



KVB Kunlun

昆侖國際金融集團有限公司

KVB Kunlun Financial Group Limited

(於開曼群島註冊成立的有限公司)

(Incorporated in the Cayman Islands with limited liability)

股份代號 Stock Code: 6877

2018年中期報告
2018 Interim Report



KVB KUNLUN FINANCIAL GROUP LIMITED

昆侖國際金融集團有限公司

INTERIM REPORT 2018 二零一八年中 期 報 告

CONTENTS 目錄

2	Corporate Information 公司資料
5	Management Discussion and Analysis 管理層之討論及分析
12	Corporate Governance and Other Information 企業管治及其他資料
19	Report on Review of Interim Financial Information 中期財務資料審閱報告
21	Condensed Consolidated Interim Statement of Comprehensive Income 簡明綜合中期全面收益表
23	Condensed Consolidated Interim Balance Sheet 簡明綜合中期資產負債表
25	Condensed Consolidated Interim Statement of Changes in Equity 簡明綜合中期權益變動表
27	Condensed Consolidated Interim Statement of Cash Flows 簡明綜合中期現金流量表
29	Notes to the Interim Financial Information 中期財務資料附註

CORPORATE INFORMATION

公司資料

DIRECTORS

Executive Directors

Mr. LIU Stefan (*Chief Executive Officer*)
Mr. HUANG Songyuan (*Appointed on 21 May 2018*)
Mr. WONG Yiu Kit Ernest (*Appointed on 21 May 2018*)

Non-executive Directors

Mr. LI Zhi Da (*Chairman*) (*Retired on 21 May 2018*)
Mr. Stephen Gregory McCOY
Mr. LI Jiong (*Appointed on 21 May 2018*)
Mr. XU Jianqiang (*Appointed on 21 May 2018*)

Independent Non-executive Directors

Ms. ZHAO Guixin
Mr. Cornelis Jacobus KEYSER
Mr. LIN Wenhui

AUDIT COMMITTEE

Mr. LIN Wenhui (*Chairman*)
Ms. ZHAO Guixin
Mr. Cornelis Jacobus KEYSER

REMUNERATION COMMITTEE

Ms. ZHAO Guixin (*Chairman*)
Mr. Cornelis Jacobus KEYSER
Mr. LIN Wenhui

NOMINATION COMMITTEE

Ms. ZHAO Guixin (*Chairman*)
Mr. Cornelis Jacobus KEYSER
Mr. LIN Wenhui

CORPORATE GOVERNANCE COMMITTEE

Mr. Cornelis Jacobus KEYSER (*Chairman*)
Mr. LIU Stefan
Ms. ZHAO Guixin
Mr. LIN Wenhui

COMPANY SECRETARY

Mr. WONG Yiu Kit Ernest

董事

執行董事

劉欣諾先生 (*行政總裁*)
黃頌源先生 (*於二零一八年五月二十一日獲委任*)
黃耀傑先生 (*於二零一八年五月二十一日獲委任*)

非執行董事

李志達先生 (*主席*) (*於二零一八年五月二十一日退任*)
Stephen Gregory McCOY先生
李 岡先生 (*於二零一八年五月二十一日獲委任*)
許建強先生 (*於二零一八年五月二十一日獲委任*)

獨立非執行董事

趙桂馨女士
Cornelis Jacobus KEYSER先生
林文輝先生

審核委員會

林文輝先生 (*主席*)
趙桂馨女士
Cornelis Jacobus KEYSER先生

薪酬委員會

趙桂馨女士 (*主席*)
Cornelis Jacobus KEYSER先生
林文輝先生

提名委員會

趙桂馨女士 (*主席*)
Cornelis Jacobus KEYSER先生
林文輝先生

企業管治委員會

Cornelis Jacobus KEYSER先生 (*主席*)
劉欣諾先生
趙桂馨女士
林文輝先生

公司秘書

黃耀傑先生

AUTHORISED REPRESENTATIVES

Mr. LIU Stefan
Mr. WONG Yiu Kit Ernest

REGISTERED OFFICE

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman
KY1-1111
Cayman Islands

**HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS
IN HONG KONG**

Suites 7501 & 7508, 75/F
International Commerce Centre
1 Austin Road West, Kowloon
Hong Kong

**CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR
AND TRANSFER OFFICE**

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

**HONG KONG BRANCH SHARE REGISTRAR AND
TRANSFER OFFICE**

Union Registrars Limited
Suites 3301-04, 33/F
Two Chinachem Exchange Square
338 King's Road, North Point
Hong Kong

授權代表

劉欣諾先生
黃耀傑先生

註冊辦事處

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman
KY1-1111
Cayman Islands

總部及香港主要營業地點

香港
九龍柯士甸道西1號
環球貿易廣場
75樓7501及7508室

開曼群島主要股份過戶及登記處

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

香港股份過戶及登記分處

聯合證券登記有限公司
香港
北角英皇道338號
華懋交易廣場2期
33樓3301-04室

CORPORATE INFORMATION

公司資料

PRINCIPAL BANKERS

Bank of New Zealand
262 Queen Street, Auckland,
New Zealand

Bank of Communications Co., Ltd., Hong Kong Branch
20 Pedder Street, Central
Hong Kong

Citibank, N.A.
44th Floor, Citibank Tower
Citibank Plaza
3 Garden Road, Central
Hong Kong

AUDITORS

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor, Prince's Building
Central
Hong Kong

STOCK CODE

6877

COMPANY'S WEBSITE

www.kvblistco.com

主要往來銀行

Bank of New Zealand
262 Queen Street, Auckland,
New Zealand

交通銀行股份有限公司香港分行
香港
中環畢打街20號

花旗銀行
香港
中環花園道3號
花旗銀行廣場
花旗銀行大廈44樓

核數師

羅兵咸永道會計師事務所
執業會計師
香港
中環
太子大廈22樓

股份代號

6877

公司網站

www.kvblistco.com

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

The board of Directors (the “Board”) of the Company is pleased to present the unaudited condensed consolidated results of the Group for the six months ended 30 June 2018, together with the unaudited comparative figures for the corresponding period in 2017.

BUSINESS REVIEW AND FINANCIAL PERFORMANCE

Business Review

During the first six months ended 30 June 2018, the overall market volatility increased slightly when comparing to the first six months in 2017. In general, in periods of elevated volatility, customer trading volumes and the total revenues tend to increase. However, there is no assurance on volatility and its effects on the FX market.

The most popular traded products by our customers are EUR/USD, USD/JPY, GBP/USD and gold.

In the currency market, the price range of the EUR/USD traded was also very similar when comparing the price range of the first six months in 2017. The highest and the lowest level of the EUR/USD were seen to be 1.2554 and 1.1508 respectively, a nearly 1,046-pips trading range during the first six months in 2018, compared to the price movement presented a nearly 1,105-pips trading range, the highest was 1.1445 and the lowest was 1.0340 during the first six months in 2017.

USD/JPY was traded in a narrower price range of 877-pips in the first six months of 2018, the highest and the lowest were 113.38 and 104.61 respectively. The price range was 1,047-pips in the same period of 2017, the highest and lowest levels were 118.60 and 108.13.

The price range of GBP/USD was wider in the first six months in 2018, comparing to the same period in 2017. The highest and lowest levels were 1.4375 and 1.3048, that the price range was 1,327-pips in the first six months in 2018. The price range of GBP/USD in the six months in 2017 was 1,069-pips, the highest and lowest levels were 1.3046 and 1.1977 respectively.

本公司董事會（「董事會」）欣然提呈本集團截至二零一八年六月三十日止六個月之未經審核簡明綜合業績，連同二零一七年同期的未經審核比較數字。

業務回顧及財務業績

業務回顧

於截至二零一八年六月三十日止首六個月期間，整體市場波動較二零一七年首六個月輕微增加。一般而言，於市場波動增加時，客戶的成交量及總收益趨向增加。然而，外匯市場的波動性及其影響無法保證。

最受我們客戶歡迎的交易產品是歐元／美元、美元／日元、英鎊／美元及黃金。

在貨幣市場方面，與二零一七年首六個月的差價相比，歐元／美元的交易差價亦非常相若。於二零一八年首六個月期間，歐元／美元的最高及最低水平分別為1.2554及1.1508，相差接近1,046點，而二零一七年首六個月期間的價格波動則相差接近1,105點，最高為1.1445及最低為1.0340。

於二零一八年首六個月，美元／日元的差價收窄至877點，最高為113.38及最低為104.61。於二零一七年同期的差價為1,047點，最高為118.60及最低為108.13。

於二零一八年首六個月，英鎊／美元的差價較二零一七年同期拓寬。於二零一八年首六個月，最高水平為1.4375及最低水平為1.3048，差價為1,327點。於二零一七年首六個月，英鎊／美元的差價為1,069點，最高為1.3046及最低為1.1977。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

The gold mainly traded within a price range of \$154.50 USD/ounce. The highest price of Gold was traded at \$1,365.90 USD/ounce and the lowest at \$1,211.40 USD/ounce under the period of review. The price range of Gold was very similar when comparing to the same period in 2017. The price range of Gold was \$150.10 USD/ounce, the highest at \$1,295.90 USD/ounce, and the lowest at \$1,145.80 USD/ounce.

The retail margin FX trading market is highly competitive. This includes international multi-product trading firms, other online trading firms, and financial institutions. We expect the market to remain very competitive in the foreseeable future. We are constantly looking for ways to improve our customer service level and meet the needs of our clients, by providing more trading opportunities in the global financial markets.

Six months ended 30 June 2018 compared with six months ended 30 June 2017

Total income

The total income of the Group increased by approximately 55.4% to approximately HK\$306.2 million for the six months ended 30 June 2018 from approximately HK\$197.1 million for the six months ended 30 June 2017.

A. Leveraged foreign exchange and other trading income

The leveraged foreign exchange and other trading income of the Group increased by approximately 47.8% to approximately HK\$233.5 million for the six months ended 30 June 2018 from approximately HK\$158.0 million for the six months ended 30 June 2017. The increase was mainly attributed by the higher trading volume during the six months ended 30 June 2018 as compared to the six months ended 30 June 2017.

B. Cash dealing income/(losses)

The Group recorded cash dealing income of approximately HK\$3.3 million for the six months ended 30 June 2018 while there was cash dealing losses of about HK\$0.02 million for the six months ended 30 June 2017. The increase was mainly due to higher market volatility resulting in better performance and the dealing open position revaluation gain as at 30 June 2018.

黃金的主要成交差價為154.50美元／盎司。於回顧期間，黃金的成交價最高為1,365.90美元／盎司及最低成交價為1,211.40美元／盎司。黃金的成交差價與二零一七年同期非常相若，黃金的差價為150.10美元／盎司，最高成交價為1,295.90美元／盎司及最低成交價為1,145.80美元／盎司。

零售外匯保證金交易市場競爭激烈，市場競爭對手包括國際多產品交易公司、其他網上交易公司及金融機構。本集團預期於可預見的將來，市場競爭將仍然激烈。本集團繼續尋求方法提升客戶服務水平，透過為客戶提供更多於環球金融市場交易投資的機會以滿足客戶需求。

截至二零一八年六月三十日止六個月與截至二零一七年六月三十日止六個月的比較

收入總額

本集團的收入總額由截至二零一七年六月三十日止六個月約197,100,000港元增加約55.4%至截至二零一八年六月三十日止六個月約306,200,000港元。

A. 槓桿式外匯及其他交易收入

本集團的槓桿式外匯及其他交易收入由截至二零一七年六月三十日止六個月約158,000,000港元增加約47.8%至截至二零一八年六月三十日止六個月約233,500,000港元，主要由於截至二零一八年六月三十日止六個月期間的成交量相比截至二零一七年六月三十日止六個月增加所致。

B. 現金交易收入／(虧損)

本集團於截至二零一八年六月三十日止六個月錄得現金交易收入約3,300,000港元，而於截至二零一七年六月三十日止六個月則錄得現金交易虧損約20,000港元，現金交易增加主要由於市場波動增加致使錄得較佳業績表現及於二零一八年六月三十日處理平倉合約之重估收益所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

C. Fee and commission income

The fee and commission income of the Group increased by approximately 20.9% from approximately HK\$37.4 million for the six months ended 30 June 2017 to approximately HK\$45.2 million for the six months ended 30 June 2018. The increase was mainly due to more commission received from those clients who we charge commission to.

D. Other income

The Group recorded other income of approximately HK\$24.3 million for the six months ended 30 June 2018 as compared to other income of approximately HK\$1.8 million for the six months ended 30 June 2017.

As at 30 June 2018, there was a fair value gain of approximately HK\$16.2 million on the derivative portion of convertible bonds issued on 12 February 2018.

During the six months ended 30 June 2018, the Group recorded an exchange gain of approximately HK\$7.7 million as compared to an exchange gain of approximately HK\$0.6 million during the six months ended 30 June 2017. This was mainly due to the period-end translation of monetary assets denominated in foreign currency into local reporting currency by KVB Kunlun New Zealand Limited, a wholly-owned subsidiary of the Company.

Referral expenses and other charges

The referral expenses and other charges of the Group increased by approximately 21.5% to approximately HK\$139.5 million for the six months ended 30 June 2018 from approximately HK\$114.8 million for the six months ended 30 June 2017. The increase was mainly due to the increase in trading volume of the clients of the Group referred by service providers and increased transaction fees paid to remittance channels.

Staff Costs

The staff cost of the Group increased to approximately HK\$75.6 million for the six months ended 30 June 2018 from approximately HK\$25.0 million for the six months ended 30 June 2017. The increase was mainly due to special bonus paid and share options granted during the period.

C. 費用及佣金收入

本集團的費用及佣金收入由截至二零一七年六月三十日止六個月約37,400,000港元增加約20.9%至截至二零一八年六月三十日止六個月的約45,200,000港元，錄得增加主要由於收取客戶的佣金增加所致。

D. 其他收入

本集團於截至二零一八年六月三十日止六個月錄得其他收入約24,300,000港元，而截至二零一七年六月三十日止六個月則錄得其他收入約1,800,000港元。

於二零一八年六月三十日，就已於二零一八年二月十二日發行之可換股債券之衍生工具部份錄得公允值收益約16,200,000港元。

於截至二零一八年六月三十日止六個月期間，本集團錄得匯兌收益約7,700,000港元，而於截至二零一七年六月三十日止六個月期間則錄得匯兌收益約600,000港元，主要由於本公司全資附屬公司KVB Kunlun New Zealand Limited於期終將以外幣計值的貨幣資產換算為當地呈報貨幣所致。

轉介開支及其他費用

本集團的轉介開支及其他費用由截至二零一七年六月三十日止六個月約114,800,000港元增加約21.5%至截至二零一八年六月三十日止六個月約139,500,000港元，錄得增長主要由於服務供應商轉介予本集團的客戶的成交量增加及已付予匯款渠道之交易費用增加。

員工成本

本集團的員工成本由截至二零一七年六月三十日止六個月約25,000,000港元增加至截至二零一八年六月三十日止六個月約75,600,000港元，錄得增加主要由於期內支付特別花紅及授出購股權所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

Depreciation & amortization

Depreciation and amortization increased by approximately 12.2% to approximately HK\$6.9 million for the six months ended 30 June 2018 from approximately HK\$6.2 million for the six months ended 30 June 2017. This increase was mainly due to new assets capitalization in late 2017.

Lease payments under land and buildings

Lease payments under land and buildings have increased by approximately 2.3% to approximately HK\$7.0 million for the six months ended 30 June 2018 from around HK\$6.8 million for the six months ended 30 June 2017. The increase was mainly due to the increased rental expenses of lease review in some offices.

Administrative and other operating expenses

The administrative and other operating expenses of the Group increased by approximately 23.8% to around HK\$44.6 million for the six months ended 30 June 2018 from approximately HK\$36.0 million for the six months ended 30 June 2017. This was mainly due to increased marketing expenses, donation expenses and professional and consultancy fee by approximately HK\$5.7 million, HK\$1.9 million and HK\$0.7 million respectively as compared with the same period in 2017.

Net profit and net profit margin

For the reasons set forth above, the Group had a net profit of approximately HK\$10.4 million for the six months ended 30 June 2018 compared with a net profit of approximately HK\$3.1 million for the first six months in 2017. The net profit margin for the six months ended 30 June 2018 was approximately 3.4%.

Excluding the fair value gain of approximately HK\$16.2 million on the derivative position of convertible bonds, in summary, the decrease in profitability of the Group was primarily contributed by:

- Higher transaction volume resulting in higher fee and commission expenses and
- Increased expenses in few main items due to business expansion.

折舊及攤銷

折舊及攤銷由截至二零一七年六月三十日止六個月約6,200,000港元增加約12.2%至截至二零一八年六月三十日止六個月約6,900,000港元，錄得增長主要由於二零一七年底新資產資本化所致。

土地及樓宇的租賃付款

土地及樓宇的租賃付款由截至二零一七年六月三十日止六個月約6,800,000港元增加約2.3%至截至二零一八年六月三十日止六個月約7,000,000港元，錄得增加主要由於部份辦公室續約令租金開支增加所致。

行政及其他經營開支

本集團的行政及其他經營開支由截至二零一七年六月三十日止六個月約36,000,000港元增加約23.8%至截至二零一八年六月三十日止六個月約44,600,000港元，主要由於營銷開支、捐款開支以及專業及諮詢費較二零一七年同期分別增加約5,700,000港元、1,900,000港元及700,000港元所致。

淨溢利及純利率

基於上述理由，本集團於截至二零一八年六月三十日止六個月實現淨溢利約10,400,000港元，而於二零一七年上半年則錄得淨溢利約3,100,000港元。截至二零一八年六月三十日止六個月的純利率約為3.4%。

排除可換股債券之衍生工具部份錄得的公允值收益約16,200,000港元，概括而言，本集團盈利能力下跌主要由於：

- 成交量增加導致費用及佣金開支增加；及
- 由於業務增長令多項主要項目的開支增加。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

Significant investments, their performance and future prospects

During the six months ended 30 June 2018, the Group did not have any significant investments held.

Material acquisitions and disposals

During the six months ended 30 June 2018, the Group did not have any material acquisitions and disposals.

Liquidity and financial resources

During the period under review, the operation of the Group was financed principally by equity capital, cash generated by the Group's business operations, cash and bank deposits and proceeds from convertible bonds.

As at 30 June 2018, cash and bank balance held by the Group amounted to approximately HK\$687.4 million. (As at 31 December 2017: HK\$517.8 million)

Gearing ratio

The gearing ratio calculated on the basis of net debts (financial lease obligation and convertible bonds) over the total shareholders' fund as at 30 June 2018 was approximately 35.6%. (31 December 2017: 0.05%).

Foreign currency exposure

During the period under review, the Group recorded an exchange gain of approximately HK\$7.7 million (2017: gain of approximately HK\$0.6 million). This was mainly due to the half year end translation of monetary assets denominated in foreign currency into local reporting currency by the subsidiary of the Group in New Zealand. The foreign currency risk is managed proactively by regular review of the currency positions in the basket of currency mix. In order to minimize the exposure of the Group to risk, the Group has hedge strategy based on prevailing market conditions and working capital requirements of subsidiaries.

Capital Structure

During the period under review, the capital structure of the Group consisted of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

重大投資、投資表現及未來前景

於截至二零一八年六月三十日止六個月期間，本集團並無持有任何重大投資。

重大收購及出售

截至二零一八年六月三十日止六個月期間，本集團並無任何重大收購及出售事項。

流動資金及財務資源

於回顧期間，本集團的營運主要由股本、集團業務營運所得現金、現金及銀行存款以及可換股債券之所得款項提供資金。

於二零一八年六月三十日，本集團持有的現金及銀行結餘約為687,400,000港元（於二零一七年十二月三十一日：517,800,000港元）。

負債比率

負債比率乃根據債務淨額（融資租賃承擔及可換股債券）除以股東資金總額計算，於二零一八年六月三十日約為35.6%（於二零一七年十二月三十一日：0.05%）。

外匯風險

於回顧期間，本集團錄得匯兌收益約7,700,000港元（二零一七年：收益約600,000港元），主要由於本集團位於紐西蘭的附屬公司於半年度結算日將以外幣計值的貨幣資產換算為當地呈報貨幣所致。本集團透過定期檢討一籃子貨幣組合內的貨幣持倉積極管理外匯風險。為降低本集團所面臨的風險，本集團根據現行市況及附屬公司的營運資金需求運用對沖策略。

資本架構

於回顧期間，本集團的資本架構包括現金及現金等價物以及本公司擁有人應佔股權（包括已發行股本及儲備）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

Issue of Convertible Bonds

On 12 February 2018 (the “Issue Date”), the Company issued 7.5% convertible bonds (the “Bonds”) with an aggregate principal amount of HK\$200 million to BC Global Fund SPC – BC Fintech Fund SP and PA Investment Funds SPC for the account of PA High Technology Fund SP (collectively the “Bondholders”).

The Bonds will expire at the second anniversary of the Issue Date. The Company may extend the maturity date for a further term of one year from the maturity date by giving notice in writing to all of the Bondholders on or before the maturity date and with the prior written consent from Bondholders of not less than 50% of the aggregate principal amount of Bonds outstanding. In the event of extension of the maturity date, the interest rate will be adjusted from 7.5% per annum to 12% per annum.

The Bonds are convertible into the Company's ordinary shares of HK\$0.01 each (the “Ordinary Shares”) at the initial conversion price of HK\$0.613 per share (subject to adjustment). Based on the assumption of full conversion of the Bonds at such initial conversion price, a total of 326,264,273 Ordinary Shares will be allotted and issued by the Company. As at 30 June 2018, no Bonds were converted into any Ordinary Shares by the Bondholders, and the aggregate principal amount of the Bonds remained as HK\$200 million.

The Directors consider that the issue of the Bonds will provide strong capital support for the development of the Group's business and strengthen the Group's capital base effectively after full conversion of the Bonds.

The net proceeds from the issue of the Bonds is approximately HK\$199.28 million. The Company currently intends to use the net proceeds for investment in financial assets and working capital purposes.

Details of the issue of the Bonds were set out in the announcements of the Company dated 25 January 2018 and dated 12 February 2018 respectively.

發行可換股債券

於二零一八年二月十二日（「發行日期」），本公司已向BC Global Fund SPC -BC Fintech Fund SP及PA Investment Funds SPC（為PA High Technology Fund SP 帳戶行事）（統稱「債券持有人」）發行本金總額200,000,000港元之7.5厘息可換股債券（「債券」）。

債券將於發行日期起計第二週年到期。本公司可於到期日或之前透過向全部債券持有人發出書面通知及取得持有未償還債券本金總額不少於50%之債券持有人之事先書面同意之情況下，將到期日延長一年。倘延長到期日，年利率將從7.5厘調整至12厘。

債券可按初步換股價每股股份0.613港元（可予調整）轉換為本公司每股面值0.01港元之普通股份（「普通股份」）。假設債券按該初步換股價獲悉數轉換，本公司將配發及發行合共326,264,273股普通股份。於二零一八年六月三十日，概無債券被債券持有人轉換為任何普通股份，而債券之本金總額維持於200,000,000港元。

董事認為，發行債券將提供強勁資金支持本集團業務之發展以及於悉數轉換債券後可有效加強本集團之資金基礎。

發行債券之所得款項淨額約為199,280,000港元。本公司現擬將所得款項淨額用於投資金融資產及用作營運資金。

發行債券之詳情分別載於本公司日期為二零一八年一月二十五日及二零一八年二月十二日之公告。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

New products and services

During the period under review, there was no new products or services launched.

Charges on Group assets and contingent liabilities

As at 30 June 2018, certain bank balances of the Group amounting to approximately HK\$85.5 million were used to secure the banking facilities and office lease bonds (31 December 2017: approximately HK\$86.0 million).

As at 30 June 2018, the Group did not have any material contingent liabilities (31 December 2017: nil).

Employees and remuneration policies

As at 30 June 2018, the Group engaged a total of 67 employees (as at 31 December 2017: a total of 76). Total staff costs including Directors' remuneration for the period under review amounting to approximately HK\$75.6 million (2017: HK\$25.0 million). The Group's remuneration policies are in line with the prevailing market practices and are determined on the basis of performance and experience of individual employees. The Group provides retirement benefits in accordance with the relevant laws and regulations in the place where the staff is employed. The Company has adopted a share option scheme pursuant to which the Directors and employees of the Group are entitled to participate.

Future plans for material investments or capital assets

We plan to:

1. Expand operations in the worldwide overseas Chinese communities;
2. Increase the range of our financial services and products;
3. Further upgrade our online trading platform; and
4. Develop the high net worth and sophisticated institutional clients segment.

新產品及服務

於回顧期間，本集團並無推出任何新產品或服務。

本集團資產抵押及或然負債

於二零一八年六月三十日，本集團若干銀行結餘約85,500,000港元（二零一七年十二月三十一日：約86,000,000港元）乃用於擔保銀行信貸及辦公室租賃債券。

於二零一八年六月三十日，本集團並無任何重大或然負債（於二零一七年十二月三十一日：無）。

僱員及薪酬政策

於二零一八年六月三十日，本集團合共聘用67名僱員（二零一七年十二月三十一日：合共76名）。於回顧期內的員工成本總額（包括董事酬金）為約75,600,000港元（二零一七年：25,000,000港元）。本集團的薪酬政策符合現行市場慣例並根據員工個人的表現及經驗而釐定。本集團根據員工受聘所在地的相關法律法規提供退休福利。本公司已採納購股權計劃，據此，本集團董事及僱員有權參與購股權計劃。

未來重大投資或資本資產計劃

本集團計劃：

1. 拓展全球海外華人社區之業務；
2. 增加金融服務及產品範疇；
3. 進一步提升線上交易平台；及
4. 開發高淨值及資深機構客戶分部。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVE IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2018, save as disclosed below, none of the Directors nor the chief executive of the Company or their associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) which were (i) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have taken under such provisions of the SFO); or (ii) required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) required, pursuant to the Model Code for Securities Transactions by Director contained in Appendix 10 to the Rules (the “Listing Rules”) Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”), to be notified to the Company and the Stock Exchange:

董事及主要行政人員於股份、相關股份及債券之權益及淡倉

於二零一八年六月三十日，除下文所披露者外，概無本公司之董事或主要行政人員或彼等之聯繫人於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中擁有任何(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例有關條文被當作或視作擁有之任何權益及淡倉）；或(ii)根據證券及期貨條例第352條須載入該條例所指之登記冊中之權益或淡倉；或(iii)根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄10所載董事進行證券交易之標準守則須知會本公司及聯交所之權益或淡倉：

Interests in shares of the Company:

於本公司股份中之權益：

Name of director 董事姓名	Capacity 身份	Number of shares/underlying shares held 所持股份／ 相關股份數目		Total 總數	Approximate % of the number of issued shares 佔已發行股份 數目概約百分比
		Shares 普通股	Options 購股權 (Note 1) (附註1)		
Mr. Liu Stefan (Chief Executive Officer) 劉欣諾先生（行政總裁）	Beneficial owner 實益擁有人	9,520,000	26,300,000	35,820,000	1.76%
Mr. Huang Songyuan 黃頌源先生	Beneficial owner 實益擁有人	—	10,350,000	10,350,000	0.50%
Mr. Wong Yiu Kit Ernest 黃耀傑先生	Beneficial owner 實益擁有人	—	2,050,000	2,050,000	0.10%
Mr. Stephen Gregory McCoy Stephen Gregory McCoy先生	Beneficial owner 實益擁有人	—	3,000,000	3,000,000	0.14%
Ms. Zhao Guixin 趙桂馨女士	Beneficial owner 實益擁有人	200,000	1,000,000	1,200,000	0.05%

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

Name of director 董事姓名	Capacity 身份	Number of shares/underlying shares held 所持股份／ 相關股份數目		Approximate % of the number of issued shares 佔已發行股份 總數 數目概約百分比	
		Shares 普通股	Options 購股權 (Note 1) (附註1)	Total 總數	
Mr. Cornelis Jacobus Keyser Cornelis Jacobus Keyser先生	Beneficial owner 實益擁有人	–	1,000,000	1,000,000	0.04%
Mr. Lin Wenhui 林文輝先生	Beneficial owner 實益擁有人	200,000	1,000,000	1,200,000	0.05%

Note:

附註：

1. Those options were granted on 19 August 2015, 29 December 2016 and 22 March 2018 respectively under the Company's share option scheme.

1. 該等購股權分別於二零一五年八月十九日、二零一六年十二月二十九日及二零一八年三月二十二日根據本公司的購股權計劃授出。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2018, so far as was known to the Directors or chief executive of the Company, the following persons (other than the directors or chief executive of the Company) had, or were deemed or taken to have, an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register to be kept by the Company under section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange:

主要股東於股份、相關股份及債券之權益及淡倉

據本公司董事或主要行政人員所知，於二零一八年六月三十日，以下人士（本公司之董事或主要行政人員除外）於本公司的股份及相關股份中擁有或被視為或當作擁有須根據證券及期貨條例第XV部第2及3分部之條文向本公司披露或記錄於本公司根據證券及期貨條例第336條所備存的登記冊或以其他方式知會本公司及聯交所的權益或淡倉：

Name of substantial shareholder	Capacity	Number of shares/ underlying shares held 所持股份／相關股份數目		Derivative interests	Total	Approximate% of the number of issued shares 佔已發行 股份數目 概約百分比
		Shares				
主要股東名稱	身份	股份		衍生權益	總數	
CITIC Securities Company Limited ("CITIC Securities") 中信証券股份有限公司(「中信証券」)	Interests in controlled corporation (Note 1) 於受控制法團之權益 (附註1)	1,200,310,001		–	1,200,310,001	59.03%
CITIC Securities Overseas Investment Company Limited 中信証券海外投資有限公司	Beneficial owner 實益擁有人	1,200,310,001		–	1,200,310,001	59.03%
KVB Kunlun Holdings Limited ("KVB Holdings") (Note 2) KVB Kunlun Holdings Limited (「KVB Holdings」)(附註2)	Beneficial owner 實益擁有人	300,000,000		–	300,000,000	14.75%
Mr. Li Zhi Da (Note 2) 李志達先生(附註2)	Interests in controlled corporation 於受控制法團之權益	300,000,000		–	300,000,000	14.75%
Calypso (International) Investment Co., Limited (Note 3) Calypso (International) Investment Co., Limited (附註3)	Beneficial owner 實益擁有人	106,525,000		–	106,525,000	5.24%

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

Name of substantial shareholder	Capacity	Number of shares/ underlying shares held 所持股份／相關股份數目		Derivative interests	Total	Approximate% of the number of issued shares 佔已發行 股份數目 概約百分比
		Shares				
主要股東名稱	身份	股份		衍生權益	總數	概約百分比
HNA Group (International) Company Limited (Note 3) 海航集團(國際)有限公司(附註3)	Interests in controlled corporation 於受控制法團之權益	106,525,000		–	106,525,000	5.24%
HNA Group Co., Ltd. (Note 3) 海航集團有限公司(附註3)	Interests in controlled corporation 於受控制法團之權益	106,525,000		–	106,525,000	5.24%
Hainan Traffic Administration Holding Co., Ltd. (Note 3) 海南交通控股有限公司(附註3)	Interests in controlled corporation 於受控制法團之權益	106,525,000		–	106,525,000	5.24%
Sheng Tang Development (Yangpu) Co., Ltd. (Note 3) 盛唐發展(洋浦)有限公司(附註3)	Interests in controlled corporation 於受控制法團之權益	106,525,000		–	106,525,000	5.24%
Tang Dynasty Development Co., Ltd (Note 3) 盛唐發展有限公司(附註3)	Interests in controlled corporation 於受控制法團之權益	106,525,000		–	106,525,000	5.24%
Pan-American Aviation Holding Company (Note 3) Pan-American Aviation Holding Company(附註3)	Interests in controlled corporation 於受控制法團之權益	106,525,000		–	106,525,000	5.24%
Hainan Cihang Charity Foundation Inc. (Note 3) Hainan Cihang Charity Foundation Inc.(附註3)	Interests in controlled corporation 於受控制法團之權益	106,525,000		–	106,525,000	5.24%

Notes:

附註：

1. As CITIC Securities is entitled to control over one-third of the voting power at general meetings of CITIC Securities Overseas Investment Company Limited, CITIC Securities is deemed under the SFO to be interested in the entire 1,200,310,001 shares held by CITIC Securities Overseas Investment Company Limited.

1. 由於中信證券有權於中信證券海外投資有限公司之股東大會上控制超過三分之一的投票權，根據證券及期貨條例，中信證券被視為於中信證券海外投資有限公司持有的全部1,200,310,001股股份中擁有權益。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

2. As Mr. Li Zhi Da, a former non-executive Director of the Company, is entitled to control over one-third of the voting power at general meetings of KVB Holdings, he is deemed under the SFO to be interested in the entire 300,000,000 shares held by KVB Holdings.

3. As confirmed by Calypso (International) Investment Co., Limited, as at 30 June 2018, Calypso (International) Investment Co., Limited was a wholly owned subsidiary of HNA Group (International) Company Limited, which was in turn owned as to 91.09% by HNA Group Co., Ltd.. HNA Group Co., Ltd. was held as to 30% by Yangpu Jianyun Investment Co., Ltd. and 70% by Hainan Traffic Administration Holding Co., Ltd.. Hainan Traffic Administration Holding Co., Ltd. was in turn held as to 50% by Sheng Tang Development (Yangpu) Co., Ltd.. Sheng Tang Development (Yangpu) Co., Ltd. was held as to 65% by Hainan Province Cihang Foundation and 35% by Tang Dynasty Development Co., Ltd. which was in turn 98% held by Pan-American Aviation Holding Company, which is wholly held by Hainan Cihang Charity Foundation, Inc..

Save as disclosed above, as at 30 June 2018, the Directors are not aware of any other person who has an interest or short position in the shares or underlying shares (including interest in options, if any) of the Company as recorded in the register required to be kept under section 336 of the SFO.

INTERIM DIVIDEND

The Board does not declare the payment of any dividend for the six months ended 30 June 2018 (for the six months ended 30 June 2017: Nil).

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

During the six months ended 30 June 2018, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

2. 由於本公司前非執行董事李志達先生有權控制KVB Holdings股東大會上超過三分之一的投票權，根據證券及期貨條例，彼被視為於KVB Holdings全數持有的300,000,000股股份中擁有權益。

3. 經Calypso (International) Investment Co., Limited確認，於二零一八年六月三十日，Calypso (International) Investment Co., Limited為海航集團(國際)有限公司之全資附屬公司，而海航集團(國際)有限公司由海航集團有限公司擁有91.09%權益。海航集團有限公司由洋浦建運投資有限公司及海南交管控股有限公司分別持有30%及70%權益，而海南交管控股有限公司由盛唐發展(洋浦)有限公司持有50%權益。盛唐發展(洋浦)有限公司由海南省慈航公益基金會持有65%權益及由盛唐發展有限公司持有35%權益，盛唐發展有限公司由Pan-American Aviation Holding Company持有98%權益，而Pan-American Aviation Holding Company由Hainan Cihang Charity Foundation, Inc.全資擁有。

除上文所披露者外，於二零一八年六月三十日，董事並不知悉任何其他人士於本公司股份或相關股份擁有須記錄於根據證券及期貨條例第336條所備存之登記冊之權益或淡倉（包括於購股權之權益（如有））。

中期股息

董事會不宣派截至二零一八年六月三十日止六個月的任何股息（截至二零一七年六月三十日止六個月：無）。

購買、出售或贖回本公司之上市證券

於截至二零一八年六月三十日止六個月期間，本公司及其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has complied with all the code provisions set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Rules (the “Listing Rules”) governing the Listing of Securities on Stock Exchange of Hong Kong Limited (“Stock Exchange”) throughout the six months ended 30 June 2018, except for the following deviations:

Pursuant to the code provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separated and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

Mr. Li Zhi Da retired as chairman of the Board and non-executive Director after the conclusion of the annual general meeting of the Company held on 21 May 2018 (the “2018 Annual General Meeting”). After the retirement of Mr. Li, no individual was appointed as chairman of the Board. The role of the chairman of the Board has been performed by the chief executive officer of the Company.

The Board will keep on identifying suitable candidate to assume duties as chairman of the Board as soon as possible.

Pursuant to the code provision A.6.7 of the CG Code, the independent non-executive directors and the non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. Ms. Zhao Guixin, an independent non-executive Director, was unable to attend the 2018 Annual General Meeting due to health reason.

Pursuant to the code provision E.1.2 of the CG Code, the chairman of the board should attend the annual general meetings. Mr. Li Zhi Da, the then Chairman and a non-executive Director, was unable to attend the 2018 Annual General Meeting due to other commitment.

DIRECTORS’ INTERESTS IN CONTRACTS

No contracts of significance in relation to the Group’s business to which the Group was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the six months ended 30 June 2018 or at any time during such period.

遵守企業管治守則

於截至二零一八年六月三十日止六個月內，本公司已遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄14所載企業管治守則（「企業管治守則」）之所有守則條文，惟下述偏離情況除外：

根據企業管治守則之守則條文第A.2.1條，主席與行政總裁的角色應有區分，並不應由一人同時兼任。主席與行政總裁之間職責的分工應清楚界定並以書面列載。

李志達先生於二零一八年五月二十一日舉行之本公司股東週年大會（「二零一八年股東週年大會」）結束後退任為本公司董事會主席及非執行董事。於李先生退任後，董事會主席一職仍然懸空。董事會主席的職責已由本公司行政總裁履行。

董事會將繼續盡快物色合適人選擔任董事會主席一職。

根據企業管治守則之守則條文第A.6.7條，獨立非執行董事及非執行董事應出席股東大會，對股東的意見有公正的了解。獨立非執行董事趙桂馨女士因健康理由而未能出席二零一八年股東週年大會。

根據企業管治守則之守則條文第E.1.2條，董事會主席應出席股東週年大會。時任主席兼非執行董事李志達先生因其他事務未能出席二零一八年股東週年大會。

董事於合約的權益

本集團概無訂立對本集團業務屬重大且董事直接或間接擁有重大權益而於截至二零一八年六月三十日止六個月或有關期間內任何時間持續有效之合約。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

REVIEW OF FINANCIAL STATEMENTS

The Company established an audit committee (the “Audit Committee”) on 18 December 2012 with written terms of reference in compliance with the requirements as set out in the CG Code contained in Appendix 14 to the Listing Rules. The Audit Committee comprises three independent non-executive Directors, namely, Mr. Lin Wenhui, Ms. Zhao Guixin and Mr. Cornelis Jacobus Keyser. Mr. Lin Wenhui is the chairman of the Audit Committee. The primary duties of the Audit Committee are to review and supervise the financial reporting process, risk management and internal control systems of the Company, nominate and monitor external auditors and provide advice and comments to the Directors. The Audit Committee has reviewed and expressed no disagreement with the accounting treatment adopted by the Company in preparing the unaudited condensed consolidated interim results of the Group for the six months ended 30 June 2018 and has provided advice and comments thereon.

PricewaterhouseCoopers as the Company’s auditors has reviewed the unaudited condensed consolidated interim financial information of the Group for the six months ended 30 June 2018 in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “Model Code”) as the code of conduct regarding securities transaction of the Company by the Directors. Having made specific enquiry with the Directors, all the Directors confirmed that they had complied with the Model Code during the six months ended 30 June 2018.

By order of the Board

KVB Kunlun Financial Group Limited

Liu Stefan

Executive Director

Hong Kong, 16 August 2018

審閱財務報表

本公司於二零一二年十二月十八日成立審核委員會（「審核委員會」），其書面職權範圍符合上市規則附錄14所載企業管治守則所載規定。審核委員會由三名獨立非執行董事組成，包括林文輝先生、趙桂馨女士及Cornelis Jacobus Keyser先生。林文輝先生為審核委員會主席。審核委員會之主要職責為審閱及監察本公司的財務申報程序、風險管理及內部監控制度、提名及監察外聘核數師以及向董事提供建議及意見。審核委員會已審閱及對本公司就編製本集團截至二零一八年六月三十日止六個月之未經審核簡明綜合中期業績所採納之會計處理方法並無異議，並就此提供建議及意見。

本公司核數師羅兵咸永道會計師事務所已根據香港會計師公會（「香港會計師公會」）頒佈的香港審閱準則第2410號「由實體的獨立核數師執行中期財務資料審閱」，審閱本集團截至二零一八年六月三十日止六個月之未經審核簡明綜合中期財務資料。

董事進行的證券交易

本公司已採納上市規則附錄10所載有關上市發行人董事進行證券交易之標準守則（「標準守則」）作為本公司董事進行證券交易的行為守則。經向董事作出具體查詢後，所有董事確認其於截至二零一八年六月三十日止六個月期間已遵守標準守則的規定。

承董事會命

昆侖國際金融集團有限公司

執行董事

劉欣諾

香港，二零一八年八月十六日

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

中期財務資料審閱報告



羅兵咸永道

TO THE BOARD OF DIRECTORS OF KVB KUNLUN FINANCIAL GROUP LIMITED

昆侖國際金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)

致昆侖國際金融集團有限公司
董事會

(於開曼群島註冊成立之有限公司)

INTRODUCTION

We have reviewed the interim financial information set out on pages 21 to 68, which comprises the condensed consolidated interim balance sheet of KVB Kunlun Financial Group Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30 June 2018 and the related condensed consolidated interim statement of comprehensive income, consolidated interim statement of changes in equity and consolidated interim statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited requires the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting

引言

本核數師(以下簡稱「我們」)已審閱列載於第21至68頁的中期財務資料，此中期財務資料包括昆侖國際金融集團有限公司(「貴公司」)及其附屬公司(合稱「貴集團」)於二零一八年六月三十日的簡明綜合中期資產負債表與截至該日止六個月期間的相關簡明綜合中期全面收益表、綜合中期權益變動表及綜合中期現金流量表，以及主要會計政策概要及其他附註解釋。香港聯合交易所有限公司證券上市規則規定，就中期財務資料編製的報告必須符合以上規則的有關條文以及香港會計師公會所頒佈的香港會計準則第34號「中期財務報告」。貴公司董事須負責根據香港會計準則第34號「中期財務報告」編製及列報該等中期財務資料。我們的責任是根據我們的審閱對該等中期財務資料作出結論，並按照經協定之委聘條款僅向整體董事會報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

審閱範圍

我們已根據香港會計師公會頒佈的香港審閱準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。審閱中期財務資料包括主要向負責財務和會計事務的人員作出查詢，及應用分析性和其他審閱程序。審閱的範

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

中期財務資料審閱報告

matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 16 August 2018

圍遠較根據香港審計準則進行審核的範圍為小，故不能令我們可保證我們將知悉在審核中可能被發現的所有重大事項。因此，我們不會發表審核意見。

結論

按照我們的審閱，我們並無發現任何事項，令我們相信中期財務資料在各重大方面未有根據香港會計準則第34號「中期財務報告」編製。

羅兵咸永道會計師事務所
執業會計師

香港，二零一八年八月十六日

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

簡明綜合中期全面收益表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

			Unaudited 未經審核	
			Six months ended 30 June 截至六月三十日止六個月	
			2018 二零一八年	2017 二零一七年
			HK\$'000 千港元	HK\$'000 千港元
		Notes 附註		
Leveraged foreign exchange and other trading income	槓桿式外匯及其他交易收入	4	233,460	157,965
Cash dealing income/(loss)	現金交易收入／(虧損)	4	3,259	(16)
Fee and commission income	費用及佣金收入		45,220	37,389
Other income	其他收入	5	24,294	1,772
Total income	收入總額		306,233	197,110
Referral expenses and other charges	轉介開支及其他費用		139,450	114,770
Staff costs	員工成本	6	75,574	24,995
Depreciation and amortisation	折舊及攤銷		6,918	6,164
Lease payments under land and buildings	土地及樓宇的租賃付款		6,993	6,836
Administrative and other operating expenses	行政及其他經營開支	7	44,588	36,011
Total expenses	開支總額		273,523	188,776
Operating profit	經營溢利		32,710	8,334
Finance cost	融資成本		(12,241)	(1,156)
Profit before tax	除稅前溢利		20,469	7,178
Income tax expense	所得稅開支	8	(10,044)	(4,089)
Profit for the period	期內溢利		10,425	3,089

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

簡明綜合中期全面收益表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Notes 附註			
	Other comprehensive income		
	<i>Items that may be reclassified to profit or loss</i>		
	其他全面收益		
	<i>可能重新分類至損益之項目</i>		
	Currency translation difference	(10,123)	6,732
	貨幣匯兌差額		
	Other comprehensive (expense)/income for the period, net of tax	(10,123)	6,732
	期內其他全面（開支）／收益（扣除稅項）		
	Total comprehensive income for the period	302	9,821
	期內全面收益總額		
	Earnings per share for profit attributable to the equity holders of the Company for the period		
	期內本公司股權持有人應佔溢利之每股盈利		
	– Basic (HK cents per share)	0.51	0.15
	— 基本（每股港仙）		
	– Diluted (HK cents per share)	0.22	0.15
	— 攤薄（每股港仙）		

The notes on pages 29 to 68 form part of the interim financial information.

第29至68頁的附註構成中期財務資料的一部分。

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

簡明綜合中期資產負債表

As at 30 June 2018 於二零一八年六月三十日

		Notes 附註	Unaudited 未經審核 30 June 2018 二零一八年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	11	10,548	9,719
Intangible assets	無形資產	12	33,734	34,496
Deferred tax assets	遞延稅項資產		1,308	1,367
			45,590	45,582
Current assets	流動資產			
Other receivables, prepayments and deposits	其他應收款項、預付款項及按金	13	19,881	11,824
Tax prepayment	預繳稅項		3,098	11,211
Derivative financial instruments	衍生金融工具	14	77,308	139,567
Balances due from agents	應收代理結餘		32,349	88,551
Cash and bank balances and client trust bank balances	現金及銀行結餘以及客戶信託銀行結餘	15	1,126,363	1,104,050
Total current assets	流動資產總值		1,258,999	1,355,203
Total assets	資產總值		1,304,589	1,400,785
EQUITY AND LIABILITIES	權益及負債			
Share capital	股本	19	20,333	20,333
Reserves	儲備		361,140	365,190
Retained earnings	保留盈利		172,298	161,704
Total equity	權益總額		553,771	547,227

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

簡明綜合中期資產負債表

As at 30 June 2018 於二零一八年六月三十日

			Unaudited 未經審核 30 June 2018 二零一八年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
	Notes 附註			
Current liabilities		流動負債		
Finance lease obligations		融資租賃承擔	43	47
Current income tax liabilities		即期所得稅負債	806	–
Other payables and accrued liabilities	16	其他應付款項及應計負債	32,389	53,272
Derivative financial instruments	14	衍生金融工具	10,186	30,646
Clients' balances	17	客戶結餘	507,425	766,182
			550,849	850,147
Non-current liabilities		非流動負債		
Finance lease obligations		融資租賃承擔	176	205
Deferred tax liabilities		遞延稅項負債	2,900	3,206
Convertible bonds	18	可換股債券	196,893	–
			199,969	3,411
Total liabilities		負債總額	750,818	853,558
Total equity and liabilities		總權益及負債	1,304,589	1,400,785

The notes on pages 29 to 68 form part of the interim financial information.

第29至68頁的附註構成中期財務資料的一部分。

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

簡明綜合中期權益變動表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Unaudited 未經審核						
		Share capital	Share premium	Capital reserve	Share option reserve	Currency translation reserve	Retained earnings	Total equity
		股本	股份溢價	資本儲備	購股權 儲備	貨幣匯兌 儲備	保留盈利	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
		Note 19(b) 附註19(b)						
At 1 January 2018	於二零一八年一月一日	20,333	180,493	171,892	18,713	(5,908)	161,704	547,227
Comprehensive income	全面收益							
Profit for the period	期內溢利	-	-	-	-	-	10,425	10,425
Other comprehensive expense for the period	期內其他全面開支	-	-	-	-	(10,123)	-	(10,123)
		20,333	180,493	171,892	18,713	(16,031)	172,129	547,529
Total transactions with owners, recognised directly in equity:	與擁有人之交易總額， 直接於權益確認：							
Share option scheme (Note 20)	購股權計劃(附註20)	-	-	-	6,073	-	169	6,242
Balance at 30 June 2018	於二零一八年 六月三十日之結餘	20,333	180,493	171,892	24,786	(16,031)	172,298	553,771

The notes on pages 29 to 68 form part of the interim financial information.

第29至68頁的附註構成中期財務資料的一部分。

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

簡明綜合中期權益變動表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Unaudited 未經審核						
		Share capital	Share premium	Capital reserve	Share option reserve 購股權 儲備	Currency translation reserve 貨幣匯兌 儲備	Retained earnings 保留盈利	Total equity 權益總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
		Note 19(b) 附註19(b)						
At 1 January 2017	於二零一七年一月一日	20,332	180,464	171,892	17,692	(9,766)	133,903	514,517
Comprehensive income	全面收益							
Profit for the period	期內溢利	–	–	–	–	–	3,089	3,089
Other comprehensive income for the period	期內其他全面收益	–	–	–	–	6,732	–	6,732
		20,332	180,464	171,892	17,692	(3,034)	136,992	524,338
Total transactions with owners, recognised directly in equity:	與擁有人之交易總額， 直接於權益確認：							
Share option scheme (Note 20)	購股權計劃(附註20)	–	–	–	717	–	248	965
Balance at 30 June 2017	於二零一七年 六月三十日之結餘	20,332	180,464	171,892	18,409	(3,034)	137,240	525,303

The notes on pages 29 to 68 form part of the interim financial information.

第29至68頁的附註構成中期財務資料的一部分。

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

簡明綜合中期現金流量表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
	Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cash flows from operating activities	經營活動所得現金流量		
Profit before tax	除稅前溢利	20,469	7,178
Adjustments for:	調整：		
Depreciation and amortisation	折舊及攤銷	6,918	6,164
Interest income	利息收入	(1,232)	(1,443)
Interest expense	利息開支	12,241	–
Loss on disposal of fixed assets	出售固定資產之虧損	–	455
Share option expense	購股權開支	6,242	965
Fair value gain on the embedded derivative portion of convertible bonds	可換股債券嵌入式衍生工具部份之公允值收益	(16,181)	–
Amortisation of deferred loss on conversion component	轉換部份遞延虧損攤銷	853	–
Cash flows from operating activities before working capital changes	營運資金變動前經營活動所得現金流量	29,310	13,319
Decrease in pledged time deposits	已抵押定期存款減少	501	68,490
Decrease/(increase) in client trust bank balances	客戶信託銀行結餘減少／(增加)	147,322	(146,821)
Decrease in balances due from agents	應收代理結餘減少	56,202	21,044
Decrease/(increase) in derivative financial instruments	衍生金融工具減少／(增加)	41,799	(1,624)
Increase in other assets and prepayments	其他資產及預付款項增加	(7,526)	(6,539)
Increase in amounts due from other related parties	應收其他關聯方款項增加	–	(8)
Increase in amounts due to other related parties	應付其他關聯方款項增加	–	3
(Decrease)/increase in clients' balances	客戶結餘(減少)／增加	(258,757)	182,148
(Decrease)/increase in other payables and accrued liabilities	其他應付款項及應計負債(減少)／增加	(20,883)	3,654
Cash (used in)/generated from operations	經營(所用)／所得現金	(12,032)	133,666
Income tax (paid)/refund	(已付)／退回所得稅	(1,254)	599
Net cash (used in)/generated from operating activities	經營活動(所用)／所得現金淨額	(13,286)	134,265

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

簡明綜合中期現金流量表

For the six months ended 30 June 2018 截至二零一八年六月三十日止六個月

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
	Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cash flows from investing activities	投資活動所得現金流量		
Interest received	已收利息	701	1,206
Purchase of property, plant and equipment and intangible assets	購買物業、廠房及設備及無形資產	(7,880)	(2,900)
	11 & 12		
Net cash used in investing activities	投資活動所用現金淨額	(7,179)	(1,694)
Cash flows from financing activities	融資活動所得現金流量		
Interest paid	已付利息	(20)	–
Repayment of finance lease obligations	償還融資租賃承擔	(28)	(18)
Repayment of borrowing	償還借貸	–	(50,642)
Proceeds from issuance of convertible bonds	發行可換股債券所得款項	200,000	–
	18		
Net cash generated from/(used in) financing activities	融資活動所得／(所用)現金淨額	199,952	(50,660)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	179,487	81,911
Cash and cash equivalents at beginning of period	期初現金及現金等價物	431,736	318,916
	15		
Effect of foreign exchange rate changes, net	匯率變動影響淨額	(9,351)	5,525
Cash and cash equivalents at end of period	期末現金及現金等價物	601,872	406,352
	15		

The notes on pages 29 to 68 form part of the interim financial information.

第29至68頁的附註構成中期財務資料的一部分。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

1 CORPORATE INFORMATION

1.1 General information

The Company was incorporated in the Cayman Islands on 9 November 2010 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's immediate parent is CITIC Securities Overseas Investment Company Limited ("CITIC Securities Overseas"), a company incorporated in Hong Kong and its ultimate holding company is CITIC Securities Company Limited ("CITIC Securities"), a company incorporated in the People's Republic of China. The address of its registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company is an investment holding company and its subsidiaries are principally engaged in the provision of leveraged foreign exchange and other trading, cash dealing business, and other services.

As at 30 June 2018, 59.03% of the total issued shares of the Company are held by CITIC Securities Overseas, 14.75% of issued shares are held by KVB Kunlun Holdings Limited and the remaining 26.22% of issued shares are held by the public.

The interim financial information is presented in HK dollars ("HK\$"), unless otherwise stated. This interim financial information has not been audited.

1 公司資料

1.1 一般資料

本公司於二零一零年十一月九日根據開曼群島公司法第22章(經綜合及修訂的一九六一年第三號法例)於開曼群島註冊成立為獲豁免有限公司。本公司之直接母公司為中信證券海外投資有限公司(「中信證券海外」)，一家於香港註冊成立之公司，其最終控股公司為中信證券股份有限公司(「中信證券」)，一家於中華人民共和國註冊成立之公司。本公司的註冊辦事處地址為Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands。本公司為一間投資控股公司，其附屬公司主要從事提供槓桿式外匯交易及其他交易、現金交易業務及其他服務。

於二零一八年六月三十日，本公司已發行股份總數之59.03%由中信證券海外持有、14.75%已發行股份由KVB Kunlun Holdings Limited持有，而餘下26.22%已發行股份由公眾持有。

除非另有說明，中期財務資料乃以港元(「港元」)呈列。本中期財務資料並未經審核。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

1 CORPORATE INFORMATION (continued)

1.2 Significant event

On 25 January 2018, pursuant to subscription agreements entered into by the Company, the Company issued convertible bonds with aggregate principal amount of HK\$200,000,000 on 12 February 2018 (the "Issue Date"). The convertible bonds entitled the holders to convert them into ordinary shares of the Company at the conversion price of HK\$0.613 (the "Conversion Price") per share of the Company at any time from the day following one year from the Issue Date up to the fifth business day immediately before the second anniversary of the Issue Date (the "Maturity Date") and bear interest at 7.5% per annum. Unless previously redeemed, converted or cancelled, the Company has to redeem the convertible bonds on the Maturity Date at 100% of the outstanding principal amount, together with accrued interest, if any. See Note 18.

2 BASIS OF PREPARATION

The condensed consolidated interim financial information for the six months ended 30 June 2018 has been prepared in accordance with HKAS 34, 'Interim financial reporting'. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2017, which has been prepared in accordance with the Hong Kong Financial Reporting Standards (the "HKFRS").

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies and standards as set out below.

(i) Estimation of income tax

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

1 公司資料(續)

1.2 重大事件

於二零一八年一月二十五日，根據本公司所訂立之認購協議，本公司已於二零一八年二月十二日（「發行日期」）發行本金總額為200,000,000港元之可換股債券。可換股債券賦予持有人權利可於發行日期起計一年後翌日起至緊接發行日期起計滿兩週年前第五個營業日（「到期日」）止期間隨時按換股價每股0.613港元（「換股價」）轉換為本公司之普通股，年利率為7.5%。除非提前贖回、轉換或註銷，本公司須於到期日按未償還本金額之100%連同應計利息（如有）贖回可換股債券。見附註18。

2 編製基準

截至二零一八年六月三十日止六個月的簡明綜合中期財務資料已根據香港會計準則第34號「中期財務報告」編製。簡明綜合中期財務資料應與根據香港財務報告準則（「香港財務報告準則」）所編製截至二零一七年十二月三十一日止年度的年度財務報表一併閱讀。

除下文所載之政策及準則外，所採用的會計政策與上一個財政年度及相關中期報告期間所採納者一致。

(i) 所得稅估計

中期期間之所得稅按預期年度損益總額所適用之稅率累計。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

2 BASIS OF PREPARATION (continued)

(ii) Compound financial instruments

Compound financial instruments issued by the Company comprise convertible bonds that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

The derivative component of the convertible bonds is recognized initially at fair value. The liability component is recognized initially at the difference between the fair value of the convertible bonds as a whole and the fair value of the derivative component.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The derivative are subsequently measured at fair value and any gains or losses derived from its changes are recognized in the consolidated profit or loss.

(iii) New and amended standards adopted by the Group

A number of new or amended standards became applicable for the current reporting period and the following standards are relevant to the Group's financial statements:

- HKFRS 9 *Financial Instruments*; and
- HKFRS 15 *Revenue from Contracts with Customers*.

The adoption of these standards in the current interim period has no material impact and the new accounting policies are disclosed below. The other standards did not have any impact on the Group's accounting policies and did not require retrospective adjustments.

2 編製基準(續)

(ii) 複合金融工具

本公司發行的複合金融工具包括可按持有人的選擇轉換為股本的可轉換債券，而將予發行的股份數目不跟隨其公允值而改變。

可換股債券的衍生組成部分初步按公允值確認。負債組成部分初步按可換股債券整體的公允值與衍生組成部分的公允值之間的差額確認。

於初始確認後，複合金融工具的負債組成部分採用實際利率法按攤銷成本計量。衍生工具其後按公允值計量，而因其變動所產生之任何收益或虧損於綜合損益確認。

(iii) 本集團所採納之新訂及經修訂準則

多項新訂或經修訂準則適用於本報告期間，下列準則與本集團財務報表相關：

- 香港財務報告準則第9號「金融工具」；及
- 香港財務報告準則第15號「客戶合約收入」。

於本中期期間採納該等準則並無重大影響，新會計政策已於下文披露。其他準則對本集團的會計政策並無任何影響，且無需作出追溯調整。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

2 BASIS OF PREPARATION (continued)

(iii) New and amended standards adopted by the Group (continued)

HKFRS 9 Financial Instruments

HKFRS 9 replaces the provisions of HKAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

Classification

From 1 January 2018, the Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income ("OCI"), or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income ("FVOCI").

Accordingly, the Group has classified most of its financial assets at amortised costs and derivative financial assets measured at fair value through profit or loss.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

2 編製基準 (續)

(iii) 本集團所採納之新訂及經修訂準則 (續)

香港財務報告準則第9號金融工具

香港財務報告準則第9號取代香港會計準則第39號有關金融資產及金融負債的確認、分類及計量、終止確認金融工具、金融資產減值及對沖會計的條文。

分類

自二零一八年一月一日起，本集團將其金融資產按以下計量類別分類：

- 其後將按公允值計量（計入其他全面收益（「其他全面收益」），或計入損益）；及
- 將按攤銷成本計量。

分類取決於實體管理金融資產及合約現金流量年期的業務模式。

就按公允值計量的資產而言，其收益及虧損將於損益或其他全面收益列賬。就並非持作買賣的權益工具投資而言，將取決於本集團是否於初始確認時已不可撤回地選擇按公允值計入其他全面收益（「按公允值計入其他全面收益」）將權益投資列賬。

因此，本集團將其大部份金融資產分類為按攤銷成本列賬及衍生金融資產按公允值計入損益列賬。

計量

初始確認時，本集團按金融資產的公允值加（倘並非按公允值計入損益（「按公允值計入損益」）的金融資產）直接歸屬於收購金融資產的交易成本計量。按公允值計入損益的金融資產的交易成本於損益列作開支。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

2 BASIS OF PREPARATION (continued)

(iii) New and amended standards adopted by the Group (continued)

Impairment

For other receivables and balances due from agents, the Group applies the simplified approach permitted by HKFRS 9, which requires 12-month expected credit losses to be recognised from initial recognition of the receivables. Cash and bank balances are also subject to the impairment requirements of HKFRS 9.

There was no material change in the amount of provision for impairment losses required under the expected credit loss model compared with incurred credit loss model, and there was no material financial impact on such change at 1 January 2018, 30 June 2018, and for the six months ended 30 June 2018.

HKFRS 15 Revenue from Contracts with Customers

The Group has adopted HKFRS 15 Revenue from Contracts with Customers from 1 January 2018 which resulted in changes in accounting policies. In accordance with the transition provisions in HKFRS 15, the Group has adopted the new rules retrospectively. The Group assessed the impacts of adopting HKFRS 15 on its financial statements. Based on the assessment, the adoption of HKFRS 15 has no significant impact on the Group's revenue recognition as the Group's dividend income, interest income and rental income are not within the scope of HKFRS 15.

Revenue for the provision of management income and fees and commission income services is recognised over time as those services are provided. HKFRS 15 did not result in significant impact on the Group's accounting policies. Upon the adoption of HKFRS 15, if there is any satisfied performance obligation but where the Group does not have an unconditional right to consideration, the Group should recognise a contract asset. No contract asset is recognised upon transition and at the end of the reporting period.

2 編製基準(續)

(iii) 本集團所採納之新訂及經修訂準則 (續)

減值

就其他應收款項及應收代理結餘而言，本集團應用香港財務報告準則第9號允許的簡化方法，其要求12個月預期信貸虧損須由首次確認應收款項時確認。現金及銀行結餘同樣受香港財務報告準則第9號的減值規定所規限。

與已產生信貸虧損模型比較，預期信貸虧損模型所規定的減值虧損撥備金額並無重大變動，而相關變動於二零一八年一月一日、二零一八年六月三十日及截至二零一八年六月三十日止六個月並無重大財務影響。

香港財務報告準則第15號客戶合約收入

本集團已自二零一八年一月一日起採納香港財務報告準則第15號客戶合約收入，引致會計政策變動。根據香港財務報告準則第15號的過渡條文，本集團已利用追溯方式採納新訂規則。本集團已評估採納香港財務報告準則第15號對其財務報表的影響。根據評估，由於本集團的股息收入、利息收入及租金收入並非香港財務報告準則第15號範圍內，採納香港財務報告準則第15號對本集團的收入確認並無重大影響。

提供管理服務的收入以及費用及佣金收入按提供服務的時間確認。香港財務報告準則第15號對本集團的會計政策並無重大影響。採納香港財務報告準則第15號後，倘存有任何已履行履約責任而本集團並無收取代價之無條件權利，本集團應確認合約資產。過渡後及於報告期末並無確認合約資產。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

2 BASIS OF PREPARATION (continued)

(iv) Impact of standards issued but not yet applied by the entity

HKFRS 16 Leases

HKFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The accounting for lessors will not significantly change.

The standard will affect primarily the accounting for the Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of approximately HK\$44,522,000. However, the Group has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows.

Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under HKFRS 16. The standard is mandatory for first interim periods within annual reporting periods beginning on or after 1 January 2019. The Group does not intend to adopt the standard before its effective date.

3 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: interest rate risk, foreign currency risk, credit risk and liquidity risk.

The interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2017.

2 編製基準(續)

(iv) 已頒佈但實體尚未採用之準則之影響

香港財務報告準則第16號租賃

香港財務報告準則第16號已於二零一六年一月頒佈。由於經營及融資租賃的劃分已被刪除，香港財務報告準則第16號將導致近乎所有租賃均於資產負債表中確認。根據新訂準則，以資產（租賃項目的使用權）及金融負債繳納租金均獲確認，惟短期及低值租賃不在此列。

出租人之會計處理將不會有重大變動。

該準則將主要影響本集團經營租賃的會計處理法。於報告日期，本集團有不可撤銷經營租賃承擔約44,522,000港元。然而，本集團尚未能釐定該等承諾中將被確認的資產及未來付款的負債，以及將對本集團的溢利及現金流分類造成的影響。

部分承諾可能因短期及低值租賃而無需確認，而部分承諾將可能與根據香港財務報告準則第16號不符合資格確認為租賃的安排相關。此準則將於二零一九年一月一日或之後開始的年度報告期間內首個中期期間強制生效。本集團不擬於其生效日期前採納該準則。

3 財務風險管理

本集團業務須承受各類財務風險：利率風險、外幣風險、信貸風險及流動性風險。

中期財務資料並不包括年度財務報表所要求的全部財務風險管理資料及披露，應與本集團於二零一七年十二月三十一日的年度財務報表一併閱讀。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

3 FINANCIAL RISK MANAGEMENT (continued)

There has been no change in the risk management policies since year end.

3.1 Foreign currency risk

Exchange rate fluctuation is the most significant risk in leveraged foreign exchange trading. The Group takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to New Zealand dollars and Australian dollars. The Group will suffer a loss if it fails to cover a client deal at a better exchange rate. The Group monitors foreign exchange exposure by reviewing the open position of the Group and client trading performance. The risk is measured by the use of sensitivity analysis and cash flow forecasting. Specific risk limits are set to measure and monitor foreign exchange risk. Any excessive foreign exchange risks are passed on to other financial institutions through execution of trades with those institutions. The management sets limits on the level of exposure by currency and in aggregate for both overnight and intra-day positions, which are monitored on an intra-day basis.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. The Group currently does not have a foreign currency policy to hedge its currency exposure arising from the net assets of the Group's foreign operations.

The tables below summarise the Group's exposure to foreign currency exchange rate risk as at 30 June 2018 and 31 December 2017. Included in the tables are the assets and liabilities at carrying amounts in HK\$ equivalent, categorised by the original currency.

3 財務風險管理 (續)

本集團的風險管理政策自年結以來並無變動。

3.1 外匯風險

匯率浮動乃槓桿式外匯交易中最重大的風險。本集團的財務狀況及現金流量因應當時匯率變動的影響而承擔風險。本集團承受以紐西蘭元及澳元為主的各種外匯風險。倘本集團未能按更佳匯率進行客戶交易，則將蒙受損失。本集團透過審查本集團的未平倉合約及客戶交易表現監控外匯風險。風險乃通過利用敏感性分析及現金流量預測等方法進行計量。特定風險限制乃為計量及監控外匯風險而設。任何重大外匯風險則透過與其他金融機構進行交易轉移至該等機構。管理層對隔夜及即日持倉貨幣及總額所承擔的風險水平設定限額，於當日時間內予以監察。

本集團持有若干海外業務投資，其資產淨值面臨外幣兌換風險。本集團目前並無制定外幣政策，以對沖因本集團海外業務資產淨值產生的外幣風險。

下表概述本集團於二零一八年六月三十日及二零一七年十二月三十一日面臨的外匯風險。下表納入以港元等額賬面值列賬並按原貨幣分類的資產及負債。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Foreign currency risk (continued)

As at 30 June 2018 (Unaudited)

3 財務風險管理 (續)

3.1 外匯風險 (續)

於二零一八年六月三十日 (未經審核)

		HK\$	NZD	AUD	USD	JPY	RMB	Others	Total
		港元	紐西蘭元	澳元	美元	日圓	人民幣	其他	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Assets	資產								
Other receivables and deposits	其他應收款項及訂金	3,661	399	381	1,031	-	1,546	-	7,018
Derivative financial instruments	衍生金融工具	-	4,057	14,783	58,466	2	-	-	77,308
Balances due from agents	應收代理結餘	206	470	209	29,129	1,189	620	526	32,349
Cash and bank balances and client trust bank balances	現金及銀行結餘以及客戶信託銀行結餘	43,031	26,939	31,486	1,007,777	5,428	11,588	114	1,126,363
Liabilities	負債								
Finance lease obligation	融資租賃承擔	-	-	219	-	-	-	-	219
Other payables	其他應付款項	2,197	983	756	15,914	1	410	-	20,261
Derivative financial instruments	衍生金融工具	-	738	17	9,431	-	=	-	10,186
Clients' balances	客戶結餘	-	26,529	37,947	439,846	3,103	-	-	507,425
Convertible bonds	可換股債券	196,893	-	-	-	-	-	-	196,893

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Foreign currency risk (continued)

As at 31 December 2017 (Audited)

		HK\$	NZD	AUD	USD	JPY	RMB	Others	Total
		港元	紐西蘭元	澳元	美元	日圓	人民幣	其他	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Assets	資產								
Other receivables and deposits	其他應收款項及訂金	3,710	130	262	308	-	1,453	-	5,863
Derivative financial instruments	衍生金融工具	-	6,976	9,009	123,578	4	-	-	139,567
Balances due from agents	應收代理結餘	198	2,016	213	80,184	789	4,610	541	88,551
Cash and bank balances and client trust bank balances	現金及銀行結餘以及客戶信託銀行結餘	25,165	19,416	32,427	1,007,690	7,225	10,604	1,523	1,104,050
Liabilities	負債								
Finance lease obligation	融資租賃承擔	-	-	252	-	-	-	-	252
Other payables	其他應付款項	7,386	965	1,148	31,134	2	817	-	41,452
Derivative financial instruments	衍生金融工具	-	1,874	30	28,742	-	-	-	30,646
Clients' balances	客戶結餘	-	21,037	30,664	710,954	3,527	-	-	766,182
Convertible Bonds	可換股債券	-	-	-	-	-	-	-	-

The following table indicates the impact on the Group's profit before taxation to movements in foreign exchange rate as at 30 June 2018 and 31 December 2017:

下表列示於二零一八年六月三十日及二零一七年十二月三十一日外幣匯率變動對本集團除稅前溢利的影響：

		Unaudited 未經審核		Audited 經審核	
		Movement in foreign currency	30 June 2018	Movement in foreign currency	31 December 2017
Foreign currency risk			二零一八年 六月三十日		二零一七年 十二月三十一日
外匯風險		外幣變動	HK\$'000 千港元	外幣變動	HK\$'000 千港元
AUD	澳元	+/-5%	+/-396	+/-6%	+/-589
JPY	日圓	+/-4%	+/-141	+/-5%	+/-224
NZD	紐西蘭元	+/-4%	+/-145	+/-5%	+/-233
RMB	人民幣	+/-3%	+/-400	+/-4%	+/-634

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.2 Fair value estimation

The Group classifies for disclosure purposes fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following levels:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – 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 3 – Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety should be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

3 財務風險管理 (續)

3.2 公允值估計

本集團為披露目的採用公允值層級對公允值計量分類，公允值層級反映用於作出計量的輸入數據的重要性。公允值層級分為以下層級：

- 第一級 – 活躍市場對相同資產或負債的報價（未經調整）
- 第二級 – 除第一層所包含報價外的輸入數據，即可直接（即作為價格）或間接（即源自價格）自資產或負債觀察得出
- 第三級 – 資產或負債的輸入數據，並非基於可觀察市場數據（即非可觀察輸入數據）

公允值計量在公允值計量架構中的分類乃基於對公允值計量整體而言相當重大的最低等級輸入數據而釐定。為此，有關輸入數據之重要性乃根據整體公允值計量估定。如公允值計量所需的可觀察輸入數據需要重大調整，而重大調整乃基於非可觀察輸入數據，則該計量列入第三級計量。估定某一輸入數據對公允值計量整體而言之重要性需要判斷，並考慮資產或負債之獨有因素。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.2 Fair value estimation (continued)

The following table analyses within the fair value hierarchy the Group's financial instruments measured at fair value:

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 30 June 2018 (Unaudited)					
	於二零一八年六月三十日 (未經審核)				
Assets	資產				
Derivative financial instruments	衍生金融工具	-	77,308	-	77,308
Liabilities	負債				
Derivative financial instruments	衍生金融工具	-	10,186	-	10,186
Embedded derivative portion of convertible bonds	可換股債券嵌入式衍生工具部份	-	-	22,232	22,232
At 31 December 2017 (Audited)					
	於二零一七年十二月三十一日 (經審核)				
Assets	資產				
Derivative financial instruments	衍生金融工具	-	139,567	-	139,567
Liabilities	負債				
Derivative financial instruments	衍生金融工具	-	30,646	-	30,646

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. The fair value of forward foreign exchange contracts is determined using forward exchange rates at the end of the reporting period, with the resulting value discounted back to present value.

Embedded derivative portion of convertible bonds are classified within Level 3 as it is mainly driven by the valuation of the convertible bond using binomial model adjusted with liquidity, credit and market risk factors as the Group may deem necessary.

The following table summarises the quantitative inputs and assumptions used for valuing convertible bonds which is categorised in Level 3 of the fair value hierarchy as of 30 June 2018.

3 財務風險管理 (續)

3.2 公允值估計 (續)

下表分析公允值層級內按公允值計量的本集團金融工具：

並無於活躍市場進行交易的金融工具的公允值利用估值技術釐定。該等估值技術盡量利用可觀察市場數據(如有)，盡量少依賴實體的特定估計。倘計算一項工具的公允值所需的所有重大輸入數據為可觀察數據，則該工具列入第二級。遠期外匯合約的公允值利用結算報告期末的遠期匯率釐定，而所得價值折算至現值。

可換股債券嵌入式衍生工具部分分類為第三級，乃主要使用二項式模型對可換股債券之估值釐定，並按本集團可能視為需要就流動資金、信貸及市場風險因素作出調整。

下表概述於二零一八年六月三十日公允值層級中第三層的可換股債券估值所採用的量化輸入值和假設。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.2 Fair value estimation (continued)

Description	Fair value at 30 June 2018 於二零一八年六月三十日的 公允值 HK\$'000 千港元	Valuation technique 估值技術	Significant inputs 重大輸入值	Relationship of significant inputs to fair value 重大輸入值與公允值之間的關係
Embedded derivative portion of convertible bonds	22,232	Binomial model	Volatility	A change in volatility by 5% would increase/ (decrease) the fair value by approximately HK\$3,179,000/(HK\$3,879,000)
			Share price	A change in share price by 5% would increase/ (decrease) the fair value by approximately HK\$2,634,000/(HK\$3,191,000)
可換股債券嵌入式衍生工具部份	22,232	二項式模型	波幅	波幅變動5%，公允值將增加／(減少)約3,179,000港元／(3,879,000港元)
			股價	股價變動5%，公允值將增加／(減少)約2,634,000港元／(3,191,000港元)

The following table presents the movement in Level 3 instruments for the period ended 30 June 2018:

下表呈列截至二零一八年六月三十日止期間內第三級工具之變動：

	Embedded derivative portion of convertible bonds 可換股債券嵌入式 衍生工具部份 HK\$'000 千港元
Opening balance	-
Upon issuance of convertible bonds	42,040
Deferred losses upon issuance	(4,480)
Change in fair value included in the statement of comprehensive income	(16,181)
Amortisation of deferred losses on conversion component	853
Ending balance	22,232
Change in fair value for level 3 instruments held at 30 June 2018	(16,181)

There were no transfers between levels for the period ended 30 June 2018.

截至二零一八年六月三十日止期間各層級之間並無轉移。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

4 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors. The Group's operating businesses are structured and managed separately according to the nature of their operations and the services they provide. Each of the Group's business segments represents a strategic business unit that offers services which are subject to risks and returns that are different from those of the other business segments. The Board of Directors considers the business from a geographical and product perspective.

Summary details of the business segments are as follows:

- (a) the margin dealing segments engage in the provision of leveraged foreign exchange, commodity and index trading services in Australia, Hong Kong and New Zealand;
- (b) the unleveraged cash dealing segment engages in the provision of non-leveraged foreign exchange trading services in New Zealand. Unleveraged cash dealing services were provided to corporate clients, in particular, those clients engaged in money changing business for the purpose of hedging their cash positions and meeting settlement obligations. The Group is rewarded by the spread between the price quoted to our clients and the price offered by our market makers; and
- (c) the People's Republic of China ("PRC") business segment engages in provision of trading and settlement of precious metals in PRC.

Inter-segment transactions, if any, are conducted with reference to the prices charged to third parties and there was no change in the basis during the six months ended 30 June 2018 and 2017.

4 分部報告

經營分部的報告方式與向董事會提供的內部報告一致。本集團的經營業務乃按其營運性質及所提供服務分開組織及管理。本集團旗下各業務分部均為提供服務的策略業務單位，其服務所承受風險及回報有別於其他業務分部。董事會從地區及產品角度考慮業務分部。

有關業務分部的詳情概述如下：

- (a) 保證金交易分部從事於澳洲、香港及紐西蘭提供槓桿式外匯交易服務、商品及指數交易服務；
- (b) 非槓桿式現金交易分部從事於紐西蘭提供非槓桿式外匯交易服務。本集團向公司客戶提供非槓桿式現金交易服務，尤其是該等為對沖彼等現金頭寸及履行結算責任而參與貨幣兌換業務的客戶。本集團從給予客戶的報價與本集團市場莊家提供的價格中賺取差價；及
- (c) 中華人民共和國（「中國」）業務分部從事於中國提供貴金屬交易及結算。

各分部間的交易（如有）乃參照向第三方收取的價格而進行，有關基準於截至二零一八年及二零一七年六月三十日止六個月期間並無變動。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

4 SEGMENT REPORTING (continued)

The segment information provided to the management for the reportable segments for the six months period ended 30 June 2018 and 2017 is as follows:

For the six months ended 30 June 2018 (Unaudited)

4 分部報告(續)

截至二零一八年及二零一七年六月三十日止六個月，就可報告分部向管理層提供的分部資料如下：

截至二零一八年六月三十日止六個月
(未經審核)

		New Zealand Margin dealing 紐西蘭 保證金交易 HK\$'000 千港元	Hong Kong Margin dealing 香港 保證金交易 HK\$'000 千港元	Australia Margin dealing 澳洲 保證金交易 HK\$'000 千港元	New Zealand Cash dealing 紐西蘭 現金交易 HK\$'000 千港元	PRC Business 中國業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Elimination 對銷 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue and other income:	分部收益及其他收入：								
Foreign exchange and other trading income earned from external customers	來自外部客戶的外匯及其他交易收入	229,786	3	3,671	3,259	-	-	-	236,719
Inter-segment sales	分部間銷售	-	70,026	1,331	-	-	-	(71,357)	-
Segment revenue	分部收益	229,786	70,029	5,002	3,259	-	-	(71,357)	236,719
Fee and commission income	費用及佣金收入	42,962	-	47	-	-	2,211	-	45,220
Other income	其他收入	95	-	10	7	533	23,649	-	24,294
Total revenue and other income	收益及其他收入總額	272,843	70,029	5,059	3,266	533	25,860	(71,357)	306,233
Segment profit/(loss)	分部溢利／(虧損)	25,536	63,104	2,419	3,069	(2,026)	25,860		117,962
Other unallocated staff costs	其他未分配員工成本								(30,480)
Other unallocated administrative and operating expenses	其他未分配行政及經營開支								(67,013)
Profit before tax	除稅前溢利								20,469
Income tax expense	所得稅開支								(10,044)
Profit for the period	期內溢利								10,425
Other segment information:	其他分部資料：								
Depreciation and amortisation	折舊及攤銷	-	58	13	-	943	5,904		6,918
Lease payments	租賃付款	-	686	-	-	933	5,374		6,993
Finance cost	融資成本	-	-	-	-	-	12,241		12,241

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

4 SEGMENT REPORTING (continued)

The segment information provided to the management for the reportable segments for the six months period ended 30 June 2018 and 2017 is as follows: (continued)

For the six months ended 30 June 2017 (Unaudited)

4 分部報告 (續)

截至二零一八年及二零一七年六月三十日止六個月，就可報告分部向管理層提供的分部資料如下：(續)

截至二零一七年六月三十日止六個月
(未經審核)

		New Zealand Margin dealing 紐西蘭 保證金交易 HK\$'000 千港元	Hong Kong Margin dealing 香港 保證金交易 HK\$'000 千港元	Australia Margin dealing 澳洲 保證金交易 HK\$'000 千港元	New Zealand Cash dealing 紐西蘭 現金交易 HK\$'000 千港元	PRC Business 中國業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Elimination 對銷 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue and other income:	分部收益及其他收入：								
Foreign exchange and other trading income earned from external customers	來自外部客戶的外匯及其他交易收入	128,362	133	1,735	(16)	27,735	-	-	157,949
Inter-segment sales	分部間銷售	-	43,425	4,076	-	-	-	(47,501)	-
Segment revenue	分部收益	128,362	43,558	5,811	(16)	27,735	-	(47,501)	157,949
Fee and commission income	費用及佣金收入	34,397	-	2	-	-	2,990		37,389
Other income/(losses)	其他收入／(虧損)	377	-	9	35	(913)	2,264		1,772
Total revenue and other income	收益及其他收入總額	163,136	43,558	5,822	19	26,822	5,254	(47,501)	197,110
Segment profit/(loss)	分部溢利／(虧損)	(2,022)	39,328	3,824	(639)	6,805	5,254		52,550
Other unallocated staff costs	其他未分配員工成本								(13,441)
Other unallocated administrative and operating expenses	其他未分配行政及經營開支								(31,931)
Profit before tax	除稅前溢利								7,178
Income tax expense	所得稅開支								(4,089)
Profit for the period	期內溢利								3,089
Other segment information:	其他分部資料：								
Depreciation and amortisation	折舊及攤銷	-	30	13	-	979	5,142		6,164
Lease payments	租賃付款	-	381	-	-	1,518	4,937		6,836
Finance cost	融資成本	-	-	-	-	1,156	-		1,156

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

4 SEGMENT REPORTING (continued)

The Company is domiciled in Hong Kong. The majority of the Group's income from external customers is derived from its operations in New Zealand.

4 分部報告(續)

本公司駐於香港。本集團來自外部客戶的收入大部分來自其於紐西蘭的經營業務。

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
New Zealand	紐西蘭	233,045	128,346
Others	其他地區	3,674	29,603
		236,719	157,949

None of the external customers contributes more than 10% of the Group's trading income individually in the respective period.

概無外部客戶單獨佔各期間本集團交易收入的10%以上。

Information on segment assets and liabilities are not disclosed as this information is not presented to the Board of Directors as they do not assess performance of reportable segments using information on assets and liabilities.

由於董事會並無使用有關資產及負債的資料評估可報告分部的表現，故有關資料並無呈報予董事會，因而並無披露有關分部資產及負債的資料。

There are no material differences from the Company's 2017 annual report in the basis of segmentation or in the basis of measurement of segment profit or loss.

分部基準或分部溢利或虧損之計量基準與本公司二零一七年年報並無重大差異。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

5 OTHER INCOME

5 其他收入

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interest income	利息收入	1,232	1,443
Exchange gain, net	匯兌收益，淨額	7,733	566
Loss on disposal of fixed assets	出售固定資產之虧損	—	(455)
Fair value gain on the embedded derivative portion of convertible bonds (Note 18)	可換股債券嵌入式衍生工具部份之公允值收益(附註18)	16,181	—
Amortisation of deferred loss on conversion component (Note 18)	轉換部份遞延虧損攤銷(附註18)	(853)	—
Others	其他	1	218
		24,294	1,772

6 STAFF COSTS

6 員工成本

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Staff costs:	員工成本：		
Salaries and allowances	工資及津貼	68,677	23,362
Pension scheme contributions	退休金計劃供款	655	668
Share option expenses (Note 20)	購股權開支(附註20)	6,242	965
		75,574	24,995

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

7 ADMINISTRATIVE AND OTHER OPERATING EXPENSES 7 行政及其他經營開支

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Management fees paid to the then immediate holding company (Note 21 (i))	支付予當時直接控股公司的管理費 (附註21(i))	347	331
Other office occupation expenses	其他寫字樓租用開支	1,734	1,608
Auditor's remuneration	核數師酬金		
– Audit services	– 審計服務	1,669	1,478
– Non-audit services	– 非審計服務	164	321
Information services expenses	資訊服務開支	1,917	2,396
Professional and consultancy fee	專業及諮詢費	3,006	2,302
Repair and maintenance (including system maintenance)	維修及維護(包括系統維護)	6,002	6,041
Marketing, advertising and promotion expenses	市場推廣、廣告及宣傳開支	14,597	8,871
Handling fee expenses	手續費開支	7,979	7,635
Travelling expenses	差旅費	2,388	1,663
Entertainment expenses	交際應酬費	658	341
Insurance	保險	284	311
Clients' debit balances written off	客戶虧絀結餘撇銷	250	147
Staff training	員工培訓	415	341
Others	其他	3,178	2,225
		44,588	36,011

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

8 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2017: 16.5%) on the estimated assessable profit in Hong Kong for each of the respective periods. Taxation on overseas profits has been calculated on the estimated assessable profit for the respective periods at the rates of taxation prevailing in the countries in which the Group operates. The income tax expenses of the Group are charged at a tax rate of 28% (2017: 28%) in New Zealand, 30% (2017: 30%) in Australia and 25% (2017: 25%) in PRC respectively in accordance with the local tax authorities.

8 所得稅開支

香港利得稅乃按各期間香港的估計應課稅溢利以16.5%（二零一七年：16.5%）的稅率計提撥備。海外溢利的稅項已按各期間估計應課稅溢利以本集團經營所在國家通行的稅率計算。根據當地稅務機關，本集團於紐西蘭、澳洲及中國的所得稅開支分別按28%（二零一七年：28%）、30%（二零一七年：30%）及25%（二零一七年：25%）的稅率計算。

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current tax:	即期稅項：		
Charge for the period	期內支出	9,825	3,904
Others	其他	219	185
Income tax expense	所得稅開支	10,044	4,089

9 DIVIDENDS

The Board does not recommend the payment of any dividend for the six months ended 30 June 2018 (30 June 2017: Nil).

9 股息

董事會不建議派付截至二零一八年六月三十日止六個月的任何股息（二零一七年六月三十日：無）。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

10 EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the respective periods.

10 每股盈利

(a) 每股基本盈利

每股基本盈利按本公司股權持有人應佔溢利除以於相關期間已發行普通股的加權平均數計算。

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit attributable to equity holders of the Company	本公司股權持有人應佔溢利	10,425	3,089
		No. of shares 股份數目	No. of shares 股份數目
Weighted average number of ordinary shares in issue	已發行普通股的加權平均數	2,033,290,000	2,033,240,000
Basic earnings per share (HK cents)	每股基本盈利(港仙)	0.51	0.15

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit for the period attributable to equity holders of the Company. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares under the share option scheme and convertible bonds into ordinary shares.

(b) 每股攤薄盈利

每股攤薄盈利乃根據期內本公司股權持有人應佔溢利計算。用作計算之普通股加權平均數為期內已發行普通股數目，及假設根據購股權計劃及可換股債券被視為行使或轉換所有具攤薄影響的潛在普通股為普通股而不收代價發行的普通股加權平均數。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

10 EARNINGS PER SHARE (continued)

(b) Diluted earnings per share (continued)

10 每股盈利(續)

(b) 每股攤薄盈利(續)

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit attributable to equity holders of the Company	本公司股權持有人應佔溢利	10,425	3,089
Finance cost and fair value gain recognised on the embedded derivative component of convertible bonds	可換股債券嵌入式衍生工具部份已確認的融資成本及公允值收益	(5,123)	—
Adjusted profit attributable to equity holders of the company	已調整的本公司股權持有人應佔溢利	5,302	3,089
		No. of shares 股份數目	No. of shares 股份數目
Weighted average number of ordinary shares be in issue	已發行普通股的加權平均數	2,033,290,000	2,033,240,000
Adjustments for share options	購股權調整	2,111,783	—
Effect of dilutive potential ordinary shares for convertible bonds	可換股債券具攤薄影響的潛在普通股影響	326,264,273	—
Weighted average number of shares for the purpose for calculating diluted earnings per share	計算每股攤薄盈利的股份加權平均數	2,361,666,056	2,033,240,000
Diluted earnings per share (HK cents)	每股攤薄盈利(港仙)	0.22	0.15

Note:

Certain share options are not included in the computation of diluted earnings per share for the six-month period ended 30 June 2018 as those were anti-dilutive.

附註：

由於若干購股權具反攤薄影響，故計算截至二零一八年六月三十日止六個月之每股攤薄盈利時並無計算在內。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

11 PROPERTY, PLANT AND EQUIPMENT

11 物業、廠房及設備

		Unaudited 未經審核 30 June 2018 二零一八年 六月三十日 HK\$'000 千港元	Unaudited 未經審核 30 June 2017 二零一七年 六月三十日 HK\$'000 千港元
Opening net carrying amount	期初賬面淨值	9,719	10,400
Exchange adjustments	匯兌調整	(80)	239
Additions	添置	3,033	2,898
Disposals	出售	-	(455)
Depreciation	折舊	(2,124)	(2,358)
Closing net carrying amount	期末賬面淨值	10,548	10,724

12 INTANGIBLE ASSETS

12 無形資產

		Unaudited 未經審核 30 June 2018 二零一八年 六月三十日 HK\$'000 千港元	Unaudited 未經審核 30 June 2017 二零一七年 六月三十日 HK\$'000 千港元
Opening net carrying amount	期初賬面淨值	34,496	27,447
Exchange adjustments	匯兌調整	(815)	1,053
Additions	添置	4,847	2
Amortisation	攤銷	(4,794)	(3,806)
Closing net carrying amount	期末賬面淨值	33,734	24,696

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

13 OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

13 其他應收款項、預付款項及按金

		Unaudited 未經審核 30 June 2018 二零一八年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
Rental and utility deposits	租金及公用設施按金	4,573	3,954
Prepayments	預付款項	12,863	5,961
Other receivables	其他應收款項	2,445	1,909
Total	總計	19,881	11,824

The carrying amounts of the Group's other receivables and deposits approximate to their fair values.

本集團其他應收款項及按金的賬面值與其公允值相若。

14 DERIVATIVE FINANCIAL INSTRUMENTS

14 衍生金融工具

		Unaudited 未經審核 30 June 2018 二零一八年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
Current assets	流動資產		
Derivative contracts	衍生合約	77,308	139,567
Current liabilities	流動負債		
Derivative contracts	衍生合約	(10,186)	(30,646)
Total	總計	67,122	108,921

The Group trades in foreign currencies, commodities and other products through its margin trading business. In order to protect against their exposures to fluctuations in foreign exchange rates and commodity prices, the Group has entered into a number of foreign exchange forward transactions and contracts for difference with the Group's bankers in the normal course of business.

本集團透過其保證金交易業務進行外幣、商品及其他產品交易。為保障本集團不受匯率及商品價格波動之風險影響，本集團於正常業務過程中與其往來銀行訂立多項外匯遠期交易及差價合約。

The notional principal amounts of the outstanding forward foreign exchange contracts at 30 June 2018 and 31 December 2017 are HK\$7,280,106,000 and HK\$14,292,459,000 respectively.

於二零一八年六月三十日及二零一七年十二月三十一日，尚未平倉遠期外匯合約的名義本金額分別為7,280,106,000港元及14,292,459,000港元。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

15 CASH AND BANK BALANCES AND CLIENT TRUST BANK BALANCES

15 現金及銀行結餘以及客戶信託銀行結餘

		Unaudited 未經審核 30 June 2018 二零一八年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
Cash and bank balances	現金及銀行結餘	597,792	430,198
Fixed deposits with banks	銀行定期存款	89,594	87,553
Client trust bank balances	客戶信託銀行結餘	438,977	586,299
		1,126,363	1,104,050

The Group maintains trust and segregated accounts with authorised financial institutions to hold clients' deposits arising from normal business transactions. The Group is not allowed to use the clients' monies to settle its own obligations in the ordinary course of business, and therefore they are not included as cash and cash equivalents in the condensed consolidated interim statement of cash flows.

As at 30 June 2018 and 31 December 2017, fixed deposits of approximately HK\$85,514,000 and HK\$86,015,000 respectively are pledged to banks for banking facilities. No overdraft facility was utilised by the Group as at 30 June 2018 and 31 December 2017. None of the bank deposits are placed with market makers as collateral as at 30 June 2018 and 31 December 2017.

本集團於獲授權金融機構持有信託及獨立賬戶，以保管客戶來自一般業務交易的存款。本集團不可動用客戶的資金清償其自身於日常業務過程中的債務，因此該等款項並無計入簡明綜合中期現金流量表中列作現金及現金等價物。

於二零一八年六月三十日及二零一七年十二月三十一日，約85,514,000港元及86,015,000港元的定期存款分別就銀行信貸抵押予銀行。於二零一八年六月三十日及二零一七年十二月三十一日，本集團概無動用任何透支額。於二零一八年六月三十日及二零一七年十二月三十一日，概無銀行存款為存置於市場莊家作為抵押。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

16 OTHER PAYABLES AND ACCRUED LIABILITIES

16 其他應付款項及應計負債

		Unaudited 未經審核 30 June 2018 二零一八年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
Accrued rental benefit	應計租金利益	203	231
Accrued audit fees	應計審計費用	1,632	2,781
Accruals	應計費用	4,657	5,257
Commission payable	應付佣金	12,928	27,825
Employee entitlements	僱員權益	12,128	11,820
Other payables	其他應付款項	841	5,358
		32,389	53,272

The carrying amounts of the Group's other payables and accrued liabilities approximate to their fair values.

本集團其他應付款項及累計負債的賬面額與其公允值相若。

17 CLIENTS' BALANCES

The balances represent margin deposits received from clients and the realised profit or loss from their trading activities under normal course of business. The carrying amounts approximate to their fair values.

17 客戶結餘

該等結餘指於正常業務過程中進行買賣活動收取客戶的保證金存款及已變現溢利或虧損。賬面額與其公允值相若。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

18 CONVERTIBLE BONDS

Pursuant to subscriptions agreements entered into by the Company on 25 January 2018, the Company issued convertible bonds with aggregate principal amount of HK\$200,000,000 on 12 February 2018 ("Issue Date"). The convertible bonds entitled the holders to convert them into 326,264,273 ordinary shares of the Company at the conversion price of HK\$0.613 (the "Conversion Price") per share of the Company at any time from the day following one year from the Issue Date up to the fifth business day immediately before the second anniversary of the Issue Date (the "Maturity Date") and bear interest at 7.5% per annum. Unless previously redeemed, converted or cancelled, the Company has to redeem the convertible bonds on the Maturity Date at 100% of the outstanding principal amount, together with accrued interest, if any.

The Conversion Price is subject to anti-dilutive adjustments due to change of management and anti-dilution events such as consolidation, sub-division or reclassification, bonus issue, capital distribution, rights issue of shares or options over shares, rights issue of other securities, issue at less than the then current market price, other issue at less than the then current market price, modification of right of conversion, other offer to shareholders and other events. If the Conversion Price pursuant to any adjustment is below the par value of each share, the Conversion Price shall be adjusted to an amount equal to the par value of a share instead.

Save as disclosed above, the terms and definitions of the Convertible Bonds are set out in the respective subscription agreements and disclosed in the Company's announcements dated 25 January 2018 and 12 February 2018.

18 可換股債券

根據本公司於二零一八年一月二十五日訂立之認購協議，本公司已於二零一八年二月十二日（「發行日期」）發行本金總額為200,000,000港元之可換股債券。可換股債券賦予持有人權利可於發行日期起計一年後翌日起至緊接發行日期起計滿兩週年前第五個營業日（「到期日」）止期間隨時按換股價每股0.613港元（「換股價」）轉換為本公司之326,264,273普通股，年利率為7.5%。除非提前贖回、轉換或註銷，本公司須於到期日按未償還本金額之100%連同應計利息（如有）贖回可換股債券。

換股價將於管理層出現變動時作出反攤薄調整，而該等反攤薄調整事件包括合併、拆細或重新分類、發行紅股、資本分派、供股或購股權、其他證券之供股、按低於當時現行市價發行、按低於當時現行市價之其他發行、修訂換股權、向股東提出其他要約及其他事件。倘因任何調整導致換股價低於每股股份之面值，換股價將調整至相等於股份面值之金額。

除上述披露者外，可換股債券的條款及定義載於各自的認購協議內，並於本公司日期為二零一八年一月二十五日及二零一八年二月十二日的公告中披露。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

18 CONVERTIBLE BONDS (continued)

In the presence of the adjustments to the Conversion Price mentioned above, the Convertible Bonds may not exchange a fixed number of the Company's own equity instrument for a fixed amount of cash. Therefore, the components of the Convertible Bonds are accounted for separately as host liability component and conversion option derivative. The fair values of the host liability component and conversion option derivative were determined at the respective date of issue. The host liability component represented the present value of the contractual stream of future cash flows discounted using the prevailing market interest rate of similar non-convertible instruments and carried at amortised cost. The effective interest rate of the liability component is 19.76%. Subsequent to the initial recognition, the liability component is carried at amortised cost while the conversion option derivative embedded in the Convertible Bonds are measured at fair value, which changes in fair value recognized in profit or loss.

The components for the issue of the Convertible Bond and their movements for the period are set out below:

18 可換股債券(續)

在上述換股價調整的情況下，可換股債券或未能按固定金額的現金交換為固定數目的本公司自身權益工具。因此，可換股債券的組成部分分別按主負債部分及換股權衍生工具入賬。主負債部分和換股權衍生工具的公允值按各自的發行日期釐定。主負債部分指未來現金流合約部分使用類似不可換股工具現行市場利率貼現的現值，並按攤銷成本列賬。負債部分的實際利率為19.76%。於初始確認後，負債部分按攤銷成本列賬，而嵌入可換股債券的換股權衍生工具按公允值計量，其公允值變動於損益確認。

發行可換股債券的組成部分及於期內的變動載列如下：

		Financial liabilities at amortised cost – debt portion 按攤銷成本計量的 金融負債 – 債務部份 HK\$'000 千港元	Financial liabilities at fair value through profit or loss – derivative portion 按公允值計入 損益的金融負債 – 衍生工具部份 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	-	-	-
Issuance of convertible bonds	發行可換股債券	181,815	42,040	223,855
Deferred losses upon issuance	發行時遞延虧損	(19,375)	(4,480)	(23,855)
Fair value gain recognized (Note 5)	已確認公允值收益 (附註5)	-	(16,181)	(16,181)
Interest expense	利息開支	12,221	-	12,221
Interest payment	利息付款	-	-	-
Amortisation of deferred loss on conversion component (Note 5)	轉換部份遞延虧損攤銷 (附註5)	-	853	853
Balance at 30 June 2018	於二零一八年六月三十日 之結餘	174,661	22,232	196,893

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

19 SHARE CAPITAL AND CAPITAL RESERVE

(a) Share capital

As at 1 January 2017
and 30 June 2017

於二零一七年一月一日及
二零一七年六月三十日

Number of
shares in
issue
已發行股份數目

Issued
share
capital
已發行股本
HK\$'000
千港元

2,033,240,000

20,332

As at 1 January 2018
and 30 June 2018

於二零一八年一月一日及
二零一八年六月三十日

2,033,290,000

20,333

(b) Capital Reserve

Capital reserve represents the difference between the book value of the net assets of KVB Kunlun New Zealand Limited, KVB Kunlun Pty Ltd and KVB Kunlun International (HK) Limited over the par value of the shares issued by LXL Capital II Limited ("LXL II"), LXL Capital III Limited ("LXL III") and LXL Capital IV Limited ("LXL IV") in exchange for these subsidiaries under the reorganisation of the Group in 2012.

(b) 資本儲備

資本儲備指KVB Kunlun New Zealand Limited、KVB Kunlun Pty Ltd及昆侖國際(香港)有限公司資產淨值的賬面值與LXL Capital II Limited(「LXL II」)、LXL Capital III Limited(「LXL III」)及LXL Capital IV Limited(「LXL IV」)根據本集團於二零一二年的重組而交換該等附屬公司所發行的股份的面值之間的差額。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

20 SHARE OPTION SCHEME

On 19 August 2015, the Board of Directors of the Company granted 40,000,000 share options to 95 individuals ("Grantees") for their subscription of new ordinary shares of HK\$0.01 each in the share capital of the Company.

These share options are exercisable at HK\$0.95 per share, with varying vesting period and validity from the date of grant. 35 out of 95 of the Grantees were granted share options which are exercisable for a period of three years commencing on the date of grant to 18 August 2018. 12 out of 95 of the Grantees were granted share options which are exercisable for a period of three years commencing on the date falling on the first anniversary of the date of grant to 18 August 2019, with a vesting period of one year from the date of grant. The remaining 48 Grantees were granted options which are exercisable for a period of two years commencing on the date falling on the second anniversary of the date of grant to 18 August 2019, with a vesting period of two years from the date of grant. Among the 40,000,000 share options granted, 12,200,000 share options were granted to the directors and chief executives of the Company.

The Group has no legal or constructive obligation to repurchase or settle the options in cash.

20 購股權計劃

於二零一五年八月十九日，本公司董事會向95名人士（「獲授人」）授出40,000,000份購股權，供彼等認購本公司股本中每股面值0.01港元的新普通股。

該等購股權可按每股股份0.95港元的價格予以行使，自授出日期起計的歸屬期及有效期有別。95名獲授人中的35名獲授人獲授予可於授出日期起至二零一八年八月十八日止三年之期間內行使之購股權。95名獲授人中的12名獲授人獲授予可於授出日期起計一週年當日起至二零一九年八月十八日止三年之期間內行使之購股權，歸屬期為由授出日期起計一年。餘下48名獲授人獲授予可於授出日期起計兩週年當日起至二零一九年八月十八日止兩年之期間內行使之購股權，歸屬期為由授出日期起計兩年。已授出的40,000,000份購股權中，本公司董事及主要行政人員獲授12,200,000份購股權。

本集團並無法律或推定責任以現金購回或結算購股權。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

20 SHARE OPTION SCHEME (continued)

Movements in the number of share options outstanding are as follows:

20 購股權計劃(續)

尚未行使購股權數目的變動如下：

Grantee	Date of grant	Outstanding as at 31 December 2017 於二零一七年十二月三十一日 尚未行使	Granted during the period 於期內授出	Forfeited during the period 於期內被沒收	Exercised during the period 於期內行使	Outstanding As at 30 June 2018 於二零一八年六月三十日 尚未行使	Exercise price 行使價 HK\$ 港元	Exercise period 行使期間
獲授人	授出日期							
Liu Stefan 劉欣諾	19 August 2015 二零一五年八月十九日	8,300,000	-	-	-	8,300,000	0.95	19 August 2015 to 18 August 2018 二零一五年八月十九日至 二零一八年八月十八日
Huang Songyuan 黃頌源	19 August 2015 二零一五年八月十九日	3,500,000	-	-	-	3,500,000	0.95	19 August 2015 to 18 August 2018 二零一五年八月十九日至 二零一八年八月十八日
Wong Yiu Kit Ernest 黃耀傑	19 August 2015 二零一五年八月十九日	250,000	-	-	-	250,000	0.95	19 August 2017 to 18 August 2018 二零一七年八月十九日至 二零一八年八月十八日
Stephen Gregory McCoy	19 August 2015 二零一五年八月十九日	1,000,000	-	-	-	1,000,000	0.95	19 August 2015 to 18 August 2018 二零一五年八月十九日至 二零一八年八月十八日
Zhao Guixin 趙桂馨	19 August 2015 二零一五年八月十九日	300,000	-	-	-	300,000	0.95	19 August 2015 to 18 August 2018 二零一五年八月十九日至 二零一八年八月十八日
Corenlis Jacobus Keyser	19 August 2015 二零一五年八月十九日	300,000	-	-	-	300,000	0.95	19 August 2015 to 18 August 2018 二零一五年八月十九日至 二零一八年八月十八日
Lin Wenhui 林文輝	19 August 2015 二零一五年八月十九日	300,000	-	-	-	300,000	0.95	19 August 2015 to 18 August 2018 二零一五年八月十九日至 二零一八年八月十八日
Employees of group companies 集團公司僱員	19 August 2015 二零一五年八月十九日	14,050,000	-	(150,000)	-	13,900,000	0.95	19 August 2015 to 18 August 2018 二零一五年八月十九日至 二零一八年八月十八日
Employees of group companies 集團公司僱員	19 August 2015 二零一五年八月十九日	1,000,000	-	-	-	1,000,000	0.95	19 August 2016 to 18 August 2019 二零一六年八月十九日至 二零一九年八月十八日
Employees of group companies 集團公司僱員	19 August 2015 二零一五年八月十九日	3,750,000	-	(200,000)	-	3,550,000	0.95	19 August 2017 to 18 August 2019 二零一七年八月十九日至 二零一九年八月十八日
Consultants 顧問	19 August 2015 二零一五年八月十九日	400,000	-	-	-	400,000	0.95	19 August 2016 to 18 August 2019 二零一六年八月十九日至 二零一九年八月十八日
Consultants 顧問	19 August 2015 二零一五年八月十九日	500,000	-	(100,000)	-	400,000	0.95	19 August 2017 to 18 August 2019 二零一七年八月十九日至 二零一九年八月十八日
		33,650,000	-	(450,000)	-	33,200,000		

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

20 SHARE OPTION SCHEME (continued)

The Binomial Option Pricing Model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions. Details of the share options granted on 19 August 2015 was as follows:

Weighted average share option price at the grant date:	HK\$0.3133
於授出日期的加權平均購股權價格：	0.3133港元
Risk free interest rate:	0.821%
無風險利率：	0.821%
Expected volatility:	59.08%
預期波幅：	59.08%
Expected dividend yield:	1.63%
預期股息率：	1.63%
Expected exercise multiple:	Directors: 2.8x exercise price
預期行使倍數：	董事：行使價2.8倍
	Others: 2.2x exercise price
	其他：行使價2.2倍

The measurement date of the share options was 19 August 2015, being the date of grant of the share options. The expected dividend yield is determined with reference to historical dividend payment history of comparable listed companies up to the measurement date. The expected volatility of share price is determined with reference to annualised historical weekly volatility of comparable listed companies' share prices as of the valuation date, as extracted from Bloomberg.

No share option expenses were recognised in the consolidated statement of comprehensive income during the current period.

On 29 December 2016, the Board of Directors of the Company granted 40,000,000 share options to 95 individuals ("Grantees") for their subscription of new ordinary shares of HK\$0.01 each in the share capital of the Company.

20 購股權計劃(續)

二項式期權定價模式獲採納以估計購股權的公允值。計算購股權公允值所用的變數及假設乃基於董事的最佳估計。購股權價值隨某些主觀假設的變數不同而變化。於二零一五年八月十九日授出的購股權的詳情如下：

購股權的計量日期為二零一五年八月十九日，即授出購股權的日期。預期股息率乃參考可資比較上市公司直至計量日期的過往股息付款記錄而釐定。股價的預期波幅參考摘錄自彭博的可資比較上市公司截至評估日期的年度化過往每週波幅而釐定。

本期間於綜合全面收益表並無確認任何購股權開支。

於二零一六年十二月二十九日，本公司董事會向95名人士（「獲授人」）授出40,000,000份購股權，供彼等認購本公司股本中每股面值0.01港元的新普通股。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

20 SHARE OPTION SCHEME (continued)

These share options are exercisable at HK\$0.592 per share, with varying vesting period and validity from the date of grant. 37 out of 95 of the Grantees were granted share options which are exercisable for a period of three years commencing on the date of grant to 28 December 2019. 9 out of 95 of the Grantees were granted share options which are exercisable for a period of three years commencing on the date falling on the first anniversary of the date of grant to 28 December 2020, with a vesting period of one year from the date of grant. The remaining 49 Grantees were granted options which are exercisable for a period of two years commencing on the date falling on the second anniversary of the date of grant to 28 December 2020, with a vesting period of two years from the date of grant. Among the 40,000,000 share options granted, 11,750,000 share options were granted to the directors and chief executives of the Company.

The Group has no legal or constructive obligation to repurchase or settle the options in cash.

20 購股權計劃(續)

該等購股權可按每股股份0.592港元的價格予以行使，自授出日期起計的歸屬期及有效期有別。95名獲授人中的37名獲授人獲授予可於授出日期起計至二零一九年十二月二十八日為止三年之期間內行使之購股權。95名獲授人中的9名獲授人獲授予可於授出日期一週年當日起計至二零二零年十二月二十八日為止三年之期間內行使之購股權，歸屬期為由授出日期起計一年。餘下49名獲授人獲授予可於授出日期兩週年當日起計至二零二零年十二月二十八日為止兩年之期間內行使之購股權，歸屬期為由授出日期起計兩年。已授出的40,000,000份購股權中，本公司董事及主要行政人員獲授11,750,000份購股權。

本集團並無法律或推定責任以現金購回或結算購股權。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

20 SHARE OPTION SCHEME (continued)

Movements in the number of share options outstanding are as follows:

Grantee	Date of grant	Outstanding as at 31 December 2017 於二零一七年十二月三十一日 尚未行使	Granted during the period 於期內 授出	Forfeited during the period 於期內 被沒收	Exercised during the period 於期內 行使	Outstanding as at 30 June 2018 於二零一八年六月三十日 尚未行使	Exercise price 行使價 HK\$ 港元	Exercise period 行使期間
Liu Stefan 劉欣諾	29 December 2016 二零一六年十二月二十九日	8,000,000	-	-	-	8,000,000	0.592	29 December 2016 to 28 December 2019 二零一六年十二月二十九日至 二零一九年十二月二十八日
Huang Songyuan 黃頌源	29 December 2016 二零一六年十二月二十九日	3,050,000	-	-	-	3,050,000	0.592	29 December 2016 to 28 December 2019 二零一六年十二月二十九日至 二零一九年十二月二十八日
Wong Yiu Kit Ernest 黃耀傑	29 December 2016 二零一六年十二月二十九日	250,000	-	-	-	250,000	0.592	29 December 2016 to 28 December 2019 二零一六年十二月二十九日至 二零一九年十二月二十八日
Stephen Gregory McCoy	29 December 2016 二零一六年十二月二十九日	1,000,000	-	-	-	1,000,000	0.592	29 December 2016 to 28 December 2019 二零一六年十二月二十九日至 二零一九年十二月二十八日
Zhao Guixin 趙桂馨	29 December 2016 二零一六年十二月二十九日	300,000	-	-	-	300,000	0.592	29 December 2016 to 28 December 2019 二零一六年十二月二十九日至 二零一九年十二月二十八日
Corenlis Jacobus Keyser	29 December 2016 二零一六年十二月二十九日	300,000	-	-	-	300,000	0.592	29 December 2016 to 28 December 2019 二零一六年十二月二十九日至 二零一九年十二月二十八日
Lin Wenhui 林文輝	29 December 2016 二零一六年十二月二十九日	300,000	-	-	-	300,000	0.592	29 December 2016 to 28 December 2019 二零一六年十二月二十九日至 二零一九年十二月二十八日
Employees of group companies 集團公司僱員	29 December 2016 二零一六年十二月二十九日	16,450,000	-	(100,000)	-	16,350,000	0.592	29 December 2016 to 28 December 2019 二零一六年十二月二十九日至 二零一九年十二月二十八日
Employees of group companies 集團公司僱員	29 December 2016 二零一六年十二月二十九日	900,000	-	-	-	900,000	0.592	29 December 2017 to 28 December 2020 二零一七年十二月二十九日至 二零二零年十二月二十八日
Employees of group companies 集團公司僱員	29 December 2016 二零一六年十二月二十九日	6,700,000	-	(950,000)	-	5,750,000	0.592	29 December 2018 to 28 December 2020 二零一八年十二月二十九日至 二零二零年十二月二十八日
Consultants 顧問	29 December 2016 二零一六年十二月二十九日	450,000	-	-	-	450,000	0.592	29 December 2017 to 28 December 2020 二零一七年十二月二十九日至 二零二零年十二月二十八日
Consultants 顧問	29 December 2016 二零一六年十二月二十九日	200,000	-	(100,000)	-	100,000	0.592	29 December 2018 to 28 December 2020 二零一八年十二月二十九日至 二零二零年十二月二十八日
		37,900,000	-	(1,150,000)	-	36,750,000		

20 購股權計劃(續)

尚未行使的購股權數目變動如下：

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

20 SHARE OPTION SCHEME (continued)

The Binomial Option Pricing Model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions. Details of the share options granted on 29 December 2016 was as follows:

Weighted average share option price at the grant date:	HK\$0.2385
於授出日期的加權平均購股權價格：	0.2385港元
Risk free interest rate:	1.443%
無風險利率：	1.443%
Expected volatility:	70.97%
預期波幅：	70.97%
Expected dividend yield:	0%
預期股息率：	0%
Expected exercise multiple:	Directors: 2.8x exercise price
預期行使倍數：	董事：行使價2.8倍
	Others: 2.2x exercise price
	其他：行使價2.2倍

The measurement date of the share options was 29 December 2016, being the date of grant of the share options. The expected dividend yield is determined with reference to historical dividend payment history of comparable listed companies up to the measurement date. The expected volatility of share price is determined with reference to annualised historical weekly volatility of comparable listed companies' share prices as of the valuation date, as extracted from Bloomberg.

A total of HK\$216,000 share option expenses were recognised in the consolidated statement of comprehensive income during the current period.

On 22 March 2018, the Board of Directors of the Company granted 40,000,000 share options to 82 individuals ("Grantees") for their subscription of new ordinary shares of HK\$0.01 each in the share capital of the Company.

20 購股權計劃(續)

二項式期權定價模式獲採納以估計購股權的公允值。計算購股權公允值所用的變數及假設乃基於董事的最佳估計。購股權價值隨某些主觀假設的變數不同而變化。於二零一六年十二月二十九日授出的購股權的詳情如下：

Weighted average share option price at the grant date:	HK\$0.2385
於授出日期的加權平均購股權價格：	0.2385港元
Risk free interest rate:	1.443%
無風險利率：	1.443%
Expected volatility:	70.97%
預期波幅：	70.97%
Expected dividend yield:	0%
預期股息率：	0%
Expected exercise multiple:	Directors: 2.8x exercise price
預期行使倍數：	董事：行使價2.8倍
	Others: 2.2x exercise price
	其他：行使價2.2倍

購股權的計量日期為二零一六年十二月二十九日，即授出購股權的日期。預期股息率乃參考可資比較上市公司直至計量日期的過往股息付款記錄而釐定。股價的預期波幅參考摘錄自彭博的可資比較上市公司的股價截至評估日期的年度化過往每週波幅而釐定。

本期間於綜合全面收益表確認的購股權開支合共為216,000港元。

於二零一八年三月二十二日，本公司董事會向82名人士（「獲授人」）授出40,000,000份購股權，供彼等認購本公司股本中每股面值0.01港元的新普通股。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

20 SHARE OPTION SCHEME (continued)

These share options are exercisable at HK\$0.495 per share, with varying vesting period and validity from the date of grant. 37 out of 82 of the Grantees were granted share options which are exercisable for a period of three years commencing on the date of grant to 21 March 2021. 11 out of 82 of the Grantees were granted share options which are exercisable for a period of three years commencing on the date falling on the first anniversary of the date of grant to 21 March 2022, with a vesting period of one year from the date of grant. The remaining 34 Grantees were granted options which are exercisable for a period of two years commencing on the date falling on the second anniversary of the date of grant to 21 March 2022, with a vesting period of two years from the date of grant. Among the 40,000,000 share options granted, 12,200,000 share options were granted to the directors and chief executives of the Company.

The Group has no legal or constructive obligation to repurchase or settle the options in cash.

20 購股權計劃(續)

該等購股權可按每股股份0.495港元的價格予以行使，自授出日期起計的歸屬期及有效期有別。82名獲授人中的37名獲授人獲授予可於授出日期起計至二零二一年三月三十一日為止三年之期間內行使之購股權。82名獲授人中的11名獲授人獲授予可於授出日期一週年當日起計至二零二二年三月三十一日為止三年之期間內行使之購股權，歸屬期為由授出日期起計一年。餘下34名獲授人獲授予可於授出日期兩週年當日起計至二零二二年三月三十一日為止兩年之期間內行使之購股權，歸屬期為由授出日期起計兩年。已授出的40,000,000份購股權中，本公司董事及主要行政人員獲授12,200,000份購股權。

本集團並無法律或推定責任以現金購回或結算購股權。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

20 SHARE OPTION SCHEME (continued)

Movements in the number of share options outstanding are as follows:

20 購股權計劃(續)

尚未行使的購股權數目變動如下：

Grantee	Date of grant	Outstanding as at 31 December 2017 於二零一七年十二月三十一日 尚未行使	Granted during the period 於期內授出	Forfeited during the period 於期內被沒收	Exercised during the period 於期內行使	Outstanding as at 30 June 2018 於二零一八年六月三十日 尚未行使	Exercise price 行使價 HK\$ 港元	Exercise period 行使期間
獲授人	授出日期							
Liu Stefan 劉欣諾	22 March 2018 二零一八年三月二十二日	-	10,000,000	-	-	10,000,000	0.495	22 March 2018 to 21 March 2021 二零一八年三月二十二日至 二零二一年三月二十一日
Huang Songyuan 黃頌源	22 March 2018 二零一八年三月二十二日	-	3,800,000	-	-	3,800,000	0.495	22 March 2018 to 21 March 2021 二零一八年三月二十二日至 二零二一年三月二十一日
Wong Yiu Kit Ernest 黃耀傑	22 March 2018 二零一八年三月二十二日	-	1,550,000	-	-	1,550,000	0.495	22 March 2018 to 21 March 2021 二零一八年三月二十二日至 二零二一年三月二十一日
Stephen Gregory McCoy	22 March 2018 二零一八年三月二十二日	-	1,000,000	-	-	1,000,000	0.495	22 March 2018 to 21 March 2021 二零一八年三月二十二日至 二零二一年三月二十一日
Zhao Guixin 趙桂馨	22 March 2018 二零一八年三月二十二日	-	400,000	-	-	400,000	0.495	22 March 2018 to 21 March 2021 二零一八年三月二十二日至 二零二一年三月二十一日
Corenlis Jacobus Keyser	22 March 2018 二零一八年三月二十二日	-	400,000	-	-	400,000	0.495	22 March 2018 to 21 March 2021 二零一八年三月二十二日至 二零二一年三月二十一日
Lin Wenhui 林文輝	22 March 2018 二零一八年三月二十二日	-	400,000	-	-	400,000	0.495	22 March 2018 to 21 March 2021 二零一八年三月二十二日至 二零二一年三月二十一日
Employees of group companies 集團公司僱員	22 March 2018 二零一八年三月二十二日	-	13,600,000	(50,000)	-	13,550,000	0.495	22 March 2018 to 21 March 2021 二零一八年三月二十二日至 二零二一年三月二十一日
Employees of group companies 集團公司僱員	22 March 2018 二零一八年三月二十二日	-	1,900,000	-	-	1,900,000	0.495	22 March 2019 to 21 March 2022 二零一九年三月二十二日至 二零二二年三月二十一日
Employees of group companies 集團公司僱員	22 March 2018 二零一八年三月二十二日	-	6,150,000	(500,000)	-	5,650,000	0.495	22 March 2020 to 21 March 2022 二零二零年三月二十二日至 二零二二年三月二十一日
Consultants 顧問	22 March 2018 二零一八年三月二十二日	-	800,000	(250,000)	-	550,000	0.495	22 March 2019 to 21 March 2022 二零一九年三月二十二日至 二零二二年三月二十一日
		-	40,000,000	(800,000)	-	39,200,000		

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

20 SHARE OPTION SCHEME (continued)

The Binomial Option Pricing Model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions. Details of the share options granted on 22 March 2018 was as follows:

Weighted average share option price at the grant date:
於授出日期的加權平均購股權價格：
Risk free interest rate:
無風險利率：
Expected volatility:
預期波幅：
Expected dividend yield:
預期股息率：
Expected exercise multiple:
預期行使倍數：

The measurement date of the share options was 22 March 2018, being the date of grant of the share options. The expected dividend yield is determined with reference to historical dividend payment history of comparable listed companies up to the measurement date. The expected volatility of share price is determined with reference to annualised historical weekly volatility of comparable listed companies' share prices as of the valuation date, as extracted from Bloomberg.

A total of HK\$6,026,000 share option expenses were recognised in the consolidated statement of comprehensive income during the current period.

20 購股權計劃(續)

二項式期權定價模式獲採納以估計購股權的公允值。計算購股權公允值所用的變數及假設乃基於董事的最佳估計。購股權價值隨某些主觀假設的變數不同而變化。於二零一八年三月二十二日授出的購股權的詳情如下：

	HK\$0.1814
	0.1814港元
	1.672%
	1.672%
	56.40%
	56.40%
	0%
	0%
Directors: 2.8x exercise price	
董事：行使價2.8倍	
Others: 2.2x exercise price	
其他：行使價2.2倍	

購股權的計量日期為二零一八年三月二十二日，即授出購股權的日期。預期股息率乃參考可資比較上市公司直至計量日期的過往股息付款記錄而釐定。股價的預期波幅參考摘錄自彭博的可資比較上市公司的股價截至評估日期的年度化過往每週波幅而釐定。

本期間於綜合全面收益表確認的購股權開支合共為6,026,000港元。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

21 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control.

For the outstanding balance due from or to related parties, net amount is presented when the Group has a legally enforceable right to set off the recognised amounts, and intends to settle on a net basis.

In addition to the transactions set out in the interim financial information, the Group had the following material transactions and balances with related parties during the period.

21 關聯方交易

倘一方有能力直接或間接控制另一方或在財務及經營決策上對另一方發揮重大影響力，雙方即屬有關聯。雙方受共同控制者亦屬有關聯。

就應收或應付關聯方的未結算結餘而言，在本集團有權合法強制抵銷已確認金額，並擬按淨額基準結算時呈列金額淨值。

除載於中期財務資料之交易外，本集團於期內與關聯方有如下重大交易及結餘。

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Transactions	交易	Notes 附註	
Management fee expense for the provision of financial system which include the provision of enterprise resources planning system support to: – the then immediate holding company	向以下公司支付提供財務系統，當中包括企業資源管理系統支援的管理費開支： – 當時直接控股公司	(i)	347 331
Amount paid for the provision of software development and maintenance services, IT infrastructure project management and maintenance services and IT risk assessment services to: – an other related party	向以下公司支付提供軟件開發及維護服務、資訊科技基建項目管理及維護服務及資訊科技風險評估服務的款項： – 其他關聯方	(ii)	16,296 13,476
Referral fee paid for introducing and referring prospective clients to the Group: – an other related party	向以下公司支付介紹及轉介潛在客戶予本集團的轉介費： – 其他關聯方	(iii)	– 1,740
Amount paid for the provision of software maintenance, upgrade and support services from: – an other related party	向以下公司支付提供軟件維護、升級及支援服務的款項： – 其他關聯方	(iv)	354 353
Amount received for the sharing of the offices to: – other related parties	向以下公司收取共用辦公室的款項： – 其他關聯方	(v)	555 1,611
Amount paid for the sharing of the offices to: – other related parties	向以下公司支付共用辦公室的款項： – 其他關聯方	(v)	1,484 –

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

21 RELATED PARTY TRANSACTIONS (continued)

21 關聯方交易 (續)

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
	Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cash dealing income/(loss) for the provision of cash dealing services:	向以下公司提供現金交易服務收取的現金交易收入／(虧損)：		
– other related parties	– 其他關聯方 (vi)	3,259	(16)
		Unaudited 未經審核 30 June 2018 二零一八年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
Outstanding balances	未償還結餘		
Due from related parties:	應收關聯方款項：		
– Tianjin Precious Metal Exchange	– 天津貴金屬交易所 (vii)	593	4,582

Notes:

附註：

- (i) Management fee expenses are charged for the provision of financial system which include the provision of enterprise resources planning system support with reference to the costs incurred.
- (ii) Amounts are paid for provision of software development and maintenance services, IT infrastructure project management and maintenance services and IT risk assessment services.
- (iii) Referral fee paid for introducing and referring prospective clients to the Group in accordance with the fee agreement.
- (iv) Amounts are paid for the provision of software maintenance, upgrade and support services based on the terms on agreement signed between parties.

- (i) 管理費開支乃就提供財務系統，當中包括企業資源管理系統支援參考產生的費用而扣除。
- (ii) 就提供軟件開發及維護服務、資訊科技基建項目管理及維護服務及資訊科技風險評估服務而支付的款項。
- (iii) 根據收費協議就介紹及轉介客戶予本集團而支付的轉介費。
- (iv) 就提供軟件維護、升級及支援服務而支付的款項乃根據訂約各方所簽訂之協議而釐定。

NOTES TO THE INTERIM FINANCIAL INFORMATION

中期財務資料附註

21 RELATED PARTY TRANSACTIONS (continued)

- (v) Amounts are received and paid for the sharing of the offices based on the agreements signed between parties.
- (vi) Cash dealing income is recognised when cash dealing transactions have been completed by market makers with reference to prevailing exchange rate.
- (vii) Deposits placed are unsecured and non-interest bearing.

22 COMMITMENTS AND CONTINGENCIES

Operating lease commitments

The Group leases offices under non-cancellable operating lease commitments existing at the end of each of the respective periods. Leases were negotiated for an average term of 3 to 6 years.

The Group is required to give six months' notice for termination of these leases.

21 關聯方交易 (續)

- (v) 根據訂約各方簽訂之協議共用辦公室的已收及已付款項。
- (vi) 現金交易收入於市場莊家完成現金交易時參考現行匯率確認。
- (vii) 所存放之存款為無抵押及免息。

22 承擔及或然事項

經營租賃承擔

本集團根據於各期間末已有的不可撤銷經營租賃承擔租賃辦公室。租期按平均3至6年磋商。

本集團須發出六個月通知方可終止該等租賃。

		30 June 2018 二零一八年 六月三十日 HK\$'000 千港元	31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元
Within one year	一年內	14,802	10,826
One to five years	一至五年	29,720	8,357
		44,522	19,183

23 APPROVAL OF INTERIM FINANCIAL INFORMATION

The interim financial information was approved and authorised for issue by the Board on 16 August 2018.

23 批准中期財務資料

中期財務資料已於二零一八年八月十六日經董事會批准及授權刊發。



KVB Kunlun



昆侖國際金融集團有限公司

KVB Kunlun Financial Group Limited

(於開曼群島註冊成立的有限公司)

(Incorporated in the Cayman Islands with limited liability)

香港九龍柯士甸道西1號環球貿易廣場75樓7501及7508室

Suites 7501 & 7508, 75/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong

T (852) 3120 8888

F (852) 3120 8800
