支付交易處理解決方案分類向商戶及代理所收取之墊款及保證金減少所致。

(N) Current tax liabilities

Increase in balance was mainly due to an increase in income tax expenses.

(N) 當期稅項負債

結餘增加主要由於所得稅開支增加。

UPDATES ON CONTRACTUAL ARRANGEMENT

As part of the Group's internal restructuring, on 21 May 2019, the following contract based arrangements ("Contractual Arrangements") were adopted by the Company in respect of 湖南雲融信息技術有限公司 ("Hunan Yunrong", unofficial English translation being Hunan Yunrong Information Technology Co., Ltd.) and its subsidiaries (collectively, the "Yunrong Group") to enable the Group, as a foreign investor, to control and benefit from Hunan Yunrong in the foreign restricted businesses in the PRC.

合約安排之最新進展

作為本集團內部重組的一部分，於二零一九年五月二十一日，以下基於安排（「合約安排」）的合約已由本公司就湖南雲融信息技術有限公司（「湖南雲融」）及其附屬公司（統稱「雲融集團」）訂立，以使本集團（作為國外投資者）能夠於中國外商受限制業務中控制湖南雲融並從中獲益。

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1. Contractual Arrangements in respect of Hunan Yunrong

1.1 Particulars of Hunan Yunrong and its registered owners

Hunan Yunrong is a limited liability company established in the PRC on 15 August 2014. Hunan Yunrong was wholly-owned by Chongqing JIM Mobile Business Co. Ltd (“Chongqing JIM”). Hunan Yunrong and Chongqing JIM are accounted for as wholly-owned subsidiaries of the Company contractually controlled by the Group through certain control documents (“Existing JIM Control Documents”) as detailed in the annual report of the Company for the year ended 31 December 2018.

On 21 May 2019, the Group implemented a restructuring involving the Yunrong Group (“Yunrong Restructuring”) as detailed in the announcement of the Company dated 21 May 2019. Upon completion of the Yunrong Restructuring, the registered shareholders of Hunan Yunrong have become Mr. Zhang Yonggang (“Zhang”, holding 70% equity interests) and Mr. Wei Mingliang (“Wei”, holding 30% equity interests). Control documents (“Yunrong Control Documents”) have been entered into between Hunan Yunrong, Zhang, Wei and 北京高陽聖思園信息技術有限公司 (“Beijing Hi Sunsray”, unofficial English translation being Beijing Hi Sunsray Information Technology Limited) to allow Beijing Hi Sunsray to contractually control 100% equity interests and the management of Hunan Yunrong.

1.2 The Yunrong Group’s business

Hunan Yunrong and its subsidiaries are principally engaged in platform operation solutions business in the PRC. The Company engages in the above businesses through the adoption of the Contractual Agreement due to the foreign investment restrictions applicable to the as value-added telecommunication business (增值電信業務) (being foreign shareholding must not exceed 50%) and other licensing requirements under the PRC law.

1.3 Summary of the major terms of the underlying contracts of the Contractual Arrangements

Yunrong Master Exclusive Service Agreement

Beijing Hi Sunsray and Hunan Yunrong entered into the Yunrong Master Exclusive Service Agreement, pursuant to which Hunan Yunrong agreed to engage Beijing Hi Sunsray as its exclusive service provider of certain technical and business support services. Hunan Yunrong would pay Beijing Hi Sunsray a service fee that equals 100% of the audited consolidated net profits of Hunan Yunrong.

1. 有關湖南雲融的合約安排

1.1 湖南雲融及其註冊擁有人的詳情

湖南雲融為一間於二零一四年八月十五日在中國成立的有限公司。湖南雲融由重慶結行移動商務有限公司（「重慶結行」）全資擁有。湖南雲融及重慶結行入賬列為本公司的全資附屬公司，由本集團通過若干控制性協議（「現行重慶結行控制性協議」）合約控制，詳情載於本公司截至二零一八年十二月三十一日止年度的年報。

於二零一九年五月二十一日，本集團進行涉及雲融集團的重組（「雲融重組」），其詳情載於本公司日期為二零一九年五月二十一日的公佈。於雲融重組完成後，湖南雲融的登記股東將為張永剛先生（「張永剛」，持有70%股權）及衛明亮先生（「衛明亮」，持有30%股權）。控制性協議（「雲融控制性協議」）已由湖南雲融、張永剛、衛明亮及北京高陽聖思園信息技術有限公司（「北京高陽聖思園」）訂立，以使北京高陽聖思園合約控制湖南雲融100%股權及管理。

1.2 雲融集團的業務

湖南雲融及其附屬公司主要於中國從事平台運營解決方案業務。由於適用於增值電信業務的外國投資限制（外資持股不得超過50%）以及根據中國法律的其他許可要求，本公司可透過訂立合約協議從事上述業務。

1.3 合約安排相關合約主要條款的概要

雲融獨家服務總協議

北京高陽聖思園與湖南雲融訂立雲融獨家服務總協議，據此，湖南雲融同意委聘北京高陽聖思園作為其若干技術及業務支持服務的獨家服務供應商。湖南雲融將向北京高陽聖思園支付等於其經審核綜合純利100%的服務費。

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Yunrong Business Cooperation Agreement

Beijing Hi Sunray, Hunan Yunrong, Zhang and Wei entered into the Yunrong Business Cooperation Agreement, pursuant to which Hunan Yunrong, Zhang and Wei have covenanted with and undertaken to Beijing Hi Sunray that Hunan Yunrong shall not, and Zhang and Wei shall cause Hunan Yunrong not to, engage in any transaction which may materially affect Hunan Yunrong's asset, obligation, right or operation.

Yunrong Exclusive Option Agreement

Beijing Hi Sunray, Hunan Yunrong, Zhang and Wei entered into the Yunrong Exclusive Option Agreement, pursuant to which (i) Zhang and Wei have granted an exclusive right to Beijing Hi Sunray to require them to transfer any and all of the equity interests of Hunan Yunrong they hold ("Yunrong Equity Interests") to Beijing Hi Sunray and/or its designee, subject to Beijing Hi Sunray's specific requirements; and (ii) Hunan Yunrong has granted an exclusive right to Beijing Hi Sunray to require it to transfer any and all of its assets ("Yunrong Assets") to Beijing Hi Sunray and/or its designee, subject to Beijing Hi Sunray's specific requirements.

The total transfer price for the Yunrong Equity Interests and/or the Yunrong Assets shall be the lowest price allowed under PRC laws and administrative regulations at the time of the transfer, or if there is no such lowest price, the transfer price shall be the price determined by Beijing Hi Sunray. After receiving the transfer price, Hunan Yunrong, Zhang and Wei shall transfer such transfer price and affiliated benefits to Beijing Hi Sunray or its designee at nil consideration.

Yunrong Proxy Agreement and Power of Attorney

Beijing Hi Sunray, Hunan Yunrong, Zhang and Wei entered into the Yunrong Proxy Agreement and Power of Attorney, pursuant to which Zhang and Wei have (i) nominated and appointed Beijing Hi Sunray (as well as its successors, including a liquidator, if any, of Beijing Hi Sunray) as their attorney-in-fact to exercise such rights as a shareholder of Hunan Yunrong on their behalf, and any right conferred by relevant laws and regulations and the articles of association of Hunan Yunrong; and (ii) undertaken to remit all such monies or assets received by them, as a result of holding equity interests in Hunan Yunrong, to Beijing Hi Sunray.

雲融業務合作協議

北京高陽聖思園、湖南雲融、張永剛及衛明亮訂立雲融業務合作協議，據此，湖南雲融、張永剛及衛明亮已向北京高陽聖思園契諾及承諾，湖南雲融不得以及張永剛及衛明亮應促使湖南雲融不得從事可能嚴重影響其資產、負債、權利或營運之任何交易。

雲融獨家購買權協議

北京高陽聖思園、湖南雲融、張永剛及衛明亮訂立雲融獨家購買權協議，據此(i)張永剛及衛明亮已向北京高陽聖思園授出獨家權利，可要求彼等將彼等持有的湖南雲融任何及全部股權(「雲融股權」)轉讓予北京高陽聖思園及／或其指定人士，惟須遵守北京高陽聖思園的具體要求；及(ii)湖南雲融已向北京高陽聖思園授出獨家權利，可要求其將其任何及全部資產(「雲融資產」)轉讓予北京高陽聖思園及／或其指定人士，惟須遵守北京高陽聖思園的具體要求。

雲融股權及／或雲融資產之轉讓價格總額將為於有關轉讓進行時中國法律及行政法規所允許之最低價格。倘並無最低價格，轉讓價格將為北京高陽聖思園釐定之價格。於收到轉讓價格後，湖南雲融、張永剛及衛明亮將以零代價將有關轉讓價格及附屬利益轉予北京高陽聖思園或其指定人士。

雲融委託協議及授權委託書

北京高陽聖思園、湖南雲融、張永剛及衛明亮訂立雲融委託協議及授權委託書，據此張永剛及衛明亮已(i)提名並委任北京高陽聖思園(以及其繼任人，包括北京高陽聖思園之清算人(如有))作為其實際代理人，以代其行使作為湖南雲融股東之權利以及相關法律及法規以及湖南雲融組織章程細則賦予之任何權利；及(ii)承諾因在湖南雲融持有股權而將其收到的所有有關款額或資產匯寄予北京高陽聖思園。

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Yunrong Equity Interest Pledge Agreement

Beijing Hi Sunray, Hunan Yunrong, Zhang and Wei entered into the Yunrong Equity Interest Pledge Agreement, pursuant to which Zhang and Wei have agreed to pledge all of the equity interests of Hunan Yunrong that they own, including any interest or dividend paid for such equity interests, to Beijing Hi Sunray unconditionally and irrevocably, as a security for the performance of any and all obligations by them and Hunan Yunrong under the Yunrong Control Documents (other than Yunrong Equity Interest Pledge Agreement) at the initial registration amount of RMB10 million, which is the estimated value of the obligations of Zhang, Wei and Hunan Yunrong under the Yunrong Control Documents.

Yunrong Confirmation and Guarantee Letter

Each of Zhang and Wei has executed a Yunrong Confirmation and Guarantee Letter to confirm and guarantee that, among other things, (i) his successor, guardian, creditor, spouse or any other person that may be entitled to assume rights and interests in the equity interests of Hunan Yunrong held by him upon his death, incapacity, bankruptcy, divorce or any circumstances that may affect his ability to exercise his shareholder's rights in Hunan Yunrong; (ii) he will unwind the Yunrong Control Documents and transfer all of the equity interests of Hunan Yunrong held by him to Beijing Hi Sunray or its designee as soon as the applicable PRC laws allow Beijing Hi Sunray to operate the business operated by Hunan Yunrong by way of directly holding equity interests; and (iii) he will not engage in any business that may compete with the business of Hunan Yunrong or act or omit to act in such a way giving rise to a conflict of interest between himself and Hunan Yunrong.

Yunrong Spousal Consent

The spouse of Zhang has executed the Yunrong Spousal Consent and covenanted that she will not take any action with the intent to interfere with the arrangements under the Yunrong Control Documents, including making any claim that such equity interests in Hunan Yunrong constitute property or community property between herself and Zhang and waives all her rights to such equity interests that may be granted to her according to any applicable laws.

雲融股權質押協議

北京高陽聖思園、湖南雲融、張永剛及衛明亮訂立雲融股權質押協議。據此張永剛及衛明亮各自已同意按初始註冊金額人民幣10,000,000元（其為張永剛、衛明亮及湖南雲融於雲融控制性協議下之責任之估計價值）將其擁有之全部湖南雲融股權（包括就該等股權支付之任何權益或股息）無條件及不可撤銷地質押予北京高陽聖思園，作為彼等及湖南雲融履行於雲融控制性協議（雲融股權質押協議除外）項下任何及全部責任之擔保。

雲融確認及承諾函

張永剛及衛明亮已簽立雲融確認及承諾函以確認及保證，（其中包括）：(i)其繼任人、監護人、債權人、配偶或在其身故、喪失行為能力、破產、離異或發生可能影響其行使其於湖南雲融之股東權利之能力之任何情形下可能有權承擔其所持有湖南雲融股權中權利及權益之任何其他人士；(ii)當適用中國法律允許北京高陽聖思園透過直接持有股權經營湖南雲融所經營之業務時，其將盡快解除雲融控制性協議及將其持有之全部湖南雲融股權轉讓予北京高陽聖思園或其指定人士；及(iii)其將不會從事與湖南雲融業務可能競爭之任何業務或以導致其與湖南雲融之間產生利益衝突的方式行事或不行事。

雲融配偶同意函

張永剛之配偶已簽立雲融配偶同意函，並承諾其將不會採取有意干擾雲融控制性協議項下安排之任何行動（包括作出任何有關湖南雲融之該等股權構成其本身與張永剛之間之財產或共同財產之要求），並放棄根據任何適用法律其可能獲授予之對該等股權之全部權利。

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1.4 Disputes resolution

Pursuant to the Yunrong Control Documents, the dispute resolution clauses provide that any dispute or claim shall be resolved by the parties in good faith through negotiations. If no resolution can be reached, the dispute shall be submitted to the Beijing Arbitration Commission for arbitration in Beijing. The arbitral body may award any remedy or relief, including provisional and permanent injunctive relief, specific performance, remedies over the equity interests or land assets of and winding up orders against Hunan Yunrong. Each party shall have the right to seek interim injunctive relief or other interim relief from a court of competent jurisdiction (i.e. subject to applicable laws, being Hong Kong, Bermuda and the PRC courts) in support of the arbitration when formation of the arbitral tribunal is pending or under appropriate circumstances.

1.5 Revenue and assets subject to the Contractual Arrangements

The consolidated total revenue of Hunan Yunrong for the period ended 30 June 2019 was HK\$70.9 million. The audited total asset value and net asset value of Hunan Yunrong as at 30 June 2019 prepared in accordance with PRC GAAP is approximately HK\$151.6 million and HK\$4.1 million respectively.

2. Risks relating to the Contractual Arrangements

The Group is exposed to certain risks under the Contractual Arrangements, which are summarised below.

- There is no assurance that the Yunrong Control Documents could comply with future changes in the regulatory requirements in the PRC and the PRC government may determine that the Yunrong Control Documents do not comply with applicable regulations.
- Substantial uncertainties exist with respect to the enactment timetable, interpretation and implementation of the Draft Foreign Investment Law (《外國投資法草案》) and how it may impact the viability of the current corporate structure, corporate governance and business operations under the Contractual Arrangements.
- The Yunrong Control Documents may not be as effective as direct ownership in providing control over Hunan Yunrong.
- The registered shareholders of Hunan Yunrong may potentially have a conflict of interests with the Group.

1.4 爭議解決方案

根據雲融控制性協議，爭議解決條款規定，任何爭議或索賠應由訂約方通過磋商真誠地解決。倘無法達成解決方案，有關爭議應提交北京仲裁委員會在北京仲裁。仲裁機構可以判予任何補救或救濟，包括臨時及永久禁令救濟、具體履行要求、對湖南雲融的股權或土地資產的補救及對湖南雲融的清盤令。於待成立仲裁法庭時或在適當的情況下，各方均有權向主管司法權區的法院（即根據適用法律為香港、百慕達及中國的法院）尋求臨時禁令救濟或其他臨時救濟，以支持仲裁。

1.5 受合約安排規限的收益及資產

截至二零一九年六月三十日止期間，湖南雲融的綜合收益總額為70,900,000港元。根據中國公認會計原則編製的湖南雲融於二零一九年六月三十日的經審核資產總值及資產淨值分別約為151,600,000港元及4,100,000港元。

2. 與合約安排有關的風險

本集團面對合約安排項下的若干風險，概述如下。

- 概無保證雲融控制性協議能夠遵守中國監管規定的未來變動，而中國政府可能釐定，雲融控制性協議並無遵守適用法規。
- 在《外國投資法草案》的頒佈時間表、解釋及實施，以及其如何影響合約安排下現有公司架構、公司管治及業務運營的可行性方面存在重大不確定性。
- 雲融控制性協議在提供對湖南雲融的控制權方面可能不如直接所有權有效。
- 湖南雲融的登記股東可能與本集團存在潛在利益衝突。

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- The Contractual Arrangements may be subject to scrutiny of the PRC tax authorities and transfer pricing adjustments and additional tax may be imposed.
- Certain terms of the Yunrong Control Documents may not be enforceable under PRC laws, such as the disputes resolution clauses stipulated above.
- A substantial amount of costs and time may be involved in transferring the ownership of Hunan Yunrong to the Group under the Yunrong Exclusive Option Agreement.
- The Group may bear economic risk which may arise from difficulties in the operation of Hunan Yunrong.
- The Company does not have any insurance which covers the risks relating to the Yunrong Control Documents and the transactions contemplated thereunder.
- There is a lack of clear guidance or interpretation on the qualification requirement under the Internet Content Provider License, which may cast uncertainty to the Group when the foreign ownership restriction in value-added telecommunications is relaxed.
- 合約安排可能會受到中國稅務機關的審查及受到轉讓價格調整所規限，並可能徵收額外稅項。
- 雲融控制性協議的若干條款可能無法根據中國法律執行（如於上文所規定的爭議解決條款）。
- 根據雲融獨家購買權協議將湖南雲融的所有權轉讓予本集團可能涉及大量成本及時間。
- 本集團可能承擔因湖南雲融經營困難可能產生的經濟風險。
- 本公司並無任何涵蓋與雲融控制性協議及其項下擬進行的交易有關的風險的保險。
- 互聯網內容提供商許可證的資格要求缺乏明確的指導或解釋，當放寬增值電信的外商所有權限制時，這可能為本集團帶來不確定性。

3. Internal control measures implemented by the Group

The Yunrong Control Documents contain certain provisions to exercise effective control over and to safeguard the assets of Hunan Yunrong. In addition to such provisions, the Company has adopted certain measures which may include but not limited to management control, financial control and legal review as follows:

- the Group has delegated representatives (“Representatives”) to Hunan Yunrong, mainly responsible for exercising management control of Hunan Yunrong; the Representatives will conduct reviews on the operations of Hunan Yunrong;
- the Board and the Representatives shall identify major issues arising from the implementation of and compliance with the Yunrong Control Documents;
- any regulatory enquiries from government authorities will be submitted to the Board, if necessary, for review and discussion on an occurrence basis;

3. 本集團實施的內部控制措施

雲融控制性協議載有若干對湖南雲融行使有效控制權及保障湖南雲融資產的條款。除該等條款外，本公司已採納若干措施（包括但不限於管理層控制權、財務控制權及法律審核），載列如下：

- 本集團已向湖南雲融委派代表（「該等代表」），主要負責對湖南雲融行使管理控制權；該等代表將對湖南雲融的營運進行審核；
- 董事會及該等代表將識別執行及遵守雲融控制性協議所產生的主要問題；
- 政府機構的任何監管查詢將提交予董事會以供於發生時審核及討論（倘必要）；

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- the Representatives or other delegates of the Board shall meet with the registered shareholders or directors of Hunan Yunrong to investigate and report any suspicious matters to the Board;
- the Board shall collect the management accounts and major operational data of Hunan Yunrong regularly for review which will be no less frequent than on a quarterly basis; the financial team of the Company will seek explanations from the senior management of Hunan Yunrong on any material fluctuations;
- the Board will consult the Company's PRC legal advisers from time to time to check if there are any legal developments in the PRC affecting the arrangement contemplated under the Yunrong Control Documents (such as the development of the draft Foreign Investment Law), and the Board will determine if any modification or amendment are required to be made;
- major issues arising from implementation and performance of the Yunrong Control Documents, if any, will be reviewed by the Board on a regular basis; the Board will determine, as part of its periodic review process, whether legal advisers and/or other professionals will need to be retained to assist the Group to deal with specific issues arising from the Yunrong Control Documents;
- the Board will disclose the overall performance and compliance with the Yunrong Control Documents in its annual report to update the Shareholders and potential investors; and
- the Company shall comply with the conditions prescribed under the waiver granted by the Stock Exchange in connection with the continuing connected transactions contemplated under the Yunrong Control Documents.
- 該等代表或董事會的其他代表將與湖南雲融登記股東或董事會面以調查並向董事會報告任何可疑事項；
- 董事會應定期收集湖南雲融的管理層賬目及主要營運數據以供審核，頻率將不少於按季度基準收集；本公司的財務團隊將尋求湖南雲融高級管理層對任何重大波動的解釋；
- 董事會將不時諮詢本公司的中國法律顧問以檢查中國是否發生任何法律發展影響雲融控制性協議項下擬進行安排（如《外國投資法草案》的發展），而董事會將釐定是否需作出任何修改或修訂；
- 執行及履行雲融控制性協議產生的主要問題（如有）將由董事會定期檢討；作為其定期檢討程序的一部分，董事會將釐定是否聘請法律顧問及／或其他專業人士以協助本集團處理雲融控制性協議產生的具體問題；
- 董事會將於其年報中披露整體履行及遵守雲融控制性協議的情況並向股東及潛在投資者發佈最新情況；及
- 本公司將遵守聯交所就雲融控制性協議項下擬進行的持續關連交易授出的豁免所規定的條件。



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4. Term of the Yunrong Control Documents and unwinding of the Yunrong Control Documents

The Yunrong Master Exclusive Service Agreement, Yunrong Business Cooperation Agreement, Yunrong Exclusive Option Agreement and Yunrong Proxy Agreement and Power of Attorney shall remain in effect except terminated by Beijing Hi Sunsray with 30 days prior written notice, terminated upon transfer of all the equity interests of Hunan Yunrong to Beijing Hi Sunsray and/or its designee pursuant to the Yunrong Exclusive Option Agreement, and/or automatically terminated upon the event that it becomes permitted under PRC laws for Beijing Hi Sunsray to directly hold the equity interests of Hunan Yunrong, and Beijing Hi Sunsray or its designated party has obtained all the equity interests of Hunan Yunrong. The Yunrong Equity Interest Pledge Agreement shall take effect upon registration with the relevant PRC authority and shall be valid for 50 years thereafter.

As at the date of this report, there is no unwinding of any of the Yunrong Control Documents or failure to unwind when the restrictions that led to the adoption of such Contractual Arrangement become no longer applicable.

5. Application for and conditions of waiver

Each of Zhang and Wei is a director of certain subsidiaries of the Company and hence each of Zhang and Wei is a connected person of the Company at subsidiary level. Therefore, the Yunrong Control Documents constitute connected transactions and/or continuing connected transactions at subsidiary level under Chapter 14A of the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”). The Company has applied for, and the Stock Exchange has granted a waiver pursuant to Rule 14A.102 of the Listing Rules from (i) fixing the term of the Yunrong Control Documents for a period of not exceeding three years pursuant to Rule 14A.52 of the Listing Rules, and (ii) setting a maximum aggregate annual cap pursuant to Rule 14A.53 of the Listing Rules for the services fees payable by Hunan Yunrong to Beijing Hi Sunsray and the amount of loans to be made available by Beijing Hi Sunsray to Hunan Yunrong as contemplated under the Yunrong Control Documents. The waiver is subject to the conditions as set out below.

- (1) No Change without Independent non-executive Directors’ Approval: Save for any mandatory change required under applicable laws and regulations, no changes to the terms of any of the Yunrong Control Documents will be made without the approval of the independent non-executive Directors.

4. 雲融控制性協議的條款及雲融控制性協議的解除

雲融獨家服務總協議、雲融業務合作協議、雲融獨家購買權協議及雲融委託協議及授權委託書將一直有效，惟北京高陽聖思園發出30日事先書面通知終止、所有湖南雲融股權根據雲融獨家購買權協議轉讓予北京高陽聖思園及／或其指定人士時終止、及／或在北京高陽聖思園獲中國法律准許直接持有湖南雲融的股權及北京高陽聖思園或其指定人士已取得湖南雲融全部股權的情況下自動終止除外。雲融股權質押協議將於向相關中國機構登記時起生效並將於其後50年有效。

於本報告日期，概無解除任何雲融控制性協議或於導致採納該合約安排的限制獲移除時而不再適用任何雲融控制性協議的情況。

5. 申請豁免及豁免條件

張永剛及衛明亮各自為本公司若干附屬公司的董事，因此張永剛及衛明亮各自為本公司於附屬公司層面的關連人士。因此，雲融控制性協議構成聯交所證券上市規則（「上市規則」）第十四A章項下於附屬公司層面的關連交易及／或持續關連交易。本公司已根據上市規則第14A.102條向聯交所申請，且聯交所已批准豁免遵守(i)根據上市規則第14A.52條，釐定雲融控制性協議的期限不超過三年，及(ii)根據上市規則第14A.53條就下列各項設定最高年度上限總額：湖南雲融向北京高陽聖思園應支付的服務費及北京高陽聖思園根據雲融控制性協議向湖南雲融可提供的貸款金額。有關豁免受下列各項條件所規限。

- (1) 未經獨立非執行董事批准不得作出任何變更：除適用法律及法規規定的任何強制性變更外，在未經獨立非執行董事批准的情況下，將不得對任何雲融控制性協議的條款作出任何變更。

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- (2) Economic Benefits Flexibility: The Yunrong Control Documents shall continue to enable the Company to receive the economic benefits derived by Hunan Yunrong through (a) the potential right of the Group (if and when so allowed under the applicable PRC laws) to acquire the entire equity interest in Hunan Yunrong at the lowest price permissible under the then applicable PRC laws, (b) the business structure under which the audited consolidated net profits generated by Hunan Yunrong is retained by the Group (such that no annual caps shall be set on the amount of the services fees payable to Beijing Hi Sunray under the Yunrong Master Exclusive Service Agreement), and (c) the right of the Group to control the management and operation of, as well as, in substance, all of the voting rights of Hunan Yunrong.
- (2) 經濟利益靈活度：雲融控制性協議將繼續讓本公司能夠透過以下各項收取湖南雲融所取得的經濟利益：(a)本集團的潛在權利（倘及當適用中國法律允許），以按當時適用中國法律許可的最低價格收購於湖南雲融的全部股權；(b)湖南雲融產生的經審核綜合純利由本集團保留的業務架構（因此不得就根據雲融獨家服務總協議應付北京高陽聖思園的服務費金額設定年度上限）；及(c)本集團控制湖南雲融管理及經營以及實際上所有投票權的權利。
- (3) Renewal and reproduction: On the basis that the Yunrong Control Documents provide an acceptable framework for the relationship between the Company and its subsidiaries in which the Company has direct shareholding, on the one hand, and Hunan Yunrong, on the other hand, such framework may be renewed and/or reproduced upon the expiry of the existing arrangements or in relation to any existing or new wholly foreign owned enterprise or operating company (including branch company) engaging in the same business in the PRC as that of the Group which the Group might wish to establish when justified by business expediency, without obtaining the approval of the Shareholders, on substantially the same terms and conditions as the existing Yunrong Control Documents. The directors, chief executive or substantial shareholders of any existing or new wholly foreign owned enterprise or operating company (including branch company) engaging in the same business that the Company may establish upon renewal and/or reproduction of the Yunrong Control Documents will be treated as the connected persons of the Company and transactions between these connected persons and the Company other than those under similar Yunrong Control Documents shall comply with Chapter 14A of the Listing Rules. This condition is subject to relevant PRC laws and approvals from the relevant PRC authorities.
- (3) 重續及重訂：基於雲融控制性協議為本公司及其附屬公司（本公司於其中擁有直接股權）（作為一方）與湖南雲融（作為另一方）之間的關係提供可接受的框架，該框架可能於現有安排屆滿後或就本集團在未獲得股東批准的情況下可能因業務便利的原因而希望成立的在中國從事與本集團業務相同的業務之任何現有或新外商獨資企業或營運公司（包括分公司）按與現有雲融控制性協議大致相同的條款及條件重續及／或重訂。本公司可能於重續及／或重訂雲融控制性協議後成立的從事相同業務之任何現有或新外商獨資企業或營運公司（包括分公司）的董事、主要行政人員或主要股東將被視為本公司的關連人士，而該等關連人士與本公司之間的交易（相似雲融控制性協議項下的交易除外）須遵守上市規則第十四A章。該項條件須受相關中國法律所規限及須取得相關中國機構批准。

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- (4) Ongoing Reporting and Approvals: the Group will disclose details relating to the Yunrong Control Documents on an ongoing basis as follows:
- The Yunrong Control Documents in place during each financial period will be disclosed in the Company's annual report and accounts in accordance with the relevant provisions of the Listing Rules;
 - The independent non-executive Directors will review the Yunrong Control Documents annually and confirm in the Company's annual report for the relevant year that the transactions carried out during such year have been entered into (x) in the ordinary and usual course of business of the Group; (y) on normal commercial terms or better; and according to the Yunrong Control Documents on terms that are fair and reasonable and in the interests of the Shareholders as a whole;
 - The Company's auditors will carry out procedures annually on the transactions carried out pursuant to the Yunrong Control Documents and will provide a letter to the Directors with a copy to the Stock Exchange at least 10 business days before the bulk printing of the Company's annual report, confirming whether anything has come to their attention that causes them to believe that the continuing connected transactions (x) have not been approved by the Board; and (y) were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions;
 - For the purposes of Chapter 14A of the Listing Rules, and in particular the definition of "connected person", Hunan Yunrong and its subsidiaries (if any) will be treated as the Company's subsidiaries, and at the same time, the directors, chief executives or substantial shareholders (as defined in the Listing Rules) of Hunan Yunrong and its subsidiaries and their respective associates will be treated as the Company's connected persons. As such, the transactions between these connected persons and the Group (including for this purpose, Hunan Yunrong and its subsidiaries, if any), other than those under the Yunrong Control Documents, shall comply with Chapter 14A of the Listing Rules; and
- (4) 持續報告及批准：本集團將按以下方式持續披露有關雲融控制性協議的詳情：
- 每個財政期間訂立的雲融控制性協議將根據上市規則的相關條文於本公司的年報及賬目中披露；
 - 獨立非執行董事將每年檢討雲融控制性協議，並於本公司相關年度的年報中確認，於該年度訂立的交易(x)乃於本集團的一般及日常業務過程中訂立；(y)乃按正常商業條款或更佳條款訂立；以及根據雲融控制性協議，其條款屬公平合理並符合股東整體的利益；
 - 本公司核數師將每年對根據雲融控制性協議進行的交易執程序，並將於本公司年報批量印刷前至少10個營業日向董事提供一份函件（並向聯交所提供函件副本），確認彼等是否注意到任何事宜致令彼等相信，持續關連交易(x)並無獲董事會批准；及(y)並無在所有重大方面根據規管該等交易的相關協議訂立；
 - 就上市規則第十四A章而言及特別是就「關連人士」的定義而言，湖南雲融及其附屬公司（如有）將被視為本公司的附屬公司，同時，湖南雲融及其附屬公司及其聯營公司的董事、主要行政人員或主要股東（定義見上市規則）將被視為本公司的關連人士。因此，該等關連人士與本集團之間的交易（就此而言，包括湖南雲融及其附屬公司（如有）（雲融控制性協議項下的交易除外）須遵守上市規則第十四A章；及

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- Hunan Yunrong also undertakes that, during the term of the Yunrong Control Documents, it will provide the Group's management and the Company's auditors with full access to its relevant records for the purpose of the Company's auditors' review on the continuing connected transactions.

6. Material change to other contractual arrangements

As disclosed in the announcement of the Company dated 21 May 2019, the Group has implemented certain corporate restructuring, so that the Existing JIM Control Documents will be terminated upon completion of such restructuring and a new set of control agreements will take effect. As at the date of this report, the corporate restructuring has not yet completed and the Existing JIM Control Documents remain effective.

- 湖南雲融亦承諾，於雲融控制性協議期限內，其將為本集團管理層及本公司核數師提供獲得其相關記錄的全部權限，以供本公司核數師審閱持續關連交易。

6. 其他合約安排的重大變動

如本公司日期為二零一九年五月二十一日的公佈所披露，本集團已進行若干公司重組，而於該重組完成後現行重慶結行控制性協議將終止及一系列新控制性協議將生效。於本報告日期，公司重組尚未完成及現行重慶結行控制性協議繼續有效。

KEY INVESTING AND FINANCING ACTIVITIES

Deemed disposal of VBill (Cayman) and grant of put option by VBill (Cayman)

(A) Subscription agreement and deemed disposal

On 12 February 2019, the Company, Mr. Shen, Mr. Li, Mr. Xue and Ms. Ge, ELECTRUM B.V. (the "Investor"), VBill (Cayman) and VBill OPCO entered into a subscription agreement ("Original Subscription Agreement"), pursuant to which the Investor will be entitled to subscribe for, and be allotted, an aggregate of up to 15% of the issued ordinary shares of VBill (Cayman) ("VBill Shares") (on a fully diluted basis immediately after the Second Capital Increase Completion (as defined below)) at an aggregate subscription price of up to RMB588,000,000.

Pursuant to the Original Subscription Agreement, subscription of the VBill Shares by the Investor will be completed in two tranches. 1,263 VBill Shares will be subscribed by and allotted to the Investor, representing approximately 11.21% of the issued VBill Shares upon completion of the first subscription ("First Capital Increase Completion") at the subscription price of RMB378,000,000. The First Capital Increase Completion is conditional upon, among other things, completion of the restructuring of various existing group of companies (including the execution of Yunrong Control Documents and control documents in relation to Chongqing JIM ("New JIM Control Documents")) in accordance with the Original Subscription Agreement. The First Capital Increase Completion is expected to take place within 10 business days after the date of issuance of a notice of satisfaction of the last condition to be satisfied which cannot be later than the longstop date, being 30 June 2019 ("Longstop Date") or such other date agreed among the parties to the Original Subscription Agreement.

主要投資及融資活動

視為出售VBill (Cayman)及VBill (Cayman)授出回購權

(A) 股份認購協議及視為出售事項

於二零一九年二月十二日，本公司、申先生、黎先生、薛先生及葛女士、ELECTRUM B.V. (「投資人」)、VBill (Cayman)和隨行付共同簽署一份股份認購協議(「原股份認購協議」)，據此，投資人將有權按認購價合共最高達人民幣588,000,000元認購及獲配發VBill (Cayman)已發行普通股中合共最多15% (「VBill股份」) (在緊隨第二次增資交割(定義見下文)後充分稀釋的基礎上)。

根據原股份認購協議，投資人認購VBill股份將分兩部分完成。1,263股VBill股份(相當於首次認購完成(「第一次增資交割」)時已發行VBill股份約11.21%)將按認購價人民幣378,000,000元由投資人認購及獲配發。當(其中包括)按原股份認購協議的約定完成多個現有集團公司之重組(包括簽立雲融控制性協議及與重慶結行有關的控制性協議(「新重慶結行控制性協議」))後，第一次增資交割作實。預期第一次增資交割將於發出最後一項條件獲達成(不能遲於最晚日期，即二零一九年六月三十日)(「最晚日期」)或者原股份認購協議下各方同意的其他日期)之通知當日後10個營業日內進行。

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Consideration for the second subscription will be determined with reference to the actual net profit figure of VBill OPCO in accordance with the Original Subscription Agreement and completion of the second capital subscription (“Second Capital Increase Completion”) is expected to take place on a date no later than the later of (a) 15 business days after the First Capital Increase Completion or (b) 15 business days after the date on which the audited consolidated financial statements of VBill OPCO for the year ended 31 December 2018 is delivered to the Investor (or such other date as agreed among the parties to the Original Subscription Agreement). The final subscription price payable by the Investor and the final number of VBill Shares to be allotted and issued to the Investor is therefore subject to adjustment upon the Second Capital Increase Completion.

Immediately before the First Capital Increase Completion, VBill (Cayman) will be owned as to 80.04% by the Company, 9.96% by Delia and Grace Technology Limited, a special purpose vehicle wholly-owned by Mr. Shen for holding the VBill Shares for himself (“Shen Holdco”), 4.80% by Kapok Technology Limited, a special purpose vehicle wholly-owned by Mr. Li for holding the VBill Shares for himself (“Li Holdco”), 3.20% by Yuteng Technology Limited, a special purpose vehicle wholly-owned by Mr. Xue for holding the VBill Shares for himself (“Xue Holdco”) and 2.00% by Just Pay Technology Limited, a special purpose vehicle wholly-owned by Ms. Ge for holding the VBill Shares for herself (“Ge Holdco”) (the Shen Holdco, Li Holdco, Xue Holdco and Ge Holdco are collectively as the “Management Shareholders Holdcos”). Immediately after the First Capital Increase Completion, VBill (Cayman) will be owned as to approximately 71.07% by the Company, approximately 11.21% by the Investor, approximately 8.84% by Shen Holdco, approximately 4.26% by Li Holdco, approximately 2.84% by Xue Holdco and approximately 1.78% by Ge Holdco.

第二次認購之代價將根據原股份認購協議參考隨行付之實際溢利淨額數字釐定，及預期第二次資本認購完成（「第二次增資交割」）將不遲於下列日期（以較晚者為準）作實：(a)第一次增資交割後15個營業日或(b)隨行付截至二零一八年十二月三十一日止年度之經審核綜合財務報表交付予投資人當日後15個營業日（或原股份認購協議訂約方之間協定之其他日期）。因此投資人之最終應付認購價及將予配發及發行予投資人之VBill股份最終數目可於第二次增資交割時予以調整。

在第一次增資交割前，VBill (Cayman)將由本公司、Delia and Grace Technology Limited（申先生全資擁有之特殊目的實體，乃為其本身持有VBill股份）（「申政持股平台」）、Kapok Technology Limited（黎先生全資擁有之特殊目的實體，乃為其本身持有VBill股份）（「黎會敏持股平台」）、Yuteng Technology Limited（薛先生全資擁有之特殊目的實體，乃為其本身持有VBill股份）（「薛光宇持股平台」）及Just Pay Technology Limited（葛女士全資擁有之特殊目的實體，乃為其本身持有VBill股份）（「葛曉霞持股平台」）（申政持股平台、黎會敏持股平台、薛光宇持股平台及葛曉霞持股平台統稱為「管理層股東持股平台」）分別擁有80.04%、9.96%、4.80%、3.20%及2.00%權益。緊隨第一次增資交割後，VBill (Cayman)將由本公司、投資人、申政持股平台、黎會敏持股平台、薛光宇持股平台及葛曉霞持股平台分別擁有約71.07%、約11.21%、約8.84%、約4.26%、約2.84%及約1.78%權益。

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Immediately upon the Second Capital Increase Completion and on the assumption that the number of VBill Shares needs to be adjusted, the Company's shareholding in VBill (Cayman) may be diluted to the largest possible extent of approximately 68.03% (assuming the Investor has subscribed for 15% of the issued VBill Shares on a fully diluted basis). After completion of the transactions contemplated under the Original Subscription Agreement, the Company will be deemed to have disposed of a maximum of approximately 12.01% interest in VBill (Cayman) (ie. from 80.04% to 68.03%), but VBill (Cayman) will remain as a subsidiary of the Company.

(B) Shareholders' Agreement and grant of Put Option

Under the Original Subscription Agreement, upon the First Capital Increase Completion, the parties will enter into a shareholders' agreement ("Shareholders' Agreement") in respect of the management and ownership of VBill (Cayman), pursuant to which, among other things, VBill (Cayman) will grant a put option to the Investor and the exercise of which will be subject to the terms and conditions of the Shareholders' Agreement ("Put Option").

(C) Restated Subscription Agreement and amended Shareholders' Agreement

On 21 May 2019: (a) parties to the Original Subscription Agreement entered into a restatement agreement to amend and restate the Original Subscription Agreement and the agreed form of the New JIM Control Documents respectively, each with effect from the same date; (b) the Company, the Management Shareholders, the Management Shareholders Holdcos, the Investor, VBill (Cayman), 北京微碼數據科技有限公司 ("WFOE", unofficial English translation being "Beijing Microcode Data Technology Co., Ltd."), VBill OPCO and Chongqing JIM (which joined as a new party to the amended shareholders' agreement) entered into an amended shareholders' agreement; (c) the Investor, VBill (Cayman) and the WFOE entered into an revised agreement of pledge; and (d) the relevant parties implemented the restructuring ("VIE Restructuring") concerning the contractual arrangements involving Hunan Yunrong (i.e. Yunrong Control Documents), Chongqing JIM and VBill OPCO and their respective subsidiaries (i.e. New JIM Control Documents).

緊隨第二次增資交割後及假設VBill股份之數目需要調整，本公司於VBill (Cayman)之股權可能最高稀釋至約68.03% (假設投資人在充分稀釋基礎上已認購15%已發行VBill股份)。於原股份認購協議項下擬進行之交易完成後，本公司將被視為已出售最多約12.01% VBill (Cayman)權益 (即從80.04%稀釋至68.03%)，但VBill (Cayman)將仍然為本公司之附屬公司。

(B) 股東協議及授出回購權

根據原股份認購協議，在第一次增資交割時，訂約方將就VBill (Cayman)之管理及擁有權訂立股東協議(「股東協議」)，據此，(其中包括)VBill (Cayman)將向投資人授出回購權，及其行使將受股東協議之條款及條件規限(「回購權」)。

(C) 經重述認購協議及經修訂股東協議

於二零一九年五月二十一日：(a)原股份認購協議的訂約方訂立一份重述協議以修訂及重述原股份認購協議及新重慶結行控制性協議之協定格式，各項協議均於同日生效；(b)本公司、管理層股東、管理層股東持股平台、投資人、VBill (Cayman)、北京微碼數據科技有限公司(「WFOE」)、隨行付及重慶結行(作為經修訂股東協議的新訂約方而加入)訂立經修訂股東協議；(c)投資人、VBill (Cayman)及WFOE訂立一份經修訂質押協議；及(d)相關各方執行與涉及湖南雲融(即雲融控制性協議)、重慶結行及隨行付以及彼等各自附屬公司的合約安排(即新重慶結行控制性協議)有關的重組(「VIE重組」)。

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Under the above amended agreements, the following material changes to the original agreements have been made:

- (i) the subscription by the Investor of the VBill Shares will be completed in one tranche only (“Subscription”); the total subscription price payable by the Investor and the number of subscription shares are fixed at RMB588,000,000 and approximately 11.21% of the issued VBill Shares upon completion of the Subscription; accordingly, the Company will be deemed to have disposed of approximately 8.97% of VBill (Cayman) from 80.04% to approximately 71.07% upon completion of the Subscription (“Deemed Disposal”);
- (ii) the Longstop Date is extended to 30 September 2019 (or such other date as may be agreed among the parties); and
- (iii) as a result of the VIE Restructuring, Chongqing JIM, VBill OPCO and its subsidiaries will be 100% contractually controlled by the Group through the New JIM Control Documents; therefore, the VBill Control Documents will not be executed.

(D) Implications under the Listing Rules and the special general meeting

As the highest applicable percentage ratio (as defined under the Listing Rules) under the Listing Rules in respect of the Deemed Disposal exceeds 5% but all applicable percentage ratios are less than 25%, the Deemed Disposal constitutes a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

Each of Shen, Li, Xue and Ge (i.e. the Management Shareholders), together with Shen Holdco, Li Holdco, Xue Holdco and Ge Holdco which is respectively an associate of Shen, Li, Xue and Ge is a connected person of the Company at subsidiary level. The entering into of the Subscription Agreement between the Company and the Management Shareholders, and the transactions contemplated thereunder constitute connected transactions of the Company under Chapter 14A of the Listing Rules and are subject to the reporting and announcement requirements but are exempt from the circular, independent financial advice and shareholders’ approval requirements pursuant to Rule 14A.101 of the Listing Rules.

根據上述經修訂協議，已對原協議作出下列重大變更：

- (i) 投資人認購VBill股份將僅一次完成（「認購事項」）；投資人應付的認購價總額及認購股份數目分別為人民幣588,000,000元及為認購事項完成後已發行VBill股份約11.21%；因此，本公司將被視為已出售VBill (Cayman) 約8.97%權益，於認購事項完成後其權益由80.04%減至約71.07%（「視為出售事項」）；
- (ii) 最晚日期延至二零一九年九月三十日（或訂約方可能協定的其他日期）；及
- (iii) 由於進行VIE重組，重慶結行、隨行付及其附屬公司將由本集團通過新重慶結行控制性協議100%合約控制；因此，將不會簽立隨行付控制性協議。

(D) 上市規則的涵義及股東特別大會

由於根據上市規則視為出售事項的最高適用百分比率（定義見上市規則）超過5%，但所有適用百分比率低於25%，故視為出售事項構成本公司一項須予披露交易，因此須遵守上市規則第十四章項下的通知及公告規定。

申政、黎會敏、薛光宇及葛曉霞（即管理層股東，連同申政持股平台、黎會敏持股平台、薛光宇持股平台及葛曉霞持股平台（其分別為申政、黎會敏、薛光宇及葛曉霞的聯營公司））各自為本公司於附屬公司層面的關連人士。本公司與管理層股東訂立股份認購協議及其項下擬進行的交易構成上市規則第十四A章項下本公司的關連交易並須遵守上市規則第14A.101條的申報及公告規定，但獲豁免遵守通函、獨立財務意見及股東批准規定。

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As the highest applicable percentage ratio (as defined under the Listing Rules) under the Listing Rules in respect of the grant and exercise of the Put Option (the exercise of which is not at the discretion of the Company) exceeds 25% but all applicable percentage ratios are less than 75%, the grant and exercise of the Put Option and the acquisition of VBill (Cayman) by the Company contemplated thereunder constitute a major transaction of the Company and is therefore subject to the notification, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The Company convened a special general meeting on 18 July 2019, at which the Shareholders passed the ordinary resolution to approve the Subscription Agreement, the transactions contemplated thereunder, and the grant and exercise of the Put Option contemplated under the Shareholders' Agreement. As at the date of this report, the Deemed Disposal is yet to complete.

Please refer to the announcements of the Company dated 12 February 2019, 21 May 2019 and 18 July 2019, and the circular of the Company dated 21 June 2019 for further details.

由於根據上市規則授出及行使回購權(其行使不可由本公司酌情決定)的最高適用百分比率(定義見上市規則)超過25%,但所有適用百分比率均低於75%,故授出及行使回購權及其項下擬進行的本公司收購VBill (Cayman)構成本公司的主要交易,因此,須遵守上市規則第十四章的通知、公告、通函以及股東批准規定。

本公司已於二零一九年七月十八日召開股東特別大會,股東已於會上通過有關批准股份認購協議及其項下擬訂立交易,以及根據股東協議擬授出及行使回購權的普通決議案。於本報告日期,視為出售事項尚未完成。

有關進一步詳情,請參閱本公司日期為二零一九年二月十二日、二零一九年五月二十一日及二零一九年七月十八日的公佈及本公司日期為二零一九年六月二十一日的通函。

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2019, the Group reported total assets of HK\$7,335.3 million (31 December 2018: HK\$6,632.5 million), which were financed by total liabilities of HK\$2,364.0 million (31 December 2018: HK\$2,061.2 million) and equity of HK\$4,971.3 million (31 December 2018: HK\$4,571.3 million). The net asset value was HK\$4,971.3 million (31 December 2018: HK\$4,571.3 million). The net asset value per share amounted to HK\$1.790 per share as compared to HK\$1.646 per share as at 31 December 2018.

As at 30 June 2019, the Group had cash and cash equivalents of HK\$3,448.4 million (31 December 2018: HK\$2,681.5 million) and no short-term borrowings (31 December 2018: HK\$10.2 million). The net cash position as at 30 June 2019 was HK\$3,448.4 million as compared to HK\$2,671.3 million as at 31 December 2018. As at 30 June 2019, the gearing ratio (defined as total borrowing divided by total equity) was zero (31 December 2018: 0.2%). The gearing ratio is considered healthy and suitable for the continuous growth of the Group's business.

流動資金及財務資源

於二零一九年六月三十日,本集團錄得總資產7,335,300,000港元(二零一八年十二月三十一日:6,632,500,000港元),相應負債總額2,364,000,000港元(二零一八年十二月三十一日:2,061,200,000港元)及權益總額為4,971,300,000港元(二零一八年十二月三十一日:4,571,300,000港元)。資產淨值則為4,971,300,000港元(二零一八年十二月三十一日:4,571,300,000港元)。每股資產淨值為每股1.790港元,而於二零一八年十二月三十一日則為每股1.646港元。

於二零一九年六月三十日,本集團有現金及現金等價物3,448,400,000港元(二零一八年十二月三十一日:2,681,500,000港元)及並無短期借款(二零一八年十二月三十一日:10,200,000港元)。於二零一九年六月三十日之現金淨額為3,448,400,000港元,相對二零一八年十二月三十一日則為2,671,300,000港元。於二零一九年六月三十日,資本負債比率(定義為借款總額除股東權益)為零(二零一八年十二月三十一日:0.2%)。資本負債比率被視為穩健,並適合本集團業務持續發展。

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CAPITAL STRUCTURE AND DETAILS OF CHARGES

As at 30 June 2019, the Group had no bank borrowings (31 December 2018: HK\$10.2 million) and had banking facilities of approximately HK\$18.2 million (31 December 2018: HK\$18.2 million). As at 30 June 2019, the banking facilities were secured by the leasehold land and buildings of a subsidiary of the Company, with a net book amount of HK\$2.8 million and HK\$7.0 million, respectively. As at 31 December 2018, the bank borrowings and banking facilities were secured by the leasehold land and buildings of a subsidiary of the Company, with a net carrying amount of HK\$2.9 million and HK\$7.5 million, respectively.

Approximately HK\$2,776.5 million, HK\$281.6 million, HK\$270.1 million, HK\$117.6 million and HK\$2.6 million of the Group's cash balances were denominated in Renminbi, Hong Kong dollar, US dollar, Japanese Yen and Macanese Pataca ("MOP") respectively as at 30 June 2019.

Approximately HK\$1,909.6 million, HK\$380.3 million, HK\$195.8 million, HK\$193.2 million and HK\$2.6 million of the Group's cash balances were denominated in Renminbi, Hong Kong dollar, US dollar, Japanese Yen and MOP respectively as at 31 December 2018.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

Save as disclosed in this report, the Group did not have any material acquisition or disposal of subsidiaries during the six months ended 30 June 2019.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this report, there was no specific plan for material investments or capital assets as at 30 June 2019.

EXCHANGE RATES EXPOSURE

The Group derives its revenue, makes purchases and incurs expenses denominated mainly in US dollar, Renminbi, Hong Kong dollar and Japanese Yen. During the current period, the Group has not entered into any agreements or purchased any instruments to hedge the Group's exchange rate risks. Any material fluctuation in the exchange rates of Hong Kong dollar, Renminbi or Japanese Yen may have an impact on the operating results of the Group.

資本架構及抵押詳情

於二零一九年六月三十日，本集團並無銀行借款（二零一八年十二月三十一日：10,200,000港元）及有銀行信貸約18,200,000港元（二零一八年十二月三十一日：18,200,000港元）。於二零一九年六月三十日，銀行信貸由本公司一間附屬公司之租賃土地及樓宇（賬面淨值分別為2,800,000港元及7,000,000港元）作抵押。於二零一八年十二月三十一日，銀行借款及銀行信貸由本公司一間附屬公司之租賃土地及樓宇（賬面淨值分別為2,900,000港元及7,500,000港元）作抵押。

於二零一九年六月三十日，本集團之現金結餘分別約2,776,500,000港元、281,600,000港元、270,100,000港元、117,600,000港元及2,600,000港元乃分別以人民幣、港元、美元、日圓及澳門幣（「澳門幣」）列值。

於二零一八年十二月三十一日，本集團之現金結餘分別約1,909,600,000港元、380,300,000港元、195,800,000港元、193,200,000港元及2,600,000港元乃分別以人民幣、港元、美元、日圓及澳門幣列值。

附屬公司之重大收購及出售

除本報告所披露者外，本集團於截至二零一九年六月三十日止六個月並無進行任何重大的附屬公司收購或出售。

重大投資或資本資產之未來計劃

除本報告所披露者外，於二零一九年六月三十日，本集團並無就重大投資或資本資產制定任何特定計劃。

匯率風險

本集團產生之收入、進行採購及支付之費用主要以美元、人民幣、港元及日圓列值。於本期間，本集團並無訂立任何協議或購買任何工具以對沖本集團之匯率風險。倘港元、人民幣或日圓之匯率出現任何重大波動，均可能對本集團之經營業績造成影響。

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CONTINGENT LIABILITIES

(A) Performance Guarantee Agreement with a customer

In 2015, the Company entered into a performance guarantee agreement with a customer (the "Performance Guarantee Agreement"). Pursuant to the Performance Guarantee Agreement, the Company agreed to provide the customer with a guarantee in relation to the due and punctual performance of a service project by a subsidiary of the Group with a surety of not more than HK\$60,000,000 and to indemnify the customer against any third-party claim of intellectual property right infringement resulting from the acts of the said subsidiary. As at 30 June 2019, the Company does not recognise any liability in relation to the Performance Guarantee Agreement as the Directors consider the possibility of reimbursement not probable.

(B) Guarantee Agreement with subsidiaries of the Group

On 3 July 2018, the Company entered into a guarantee agreement ("2018 Guarantee Agreement") with its wholly-owned subsidiary ("Subsidiary A") and another wholly-owned subsidiary ("Subsidiary B") of the Company against a named manufacturer. Pursuant to the 2018 Guarantee Agreement, the Company shall guarantee to repay the due and unsettled debts of Subsidiary A and/or Subsidiary B individually and/or collectively of up to US\$10,000,000 incurred in relation to such manufacturing orders placed by Subsidiary A and/or Subsidiary B individually and/or collectively, should each of them individually and/or collectively cease or fail to honour its payment obligations.

In respect of the further expansion of organization structure, credit limit of manufacturing orders was also placed by another wholly-owned subsidiary ("Subsidiary C") of the Company against the aforesaid manufacturer. The Company entered into a new guarantee agreement dated 5 July 2019 ("2019 Guarantee Agreement") with Subsidiary A, Subsidiary B and Subsidiary C. Pursuant to the 2019 Guarantee Agreement, the Company shall guarantee to repay the due and unsettled debts of Subsidiary A and/or Subsidiary B and/or Subsidiary C individually and/or collectively of up to US\$10,000,000 incurred in relation to such manufacturing orders placed by Subsidiary A and/or Subsidiary B and/or Subsidiary C individually and/or collectively, should each of them individually and/or collectively cease or fail to honour its payment obligations.

The 2018 Guarantee Agreement was terminated on 5 July 2019 and the entirety of the Company's obligations and liability thereunder, if any, was effectively transferred to the 2019 Guarantee Agreement, subject to the terms and conditions of the 2019 Guarantee Agreement.

或然負債

(A) 與一名客戶訂立表現擔保協議

於二零一五年，本公司與一名客戶訂立表現擔保協議（「表現擔保協議」）。根據表現擔保協議，本公司同意就本集團一間附屬公司恰當及如期執行服務項目向客戶提供擔保，擔保金額不超過60,000,000港元，並同意就因上述附屬公司侵犯第三方知識產權的行為引致的索償向該客戶作出彌償。於二零一九年六月三十日，本公司並無確認為有關表現擔保協議的負債，原因乃董事認為提出索償之可能性不高。

(B) 與本集團附屬公司訂立擔保協議

於二零一八年七月三日，本公司與其全資附屬公司（「附屬公司A」）及本公司另一間全資附屬公司（「附屬公司B」）針對指定製造商訂立擔保協議（「二零一八年擔保協議」）。根據二零一八年擔保協議，倘附屬公司A及／或附屬公司B個別及／或共同停止或未能履行其付款責任，本公司將保證償還附屬公司A及／或附屬公司B因上述製造訂單所引致而個別及／或共同結欠的到期及未償還債務，保證金不超過10,000,000美元。

由於進一步擴展組織架構，本公司另一間全資附屬公司（「附屬公司C」）對上述製造商下發製造訂單之信貸限額。本公司與附屬公司A、附屬公司B及附屬公司C訂立日期為二零一九年七月五日之新擔保協議（「二零一九年擔保協議」）。根據二零一九年擔保協議，倘附屬公司A及／或附屬公司B及／或附屬公司C個別及／或共同停止或未能履行其付款責任，本公司將保證償還附屬公司A及／或附屬公司B及／或附屬公司C個別及／或共同因上述製造訂單所引致而個別及／或共同結欠的到期及未償還債務，保證金不超過10,000,000美元。

二零一八年擔保協議於二零一九年七月五日已告終止，而本公司於其項下之全部義務及責任（如有）已有效撥入二零一九年擔保協議，並受限於二零一九年擔保協議之條款及條件。

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Save as disclosed above, the Group had no material contingent liability as at 30 June 2019.

除上文披露者外，於二零一九年六月三十日，本集團並無任何重大或然負債。

EMPLOYEES

The total number of employees of the Group as at 30 June 2019 was 2,649. The breakdown of employees by division is as follows:

僱員

本集團於二零一九年六月三十日之僱員總數為2,649人。僱員按部門細分如下：

Payment processing solutions	支付交易處理解決方案	977
Information security chips and solutions	信息安全芯片及解決方案	97
Platform operation solutions	平台運營解決方案	753
Financial solutions	金融解決方案	555
Electronic power meters and solutions	電能計量產品及解決方案	213
Others	其他	12
Corporate office	總部	42

2,649

The Group ensures that its remuneration packages are comprehensive and competitive. Employees are remunerated with a fixed monthly income plus annual performance related bonuses. The Group operates a Share Option Scheme and employees' incentive schemes. The details of which are set out in the Additional Information. The Group also sponsors selected employees to attend external training courses that suit the needs of the Group's businesses.

本集團確保其薪酬待遇全面且具競爭性。僱員之薪酬包括每月定額薪金，另加與表現掛鈎之年度花紅。本集團設有購股權計劃及僱員獎勵計劃，有關詳情載於其他資料。本集團亦資助選定僱員參與符合本集團業務需要之外界培訓課程。

Disclaimer:

免責聲明：

Non-GAAP measures

非公認會計原則指標

Certain non-GAAP (generally accepted accounting principles) measures, such as EBITDA, are used for assessing the Group's performance. These non-GAAP measures are not expressly permitted measures under GAAP in Hong Kong and may not be comparable to similarly titled measures for other companies. Accordingly, such non-GAAP measures should not be considered as an alternative to operating income as an indicator of the operating performance of the Group or as an alternative to cash flows from operating activities as a measure of liquidity. The use of non-GAAP measures is provided solely to enhance the overall understanding of the Group's current financial performance. Additionally because the Group has historically reported certain non-GAAP results to investors, the Group considers the inclusion of non-GAAP measures provides consistency in our financial reporting.

若干非公認會計原則指標乃用於評估本集團之表現，例如EBITDA。但該等非公認會計原則指標並非香港公認會計原則所明確認可之指標，故未必可與其他公司之同類指標作比較，因此，該等非公認會計原則指標不應視作經營收入（作為本集團業務指標）之替補或經營活動現金流量（作為衡量流動資金之指標）之替補。提供非公認會計原則指標純粹為加強對本集團現時財務表現之整體理解，此外，由於本集團以往曾向投資者報告若干採用非公認會計原則計算之業績，因此本集團認為包括非公認會計原則指標可為本集團之財務報告提供一致性。

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PAYMENT PROCESSING SOLUTIONS

The payment processing solutions segment was in good momentum in the first half of 2019. In the first half of the year, the cumulative transaction volume exceeded RMB935 billion and the number of transactions handled was more than 3,950 billion, an increase of 36% and 140% over the same period of last year respectively. The increase in the number of transactions contributed mainly to the rapid growth of mobile QR code payment transactions, and the number of transactions increased by more than 12 times over the same period of last year. As the regulatory authorities strengthen the industry supervision and the financial payment market is gradually in line with international market, we further strengthen the investment in risk control. In the first half of this year, "Tianjing" (天鏡) risk control system based on expert rules was officially put into use, and a comprehensive scan was conducted for all merchants, which optimized the structure of merchants, paid more attention to their quality and reduced their risks. As of the end of June 2019, the accumulated number of active domestic merchants exceeded 3,900,000. The fintech online micro-lending business further optimized the risk control model and cautiously controlled the lending scale for the micro-lending business. The supply chain financial platform has also been launched simultaneously.

Pursuant to the amended and restated Subscription Agreement (described in further details under the subsection "Key Investing and Financing Activities") in relation to the subscription of new VBill Shares by the Investor dated 21 May 2019, the Investor will conditionally subscribe for VBill Shares, representing approximately 11.21% of the issued VBill Shares upon completion of the Subscription, at the consideration of RMB588,000,000. The Subscription will provide funding for further expansion of business, thereby reinforcing our comprehensive strength and growth potential. Besides, the introduction of the Investor is expected to bring strategic benefit. Through establishing and enhancing the cooperative relationship between the Company and the Investor, whose ultimate beneficial owner is a reputable private fund, such relationship is expected to benefit the payment processing solutions segment to leverage on the experience and reputation of such reputable private fund to further develop its business network and to create future funding opportunity.

INFORMATION SECURITY CHIPS AND SOLUTIONS

In the first half of 2019, the development of the payment market in China has been growing stably, while the competition in the information security chips market has become more intense. We expect the market to continue to develop steadily in the second half of 2019. Nonetheless, the growth may be affected by changes in the central bank policies targeting the payment market. Other research and development projects are progressing smoothly and cost reduction initiatives of various products are rolling out in an orderly manner.

支付交易處理解決方案

支付交易處理解決方案分類於二零一九年上半年勢頭良好。上半年累計交易規模逾9,350億元人民幣，處理超過39,500億筆交易，分別較去年同期增長36%和140%。交易筆數增加主要貢獻為掃碼支付交易增長迅猛，交易筆數比去年同期增長逾12倍。隨著監管機構加強行業監管及金融支付市場逐步與國際接軌，我們進一步加強風控上的投入，今年上半年基於專家規則的「天鏡」風控系統正式投入使用，並對全量商戶做了一次全面掃描，優化了商戶結構，更加注重商戶品質，降低商戶風險。截止二零一九年六月底，累計國內活躍商戶總數超過3,900,000戶。金融科技互聯網小貸業務進一步優化風控模型，謹慎把控小額貸款業務的規模。供應鏈金融平台亦同步開展。

根據二零一九年五月二十一日有關投資人認購新VBill股份之修訂及重述認購協議（進一步詳情見「主要投資及融資活動」分節），投資人將有條件地以人民幣588,000,000元認購完成後已發行VBill股份的約11.21%。認購事項將為業務的進一步擴展提供資金之餘並鞏固其綜合實力及增長潛力。此外，引入投資人預期會帶來策略性裨益。透過建立與改善本公司與投資人（其最終實益擁有人為享譽盛名的私募基金）之間的合作關係，預期該關係對我們的支付交易處理解決方案分類有利，因為能令其利用該享譽盛名的私募基金的經驗及聲譽進一步發展其業務網絡及創造日後融資機會。

信息安全芯片及解決方案

二零一九年上半年中國支付市場發展趨於平穩，同時信息安全芯片市場競爭也更加激烈。我們預計二零一九年下半年市場會持續平穩發展，但不排除受到央行針對支付市場的政策影響，發生變化。其他各項研發專案進展順利，各產品的成本降低工作也都在有條不紊的開展。

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PLATFORM OPERATION SOLUTIONS

During the period, we continued to provide operational support services for the E-commerce Base, the IVR Base and the Animation Base of China Mobile. While China Mobile is anticipated to vigorously develop integrated payment, featured e-commerce and fintech business this year, we await to gain more opportunities from the accelerated development of payment services of the E-commerce Base which we support and to offer them more products and business operation services. Looking ahead, we will also continue to expand our presence in the markets and industries other than that of domestic mobile operators, and expect to successfully expand overseas mobile payment technology service projects this year and develop our own e-commerce related businesses. We will strive to expand the proportion of revenue outside the communications industry and spend our utmost effort to ensure the continued stable and healthy development of our business.

FINANCIAL SOLUTIONS

With regard to the traditional customer markets, such as large state-owned banks, joint stock commercial banks and their overseas branches, we will continue to provide good services and maintain steady development of the business. At the same time, in response to the increasingly fierce competition in the domestic market, we endeavour to enhance competitiveness through aggressive investment in the following two aspects: 1) increasing the investment in new product research and development, in particular to boost the development of a new generation of decentralized core business system and winning the bid for the new generation of decentralized core business system construction project of Guizhou Bank during the period; and 2) pushing ahead overseas businesses, in particular to conduct overseas market research, set up a specialized overseas businesses service team and expand overseas cooperation channels. Currently, we have signed cooperation agreements with a number of external channels in overseas markets.

ELECTRONIC POWER METERS AND SOLUTIONS

In the first half of 2019, we did not win the bid in the first unified tender of the State Grid and the business situation was not optimistic. The State Grid will continue to further the development of new technologies, and at present the State Grid Power Research Institute is studying and setting up the GB standards for IR46 electronic power meter. We shall keep actively pursuing with the relevant works.

平台運營解決方案

期內我們繼續為中移動電商基地、IVR基地以及動漫基地提供運營支援服務；同時預期中移動今年將大力發展融合支付、特色電商以及金融科技業務。預期我們支援的電商基地可從加速發展的支付業務取得更多機遇，並提供更多產品和業務運營服務。展望未來，我們也將繼續加大對國內移動運營商外的市場和行業進行拓展，並期望在今年成功拓展海外移動支付技術服務類專案，發展自有電商類相關業務。我們將努力擴大通信行業之外的收入佔比，全力確保業務持續穩定健康發展。

金融解決方案

在大型國有銀行、股份制商業銀行及其海外分支機構等傳統客戶市場，我們將繼續做好服務，保持業務的穩定。同時，針對國內市場競爭日趨激烈的現狀，我們積極從如下兩方面進行投入以提升競爭力：1)加大新產品的研發；積極開發新一代的分散式核心業務系統，並於期內中標貴州銀行新一代分散式核心業務系統建設專案；2)佈局海外業務：進行海外市場調研，組建面向海外的服務團隊，拓展海外合作管道，目前已與多家外部管道簽訂海外市場合作協定。

電能計量產品及解決方案

二零一九年上半年，我們未能在國家電網的第一次統一招標中中標，經營形勢不樂觀。國家電網將繼續推進新技術的發展，目前，國家電網電科院正在研究和建設IR46電能表國標規範。我們將一直積極跟進相關工作。

Additional Information 其他資料

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2019, the interests and short positions of each Director and Chief Executive in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance (Cap. 571) ("SFO")), as recorded in the register maintained by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of the Listed Issuers contained in Appendix 10 to the Listing Rules ("Model Code") were as follows:

董事及行政總裁於股份、相關股份及債券之權益及淡倉

於二零一九年六月三十日，各董事及行政總裁於本公司及其相聯法團(定義見證券及期貨條例(第571章)(「證券及期貨條例」))之股份、相關股份及債券中，擁有已記入本公司根據證券及期貨條例第352條存置之登記冊或根據上市規則附錄10所載之上市發行人董事進行證券交易之標準守則(「標準守則」)已以其他方式知會本公司及聯交所之權益及淡倉如下：

		Ordinary Shares of HK\$0.0025 each in the Company 本公司每股面值0.0025港元之普通股			Interests in associated corporation 於相聯法團之權益			Approximate percentage of shareholding in the registered capital of the associated corporation 於相聯法團的註冊資本股權之概約百分比
		Personal interest 個人權益	Corporate interest 公司權益	Total 總數	Approximate percentage of shareholding in the Shares of the Company 於本公司股份股權之概約百分比	Personal interest 個人權益	Corporate interest 公司權益	
Director 董事								
Kui Man Chun	渠萬春	28,650,000 (L)*	617,083,636 (L)* (note (ii)) (附註(ii))	645,733,636	23.25%**	-	-	-
Xu Wensheng	徐文生	4,566,000 (L)*	-	4,566,000	0.16%**	750,000 (note (ii)) (附註(ii))	-	750,000
Li Wenjin	李文晉	6,400,000 (L)*	-	6,400,000	0.23%**	-	-	-
Xu Changjun	徐昌軍	16,563,000 (L)*	-	16,563,000	0.6%**	675,000 (note (iii)) (附註(iii))	-	675,000

Note:

- (i) These shares are held by Kui Man Chun through Hi Sun Limited, a company which Kui Man Chun holds a 99.16% interest, and Rich Global Limited, a wholly-owned subsidiary of Hi Sun Limited.
- (ii) These interests represented the interests in the underlying registered capital of Mega Hunt Microelectronics (Beijing) Limited ("Megahunt", a wholly-owned subsidiary of the Company) in respect of share options granted to Mr. Xu Wensheng.
- (iii) These interests represented the interests in the underlying registered capital of Megahunt in respect of share options granted to Mr. Xu Changjun.

* The Letter "L" denotes a long position in shares.

** The percentage is calculated based on the total number of issued shares of the Company as at 30 June 2019, which was 2,776,833,835 ordinary shares.

*** The percentage is calculated based on the registered capital of Megahunt as at 30 June 2019, which was HK\$15,000,000.

附註：

(i) 該等股份由渠萬春透過Hi Sun Limited(渠萬春持有99.16%權益之公司)及Hi Sun Limited之全資附屬公司Rich Global Limited持有。

(ii) 該等權益指就授予徐文生先生的購股權而於兆訊恒達微電子技術(北京)有限公司(「兆訊恒達」)·本公司之全資附屬公司)相關註冊資本的權益。

(iii) 該等權益指就授予徐昌軍先生的購股權而於兆訊恒達相關註冊資本的權益。

* 「L」表示股份中的好倉。

** 百分比乃根據本公司於二零一九年六月三十日之已發行股份總數2,776,833,835股普通股計算。

*** 有關百分比乃基於兆訊恒達於二零一九年六月三十日的註冊資本(即15,000,000港元)計算。

Additional Information

其他資料

Save as disclosed above, as at 30 June 2019, none of the Directors, the Chief Executive of the Company nor their associates (as defined in the Listing Rules) 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 maintained by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

As at 30 June 2019, the interests and short positions of substantial shareholders (other than a Director, or the Chief Executive) in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company under Section 336 of the SFO were as follows:

Ordinary share of HK\$0.0025 each in the Company

Name of shareholder 股東名稱／姓名	Personal interest 個人權益	Corporate interest 公司權益	Total number of ordinary shares 普通股總數目	Approximate percentage of shareholding** 股權之概約百分比**
Rich Global Limited ("RGL")*** Rich Global Limited (「RGL」)***	–	617,083,636 (L)*	617,083,636 (L)*	22.22%
Hi Sun Limited ("HSL")*** (Note 1) Hi Sun Limited (「HSL」)*** (附註1)	–	617,083,636 (L)*	617,083,636 (L)*	22.22%
Mr. Kui Man Chun (Note 2) 渠萬春先生 (附註2)	28,650,000 (L)*	617,083,636 (L)*	645,733,636 (L)*	23.25%
Ever Union Capital Limited ("Ever Union") Ever Union Capital Limited (「Ever Union」)	–	334,314,000 (L)*	334,314,000 (L)*	12.04%
Mr. Che Fung (Note 3) 車峰先生 (附註3)	–	334,314,000 (L)*	334,314,000 (L)*	12.04%

Notes:

- 1 Representing HSL's interests in the Company's share capital by virtue of its control of 100% shareholding in RGL.
- 2 Representing Mr. Kui Man Chun's (i) deemed interests in the Company's share capital by virtue of his control of 99.16% shareholding of HSL; and (ii) personal interests in the Company's share capital as disclosed in the preceding section.
- 3 Representing Mr. Che Fung's interests in the Company's share capital by virtue of his control of 100% shareholding in Ever Union, which holds beneficial interests in the 334,314,000 ordinary shares of the Company.

除上文所披露者外，於二零一九年六月三十日，本公司之董事、行政總裁及彼等之聯繫人（定義見上市規則）概無於本公司及其相聯法團（定義見證券及期貨條例第XV部）之任何股份、相關股份或債券中，擁有已記入本公司根據證券及期貨條例第352條存置之登記冊或根據標準守則已以其他方式知會本公司及聯交所之權益或淡倉。

主要股東於股份及相關股份之權益及淡倉

於二零一九年六月三十日，主要股東（董事或行政總裁除外）於本公司及其相聯法團擁有已記入本公司根據證券及期貨條例第336條所存置登記冊上之股份、相關股份及債券的權益及淡倉如下：

本公司每股面值0.0025港元之普通股

附註：

- 1 代表HSL因控制RGL之100%股權而於本公司股本中擁有之權益。
- 2 代表渠萬春先生(i)因控制HSL之99.16%股權而被視為於本公司股本中擁有權益；及(ii)如上一節所披露，於本公司股本中擁有之個人權益。
- 3 代表車峰先生因控制Ever Union之100%股權而於本公司股本中擁有之權益。Ever Union擁有本公司334,314,000股普通股之實際權益。

Additional Information 其他資料

* The letter "L" denotes a long position in shares.

** The percentage is calculated based on the total number of issued shares of the Company as at 30 June 2019, which was 2,776,833,835 ordinary shares.

*** Mr. Kui Man Chun and Mr. Li Wenjin are directors of RGL and Mr. Kui Man Chun, Mr. Li Wenjin and Mr. Xu Wensheng are directors of HSL which were deemed or taken to have interests or short positions in the shares or underlying shares of the Company which are required to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

* 「L」表示股份之好倉。

** 百分比乃根據本公司於二零一九年六月三十日之已發行股份總數2,776,833,835股普通股計算。

*** 渠萬春先生及李文晉先生為RGL董事，渠萬春先生、李文晉先生及徐文生先生均為HSL董事，而其於本公司股份或相關股份中，被視作或當作擁有須根據證券及期貨條例第XV部第2及3分部規定披露之權益或淡倉。

Save as disclosed above, as at 30 June 2019, the Company had not been notified by any persons, other than a Director and Chief Executive of the Company who had any interests or short positions in any Shares or underlying shares of the Company and its associated corporations which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of the Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

除上文所披露者外，於二零一九年六月三十日，除董事及本公司行政總裁以外，本公司並不知悉任何人士於本公司及其相聯法團任何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3分部條文須向本公司披露，或已記入本公司根據證券及期貨條例第336條所存置登記冊上之任何權益或淡倉。

INCREASE IN DIRECTORS' FEE

The increase in Director's fee of the executive directors and independent directors has been effective from 1 April 2019 and 19 April 2019 respectively are required to be disclosed pursuant to Rule 13.51B(1) of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), are set out below:

Directors 董事

Executive Directors

Cheung Yuk Fung
Kui Man Chun
Xu Wensheng
Li Wenjin
Xu Changjun

執行董事

張玉峰
渠萬春
徐文生
李文晉
徐昌軍

Independent non-Executive Directors

Tam Chun Fai
Leung Wai Man, Roger
Chang Kai-Tzung, Richard

獨立非執行董事

譚振輝
梁偉民
張楷淳

Annual fees 年度袍金 HK\$ 港元

1,080,000
2,520,000
2,280,000
2,160,000
2,100,000

220,000
220,000
220,000

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

除上文所披露者外，並無其他董事資料變更須根據上市規則第13.51(B)條作出披露。

Additional Information

其他資料

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares during the period.

DIRECTORS' SECURITIES TRANSACTIONS

The Group has adopted trading guidelines regulating directors' and senior management's transactions concerning securities of the Company, on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules.

Specific enquiry had been made to all the directors of the Company Directors and they have confirmed that they have complied with the Model Code and the Group's trading guidelines throughout the six months ended 30 June 2019.

CORPORATE GOVERNANCE

The Company's corporate governance practices are based on the principles (the "Principles") and code provisions (the "Code Provisions") in the Corporate Governance Code as set out in Appendix 14 of the Listing Rules.

In formulating and implementing its corporate governance practices, the Company has applied the Principles and complied with all applicable Code Provisions for the six months ended 30 June 2019.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") comprises three independent non-executive Directors, namely Mr. Tam Chun Fai, Mr. Leung Wai Man, Roger and Mr. Chang Kai-Tzung, Richard. The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed internal control, risk management and financial reporting matters including review of the unaudited interim condensed consolidated results for the six months ended 30 June 2019 with the Directors.

DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors is interested in any business, apart from the Group's business which competed or was likely to compete, either directly or indirectly with the Group's business.

購買、出售或贖回股份

期內，本公司或其任何附屬公司概無購買、出售或贖回任何本公司股份。

董事之證券交易

本集團已採納規管董事及高級管理層對本公司有關證券進行交易的交易指引，其條款乃不遜於上市規則附錄十所載上市發行人董事進行證券交易之標準守則（「標準守則」）內所載之規定準則。

經向本公司全體董事（「董事」）作出具體查詢後，彼等已確認於截至二零一九年六月三十日止六個月一直遵守標準守則及本集團之交易指引。

企業管治

本公司之企業管治常規乃按照上市規則附錄十四所載企業管治守則中的原則（「原則」）及守則條文（「守則條文」）訂立。

制定及實施企業管治常規時，本公司於截至二零一九年六月三十日止六個月已應用原則並一直遵守全部適用守則條文。

審核委員會

本公司之審核委員會（「審核委員會」）由三名獨立非執行董事譚振輝先生、梁偉民先生及張楷淳先生組成。審核委員會已與管理層審閱本集團所採納會計原則及慣例，並討論內部監控、風險管理及財務申報事宜，包括與董事審閱截至二零一九年六月三十日止六個月之未經審核中期簡明綜合業績。

董事於競爭業務之權益

概無任何董事於任何與本集團直接或間接競爭或可能競爭之業務（本集團業務除外）中之任何業務中擁有任何權益。

Additional Information 其他資料

SHARE CAPITAL AND SHARE OPTIONS

Share Option Scheme of the Company

The Company operates a share option scheme (the “Scheme”) for the purpose of attracting, retaining and motivating talented employees in order to strive for future developments and expansion of the Group. Eligible participants of the Scheme include the Group’s full-time employees, executive and non-executive Directors. The Scheme became effective on 29 April 2011 and unless otherwise cancelled or amended, will remain valid and effective for a period of 10 years therefrom. Further details of the Scheme can be found in the circular of the Company dated 28 March 2011.

As at the date of this report, 267,342,983 shares were available for issue under the Scheme.

No share option of the Company was granted, vested, exercised, cancelled or lapsed during the six months ended 30 June 2019. As at the beginning and end of the six months ended 30 June 2019, and up to the date of this report, there was no issued and outstanding share option of the Company under the Scheme which has not been exercised or lapsed.

Share Option Scheme of VBill OPCO

The Company adopted a share option scheme (“VBill OPCO Share Option Scheme”), which complies with Chapter 17 of the Listing Rules, for VBill OPCO on 15 January 2018 which became effective on 5 February 2018. The purpose of the VBill OPCO Share Option Scheme is to enable VBill OPCO to grant options of equity interest of VBill OPCO (“VBill OPCO Options”) to selected participants as incentives or rewards for their contribution or potential contribution to VBill OPCO and its subsidiaries (“VBill OPCO Group”). Eligible participants of the VBill OPCO Share Option Scheme include any directors, supervisors, general managers and other employees of any member of VBill OPCO Group. Unless otherwise amended, terminated or cancelled, the VBill OPCO Share Option Scheme will be effective for a period of 5 years from the date of grant of options, i.e. 5 February 2018. Further details of the VBill OPCO Share Option Scheme can be found in the announcement and circular of the Company dated 15 January 2018 and 19 January 2018 respectively.

No VBill OPCO Share Option was granted, vested, exercised, cancelled or lapsed during the six months ended 30 June 2019. As at the beginning and end of the six months ended 30 June 2019, and up to the date of this report, the amount of enlarged total registered capital of VBill OPCO (“VBill OPCO Registered Capital”) subject to all outstanding VBill OPCO Options granted under the VBill OPCO Share Option Scheme on 5 February 2018 was RMB27,259,000. The grantees may exercise their VBill OPCO Options within three years from the date on which the VBill OPCO Share Option Scheme took effect (i.e. 5 February 2018) at the subscription price of the VBill OPCO Options granted was RMB12.51 for every RMB1.0 in the VBill OPCO Registered Capital.

股本及購股權

本公司之購股權計劃

本公司設立購股權計劃(「該計劃」)，旨在吸引、留聘及激勵有才能之僱員，以助推動日後發展及擴充本集團業務。該計劃之合資格參與者包括本集團全職僱員以及執行及非執行董事。該計劃於二零一一年四月二十九日生效，除另行取消或修訂外，將自此起計10年期間仍然有效及生效。該計劃之進一步詳情可參閱本公司日期為二零一一年三月二十八日之通函。

於本報告日期，267,342,983股股份根據該計劃可供發行。

於截至二零一九年六月三十日止六個月，並無本公司購股權獲授出、歸屬、行使、註銷或失效。截至二零一九年六月三十日止六個月之期初及期末及截至本報告日期，亦無根據該計劃發行而尚未行使之本公司購股權仍未行使或失效。

隨行付之購股權計劃

二零一八年一月十五日，本公司就隨行付採納一項購股權計劃(「隨行付購股權計劃」)，其符合上市規則第十七章，並於二零一八年二月五日起有效。隨行付購股權計劃旨在確保隨行付可向選定參與者授出隨行付股權之購股權(「隨行付購股權」)，作為彼等對隨行付及其附屬公司(「隨行付集團」)所作貢獻或可能作出貢獻之獎勵或回報。隨行付購股權計劃之合資格參與者包括隨行付集團任何成員公司之任何董事、監事、總經理及其他僱員。除非另行修訂、終止或註銷，否則隨行付購股權計劃之有效期將為授出購股權日期(即二零一八年二月五日)起計五年。有關隨行付購股權計劃之進一步詳情，請分別參閱本公司日期為二零一八年一月十五日之公佈及日期為二零一八年一月十九日之通函。

於截至二零一九年六月三十日止六個月，並無隨行付購股權獲授出、歸屬、行使、註銷或失效。於截至二零一九年六月三十日止六個月之期初及期末以及直至本報告日期，經擴大隨行付註冊股本(「隨行付註冊股本」)總額涉及於二零一八年二月五日隨行付購股權計劃項下所有已授出未行使隨行付購股權為人民幣27,259,000元。在隨行付購股權計劃生效日期(即二零一八年二月五日)起三年內，承受人可按隨行付註冊股本中每人民幣1.0元的已授出隨行付購股權認購價人民幣12.51元行使彼等之隨行付購股權。

Additional Information

其他資料

Pursuant to the amended and restated Subscription Agreement (described in further details under the subsection “Key Investing and Financing Activities”) dated 21 May 2019, VBill (Cayman) shall adopt a share option scheme and grant options (“VBill (Cayman) Options”) to 1) Mr. Shen Zheng (“Mr. Shen”), a director and the chairman of the board of VBill OPCO and a director of certain members of the VBill OPCO Group, 2) Mr. Li Huimin (“Mr. Li”), the chief executive officer of VBill OPCO and the supervisor of a member of the VBill OPCO Group, and 3) Mr. Guo Yi (“Mr. Guo”), the senior vice president of VBill OPCO, such that upon the full exercise of the VBill (Cayman) Options, Mr. Shen, Mr. Li and Mr. Xue will in aggregate will hold such number of shares of VBill (Cayman) representing approximately 10.8% of the shares of VBill (Cayman) in issue on a fully diluted basis, upon which the VBill Share Option Scheme will be cancelled. Further details of the proposed cancellation of the VBill Share Option Scheme can be found in the announcements of the Company dated 12 February 2019 and 21 May 2019 respectively and circular of the Company dated 21 June 2019.

Share Option Scheme of Megahunt

The Company conditionally adopted a share option scheme (“Megahunt Share Option Scheme”), which complies with Chapter 17 of the Listing Rules, for Mega Hunt Microelectronics (Beijing) Limited (“Megahunt”), an indirect wholly-owned subsidiary of the Company, on 4 July 2018 which became effective on 10 August 2018. The purpose of the Megahunt Share Option Scheme is to enable Megahunt to grant options of equity interest of Megahunt (“Megahunt Options”) to selected participants as incentives or rewards for their contribution or potential contribution to Megahunt. The Board of Megahunt considers that Megahunt Share Option Scheme will provide the selected participants with the opportunity to acquire proprietary interests in Megahunt and to encourage them to work towards enhancing the value of equity interests in Megahunt for the benefit of Megahunt and its shareholder(s) as a whole.

At the special general meeting of the Company on 10 August 2018, the grant of Megahunt Options (the “2018 Options”) to Ms. Song Jie (“Ms. Song”), Mr. Liu Zhan-li, (“Mr. Liu”), Mr. Yang Lei (“Mr. Yang”) and Mr. Li Li, (“Mr. Li”) (collectively, the “2018 Grantees”) was approved by the Shareholders. Further details of the grant can be found in the announcement and circular of the Company dated 4 July 2018 and 11 July 2018 respectively.

On 3 June 2019, the Board of Megahunt proposed to amend the terms of the Megahunt Share Option Scheme and resolved to conditionally grant new Megahunt Options (the “2019 Options”) to certain specified grantees (the “2019 Grantees”) pursuant to the terms of Megahunt Share Option Scheme (as amended). The 2018 Grantees have given their written request to the board of Megahunt to cancel their respective 2018 Options pursuant to the terms of the Megahunt Share Option Scheme, with effect from the date on which the grant of the 2019 Options would become unconditional. The proposed amendments to the Megahunt Share Option Scheme and the grant of the 2019 Options to the 2019 Grantees were approved by the Shareholders at the special general meeting of the Company (“SGM”) on 27 June 2019.

根據日期為二零一九年五月二十一日之修訂及重述認購協議（進一步詳情見「主要投資及融資活動」分節），VBill (Cayman)須採納一項購股權計劃及向1)隨行付之董事兼董事會主席、隨行付集團若干成員公司之董事申政先生（「申先生」），2)隨行付之行政總裁及隨行付集團一間成員公司之監事黎會敏先生（「黎先生」），以及3)隨行付之高級副總裁郭誼先生（「郭先生」）授出購股權（「VBill (Cayman)購股權」），以致於VBill (Cayman)購股權獲全面行使後，申先生、黎先生及薛先生將合共持有VBill (Cayman)的股份數目按全面攤薄基準計算相當於VBill (Cayman)已發行股份約10.8%，此後VBill購股權計劃將被取消。建議取消VBill購股權計劃的進一步詳情分別載於本公司日期為二零一九年二月十二日及二零一九年五月二十一日的公佈以及本公司日期為二零一九年六月二十一日的通函內。

兆訊恒達購股權計劃

二零一八年七月四日，本公司就本公司之間接全資附屬公司兆訊恒達微電子技術（北京）有限公司（「兆訊恒達」）有條件地採納一項購股權計劃（「兆訊恒達購股權計劃」），其符合上市規則第十七章，並於二零一八年八月十日生效。兆訊恒達購股權計劃旨在確保兆訊恒達可向選定參與者授出兆訊恒達股權之購股權（「兆訊恒達購股權」），作為彼等對兆訊恒達所作貢獻或可能作出貢獻之獎勵或回報。兆訊恒達董事會認為，兆訊恒達購股權計劃將向選定參與者提供認購兆訊恒達之專屬權益之機會，並鼓勵彼等為兆訊恒達及其股東之整體利益而努力提升兆訊恒達之股價價值。

於本公司二零一八年八月十日之股東特別大會上，向宋劼女士（「宋女士」）、劉占利先生（「劉先生」）、楊磊先生（「楊先生」）及李立先生（「李先生」）（統稱「二零一八年承授人」）授出兆訊恒達購股權（「二零一八年購股權」）獲股東批准。授出的進一步詳情載於本公司日期為二零一八年七月四日之公佈及本公司日期為二零一八年七月十一日之通函。

於二零一九年六月三日，兆訊恒達董事會建議修訂兆訊恒達購股權計劃之條款並議決根據兆訊恒達購股權計劃（經修訂）之條款有條件向若干特定承授人（「二零一九年承授人」）授出新兆訊恒達購股權（「二零一九年購股權」）。根據兆訊恒達購股權計劃的條款，二零一八年承授人已向兆訊恒達董事會發出書面請求註銷其各自的二零一八年購股權，自授出二零一九年購股權將會成為無條件之日期起生效。建議修訂兆訊恒達購股權計劃及向二零一九年承授人授出二零一九年購股權已於二零一九年六月二十七日在本公司股東特別大會（「股東特別大會」）上獲股東批准。

Additional Information 其他資料

At the SGM, ordinary resolutions in relation to, among others: (i) amendments (“Amendments”) of the terms and conditions of the Megahunt Share Option Scheme to allow more flexibility of the administration of Megahunt Share Option Scheme and enhance its attractiveness as incentive and reward for the eligible participants; and (ii) grants of the 2019 Options to the 2019 Grantees were duly passed by the Shareholders.

Pursuant to the Amendments, eligible participants of the Megahunt Share Option Scheme include the directors or senior management of the Company, Megahunt or its subsidiaries. Further details of amendments to the Megahunt Share Option Scheme can be found in the announcement and circular of the Company dated 3 June 2019 and 6 June 2019 respectively.

The total registered capital of Megahunt (“Megahunt Registered Capital”) which may be contributed by the grantees upon exercise of all Megahunt Options to be granted under the Megahunt Share Option Scheme and any other share option schemes of Megahunt will be HK\$1,500,000, being 10% of the Megahunt Registered Capital as at the date of approval of the Megahunt Share Option Scheme by Shareholders (“Megahunt Scheme Mandate Limit”), unless the Company obtains a fresh approval from the Shareholders.

The maximum Megahunt Registered Capital contributed and to be contributed upon exercise of the Megahunt Options granted to each participant of the Megahunt Share Option Scheme (including both exercised and outstanding Megahunt Options) in any 12-month period shall not exceed 1% of the Megahunt Registered Capital (“Individual Limit”), unless otherwise approved by the Shareholders with such participant and his close associates (or his associates if such participant is a connected person) abstaining from voting. For options granted or to be granted to a substantial Shareholder, an independent non-executive Director, or any of their respective associates, the said limit is reduced to 0.1% of the Megahunt Registered Capital. Any further grant of options in excess of such limit is subject to Shareholders’ approval at general meeting, with the participant concerned and all core connected persons of the Company abstain from voting.

The exercise period of the Megahunt Options shall be determined by the board of directors of Megahunt at the time of making the offer of the Megahunt Options and in any event shall expire within 10 years from the relevant date of grant.

Although it is not a general requirement under the terms of Megahunt Share Option Scheme for any minimum period for which any Megahunt Option must be held or any performance targets which must be achieved before any Megahunt Option granted can be exercised, the board of directors of Megahunt has discretion on a case-by-case basis or generally to impose such conditions, including (i) minimum periods for which the Megahunt Option must be held; and/or (ii) minimum performance targets that must be reached before the Megahunt Options can be exercised in whole or in part; and/or (iii) such other terms as may be imposed at the discretion of the board of directors of Megahunt on the Megahunt Options where appropriate.

於股東特別大會，有關(其中包括)(i)對兆訊恒達購股權計劃的條款及條件的修訂(「該等修訂」)，以令兆訊恒達購股權計劃管理靈活性增強及提升其作為對合資格參與者的獎勵及回報的吸引力；及(ii)向二零一九年承授人授出二零一九年購股權的普通決議案已獲股東正式通過。

根據該等修訂，兆訊恒達購股權計劃的合資格參與者包括本公司、兆訊恒達或其附屬公司的董事或高級管理層。兆訊恒達購股權計劃之修訂的進一步詳情載於本公司日期為二零一九年六月三日之公佈及本公司日期為二零一九年六月六日之通函內。

承授人因行使根據兆訊恒達購股權計劃及兆訊恒達之任何其他購股權計劃而將予授出之所有兆訊恒達購股權而可能注入之兆訊恒達註冊股本(「兆訊恒達註冊股本」)總額將為1,500,000港元，即股東批准兆訊恒達購股權計劃日期兆訊恒達註冊股本之10%(「兆訊恒達計劃授權限額」)，除非本公司自股東取得更新批准則作別論。

於任何12個月期間向兆訊恒達購股權計劃各參與者授出的兆訊恒達購股權(包括已行使及尚未行使兆訊恒達購股權)獲行使後已或將注入之最高兆訊恒達註冊股本不得超過兆訊恒達註冊股本之1%(「個別上限」)，惟股東另有批准則除外，有關參與者及其緊密聯繫人(或其聯繫人(如該參與者為關連人士))須放棄投票。就已或將向主要股東、獨立非執行董事或其各自任何聯繫人授出的購股權而言，上述限額會降低至兆訊恒達註冊股本之0.1%。任何進一步授出超過該限額的購股權須經股東於股東大會上批准，而有關參與者及本公司所有核心關連人士須放棄投票。

兆訊恒達購股權之行使期將由兆訊恒達董事會於作出兆訊恒達購股權要約時釐定，惟無論如何須自相關授出日期起10年內屆滿。

雖然兆訊恒達購股權計劃之條款項下並無有關持有任何兆訊恒達購股權的任何最短期限或於行使任何已授出兆訊恒達購股權之前須達到的任何表現目標之一般規定，但兆訊恒達董事會可按個別基準酌情或整體施加有關條件，該等條件包括(i)須持有兆訊恒達購股權的最短期限；及/或(ii)行使全部或部分兆訊恒達購股權之前須達致之最低表現目標；及/或(iii)兆訊恒達董事會可於適當時酌情對兆訊恒達購股權施加的有關其他條款。

Additional Information

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A Megahunt Option shall take effect when the grantee returns the letter of acceptance and Megahunt receives from the grantee a total remittance of HK\$1.00 as consideration for the grant.

The subscription price payable by any grantee shall be a price to be determined by the board of directors of Megahunt in its absolute discretion at the time of the grant of the Megahunt Option with reference to factors which may include the business performance, value of Megahunt and individual performance of the grantee.

The subscription price of any Megahunt Options that would be granted after the Company would have resolved to seek a separate listing of Megahunt on the Stock Exchange, or an overseas stock exchange and up to the listing date must be not lower than the new issue price (if any). In particular, any Megahunt Options that would have been granted during the period commencing six months before the lodgement of Form A1 (or its equivalent for listing on the GEM of the Stock Exchange or the overseas stock exchange) up to the listing date would be subject to this requirement.

The grant of 2019 Options to the 2019 Grantees being Mr. Li Li, a director, the legal representative and general manager of Megahunt (“Mr. Li”), Mr. Liu Zhan-li, the technology director of Megahunt (“Mr. Liu”), Mr. Xu Changjun, an executive director of the Company (“Mr. Xu CJ”), Mr. Xu Wensheng, an executive director of the Company (“Mr. Xu WS”), Mr. Yang Lei, the deputy general manager of Megahunt (“Mr. Yang”), Ms. Hui Lok Yan, the group financial controller and a joint company secretary of the Company, a director of certain subsidiaries of the Company (“Ms. Hui”) and Ms. Song Jie, a director and the financial controller of Megahunt (“Ms. Song”) was approved by Shareholders at the SGM. All 2018 Options granted to the 2018 Grantees were cancelled on the same date.

The subscription price of the 2019 Options granted was RMB11.46 for every HK\$1.00 in the Megahunt Registered Capital. The amount of enlarged Megahunt Registered Capital (“Enlarged Megahunt Registered Capital”) subject to the 2019 Options granted were respectively HK\$1,800,000 for Mr. Li, HK\$525,000 for Mr. Liu, HK\$675,000 for Mr. Xu CJ, HK\$750,000 for Mr. Xu WS, HK\$525,000 for Mr. Yang, HK\$150,000 for Ms. Hui and HK\$75,000 for Ms. Song, representing approximately 9.23%, 2.69%, 3.46%, 3.85%, 2.69%, 0.77% and 0.38% respectively of the Enlarged Megahunt Registered Capital.

於承授人交回接納函件及兆訊恒達接獲承授人作為授出代價的1.00港元之匯款總額時，兆訊恒達購股權將會生效。

任何承授人應付之認購價為兆訊恒達董事會於授出兆訊恒達購股權時參考兆訊恒達之業務表現、價值及承授人之個人表現等因素全權酌情釐定之價格。

於本公司議決尋求兆訊恒達於聯交所或海外證券交易所另行上市後直至上市日期，將授出的任何兆訊恒達購股權之認購價不得低於新發行價（如有）。尤其是，於遞交A1表格（或於聯交所GEM或海外證券交易所上市之相關文件）前六個月開始直至上市日期期間內授出之任何兆訊恒達購股權須遵守該規定。

向二零一九年承授人，即兆訊恒達之董事、法定代表及總經理李立先生（「李先生」）、兆訊恒達之技術總監劉占利先生（「劉先生」）、本公司之執行董事徐昌軍先生（「徐昌軍先生」）、本公司之執行董事徐文生先生（「徐文生先生」）、兆訊恒達之副總經理楊磊先生（「楊先生」）、本公司之集團財務總監兼聯席公司秘書、本公司若干附屬公司之董事許諾恩女士（「許女士」）及兆訊恒達之董事及財務總監宋劫女士（「宋女士」）授出二零一九年購股權在股東特別大會上獲股東批准。向二零一八年承授人授出的所有二零一八年購股權於同日註銷。

兆訊恒達註冊股本中每1.00港元的已授出二零一九年購股權之認購價為人民幣11.46元。已授出之二零一九年購股權涉及之經擴大兆訊恒達註冊股本（「經擴大兆訊恒達註冊股本」）分別為李先生1,800,000港元、劉先生525,000港元、徐昌軍先生675,000港元、徐文生先生750,000港元、楊先生525,000港元、許女士150,000港元及宋女士75,000港元，分別相當於經擴大兆訊恒達註冊股本之約9.23%、2.69%、3.46%、3.85%、2.69%、0.77%及0.38%。

Additional Information

其他資料

The particulars of outstanding and cancelled Megahunt Options under the Megahunt Share Option Scheme as at 30 June 2019 are as follows:

於二零一九年六月三十日，兆訊恒達購股權計劃項下尚未行使及已註銷的兆訊恒達購股權的詳情如下：

Movements in the Megahunt Options

兆訊恒達購股權變動

Name	Date of grant	Subscription Price for every HK\$1.0 in the Megahunt Registered Capital	Amount of Enlarged Megahunt Registered Capital subject to the Megahunt Options held as at 1 January 2019	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period	Amount of Enlarged Megahunt Registered Capital subject to the Megahunt Options held as at 30 June 2019
姓名	授出日期	兆訊恒達註冊股本中每1.0港元的認購價 (RMB) (人民幣元)	於二零一九年一月一日所持兆訊恒達購股權涉及的經擴大兆訊恒達註冊股本的金額 (HK\$) (港元)	期內授出	期內行使	期內失效	期內註銷	於二零一九年六月三十日所持兆訊恒達購股權涉及的經擴大兆訊恒達註冊股本的金額 (HK\$) (港元)
Directors								
董事								
Xu Changjun 徐昌軍	3 June 2019* 二零一九年六月三日*	11.46	-	675,000	-	-	-	675,000
Xu Wensheng 徐文生	3 June 2019* 二零一九年六月三日*	11.46	-	750,000	-	-	-	750,000
Participants with Megahunt Options granted in excess of the Individual Limit								
所獲授兆訊恒達購股權超出個別上限的參與者								
Li Li 李立	4 July 2018** 二零一八年七月四日**	13.33	1,800,000	-	-	-	(1,800,000)	-
	3 June 2019* 二零一九年六月三日*	11.46	-	1,800,000	-	-	-	1,800,000
Liu Zhan-Li 劉占利	4 July 2018** 二零一八年七月四日**	13.33	525,000	-	-	-	(525,000)	-
	3 June 2019* 二零一九年六月三日*	11.46	-	525,000	-	-	-	525,000
Yang Lei 楊磊	4 July 2018** 二零一八年七月四日**	13.33	525,000	-	-	-	(525,000)	-
	3 June 2019* 二零一九年六月三日*	11.46	-	525,000	-	-	-	525,000
Song Jie 宋劭	4 July 2018** 二零一八年七月四日**	13.33	150,000	-	-	-	(150,000)	-
	3 June 2019* 二零一九年六月三日*	11.46	-	75,000	-	-	-	75,000
Employees								
僱員								
(in aggregate) (總計)	3 June 2019* 二零一九年六月三日*	11.46	-	150,000	-	-	-	150,000
Total 總計			3,000,000	4,500,000	-	-	(3,000,000)	4,500,000

* 50% and 50% of the 2019 Options granted shall be vested on the first and the second anniversary, respectively, from the date of grant. The grantees may exercise the 2019 Options within the period commencing from the respective vesting day and ending on the earlier of (i) the tenth anniversary from the date of grant; or (ii) the date on which such 2019 Options cease to be valid.

* 50%及50%的已授出二零一九年購股權將分別自授出日期起計的第一個週年及第二個週年當日歸屬。承授人可於各自歸屬日期起至以下兩項的較早者期間行使二零一九年購股權：(i)自授出日期起計的第十個週年當日；或(ii)該等二零一九年購股權不再有效當日。

** 30%, 30% and 40% of the 2018 Options granted shall be vested on the first, the second and the third anniversary, respectively, from the date of grant. The grantees may exercise the 2018 Options within the period commencing from the respective vesting day and ending on the earlier of (i) the eighth anniversary from the date of grant; or (ii) the date on which such 2018 Options cease to be valid.

** 30%、30%及40%的已授出二零一八年購股權將分別自授出日期起計的第一個週年、第二個週年及第三個週年當日歸屬。承授人可於各自歸屬日期起至以下兩項的較早者期間行使二零一八年購股權：(i)自授出日期起計的第八個週年當日；或(ii)該等二零一八年購股權不再有效當日。

Additional Information

其他資料

OTHER INFORMATION

On 5 August 2019, a share subscription agreement (the “Series E Subscription Agreement”) was entered into by (i) Cloopen Group Holding Limited (“Cloopen”, an investment of the Company accounted for using the equity method), and certain subsidiaries of Cloopen, including Cloopen Limited and Anxun Guantong (Beijing) Technology Co., Ltd. (“Anxun”), Beijing Ronglian Yitong Information Technology Co., Ltd. (a company which Anxun exercises control and enjoys economic benefits through contractual arrangements, together the “Cloopen Group”); (ii) the founding shareholders and their respective investment holding companies, namely Cloopen Co., Ltd. and Slivo Co., Ltd.; and (iii) certain subscribers. Pursuant to the Series E Subscription Agreement, the subscribers have conditionally agreed to subscribe for 13,040,152 series E preferred shares of Cloopen at the consideration of US\$32 million.

The Group is not a subscriber of the series E preferred shares under the Series E Subscription Agreement. Upon completion of the Series E Subscription Agreement, Cloopen will have issued an aggregate of 13,040,152 series E preferred shares, representing approximately 5.80% of the enlarged issued share capital of Cloopen, to all the subscribers of the series E preferred shares (assuming 25,838,502 ordinary shares of Cloopen which have been reserved for issuance to officers, directors, employees or consultants of Cloopen pursuant to its employee share option plan (“ESOP Shares”) are allotted and issued).

As at 30 June 2019 and immediately before completion of the Series E Subscription Agreement, the Group is interested in approximately 26.27% equity interest in Cloopen (assuming all the ESOP Shares are allotted and issued). Completion of the Series E Subscription Agreement will take place no later than 10 business days after all conditions precedent specified thereunder are satisfied or waived. Upon completion of the Series E Subscription Agreement, the Group’s equity interests in Cloopen will be approximately 24.75% (assuming all the ESOP Shares are allotted and issued).

Immediately after completion of the Series E Subscription Agreement, the Cloopen Group will remain to be an investment of the Company accounted for using the equity method. The Series E Subscription Agreement does not constitute a notifiable or connected transaction for the Company under the Listing Rules.

SUBSEQUENT EVENT

Saved as disclosed in this report, there was no other material subsequent event.

其他資料

於二零一九年八月五日，(i)本公司以權益法入賬之一項投資Cloopen Group Holding Limited (「Cloopen」)及Cloopen之若干附屬公司，包括雲通訊(香港)有限公司及安迅冠通(北京)科技有限公司(「安迅」、北京容聯易通信息技術有限公司(一間透過合約安排由安迅行使控制權並享有經濟利益之公司)，統稱(「Cloopen集團」))；(ii)創辦股東以及彼等各自之投資控股公司，即Cloopen Co., Ltd.及Slivo Co. Ltd.；及(iii)若干認購方訂立股份認購協議(「E系列認購協議」)。根據E系列認購協議，認購方已有條件同意認購13,040,152股Cloopen E系列優先股，代價為32,000,000美元。

本集團並非E系列認購協議項下E系列優先股之認購方。E系列認購協議完成時，Cloopen將已向E系列優先股之所有認購者，(假設根據Cloopen僱員購股權計劃預留以發行予其高級職員、董事、僱員或顧問的Cloopen 25,838,502股普通股(「僱員購股權計劃股份」)獲配發及發行)發行合共13,040,152股E系列優先股，相當於Cloopen經擴大已發行股本約5.80%。

於二零一九年六月三十日及緊接E系列認購協議完成前，本集團於Cloopen之股本權益中擁有約26.27%權益(假設所有僱員購股權計劃股份獲配發及發行)。E系列認購協議將於其項下之所有先決條件獲達成或豁免後不遲於十個營業日完成。E系列認購協議完成時，本集團於Cloopen擁有之股本權益將約為24.75%(假設所有僱員購股權計劃股份已獲配發及發行)。

緊隨E系列認購協議完成後，Cloopen集團將仍為本公司以權益法入賬之一項投資。根據上市規則，E系列認購協議並不構成本公司之須予公佈或關連交易。

期後事項

除本報告所披露者外，概無其他重大期後事項。

Additional Information 其他資料

PENSION SCHEME

The subsidiaries incorporated and operating in Hong Kong participate in a defined contribution retirement scheme in accordance with the Hong Kong Mandatory Provident Fund Ordinance (Cap. 485), under which employers and employees are each required to make regular mandatory contributions calculated at 5% of the Employees' relevant income ("Mandatory Contributions") to the scheme, subject to the minimum and maximum relevant income levels as prescribed by law. Employees may also make voluntary contributions additional to Mandatory Contributions.

Any Mandatory Contributions paid for and in respect of an employee are fully and immediately vested in the employee once paid to the trustee of the scheme and any investment return derived from the investment of the Mandatory Contributions is also fully and immediately vested in the employee. The employees are entitled to all of the accrued benefits derived from the employer's Mandatory Contributions upon retirement at the age of 65 years old, death or total incapacity, subject to other applicable provisions of law.

In addition, pursuant to the government regulations in the People's Republic of China (the "PRC"), the Group is required to contribute to certain retirement benefit schemes in favour of the employees in the PRC an amount equal to approximately 7% to 20% of their yearly wages. The local municipal government undertakes to assume the retirement benefits obligations of those workers of the Group.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Directors confirmed that the Company has maintained the public float as required under the Listing Rules throughout the six months ended 30 June 2019.

退休金計劃

於香港註冊成立及營運之附屬公司根據香港強制性公積金計劃條例(第485章)參加定額供款退休計劃,據此,僱主和僱員均須按僱員有關收入的5%計算向強積金計劃作出的定期強制性供款(「強制性供款」),相關收入水平的上下限按法律釐定。僱員亦可於強制性供款外作出自願供款。

就及為僱員支付的任何強制性供款一經支付予強積金受託人,即全數及即時歸屬於該僱員,而強制性供款投資所產生的任何投資回報,亦會全數及即時歸屬於該僱員。僱員於65歲退休、身故或喪失工作能力時,將享有僱主強制性供款所產生的全部累計福利(受限於其他適用法律條文)。

此外,根據中華人民共和國(「中國」)政府法規規定,本集團須按中國僱員該年度薪金約7%至20%,以中國僱員為受益人向若干退休福利計劃作出供款。當地市政府對本集團該類僱員作出退休福利責任保證。

足夠公眾持股量

根據本公司現有公開資料及就董事所知,董事確認,本公司於截至二零一九年六月三十日止六個月已維持上市規則規定之公眾持股量。

Interim Condensed Consolidated Income Statement

中期簡明綜合收益表

For the period ended 30 June 2019 截至二零一九年六月三十日止期間

		Unaudited 未經審核		
		Six months ended 30 June 截至六月三十日止六個月		
		2019 二零一九年	2018 二零一八年	
		HK\$'000 千港元	HK\$'000 千港元	
	Notes 附註			
Revenue	收入	6	3,005,796	1,945,075
Cost of sales	銷售成本	8	(2,262,078)	(1,447,783)
Gross profit	毛利		743,718	497,292
Other income	其他收入	6	30,808	19,078
Other gains, net	其他收益淨額	6	5,575	17,897
Selling expenses	銷售開支	8	(37,219)	(48,381)
Administrative expenses	行政費用	8	(354,025)	(258,778)
Employees' incentive programme of a subsidiary	一間附屬公司之僱員獎勵計劃	26	(7,896)	(195,300)
Credit impairment loss	信貸減值虧損	8	(20,588)	(3,101)
Operating profit	經營溢利		360,373	28,707
Finance costs	融資成本		(1,434)	(31)
Share of results of investments accounted for using the equity method	應佔以權益法入賬之投資業績	27	111,058	83,543
Profit before income tax	除所得稅前溢利		469,997	112,219
Income tax expense	所得稅開支	11	(69,726)	(42,376)
Profit for the period	期內溢利		400,271	69,843
Profit attributable to:	應佔溢利：			
– Owners of the Company	– 本公司擁有人		329,586	67,544
– Non-controlling interests	– 非控股權益		70,685	2,299
			400,271	69,843
			HK\$ per share 每股港元	HK\$ per share 每股港元
Earnings per share for profit attributable to the owners of the Company:	本公司擁有人應佔溢利之每股盈利：			
Basic	基本	13	0.12	0.02
Diluted	攤薄	13	0.11	0.02

The notes on pages 53 to 100 form an integral part of this interim condensed consolidated financial information.

第53至100頁之附註乃此中期簡明綜合財務資料其中部分。

Interim Condensed Consolidated Statement of Comprehensive Income

中期簡明綜合全面收益表

For the period ended 30 June 2019 截至二零一九年六月三十日止期間

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit for the period	期內溢利	400,271	69,843
Other comprehensive (loss)/income, net of tax	其他全面(虧損)/收益 (扣除稅項)		
<u>Items that may be subsequently reclassified to profit or loss</u>	<u>其後可能重新分類至損益之項目</u>		
Exchange differences arising on translation of the financial statements of foreign subsidiaries	換算海外附屬公司財務報表 產生之匯兌差額	(6,578)	21,764
Share of other comprehensive (loss)/income of an investment accounted for using the equity method	應佔以權益法入賬之一項 投資之其他全面(虧損)/收益	(734)	15,967
<u>Items that will not be subsequently reclassified to profit or loss</u>	<u>其後不會重新分類至損益之項目</u>		
Change in value of a financial asset at fair value through other comprehensive income	按公平值計入其他全面收益之 金融資產價值變動	(344)	89
Share of other comprehensive loss of an investment accounted for using the equity method	應佔以權益法入賬之一項投資之 其他全面虧損	(508)	(1,266)
Total comprehensive income for the period, net of tax	期內全面收益總額(扣除稅項)	392,107	106,397
Attributable to:	應佔:		
- Owners of the Company	- 本公司擁有人	322,888	102,144
- Non-controlling interests	- 非控股權益	69,219	4,253
		392,107	106,397

The notes on pages 53 to 100 form an integral part of this interim condensed consolidated financial information.

第53至100頁之附註乃此中期簡明綜合財務資料其中部分。

Interim Condensed Consolidated Balance Sheet

中期簡明綜合資產負債表

At 30 June 2019 於二零一九年六月三十日

		Notes 附註	Unaudited 未經審核 At 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元
ASSETS	資產			
Non-current assets	非流動資產			
Investment properties	投資物業	14	1,477	1,575
Property, plant and equipment	物業、廠房及設備	15	595,230	715,193
Right-of-use assets	使用權資產	16	58,386	–
Leasehold land	租賃土地	17	29,990	30,490
Intangible assets	無形資產	18	1,826	1,884
Investments accounted for using the equity method	以權益法入賬之投資	27	2,026,439	1,931,188
Financial asset at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產	19	556	895
Other financial assets at amortised cost	按攤銷成本計量之其他金融資產		4,009	12,807
Loan receivables	應收貸款	21	11	479
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	20	275,787	271,741
Total non-current assets	非流動資產總額		2,993,711	2,966,252
Current assets	流動資產			
Inventories	存貨		131,280	162,275
Other current assets	其他流動資產		75,807	68,988
Other financial assets at amortised cost	按攤銷成本計量之其他金融資產		105,910	49,830
Amounts due from investments accounted for using the equity method	應收以權益法入賬之投資之款項	30	17,195	15,116
Loan receivables	應收貸款	21	308,554	535,816
Trade and bills receivables	應收賬款及應收票據	22	251,628	149,178
Financial asset at fair value through profit or loss	按公平值計入損益之金融資產	20	1,351	2,004
Short-term bank deposits	短期銀行存款	23	1,446	1,583
Cash and cash equivalents	現金及現金等價物	23	3,448,407	2,681,475
Total current assets	流動資產總值		4,341,578	3,666,265
Total assets	資產總值		7,335,289	6,632,517
EQUITY	權益			
Capital and reserves attributable to the owners of the Company	本公司擁有人應佔股本及儲備			
Share capital	股本	26	6,942	6,942
Reserves	儲備		4,702,055	4,371,271
			4,708,997	4,378,213
Non-controlling interests	非控股權益		262,281	193,062
Total equity	權益總額		4,971,278	4,571,275

The notes on pages 53 to 100 form an integral part of this interim condensed consolidated financial information.

第53至100頁之附註乃此中期簡明綜合財務資料其中部分。

Interim Condensed Consolidated Balance Sheet (Continued)

中期簡明綜合資產負債表 (續)

At 30 June 2019 於二零一九年六月三十日

			Unaudited 未經審核 30 June 六月三十日 2019 二零一九年 HK\$'000 千港元	Audited 經審核 31 December 十二月三十一日 2018 二零一八年 HK\$'000 千港元
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Deferred income tax liabilities	遞延所得稅負債		97	109
Lease liabilities	租賃負債	16	34,153	-
Other payables	其他應付款項	25	-	983
Total non-current liabilities	非流動負債總額		34,250	1,092
Current liabilities	流動負債			
Trade and bills payables	應付賬款及應付票據	24	365,729	251,043
Payables for payment processing solutions business	支付交易處理解決方案業務之應付款項	25	600,857	266,710
Other payables and accruals	其他應付款項及應計款項	25	1,231,864	1,375,891
Amounts due to investments accounted for using the equity method	應付以權益法入賬之投資之款項	30	26,109	114,190
Current tax liabilities	當期稅項負債		80,700	42,069
Lease liabilities	租賃負債	16	24,502	-
Borrowing	借款	28	-	10,247
Total current liabilities	流動負債總額		2,329,761	2,060,150
Total liabilities	負債總額		2,364,011	2,061,242
Total equity and liabilities	權益及負債總額		7,335,289	6,632,517

On behalf of the Board

代表董事會

Xu Wensheng
徐文生
Director
董事

Li Wenjin
李文晉
Director
董事

The notes on pages 53 to 100 form an integral part of this interim condensed consolidated financial information.

第53至100頁之附註乃此中期簡明綜合財務資料其中部分。

Interim Condensed Consolidated Statement of Changes in Equity

中期簡明綜合權益變動表

For the period ended 30 June 2019 截至二零一九年六月三十日止期間

		Unaudited 未經審核							
		Attributable to the owners of the Company 本公司權益持有人應佔							
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 實繳盈餘 HK\$'000 千港元	Other reserves 其他儲備 HK\$'000 千港元	Exchange reserve 外匯儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Non- controlling interests 非控股權益 HK\$'000 千港元	Total equity 合計 HK\$'000 千港元
Balance at 31 December 2018	於二零一八年十二月三十一日之 結餘	6,942	1,063,153	168,434	647,029	6,312	2,486,343	193,062	4,571,275
Comprehensive income	全面收益								
Profit for the period	期內溢利	-	-	-	-	-	329,586	70,685	400,271
Other comprehensive loss	其他全面虧損								
Exchange differences arising on translation of the financial statements of foreign subsidiaries	換算海外附屬公司財務報表產生之匯兌差額	-	-	-	-	(5,112)	-	(1,466)	(6,578)
Change in value of a financial asset at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產之價值變動	-	-	-	(344)	-	-	-	(344)
Share of other comprehensive loss of an investment accounted for using the equity method (Note 27)	應佔以權益法入賬之投資之其他全面虧損 (附註27)	-	-	-	(508)	(734)	-	-	(1,242)
Total comprehensive (loss)/income	全面 (虧損)/收益總額	-	-	-	(852)	(5,846)	329,586	69,219	392,107
Employees' incentive programme of a subsidiary (Note 26)	一間附屬公司之僱員獎勵計劃 (附註26)	-	-	-	7,896	-	-	-	7,896
Balance at 30 June 2019	於二零一九年六月三十日之 結餘	6,942	1,063,153	168,434	654,073	466	2,815,929	262,281	4,971,278

The notes on pages 53 to 100 form an integral part of this interim condensed consolidated financial information.

第53至100頁之附註乃此中期簡明綜合財務資料其中部分。

Interim Condensed Consolidated Statement of Changes in Equity (Continued)

中期簡明綜合權益變動表(續)

For the period ended 30 June 2019 截至二零一九年六月三十日止期間

		Unaudited 未經審核							
		Attributable to the owners of the Company 本公司權益持有人應佔							
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Contributed surplus 實繳盈餘 HK\$'000 千港元	Other reserves 其他儲備 HK\$'000 千港元	Exchange reserve 外匯儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Non- controlling interests 非控股權益 HK\$'000 千港元	Total equity 合計 HK\$'000 千港元
Balance at 1 January 2018	於二零一八年一月一日之結餘	6,942	1,063,153	168,434	500,891	111,754	2,208,168	104,203	4,163,545
Comprehensive income	全面收益								
Profit for the period	期內溢利	-	-	-	-	-	67,544	2,299	69,843
Other comprehensive income/(loss)	其他全面收益/(虧損)								
Exchange differences arising on translation of the financial statements of foreign subsidiaries	換算海外附屬公司財務報表產生之匯兌差額	-	-	-	-	19,810	-	1,954	21,764
Change in value of a financial asset at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產之價值變動	-	-	-	89	-	-	-	89
Share of other comprehensive (loss)/income of an investment accounted for using the equity method (Note 27)	應佔以權益法入賬之投資之其他全面(虧損)/收益(附註27)	-	-	-	(1,266)	15,967	-	-	14,701
Total comprehensive (loss)/income	全面(虧損)/收益總額	-	-	-	(1,177)	35,777	67,544	4,253	106,397
Employees' incentive programme of a subsidiary	一間附屬公司之僱員獎勵計劃	-	-	-	156,318	-	-	38,982	195,300
Balance at 30 June 2018	於二零一八年六月三十日之結餘	6,942	1,063,153	168,434	656,032	147,531	2,275,712	147,438	4,465,242

The notes on pages 53 to 100 form an integral part of this interim condensed consolidated financial information.

第53至100頁之附註乃此中期簡明綜合財務資料其中部分。

Interim Condensed Consolidated Cash Flow Statement

中期簡明綜合現金流量表

For the period ended 30 June 2019 截至二零一九年六月三十日止期間

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cash flows from operating activities	經營業務之現金流量		
Cash generated from operations	經營所得現金	944,888	182,832
Interest paid	已付利息	(1,434)	(31)
Income tax paid	已支付所得稅	(30,378)	(43,322)
Net cash generated from operating activities	經營業務所得現金淨額	913,076	139,479
Cash flows from investing activities	投資活動之現金流量		
Purchases of property, plant and equipment	購置物業、廠房及設備	(144,631)	(179,687)
Purchases of intangible assets	購買無形資產	–	(133)
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備所得款項	141	27
Purchase of a financial asset at fair value through profit or loss	購置一項按公平值計入損益之金融資產	–	(39,000)
Dividend income from an associated company	來自一間聯營公司之股息收入	14,560	14,560
Interest received	已收利息	19,339	8,639
Proceeds from distribution from a financial asset at fair value through profit or loss	分銷一項按公平值計入損益之金融資產所得款項	2,006	–
Net cash used in investing activities	投資活動所用現金淨額	(108,585)	(195,594)
Cash flows from financing activities	融資活動之現金流量		
Repayment of bank borrowing	償還銀行貸款	(10,415)	(9,888)
Principal elements of lease payments	租賃付款之本金部分	(13,448)	–
Decrease in short-term bank deposits	短期銀行存款減少	138	13,156
Net cash (used in)/generated from financing activities	融資活動(所用)/所得現金淨額	(23,725)	3,268
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物之增加/(減少)淨額	780,766	(52,847)
Cash and cash equivalents at beginning of the period	期初之現金及現金等價物	2,681,475	2,541,482
Exchange (loss)/gain on cash and cash equivalents	現金及現金等價物之匯兌(虧損)/收益	(13,834)	42,630
Cash and cash equivalents at the end of the period	期終之現金及現金等價物	3,448,407	2,531,265

The notes on pages 53 to 100 form an integral part of this interim condensed consolidated financial information.

第53至100頁之附註乃此中期簡明綜合財務資料其中部分。

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

1 GENERAL INFORMATION

The principal activity of Hi Sun Technology (China) Limited (the “Company”) is investment holdings.

The Company and its subsidiaries (collectively referred to as the “Group”), are principally engaged in the provision of payment processing solutions, sales of information security chips and solutions, provision of platform operation solutions, provision of financial solutions and sales of electronic power meters and solutions.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited.

This interim condensed consolidated financial information is presented in thousands of Hong Kong dollar (HK\$'000), unless otherwise stated.

This interim condensed consolidated financial information was approved for issue on 12 August 2019.

This interim condensed consolidated financial information has not been audited.

2 BASIS OF PREPARATION

This interim condensed consolidated financial information for the six months ended 30 June 2019 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 ‘Interim financial reporting’ issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). This interim condensed consolidated financial information does not include all the notes of the type normally included in annual consolidated financial statements. Accordingly, this interim condensed consolidated financial information should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2018, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

1 一般資料

高陽科技(中國)有限公司(「本公司」)之主要業務為投資控股。

本公司及其附屬公司(統稱為「本集團」)主要從事提供支付交易處理解決方案、銷售信息安全芯片及解決方案、提供平台運營解決方案、提供金融解決方案及銷售電能計量產品及解決方案。

本公司為一間於百慕達註冊成立之有限公司，其註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。

本公司於香港聯合交易所有限公司主板上市。

除另有所指外，此中期簡明綜合財務資料以千港元(千港元)呈列。

此中期簡明綜合財務資料已於二零一九年八月十二日獲批准刊發。

此中期簡明綜合財務資料並未經審核。

2 編製基準

此截至二零一九年六月三十日止六個月之中期簡明綜合財務資料乃按香港會計師公會(「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」編製。此中期簡明綜合財務資料並不包括年度綜合財務報表一般載有之所有附註類型。因此，此中期簡明綜合財務資料應與截至二零一八年十二月三十一日止年度之年度綜合財務報表一併閱讀，其根據香港財務報告準則(「香港財務報告準則」)編製。

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

3 ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual consolidated financial statements for the year ended 31 December 2018, as described in those annual consolidated financial statements, except for the estimation of income tax and the adoption of new and amended standard as set out below. Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

3.1 New and amended standard adopted by the Group

A number of new or amended standard became applicable for the current reporting period, and the Group had changed its accounting policy and make retrospective adjustments as a result of adopting HKFRS 16 Leases (“HKFRS 16”).

The impact of the adoption of the leasing standard and the new accounting policy are disclosed below. The other standards did not have material impact on the Group’s accounting policies and did not require any adjustments.

The below explains the impact of adoption of HKFRS 16 on the Group’s interim condensed consolidated financial information and also discloses the new accounting policy that has been applied from 1 January 2019.

(i) Accounting policy applied from 1 January 2019

From 1 January 2019, leases are recognised as a right-of-use asset (including leasehold land which are presented as a separate line item in the interim condensed consolidated balance sheet) and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the interim condensed consolidated income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset’s useful life and the lease term on a straight-line basis.

3 會計政策

所應用會計政策與截至二零一八年十二月三十一日止年度之年度綜合財務報表所採納者貫徹一致，有關會計政策已於該等年度綜合財務報表中載述，惟估計所得稅、採納下文所載之新訂及經修訂準則除外。中期期間有關收入之稅項按適用於預計全年盈利總額之稅率累計。

3.1 本集團採納之新訂及經修訂準則

若干新訂或經修訂準則適用於本報告期，而由於採納香港財務報告準則第16號租賃（「香港財務報告準則第16號」），本集團已變更其會計政策及作出追溯調整。

採納租賃準則及新會計政策的影響披露於下文。其他準則並無對本集團的會計政策造成重大影響且毋須作出任何調整。

下文闡述採納香港財務報告準則第16號對本集團的中期簡明綜合財務資料造成的影響，並披露自二零一九年一月一日起應用之新會計政策。

(i) 自二零一九年一月一日起應用的會計政策

自二零一九年一月一日起，租賃確認為使用權資產（包括於中期簡明綜合資產負債表呈列為一個單獨項目的租賃土地），並於租賃資產可供本集團使用之日期確認相應負債。各租賃付款於負債及融資成本之間分配。融資成本於租賃期間自中期簡明綜合收益表扣除，以計算各期間負債結餘的固定週期利率。使用權資產乃按資產可使用年期及租期（以較短者為準）按直線法折舊。

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

3 ACCOUNTING POLICIES (Continued)

3.1 New and amended standard adopted by the Group (Continued)

(i) *Accounting policy applied from 1 January 2019 (Continued)*

HKFRS 16 Leases

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed lease payments. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Group's incremental borrowing rate.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and any initial direct cost.

Payments associated with short-term leases are recognised on a straight-line basis as an expense in interim condensed consolidated income statement. Short-term leases are leases with a lease term of 12 months or less.

(ii) *Impact of adoption*

The Group has adopted HKFRS 16 retrospectively from 1 January 2019, but has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provision in the standard. The adjustments arising from the new leasing rules are therefore recognised in the opening interim condensed consolidated balance sheet on 1 January 2019.

3 會計政策(續)

3.1 本集團採納之新訂及經修訂準則(續)

(i) *自二零一九年一月一日起應用的會計政策(續)*

香港財務報告準則第16號租賃

租賃產生的資產及負債初步按現值計量。租賃負債包括固定租賃付款的淨現值。租賃付款使用租賃所隱含的利率(倘該利率可被釐定)或本集團的增量借款利率貼現。

使用權資產按成本(包括租賃負債的初步計量金額及任何初步直接成本)計量。

與短期租賃相關的付款以直線法於中期簡明綜合收益表中確認為開支。短期租賃指租賃期為12個月或以下的租賃。

(ii) *採納的影響*

本集團已自二零一九年一月一日起追溯採納香港財務報告準則第16號,但按該準則的特定過渡條文所允許,並無重列二零一八年報告期間的比較數字。因此,新租賃規則所引發的調整於二零一九年一月一日的期初中期簡明綜合資產負債表內確認。

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

3 ACCOUNTING POLICIES (Continued)

3.1 New and amended standard adopted by the Group (Continued)

(ii) Impact of adoption (Continued)

On adoption of HKFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as ‘operating leases’ under the principles of HKAS 17 Leases (“HKAS 17”). These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate as of 1 January 2019 (date of initial application of HKFRS 16). The weighted average lessee’s incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 4.68%.

In applying HKFRS 16 for the first time, the Group has used a single discount rate to a portfolio of leases with reasonably similar characteristics, which is a practical expedient permitted by the standard.

The reconciliation between the operating lease commitments as disclosed by applying HKAS 17 as at 31 December 2018 and the lease liabilities recognised in the opening of the interim condensed consolidated balance sheet as at 1 January 2019 (date of initial application of HKFRS 16) is as follows:

		Unaudited 未經審核 HK\$'000 千港元
Operating lease commitments disclosed as at 31 December 2018	於二零一八年十二月三十一日披露的經營租賃承擔	69,614
Discounted using the lessee’s incremental borrowing rate at the date of initial application	使用初步應用日期承租人的增量借款利率貼現	58,393
Less: short-term leases recognised on a straight-line basis as expense	減：按直線法確認為開支的短期租賃	(716)
Lease liability recognised as at 1 January 2019	於二零一九年一月一日確認的租賃負債	57,677
Of which are:	其中：	
– Current lease liabilities	– 流動租賃負債	25,282
– Non-current lease liabilities	– 非流動租賃負債	32,395
		57,677

3 會計政策 (續)

3.1 本集團採納之新訂及經修訂準則 (續)

(ii) 採納的影響 (續)

於採納香港財務報告準則第16號時，本集團已就先前根據香港會計準則第17號租賃（「香港會計準則第17號」）的原則分類為「經營租賃」的租賃確認租賃負債，以剩餘租賃款項的現值計量該等負債，並採用承租人截至二零一九年一月一日（初步應用香港財務報告準則第16號之日期）的增量借款利率貼現。於二零一九年一月一日適用於租賃負債的承租人加權平均增量借款利率為4.68%。

於首次應用香港財務報告準則第16號時，本集團對具有合理類似特徵的租賃組合使用單一貼現率，此乃該準則所允許的可行權宜方法。

於二零一八年十二月三十一日透過應用香港會計準則第17號所披露之經營租賃承擔與於二零一九年一月一日（初步應用香港財務報告準則第16號之日期）在期初中期簡明綜合資產負債表確認之租賃負債之間的對賬如下：

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

3 ACCOUNTING POLICIES (Continued)

3.1 New and amended standard adopted by the Group (Continued)

(ii) Impact of adoption (Continued)

The associated right-of-use assets were measured at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised as at 1 January 2019. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

The change in accounting policy increased both right-of-use assets and lease liabilities by HK\$57,677,000 in the opening of the interim condensed consolidated balance sheet on 1 January 2019. The recognised right-of-use assets of HK\$57,677,000 are related to leasehold land and office premises.

3.2 Impact of standards issued but not yet applied by the Group

Certain new accounting standards and interpretations have been published that are not mandatory for this reporting period and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

4 ESTIMATES

The preparation of interim condensed consolidated financial information requires the management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2018.

3 會計政策(續)

3.1 本集團採納之新訂及經修訂準則(續)

(ii) 採納的影響(續)

相關使用權資產按相當於租賃負債的金額計量，並就與於二零一九年一月一日確認之該租賃有關的任何預付或應計租賃付款之金額進行調整。於初步應用日期，並無虧損性租賃合約需要對使用權資產進行調整。

會計政策變動使於二零一九年一月一日在期初中期簡明綜合資產負債表中，使用權資產及租賃負債均增加57,677,000港元。與租賃土地及辦公室物業有關的已確認使用權資產57,677,000港元。

3.2 已頒佈但本集團尚未應用的準則之影響

若干新訂會計準則及詮釋已頒佈，惟於本報告期間尚未強制生效，亦未獲本集團提早採納。預期該等準則於本報告期間或未來報告期間不會對本集團及可預見的未來交易產生重大影響。

4 估計

編製中期簡明綜合財務資料要求管理層作出判斷、估計及假設，影響會計政策之應用以及資產及負債、收入及開支之報告金額。實際結果可能與該等估計不同。

於編製此中期簡明綜合財務資料時，管理層於應用本集團會計政策及估計不確定之主要來源時作出之重大判斷，與應用截至二零一八年十二月三十一日止年度之綜合財務報表者相同。

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

5 財務風險管理及金融工具

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The interim condensed consolidated financial information does not include all financial risk management information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2018.

As a result of adoption of HKFRS 16, the Group recognised lease liabilities of HK\$57,677,000 as at 1 January 2019 and HK\$58,655,000 as at 30 June 2019. The table below analyses the Group's lease liabilities into relevant maturity grouping based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

		Unaudited 未經審核	
		At 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元	At 1 January 2019 於二零一九年 一月一日 HK\$'000 千港元
Less than 1 year	少於1年	32,229	33,518
Between 1 and 5 years	1至5年	38,025	36,096
Total	總計	70,254	69,614

There have been no significant changes in the risk management policies since 31 December 2018.

5.1 財務風險因素

本集團之活動面對多種財務風險：市場風險（包括外幣風險、公平值利率風險、現金流量利率風險及價格風險）、信貸風險及流動資金風險。

中期簡明綜合財務資料並不包括年度綜合財務報表規定之所有財務風險管理資料及披露，且應與本集團截至二零一八年十二月三十一日止年度之年度綜合財務報表一併閱讀。

由於採納香港財務報告準則第16號，本集團於二零一九年一月一日及於二零一九年六月三十日分別確認租賃負債57,677,000港元及58,655,000港元。下表根據結算日餘下期間至合約到期日，將本集團租賃負債按有關到期日組別進行分析。表內披露的金額為合同未貼現現金流量。

自二零一八年十二月三十一日起，本集團風險管理政策並無重大變動。

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued) 5 財務風險管理及金融工具(續)

5.2 Fair value estimation

The table below analyses the Group's financial instruments carried at fair value as at 30 June 2019 and 31 December 2018 by level of the inputs to valuation techniques used to measure fair values. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's financial assets that were measured at fair values at 30 June 2019.

5.2 公平值估計

下表按公平值計量所使用之估值技術所用輸入數據的層級，分析本集團於二零一九年六月三十日及二零一八年十二月三十一日按公平值入賬之金融工具。有關輸入數據乃按下文所述而分類歸入公平值架構內的三個層級：

- 相同資產或負債之活躍市場報價(未經調整)(第一級)。
- 除包含於第一級之報價外，資產或負債之可觀察直接(即價格)或間接(即源自價格者)輸入資料(第二級)。
- 並非根據可觀察市場資料而釐定之資產或負債之輸入資料(即不可觀察之輸入資料)(第三級)。

下表呈列本集團於二零一九年六月三十日按公平值計量之金融資產。

		Unaudited 未經審核			
		Level 1 第一級	Level 2 第二級	Level 3 第三級	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Financial assets	金融資產				
Financial asset at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產				
- Unlisted equity security	- 非上市股本證券	-	-	556	556
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產				
- Unlisted investment fund	- 非上市投資基金	-	-	124,714	124,714
- Unlisted convertible preference shares	- 非上市可換股優先股	-	-	151,073	151,073
- Listed trading securities	- 上市買賣證券	1,351	-	-	1,351
Total	合計	1,351	-	276,343	277,694

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued) 5 財務風險管理及金融工具(續)

5.2 Fair value estimation (Continued)

The following table presents the Group's financial assets that were measured at fair values at 31 December 2018.

		Audited 經審核			Total
		Level 1 第一級	Level 2 第二級	Level 3 第三級	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Financial assets	金融資產				
Financial asset at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產				
– Unlisted equity security	– 非上市股本證券	–	–	895	895
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產				
– Unlisted investment fund	– 非上市投資基金	–	–	129,869	129,869
– Unlisted convertible preference shares	– 非上市可換股優先股	–	–	141,872	141,872
– Listed trading securities	– 上市買賣證券	2,004	–	–	2,004
Total	合計	2,004	–	272,636	274,640

There were no significant transfers of financial assets between the fair value hierarchy classifications during the period (six months ended 30 June 2018: same).

於本期間，公平值等級分類間並無重大金融資產轉讓（截至二零一八年六月三十日止六個月：相同）。

5.3 Financial instruments in Level 1

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for sale securities) is based on quoted (unadjusted) market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

5.3 第一級之金融工具

在活躍市場買賣之金融工具（例如公開買賣衍生工具及買賣及可供出售證券）之公平值，根據結算日之市場報價（未經調整）計算。本集團所持金融資產之市場報價為當時買入價。該等工具計入第一級。

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued) 5 財務風險管理及金融工具(續)

5.4 Fair value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in level 3 financial instruments for the six months ended 30 June 2019:

5.4 利用重大不可觀察輸入數據計量之公平值(第三級)

下表呈列第三級金融工具於截至二零一九年六月三十日止六個月之變動:

		Unaudited 未經審核			Total 總計
		Financial assets at fair value through profit or loss 按公平值計入損益之金融資產	Financial asset at fair value through other comprehensive income 按公平值計入其他全面收益之金融資產		
		– unlisted convertible preference shares – 非上市可換股優先股 HK\$'000 千港元	– unlisted investment fund – 非上市投資基金 HK\$'000 千港元	– unlisted equity security – 非上市股本證券 HK\$'000 千港元	
Balance at 1 January 2019	於二零一九年一月一日之結餘	141,872	129,869	895	272,636
Fair value loss on revaluation recognised in other comprehensive income	於其他全面收益確認之重估公平值虧損	-	-	(344)	(344)
Fair value gain/(loss) on revaluation recognised in profit or loss	於損益確認之重估公平值收益/(虧損)	9,201	(3,090)	-	6,111
Distribution	分銷	-	(2,006)	-	(2,006)
Exchange realignment	匯兌調整	-	(59)	5	(54)
As at 30 June 2019	於二零一九年六月三十日	151,073	124,714	556	276,343
Unrealised gain/(loss) recognised in the interim condensed consolidated income statement attributable to balances at the balance sheet date	於中期簡明綜合收益表確認之於結算日結餘應佔之未變現收益/(虧損)	9,201	(3,090)	-	6,111

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中期簡明綜合財務資料附註

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued) 5 財務風險管理及金融工具(續)

5.4 Fair value measurements using significant unobservable inputs (Level 3) (Continued)

The following table presents the changes in level 3 instruments for the six months ended 30 June 2018:

5.4 利用重大不可觀察輸入數據計量之公平值(第三級)(續)

下表呈列第三級工具於截至二零一八年六月三十日止六個月之變動:

		Unaudited 未經審核			Total 總計
		Financial assets at fair value through profit or loss 按公平值計入損益之 金融資產	Financial asset at fair value through other comprehensive income 按公平值計入 其他全面收益 之金融資產	Financial asset at fair value through other comprehensive income 按公平值計入 其他全面收益 之金融資產	
		– unlisted convertible preference shares –非上市 可換股 優先股 HK\$'000 千港元	– unlisted investment fund –非上市 投資基金 HK\$'000 千港元	– unlisted equity security –非上市 股本證券 HK\$'000 千港元	
Balance at 1 January 2018	於二零一八年一月一日 之結餘	93,485	162,849	15,536	271,870
Addition	添置	39,000	–	–	39,000
Fair value gain on revaluation recognised in other comprehensive income	於其他全面收益確認之 重估公平值收益	–	–	89	89
Fair value gain on revaluation recognised in profit or loss	於損益確認之重估 公平值收益	8,659	9,125	–	17,784
Exchange realignment	匯兌調整	–	3,006	295	3,301
As at 30 June 2018	於二零一八年 六月三十日	141,144	174,980	15,920	332,044
Unrealised gain recognised in the interim condensed consolidated income statement attributable to balances at the balance sheet date	於中期簡明綜合收益表 確認之於結算日結餘 應佔之未變現收益	8,659	9,125	–	17,784

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中期簡明綜合財務資料附註

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

5 財務風險管理及金融工具(續)

5.4 Fair value measurements using significant unobservable inputs (Level 3) (Continued)

Specific valuation techniques used to value level 3 financial instruments include techniques such as discounted cash flow analysis and net asset value model. There are no changes in valuation techniques during the period (six months ended 30 June 2018: same).

During the six months ended 30 June 2019, there were no reclassification of financial assets (six months ended 30 June 2018: same).

The Group's finance department includes a team that performs the valuations of financial assets required for financial reporting purposes, including level 3 fair values. As part of the valuation process, this team reports directly to the Group financial controller and external valuers will be engaged, if necessary.

In applying the discounted cash flow technique, management has taken into account the estimated amount that the Group would receive to sell the instrument at the balance sheet date, taking into account current interest rates and the current credit worthiness of the counterparties. Where discounted cash flow techniques are used, estimated future cash flows are based on the management's best estimates and the discount rate is a market related rate for a similar instrument at the balance sheet date.

5.4 利用重大不可觀察輸入數據計量之公平值(第三級)(續)

就第三級金融工具估值使用之指定估值技術包括貼現現金流量分析及資產淨值模式等技術。於本期間，估值技術並無變動(截至二零一八年六月三十日止六個月：相同)。

於截至二零一九年六月三十日止六個月，金融資產概無重新分類(截至二零一八年六月三十日止六個月：相同)。

本集團財務部包括一個就財務報告所需金融資產估值(包括第三級公平值)之團隊。於估值過程中，該團隊直接向本集團財務總監匯報，並於有需要時委聘外部估值師。

於應用貼現現金流量技術時，管理層已計及本集團於結算日銷售有關工具收取的估計金額，並考慮現時利率及對手方目前的信譽。倘使用貼現現金流量技術，估計未來現金流量乃基於管理層的最佳估計，及貼現率為於結算日類似工具有關的市場利率。

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5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued) 5 財務風險管理及金融工具(續)

5.4 Fair value measurements using significant unobservable inputs (Level 3) (Continued)

Quantitative information about fair value measurements using significant unobservable inputs (Level 3):

(a) *Financial asset at fair value through profit or loss – unlisted investment fund*

The key unobservable assumption used in the valuation of unlisted investment fund is:

Valuation technique	Unobservable inputs	At	At
		30 June 2019	31 December 2018
Net asset value (Note i)	N/A	N/A	N/A

Note:

- (i) The Group has determined that the audited net asset value approximates fair value of the unlisted investment fund after applying a portfolio discount 10% (31 December 2018: 10%).

(b) *Financial asset at fair value through profit or loss – unlisted convertible preference shares*

The key unobservable assumptions used in the valuation of unlisted convertible preference shares are:

Valuation technique	Unobservable inputs	At	At
		30 June 2019	31 December 2018
Discounted cash flow analysis	Pre-tax discount rate	21.3%	23.0%
	Compound annual growth rate	36.7%	36.2%
	Terminal growth rate	0.0%	0.0%

As at 30 June 2019, the pre-tax discount rate used to compute the fair value is 21.3% (31 December 2018: 23.0%). If the discount rate shifted upward by 1%, the impact on interim condensed consolidated income statement would be HK\$3,272,000 (31 December 2018: HK\$960,000) lower. The higher the pre-tax discount rate, the lower the fair value.

5.4 利用重大不可觀察輸入數據計量之公平值(第三級)(續)

利用重大不可觀察輸入數據計量公平值之量化資料如下(第三級):

(a) 按公平值計入損益之金融資產 – 非上市投資基金

在非上市投資基金之估值中採用之主要不可觀察假設:

估值技術	不可觀察輸入數據	於	於
		二零一九年六月三十日	二零一八年十二月三十一日
資產淨值 (附註i)	不適用	不適用	不適用

附註:

- (i) 本集團釐定在應用投資組合折讓10%(二零一八年十二月三十一日:10%)後,經審核資產淨值與非上市投資基金的公平值相若。

(b) 按公平值計入損益之金融資產 – 非上市可換股優先股

在非上市可換股優先股之估值中採用之主要不可觀察輸入假設:

估值技術	不可觀察輸入數據	於	於
		二零一九年六月三十日	二零一八年十二月三十一日
貼現現金 流量分析	稅前貼現率	21.3%	23.0%
	複合年增長率	36.7%	36.2%
	終端增長率	0.0%	0.0%

於二零一九年六月三十日,用作計算公平值之稅前貼現率為21.3%(二零一八年十二月三十一日:23.0%)。倘貼現率向上調1%,對中期簡明綜合收益表之影響將減少3,272,000港元(二零一八年十二月三十一日:960,000港元)。稅前貼現率越高則公平值越低。

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

5 財務風險管理及金融工具(續)

5.5 Fair value of financial assets and liabilities measured at amortised cost

The fair values of the following financial assets and liabilities approximate their carrying values:

- Other financial assets at amortised cost
- Amounts due from investments accounted for using the equity method
- Loan receivables
- Trade and bills receivables
- Short-term bank deposits
- Cash and cash equivalents
- Trade and bills payables
- Payables for payment processing solutions business
- Other payables and accruals
- Amounts due to investments accounted for using the equity method
- Lease liabilities
- Borrowing

5.5 按攤銷成本計量之金融資產及負債公平值

下列金融資產及負債之公平值與其賬面值相若：

- 按攤銷成本計量之其他金融資產
- 應收以權益法入賬之投資之款項
- 應收貸款
- 應收賬款及應收票據
- 短期銀行存款
- 現金及現金等價物
- 應付賬款及應付票據
- 支付交易處理解決方案業務之應付款項
- 其他應付款項及應計款項
- 應付以權益法入賬之投資之款項
- 租賃負債
- 借款

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

6 REVENUE, OTHER INCOME AND OTHER GAINS, NET 6 收入、其他收入及其他收益淨額

The Group is principally engaged in the provision of payment processing solutions, sales of information security chips and solutions, provision of platform operation solutions, provision of financial solutions and sales of electronic power meters and solutions.

Revenue, other income and other gains, net recognised during the period are as follows:

本集團主要從事提供支付交易處理解決方案、銷售信息安全芯片及解決方案、提供平台運營解決方案、提供金融解決方案以及銷售電能計量產品及解決方案。

於期內確認之收入、其他收入及其他收益淨額如下：

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Turnover	營業額		
Provision of payment processing solutions	提供支付交易處理解決方案	2,564,269	1,490,689
Sales of information security chips and solutions	銷售信息安全芯片及解決方案	168,775	172,979
Provision of platform operation solutions	提供平台運營解決方案	89,811	100,006
Provision of financial solutions	提供金融解決方案	83,223	91,434
Sales of electronic power meters and solutions	銷售電能計量產品及解決方案	99,718	89,967
		3,005,796	1,945,075
Other income	其他收入		
Interest income	利息收入	19,339	8,639
Subsidy income	補貼收入	9,809	9,150
Rental income	租金收入	1,370	1,250
Others	其他	290	39
		30,808	19,078
Other gains, net	其他收益淨額		
Fair value gain/(loss) on financial assets at fair value through profit or loss	按公平值計入損益之金融資產公平值收益／(虧損)		
– Unlisted convertible preference shares	– 非上市可換股優先股	9,201	8,659
– Unlisted investment fund	– 非上市投資基金	(3,090)	9,125
– Listed trading securities	– 上市買賣證券	(653)	113
Dividend income earned from a financial asset at fair value through profit or loss	賺取自一項按公平值計入損益之金融資產之股息收入	117	–
		5,575	17,897

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中期簡明綜合財務資料附註

7 SEGMENT INFORMATION

Management has determined the operating segments based on the internal reports reviewed by the Board of Directors that are used to make strategic decisions.

The Board of Directors considers the business of the Group from a product perspective.

The Group is organised into five main operating segments in these internal reports:

- (a) Payment processing solutions – principally engaged in provision of payment processing services, merchants recruiting, micro-lending business, credit assessment services and related products and solutions;
- (b) Information security chips and solutions – principally engaged in the provision of information system consultancy services, the sale of mag-strip and security decoder chips and related products and solutions;
- (c) Platform operation solutions – principally engaged in the provision of telecommunication and mobile payment platform operation services and operation value-added services;
- (d) Financial solutions – principally engaged in the provision of information system consultancy, integration and operation services and sales of information technology products to financial institutions and banks; and
- (e) Electronic power meters and solutions – principally engaged in the manufacturing and sales of electronic power meters, data collection terminals and related products and solutions.

The Board of Directors assesses the performance of the operating segments based on a measure of earnings before interest expense, taxes, depreciation and amortisation (“EBITDA”) excluding fair value gain on financial asset at fair value through profit or loss and employees’ incentive programme of a subsidiary.

7 分類資料

管理層根據董事會審閱以作出策略決定之內部報告而釐定經營分類。

董事會從產品角度考慮本集團業務。

本集團之內部報告分為五個主要經營分類：

- (a) 支付交易處理解決方案—主要從事提供支付交易處理服務、招攬商戶、小額貸款業務、信貸評估服務以及相關產品及解決方案；
- (b) 信息安全芯片及解決方案—主要從事提供資訊系統諮詢服務、銷售磁條及加密解碼芯片以及相關產品及解決方案；
- (c) 平台運營解決方案—主要從事提供電訊及移動支付平台運營服務及運營增值服務；
- (d) 金融解決方案—主要從事向金融機構及銀行提供資訊系統諮詢、集成與運營服務及銷售資訊科技產品；及
- (e) 電能計量產品及解決方案—主要從事生產及銷售電能計量產品、數據收集終端以及相關產品及解決方案。

董事會按扣除利息支出、稅項、折舊及攤銷前盈利(「EBITDA」)(不包括按公平值計入損益之金融資產之公平值收益及一間附屬公司之僱員獎勵計劃)評估經營分類之表現。

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中期簡明綜合財務資料附註

7 SEGMENT INFORMATION (Continued)

7 分類資料 (續)

An analysis of the Group's revenue and results for the period by operating segment is as follows:

本集團期內之收入及業績按經營分類分析如下：

		Unaudited 未經審核							
		Payment processing solutions 支付 交易處理 解決方案 HK\$'000 千港元	Information security chips and solutions 信息安全 芯片及 解決方案 HK\$'000 千港元	Platform operation solutions 平台運營 解決方案 HK\$'000 千港元	Financial solutions 金融 解決方案 HK\$'000 千港元	Electronic power meters and solutions 電能計量 產品及 解決方案 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total Group 集團 總計 HK\$'000 千港元	
Six months ended 30 June 2019	截至二零一九年 六月三十日止六個月								
Segment turnover from external customers	來自外部客戶之分類營業額	2,564,269	168,775	89,811	83,223	99,718	-	3,005,796	
Segmental EBITDA (excluding fair value gain on financial asset at fair value through profit or loss and employees' incentive programme of a subsidiary)	分類EBITDA (不包括按公平值計入損益之金融資產之公平值收益/(虧損)及一間附屬公司之僱員獎勵計劃)	621,560	12,439	(9,490)	(34,577)	5,683	(5,729)	589,886	
Depreciation	折舊	(189,689)	(1,135)	(2,730)	(1,768)	(1,480)	(635)	(197,437)	
Amortisation	攤銷	-	-	(19)	-	(39)	-	(58)	
Fair value gain on financial asset at fair value through profit or loss	按公平值計入損益之金融資產之公平值收益	-	-	6,111	-	-	-	6,111	
Employees' incentive programme of a subsidiary	一間附屬公司之僱員獎勵計劃	-	(7,896)	-	-	-	-	(7,896)	
Segmental operating profit/(loss)	分類經營溢利/(虧損)	431,871	3,408	(6,128)	(36,345)	4,164	(6,364)	390,606	
Unallocated other income	未分配其他收入								3,338
Unallocated corporate expenses	未分配企業開支								(33,571)
Finance costs	融資成本								(1,434)
Share of results of investments accounted for using the equity method	應佔以權益法入賬之投資業績								111,058
Profit before income tax	除所得稅前溢利								469,997
Income tax expense	所得稅開支								(69,726)
Profit for the period	期內溢利								400,271

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

7 SEGMENT INFORMATION (Continued)

An analysis of the Group's revenue and results for the period by operating segment is as follows: (Continued)

7 分類資料(續)

本集團期內之收入及業績按經營分類分析如下：
(續)

		Unaudited 未經審核						
		Payment processing solutions 支付 交易處理 解決方案 HK\$'000 千港元	Information security chips and solutions 信息安全 芯片及 解決方案 HK\$'000 千港元	Platform operation solutions 平台運營 解決方案 HK\$'000 千港元	Financial solutions 金融 解決方案 HK\$'000 千港元	Electronic power meters and solutions 電能計量 產品及 解決方案 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total Group 集團 總計 HK\$'000 千港元
Six months ended 30 June 2018	截至二零一八年 六月三十日止六個月							
Segment turnover	分類營業額	1,490,689	172,979	101,093	91,434	89,967	-	1,946,162
Inter-segment turnover	分類間營業額	-	-	(1,087)	-	-	-	(1,087)
Turnover from external customers	來自外部客戶之營業額	1,490,689	172,979	100,006	91,434	89,967	-	1,945,075
Segmental EBITDA (excluding fair value gain on financial asset at fair value through profit or loss and employees' incentive programme of a subsidiary)	分類EBITDA (不包括按公平值計入損益之金融資產之公平值收益及一間附屬公司之僱員獎勵計劃)	387,705	15,398	(10,338)	(13,242)	(7,415)	(3,076)	369,032
Depreciation	折舊	(137,728)	(251)	(1,206)	(224)	(1,575)	(51)	(141,035)
Amortisation	攤銷	-	-	(75)	-	(155)	-	(230)
Fair value gain on financial asset at fair value through profit or loss	按公平值計入損益之金融資產之公平值收益	-	-	17,784	-	-	-	17,784
Employees' incentive programme of a subsidiary	一間附屬公司之僱員獎勵計劃	(195,300)	-	-	-	-	-	(195,300)
Segmental operating profit/(loss)	分類經營溢利/(虧損)	54,677	15,147	6,165	(13,466)	(9,145)	(3,127)	50,251
Unallocated other income	未分配其他收入							2,600
Unallocated corporate expenses	未分配企業開支							(24,144)
Finance costs	融資成本							(31)
Share of result of an investment accounted for using the equity method	應佔以權益法入賬之一項投資業績							83,543
Profit before income tax	除所得稅前溢利							112,219
Income tax expense	所得稅開支							(42,376)
Profit for the period	期內溢利							69,843

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7 SEGMENT INFORMATION (Continued)

Unallocated corporate expenses represent costs that are used for all segments, including depreciation of property, plant and equipment of HK\$2,977,000 (six months ended 30 June 2018: HK\$914,000), depreciation of investment properties of HK\$98,000 (six months ended 30 June 2018: HK\$106,000) and depreciation of leasehold land of HK\$380,000 (six months ended 30 June 2018: amortisation of HK\$380,000), respectively.

The segment assets and liabilities as at 30 June 2019 and additions to non-current assets for the six months ended 30 June 2019 are as follows:

7 分類資料 (續)

未分配企業開支指所有分類所用成本，分別包括物業、廠房及設備折舊2,977,000港元（截至二零一八年六月三十日止六個月：914,000港元）、投資物業折舊98,000港元（截至二零一八年六月三十日止六個月：106,000港元）及租賃土地折舊380,000港元（截至二零一八年六月三十日止六個月：攤銷380,000港元）。

於二零一九年六月三十日之分類資產及負債及截至二零一九年六月三十日止六個月之非流動資產添置如下：

		Unaudited 未經審核 As at 30 June 2019 於二零一九年六月三十日								
		Payment processing solutions 支付 交易處理 解決方案 HK\$'000 千港元	Information security chips and solutions 信息安全 芯片及 解決方案 HK\$'000 千港元	Platform operation solutions 平台運營 解決方案 HK\$'000 千港元	Financial solutions 金融 解決方案 HK\$'000 千港元	Electronic power meters and solutions 電能計量 產品及 解決方案 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Elimination 抵銷 HK\$'000 千港元	Total Group 集團 總計 HK\$'000 千港元
Segment assets	分類資產	3,568,560	265,309	610,009	272,677	268,644	96,168	3,266,843	(1,012,921)	7,335,289
Segment liabilities	分類負債	(2,135,841)	(200,884)	(294,381)	(298,885)	(190,426)	(158,385)	(98,130)	1,012,921	(2,364,011)
Additions to non-current assets (excluding investments accounted for using equity method, loan receivables, financial asset at fair value through other comprehensive income, financial assets at fair value through profit or loss and other financial assets at amortised cost)	非流動資產添置（不包括以 權益法入賬之投資、應收 貸款、按公平值計入其他 全面收益之金融資產、按 公平值計入損益之金融資產 及按攤銷成本計量之 其他金融資產）	61,226	644	1,994	6,057	382	342	9,165	-	79,810

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7 SEGMENT INFORMATION (Continued)

The segment assets and liabilities as at 31 December 2018 and additions to non-current assets for the six months ended 30 June 2018 are as follows:

		Audited 經審核								
		As at 31 December 2018 於二零一八年十二月三十一日								
		Information Payment processing solutions 支付交易處理解決方案 HK\$'000 千港元	security chips and solutions 信息安全芯片及解決方案 HK\$'000 千港元	Platform operation solutions 平台運營解決方案 HK\$'000 千港元	Financial solutions 金融解決方案 HK\$'000 千港元	Electronic power meters and solutions 電能計量產品及解決方案 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Elimination 抵銷 HK\$'000 千港元	Total Group 集團總計 HK\$'000 千港元
Segment assets	分類資產	2,848,317	248,240	637,276	339,802	249,455	102,338	3,169,150	(962,061)	6,632,517
Segment liabilities	分類負債	(1,768,738)	(193,738)	(318,483)	(321,434)	(175,311)	(158,290)	(87,309)	962,061	(2,061,242)

		Unaudited 未經審核								
		Six months ended 30 June 2018 截至二零一八年六月三十日止六個月								
		Information Payment processing solutions 支付交易處理解決方案 HK\$'000 千港元	security chips and solutions 信息安全芯片及解決方案 HK\$'000 千港元	Platform operation solutions 平台運營解決方案 HK\$'000 千港元	Financial solutions 金融解決方案 HK\$'000 千港元	Electronic power meters and solutions 電能計量產品及解決方案 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Elimination 抵銷 HK\$'000 千港元	Total Group 集團總計 HK\$'000 千港元
Additions to non-current assets (excluding investments accounted for using equity method, loan receivables, financial asset at fair value through other comprehensive income, financial assets at fair value through profit or loss and other financial assets at amortised cost)	非流動資產添置(不包括以權益法入賬之投資、應收貸款、按公平值計入其他全面收益之金融資產、按公平值計入損益之金融資產及按攤銷成本計量之其他金融資產)	201,288	620	182	11	212	6	777	-	203,096

During the period, additions to non-current assets mainly comprise additions to property, plant and equipment and right-of-use assets (six months ended 30 June 2018: property, plant and equipment and intangible assets).

Information provided to the Board of Directors is measured in a manner consistent with that of the interim condensed consolidated financial information. These assets and liabilities are allocated based on the operations of the segment.

7 分類資料(續)

於二零一八年十二月三十一日之分類資產及負債及截至二零一八年六月三十日止六個月之非流動資產添置如下：

		Audited 經審核								
		As at 31 December 2018 於二零一八年十二月三十一日								
		Information Payment processing solutions 支付交易處理解決方案 HK\$'000 千港元	security chips and solutions 信息安全芯片及解決方案 HK\$'000 千港元	Platform operation solutions 平台運營解決方案 HK\$'000 千港元	Financial solutions 金融解決方案 HK\$'000 千港元	Electronic power meters and solutions 電能計量產品及解決方案 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Elimination 抵銷 HK\$'000 千港元	Total Group 集團總計 HK\$'000 千港元
Segment assets	分類資產	2,848,317	248,240	637,276	339,802	249,455	102,338	3,169,150	(962,061)	6,632,517
Segment liabilities	分類負債	(1,768,738)	(193,738)	(318,483)	(321,434)	(175,311)	(158,290)	(87,309)	962,061	(2,061,242)

		Unaudited 未經審核								
		Six months ended 30 June 2018 截至二零一八年六月三十日止六個月								
		Information Payment processing solutions 支付交易處理解決方案 HK\$'000 千港元	security chips and solutions 信息安全芯片及解決方案 HK\$'000 千港元	Platform operation solutions 平台運營解決方案 HK\$'000 千港元	Financial solutions 金融解決方案 HK\$'000 千港元	Electronic power meters and solutions 電能計量產品及解決方案 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Elimination 抵銷 HK\$'000 千港元	Total Group 集團總計 HK\$'000 千港元
Additions to non-current assets (excluding investments accounted for using equity method, loan receivables, financial asset at fair value through other comprehensive income, financial assets at fair value through profit or loss and other financial assets at amortised cost)	非流動資產添置(不包括以權益法入賬之投資、應收貸款、按公平值計入其他全面收益之金融資產、按公平值計入損益之金融資產及按攤銷成本計量之其他金融資產)	201,288	620	182	11	212	6	777	-	203,096

期內，非流動資產添置主要包括對物業、廠房及設備以及使用權資產之添置(截至二零一八年六月三十日止六個月：物業、廠房及設備以及無形資產)。

向董事會提供之資料採用與中期簡明綜合財務資料一致之方法計量。該等資產及負債按分類之業務分配。

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

7 SEGMENT INFORMATION (Continued)

Sales between segments are carried out on normal commercial terms. The revenue from external parties reported to the Board of Directors is measured in a manner consistent with that in the interim condensed consolidated income statement.

The Group principally domiciles in Mainland China and Hong Kong (six months ended 30 June 2018: same).

8 EXPENSES BY NATURE

Expenses included in cost of sales, selling expenses and administrative expenses are analysed as follows:

7 分類資料 (續)

分類間之銷售按一般商業條款進行。向董事會匯報的來自外部各方之收入採用與中期簡明綜合收益表一致之方法計量。

本集團主要所在於中國大陸及香港 (截至二零一八年六月三十日止六個月: 相同)。

8 以性質區分之開支

於銷售成本、銷售開支及行政費用計入之開支分析如下:

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Auditor's remuneration	核數師酬金	2,003	1,900
Commission paid to merchant recruitment agents	向招攬商戶代理支付的佣金	1,667,318	909,424
Depreciation of property, plant and equipment (Note 15)	物業、廠房及設備折舊 (附註15)	186,582	141,949
Depreciation of right-of-use assets (Note 16)	使用權資產折舊 (附註16)	13,722	–
Depreciation of investment properties (Note 14)	投資物業折舊 (附註14)	98	106
Depreciation/amortisation of leasehold land (Note 17)	租賃土地折舊/攤銷 (附註17)	490	498
Amortisation of intangible assets (Note 18)	無形資產攤銷 (附註18)	58	112
Employee benefit expenses (excluding employees' incentive programme of a subsidiary) (Note 10)	僱員福利開支 (不包括一間附屬公司之僱員獎勵計劃) (附註10)	376,825	257,427
Costs of inventories sold (including provision for inventories)	售出存貨成本 (包括存貨撥備)	197,383	193,934
Operating lease rentals of short-term leases in respect of land and buildings	有關土地及樓宇之短期租賃之經營租約租金	5,926	16,989
Research and development costs (including staff cost)	研究及開發成本 (包括員工成本)	152,558	126,575
(Gain)/loss on disposals of property, plant and equipment	出售物業、廠房及設備之 (收益)/虧損	(99)	19
Credit impairment loss	信貸減值虧損		
– Trade and bills receivables	– 應收賬款及應收票據	7,063	–
– Loan receivables (Note 21)	– 應收貸款 (附註21)	13,525	3,101

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中期簡明綜合財務資料附註

9 NET FOREIGN EXCHANGE GAIN

The net foreign exchange gain recognised in the interim condensed consolidated income statement and included in administrative expenses for the six months ended 30 June 2019 amounted to HK\$2,217,000 (six months ended 30 June 2018: HK\$13,794,000).

10 EMPLOYEE BENEFIT EXPENSES

9 外匯收益淨額

截至二零一九年六月三十日止六個月，於中期簡明綜合收益表中確認並計入行政費用之外匯收益淨額為2,217,000港元（截至二零一八年六月三十日止六個月：13,794,000港元）。

10 僱員福利開支

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Wages and salaries	工資及薪金	317,412	214,790
Social security and pension costs	社會保障及退休金成本	59,413	42,637
		376,825	257,427
Employees' incentive programme of a subsidiary (Note 26)	一間附屬公司之僱員獎勵計劃 (附註26)	7,896	195,300
		384,721	452,727

11 INCOME TAX EXPENSE

Hong Kong profits tax has been provided for at the rate of 16.5% (six months ended 30 June 2018: 16.5%) on the estimated assessable profit for the period. Taxation on overseas profits has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates.

Subsidiaries in the PRC are subject to corporate income tax ("CIT") in accordance with the PRC CIT Law. According to the PRC CIT Law and the relevant regulations, the CIT tax rate applicable is 25% unless preferential rates are applicable in the cities where the subsidiaries are located.

If a subsidiary in the PRC is subject to CIT and qualified as High and New Technology Enterprise ("HNTE"), the applicable CIT tax rate is 15%. If a subsidiary in the PRC is subject to CIT and qualified as Software and Integrated Circuit Enterprise ("SICE"), the applicable CIT tax rate is 0% for the first two years of being qualified and 12.5% for the next three years.

11 所得稅開支

期內，香港利得稅已就估計應課稅溢利按16.5%（截至二零一八年六月三十日止六個月：16.5%）之稅率作出撥備。海外溢利之稅項則根據期內估計應課稅溢利以本集團經營業務之國家當時稅率計算。

於中國的附屬公司須根據中國企業所得稅（「企業所得稅」）法繳納企業所得稅。根據中國企業所得稅法及相關法規，除非優惠稅率適用於附屬公司所在城市，否則企業所得稅適用稅率為25%。

倘一間中國附屬公司須繳納企業所得稅及合資格成為高新技術企業（「高新技術企業」），則適用企業所得稅稅率為15%。倘一間中國附屬公司須繳納企業所得稅及合資格成為軟件及集成電路企業（「軟件及集成電路企業」），則規定首兩年適用企業所得稅稅率為0%，隨後三年稅率為12.5%。

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中期簡明綜合財務資料附註

11 INCOME TAX EXPENSE (Continued)

Applicable corporate income tax rates of principal subsidiaries

Beijing Hi Sun Advanced Business Solutions Information Technology Limited (“ABS”) was renewed as HNTE in 2018 under the PRC CIT Law. Hangzhou PAX Electronic Technology Limited (“Hangzhou Electronic Technology”) was renewed as HNTE in 2018 under the PRC CIT Law. 隨行付支付有限公司 (“VBill OPCO”) was renewed as HNTE in 2017 under the PRC CIT Law. 北京銀企融合技術開發有限公司 (“Beijing Bank and Enterprise”) was qualified as HNTE in 2016 under the PRC CIT Law. Hunan Hisun Mobile Pay IT Limited (“HN Mobile Pay”) was re-qualified as HNTE in 2017 under the PRC CIT Law. As such, the applicable corporate income tax rate for ABS, Hangzhou Electronic Technology, VBill OPCO, Beijing Bank and Enterprise and HN Mobile Pay was 15% for the six months ended 30 June 2019 (six months ended 30 June 2018: same).

Megahunt Microelectronics (Beijing) Company Limited (“Megahunt Microelectronics”) was qualified as SICE in 2015 under the PRC CIT Law. As such, the applicable corporate income tax rate for Megahunt Microelectronics was 12.5% for the six months ended 30 June 2019 (six months ended 30 June 2018: same).

11 所得稅開支 (續)

主要附屬公司之適用企業所得稅稅率

北京高陽金信信息技術有限公司(「高陽金信信息」)於二零一八年根據中國企業所得稅法續新為高新技術企業。杭州百富電子技術有限公司(「杭州電子技術」)於二零一八年根據中國企業所得稅法續新為高新技術企業。隨行付支付有限公司(「隨行付」)於二零一七年根據中國企業所得稅法續新為高新技術企業。北京銀企融合技術開發有限公司(「北京銀企」)於二零一六年根據中國企業所得稅法合資格為高新技術企業。湖南高陽通聯信息技術有限公司(「湖南高陽通聯」)於二零一七年根據中國企業所得稅法再次合資格為高新技術企業。因此，截至二零一九年六月三十日止六個月，高陽金信信息、杭州電子技術、隨行付、北京銀企及湖南高陽通聯之適用企業所得稅稅率為15% (截至二零一八年六月三十日止六個月：相同)。

兆訊恒達微電子技術(北京)有限公司(「兆訊恒達微電子」)於二零一五年根據中國企業所得稅法合資格成為軟件及集成電路企業。因此，截至二零一九年六月三十日止六個月，兆訊恒達微電子之適用企業所得稅稅率為12.5% (截至二零一八年六月三十日止六個月：相同)。

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current income tax	當期所得稅		
– Hong Kong profits tax	– 香港利得稅	–	–
– Overseas taxation	– 海外稅項	69,737	42,402
Deferred tax	遞延稅項	(11)	(26)
Income tax expense	所得稅開支	69,726	42,376

12 DIVIDENDS

No dividend on ordinary share has been paid or declared by the Company for the six months ended 30 June 2019 (six months ended 30 June 2018: nil).

12 股息

截至二零一九年六月三十日止六個月，本公司並無派付或宣派任何普通股股息(截至二零一八年六月三十日止六個月：無)。

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13 EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the profit for the period attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the period.

13 每股盈利

(a) 基本

每股基本盈利乃按本公司擁有人應佔期內溢利除以期內已發行普通股加權平均數計算。

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit attributable to the owners of the Company (HK\$'000)	本公司擁有人應佔溢利 (千港元)	329,586	67,544
Weighted average number of ordinary shares in issue (thousands shares)	已發行普通股加權平均數 (千股)	2,776,834	2,776,834
Basic earnings per share attributable to the owners of the Company (HK\$ per share)	本公司擁有人應佔每股基本盈利 (每股港元)	0.12	0.02

(b) Diluted

Diluted earnings per share is calculated by adjusting the net income and the weighted average number of ordinary shares outstanding to assume conversion of all potentially dilutive shares.

For the six months ended 30 June 2019, the Group has five categories (six months ended 30 June 2018: four categories) of potentially dilutive shares: share options issued by an associated company – PAX Global Technology Limited (“PAX Global”), share options and convertible preference shares issued by an associated company – Cloopen Group Holdings Limited (“Cloopen”) and share options issued by subsidiaries – VBill OPCO and Megahunt Microelectronics (six months ended 30 June 2018: share options issued by PAX Global, share options and convertible preference shares issued by Cloopen and share options issued by VBill OPCO).

(b) 攤薄

每股攤薄盈利乃按轉換所有潛在攤薄股份之假設而調整收入淨額及發行在外普通股加權平均數計算。

截至二零一九年六月三十日止六個月，本集團有五類(截至二零一八年六月三十日止六個月：四類)具潛在攤薄效應之股份：一間聯營公司—百富環球科技有限公司(「百富環球」)發行之購股權、一間聯營公司—Cloopen Group Holdings Limited(「Cloopen」)發行之購股權及可換股優先股、附屬公司—隨行付及兆訊恒達微電子發行之購股權(截至二零一八年六月三十日止六個月：百富環球發行之購股權、Cloopen發行之購股權及可換股優先股及隨行付發行之購股權)。

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

13 EARNINGS PER SHARE (Continued)

(b) Diluted (Continued)

For the six months ended 30 June 2019 and 2018, the calculation of diluted earnings per share does not assume the exercise of the share options of PAX Global as they would have an anti-dilutive impact to the basic earnings per share.

For share options and convertible preference shares issued by Cloopen, the carrying amount of the interest in Cloopen was zero as at 30 June 2019 (31 December 2018: same). As at 30 June 2019, the Group's share of loss exceeded its interest in the ordinary shares of Cloopen, the exercise of the abovementioned share options and convertible preference shares would not have any impact on the diluted earnings per share (six months ended 30 June 2018: same).

For the six months ended 30 June 2019, the exercise of the outstanding share options in VBill OPCO would have a dilutive effect. The exercise of the share options in VBill OPCO would be dilutive if the net profit attributable to the owners of the Company will decrease. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual fair value of the subsidiary's shares) based on the monetary value of the subscription rights attached to outstanding share options of VBill OPCO. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options of VBill OPCO.

For the six months ended 30 June 2019, the exercise of the outstanding share options in Megahunt Microelectronics would have an anti-dilutive effect. The exercise of the share options in Megahunt Microelectronics would be anti-dilutive if the net profit attributable to the owners of the Company will increase.

13 每股盈利 (續)

(b) 攤薄 (續)

截至二零一九年及二零一八年六月三十日止六個月，每股攤薄盈利乃根據假設百富環球之購股權未獲行使而計算，原因為其將會對每股基本盈利產生反攤薄影響。

就Cloopen發行之購股權及可換股優先股而言，於二零一九年六月三十日，於Cloopen權益之賬面值為零（二零一八年十二月三十一日：相同）。於二零一九年六月三十日，本集團應佔虧損超過其於Cloopen普通股之權益，故行使上述購股權及可換股優先股將不會對每股攤薄盈利造成任何影響（截至二零一八年六月三十日止六個月：相同）。

截至二零一九年六月三十日止六個月，行使隨行付之未行使購股權可能具有攤薄影響。倘本公司擁有人應佔溢利淨額將減少，則行使隨行付之購股權將具有攤薄影響。釐定可按公平值（按附屬公司股份之平均年度公平值釐定）收購之股份數目乃根據隨行付未行使購股權所附之認購權貨幣價值計算。上文所計算之股份數目乃與假設隨行付之購股權獲行使之已發行股份數目作比較。

截至二零一九年六月三十日止六個月，行使兆訊恒達微電子之未行使購股權可能具有反攤薄影響。倘本公司擁有人應佔溢利淨額將增加，則行使兆訊恒達微電子之購股權將具有反攤薄影響。

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

13 EARNINGS PER SHARE (Continued)

(b) Diluted (Continued)

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit attributable to the owners of the Company (HK\$'000)	本公司擁有人應佔溢利 (千港元)	329,586	67,544
Assuming exercise of all outstanding dilutive share options issued by VBill OPCO (HK\$'000)	假設隨行付發行之尚未行使具攤薄效應之購股權獲悉數行使 (千港元)		
– Decrease in net profit attributable to the owners of the Company	– 本公司擁有人應佔溢利淨額減少	(23,967)	(393)
Adjusted profit attributable to the owners of the Company used to determine diluted earnings per share (HK\$'000)	用以釐定每股攤薄盈利之本公司擁有人應佔經調整溢利 (千港元)	305,619	67,151
Weighted average number of ordinary shares for diluted earnings per share (thousands shares)	每股攤薄盈利之普通股加權平均數 (千股)	2,776,834	2,776,834
Diluted earnings per share attributable to the owners of the Company (HK\$ per share)	本公司擁有人應佔每股攤薄盈利 (每股港元)	0.11	0.02

13 每股盈利(續)

(b) 攤薄(續)



Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

14 INVESTMENT PROPERTIES

14 投資物業

		Unaudited 未經審核 HK\$'000 千港元
Net book value at 1 January 2019	於二零一九年一月一日之賬面淨值	1,575
Depreciation	折舊	(98)
<hr/>		
Net book value at 30 June 2019	於二零一九年六月三十日之賬面淨值	1,477
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Net book value at 1 January 2018	於二零一八年一月一日之賬面淨值	1,906
Depreciation	折舊	(106)
<hr/>		
Net book value at 30 June 2018	於二零一八年六月三十日之賬面淨值	1,800

15 PROPERTY, PLANT AND EQUIPMENT

15 物業、廠房及設備

		Unaudited 未經審核 HK\$'000 千港元
Net book value at 1 January 2019	於二零一九年一月一日之賬面淨值	715,193
Additions	添置	65,382
Disposals	出售	(42)
Depreciation	折舊	(186,582)
Exchange realignment	匯兌調整	1,279
<hr/>		
Net book value at 30 June 2019	於二零一九年六月三十日之賬面淨值	595,230
<hr/>		
Net book value at 1 January 2018	於二零一八年一月一日之賬面淨值	507,024
Additions	添置	202,963
Disposals	出售	(47)
Depreciation	折舊	(141,949)
Exchange realignment	匯兌調整	9,001
<hr/>		
Net book value at 30 June 2018	於二零一八年六月三十日之賬面淨值	576,992

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

16 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

16 使用權資產及租賃負債

(i) **Amounts recognised in the interim condensed consolidated balance sheet**

The interim condensed consolidated balance sheet shows the following amounts relating to the leases in respect of office premises:

(i) 於中期簡明綜合資產負債表確認之金額

中期簡明綜合資產負債表列示與辦公室物業租賃有關的金額：

		Unaudited 未經審核	
		At 30 June 2019 於 二零一九年 六月三十日 HK\$'000 千港元	At 1 January 2019 於 二零一九年 一月一日 HK\$'000 千港元
Right-of-use assets	使用權資產		
Non-current	非流動	58,386	57,677
Lease liabilities	租賃負債		
Non-current	非流動	34,153	32,395
Current	流動	24,502	25,282
		58,655	57,677

Additions to the right-of-use assets during the six months ended 30 June 2019 is HK\$14,428,000.

於截至二零一九年六月三十日止六個月，使用權資產之添置為14,428,000港元。

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

16 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(Continued)

(ii) Amounts recognised in the interim condensed consolidated income statement

The interim condensed consolidated income statement shows the following amounts relating to the leases in respect of office premises:

Depreciation charge of right-of-use assets (Note 8)	使用權資產折舊費用 (附註8)	13,722
Interest expense (included in finance costs)	利息開支(計入融資成本)	1,392
Expenses relating to leases of short-term leases	與租賃短期租賃有關的開支	5,926

The total cash outflow for leases in the six months ended 30 June 2019 is HK\$14,840,000.

(iii) The Group's lease activities

The Group leases various office premises. Rental contracts are typically made for 1 to 8 years. The lease agreements do not impose any covenants.

16 使用權資產及租賃負債(續)

(ii) 於中期簡明綜合收益表確認之金額

中期簡明綜合收益表列示與辦公室物業租賃有關的金額：

Unaudited
未經審核
Six months
ended 30
June 2019
截至
二零一九年
六月三十日
止六個月
HK\$'000
千港元

於截至二零一九年六月三十日止六個月，租賃之現金流出總額為14,840,000港元。

(iii) 本集團之租賃活動

本集團租賃各類辦公室物業。租賃合約一般為1至8年。租賃協議並無施加任何契諾。

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

17 LEASEHOLD LAND

The movement of the net book amount for leasehold land is as follows:

17 租賃土地

租賃土地賬面淨值之變動如下：

		Unaudited 未經審核 HK\$'000 千港元
Net book value at 1 January 2019	於二零一九年一月一日之賬面淨值	30,490
Depreciation	折舊	(490)
Exchange realignment	匯兌調整	(10)
Net book value at 30 June 2019	於二零一九年六月三十日之賬面淨值	29,990
Net book value at 1 January 2018	於二零一八年一月一日之賬面淨值	31,974
Amortisation	攤銷	(498)
Exchange realignment	匯兌調整	192
Net book value at 30 June 2018	於二零一八年六月三十日之賬面淨值	31,668

18 INTANGIBLE ASSETS

18 無形資產

		Goodwill 商譽 HK\$'000 千港元	Unaudited 未經審核 Other intangible assets 其他 無形資產 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Net book value at 1 January 2019	於二零一九年一月一日之賬面淨值	1,515	369	1,884
Amortisation	攤銷	-	(58)	(58)
Net book value at 30 June 2019	於二零一九年六月三十日之賬面淨值	1,515	311	1,826
Net book value at 1 January 2018	於二零一八年一月一日之賬面淨值	1,515	470	1,985
Addition	添置	-	133	133
Amortisation	攤銷	-	(112)	(112)
Exchange realignment	匯兌調整	-	9	9
Net book value at 30 June 2018	於二零一八年六月三十日之賬面淨值	1,515	500	2,015

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

19 FINANCIAL ASSET AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

As at 30 June 2019, the Group's financial asset at fair value through other comprehensive income ("FVOCI") included unlisted equity security with following details:

		Unaudited 未經審核	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Balance at 1 January	於一月一日之結餘	895	15,536
Fair value (loss)/gain on revaluation recognised in other comprehensive income	於其他全面收益確認之重估公平值(虧損)/收益	(344)	89
Exchange realignment	匯兌調整	5	295
Balance at 30 June	於六月三十日之結餘	556	15,920

		Unaudited 未經審核 At 30 June 2019 於 二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2018 於 二零一八年 十二月 三十一日 HK\$'000 千港元
Non-current assets	非流動資產		
Unlisted equity security outside Hong Kong	香港境外之非上市股本證券	556	895

The carrying amount of the financial asset at FVOCI is denominated in Renminbi ("RMB").

按公平值計入其他全面收益之金融資產之賬面值乃以人民幣(「人民幣」)計值。

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

20 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group's financial assets at fair value through profit or loss ("FVPL") represent investment in unlisted investment fund, unlisted convertible preference shares and listed equity securities (31 December 2018: same) with the following details:

20 按公平值計入損益之金融資產

本集團按公平值計入損益(「按公平值計入損益」)之金融資產指於非上市投資基金、非上市可換股優先股及上市股本證券之投資(二零一八年十二月三十一日:相同),詳情如下:

		Unaudited 未經審核	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Balance at 1 January	於一月一日之結餘	273,745	259,036
Addition	添置	-	39,000
Net fair value gains on revaluation recognised in profit or loss	於損益確認之 重估公平值收益淨額	5,458	17,897
Distribution	分配	(2,006)	-
Exchange realignment	匯兌調整	(59)	3,006
Balance at 30 June	於六月三十日之結餘	277,138	318,939
		Unaudited 未經審核 At 30 June 2019 於 二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2018 於 二零一八年 十二月 三十一日 HK\$'000 千港元
Non-current assets	非流動資產		
Unlisted investment fund outside Hong Kong (Note (a))	香港境外之非上市投資基金 (附註(a))	124,714	129,869
Unlisted convertible preference shares outside Hong Kong (Note (b))	香港境外之非上市可換股優先股 (附註(b))	151,073	141,872
		275,787	271,741
Current assets	流動資產		
Listed equity securities in Hong Kong (Note (c))	香港境內之上市股本證券 (附註(c))	1,351	2,004
		277,138	273,745

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

20 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Notes:

(a) Unlisted investment fund outside Hong Kong

The carrying amount of the unlisted investment fund is denominated in RMB.

(b) Unlisted convertible preference shares outside Hong Kong

On 10 June 2016 and 28 February 2018, the Group subscribed 7,443,326 Convertible Series C Preferred Shares (the “Convertible Series C Preferred Shares”) and 2,434,015 Convertible Series D Preferred Shares (the “Convertible Series D Preferred Shares”) of Cloopen, respectively. The considerations for the Convertible Series C Preferred Shares and Convertible Series D Preferred Shares subscribed by the Group were approximately HK\$78,000,000 (equivalent to US\$10,000,000) and HK\$39,000,000 (equivalent to US\$5,000,000), respectively.

The Group, as the holders of the Convertible Series C Preferred Shares and Convertible Series D Preferred Shares have:

- (i) options to request Cloopen to redeem the Convertible Series C Preferred Shares and Convertible Series D Preferred Shares at the prices equal to the greater of the issue prices with an 8% compound interest per annum return plus any accrued but unpaid dividends or the fair values at the dates of redemptions after the earliest of 10 June 2020 for Convertible Series C Preferred Shares and 28 February 2021 for Convertible Series D Preferred Shares or the occurrences of other conditions as provided for under the definitive subscription agreements; and
- (ii) options to convert the Convertible Series C Preferred Shares and Convertible Series D Preferred Shares into ordinary shares of Cloopen at the conversion prices based on certain conditions on the dates of conversions as provided for under the definitive subscription agreements.

The Convertible Series C Preferred Shares and Convertible Series D Preferred Shares, together with the abovementioned options, were classified as financial assets at FVPL and recognised at fair values. The fair values of the Convertible Series C Preferred Shares and Convertible Series D Preferred Shares were valued by an independent valuer at the date of initial inception and on 30 June 2019.

The carrying amounts of the unlisted convertible preference shares is denominated in US dollar.

(c) Listed equity securities in Hong Kong

The fair value of the listed equity securities is based on their current bid prices in an active market and their carrying amount is denominated in Hong Kong dollar.

Changes in fair value of financial asset at FVPL are recorded in “other gains, net” in the interim condensed consolidated income statement.

20 按公平值計入損益之金融資產 (續)

附註：

(a) 香港境外之非上市投資基金

非上市投資基金之賬面值乃以人民幣計值。

(b) 香港境外之非上市可換股優先股

於二零一六年六月十日及二零一八年二月二十八日，本集團分別認購7,443,326股Clopen之C系列可換股優先股（「C系列可換股優先股」）及2,434,015股Clopen之D系列可換股優先股（「D系列可換股優先股」）。本集團所認購C系列可換股優先股及D系列可換股優先股之代價分別約為78,000,000港元（相當於10,000,000美元）及39,000,000港元（相當於5,000,000美元）。

本集團（作為C系列可換股優先股及D系列可換股優先股持有人）有：

- (i) 權利要求Clopen於二零二零年六月十日（就C系列可換股優先股而言）及二零二一年二月二十八日（就D系列可換股優先股而言）或發生最終認購協議所訂明之其他條件（以較早者為準）後按相等於下列較高者之價格贖回C系列可換股優先股及D系列可換股優先股：具8%複合年利率回報加任何應計但未付股息之發行價或於贖回日期之公平值；及
- (ii) 權利於最終認購協議所訂明之轉換日期根據若干條件按轉換價將C系列可換股優先股及D系列可換股優先股轉換為Clopen之普通股。

C系列可換股優先股及D系列可換股優先股連同上述權利乃分類為按公平值計入損益之金融資產，並按公平值確認。C系列可換股優先股及D系列可換股優先股之公平值乃由獨立估值師於首次入賬日期及二零一九年六月三十日進行估值。

非上市可換股優先股之賬面值乃以美元列值。

(c) 香港境內之上市股本證券

上市股本證券的公平值乃根據其於活躍市場之現行買入價計算，其賬面值以港元列值。

按公平值計入損益之金融資產之公平值變動乃於中期簡明綜合收益表內「其他收益淨額」中列賬。

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

21 LOAN RECEIVABLES

Loan receivables are amounts due from customers in the ordinary course of the micro-lending business, unsecured and primarily denominated in RMB.

(i) Ageing analysis of loan receivables

The ageing analysis of loan receivables based on the payment due date is as follows:

21 應收貸款

應收貸款為於小額貸款日常業務過程中應收客戶的款項，有關款項為無抵押及主要以人民幣計值。

(i) 應收貸款之賬齡分析

根據到期付款日之應收貸款賬齡分析如下：

		Unaudited 未經審核 At 30 June 2019 於 二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2018 於 二零一八年 十二月 三十一日 HK\$'000 千港元
Current	即期	305,569	553,676
1 to 3 months past due	逾期一至三個月	12,935	9,365
Over 3 months past due	逾期超過三個月	36,128	6,061
Loan receivables, gross	應收貸款總額	354,632	569,102
Less: provision for impairment of loan receivables	減：應收貸款減值撥備	(46,067)	(32,807)
		308,565	536,295
Non-current portion	非即期部分	11	479
Current portion	即期部分	308,554	535,816
		308,565	536,295

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

21 LOAN RECEIVABLES (Continued)

(i) Ageing analysis of loan receivables (Continued)

The analysis of changes in the gross carrying amount and the corresponding provision for impairment of loan receivables in relation to loan receivables are as follows:

21 應收貸款 (續)

(i) 應收貸款之賬齡分析 (續)

有關應收貸款總賬面值及相關應收貸款減值撥備變動之分析如下：

		Unaudited 未經審核			
		As at 30 June 2019			
		於二零一九年六月三十日			
		Stage 1 第1階段 HK\$'000 千港元	Stage 2 第2階段 HK\$'000 千港元	Stage 3 第3階段 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Loan receivables, gross	應收貸款總額	302,808	12,799	36,128	351,735
Less: Provision for impairment of loan receivables	減：應收貸款減值撥備	(2,008)	(7,931)	(36,128)	(46,067)
Loan receivables, net	應收貸款淨額	300,800	4,868	–	305,668
Interest receivables	應收利息				2,897
					308,565
		Audited 經審核			
		As at 31 December 2018			
		於二零一八年十二月三十一日			
		Stage 1 第1階段 HK\$'000 千港元	Stage 2 第2階段 HK\$'000 千港元	Stage 3 第3階段 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Loan receivables, gross	應收貸款總額	468,532	84,419	5,558	558,509
Less: Provision for impairment of loan receivables	減：應收貸款減值撥備	(827)	(26,422)	(5,558)	(32,807)
Loan receivables, net	應收貸款淨額	467,705	57,997	–	525,702
Interest receivables	應收利息				10,593
					536,295

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

21 LOAN RECEIVABLES (Continued)

(i) Ageing analysis of loan receivables (Continued)

Note:

During the period ended 30 June 2019, based on management's assessment, the Group recorded credit impairment loss of HK\$13,525,000 (six months ended 30 June 2018: HK\$3,101,000) in the interim condensed consolidated income statement. No loan receivables were determined as uncollectible and were written off against loan receivables during the period ended 30 June 2019 (six months ended 30 June 2018: same).

(ii) Effective interest rates on loan receivables

The effective interest rates on loan receivables are normally as follows:

21 應收貸款(續)

(i) 應收貸款之賬齡分析(續)

附註:

截至二零一九年六月三十日止期間，根據管理層的評估，本集團於中期簡明綜合收益表中錄得信貸減值虧損13,525,000港元(截至二零一八年六月三十日止六個月: 3,101,000港元)。截至二零一九年六月三十日止期間，概無應收貸款被釐定為不可收回及概無在應收貸款中撤銷(截至二零一八年六月三十日止六個月: 相同)。

(ii) 應收貸款之實際利率

應收貸款之實際利率一般如下:

		Unaudited 未經審核	Audited 經審核
		As at	As at
		30 June	31 December
		2019	2018
		於	於
		二零一九年	二零一八年
		六月三十日	十二月
		HK\$'000	HK\$'000
		千港元	千港元
Loans to individual borrowers	向個人借款方提供之貸款	5% to 36% p.a. 年利率 5%至36%	5% to 36% p.a. 年利率 5%至36%

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

22 TRADE AND BILLS RECEIVABLES

22 應收賬款及應收票據

		Unaudited 未經審核 At 30 June 2019 於 二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2018 於 二零一八年 十二月 三十一日 HK\$'000 千港元
Trade receivables (Note (a))	應收賬款 (附註(a))	244,524	148,173
Bills receivables (Note (b))	應收票據 (附註(b))	24,499	11,468
Less: provision for impairment of receivables	減：應收款項減值撥備	(17,395)	(10,463)
		251,628	149,178

Notes:

(a) Trade receivables

The Group's credit terms to trade debtors range from 0 to 180 days. At 30 June 2019 and 31 December 2018, the ageing analysis of the trade receivables primarily based on invoice date was as follows:

Current to 90 days	即期至90日
91 days to 180 days	91日至180日
181 days to 365 days	181日至365日
Over 365 days	365日以上

附註：

(a) 應收賬款

本集團給予貿易債務人之信貸期由0至180日不等。於二零一九年六月三十日及二零一八年十二月三十一日，主要根據發票日期之應收賬款賬齡分析如下：

		Unaudited 未經審核 At 30 June 2019 於 二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2018 於 二零一八年 十二月三十一日 HK\$'000 千港元
Current to 90 days	即期至90日	135,218	109,685
91 days to 180 days	91日至180日	58,852	2,919
181 days to 365 days	181日至365日	19,614	8,335
Over 365 days	365日以上	30,840	27,234
		244,524	148,173

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

22 TRADE AND BILLS RECEIVABLES (Continued)

Notes: (Continued)

(b) Bills receivables

The balance represents bank acceptance notes with maturity dates within six months.

The maturity profile of the bills receivables is as follows:

		Unaudited 未經審核 At 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元
Falling within 90 days	90日內到期	23,453	4,636
Falling within 91 to 180 days	91日至180日內到期	1,046	6,832
		24,499	11,468

22 應收賬款及應收票據(續)

附註:(續)

(b) 應收票據

該結餘指到期日為六個月內之銀行承兌票據。

應收票據之到期狀況如下:

23 SHORT-TERM BANK DEPOSITS AND CASH AND CASH EQUIVALENTS

Short-term bank deposits of HK\$1,446,000 (31 December 2018: HK\$1,583,000) represented bank deposits of the Group with original maturities over three months which are placed as guaranteed deposits for bills payables and are denominated in RMB.

Included in cash and cash equivalents were HK\$724,181,000 (31 December 2018: HK\$751,166,000) bank deposits with original maturities of within three months which are placed as guaranteed deposits for bills payables, tenders or deposits designated for settlement of certain payables in relation to the payment processing solutions business and are denominated in RMB.

23 短期銀行存款以及現金及現金等價物

短期銀行存款1,446,000港元(二零一八年十二月三十一日:1,583,000港元)指本集團就應付票據而存置作為保證按金之銀行存款,該等銀行存款原有到期日為三個月以上,並以人民幣列值。

現金及現金等價物中724,181,000港元(二零一八年十二月三十一日:751,166,000港元)指本集團就應付票據而存置作為保證按金、投標或為若干有關支付交易處理解決方案業務之應付款項作為指定結算存款之銀行存款,該等銀行存款原有到期日為三個月以內,並以人民幣列值。

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

24 TRADE AND BILLS PAYABLES

24 應付賬款及應付票據

		Unaudited 未經審核 At 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元
Trade payables (Note (a))	應付賬款 (附註(a))	362,837	247,878
Bills payables (Note (b))	應付票據 (附註(b))	2,892	3,165
		365,729	251,043

Notes:

(a) Trade payables

At 30 June 2019 and 31 December 2018, the ageing analysis of the trade payables primarily based on invoice date was as follows:

		Unaudited 未經審核 At 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元
Current to 90 days	即期至90日	300,384	205,694
91 days to 180 days	91日至180日	44,831	2,663
181 days to 365 days	181日至365日	2,921	17,774
Over 365 days	365日以上	14,701	21,747
		362,837	247,878

The credit period granted by the suppliers ranges from 0 to 180 days.

供應商給予之信貸期由0至180日不等。

(b) Bills payables

The balance represents bank acceptance notes:

		Unaudited 未經審核 At 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元
Due within 90 days	90日內到期	1,307	1,099
Due within 91 to 180 days	91日至180日內到期	1,585	2,066
		2,892	3,165

附註:

(a) 應付賬款

於二零一九年六月三十日及二零一八年十二月三十一日，主要根據發票日期之應付賬款賬齡分析如下：

(b) 應付票據

該結餘指銀行承兌票據：

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

25 PAYABLES FOR PAYMENT PROCESSING SOLUTIONS BUSINESS AND OTHER PAYABLES AND ACCRUALS

25 支付交易處理解決方案業務之應付款項以及其他應付款項及應計款項

		Unaudited 未經審核 At 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元
Current portion	即期部分		
Payables for payment processing solutions business (Note (a))	支付交易處理解決方案業務之應付款項 (附註(a))	600,857	266,710
Other payables and accruals (Note (b))	其他應付款項及應計款項 (附註(b))	1,231,864	1,375,891
		1,832,721	1,642,601
Non-current portion	非即期部分		
Other payables (Note (b))	其他應付款項 (附註(b))	-	983
		1,832,721	1,643,584

Notes:

- (a) **Payables for payment processing solutions business**
This balance represents payables to merchants for the payment processing solutions business. The amounts are generally due for settlement within 30 days and are denominated in RMB.

附註:

- (a) **支付交易處理解決方案業務之應付款項**
該結餘指就支付交易處理解決方案業務應付商戶之款項。有關金額一般於30日內進行結算，並以人民幣計值。

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

25 PAYABLES FOR PAYMENT PROCESSING SOLUTIONS BUSINESS AND OTHER PAYABLES AND ACCRUALS (Continued)

Notes: (Continued)

(b) Other payables and accruals

		Unaudited 未經審核 At 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元
Accrued staff costs and pension obligations	應計員工成本及退休金供款	213,860	273,934
Deposits	按金	74,565	84,556
Receipt in advance from customers	預先收取客戶之款項	144,582	186,467
Advance from merchant recruitment agents	來自招攬商戶代理的墊款	419,047	519,935
Others	其他	379,810	311,982
		1,231,864	1,376,874

Revenue recognised during the period ended 30 June 2019 that was included in the contract liability balance at the beginning of the period amounted to HK\$147,076,000 (six months ended 30 June 2018: HK\$11,295,000). The Group recognised its contract liabilities under other payables and accruals as receipt in advance from customers in the interim condensed consolidated balance sheet.

25 支付交易處理解決方案業務之應付款項以及其他應付款項及應計款項 (續)

附註：(續)

(b) 其他應付款項及應計款項

於截至二零一九年六月三十日止期間確認並計入期初合約負債結餘之收入為147,076,000港元(截至二零一八年六月三十日止六個月：11,295,000港元)。本集團將其合約負債作為預先收取客戶之款項於中期簡明綜合資產負債表內其他應付款項及應計款項下確認。

26 SHARE CAPITAL

26 股本

Ordinary shares of HK\$0.0025 each 每股面值0.0025港元之普通股

		Number of shares 股份數目	HK\$'000 千港元
Authorised:	法定：		
At 1 January 2018, 30 June 2018, 1 January 2019 and 30 June 2019	於二零一八年一月一日、 二零一八年六月三十日、 二零一九年一月一日及 二零一九年六月三十日	4,000,000,000	10,000
Issued and fully paid:	已發行及繳足：		
At 1 January 2018, 30 June 2018, 1 January 2019 and 30 June 2019	於二零一八年一月一日、 二零一八年六月三十日、 二零一九年一月一日及 二零一九年六月三十日	2,776,833,835	6,942

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

26 SHARE CAPITAL (Continued)

Notes:

(a) Share options of the Company

The Company operates a share option scheme 2011 (the "Scheme") for the purpose of attracting, retaining and motivating talented employees in order to strive for future developments and expansion of the Group. Eligible participants of the Scheme include the Group's full-time employees, and Executive and non-Executive Directors. The Scheme became effective on 29 April 2011 and unless otherwise cancelled or amended, will remain valid and effective for a period of 10 years from that date. No share option was granted.

(b) Issuance of share options of a subsidiary

On 4 July 2018, the directors and the sole shareholder of Megahunt Microelectronics have passed a resolution to conditionally grant options (the "2018 Options") to several management (the "2018 Grantees") of Megahunt Microelectronics with a right to subscribe up to approximately 16.67% of the enlarged registered and paid up capital of Megahunt Microelectronics at an exercise price of RMB13.33 for every HK\$1.0 in the registered and paid up capital of Megahunt Microelectronics. The 2018 options will be vested in 3 years through tranches.

On 3 June 2019, the 2018 Grantees have given written request to the Board of Megahunt Microelectronics to cancel their respective 2018 Options, and the directors and the sole shareholder of Megahunt Microelectronics have passed a resolution to conditionally grant options (the "2019 Options") to the 2018 Grantees and several management of the Group (the "2019 Grantees") a right to subscribe up to approximately 23.08% of the enlarged registered and paid up capital of Megahunt Microelectronics at an exercise price of RMB11.46 for every HK\$1.0 in the registered and paid up capital of Megahunt Microelectronics. The 2019 Options will be vested in 2 years through tranches.

The valid period of these share options shall be 10 years from the date of grant.

Up to the date of this report, no option is vested. Employee share options expenses of HK\$7,896,000 were recognised in the interim condensed consolidated income statement.

The weighted average fair value of options granted during the period determined using the Binomial valuation model was RMB5.13. The significant inputs into the model were the exercise price as shown above, volatility of 50.42%, zero dividend yield, exercise multiple of 2.8 times, post vesting exit rate of 0% and an annual risk-free interest rate of 3.25%.

26 股本(續)

附註:

(a) 本公司之購股權

本公司運作一項二零一一年購股權計劃(「該計劃」),旨在吸引、留聘及激勵有才幹之僱員,以助本集團日後發展及擴充業務。該計劃之合資格參與者包括本集團之全職僱員以及執行及非執行董事。該計劃於二零一一年四月二十九日生效,除非該計劃遭另行取消或修訂,否則將由該日起計十年期間仍然有效及生效。從未授出任何購股權。

(b) 發行一間附屬公司之購股權

於二零一八年七月四日,兆訊恒達微電子的董事及唯一股東通過決議案,以向兆訊恒達微電子的多名管理層(「二零一八年承授人」)有條件授出購股權(「二零一八年購股權」),其賦予權利可按兆訊恒達微電子註冊及繳足股本中每1.0港元作價人民幣13.33元的行使價,認購兆訊恒達微電子經擴大註冊及繳足股本最高約16.67%。二零一八年購股權將於三年內分批歸屬。

於二零一九年六月三日,二零一八年承授人已向兆訊恒達微電子董事會發出書面請求,以註銷其各自二零一八年購股權,而兆訊恒達微電子董事及唯一股東已通過決議案,向二零一八年承授人及本集團多名管理層(「二零一九年承授人」)有條件授出購股權(「二零一九年購股權」),其賦予權利可按兆訊恒達微電子註冊及繳足股本中每1.0港元作價人民幣11.46元的行使價,認購兆訊恒達微電子經擴大註冊及繳足股本最高約23.08%。二零一九年購股權將於兩年內分批歸屬。

該等購股權的有效期為自授出日期起10年。

直至本報告日期,概無購股權獲歸屬。於中期簡明綜合收益表確認僱員購股權開支7,896,000港元。

期內授出購股權的加權平均公平值乃採用二項式估值模式釐定為人民幣5.13元。該模式的重要輸入數據為上文所示行使價、波幅50.42%、收益率零、行使倍數2.8倍、歸屬後流失率0%以及無風險年利率3.25%。

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

27 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD 27 以權益法入賬之投資

(a) Investment in PAX Global

The movement on interest in PAX Global is as follows:

		Unaudited 未經審核	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 1 January	於一月一日	1,927,772	1,823,245
Share of profit	應佔溢利	111,073	83,543
Share of other comprehensive (loss)/ income	應佔其他全面(虧損)/收益	(1,242)	14,701
Dividend received	已收股息	(14,560)	(14,560)
At 30 June	於六月三十日	2,023,043	1,906,929

(b) Investment in Cloopen

As at 30 June 2019, the carrying value of Cloopen is nil (31 December 2018: nil) and there is no movement on the interest in Cloopen during the period (six months ended 30 June 2018: same).

The Group's share of loss of Cloopen exceeded its interest in the ordinary shares of Cloopen, there are no overall financial impact on the interim condensed consolidated income statement from the investment for the current period (six months ended 30 June 2018: same).

As at 30 June 2019, the unrecognised share of loss of the interest in Cloopen is HK\$501,318,000 (31 December 2018: HK\$413,475,000).

(a) 於百富環球之投資

於百富環球之權益變動如下：

		Unaudited 未經審核	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 1 January	於一月一日	1,927,772	1,823,245
Share of profit	應佔溢利	111,073	83,543
Share of other comprehensive (loss)/ income	應佔其他全面(虧損)/收益	(1,242)	14,701
Dividend received	已收股息	(14,560)	(14,560)
At 30 June	於六月三十日	2,023,043	1,906,929

(b) 於Cloopen之投資

於二零一九年六月三十日，Cloopen之賬面值為零（二零一八年十二月三十一日：零），期內於Cloopen的權益並無變動（截至二零一八年六月三十日止六個月：相同）。

本集團應佔Cloopen虧損超過其於Cloopen普通股之權益，該項投資於本期間對中期簡明綜合收益表並無整體財務影響（截至二零一八年六月三十日止六個月：相同）。

於二零一九年六月三十日，未確認應佔Cloopen權益虧損為501,318,000港元（二零一八年十二月三十一日：413,475,000港元）。

Notes to Interim Condensed Consolidated Financial Information

中期簡明綜合財務資料附註

27 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

27 以權益法入賬之投資(續)

(c) Investment in Good Chain (Chongqing) Technology Co., Ltd

The movement on interest in Good Chain (Chongqing) Technology Co., Ltd (“Good Chain”) is as follows:

(c) 於好鏈(重慶)科技有限公司之投資

於好鏈(重慶)科技有限公司(「好鏈」)之權益變動如下:

		Unaudited 未經審核 2019 二零一九年 HK\$'000 千港元
At 1 January	於一月一日	3,416
Share of loss	應佔虧損	(15)
Exchange realignment	匯兌調整	(5)
<hr/>		
At 30 June	於六月三十日	3,396

28 BORROWING

28 借款

	Unaudited 未經審核 At 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元
Current		
Bank borrowing	即期 銀行借貸	- 10,247

As at 31 December 2018, bank borrowing was denominated in RMB, was repayable within 1 year and bore average interest of 5.24% annually. The interest-bearing borrowing is carried at amortised cost. The carrying amount of short-term borrowing approximated its fair value. The bank borrowing was settled during the period ended 30 June 2019.

於二零一八年十二月三十一日，銀行借款以人民幣計值，須於一年內償還，按平均年利率5.24厘計息。計息借款按攤銷成本列賬。短期借款之賬面金額與其公平值相若。截至二零一九年六月三十日止期間，銀行借款已結清。

There was no borrowing as at 30 June 2019.

於二零一九年六月三十日，概無任何借款。

As at 31 December 2018, the borrowing is pledged by buildings and leasehold land of the Group.

於二零一八年十二月三十一日，借款由本集團樓宇及租賃土地作抵押。

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29 CONTINGENT LIABILITIES

In 2015, the Company entered into a performance guarantee agreement with a customer (the “Performance Guarantee Agreement”). Pursuant to the Performance Guarantee Agreement, the Company agreed to provide the customer with a guarantee in relation to the due and punctual performance of a subsidiary of the Group in providing services for a modernisation project with not more than HK\$60,000,000 (31 December 2018: HK\$60,000,000) and claims of infringement of third party’s intellectual property right. As at 30 June 2019, the Company does not recognise any liability in relation to the Performance Guarantee Agreement as the Directors of the Company consider the possibility of reimbursement is not probable.

In 2018, the Company entered into a guarantee agreement with Megahunt Microelectronics and Mega Hunt Microelectronics Limited (the “Guarantee Agreement”). Pursuant to the Guarantee Agreement, the Company agreed to provide Megahunt Microelectronics and Mega Hunt Microelectronics Limited with a guarantee to repay the due and unsettled debts of Megahunt Microelectronics and Mega Hunt Microelectronics Limited payable to a supplier, should Megahunt Microelectronics and Mega Hunt Microelectronics Limited cease or fail to honour their obligations, with not more than HK\$78,000,000 (equivalent to US\$10,000,000). As at 30 June 2019 and 31 December 2018, the Company does not recognise any liability in relation to the Guarantee Agreement as the Directors of the Company consider the possibility of reimbursement is not probable.

Save as disclosed above, the Group had no material contingent liability as at 30 June 2019 and 31 December 2018.

29 或然負債

於二零一五年，本公司與一名客戶訂立表現擔保協議（「表現擔保協議」）。根據表現擔保協議，本公司同意就本集團一間附屬公司妥為及如期履行為維新項目提供服務，向該名客戶提供不多於60,000,000港元（二零一八年十二月三十一日：60,000,000港元）之擔保及侵犯第三方知識產權之申索。於二零一九年六月三十日，由於本公司董事認為提出索償之可能性不高，故本公司並無確認有關表現擔保協議之任何負債。

於二零一八年，本公司與兆訊恒達微電子及兆訊微電子有限公司訂立擔保協議（「擔保協議」）。根據擔保協議，倘兆訊恒達微電子及兆訊微電子有限公司終止或未能履行其責任，本公司同意向兆訊恒達微電子及兆訊微電子有限公司提供不多於78,000,000港元（相等於10,000,000美元）的擔保，以償還兆訊恒達微電子及兆訊微電子有限公司應付予一名供應商的到期未清償債務。於二零一九年六月三十日及二零一八年十二月三十一日，由於本公司董事認為提出索償的可能性不高，故本公司並無確認有關擔保協議之任何負債。

除上文披露者外，於二零一九年六月三十日及二零一八年十二月三十一日，本集團並無任何重大或然負債。

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30 RELATED PARTY TRANSACTIONS

As at 30 June 2019, Rich Global Limited (incorporated in the British Virgin Islands) owns 22.22% of the Company's shares. The remaining 77.78% of the shares are widely held.

(a) Transactions with related parties during the period:

Except as disclosed below and elsewhere in the interim condensed consolidated financial information, the Group has no other significant transaction with related parties during the six months ended 30 June 2019 (six months ended 30 June 2018: same).

30 關連方交易

於二零一九年六月三十日，於英屬處女群島註冊成立之Rich Global Limited擁有本公司22.22%股份。餘下77.78%股份由各方人士廣泛持有。

(a) 期內與關連方之交易：

除下文及中期簡明綜合財務資料其他地方所披露者外，於截至二零一九年六月三十日止六個月，本集團並無與關連方進行其他重大交易（截至二零一八年六月三十日止六個月：相同）。

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Transactions with PAX Global, an associated company	與百富環球（為一間聯營公司）之交易		
– Rental income (Note i)	– 租金收入（附註i）	730	779
– Purchase of electronic payment products (Note ii)	– 購買電子支付產品（附註ii）	11,961	67,075
– Sales of mag-stripe card security decode chips (Note iii)	– 銷售磁條卡加密解碼芯片（附註iii）	28,718	16,528
Transaction with Cloopen, an associated company	與Cloopen（為一間聯營公司）之交易		
– Technical and support services charges (Note iv)	– 技術及支援服務費用（附註iv）	18,885	23,974

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中期簡明綜合財務資料附註

30 RELATED PARTY TRANSACTIONS (Continued)

(a) Transactions with related parties during the period: (Continued)

Notes:

- (i) Rental income from an associated company was charged at a fixed monthly fee mutually agreed between the two parties.
- (ii) Purchase of electronic payment products was transacted pursuant to the terms and conditions set out in the framework agreement entered into by the Group and an associated company dated 31 December 2015. The Group and an associated company had on 5 December 2018 entered into new framework agreements with revised terms and conditions governing the purchase of electronic payment products effective from 1 January 2019.
- (iii) Sales of mag-stripe card security decoder chips were transacted pursuant to the terms and conditions set out in the framework agreement entered into by the Group and an associated company on 31 December 2013. The terms and conditions of the framework agreement has been renewed on 30 December 2016.
- (iv) Technical and support services fee were charged pursuant to the terms and conditions set out in the framework agreement entered into by the Group and an associated company on 9 May 2016. This related party transaction has ceased to be the continuing connected transactions as defined in Chapter 14A of the Listing Rules on 19 March 2018.

30 關連方交易 (續)

(a) 期內與關連方之交易：(續)

附註：

- (i) 來自一間聯營公司之租金收入每月按雙方共同協定之固定費用收取。
- (ii) 購買電子支付產品乃根據本集團與一間聯營公司所訂立日期為二零一五年十二月三十一日之框架協議所載條款及條件進行交易。本集團與一間聯營公司已於二零一八年十二月五日訂立一份新框架協議，且已修訂規管購買電子支付產品之條款及條件自二零一九年一月一日起生效。
- (iii) 銷售磁條卡加密解碼芯片乃根據本集團與一間聯營公司於二零一三年十二月三十一日訂立之框架協議所載條款及條件進行交易。框架協議之條款及條件已於二零一六年十二月三十日續期。
- (iv) 技術及支援服務費用乃根據本集團與一間聯營公司所訂立日期為二零一六年五月九日之框架協議所載條款及條件扣除。於二零一八年三月十九日，該關連方交易不再為上市規則第十四A章定義之持續關連交易。

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30 RELATED PARTY TRANSACTIONS (Continued)

(b) Balances with investments accounted for using the equity method

	Unaudited 未經審核 At 30 June 2019 於二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2018 於二零一八年 十二月 三十一日 HK\$'000 千港元
Amounts due from associated companies 應收聯營公司款項	17,195	15,116
Amounts due to associated companies 應付聯營公司款項	(26,109)	(114,190)

As at 30 June 2019 and 31 December 2018, these balances are denominated in RMB, unsecured, interest-free and repayable on demand.

於二零一九年六月三十日及二零一八年十二月三十一日，該等結餘為以人民幣列值、無抵押、不計息及按要求償還。

(c) Key management compensation

	Unaudited 未經審核 Six months ended 30 June 截至六月三十日止六個月 2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Fees 袍金	804	750
Other emoluments: 其他酬金：		
Basic salaries, other allowances and benefits in kind 基本薪金、其他津貼及實物利益	4,792	4,504
Contribution to pension scheme 退休金計劃供款	36	36
	5,632	5,290

(c) 主要管理層之補償

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中期簡明綜合財務資料附註

31 EVENTS AFTER THE BALANCE SHEET DATE

On 18 July 2019, the Company held a special general meeting for the approval of subscription agreements (the “Subscription Agreement”) for the subscription of 1,263 shares, approximate to 11.21% of the issued shares, of VBill Limited (the “VBill (Cayman)”) at a subscription price of RMB588,000,000 by ELECTRUM B.V. (the “Investor”) and the grant of put option from VBill Cayman to the Investor. VBill (Cayman) will remain as a subsidiary of the Group after the completion of transaction.

31 結算日後事項

於二零一九年七月十八日，本公司舉行特別股東大會，以批准ELECTRUM B.V.（「投資人」）按認購價人民幣588,000,000元認購VBill Limited（「VBill (Cayman)」）1,263股股份（相當於已發行股份約11.21%）之認購協議（「認購協議」）及VBill Cayman向投資人授出回購權。在交易完成後，VBill (Cayman)將仍然為本集團之附屬公司。



高陽科技(中國)有限公司*
HI SUN TECHNOLOGY (CHINA) LIMITED

Website 網址 : www.hisun.com.hk

