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：8077

2016 年報
2016 Annual Report

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CORPORATE INFORMATION
公司資料

DIRECTORS

Executive Directors

Mr. LIU Stefan *(Chief Executive Officer)*
Mr. NG Chee Hung Frederick

Non-executive Directors

Mr. LI Zhi Da *(Chairman)*
Mr. Stephen Gregory McCOY

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)*
吳棋鴻先生

非執行董事

李志達先生*(主席)*
Stephen Gregory McCOY先生

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

CORPORATE INFORMATION
公司資料

COMPLIANCE OFFICER

Mr. NG Chee Hung Frederick

合規主任

吳棋鴻先生

AUTHORISED REPRESENTATIVES

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股份代號

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STATEMENT FROM THE CHIEF EXECUTIVE OFFICER
行政總裁報告

Dear shareholders of KVB Kunlun:

Looking back at 2016, we have indeed been facing challenges brought by unpredictable global political and economic changes, such as the tumbling pound sterling after the Brexit referendum, the unexpected result of the US presidential election, the depreciation of RMB and interest rate hikes by the US Federal Reserve, which have led to dramatic changes to the foreign exchange market. I am proud of the courage and perseverance of our excellent team who can always respond promptly, implement stringent risks control and make profits with wise trading strategies when facing sudden fluctuations in the market. In 2016, the Group achieved a total annual income of approximately HK$362.6 million and recorded an annual profit of approximately HK$38.7 million. In order to mitigate the impact of market uncertainties, the Group strengthened the management of referral channels and achieved a year-on-year increase of 36% in trading volume contributed by referral channels and an increase in net deposit of 12%.

The year 2016 was the 15th anniversary of the establishment of KVB Kunlun as well as a crucial year for us to inherit the past and usher in the future. Throughout this year, not only did we actively strive for business growth, we also implemented a number of strategic initiatives for the developments in 2017 and in the next 15 years, with a view to laying a solid foundation for our long-term strategic development under the philosophy of "incorporation of trend analysis in planning":

In respect of business diversification, we have become a principal member of the commodities trading platform in mainland China and expanded our business segments to include spot trading for precious metals, which serves to enhance the stability of our overall results through business diversification;

In terms of brand maintenance and enhancement, taking the 15th anniversary of establishment as an opportunity, the Group inherited the theme of "Sincerity and Wisdom" and initiated brand promotion through collaboration with a well-known media group, which possesses the same "Chinese sentiment and global vision" as we do. With the customized professional foreign exchange information broadcasts, the Company has established a professional image of the Company among the Chinese all over the world, and enhanced its brand exposure which in turn helped strengthen its differentiation from competitors;

致KVB昆侖國際的股東們：

回顧2016年，其實我們一直都處在全球政治和經濟莫測變化而帶來的挑戰中，比如英國公投離開歐盟而致英鎊閃崩、美國總統大選意外結果、人民幣貶值、美聯儲加息等，這些都帶來了匯市的風雲變化。我為我們優秀的團隊展現的勇氣和堅持感到自豪，每當市場突發波動加劇，我們總是能夠迅即反應、嚴守風控，憑藉睿智的交易策略贏取利潤。集團於二零一六年整體實現了全年總收入約362,600,000港元，年度溢利錄得約38,700,000港元。為化解市場不確定因素的影響，集團加強了轉介渠道的管理，實現了轉介渠道貢獻的交易量按年增長36%，淨入金量增加了12%。

二零一六年是KVB昆侖國際成立的15週年，也是我們承前啟後再出發的關鍵年。在這一年中，我們不單積極謀求當年業務的增長，更以「善佈局者謀於勢」的思維，為2017年以及下一個15年發展推進多項戰略級舉措，為我們的長期戰略發展夯實基礎：

在業務佈局方面，我們正式成為中國內地大宗商品交易平台之自營會員，拓展業務門類至貴金屬現貨交易領域，以多元化業務佈局，增強了整體業績的穩定性；

在品牌傳承和提升方面，集團籍借成立15週年的契機，延承「誠•智相伴」的主旨，開啟與同樣有著「華人情懷，全球視野」的知名媒體集團的品牌宣傳合作，透過專業定制外匯專業資訊的播報，樹立公司在全球華人的專業形象，增加了品牌曝光度，進而不斷強化與一眾競爭對手的差異化；

STATEMENT FROM THE CHIEF EXECUTIVE OFFICER
行政總裁報告

In the area of financial technology, the Company implemented a number of functionality enhancements on the trading system, and continued with its investments in hardware and software for digital marketing. We expedited the progress in the Company's IT infrastructure as well as network upgrades. The implementation of the VMWare virtualized platform and Lenovo's blade servers contributed to the significant enhancement of the trading system's efficiency and stability, providing the clients with a fast and reliable trading experience. The network security technologies of Cisco and Fortinet were also put in place to ensure the information security for the Company and its clients.

在金融科技領域，公司進行了多項交易系統功能的提升，並持續進行了數字化營銷的軟硬體投入。我們快速推進了公司IT基礎設施更新和網路升級工程，憑著VMWare虛擬化平台和Lenovo刀鋒伺服器，大幅提高交易系統效率和穩定性，為客戶帶來更快速和可靠的交易體驗，並利用Cisco和Fortinet的網路保安技術確保公司和客戶的資訊安全。

The year 2017 is the commencing year of KVB Kunlun's "next 15 years". This is also a new starting point for us to move forward amidst challenges and continue our transformation. We clearly understand that there will be more unpredictable changes and challenges in the global market and socio-economic environment in the future, and that the tension between globalization and protectionism will become more intense. These political factors will add to the complexity of the foreign exchange market, and at the same time the global interest rates may very well go a different direction. Fortunately, this is not the first time that we face such difficult situation. We have been actively carrying out various planning and business deployments in all aspects, in order to capture business opportunities in the chaotic situation and take advantage of the explosive growth potential in China's foreign exchange market. We strive for a healthy and stable development, with a view to create better value for the shareholders, investors and clients who have been growing and developing alongside with KVB Kunlun.

二零一七年是KVB昆侖國際「下一個15年」的開啟之年，也是我們砥礪前行、持續蛻變的新起點。我們清醒地認識到，未來我們面臨的全球市場和政治經濟環境，將更加變化莫測、險境重重，全球化與保護主義的碰撞將日趨激烈，導致匯率市場因更多的政治因素的影響而更加複雜，同時全球利率也很可能走出與以往不同的格局。好在我們並非第一次面臨類似局面，並已主動從各方面進行諸多籌劃和佈局，以期把握亂局中的業務契機，和中國外匯行業爆發式增長的潛力，力求穩健發展、向穩求進，為一路與KVB昆侖國際同發展共前行的股東、投資者和客戶創造更大價值。

The Board is pleased to present the audited consolidated annual results of the Group for the year ended 31 December 2016, together with the audited comparative figures for the prior year.

董事會欣然提呈本集團截至二零一六年十二月三十一日止年度之經審核綜合全年業績，連同去年同期的經審核比較數字。

BUSINESS REVIEW AND FINANCIAL PERFORMANCE

業務回顧及財務業績

Business review

業務回顧

During the year under review, we have seen declines in revenue and client's net deposits while there were a slight increase in trading volumes as compared to 2015. The overall market volatility also remained at similar levels to 2015. During 2016, the foreign exchange ("FX") market continued with dramatic and unexpected turns which were difficult to predict. Generally, customer trading volumes tend to increase in periods of elevated volatility. However, significant swings in market volatility also result in increased customer trading losses and higher turnover. It is difficult to foresee volatility and the subsequent effect on the FX market.

於回顧年度，相比二零一五年，本集團的收益及客戶存款淨額均錄得下跌，而成交量則輕微增加。整體市況波動水平亦與二零一五年相若。於二零一六年期間，外匯市場繼續急劇及出乎意料的上落，實難以預測。一般而言，於市場波動增加時，客戶的成交量趨向增加。然而，市場顯著波動亦導致客戶交易損失增加及成交量增加。現時難以預測外匯市場的波動性及其後的影響。

During the beginning of the year, the market was concerned that mainland China would allow a sharp CNY devaluation, and that the Bank of Japan announced a move into negative interest rate territory to meet economic targets. We had the sterling surprise associated with the June 23 Brexit referendum. Later in the year, and with Donald Trump's victory in the US presidential election, the market quickly reacted on the anticipation of future US policy. US dollar reached the 13-year highest point following the interest rate hikes by the US Federal Reserve. Gold was the most popular product traded by our customers, followed by USCRUDE, EUR/USD, USD/JPY and GBP/USD. Gold mainly traded within a price range of $1,375 – $1,062 USD/ounce, compared to the range of $1,307 – $1,046 USD/ounce during 2015. Crude oil price had a big turn from the downtrend during the year. We have seen the lowest point at $26 USD/barrel in February and the highest point was at $54.51 USD/barrel in December as compared to a sharp drop in price from $53 to $37 USD/barrel in the year of 2015. Meanwhile, EUR/USD was trading within a price range of 1,260 pips, with the highest point at 1.1615 and the lowest at 1.0351, compared to 1650-pips range in the year of 2015.

於年初，市場關注中國內地將允許人民幣貶值及日本銀行宣佈進入負利率時代以實現經濟目標的消息令市場擔憂，而市場對於六月二十三日的英國脫歐公投結果感到驚訝，其後特朗普於美國總統大選中勝出，市場迅速對美國未來的政策作出預測。美元於美國聯儲局加息後升至13年的高位。黃金為客戶最熱門的交易產品，其後為美元原油、歐元／美元、美元／日圓及英鎊／美元。黃金的主要成交差價為1,375美元 –1,062美元／盎司，而於二零一五年為1,307美元 – 1,046美元／盎司。原油價格於年內由低位反彈，由二月的最低位26美元／桶上升至十二月的最高位54.51美元／桶，而二零一五年的價格則由53美元／桶急跌至37 美元／桶。與此同時，歐元／美元的交易差價為1,260點，最高點為1.1615及最低點為1.0351，而二零一五年的交易差價為1,650點。

MANAGEMENT DISCUSSION AND ANALYSIS
管理層之討論及分析

On 2 June 2016, Zhuhai Hengqin Kunlun Financial Exchange Limited ("KVB ZHHQ"), a wholly-owned subsidiary of the Company, became a principal member of the Tianjin Precious Metals Exchange ("TPME"). TPME is a precious metals exchange based in Tianjin, China and will provide KVB ZHHQ with a spot trading and settlement platform. Currently the available products for trading are silver, platinum, palladium, nickel, copper and aluminum. This arrangement will broaden the Company's customer base and strengthen the Group's exposure in the Mainland China market, which we believe, will enhance our trading volume and future profitability.

於二零一六年六月二日，本公司的全資附屬公司珠海橫琴昆侖新金融交易中心有限公司(「昆侖珠海橫琴」)成為天津貴金屬交易所有限公司(「天津貴金屬交易所」)的主要成員。天津貴金屬交易所為位於天津的貴金屬交易所，將為昆侖珠海橫琴提供一個現貨交易及結算平台。目前，可進行交易的產品為白銀、鉑金、鈀金、鎳、銅及鋁。這項安排將可壯大本公司的客戶基礎及加強本集團於中國內地市場的知名度，我們相信可藉此增加成交量及未來盈利能力。

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.

零售外匯保證金交易市場競爭激烈，當中包括國際多產品貿易公司、其他網上貿易公司及金融機構。本集團預期於可預見的將來，市場競爭仍然非常激烈。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投資的機會以滿足客戶需求。

Total income

The total income of the Group decreased by approximately 10.9% to approximately HK$362.6 million for the year ended 31 December 2016 from approximately HK$406.8 million for the year ended 31 December 2015.

收入總額

本集團的收入總額由截至二零一五年十二月三十一日止年度約406,800,000港元減少約10.9%至截至二零一六年十二月三十一日止年度約362,600,000港元。

A. Leveraged foreign exchange and other trading income

The leveraged foreign exchange and other trading income of the Group decreased by approximately 10.8% to approximately HK$306.0 million for the year ended 31 December 2016 from approximately HK$343.1 million for the year ended 31 December 2015. This was mainly due to the lower market volatility during the year ended 31 December 2016 as compared to the year ended 31 December 2015.

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二零一五年十二月三十一日止年度約343,100,000港元減少約10.8%至截至二零一六年十二月三十一日止年度約306,000,000港元，主要由於截至二零一六年十二月三十一日止年度的市場波動相比截至二零一五年十二月三十一日止年度較低所致。

B. Cash dealing income

The cash dealing income of the Group decreased by approximately 63.1% from approximately HK$11.5 million for the year ended 31 December 2015 to HK$4.3 million for the year ended 31 December 2016. The decrease was mainly attributable to lower trading volume.

B. 現金交易收入

本集團的現金交易收入由截至二零一五年十二月三十一日止年度約11,500,000港元減少約63.1%至截至二零一六年十二月三十一日止年度的4,300,000港元，主要由於成交量減少所致。

C. *Fee and commission income*

The fees and commission income of the Group increased from approximately HK$48.8 million for the year ended 31 December 2015 to approximately HK$55.4 million for the year ended 31 December 2016. The increase was mainly due to the increase in commission earning benefited from the increase in trading volume.

D. *Other income*

During the year ended 31 December 2016, the Group recorded an exchange loss of approximately HK$5.8 million, the recorded exchange loss for year ended 31 December 2015 was approximately HK$1.3 million. This was mainly due to the year-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.

There was no management fee income of the Group for the year ended 31 December 2016 whereas approximately HK$1.3 million was recorded for the year ended 31 December 2015. This was mainly due to the Group no longer receiving management fee income from KVB Kunlun Holdings Limited and its subsidiaries which do not belong to the Group (collectively, the "Non-Listed Group") as a result of further business separation from the Non-Listed Group.

Referral expenses and other charges

The referral expenses and other charges of the Group increased by approximately 33.2% to approximately HK$160.4 million for the year ended 31 December 2016 from approximately HK$120.5 million for the year ended 31 December 2015. The increase was mainly due to increase in the trading volume of the clients referred by services providers.

Staff costs

The staff costs of the Group decreased by approximately 25.5% to approximately HK$60.1 million for the year ended 31 December 2016 from approximately HK$80.7 million for the year ended 31 December 2015. The decrease was mainly due to decrease in staff entitlements.

C. *費用及佣金收入*

本集團的費用及佣金收入由截至二零一五年十二月三十一日止年度約48,800,000港元增加至截至二零一六年十二月三十一日止年度約55,400,000港元，錄得增加主要由於受惠於成交量增加令佣金收益增加所致。

D. *其他收入*

於截至二零一六年十二月三十一日止年度，本集團錄得匯兑虧損約5,800,000港元，而於截至二零一五年十二月三十一日止年度則錄得匯兑虧損約1,300,000港元，主要由於本公司全資附屬公司KVB Kunlun New Zealand Limited於年末將以外幣計值的貨幣資產換算為當地呈報貨幣所致。

截至二零一六年十二月三十一日止年度，本集團並無收取任何管理費收入，而截至二零一五年十二月三十一日止年度則錄得約1,300,000港元，主要由於本集團不再向KVB Kunlun Holdings Limited及其附屬公司(統稱「非上市集團」，因其業務進一步分拆而不再屬於本集團旗下公司)收取管理費收入所致。

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二零一五年十二月三十一日止年度約120,500,000港元增加約33.2%至截至二零一六年十二月三十一日止年度約160,400,000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。

員工成本

本集團的員工成本由截至二零一五年十二月三十一日止年度約80,700,000港元減少約25.5%至截至二零一六年十二月三十一日止年度約60,100,000港元，錄得減少主要由於員工福利減少所致。

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Depreciation and amortization

Depreciation and amortization increased by approximately 50.8% to approximately HK$8.1 million for the year ended 31 December 2016 from approximately HK$5.4 million for the year ended 31 December 2015. The increase was mainly due to the upgrade of computer software, hardware and the newly capitalized office equipment for the year under review.

折舊及攤銷

折舊及攤銷由截至二零一五年十二月三十一日止年度約5,400,000港元增加約50.8%至截至二零一六年十二月三十一日止年度約8,100,000港元，錄得增長主要由於回顧年度升級電腦軟件及硬件以及新進辦公設備資本化所致。

Lease payments under land and buildings

Lease payments under land and buildings increased by approximately 34.9% to approximately HK$12.5 million for the year ended 31 December 2016 from approximately HK$9.3 million for the year ended 31 December 2015. The increase was mainly due to the increased rental expenses in Hong Kong office, as it no longer shares office space with other companies in the Non-Listed Group and paid full rent is paid in 2016. In addition, KVB ZHHQ started renting new office premises since October 2015 and August 2016 respectively.

土地及樓宇的租賃付款

土地及樓宇的租賃付款由截至二零一五年十二月三十一日止年度約9,300,000港元增加約34.9%至截至二零一六年十二月三十一日止年度約12,500,000港元，錄得增加主要由於本集團不再與非上市集團的其他公司共用辦公空間及於二零一六年全年支付租金，導致香港辦公室的租金開支增加，另外，昆侖珠海橫琴分別自二零一五年十月及二零一六年八月起租賃新辦公室物業。

Administrative and other operating expenses

The administrative and other operating expenses of the Group increased to approximately HK$66.0 million for the year ended 31 December 2016 from approximately HK$60.8 million for the year ended 31 December 2015. This increase was primarily due to the increase in computer services expenses by approximately HK$4.6 million during the year ended 31 December 2016 as compared with the year ended 31 December 2015. The main contributor to this increase was new maintenance service acquired in 2016. Customer promotion expenses also increased by approximately HK$3.0 million during the year ended 31 December 2016 as compared with the year ended 31 December 2015 as the result of active reimbursement of client transaction fee occurred in 2016.

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二零一五年十二月三十一日止年度約60,800,000港元增加至截至二零一六年十二月三十一日止年度約66,000,000港元，錄得增加主要由於截至二零一六年十二月三十一日止年度之電腦服務開支，相比於截至二零一五年十二月三十一日止年度增加約4,600,000港元所致，導致電腦服務開支增加的主要原因為於二零一六年購買新保養服務。客戶促銷開支亦因二零一六年產生積極彌償客戶交易費，導致截至二零一六年十二月三十一日止年度相比截至二零一五年十二月三十一日止年度增加約3,000,000港元。

Net profit and net profit margin

For the reasons set forth above, the Group achieved a net profit of approximately HK$38.7 million for the year ended 31 December 2016 compared with the net profit of approximately HK$94.7 million for the year ended 31 December 2015. The net profit margin for the year ended 31 December 2016 was approximately 10.7%.

淨溢利及純利率

基於上述理由，本集團於截至二零一六年十二月三十一日止年度實現淨溢利約38,700,000港元，而截至二零一五年十二月三十一日止年度錄得淨溢利約94,700,000港元。截至二零一六年十二月三十一日止年度的純利率約為10.7%。

In summary, the decrease in profitability of the Group was primarily contributed by:

- lower market volatility resulted in lower leveraged foreign exchange and other trading income.
- higher fee and commission expenses due to an increase in trading volumes which rebate is required to be paid to the service providers.
- capital revaluation loss due to the year-end translation of monetary assets denominated in foreign currency into local reporting currency by KVB Kunlun New Zealand Limited.

概括而言，本集團盈利能力下跌乃主要由於：

- 市場波動減少導致槓桿式外匯及其他交易收入減少。
- 由於成交量增加令須支付予服務供應商的回扣增加，導致費用及佣金開支增加。
- 因KVB Kunlun New Zealand Limited 於年末將以外幣計值的貨幣資產換算為當地呈報貨幣產生資本重估虧損。

LIQUIDITY AND FINANCIAL RESOURCES

During the year under review, the operations of the Group have been financed principally by equity capital, cash generated by the Group's business operations, the cash and bank deposits and short term bank borrowing.

As at 31 December 2016, cash and bank balances held by the Group amounted to HK$477.8 million (2015: HK$467.0 million). The bank borrowing of the Group as at 31 December 2016 was approximately HK$55.8 million (2015: Nil).

GEARING RATIO

The gearing ratio calculated on the basis of net debts (financial lease obligation, amounts due to other related parties and bank borrowing) over the total shareholders' fund as at 31 December 2016 was approximately 10.86% (2015: 0.03%).

流動資金及財務資源

於回顧年度，本集團的營運主要由股本、本集團業務營運所得現金、現金及銀行存款以及短期銀行借貸提供資金。

於二零一六年十二月三十一日，本集團持有的現金及銀行結餘為477,800,000港元（二零一五年：467,000,000港元）。於二零一六年十二月三十一日，本集團的銀行借貸約為55,800,000港元（二零一五年：無）。

負債比率

負債比率乃根據債務淨額（融資租賃承擔、應付其他關聯方款項及銀行借貸）除以股東資金總額計算，於二零一六年十二月三十一日約為10.86%（二零一五年：0.03%）。

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FOREIGN CURRENCY EXPOSURE

During the year under review, the Group recorded an exchange loss of approximately HK$5.8 million (2015: loss of approximately HK$1.3 million). This was mainly due to the year end translation of monetary assets denominated in foreign currency into local reporting currency by the subsidiary of the Group in New Zealand. The main contributor to this result was the depreciation of USD and the exchange rate of USD/NZD changed from approximately 1.4831 as at 31 December 2015 to 1.4362 as at 31 December 2016. 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 hedging strategy based on prevailing market conditions and working capital requirements of subsidiaries.

外匯風險

於回顧年度，本集團錄得匯兑虧損約5,800,000港元(二零一五年：虧損約1,300,000港元)，主要由於本集團位於紐西蘭的附屬公司於年末將以外幣計值的貨幣資產換算為當地呈報貨幣，而美元貶值，令美元兑紐西蘭元的匯率由二零一五年十二月三十一日的約1.4831調整至二零一六年十二月三十一日的1.4362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。

CAPITAL STRUCTURE

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

資本架構

於回顧年度，本集團的資本架構包括本公司擁有人應佔股權(包括已發行股本及儲備)。

NEW PRODUCTS AND SERVICES

The Group launched the following newly listed products in 2016 in Zhuhai Hengqing Office:

AL1000KG, AL5000KG, CU1000KG, CU5000KG, NI1000KG, NI100KG, XAG15KG, XAG1KG, XAG30KG, XPD100G, XPD1KG, XPT100G and XPT1KG.

新產品及服務

本集團的珠海橫琴辦公室於二零一六年推出下列新上市產品：

AL1000KG、AL5000KG、CU1000KG、CU5000KG、NI1000KG、NI100KG、XAG15KG、XAG1KG、XAG30KG、XPD100G、XPD1KG、XPT100G及XPT1KG。

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES DURING THE PERIOD UNDER REVIEW

During the year ended 31 December 2016, the Group did not have any material acquisitions and disposals.

回顧期間之重大投資、重大收購及出售附屬公司

於截至二零一六年十二月三十一日止年度，本集團並無任何重大收購及出售事項。

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2016, the Group had a total of 86 employees (2015: a total of 89). Total staff costs including Directors' remuneration for the year under review amounting to approximately HK$60.1 million (2015: HK$80.7 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.

僱員及薪酬政策

於二零一六年十二月三十一日，本集團合共有86名僱員（二零一五年：合共89名）。於回顧年內的員工成本總額（包括董事酬金）為約60,100,000港元（二零一五年：80,700,000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。

CHARGES ON THE GROUP'S ASSETS AND CONTINGENT LIABILITIES

As at 31 December 2016, certain bank balances of the Group amounting to approximately HK$158.9 million (2015: HK$94.0 million) were used to secure the banking facilities and the offices lease bonds. As at 31 December 2016, the Group did not have any material contingent liabilities.

本集團資產抵押及或然負債

於二零一六年十二月三十一日，本集團若干銀行結餘約158,900,000港元（二零一五年：94,000,000港元）乃用於擔保銀行信貸及辦公室租賃債券。於二零一六年十二月三十一日，本集團並無任何重大或然負債。

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

During the year under review, the Group had developed new financial services and products through internally generated funding.

未來重大投資或資本資產計劃

於回顧年度，本集團透過內部產生的資金已開發新金融服務及產品。

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT
董事及高級管理層履歷

The biographical details in respect of the directors (the "Directors") and the senior management of KVB Kunlun Financial Group Limited (the "Company", together with its subsidiaries, the "Group") as at the date of this annual report are as follows:

於本年報日期，有關昆侖國際金融集團有限公司(「本公司」，連同其附屬公司統稱「本集團」)董事(「董事」)及高級管理層的履歷如下：

EXECUTIVE DIRECTORS

Mr. LIU Stefan (劉欣諾先生), aged 50, is the Chief Executive Officer of the Company. He is also a director of certain subsidiaries of the Company. Mr. Liu is one of the responsible officers of KVB Kunlun International (HK) Limited ("KVB HK") and is also a director of KVB Kunlun Holdings Limited ("KVB Holdings") and certain subsidiaries of KVB Holdings which do not belong to the Group.

Mr. Liu was appointed as the managing director of the Group in March 2006 and the country manager of New Zealand and Australia in August 2011. He was appointed as a Director of the Company on 9 November 2010 and is responsible for the overall management and strategic development of the Group.

Before joining the Group, Mr. Liu served as the managing director of Aiming International (New Zealand) Co. Limited from August 1997 to August 2001 and was responsible for fostering the development plan, structuring investment direction and strategy, liaising and maintaining relationships with business partners and searching for and maintaining public relationship with potential strategic investors.

With his previous and current positions in the Group and other companies, Mr. Liu has obtained over 14 years of experience in the forex market which is relevant to the management, operation and development of the Group. Mr. Liu obtained his bachelor's degree in arts from the Tianjin Foreign Studies University (天津外國語大學) in July 1989.

Mr. NG Chee Hung Frederick (吳棋鴻先生), aged 61, joined the Group in August 2006. Mr. Ng is responsible for managing the operations of KVB HK and the treasury and dealing functions of the Group. Mr. Ng is the executive director and one of the responsible officers of each of KVB HK and certain subsidiaries of KVB Holdings which do not belong to the Group. Besides, Mr. Ng is a director of each of LXL Capital IV Limited, LXL Capital V Limited, LXL Capital VIII Limited, LXL Capital IX Limited and Yorkastle Capital Limited.

執行董事

劉欣諾先生，50歲，為本公司行政總裁。彼亦為本公司若干附屬公司的董事。劉先生為昆侖國際(香港)有限公司(「KVB香港」)的負責人員之一。劉先生亦為KVB Kunlun Holdings Limited(「KVB Holdings」)及若干不屬於本集團的KVB Holdings附屬公司的董事。

劉先生於二零零六年三月獲委任為本集團的董事總經理及於二零一一年八月獲委任為紐西蘭及澳洲的區域經理。彼於二零一零年十一月九日獲委任為本公司董事，負責本集團的整體管理及策略發展。

加入本集團前，劉先生於一九九七年八月至二零零一年八月擔任Aiming International (New Zealand) Co. Limited的董事總經理，負責實施發展計劃、編撰投資方向及策略、聯絡並維持與合作夥伴的關係以及物色並維持與潛在策略投資者的公共關係。

憑藉劉先生於本集團及其他公司的過往與現任職務，彼已於與本集團管理、營運及發展有關的外匯市場積逾14年經驗。劉先生於一九八九年七月獲得天津外國語大學文學士學位。

吳棋鴻先生，61歲，於二零零六年八月加入本集團。吳先生負責管理KVB香港的營運及本集團的司庫與交易工作。吳先生為KVB香港及若干不屬於本集團的KVB Holdings附屬公司各自的執行董事及負責人員之一。此外，吳先生分別為LXL Capital IV Limited、LXL Capital V Limited、LXL Capital VIII Limited、LXL Capital IX Limited及Yorkastle Capital Limited的董事。

Mr. Ng has over 32 years of experience in the financial services industry. Before joining the Group, Mr. Ng had worked at corporations in Hong Kong, Toronto, Tokyo, Singapore and Shanghai. From 2002 to 2006, Mr. Ng was the managing partner of Quantitative Asset Management Group which was engaged in asset management and he was responsible for managing and overseeing daily operations including all trade execution and reconciliation. From June 1992 to January 2002, Mr. Ng was employed with Credit Agricole Group (a banking group based in France) and served in various positions including vice president and regional forex manager – North Asia, senior vice president and head of forex trading hub – Asia, treasurer – China, and head of sales of Greater China and assistant general manager of capital markets. From October 1978 to January 1992, Mr. Ng was employed with the Royal Bank of Canada and last held the position of forex manager. Mr. Ng is a member of the Institute of Public Accountants, Australia and a certified member of the Institute of Certified Management Accountants, Australia. Mr. Ng was appointed as a Director on 15 April 2011.

吳先生於金融服務行業積逾32年經驗。加入本集團前，吳先生曾於香港、多倫多、東京、新加坡及上海企業工作。於二零零二年至二零零六年，吳先生為Quantitative Asset Management Group（從事資產管理）的經營夥伴，負責管理及監察日常營運（包括全部貿易執行及對賬）。於一九九二年六月至二零零二年一月，吳先生在Credit Agricole Group（總部位於法國的銀行集團）任職並擔任多項職務，包括北亞副總裁及區域外匯經理、亞洲高級副總裁及外匯交易中心主任、中國司庫及大中華銷售總監以及資本市場助理總經理。於一九七八年十月至一九九二年一月，吳先生在加拿大皇家銀行任職，並於離職前擔任外匯經理職務。吳先生為澳洲會計師公會的會員及澳洲特許管理會計師公會的特許成員。吳先生於二零一一年四月十五日獲委任為董事。

NON-EXECUTIVE DIRECTORS

Mr. LI Zhi Da (李志達先生), aged 63, is the Chairman of the board of Directors. Mr. Li is one of the founders of the Group and one of the substantial shareholders of the Company. Mr. Li was a director of each of KVB Kunlun New Zealand Limited and KVB HK since their respective incorporation until May 2009 and June 2009, respectively. Mr. Li is also a director of each of KVB Holdings, LXL Capital I Limited and LXL Capital II Limited. Mr. Li was the legal representative of a private company engaged in the business of production and sales of cosmetics in the PRC, including the brand "Mininurse". Since the disposal of the cosmetics business in December 2003, Mr. Li has diversified his investments into other business areas including tourism business in the PRC. Mr. Li obtained his master's degree in project management from the Zhejiang University (浙江大學) in March 1994. Mr. Li was appointed as a Director on 30 August 2011.

非執行董事

李志達先生，63歲，為董事會主席。李先生為本集團創辦人之一及本公司主要股東之一。李先生自KVB Kunlun New Zealand Limited及KVB香港註冊成立日期起分別擔任該等公司之董事至二零零九年五月及二零零九年六月。李先生亦分別為KVB Holdings、LXL Capital I Limited及LXL Capital II Limited的董事。李先生曾任一間在中國從事生產及銷售化妝品業務（包括「小護士」品牌）的私營公司的法定代表。李先生自於二零零三年十二月出售化妝品業務以來，已將其投資分散至其他業務領域，包括中國旅遊業務。李先生於一九九四年三月取得浙江大學項目管理碩士學位。李先生於二零一一年八月三十日獲委任為董事。

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT
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Mr. Stephen Gregory McCOY, aged 64, joined the Group in October 2006 as the senior manager of operations and was later appointed the country manager of Australia in 2008. Mr. McCoy is also a director of KVB Kunlun Pty Ltd and LXL Capital III Limited. Mr. McCoy is also a director of other subsidiaries of KVB Holdings which do not belong to the Group. Before joining the Group, Mr. McCoy worked at Arab Bank Australia Limited as an internal auditor from May 2002 to December 2003 and later as the head of operations from January 2004 to October 2006 and was responsible for managing the operations department of the bank including treasury settlements, retail operations, loan administration, office administration, trade finance and product compliance in line with regulatory authorities and policies and procedures of the bank and before that, Mr. McCoy worked at Westpac Banking Corporation for over 30 years from February 1969 to April 2001 and last held the position of manager of operational risk. With the previous and current positions held by Mr. McCoy in the Group and other companies, Mr. McCoy has obtained over 44 years of combined experience in the financial services industry which is relevant to the operation and development of the Group. Mr. McCoy was appointed as a Director on 15 April 2011.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. ZHAO Guixin (趙桂馨女士), aged 53, joined the Group in April 2011. From June 2005 to July 2007, Ms. Zhao worked at Tianjin Jiandu Investment & Development Co. Ltd. (天津建都投資發展有限公司) which was engaged in property and investment and she was responsible for providing consultation services in project financing, cooperation in public affairs and international investment matters. From May 2003 to August 2007, Ms. Zhao also provided consultation services in finance and investment related matters to Tianjin Wanhe Investment & Development Co. Ltd. (天津萬和投資發展有限公司) which was engaged in property and investment. From July 2001 to October 2003, Ms. Zhao was appointed as the general manager of the audit department of China Citic Bank, Tianjin branch and was responsible for managing the overall performance of the audit department, implementing policies and procedures and other management work. Ms. Zhao has over 24 years of experience in accounting and auditing matters including but not limited to financial analysis, financial management, asset management, assessment and auditing of financial positions and involvement in financial and auditing decision making process. Ms. Zhao completed the course in economics and management organised by the Party School of Central Committee of the Communist Party

Stephen Gregory McCOY先生，64歲，於二零零六年十月加入本集團擔任營運部高級經理，其後於二零零八年獲委任為澳洲區域經理。McCoy先生亦為KVB Kunlun Pty Ltd及LXL Capital III Limited的董事。McCoy先生亦為其他不屬於本集團的KVB Holdings附屬公司的董事。加入本集團前，McCoy先生於二零零二年五月至二零零三年十二月在Arab Bank Australia Limited擔任內部核數師，隨後於二零零四年一月至二零零六年十月出任營運部主管，負責管理銀行營運部門，包括財務結算、零售業務、貸款管理、行政管理、貿易融資及產品合規(符合監管機構以及銀行政策及程序的規定)，而在此之前，McCoy先生於一九六九年二月至二零零一年四月於Westpac Banking Corporation任職逾30年及隨後出任營運風險經理一職。憑藉McCoy先生先前及現時於本集團及其他公司所擔任的職務，McCoy先生於有關本集團營運及發展的金融服務行業獲得逾44年的綜合經驗。McCoy先生於二零一一年四月十五日獲委任為董事。

獨立非執行董事

趙桂馨女士，53歲，於二零一一年四月加入本集團。趙女士曾於二零零五年六月至二零零七年七月期間在天津建都投資發展有限公司(從事物業及投資)任職，負責提供項目融資、公共事務合作及國際投資事項方面的諮詢服務。趙女士亦於二零零三年五月至二零零七年八月期間向天津萬和投資發展有限公司(從事物業及投資)提供金融及投資相關事項的諮詢服務。於二零零一年七月至二零零三年十月，趙女士獲委任為中信銀行天津分行審計部總經理，負責管理審計部門的整體表現、實施政策及程序以及其他管理工作。趙女士於(包括但不限於)財務分析、財務管理、資產管理、評估及審核財務狀況以及參與財務及審計決策方面累積逾24年會計及審計經驗。趙女士於一九九六年十二月完成中共中央黨校組織的經

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of China (中共中央黨校) in December 1996. Ms. Zhao further completed the course in business administration organised by Nankai University (南開大學) in September 1999 and obtained her master's degree in arts in international relations in economy and trade from The Flinders University of South Australia in October 2002. Ms. Zhao was assessed and awarded the qualification of accountant by the Tianjin branch of the Bank of China in 1992. Ms. Zhao was appointed as a Director on 15 April 2011.

濟及管理課程。趙女士另於一九九九年九月完成南開大學開設的商務管理課程，並於二零零二年十月獲得The Flinders University of South Australia國際經濟與貿易關係文學碩士學位。於一九九二年，中國銀行天津分行對趙女士進行評估並授予其會計師資格。趙女士於二零一一年四月十五日獲委任為董事。

Mr. Cornelis Jacobus KEYSER, aged 59, first joined the Group in December 2003 as a senior consultant. In June 2005, he was appointed as the joint Group managing director (group operations and treasury) and managing director (designate proposed banking division) and held that position until he left the Group in April 2008. Since March 2003, Mr. Keyser has been a director of Keyser Merchant & Capital Finance (New Zealand) Limited which is engaged in the provision of consultation services and he is responsible for managing all aspects of such company and acts as a consultant. From July 1999 to August 2002, Mr. Keyser held the position of group treasurer to Gensec Ltd. and Gensec Bank. From September 1996 to March 1997, Mr. Keyser worked at the Swabou Building Society Group of Companies as the group managing director and was responsible for the operations of the group. From May 1990 to August 1992, Mr. Keyser was appointed the managing director of Keyser Trading (Pty) Limited and from September 1992 to June 1999, he was appointed the managing director of Keyser Merchant and Capital Finance (Pty) Limited. Mr. Keyser is a chartered member of the Institute of Directors in New Zealand Inc. and a member of the Australian Institute of Company Directors. Mr. Keyser has over 24 years of experience in the financial industry. Mr. Keyser obtained his bachelor's degree in industrial psychology, his honours degree in economics (Cum laude) and his master's degree in economics (Cum laude) from the Rand Afrikaans University in April 1981, April 1982 and April 1983, respectively. Mr. Keyser was appointed as a Director on 15 April 2011.

Cornelis Jacobus KEYSER先生，59歲，於二零零三年十二月首次加入本集團出任高級顧問。於二零零五年六月，彼獲委任為聯席集團董事總經理(集團營運及財政)及董事總經理(指定提議銀行部)，直至二零零八年四月於本集團離職為止。Keyser先生自二零零三年三月起一直擔任Keyser Merchant & Capital Finance (New Zealand) Limited(從事提供諮詢服務)董事，負責管理該公司的全面事務並擔任顧問。Keyser先生於一九九九年七月至二零零二年八月擔任Gensec Ltd.及Gensec Bank的集團司庫。Keyser先生亦於一九九六年九月至一九九七年三月擔任Swabou Building Society Group of Companies的集團董事總經理，負責集團的營運。於一九九零年五月至一九九二年八月，Keyser先生獲委任為Keyser Trading (Pty) Limited的董事總經理；於一九九二年九月至一九九九年六月，彼擔任Keyser Merchant and Capital Finance (Pty) Limited的董事總經理。Keyser先生為Institute of Directors in New Zealand Inc特許成員及澳洲企業董事協會會員。Keyser先生於金融行業方面積逾24年經驗。Keyser先生分別於一九八一年四月、一九八二年四月及一九八三年四月獲得Rand Afrikaans University工業心理學學士學位、經濟學(優等)榮譽學位及經濟學(優等)碩士學位。Keyser先生於二零一一年四月十五日獲委任為董事。

Mr. LIN Wenhui (林文輝先生), aged 38, joined the Group in July 2011. Mr. Lin is currently the audit director of Fujian Yango Holdings Group Limited (福建陽光集團有限公司). With effect from 1 July 2014, Mr. Lin is temporarily transferred to the Board of Supervisors of SAC in the State Council for the inspection of enterprises directly under the central government. He was an audit manager of Deloitte Touche Tohmatsu in Beijing from September 2011 to August 2016. From April 2009 to September 2011, Mr. Lin was a manager of

林文輝先生，38歲，於二零一一年七月加入本集團。林先生目前於福建陽光集團有限公司擔任審計總監。自二零一四年七月一日開始，林先生被臨時借調到國務院國資委對中央直屬企業進行監察。於二零一一年九月至二零一六年八月期間，彼曾於德勤•關黃陳方會計師行北京分行擔任審核經理。林先生自二零零九年四月至二零一一年九月擔任中瑞岳華會計師事務

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RSM China Certified Public Accountants (中瑞岳華會計師事務所). Mr. Lin served as a project manager in the taxation and accounting services department of Reanda Certified Public Accountants (利安達會計師事務所有限責任公司) from September 2004 to March 2006 and a manager assistant in the audit department of the same firm from April 2006 to December 2008. From August 2002 to September 2004, Mr. Lin worked in the accounting department of the head company of the Beijing Shougang Oxygen Plant (北京首鋼氧氣廠) which was engaged in the production and sales of oxygen and other gases for industrial enterprises. Mr. Lin obtained his bachelor's degree in accounting from the Harbin University of Commerce (哈爾濱商業大學) in July 2002. Mr. Lin obtained his certificate of accounting professional from the Finance Bureau of Beijing (北京市財政局) in June 2003 and passed the PRC's national accounting examinations and was awarded the certificate issued by the Committee of the Registered Accountant Examination of the Ministry of Finance (財政部註冊會計師考試委員會) in April 2005. Mr. Lin has been a member of the Chinese Institute of Certified Public Accountants recognised by the Ministry of Finance of the PRC (中華人民共和國財政部) since April 2008. Mr. Lin was appointed as a Director on 16 July 2011.

COMPANY SECRETARY

Mr. WONG Yiu Kit, Ernest (黃耀傑先生) is the Chief Financial Officer and the Company Secretary of the Company. Mr. Wong has extensive experience in venture capital, corporate finance, business development, legal, IT, financial and general management. Mr. Wong has been the President and Group Chief Financial Officer of KVB Kunlun Holdings Limited since November 2011. Previously he was the Executive Director and Chief Financial Officer of China Private Equity Investment Holdings Limited which is listed on London AIM market. He was in charge of the private equity investment, portfolio management, corporate finance activities including fund raising and initial public offering, financial management, legal services, IT and company secretarial work. Before that, Mr. Wong was the Chief Financial Officer for Hong Kong Applied Science and Technology Research Institute Company Limited ("ASTRI") and held management responsibilities for its overall financial, legal, IT, business development and corporate finance functions. Before joining ASTRI, Mr. Wong was the vice president for Vertex Management Pte Ltd (now known as Vertex Venture Holdings Ltd), focusing in venture investment in communications, IT and electronics sectors. Previously, he also held management positions at Guangdong Investment Ltd., Transpac Capital Limited and Accenture.

所經理。於二零零四年九月至二零零六年三月及於二零零六年四月至二零零八年十二月，林先生分別擔任利安達會計師事務所有限責任公司税務及會計服務部項目經理以及該公司審計部經理助理。林先生於二零零二年八月至二零零四年九月在北京首鋼氧氣廠總公司(從事工業企業的氧氣及其他氣體的生產及銷售)會計部任職。林先生於二零零二年七月獲得哈爾濱商業大學會計學學士學位。林先生於二零零三年六月獲得北京市財政局頒發的會計從業資格證書，且於二零零五年四月通過中國國家會計考試並獲財政部註冊會計師考試委員會頒證。林先生自二零零八年四月起為中華人民共和國財政部認可之中國註冊會計師協會會員。林先生於二零一一年七月十六日獲委任為董事。

公司秘書

黃耀傑先生為本公司首席財務官及公司秘書。黃先生於創業投資、企業財務、業務發展、法律、信息技術、財務及一般管理方面有豐富經驗。黃先生於二零一一年十一月開始為KVB Kunlun Holdings Limited總裁及集團首席財務官。在此前，黃先生為福泰中國投資控股有限公司(於倫敦另類投資市場上市)的執行董事及財務總裁。彼負責私募投資、投資組合管理、企業財務包括集資及首次公開發售、財務管理、法律事務、信息技術及公司秘書事宜。於此前，黃先生為香港應用科技研究院有限公司(「應科院」)的財務總監，負責其整體財務、法律、信息技術、業務發展及企業融資。加入應科院前，黃先生是祥豐投資私人有限公司(現稱為祥峰投資控股有限公司)的副總裁，專職於通訊、資訊科技及電子業務的創業投資。在此之前，他於粵海投資有限公司、匯亞資金管理有限公司以及埃森哲擔任管理職務。

Mr. Wong earned his Bachelor of Business Administration degree from the University of Hong Kong, received his Master of Science in investment management from the Hong Kong University of Science and Technology and Master of Science in Electronic Engineering from the Chinese University of Hong Kong. Mr. Wong is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants, United Kingdom; and is an associate member of the Institute of Chartered Accountants in England and Wales. He is also a charter-holder of Chartered Financial Analyst, United States of America and a member of the Hong Kong Security Institute.

黃先生於香港大學獲得工商管理學學士學位，於香港科技大學及香港中文大學分別考獲投資管理學理學碩士及電子工程碩士學位。黃先生為香港會計師公會及英國特許公認會計師公會資深會員、英格蘭和威爾士特許會計師公會會員、美國特許財務分析師，及香港證券專業學會會員。

OTHER SENIOR MANAGEMENT

Ms. ZHANG Rongjun (張溶君女士) is the regional financial controller of New Zealand and Australia of the Group. Ms. Zhang joined the Group in December 2002 as the financial controller. Ms. Zhang has also been a director of KVB NZ since May 2009. From December 1997 to July 2002, Ms. Zhang served as a senior accountant at HWI Limited Chartered Accountants and was responsible for preparing financial statements and tax returns and providing tax advice. Ms. Zhang has over 19 years of experience in accounting matters in New Zealand. Ms. Zhang obtained her bachelor's degree in accounting from the Unitec Institute of Technology in April 2000. Ms. Zhang has been a member of the Institute of Chartered Accountants of New Zealand since January 2002.

其他高級管理層

張溶君女士為本集團紐西蘭及澳洲地區財務總監。張女士於二零零二年十二月加入本集團出任財務總監。張女士自二零零九年五月起亦擔任KVB紐西蘭的董事。張女士於一九九七年十二月起至二零零二年七月曾於HWI Limited Chartered Accountants出任高級會計師，負責編製財務報表及報稅表以及提供稅務意見。張女士於紐西蘭會計事項方面積逾19年經驗。張女士於二零零零年四月獲得紐西蘭國立理工學院會計學學士學位。張女士自二零零二年一月起成為紐西蘭特許會計師協會會員。

Mr. HUANG Songyuan (黃頌源先生) is the director of global margin business. Mr. Huang is also responsible for the management of investment business of the Group, including foreign exchange, commodities and equities business. He is currently one of the responsible officers of KVB HK and KVB AU, and a director and managing principal of KVB NZ. Mr. Huang joined the Group in August 2002 as an executive accountant of KVB NZ and was responsible for general accounting duties, book-keeping and financial reports. Mr. Huang was the manager of treasury strategy of KVB NZ and was responsible for the implementation of its dealing system and the day-to-day running of its global forex dealing operations and all its associated financial management. Mr. Huang obtained his bachelor's degree in accounting from the Sun Yat-Sen University (中山大學) in June 1999, his master's degree in international business from the Auckland Institute of Studies

黃頌源先生為本集團全球保證金業務總監。黃先生亦管理本集團的投資業務，包括外匯、商品及股票業務。彼目前為KVB香港及KVB澳洲的負責人之一，且為KVB紐西蘭的董事兼主要管理人員。黃先生於二零零二年八月加入本集團出任 KVB紐西蘭的行政會計師，負責一般會計職務、記賬及財務報告。黃先生曾為KVB紐西蘭的財務策略經理，負責執行交易系統及全球外匯交易業務的日常運作以及所有相關財務管理。黃先生於一九九九年六月獲得中山大學會計學學士學位、於二零零零年十二月獲得紐西蘭奧克蘭商學院國際商務碩士學位、及於二

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at St. Helens, New Zealand in December 2000 and his graduate diploma in commerce from the University of Auckland in May 2002. Mr. Huang became a chartered financial analyst of the CFA Institute in September 2006. Mr. Huang has been a member of the Institute of Directors in New Zealand since 2015.

零零二年五月獲得奧克蘭大學商業深造文憑。黃先生於二零零六年九月成為CFA Institute的特許金融分析師。黃先生自二零一五起成為紐西蘭董事協會會員。

Mr. SO Chi Hang Stephen (蘇志恒先生) is the head of investment of KVB AU. Mr. So joined the Group in May 2003 as a senior sales executive of margin forex of KVB AU. He has been the Responsible Manager (RM) of the Australian Financial Services License (AFSL) for the company since then. Mr. So is at present a director of KVB AU. Before joining the Group, Mr. So worked at The Hong Kong Chinese Bank, Limited and Lippo Securities Holdings Limited from March 1994 to December 2002 and was responsible for providing investment advice and dealing with private clients and retail clients, first as a senior investment consultant in The Hong Kong Chinese Bank, Limited and thereafter as a senior manager of the global investment division of Lippo Securities Holdings Limited. Mr. So has over 24 years of experience in advising clients on financial products ranging from securities, indices and stock futures and options, foreign exchanges and other derivatives financial products. Mr. So obtained his bachelor of arts degree (Economics) from the University of Sydney, Australia in April 1992. Mr. So also obtained the diploma in financial services issued by the Australian Financial Markets Association in 2003.

蘇志恒先生為KVB澳洲投資主管。蘇先生於二零零三年五月加入本集團出任KVB澳洲外匯保證金業務高級銷售主任。彼自此擔任該公司的澳大利亞金融服務執照(AFSL)負責經理。蘇先生現為KVB澳洲的董事。加入本集團前，蘇先生於一九九四年三月至二零零二年十二月曾於香港華人銀行有限公司及力寶證券有限公司工作，負責提供投資意見及與私人客戶及零售客戶交易，起初擔任香港華人銀行有限公司的高級投資顧問，隨後擔任力寶證券有限公司的環球投資部高級經理。蘇先生於就金融產品(包括證券、指數、股票期貨、期權、外匯及其他衍生金融產品等)向客戶提供意見方面積逾24年經驗。蘇先生於一九九二年四月獲得澳洲悉尼大學文學士(經濟)學位。蘇先生亦於二零零三年獲澳洲金融市場協會頒發金融服務文憑。

CORPORATE GOVERNANCE REPORT
企業管治報告

KVB Kunlun Financial Group Limited (the "Company", together with its subsidiaries, the "Group") is committed to high standards of corporate governance in the interest of its shareholders and other stakeholders. It has continued and will continue to identify and adopt the best corporate governance practices appropriate to the Company.

昆侖國際金融集團有限公司(「本公司」,連同其附屬公司統稱「本集團」)致力於高標準的企業管治以符合其股東和其他利益相關者的利益。本公司將繼往開來竭力制定及採取適合本公司的最佳企業管治規則。

CORPORATE GOVERNANCE CODE

During the year ended 31 December 2016, the Company has complied with all code provisions as set out in the Corporate Governance Code (the "CG Code") contained in Appendix 15 to the Rules Governing the Listing of Securities (the "GEM Listing Rules") on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), except for the following deviations:

企業管治守則

截至二零一六年十二月三十一日止年度,本公司已遵守香港聯合交易所有限公司(「聯交所」)創業板證券上市規則(「創業板上市規則」)附錄15所載企業管治守則(「企業管治守則」)的所有守則條文,惟下列偏離者除外:

Pursuant to code provision A.2.7 of the CG Code, the chairman should at least annually hold meetings with the non-executive directors (including independent non-executive directors) without the executive directors present. The Chairman did not hold any meeting with non-executive Directors (including independent non-executive Directors) without the executive Directors present in 2016 due to the tight schedule of the Chairman. In the absence of the Chairman, the Chief Executive Officer is in the position to facilitate the effective contribution of non-executive Directors (including independent non-executive Directors), and ensure their views are communicated and heard by the Board.

根據企業管治守則第A.2.7條之守則條文,主席應至少每年與非執行董事(包括獨立非執行董事)舉行一次沒有執行董事出席的會議。於二零一六年,主席並無在執行董事不在場之情況下,與非執行董事(包括獨立非執行董事)舉行任何會議,原因為主席日程緊迫。除主席以外,行政總裁會負責促進非執行董事(包括獨立非執行董事)作出實質貢獻,並確保將彼等之見解向董事會轉達及獲董事會知悉。

Pursuant to 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. At the annual general meeting of the Company held on 12 May 2016, Ms. Zhao Guixin, an independent non-executive Director, was unable to attend that meeting due to health reason.

根據企業管治守則第A.6.7條之守則條文,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本公司於二零一六年五月十二日舉行的股東週年大會。

Pursuant to code provision E.1.2 of the CG Code, the chairman of the board should attend the annual general meeting. At the annual general meeting of the Company held on 12 May 2016, Mr. Li Zhi Da, the Chairman and a non-executive Director, was unable to attend that meeting due to health reason.

根據企業管治守則第E.1.2條之守則條文,董事會主席應出席股東週年大會。由於健康理由,主席兼非執行董事李志達先生未能出席本公司於二零一六年五月十二日舉行的股東週年大會。

CORPORATE GOVERNANCE REPORT
企業管治報告

BOARD OF DIRECTORS

The board (the "Board") of directors of the Company (the "Directors") is responsible for the formulation of strategies and policies, including an oversight of the management. The management of the Company is responsible for the day-to-day operations of the Company under the leadership of the Chief Executive Officer.

As at 31 December 2016, the Board comprised seven Directors, including (i) two executive Directors, namely, Mr. Liu Stefan (as Chief Executive Officer) and Mr. Ng Chee Hung Frederick; (ii) two non-executive Directors, namely, Mr. Li Zhi Da (as Chairman) and Mr. Stephen Gregory McCoy; and (iii) three independent non-executive Directors, namely, Ms. Zhao Guixin, Mr. Cornelis Jacobus Keyser and Mr. Lin Wenhui. The Company has fulfilled the requirement of Rule 5.05 of the GEM Listing Rules that at least one of the independent non-executive Directors must have appropriate professional qualifications or accounting or related financial management expertise.

Each executive Director has entered into a service agreement with the Company for a specific term, and his term of office is subject to retirement by rotation and re-election in accordance with the articles of association of the Company and the GEM Listing Rules. For all non-executive Directors and independent non-executive Directors, the term of them has been fixed at 3 years and they are also subject to retirement by rotation and re-election in accordance with the articles of association of the Company and the GEM Listing Rules.

There is no relationship (including financial, business, family or material/relevant relationships) among members of the Board.

The biographical details of the Directors are set out in the section of ''Biographies of Directors and Senior Management'' on pages 14 to 20 of this annual report.

董事會

本公司董事(「董事」)會(「董事會」)負責制訂本公司的策略及政策,包括監管管理層的工作。在行政總裁的帶領下,本公司管理層負責本公司的日常運作。

於二零一六年十二月三十一日,董事會由七名董事組成,包括(i)兩名執行董事劉欣諾先生(行政總裁)及吳棋鴻先生;(ii)兩名非執行董事李志達先生(主席)及Stephen Gregory McCoy先生;及(iii)三名獨立非執行董事趙桂馨女士、Cornelis Jacobus Keyser先生及林文輝先生。本公司已符合創業板上市規則第5.05條有關最少一名獨立非執行董事須擁有適當專業資格或會計或相關財務管理專業知識之規定。

各執行董事均已與本公司訂立具有特定年期的服務協議,惟其須根據本公司之組織章程細則及創業板上市規則輪值退任及膺選連任。就所有非執行董事及獨立非執行董事而言,彼等的任期固定為三年,而彼等亦須根據本公司之組織章程細則及創業板上市規則輪值退任及膺選連任。

董事會成員之間概無任何關係(包括財務、業務、親屬或重大/相關關係)。

董事履歷詳情載於本年報第14頁至20頁「董事及高級管理層履歷」一節。

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

In determining the independence of the independent non-executive Directors, the Board has followed the requirements as set out in the GEM Listing Rules. The Company has received from each of the independent non-executive Directors an annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules. Based on such confirmation, the Company is of the view that all the independent non-executive Directors have met the independence guidelines set out in Rule 5.09 of the GEM Listing Rules and considers that they are independent.

獨立非執行董事的獨立性

董事會已按照創業板上市規則的規定，確定獨立非執行董事的獨立性。本公司已經收到每名獨立非執行董事根據創業板上市規則第5.09條的規定作出的有關其獨立性的年度確認。根據有關確認，本公司認為所有獨立非執行董事均已遵守創業板上市規則第5.09條所列明的獨立指引，並認為彼等均為獨立人士。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Pursuant to the code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Chairman of the Board is responsible for the leadership and effective running of the Board, and for ensuring that all key and appropriate issues are discussed by the Board in a timely and constructive manner, while the Chief Executive Officer, supported by other members of the Board and the senior management, is responsible for the day-to-day management of the Group's business, including the implementation of major strategies and initiatives adopted by the Group. The roles of the Chairman of the Board and the Chief Executive Officer are assumed by Mr. Li Zhi Da, a non-executive Director, and Mr. Liu Stefan, an executive Director, respectively.

主席及行政總裁

根據企業管治守則第A.2.1條之守則條文，主席與行政總裁的角色應有區分，並不應由一人同時兼任。董事會主席負責領導董事會並使其有效運作，確保董事會適時及以建設性之方式討論所有重要及適當事宜，而行政總裁在其他董事會成員及高級管理層支援下，負責本集團之日常業務管理，包括實行本集團所採納之主要策略及措施。董事會主席及行政總裁的角色分別由非執行董事李志達先生及執行董事劉欣諾先生擔任。

RE-ELECTION OF RETIRING DIRECTORS

Pursuant to the articles of association of the Company, at each annual general meeting, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years. All the retiring Directors shall be eligible for re-election. A circular which includes the biographical details of the retiring Directors who stand for re-election together with the notice of annual general meeting of the Company will be despatched to the shareholders of the Company in due course.

重選退任董事

根據本公司之組織章程細則，於各股東週年大會上，當時三分之一之董事(或倘董事人數並非三或三之倍數，則為最接近但不得少於三分之一)須輪值退任，惟每名董事(包括獲委任特定年期之董事)最少每三年須輪值退任一次。所有退任董事均符合資格膺選連任。載有擬重選的退任董事的履歷詳情，連同本公司股東週年大會通告的通函將於適當時候寄予本公司股東。

CORPORATE GOVERNANCE REPORT
企業管治報告

BOARD AND GENERAL MEETINGS ATTENDANCE

The Board meets regularly and at least four times a year at approximately quarterly intervals. Between scheduled meetings, senior management of the Company from time to time meets with Directors to discuss the businesses of the Group. In addition, Directors have full access to information on the Group and independent professional advice whenever deemed necessary by the Directors.

During the year ended 31 December 2016, the Board held eight board meetings and the Company held two general meetings, and the attendance records of these meetings are set out below:

董事會及股東大會出席情況

董事會定期開會，並每年最少舉行四次會議，約每季度一次。在已編定會期之間，本公司的高級管理層會不時和董事開會討論本集團的經營情況。此外，董事可於其認為需要時取得本集團資料及獨立的專業意見。

截至二零一六年十二月三十一日止年度，董事會共舉行了八次董事會會議，本公司舉行了兩次股東大會，該等會議的出席紀錄載列如下：

		Board Meetings Attended/Eligible to Attend 董事會會議出席次數／合資格出席次數	AGM Held on 12 May 2016 Attended 出席於2016年5月12日舉行之股東週年大會	EGM Held on 26 September 2016 Attended 出席於2016年9月26日舉行之股東特別大會
Executive Directors	**執行董事**			
Mr. Liu Stefan *(Chief Executive Officer)*	劉欣諾先生*(行政總裁)*	5/5	1/1	N/A
Mr. Ng Chee Hung Frederick	吳棋鴻先生	8/8	1/1	1/1
Non-executive Directors	**非執行董事**			
Mr. Li Zhi Da *(Chairman)*	李志達先生*(主席)*	0/5	0/1	N/A
Mr. Stephen Gregory McCoy	Stephen Gregory McCoy先生	8/8	1/1	1/1
Independent Non-executive Directors	**獨立非執行董事**			
Ms. Zhao Guixin	趙桂馨女士	8/8	0/1	1/1
Mr. Cornelis Jacobus Keyser	Cornelis Jacobus Keyser先生	8/8	1/1	1/1
Mr. Lin Wenhui	林文輝先生	8/8	1/1	1/1

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Directors and officers are indemnified under a directors' and officers' liability insurance against any liability incurred by them in the discharge of their duties while holding office as the Directors and officers of the Company.

董事及高級職員的責任保險

董事及高級職員按董事及高級職員責任保險獲得彌償保證，以保障彼等擔任本公司董事及高級職員履行職責時所產生的任何責任。

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding securities transactions in securities of the Company by the Directors.

董事進行的證券交易

本公司已採納載列於創業板上市規則第5.48條至5.67條規定的交易準則作為董事進行本公司證券交易的行為守則。

Having made specific enquiry with the Directors, all the Directors confirmed that they had complied with the required standard of dealings and the code of conduct regarding securities transactions during the year ended 31 December 2016.

經向各董事作出具體查詢後，所有董事確認，彼等於截至二零一六年十二月三十一日止年度已遵守進行證券交易所規定之交易準則及行為守則。

DIRECTORS' CONTINUOUS TRAINING AND PROFESSIONAL DEVELOPMENT

董事持續培訓及專業發展

Pursuant to the code provision A.6.5 of the CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills so as to ensure their contribution to the Board remains informed and relevant. The Company should be responsible for arranging and funding suitable training, placing an appropriate emphasis on the roles, functions and duties of the Director.

根據企業管治守則第A.6.5條之守則條文，全體董事應參加持續專業發展，以發展及更新彼等的知識及技能，以確保彼等向董事會作出知情及恰當的貢獻。本公司應負責安排及資助合適培訓，適切著重董事的角色、職能及責任。

During the year ended 31 December 2016, the Company has arranged an in-house seminar for and/or provided relevant training materials to the Directors. A summary of the record of training received by the Directors is as follows:

截至二零一六年十二月三十一日止年度，本公司安排了一場內部研討會及／或提供了相關的培訓資料予董事。董事接受培訓的紀錄概要如下：

		Training on Corporate Governance Regulatory Development and/or Other Suitable Topics 有關企業管治、監管發展及／或其他合適主題之培訓
Executive Directors	**執行董事**	
Mr. Liu Stefan *(Chief Executive Officer)*	劉欣諾先生*(行政總裁)*	✓
Mr. Ng Chee Hung Frederick	吳棋鴻先生	✓
Non-executive Directors	**非執行董事**	
Mr. Li Zhi Da *(Chairman)*	李志達先生*(主席)*	✗
Mr. Stephen Gregory McCoy	Stephen Gregory McCoy先生	✓
Independent Non-executive Directors	**獨立非執行董事**	
Ms. Zhao Guixin	趙桂馨女士	✓
Mr. Cornelis Jacobus Keyser	Cornelis Jacobus Keyser先生	✓
Mr. Lin Wenhui	林文輝先生	✓

Mr. Li Zhi Da, the Chairman of the Board, did not attend the in-house seminar arranged by the Company. He confirmed that he had read the training materials provided by the Company in order to keep abreast with the GEM Listing Rules and other regulatory requirements.

董事會主席李志達先生並無出席由本公司安排之內部研討會。彼已確認，彼已閱讀本公司所提供之培訓資料，以了解創業板上市規則及其他監管要求。

CORPORATE GOVERNANCE REPORT
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REMUNERATION COMMITTEE

The Company established a remuneration committee (the "Remuneration Committee") on 18 December 2012 in compliance with Rule 5.34 of the GEM Listing Rules. Written terms of reference in compliance with paragraph B.1.2 of the CG Code has been adopted. The primary duties of the Remuneration Committee are to evaluate the performance and determine the remuneration packages of the Directors and the senior management of the Group, and evaluate the performance and make recommendations on any other employee benefit arrangement.

The Remuneration Committee consists of three independent non-executive Directors, namely, Ms. Zhao Guixin, Mr. Cornelis Jacobus Keyser and Mr. Lin Wenhui. Ms. Zhao Guixin is the chairman of the Remuneration Committee.

During the year ended 31 December 2016, the Remuneration Committee held three meetings. Details of the attendance of the Remuneration Committee meetings during the year ended 31 December 2016 are set out below:

薪酬委員會

本公司於二零一二年十二月十八日根據創業板上市規則第5.34條成立薪酬委員會(「薪酬委員會」)。書面職權範圍符合企業管治守則第B.1.2段規定並已獲採納。薪酬委員會的主要職責為評估本集團董事及高級管理層的表現及釐定彼等的薪酬待遇，以及就任何其他僱員福利安排評估表現及作出建議。

薪酬委員會包括三名獨立非執行董事，即趙桂馨女士、Cornelis Jacobus Keyser先生及林文輝先生。趙桂馨女士為薪酬委員會主席。

截至二零一六年十二月三十一日止年度，薪酬委員會舉行了三次會議。截至二零一六年十二月三十一日止年度的薪酬委員會會議的出席紀錄載列如下：

		Attended/Eligible to Attend 出席次數／合資格出席次數
Ms. Zhao Guixin *(Chairman)*	趙桂馨女士*(主席)*	3/3
Mr. Cornelis Jacobus Keyser	Cornelis Jacobus Keyser先生	3/3
Mr. Lin Wenhui	林文輝先生	3/3

During the year ended 31 December 2016, the Remuneration Committee has considered and recommended to the Board (i) the salary increment for the Directors and the senior management of the Company in 2016; (ii) the renewal of service agreements and letters of appointment for the executive Directors and non-executive Directors; and (iii) the grant of share options to the Directors, the senior management and other eligible participants under the share option scheme of the Company adopted by the shareholders pursuant to a written resolution dated 3 June 2013.

截至二零一六年十二月三十一日止年度，薪酬委員會已考慮並建議董事會(i)提高本公司董事及高級管理層於二零一六年的薪酬；(ii)更新執行董事及非執行董事之服務協議及委聘書；及(iii)根據股東依據日期為二零一三年六月三日之書面決議案所採納之本公司購股權計劃，授予董事、高級管理層及其他合資格參與者購股權。

NOMINATION COMMITTEE

The Company established a nomination committee (the "Nomination Committee") on 18 December 2012. Written terms of reference in compliance with paragraph A.5.2 of the CG Code has been adopted. The primary duties of the Nomination Committee are to review the structure, size and composition of the Board on a regular basis and make recommendations to the Board regarding nomination of suitable candidate to fill vacancies in the Board.

The Nomination Committee consists of three independent non-executive Directors, namely, Ms. Zhao Guixin, Mr. Cornelis Jacobus Keyser and Mr. Lin Wenhui. Ms. Zhao Guixin is the chairman of the Nomination Committee.

During the year ended 31 December 2016, the Nomination Committee held two meetings. Details of the attendance of the Nomination Committee meetings are set out below:

提名委員會

本公司於二零一二年十二月十八日成立提名委員會(「提名委員會」)。書面職權範圍符合企業管治守則第A.5.2段規定並已獲採納。提名委員會的主要職責為定期檢視董事會的架構、規模及組成，並就提名合適人選以填補董事會空缺向董事會作出建議。

提名委員會包括三名獨立非執行董事，即趙桂馨女士、Cornelis Jacobus Keyser先生及林文輝先生。趙桂馨女士為提名委員會主席。

截至二零一六年十二月三十一日止年度，提名委員會舉行了兩次會議。提名委員會會議的出席紀錄載列如下：

		Attended/Eligible to Attend 出席次數／合資格出席次數
Ms. Zhao Guixin *(Chairman)*	趙桂馨女士*(主席)*	2/2
Mr. Cornelis Jacobus Keyser	Cornelis Jacobus Keyser先生	2/2
Mr. Lin Wenhui	林文輝先生	2/2

During the year ended 31 December 2016, the Nomination Committee considered and reviewed the independence of the independent non-executive Directors, the structure, size, composition and diversity of the Board, and the attendance records of the Board meetings, committees meetings and general meetings. The Nomination Committee recommended the Board to approve the proposed sequence for re-election of retiring Directors in 2017 annual general meeting. The Nomination Committee considers that the existing policy for nomination, selection and recommendation for directorship are suitable.

截至二零一六年十二月三十一日止年度，提名委員會已考慮並審閱了獨立非執行董事之獨立性、董事會之架構、規模、組成及多元化，以及董事會會議、委員會會議及股東大會的出席紀錄。提名委員會已建議董事會批准二零一七年股東週年大會重選退任董事的建議序列。提名委員會認為現行提名、甄選及建議董事人選的政策為合適。

The Company recognises and embraces the benefits of diversity in the boardroom. The Board has therefore adopted a board diversity policy which stated that the Board sees diversity as a wide concept and believes that a diversity of perspectives can be achieved through consideration of a number of factors, including but not limited to skills, regional and industry experience, background, race, gender and other qualities. In informing its perspective on diversity, the Company will also take into account factors based on its own business model and specific needs from time to time.

本公司確認並維護董事會多元化的裨益。董事會因此採納董事會多元化政策，表明董事會認為多元化為一個廣泛的概念，並相信多元化的觀點可以通過考慮一些因素而得以實踐，包括但不限於專長、區域和行業經驗、背景、種族、性別和其他素質。在注入多元化的觀點時，本公司將不時根據本身的商業模式和特別需要事宜作考慮。

CORPORATE GOVERNANCE REPORT
企業管治報告

The Company endeavours to ensure that the Board has the appropriate balance of skills, experience and diversity of perspectives that are required to support the execution of its business strategy and in order for the Board to be effective.

本公司致力確保董事會有適當平衡的專長、經驗和多元化觀點，使其能執行本公司之業務策略及董事會之有效運作。

Board appointments will continue to be made on a merit basis and candidates will be considered against objective criteria, with due regard for the benefits of diversity on the Board. The Board believes that such merit-based appointments will best enable the Company to serve its clients, shareholders and other stakeholders going forward.

董事會委任將繼續唯才善用之原則。經妥善考慮董事會多元化的優點後根據客觀標準物色候選董事。董事會相信唯才善用之原則是能讓本公司協助其客戶、股東及其他利益相關者向前邁進的最佳方法。

AUDIT COMMITTEE

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 Rule 5.28 of the GEM Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and risk management and internal control systems of the Company, nominate and monitor external auditors and provide advice and comments to the Directors.

審核委員會

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創業板上市規則第5.28條所載規定。審核委員會的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系統、提名及監察外聘核數師以及向董事提供建議及意見。

The Audit Committee comprises three independent nonexecutive Directors, namely, Mr. Lin Wenhui, Ms. Zhao Guixin and Mr. Cornelis Jacobus Keyser. Mr. Lin Wenhui is the chairman of the Audit Committee.

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。

The Audit Committee has met the external auditors of the Group to review the accounting principles and practices adopted by the Group and discussed auditing, risk management and internal control systems and financial reporting matters including the review of this annual report and financial statements of the Group for the year ended 31 December 2016.

審核委員會已與本集團的外聘核數師會晤，以審閱本集團採納的會計準則及實務並討論核數、風險管理及內部監控系統以及包括審閱本年報及本集團截至二零一六年十二月三十一日止年度的財務報表在內的財務申報事項。

During the year ended 31 December 2016, the Audit Committee held four meetings. The attendance records of the Audit Committee meetings during the year ended 31 December 2016 are set out below:

截至二零一六年十二月三十一日止年度，審核委員會舉行了四次會議。截至二零一六年十二月三十一日止年度的審核委員會會議的出席紀錄載列如下：

		Attended/Eligible to Attend 出席次數／合資格出席次數
Mr. Lin Wenhui *(Chairman)*	林文輝先生*(主席)*	4/4
Ms. Zhao Guixin	趙桂馨女士	4/4
Mr. Cornelis Jacobus Keyser	Cornelis Jacobus Keyser先生	4/4

During the year ended 31 December 2016, the Audit Committee reviewed with the management and the auditors of the Company their audit findings, the accounting principles and practices adopted by the Company, legal and regulatory compliance, and financial reporting matters.

截至二零一六年十二月三十一日止年度，審核委員會連同本公司管理層及核數師已審閱彼等之審核結果、本公司採納的會計原則及慣例、法律及監管合規情況，以及財務報告事宜。

The audited consolidated results of the Group for the year ended 31 December 2016 have been reviewed by the Audit Committee.

本集團於截至二零一六年十二月三十一日止年度之經審核綜合業績已由審核委員會審閱。

CORPORATE GOVERNANCE COMMITTEE

The Company established a corporate governance committee (the "CG Committee") on 18 December 2012. Written terms of reference in compliance with paragraph D.3.1 of the CG Code has been adopted. The primary duties of the CG Committee are to develop and review the Company's policies and practices on corporate governance and make recommendation to the Board.

企業管治委員會

本公司於二零一二年十二月十八日設立企業管治委員會(「企業管治委員會」)。書面職權範圍符合企業管治守則第D.3.1段規定並獲採納。企業管治委員會的主要職責為制訂及檢視本公司的企業管治政策和措施，以及向董事會提出建議。

The CG Committee consists of four members, namely, Mr. Cornelis Jacobus Keyser, Mr. Liu Stefan, Ms. Zhao Guixin and Mr. Lin Wenhui. Mr. Cornelis Jacobus Keyser is the chairman of the CG Committee. All members are independent non-executive Directors, except Mr. Liu Stefan, who is an executive Director and the Chief Executive Officer of the Company.

企業管治委員會包括四名成員，即Cornelis Jacobus Keyser先生、劉欣諾先生、趙桂馨女士及林文輝先生。Cornelis Jacobus Keyser先生為企業管治委員會主席。所有成員均為獨立非執行董事，惟劉欣諾先生除外，彼為本公司執行董事兼行政總裁。

During the year ended 31 December 2016, the CG Committee held one meeting. Details of the attendance of the CG Committee meeting are set out below:

截至二零一六年十二月三十一日止年度，企業管治委員會舉行了一次會議。企業管治委員會會議的出席紀錄載列如下：

		Attended/Eligible to Attend 出席次數／合資格出席次數
Mr. Cornelis Jacobus Keyser *(Chairman)*	Cornelis Jacobus Keyser先生*(主席)*	1/1
Mr. Liu Stefan	劉欣諾先生	1/1
Ms. Zhao Guixin	趙桂馨女士	1/1
Mr. Lin Wenhui	林文輝先生	1/1

CORPORATE GOVERNANCE REPORT
企業管治報告

During the year ended 31 December 2016, the CG Committee considered and reviewed the progress on the implementation of the Group's corporate governance framework. The CG Committee also reviewed the revised approval framework of the Company and the constitutions and board charters of the subsidiaries of the Company. Besides, the CG Committee considered and reviewed the environmental, social and governance reporting proposal. The CG Committee considers that the existing policies and practices of corporate governance of the Company are suitable.

截至二零一六年十二月三十一日止年度，企業管治委員會已考慮並審閱了本公司的企業管治框架的實施進度。企業管治委員會亦審閱了本公司的審批框架（經修訂）以及本公司之附屬公司的章程和董事會憲章。此外，企業管治委員會考慮並審閱了環境、社會及管治報告建議書。企業管治委員會認為本公司現行政策及企業管治常規為合適。

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

董事的財務報表責任

The Directors ensure the financial statements of the Group are prepared in accordance with the statutory requirements and applicable accounting standards.

董事保證本集團的財務報表乃按照法定要求及適用的會計準則編製。

The Directors' responsibilities in the preparation of the financial statements and the auditor's responsibilities are set out in the section of "Independent Auditor's Report" on pages 55 to 61 of this annual report.

董事編製財務報表的責任及核數師的責任均載於本年報第55頁至第61頁「獨立核數師報告」一節。

RISK MANAGEMENT AND INTERNAL CONTROL

風險管理及內部監控

The Board has overall responsibility for the Group's risk management and internal control systems to safeguard the Company's assets and shareholders' interests, and, with the Audit Committee, for reviewing areas of risk and uncertainty, the operation and effectiveness of the Group's systems of internal control and the procedures by which these are monitored. The internal audit department of the Company ("Internal Audit Department") is delegated to ensure and maintain sound internal control functions by monitoring such internal control systems and procedures constantly so as to ensure that they can provide reasonable assurance against misstatement or loss and to manage risks of failure in the Group's operational systems. The internal audit function is independent of the operating businesses of the Group.

董事會負責本集團整體風險管理及內部監控系統，以保障本公司的資產及股東利益，並與審核委員會檢視本集團內部監控制度有關風險及不確定性、營運及成效及監控此等過程之程序等範疇。本公司的內部審核部門（「內部審核部門」）獲授權確保及維持健全的內部監控職能，並透過持續監察內部監控制度和程序，以確保該等系統和程序合理保證無不實陳述或缺失，並管理本集團營運系統故障之風險。內部審核職能獨立於本集團經營業務。

The risk management and internal control systems are designed to manage but not eliminate business risk, to help safeguard the Group's assets against fraud and other irregularities, and to give reasonable but not absolute assurance against material financial misstatement or loss. In addition, it should provide a basis for the maintenance of proper and fair accounting records and assist in the compliance with relevant rules and regulations.

風險管理及內部監控系統旨在管理（而不是消除）經營風險，以幫助保障本集團資產免受欺詐及其他違規，並對避免重大財務錯報或損失給予合理的（但不是絕對的）保證。此外，其應為備存妥善和合理的會計紀錄提供準則，並協助遵守有關規則及法規。

During the year under review, the Board reviewed all material internal controls, including financial, operational and compliance control. It also reviewed with the Audit Committee and the information from the Internal Audit Department in respect of the effectiveness of the Group's internal control systems, adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function and satisfied that they were effective and in compliance with the Group's policies.

於回顧年內，董事會已審閱所有重要的內部監控措施(包括財政、運營及合規控制)。董事會亦已與審核委員會進行審閱，並已審閱內部審核部門有關本集團內部監控制度之成效、本公司於會計及財務申報職能方面之資源充足度、員工資格及經驗之資料，亦信納彼等行之有效及已遵從本集團之政策。

More details of the risk management and internal control systems are set out in the section headed "Risk Management and Internal Control Systems" in the Directors' Report on page 34 of this annual report.

有關風險管理及內部監控系統的更多詳情載於本年報第34頁董事會報告「風險管理及內部監控系統」一節。

AUDITOR'S REMUNERATION

The audit works of the Group for the year ended 31 December 2016 were performed by PricewaterhouseCoopers ("PwC").

核數師酬金

本集團截至二零一六年十二月三十一日止年度的核數工作已由羅兵咸永道會計師事務所(「羅兵咸永道」)進行。

The total fee paid/payable in respect of the statutory audit and non-audit services provided by PwC is set out in the following table:

就羅兵咸永道提供的有關法定審核及非審核服務已付／應付的總費用均載於下表：

		2016 **二零一六年** **HK$'000** **千港元**	2015 二零一五年 HK$'000 千港元
Audit services	審核服務	**2,833**	2,931
Non-audit services	非審核服務	**611**	252
Total	總金額	**3,444**	3,183

COMPANY SECRETARY

All Directors have access to the advice and services of the Company Secretary. The Company Secretary reports to the Chairman on board governance matters, and is responsible for ensuring that Board procedures are followed and for facilitating communications among Directors as well as with shareholders and management.

公司秘書

所有董事均可向公司秘書諮詢有關意見和服務。公司秘書就董事會管治事宜向主席匯報，並負責確保董事會程序獲得遵從，以及促進董事之間及董事與股東及管理層之間的溝通。

During the year under review, the Company Secretary undertook over 15 hours of professional training in compliance with Rule 5.15 of the GEM Listing Rules.

於回顧年內，公司秘書已接受逾15小時的專業培訓，以遵守創業板上市規則第5.15條。

CORPORATE GOVERNANCE REPORT
企業管治報告

SHAREHOLDERS' RIGHTS

Pursuant to article 58 of the articles of association of the Company, any one or more shareholders of the Company holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the company secretary, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

In the event that any shareholders of the Company holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company would like to call for an extraordinary general meeting, please make a written requisition to the principal office of the Company in Hong Kong from time to time, making attention to "The Board of Directors and the Company Secretary".

There are no provisions allowing shareholders to put forward proposals at the general meetings under the memorandum and articles of association of the Company. If shareholders wish to do so, they may request to convene an extraordinary general meeting as stipulated above and specify the proposals in such written requisition.

For any enquiries, shareholders are welcome to contact the Company by post to the principal office of the Company in Hong Kong, by phone at (852) 3120 8888 or by fax at (852) 3120 8800.

INVESTOR RELATIONS

All corporate communication materials published on the GEM website (http://www.hkgem.com) are posted on the Company's corporate website (http://www.kvblistco.com) as soon as practicable after their release. The Company's constitutional documents are also available on both websites. During the year ended 31 December 2016, there have not been any significant changes to the Company's constitutional documents.

股東權利

根據本公司的組織章程細則第58條，任何一名或多名持有不少於附有權利可於本公司股東大會上投票之本公司繳足股本十分之一(按提交要求召開股東特別大會當日計)的本公司股東應始終有權就該項要求以書面方式呈交董事會或公司秘書，要求董事會就處理該要求所指任何事宜召開股東特別大會；且該大會應於提交有關要求後兩(2)個月內召開。倘董事會未有在提交有關要求後二十一(21)日內召開該大會，呈請人本身可能會以同樣方式提呈要求，而呈請人因董事會未有召開大會而引致的一切合理費用須由本公司向其彌償。

倘任何持有不少於附有權利可於本公司股東大會上投票之本公司繳足股本十分之一(按提交要求召開股東特別大會當日計)的本公司股東擬召開股東特別大會，請不時以書面方式向本公司於香港的主要辦事處提呈要求，並於封面註明「致董事會及公司秘書」。

本公司的組織章程大綱及細則並無列明股東可在股東大會上提呈建議。有意提呈建議之股東可按上述程序要求召開股東特別大會，並於該等書面請求中訂明建議。

如有任何查詢，歡迎各股東透過郵寄至本公司於香港的主要辦事處、致電(852) 3120 8888或傳真至(852) 3120 8800與本公司聯絡。

投資者關係

所有刊載於創業板網站(http://www.hkgem.com)的企業通訊資料均會於發出後在可能情況下盡快於本公司的企業網站(http://www.kvblistco.com)登載。本公司的組織章程文件亦同時載於該兩個網站以供瀏覽。截至二零一六年十二月三十一日止年度，本公司的組織章程文件並無任何重大變動。

The board (the "Board") of directors (the "Directors") of KVB Kunlun Financial Group Limited (the "Company", together with its subsidiaries, the "Group") is pleased to present its report together with the audited consolidated financial statements of the Group for the year ended 31 December 2016.

昆侖國際金融集團有限公司(「本公司」,連同其附屬公司統稱「本集團」)董事(「董事」)會(「董事會」)欣然呈報其報告連同本集團截至二零一六年十二月三十一日止年度之經審核綜合財務報表。

PRINCIPAL ACTIVITIES AND SEGMENT INFORMATION

The principal activity of the Company is investment holding and the activities of the subsidiaries are set out in Note 28 to the consolidated financial statements.

An analysis of the Group's performance for the year ended 31 December 2016 by business and geographical segments are set out in Note 5 to the consolidated financial statements.

主要業務及分部資料

本公司之主要業務為投資控股,而附屬公司之業務刊載於綜合財務報表附註28。

本集團截至二零一六年十二月三十一日止年度按業務及地區分部劃分之表現分析載於綜合財務報表附註5。

ANNUAL RESULTS

The annual results of the Group for the year ended 31 December 2016 are set out in the section headed "Consolidated Statement of Comprehensive Income" of this annual report.

年度業績

本集團截至二零一六年十二月三十一日止年度之年度業績載於本年報「綜合全面收益表」一節。

FINAL DIVIDEND

The Board does not recommend the payment of final dividend for the year ended 31 December 2016 (2015: Nil).

末期股息

董事會不建議就截至二零一六年十二月三十一日止年度派發末期股息(二零一五年:無)。

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 5 May 2017 to Wednesday, 10 May 2017, both days inclusive, during the period no transfers of shares of the Company will be registered. In order to qualify for attending and voting at the 2017 Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration by no later than 4:00 p.m. (Hong Kong time) on Thursday, 4 May 2017.

暫停辦理股份過戶登記手續

本公司將於二零一七年五月五日(星期五)至二零一七年五月十日(星期三)(包括首尾兩天)暫停辦理股份過戶登記手續,期間將不會進行本公司任何股份過戶登記。為符合資格參加二零一七年股東週年大會及於會上投票,所有本公司之股份過戶文件連同相關股票證書須不遲於二零一七年五月四日(星期四)下午四時正(香港時間)送達本公司之香港股份過戶及登記分處聯合證券登記有限公司,地址為香港北角英皇道338號華懋交易廣場2期33樓3301-04室,以作登記之用。

DIRECTORS' REPORT
董事會報告

BUSINESS REVIEW

Business Review and Future Prospect

Since the listing of the shares of the Company on GEM on 3 July 2013, the Company has been implementing its business plans to accomplish its business objectives. A review of the business of the Group during the year and a discussion on the Group's future business development are provided in the section of "Statement from the Chief Executive Officer" on pages 5 to 6 of this annual report.

Financial Key Performance Indicators

An analysis of the Group's performance during the year using financial key performance indicators is provided in the section of "Management Discussion and Analysis" on pages 7 to 13 of this annual report.

Principal Risks and Uncertainties

A number of factors may affect the results and business operations of the Group, some of which are inherent to its business and some are affected by the external environment. The Group's major risks are summarized below.

(1) Financial risks

The Group's principal business activities are exposed to a variety of key financial risks including credit risk, market risk (such as interest rate risk and foreign currency risk), and liquidity risk. Details of the aforesaid key risks and risk mitigation measures are set out in "Financial Risk Management" in note 3 to the consolidated financial statements.

(2) Macro-economic environment

Adverse macro-economic changes may affect the business environment, which may in turn affect the operating results. It is therefore important that the Group is able to keep track of such changes of macro-economic environment and swiftly adjusts its operating policy and business plan under different market conditions.

業務回顧

業務回顧及未來前景

自本公司股份於二零一三年七月三日於創業板上市以來，本公司已實施其業務計劃，以期達致其業務目標。本集團年內業務回顧及有關本集團未來業務發展之討論載於本年報第5至6頁之「行政總裁報告」一節。

財務表現關鍵指標

使用財務表現關鍵指標對本集團年內表現之分析載於本年報第7至13頁之「管理層之討論及分析」一節。

主要風險及不明朗因素

本集團的業績及業務營運可能受到多項因素所影響，部份為其業務所固有，部份為受外部環境影響。本集團的固定風險概述於下文。

(1) 財務風險

本集團主要業務活動須承受多項主要財務風險，包括信貸風險、市場風險（包括利率風險及外幣風險）及流動性風險。上述主要風險及降低風險措施之詳情載於綜合財務報表附註3的「財務風險管理」內。

(2) 宏觀經濟環境

宏觀經濟的不利變動可能影響營商環境，從而可能影響經營業績。因此，本集團能夠追蹤宏觀經濟環境的變化，並根據不同的市場條件迅速調整其經營政策及業務計劃非常重要。

(3) Information technology systems

Financial services sector is highly dependent on information technology systems and networks. Any material disruption or slowdown of our IT systems, including a disruption or slowdown caused by our failure to successfully upgrade our systems, system failures, viruses or cyber attacks could cause a loss of data or operation interruption. Therefore, we invest continuously in our IT systems so as to keep up with the technology security.

(3) 資訊科技系統

金融服務業務非常倚賴資訊科技系統及網絡。倘若我們的資訊科技系統受到嚴重干擾或速度變慢，包括因系統未能成功升級、系統故障、病毒或網絡攻擊而受到干擾或速度變慢，可能導致數據流失或操作中斷。因此，我們在資訊科技系統方面不斷投資，以追上安全技術的最新發展。

The above is not intended to be an exhaustive list of all principal risks and uncertainties faced by the Group. These may change over time as new risks and uncertainties emerge and others cease to be of concern. The Directors will constantly evaluate the Group's business objectives and may change or modify plans against the changing market condition to avert or minimise the risks so as to attain sustainable business growth of the Group.

上文所述並非本集團面對之所有主要風險及不明朗因素之詳盡列表。其可能隨著新風險及不確定因素的出現及其他不再令人關注而不時變動。董事將定期評估本集團之業務目標，並可能因應市場狀況的變動更改或修訂計劃，以避免或減低風險，從而實現本集團的可持續業務增長。

Environmental Policy and Performance

We are committed to protect the environment by introducing a green policy to enhance the awareness of environmental protection among staff. The Group has implemented internal recycling programme for office consumables such as toner cartridges and paper to minimise the operation impact on the environment and natural resources.

環保政策及表現

我們透過引入綠色環保政策以提高員工的環保意識，致力於保護環境。本集團內部已實施碳粉匣及紙張等辦公耗材循環利用計劃，以盡量減少營運對環境及自然資源之影響。

The Group has also implemented energy saving practices in offices and branch premises where applicable, such as taking initiatives to reduce paper usage by encouraging the use of websites and online version of corporate communications. As regards reduction of power consumption, lighting, air- conditioners and office equipment will be turned off when not in use.

本集團亦已於辦公室及分公司(倘適用)實行節能措施，如提倡公司通訊使用網站及在線方式，藉以減少用紙。降低能耗方面，燈、空調及辦公設備將在不使用時關閉。

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Compliance with Laws and Regulations

The Group recognises the importance of compliance with regulatory requirements. The Group has been allocating resources to ensure the Group's ongoing compliance with the updated applicable rules and regulations. During the year under review, the Group has complied, to the best of our knowledge, with the GEM Listing Rules, the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and other relevant rules and regulations.

遵守法律法規情況

本集團認可遵守監管規定之重要性。本集團已分配資源以確保本集團持續遵守適用之最新規則及規例。於回顧年內，據我們所知，本集團已遵守創業板上市規則、證券及期貨條例(香港法例第571章)、開曼群島第22章公司法(經綜合及修訂的一九六一年第三號法例)、公司條例(香港法例第622章)及其他有關規則及規例。

Relationships with key stakeholders

The Group's success lies also on the support from key stakeholders, including employees, customers, bankers, service providers and shareholders.

與主要利益相關者之關係

本集團之成功亦有賴於主要利益相關者之支持，包括僱員、客戶、往來銀行、服務供應商及股東。

Employees

The Group treasures our employees as the most important and valuable assets of the Group. The objective of the Group's human resources management is to reward and recognise our employees by providing a competitive remuneration package, appropriate incentives, and opportunities within the Group for career advancement.

僱員

本集團珍視我們的僱員，視彼等為本集團最重要的寶貴資產。本集團人力資源管理之目標為透過提供具競爭力之薪酬待遇、適當之獎勵及本集團內職位晉升之機會以給予我們的僱員獎賞及認可。

Customers

The Group is committed to provide excellent services to our customers with a view to maintaining steady business and asset growth as well as long term profitability.

客戶

本集團致力於向我們的客戶提供卓越服務，以期維持穩定的業務及資產增長以及長期的盈利能力。

Bankers

To order to ensure adequate market penetration and access, the Group has maintained excellent relationship with our bankers and has been soliciting funds from our bankers as and when necessary.

往來銀行

為確保充分滲透及進入市場，本集團與我們的往來銀行維持良好的關係，並於必要時自我們的往來銀行籌集資金。

Service Providers

The Group's good relationships with its key service providers are important in provision of effective and efficient services to our customers and meeting business challenges and regulatory requirements. The key service providers comprise system and equipment vendors, external consultants which provide professional services, and other business partners which provide value-added services to the Group.

服務供應商

於向客戶提供有效及高效的服務以及應對業務挑戰及監管規定方面，本集團與其主要服務供應商維持良好關係至關重要。主要服務供應商包括系統及設備供應商、提供專業服務的外聘顧問及向本集團提供增值服務的其他業務夥伴。

Shareholders

One of the corporate goals of the Group is to enhance corporate value to our shareholders. Description of the shareholders' rights and our investor relations can be found in the section of "Corporate Governance Report" on pages 21 to 32 of this annual report.

股東

本集團其中一項公司目標乃為我們的股東提升公司價值。有關股東權利及投資者關係之詳情載於本年報第21至32頁之「企業管治報告」一節。

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year ended 31 December 2016 are set out in Note 12 to the consolidated financial statements.

物業、廠房及設備

本集團截至二零一六年十二月三十一日止年度之物業、廠房及設備變動詳情載於綜合財務報表附註12。

SHARE CAPITAL

Details of the shares issued during the year ended 31 December 2016 are set out in Note 23 to the consolidated financial statements.

股本

截至二零一六年十二月三十一日止年度之已發行股份詳情載於綜合財務報表附註23。

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands.

優先購買權

本公司之組織章程細則或開曼群島法例並無關於優先購買權之規定。

RESERVES

Details of the movements in reserves of the Group during the year under review are set out in the section headed "Consolidated Statement of Changes in Equity" of this annual report.

儲備

本集團於回顧年度之儲備變動詳情，載於本年報「綜合權益變動表」一節。

DISTRIBUTABLE RESERVES

Under the Companies Law of the Cayman Islands, the funds in the share premium account and retained earnings of the Company are distributable to the shareholders of the Company subject to the provisions of the memorandum and articles of association of the Company and provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

可供分派儲備

根據開曼群島公司法，本公司於股份溢價賬和保留盈利之資金可用來派發予本公司股東，惟須遵守本公司之組織章程大綱及細則之規定，以及於緊隨建議派發股息日期後，本公司須有足夠資金償還正常業務過程中之到期債務。

As at 31 December 2016, in the opinion of the Directors, the Company's reserves available for distribution to shareholders was approximately HK$355 million (2015: HK$223 million).

於二零一六年十二月三十一日，董事認為，本公司可供分派予股東之儲備約為355,000,000港元(二零一五年：223,000,000港元)。

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MAJOR CUSTOMERS AND SUPPLIERS

For the year under review, the aggregate percentage of purchases attributable to the Group's five largest suppliers is approximately 60.03% of the total purchases of the Group and the largest supplier included therein amounted to approximately 19.85%.

For the year under review, the aggregate percentage of sales attributable to the Group's five largest customers accounted for approximately 11.3% of the total sales of the Group and the largest customer included therein amounted to approximately 4.0%.

At no time during the year have the Directors, chief executive, substantial shareholders of the Company or any of its subsidiaries or their associates (which to the knowledge of the Directors own more than 5% of the Company's share capital) had any interest in these major customers and suppliers.

主要客戶及供應商

於回顧年內，本集團之五大供應商之採購總額佔本集團採購總額約60.03%，而其中最大供應商佔約19.85%。

於回顧年內，本集團之五大客戶之銷售總額佔本集團銷售總額約11.3%，而其中最大客戶佔約4.0%。

於年內任何時間，本公司或其任何附屬公司之董事、主要行政人員、主要股東或彼等之聯繫人士（就董事所知擁有本公司股本5%以上者）概無於該等主要客戶及供應商擁有任何權益。

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

For the year ended 31 December 2016, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

購買、出售及贖回本公司之上市證券

截至二零一六年十二月三十一日止年度，本公司及其任何附屬公司並無購買、出售或贖回任何本公司之上市證券。

FINANCIAL SUMMARY

A summary of results and of the assets and liabilities of the Group for the last five financial years is set out in the section headed "Financial Summary" of this annual report.

財務概要

本集團在過往五個財政年度之業績及資產與負債概要，載於本年報「財務概要」一節。

RETIREMENT BENEFITS SCHEME

Details of the Group's retirement benefits scheme for the year ended 31 December 2016 are set out in Note 2.16 to the consolidated financial statements.

退休福利計劃

本集團截至二零一六年十二月三十一日止年度之退休福利計劃詳情載於綜合財務報表附註2.16。

DIRECTORS

During the year ended 31 December 2016 and up to the date of this annual report, the Board comprises the following Directors:

Executive Directors

Mr. Liu Stefan *(Chief Executive Officer)*
Mr. Ng Chee Hung Frederick

Non-executive Directors

Mr. Li Zhi Da *(Chairman)*
Mr. Stephen Gregory McCoy

Independent Non-executive Directors

Ms. Zhao Guixin
Mr. Cornelis Jacobus Keyser
Mr. Lin Wenhui

In accordance with article 84(1) of the articles of association of the Company, Mr. Liu Stefan, Mr. Stephen Gregory McCoy and Mr. Lin Wenhui shall retire from office and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

None of the Directors proposed for re-election at the forthcoming AGM has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

DIRECTORS' SERVICE CONTRACTS

None of the Directors have entered into any service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

董事

截至二零一六年十二月三十一日止年度及直至本年報日期，董事會包括以下董事:

執行董事

劉欣諾先生 *(行政總裁)*
吳棋鴻先生

非執行董事

李志達先生 *(主席)*
Stephen Gregory McCoy先生

獨立非執行董事

趙桂馨女士
Cornelis Jacobus Keyser先生
林文輝先生

根據本公司的組織章程細則第84(1)條，劉欣諾先生、Stephen Gregory McCoy先生及林文輝先生將輪席退任，並符合資格於本公司應屆股東週年大會上膺選連任。

概無於應屆股東週年大會上建議膺選連任之董事訂立本集團不可於一年內免付賠償(法定賠償除外)予以終止之服務合約。

董事之服務合約

概無董事與本集團任何成員公司訂立本集團不可於一年內免付賠償(法定賠償除外)予以終止之任何服務合約。

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DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in the sections headed "Related Party Transactions" and "Continuing Connected Transactions" and Note 29 to the consolidated financial statements of this annual report, no transactions, arrangements or contracts of significance in relation to the Group's business to which any of the Company's subsidiaries and fellow subsidiaries was a party, and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at any time during the year or at the end of the year.

董事於交易、安排或合約中的權益

除本年報「關聯方交易」和「持續關連交易」章節以及綜合財務報表附註29所披露者外，本公司任何附屬公司或其同系附屬公司並無訂立對本集團業務屬重大且董事或與董事關連的實體於其中直接或間接擁有重大權益而於年內任何時間或本年度結束時仍然有效之重大交易、安排或合約。

DIRECTORS' REMUNERATION

Details of the Directors' remuneration are set out in Note 27 to the consolidated financial statements.

董事酬金

董事酬金詳情載於綜合財務報表附註27。

DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

Save as disclosed in the heading "Directors' and Chief Executive's Interests in Securities" below, at no time during the year or at the end of the year has been/was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Company's Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

董事購買股份及債券之權利

除於下文「董事及主要行政人員於證券之權益」所披露者外，於年內任何時間或本年度結束時，本公司、其控股公司或其任何附屬公司或同系附屬公司概無參與任何安排，致使本公司董事可藉購買本公司或任何其他法人團體的股份或債券而獲得利益。

PERMITTED INDEMNITY

Pursuant to the articles of association of the Company, subject to the applicable laws and regulations, every Director shall be indemnified and secured harmless out of the assets and profits of the Company against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain in or about the execution of their duty in their offices. Such permitted indemnity provision has been in force throughout the Year. The Company has arranged appropriate directors' and officers' liability insurance coverage for the directors and officers of the Group.

獲准許的彌償保證

根據本公司的組織章程細則及受適用法律法規規限，各董事就因履行其任內職責而產生或蒙受或與之有關的所有訴訟、費用、收費、損失、損害及開支，均可獲得本公司以其資產及溢利彌償以及確保不受傷害。有關獲准許的彌償保證條文已於年內生效。本公司已為本集團董事及高級職員安排適當的董事及高級職員責任保險。

DIRECTORS' AND CONTROLLING SHAREHOLDER'S COMPETING INTERESTS

As at 31 December 2016, none of the Directors, the controlling Shareholders and their respective close associates (as defined under the GEM Listing Rules) had any business or interest in a business which competes or may compete with the business of the Group.

董事及控股股東的競爭權益

截至二零一六年十二月三十一日，概無董事、控股股東及彼等各自的緊密聯繫人士(定義見創業板上市規則)於任何與本集團業務構成或可能構成競爭的業務中擁有任何業務或權益。

EQUITY-LINKED AGREEMENTS

Other than the share option scheme of the Company as disclosed below, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the year or subsisted at the end of the year.

股票掛鈎協議

除下文所披露之本公司購股權計劃外，於年內或本年度結束時，本公司概無訂立將會或可能導致本公司發行股份的股票掛鈎協議，或要求本公司訂立任何協議將會或可能導致本公司發行股份的股票掛鈎協議。

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Scheme") on 3 June 2013. A summary of the Scheme is as follows:

購股權計劃

本公司已於二零一三年六月三日採納購股權計劃(「計劃」)。購股權計劃之概要如下：

(a) Purpose of the Scheme

The purpose of the Scheme is for the Group to attract, retain and motivate talented Participants (as defined below) to strive for future developments and expansion of the Group.

(a) 計劃目的

計劃旨在令本集團能招攬、挽留及激勵優秀之參與者(定義見下文)，促進本集團日後發展及擴張。

(b) Participants of the Scheme

Under the Scheme, the Board may, at its discretion, invite the following persons as participants (the "Participants") of the Scheme:

(i) any executive or non-executive Director including any independent non-executive Director or any employee (whether full-time or part-time) of any member of the Group;

(ii) any trustee of a trust (whether family, discretionary or otherwise) whose beneficiaries or objects include any employee or business associate of the Group;

(iii) any consultant (in the areas of legal, technical, financial or corporate management) and other adviser to any member of the Group;

(b) 計劃之參與者

根據計劃，董事會可全權酌情決定邀請以下人士參與計劃(「參與者」)：

(i) 本集團任何成員公司之任何執行或非執行董事(包括任何獨立非執行董事)或任何全職或兼職僱員；

(ii) 受益人或對象包括本集團任何僱員或業務聯繫人士之家族、全權酌情或其他信託之任何受託人；

(iii) 本集團任何成員公司之任何有關法律、技術、財務或企業管理之任何顧問及其他諮詢人；

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(iv) any supplier of goods and/or services to the Group; or

(v) any other person whom the Board considers, in its sole discretion, has contributed to the Group.

In determining the basis of eligibility of each Participant, the Board would take into account such factors as the Board may at its discretion consider appropriate.

(iv) 本集團任何貨品及／或服務供應商；或

(v) 董事會全權酌情認為對本集團有貢獻之任何其他人士。

於確定各參與者資格基準時，董事會會考慮其酌情認為合適之因素。

(c) Basis for determining the exercise price and acceptance of offer

The exercise price of an option to subscribe for shares granted under the Scheme shall be a price determined by the Board at its sole discretion and notified to the Participant and shall be no less than the highest of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date on which an option is granted; (ii) the average closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date on which an option is granted; and (iii) the nominal value of the Share.

Offer of an option shall be deemed to have been accepted by the grantee when the duplicate of the relevant offer letter comprising acceptance of the option duly signed by the grantee together with a remittance in favour of the Company of HK$1.00 (or such other nominal sum in any currency as the Board may determine) by way of consideration for the grant.

(c) 釐定行使價之基準及接納要約

計劃下已授出可認購股份之購股權行使價乃由董事會全權酌情釐定後知會參與者，惟其不得低於下列各項之最高者(i)授出購股權當日聯交所每日報價表所列之股份收市價；(ii)緊接授出購股權當日前五個交易日聯交所每日報價表所列之股份平均收市價；及(iii)股份面值。

經承授人正式簽署接受購股權之相關函件副本連同作為獲授購股權之代價以本公司為受益人之1.00港元（或董事會釐定之任何其他貨幣面值）匯款之後，購股權即被視為獲承授人接納。

(d) Maximum numbers available for issue

The total number of shares of the Company which may be issued upon exercise of all options to be granted under the Scheme shall not in aggregate exceed 10% of the issued share capital of the Company as at the adoption date (the "General Scheme Limit") unless further shareholders' approval is obtained in general meeting, provided that options lapsed in accordance with the terms of the Scheme will not be counted for the purpose of calculating the General Scheme Limit.

(d) 可供發行之股份數目上限

本公司因行使根據計劃將予授出之所有購股權而可發行之股份總數，合共不得超過本公司於採納日期已發行股本之10%（「計劃一般上限」），除非於股東大會上獲股東另行批准則作別論，根據計劃條款而失效之購股權將不會用於計算計劃一般上限。

Notwithstanding the foregoing the total number of shares of the Company which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme shall not exceed 30% of the shares of the Company in issue from time to time.

儘管上文所述，本公司因行使根據計劃授出而尚未行使之所有購股權而可發行之股份總數，不得超過本公司不時已發行股份之30%。

(e) Maximum entitlement of each Participant

For each Participant, the total number of shares issued and to be issued upon exercise of all options granted and further to be granted in any 12-month period (including both exercised and outstanding options) and in the 12-month period up to and including the acceptance date (including exercised, cancelled and outstanding options) shall not in isolation or aggregate exceed 1% of the shares, and any grant of option which would result in such limit being exceeded shall be approved by the Company in general meeting with such Participant and any associate thereof abstaining from voting.

(e) 每名參與者可獲授予之最高數目

因行使於任何12個月期間所授出及進一步授出之所有購股權(包括已行使及尚未行使之購股權)及截至接納日期(包括該日)12個月期間內所授出及進一步授出之所有購股權(包括已行使、已註銷及尚未行使之購股權)而向每名參與者已發行及將予發行之股份總數，各自或合共不得超過股份之1%。倘若授出之購股權超過該限額，則須於股東大會上獲得本公司批准，而有關參與者及其任何聯繫人士必須放棄投票。

(f) Time of exercise of the option

An option may be exercised in whole or in part in accordance with the terms of the Scheme at any time during the period commencing on the first business day from the date of grant of option and expiring at the close of business on a date to be determined and notified by the Directors which shall not be more than 10 years from the date of grant of option.

Unless the Directors otherwise determined and stated at the time of granting the option, there is no minimum period for which an option must be held before it can be exercised.

(f) 行使購股權之期限

購股權可根據計劃之條款，自授出購股權日期起計之首個營業日至待董事釐定及通知之營業日結束之期間內(惟不得超過授出購股權日期起計後10年)隨時全部或部分行使。

除非董事於授出購股權時另行釐定及列明，否則對行使購股權前持有購股權之最短期限並無限制。

(g) Remaining life of the Scheme

The Directors shall be entitled at any time within 10 years commencing on 3 July 2013 to offer the grant of an option to any qualifying participants.

(g) 計劃尚餘有效期

董事有權於二零一三年七月三日起計10年內任何時間，向任何合資格參與者提呈授出購股權。

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(h) Movements of the options granted under the Scheme

On 19 August 2015, the Company granted share options to 95 individuals to subscribe for an aggregate of 40,000,000 ordinary shares of HK$0.01 each in the share capital of the Company. Among the 40,000,000 share options granted, 12,200,000 share options were granted to six Directors.

On 29 December 2016, the Company granted share options to 95 individuals to subscribe for an aggregate of 40,000,000 ordinary shares of HK$0.01 each in the share capital of the Company. Among the 40,000,000 share options granted, 11,750,000 share options were granted to six Directors.

Details of the movements of the options granted under the Scheme are set out in Note 25 to the consolidated financial statements.

Save as disclosed above, as at 31 December 2016, none of the Directors, chief executive, substantial shareholders of the Company or their respective associates (as defined under the GEM Listing Rules) had any right to subscribe for the shares of the Company under the Scheme.

(h) 根據計劃授出購股權之變動

於二零一五年八月十九日，本公司向95名人士授出購股權，以認購本公司股本中合共40,000,000股每股0.01港元之普通股。於授出的40,000,000份購股權中，其中12,200,000份購股權授予六名董事。

於二零一六年十二月二十九日，本公司向95名人士授出購股權，以認購本公司股本中合共40,000,000股每股0.01港元之普通股。於授出的40,000,000份購股權中，其中11,750,000份購股權授予六名董事。

根據計劃授出之購股權變動詳情載於綜合財務報表附註25。

除上文披露者外，於二零一六年十二月三十一日，根據計劃，本公司董事、主要行政人員、主要股東或彼等各自之聯繫人士（定義見創業板上市規則）概無任何認購本公司股份之權利。

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

As at 31 December 2016, 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 Rules 5.46 to 5.67 of the GEM Listing Rules, 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

於二零一六年十二月三十一日，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)根據創業板上市規則第5.46條至第5.67條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	16,300,000	25,820,000	1.27%
Mr. Ng Chee Hung Frederick 吳棋鴻先生	Beneficial owner 實益擁有人	845,000	3,850,000	4,695,000	0.23%
Mr. Li Zhi Da *(Note 2)* 李志達先生*(附註2)*	Interest in controlled corporation 於受控制法團的權益	300,000,000	–	300,000,000	14.75%
Mr. Stephen Gregory McCoy Stephen Gregory McCoy先生	Beneficial owner 實益擁有人	–	2,000,000	2,000,000	0.10%
Ms. Zhao Guixin 趙桂馨女士	Beneficial owner 實益擁有人	200,000	600,000	800,000	0.04%

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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 Shares 普通股	 Options 購股權 *(Note 1)* *(附註1)*	Total 總數	Approximate % of the number of issued shares 佔已發行股份數目概約百分比
Mr. Cornelis Jacobus Keyser Cornelis Jacobus Keyser先生	Beneficial owner 實益擁有人	–	600,000	600,000	0.03%
Mr. Lin Wenhui 林文輝先生	Beneficial owner 實益擁有人	200,000	600,000	800,000	0.04%

Notes:

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

2. *Mr. Li Zhi Da, a non-executive Director of the Company, is interested in 300,000,000 shares through his holdings in person in KVB Kunlun Holdings Limited ("KVB Holdings"). As Mr. Li Zhi Da 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.*

附註：

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

2. *本公司非執行董事李志達先生透過其個人於KVB Kunlun Holdings Limited(「KVB Holdings」)的股權於300,000,000股股份中擁有權益。由於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。*

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

As at 31 December 2016, 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，於二零一六年十二月三十一日，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 主要股東名稱	Capacity 身份	Number of shares/ underlying shares held 所持股份／相關股份數目 Shares 股份	Derivative interests 衍生權益	Total 總數	Approximate% of the number of issued shares 佔已發行股份數目概約百分比
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%
	Other *(Note 2)* 其他*(附註2)*	–	300,000,000	300,000,000	14.75%
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 Holdings *(Note 3)* KVB Holdings*(附註3)*	Beneficial owner 實益擁有人	300,000,000	–	300,000,000	14.75%
Mr. Li Zhi Da *(Note 3)* 李志達先生*(附註3)*	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 4)* Calypso (International) Investment Co., Limited*(附註4)*	Beneficial owner 實益擁有人	106,525,000	–	106,525,000	5.24%

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Name of substantial shareholder	Capacity	Number of shares/ underlying shares held 所持股份／相關股份數目 Shares	Derivative interests	Total	Approximate% of the number of issued shares 佔已發行股份數目概約百分比
主要股東名稱	身份	股份	衍生權益	總數	
HNA Group (International) Company Limited *(Note 4)* 海航集團(國際)有限公司*(附註4)*	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 4)* 海航集團有限公司*(附註4)*	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 4)* 海南交管控股有限公司*(附註4)*	Interests in controlled corporation 於受控制法團之權益	106,525,000	–	106,525,000	5.24%
Shengtang Development (Yangpu) Co. Ltd. *(Note 4)* 盛唐發展(洋浦)有限公司*(附註4)*	Interests in controlled corporation 於受控制法團之權益	106,525,000	–	106,525,000	5.24%
Hainan Province Cihang Foundation *(Note 4)* 海南省慈航公益基金會*(附註4)*	Interests in controlled corporation 於受控制法團之權益	106,525,000	–	106,525,000	5.24%

Notes:

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.*

2. *On 29 January 2015, CITIC Securities and KVB Holdings entered into a share purchase agreement, pursuant to which KVB Holdings conferred to CITIC Securities a right of first refusal on 300,000,000 shares of the Company. CITIC Securities is thus deemed to be interested in those 300,000,000 shares of the Company under the SFO.*

附註：

1. *由於中信証券有權於中信証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，中信証券被視為於中信証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。*

2. *於二零一五年一月二十九日，中信証券與KVB Holdings訂立股份購買協議，據此，KVB Holdings賦予中信証券有關300,000,000股本公司股份的優先購買權。因此，根據證券及期貨條例，中信証券被視為於該等300,000,000股本公司股份中擁有權益。*

3. *As Mr. Li Zhi Da, a 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.*

4. *As confirmed by Calypso International Investment Co., Limited, as at 31 December 2016, Calypso International Investment Co., Limited was a wholly owned subsidiary of HNA Group (International) Company Limited (海航集團(國際)有限公司) (formerly known as HNA Group International Headquarter (Hong Kong) Co., Limited (海航集團國際總部(香港)有限公司)), which was in turn owned as to 91.09% by HNA Group Co., Ltd. (海航集團有限公司). HNA Group Co., Ltd. was held as to 30% by Yangpu Jianyun Investment Co., Ltd. (洋浦建運投資有限公司) and 70% by Hainan Traffic Administration Holding Co., Ltd. (海南交管控股有限公司). Hainan Traffic Administration Holding Co., Ltd. was in turn held as to 50% by Shengtang Development (Yangpu) Co., Ltd. (盛唐發展(洋浦)有限公司). Shengtang Development (Yangpu) Co., Ltd. was held as to 65% by Hainan Province Cihang Foundation (海南省慈航公益基金會).*

3. *由於本公司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。*

4. *經Calypso International Investment Co., Limited確認，於二零一六年十二月三十一日，Calypso International Investment Co., Limited為海航集團(國際)有限公司(前稱海航集團國際總部(香港)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。*

Save as disclosed above, as at 31 December 2016, 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.

除上文所披露者外，於二零一六年十二月三十一日，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))。

CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed "Continuing connected transactions", no contract of significance in relation to the Group's business to which any member of the Group was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year ended 31 December 2016.

重大合約

除「持續關連交易」一節所披露者外，本集團任何成員公司並無訂立對本集團業務屬重大且本公司董事於其中直接或間接擁有重大權益而於截至二零一六年十二月三十一日止年度內仍然有效之重大合約。

Save as disclosed in the section headed "Continuing connected transactions" above, no contract of significance (including provision of services) between the Company, or any of its subsidiaries, and a controlling shareholder or any of its subsidiaries subsisted during the year ended 31 December 2016.

除上文「持續關連交易」分節所披露者外，本公司或其任何附屬公司與控股股東或其任何附屬公司並無訂立於截至二零一六年十二月三十一日止年度內仍然有效之重大合約(包括提供服務)。

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

管理合約

年內，概無就管理及經營本公司全部或任何絕大部分業務而訂立或訂有任何合約。

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RELATED PARTY TRANSACTIONS

Significant related party transactions entered into by the Group during the year ended 31 December 2016 is disclosed in Note 29 to the consolidated financial statements. Certain of these transactions also constitute continuing connected transactions under the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "GEM Listing Rules"), as identified below.

關聯方交易

本集團截至二零一六年十二月三十一日止年度之重大關聯方交易披露於綜合財務報表附註29。該等部分交易亦構成於香港聯合交易所有限公司(「聯交所」)創業板證券上市規則(「創業板上市規則」)之持續關連交易，其詳情如下。

CONTINUING CONNECTED TRANSACTIONS

Sharing of Office premises

As disclosed in an announcement of the Company dated 18 December 2015 (the "Announcement"), the Company and KVB Holdings entered into an Office Licence Agreement (the "Office Licence Agreement") on 18 December 2015 for a term from 1 January 2016 to 31 December 2018. The annual caps for the transactions contemplated under the Office Licence Agreement for the years ending 31 December 2016, 31 December 2017 and 31 December 2018 are HK$4 million, HK$4.5 million and HK$5 million, respectively.

持續關連交易

共用辦公室物業

誠如本公司日期為二零一五年十二月十八日之公告(「該公告」)所披露，本公司與KVB Holdings於二零一五年十二月十八日訂立辦公室特許權協議(「辦公室特許權協議」)，期限自二零一六年一月一日起至二零一八年十二月三十一日止。截至二零一六年十二月三十一日、二零一七年十二月三十一日及二零一八年十二月三十一日止年度，辦公室特許權協議項下擬進行交易之年度上限分別為4,000,000港元、4,500,000港元及5,000,000港元。

Cash Dealing Services

As disclosed in the announcement dated 18 December 2015, KVB Kunlun New Zealand Limited ("KVB New Zealand"), an indirect wholly-owned subsidiary of the Company, and several subsidiaries (other than the Group) of KVB Holdings entered into a Cash Dealing Agreement (the "Cash Dealing Agreement") on 18 December 2015 for a term from 1 January 2016 to 30 June 2016, under which KVB New Zealand shall provide cash dealing services including the provision of the exchange of currencies and in particular the provision of currency exchange at a rate determined at the time of the transaction. The cap for transactions under the Cash Dealing Agreement for the six months ending 30 June 2016 is revenue (net of realised gains, realised losses, unrealised gains and unrealised losses) of HK$9.9 million.

現金交易服務

誠如日期為二零一五年十二月十八日之公告所披露，KVB Kunlun New Zealand Limited(「KVB紐西蘭」，本公司的間接全資附屬公司)與KVB Holdings的若干附屬公司(本集團除外)於二零一五年十二月十八日訂立了現金交易協議(「現金交易協議」)，期限自二零一六年一月一日起至二零一六年六月三十日止，據此，KVB紐西蘭將提供現金交易服務，包括提供貨幣兑換，特別是按交易時釐定的匯率提供貨幣兑換。截至二零一六年六月三十日止六個月，現金交易協議項下交易的上限為收入(扣除已變現收益、已變現虧損、未變現收益及未變現虧損)9,900,000港元。

As disclosed in the announcement dated 17 June 2016, the Company and KVB Kunlun Global Capital Limited ("KVB GC"), a company incorporated in BVI and is wholly owned by KVB Holdings, entered into a renewed Cash Dealing Agreement on 17 June 2016 for a term from 1 July 2016 to 31 December 2018. Pursuant to the renewed Cash Dealing Agreement, the Company shall provide or procure its subsidiaries to provide, to KVB GC and its subsidiaries ("GC Group") the cash dealing services including the provision of the exchange of currencies ("KVB Services") by the Group; and KVB GC shall provide, or procure its subsidiaries to provide, to the Group, foreign exchange conversion and settlement services ("GC Services"). The maximum revenue (net of realized/unrealized gain/loss) to be recorded by the Company in respect of the KVB Services for the six months ending 31 December 2016 and two years ending 31 December 2017 and 31 December 2018 are HK$7.1 million, HK$20 million and HK$20 million respectively. The maximum consideration to be paid by the Company in respect of the provision of the GC Services for the six months ended 31 December 2016 is HK$3.0 million.

誠如日期為二零一六年六月十七日之公告所披露，本公司與昆侖國際環球資本有限公司(「昆侖國際環球資本」，一間於英屬處女群島註冊成立之公司，由KVB Holdings全資擁有)於二零一六年六月十七日訂立經重續現金交易協議，期限自二零一六年七月一日起至二零一八年十二月三十一日止。根據經重續現金交易協議，本公司將向昆侖國際環球資本及其附屬公司(「環球資本集團」)提供或促使其附屬公司提供現金交易服務，包括由本集團提供的貨幣匯兑服務(「昆侖國際服務」)；及昆侖國際環球資本將向本集團提供或促使其附屬公司提供外匯兑換及結算服務(「環球資本服務」)。本公司於截至二零一六年十二月三十一日止六個月以及截至二零一七年十二月三十一日及二零一八年十二月三十一日止兩個年度就昆侖國際服務將予錄得之最高收益(扣除已變現／未變現收益／虧損)分別為7,100,000港元、20,000,000港元及20,000,000港元。本公司於截至二零一六年十二月三十一日止六個月就獲提供環球資本服務將予支付之最高代價為3,000,000港元。

Information Technology Services

Software Licence

As disclosed in the announcement dated 18 December 2015, a software licence agreement (the "Software Licence Agreement") was entered into between the Company and Banclogix on 18 December 2015, pursuant to which Banclogix shall grant the Company a three-year licence for certain software to enable the Group to, inter alia, use the routing service and data integration layer developed by Banclogix. The licence fee payable under the Software Licence Agreement is a one-off payment of HK$3.5 million.

資訊科技服務

軟件特許權

誠如日期為二零一五年十二月十八日之公告所披露，本公司與盛匯於二零一五年十二月十八日訂立軟件特許權協議(「軟件特許權協議」)，據此，盛匯將授予本公司若干軟件的三年特許權，以便本集團(其中包括)使用盛匯開發的路由服務和數據集成層。軟件特許權協議項下應付的特許權費用為一次性付款3,500,000港元。

DIRECTORS' REPORT
董事會報告

As disclosed in the announcement dated 19 April 2016, the Company and Banclogix entered into a New Information Technology Services Agreement for a term from 19 April 2016 to 31 December 2018. Pursuant to the New Information Technology Services Agreement, Banclogix will from time to time provide software development and maintenance services, information technology infrastructure project management services and information technology infrastructure maintenance services to the Group. The aggregate annual caps payable by the Group to Banclogix under the Software Licence Agreement and the New Information Technology Services Agreement for each of the three years ending 31 December 2016, 31 December 2017 and 31 December 2018 are HK$20 million, HK$19 million and HK$20 million, respectively.

誠如日期為二零一六年四月十九日之公告所披露，本公司與盛匯訂立新資訊科技服務協議，期限自二零一六年四月十九日起至二零一八年十二月三十一日止。根據新資訊科技服務協議，盛匯將不時向本集團提供軟件開發及維護服務、資訊科技基建項目管理服務及資訊科技基建維護服務。根據軟件特許權協議及新資訊科技服務協議，本集團於截至二零一六年十二月三十一日、二零一七年十二月三十一日及二零一八年十二月三十一日止三年各年應付盛匯之年度上限總額分別為20,000,000港元、19,000,000港元及20,000,000港元。

As disclosed in the announcement dated 26 September 2016, the independent shareholders approved the supplemental agreement dated 12 August 2016 to revise the existing aggregate annual caps under the Software Licence Agreement and the New Information Technology Services Agreement. The revised aggregate annual caps payable by the Group to Banclogix for each of the three years ending 31 December 2016, 31 December 2017 and 31 December 2018 are HK$28.5 million, HK$26.0 million and HK$24.5 million, respectively.

誠如日期為二零一六年九月二十六日之公告所披露，獨立股東已批准日期為二零一六年八月十二日之補充協議，以修訂軟件特許權協議及新資訊科技服務協議項下之現有年度上限總額。本集團於截至二零一六年十二月三十一日、二零一七年十二月三十一日及二零一八年十二月三十一日止三年各年應付盛匯之經修訂年度上限總額分別為28,500,000港元、26,000,000港元及24,500,000港元。

All independent non-executive Directors have reviewed and confirmed that the above continuing connected transactions have been entered into:

全體獨立非執行董事已審閱及確認以上持續關連交易乃:

(i) in the ordinary and usual course of business of the Group;

(i) 於本集團一般日常業務過程中訂立;

(ii) either on normal commercial terms or, if there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the Group than terms available to or from (as appropriate) independent third parties; and

(ii) 按一般商業條款訂立或倘並無足夠可資比較之交易以釐定是否以一般商業條款訂立，則以不遜於本集團提供予獨立第三方或從獨立第三方取得(倘適用)之條款訂立;及

(iii) in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

(iii) 根據公平合理之條款訂立並符合本公司股東整體利益之相關規範協議達成。

The Directors also confirm that the Company has complied with the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

董事亦確認本公司已遵守創業板上市規則第20章之披露規定。

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants.

根據香港會計師公會發佈的香港鑒證業務準則3000號「歷史財務資料審核或審閱以外的鑒證工作」並參考實務説明740號「香港上市規則規定的持續關連交易的核數師函件」，本公司核數師已受聘對本集團持續關連交易作出報告。

In accordance with Rule 20.54 of the GEM Listing Rules, the auditors must provide a letter to the Board confirming whether anything has come to their attention that causes them to believe that the continuing connected transactions:

根據創業板上市規則第20.54條，核數師須致函董事會，確認有否注意到任何事情，可使彼等相信持續關連交易：

(1) have not been approved by the Board;

(1) 並未獲董事會批准；

(2) were not, in all material respects, in accordance with the pricing policies of the Group if the transactions involve the provision of goods or services by the Group;

(2) 若交易涉及由本集團提供貨品或服務，在各重大方面並無按照本集團之定價政策進行；

(3) were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions; and

(3) 在各重大方面並無根據規管有關交易之相關協議進行；及

(4) have exceeded the cap.

(4) 超逾上限金額。

The auditor has issued his unqualified letter containing his findings and conclusions in respect of the continuing connected transactions disclosed by the Group in this section headed "Continuing Connected Transactions" above. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

核數師已就本集團於上文「持續關連交易」一節披露的持續關連交易，發出無保留意見的函件，當中載有其發現和結論。本公司已將核數師函件副本向聯交所提供。

EVENTS AFTER REPORTING PERIOD

There were no major subsequent events since the end of the reporting year and up to the date of this annual report.

報告期後事項

自呈報年度結束日起及截至本年報日期止，本公司概無報告期後重大事項。

DIRECTORS' REPORT
董事會報告

INTERESTS OF THE COMPLIANCE ADVISER AND ITS DIRECTORS, EMPLOYEES AND CLOSE ASSOCIATES

As confirmed by Lego Corporate Finance Limited, the compliance adviser of the Company, none of Lego Corporate Finance Limited or its directors, employees and close associates (as defined under the GEM Listing Rules) is materially interested in any contract or arrangement during the year ended 31 December 2016, which is significant in relation to the business of the Group.

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float during the year ended 31 December 2016.

DONATIONS

Charitable and other donations made by the Group during the year amounted to HK$195,000 (2015: HK$34,630).

AUDITORS

The financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

On behalf of the Board
Liu Stefan
Chief executive officer and executive Director

Hong Kong, 21 March 2017

合規顧問及其董事、僱員及緊密聯繫人士的權益

經本公司的合規顧問力高企業融資有限公司確認，於截至二零一六年十二月三十一日止年度，力高企業融資有限公司或其董事、僱員及緊密聯繫人士(定義見創業板上市規則)概無在對本集團業務而言屬重大的任何合約或安排中擁有重大權益。

足夠公眾持股量

本公司於截至二零一六年十二月三十一日止年度一直維持足夠公眾持股量。

捐款

本集團年內之慈善及其他捐款為195,000港元(二零一五年：34,630港元)。

核數師

財務報表經羅兵咸永道會計師事務所審核，該事務所將任滿退任，惟合資格於本公司應屆股東週年大會上膺聘連任。

承董事會命
行政總裁兼執行董事
劉欣諾

香港，二零一七年三月二十一日

INDEPENDENT AUDITOR'S REPORT
獨立核數師報告

pwc

羅兵咸永道

TO THE SHAREHOLDERS OF
KVB KUNLUN FINANCIAL GROUP LIMITED
昆侖國際金融集團有限公司
(Incorporated in Cayman Islands with limited liability)

致昆侖國際金融集團有限公司股東

昆侖國際金融集團有限公司
(於開曼群島註冊成立的有限公司)

OPINION

What we have audited

The consolidated financial statements of KVB Kunlun Financial Group Limited (the "Company") and its subsidiaries (the "Group") set out on pages 62 to 155, which comprise:

- the consolidated statement of financial position as at 31 December 2016;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

意見

我們已審計的內容

昆侖國際金融集團有限公司(「貴公司」)及其附屬公司(「貴集團」)列載於第62至155頁的綜合財務報表包括:

- 於二零一六年十二月三十一日的綜合財務狀況表;
- 截至該日止年度的綜合全面收益表;
- 截至該日止年度的綜合權益變動表;
- 截至該日止年度的綜合現金流量表;及
- 綜合財務報表附註,包括主要會計政策概要。

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

我們的意見

我們認為,綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了 貴集團於二零一六年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》的披露規定妥為擬備。

INDEPENDENT AUDITOR'S REPORT
獨立核數師報告

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

根據香港會計師職業道德準則理事會頒佈的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於　貴集團，並已履行守則中的其他專業道德責任。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。該等事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對該等事項提供單獨的意見。

The key audit matter identified in our audit was the leveraged trading system and controls.

我們在審計中識別的關鍵審計事項是槓桿式交易系統及監控。

Key Audit Matter

關鍵審計事項

Leveraged trading system and controls

槓桿式交易系統及監控

The leveraged foreign exchange and other trading income is a key revenue stream for the Group, which contributed to over 80% of the Group's total income.

槓桿式外匯及其他交易收入為　貴集團的主要收入來源，佔　貴集團總收入超過80%。

The Group's leveraged foreign exchange and other trading business and the recognition and calculation of the leveraged foreign exchange and other trading income are dependent on the design and operational effectiveness of key Information Technology ("IT") controls over the trading system given the significant amount of transactions that are automatically processed in the systems. Therefore, controls over the trading system are a key focus in our audit.

貴集團槓桿式外匯及其他交易業務以及槓桿式外匯及其他交易收入的確認及計算均視乎控制交易系統的主要資訊科技(「資訊科技」)的設計及營運成效，系統會自動處理大額交易。因此，交易系統的監控是我們審計的關鍵重點。

Refer to Note 5 to the consolidated financial statements.

請參閱綜合財務報表附註5。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

We identified, evaluated and tested the following key IT controls of the Group's leveraged trading system:

我們已識別、評估及測試　貴集團槓桿式交易系統的下列主要資訊科技監控：

1. *IT General Controls Testing*

   Assessed IT control environment including examining the framework of governance over the Group's IT organisation and the key IT general controls over the trading system covering access to system and data, program changes, program development, and IT operations.

1. *資訊科技整體監控測試*

   評估資訊科技監控環境，包括檢查　貴集團資訊科技組織的管治框架及交易系統的主要資訊科技整體監控，包括接達系統及數據、程式變更、程式開發及資訊科技運作。

2. *IT Application Controls Testing*

   Assessed key automated control procedures, key system generated reports from the trading system and calculations within the automated applications through comparing the source data to the underlying trade details and performing recalculation on a sample basis.

2. *資訊科技應用監控測試*

   通過將數據源與相關交易詳情進行比較及抽樣進行重新計算，評估主要自動化監控程序、交易系統編寫報告的主要系統及自動化應用程式內的計算。

The results of the audit testing performed supported our ability to place reliance on the IT dependencies of the leveraged trading system.

審計測試的結果支持我們依賴槓桿式交易系統資訊科技獨立性的能力。

INDEPENDENT AUDITOR'S REPORT
獨立核數師報告

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the Directors' Report, Corporate Information, Statement from the Chief Executive Officer, Management Discussion and Analysis, Biographies of Directors and Senior Management, Corporate Governance Report and Financial Summary (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the Environmental, Social and Governance Report, which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Environmental, Social and Governance Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Audit Committee and take appropriate action considering our legal rights and obligations.

其他信息

貴公司董事須對其他信息負責。其他信息包括我們在本核數師報告日前取得的董事會報告、公司資料、行政總裁報告、管理層之討論及分析、董事及高級管理層履歷、企業管治報告和財務概要(但不包括綜合財務報表及我們的核數師報告),以及預期會在本核數師報告日後取得的環境、社會及管治報告內的信息。

我們對綜合財務報表的意見並不涵蓋其他信息,我們既不也將不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計,我們的責任是閱讀上述的其他信息,在此過程中,考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們對在本核數師報告日前取得的其他信息所執行的工作,如果我們認為其他信息存在重大錯誤陳述,我們需要報告該事實。在這方面,我們沒有任何報告。

當我們閱讀環境、社會及管治報告後,如果我們認為其中存在重大錯誤陳述,我們需要將有關事項與審計委員會溝通,並考慮我們的法律權利和義務後採取適當行動。

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The Audit Committee is responsible for overseeing the Group's financial reporting process.

董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估　貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將　貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會須負責監督　貴集團的財務報告過程。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

核數師就審計綜合財務報表承擔的責任

我們的目標是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向　閣下(作為整體)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。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計總能發現重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

INDEPENDENT AUDITOR'S REPORT
獨立核數師報告

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對該等風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。

- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對　貴集團內部控制的有效性發表意見。

- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對　貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致　貴集團不能持續經營。

- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。

INDEPENDENT AUDITOR'S REPORT
獨立核數師報告

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

- 就　貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責　貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

The engagement partner on the audit resulting in this independent auditor's report is SHAFTESLEY, Colin Stuart.

出具本獨立核數師報告的審計項目合夥人是SHAFTESLEY, Colin Stuart。

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 21 March 2017

羅兵咸永道會計師事務所
執業會計師

香港，二零一七年三月二十一日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
綜合全面收益表

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

		Note 附註	2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Leveraged foreign exchange and other trading income	槓桿式外匯及其他交易收入	5	**306,036**	343,062
Cash dealing income	現金交易收入	5	**4,251**	11,517
Fee and commission income	費用及佣金收入		**55,356**	48,819
Other (losses)/income	其他(虧損)／收入	6	**(3,036)**	3,413
Total income	收入總額		**362,607**	406,811
Referral expenses and other charges	轉介開支及其他費用		**160,407**	120,462
Staff costs	員工成本	7	**60,105**	80,660
Depreciation and amortisation	折舊及攤銷	12 & 13	**8,146**	5,401
Lease payments under land and buildings	土地及樓宇的租賃付款		**12,548**	9,300
Administrative and other operating expenses	行政及其他經營開支	8	**65,992**	60,836
Total expenses	開支總額		**307,198**	276,659
Operating profit	經營溢利		**55,409**	130,152
Finance cost	融資成本		**(1,166)**	(2,003)
Profit before tax	除税前溢利		**54,243**	128,149
Income tax expense	所得税開支	9	**(15,555)**	(33,440)
Profit for the year	年度溢利		**38,688**	94,709

The notes on pages 69 to 155 form part of these consolidated financial statements.

第69至155頁的附註構成該等綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
綜合全面收益表

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

		Note 附註	2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Other comprehensive income	**其他全面收益**			
Item that may be reclassified to profit or loss	*可能重新分類至損益之項目*			
Currency translation difference	貨幣匯兑差額		**2,028**	(11,381)
Other comprehensive income for the year, net of tax	年度其他全面收益(扣除税項)		**2,028**	(11,381)
Total comprehensive income for the year	年度全面收益總額		**40,716**	83,328
Earnings per share for profit attributable to the equity holders of the Company for the year	年度本公司股權持有人應佔溢利之每股盈利			
– Basic (HK cents per share)	– 基本(每股港仙)	*11*	**1.90**	4.68
– Diluted (HK cents per share)	– 攤薄(每股港仙)	*11*	**1.90**	4.65

The notes on pages 69 to 155 form part of these consolidated financial statements.

第69至155頁的附註構成該等綜合財務報表的一部分。

CONSOLIDATED BALANCE SHEET
綜合資產負債表

As at 31 December 2016
於二零一六年十二月三十一日

		Note 附註	2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'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	12	**10,400**	9,397
Intangible assets	無形資產	13	**27,447**	7,679
Deferred tax assets	遞延稅項資產	19	**1,876**	1,893
			39,723	18,969
Current assets	**流動資產**			
Other receivables, prepayments and deposits	其他應收款項、預付款項及按金	14	**10,875**	7,064
Tax prepayment	預繳稅項		**6,224**	–
Derivative financial instruments	衍生金融工具	15	**77,377**	224,859
Balances due from agents	應收代理結餘	16	**57,556**	41,859
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	17	**890,403**	776,025
Total current assets	**流動資產總值**		**1,042,435**	1,049,807
Total assets	**資產總值**		**1,082,158**	1,068,776
EQUITY AND LIABILITIES	**權益及負債**			
Share capital	股本	23	**20,332**	20,330
Reserves	儲備		**360,282**	349,925
Retained earnings	保留盈利		**133,903**	95,155
Total equity	**權益總額**		**514,517**	465,410

The notes on pages 69 to 155 form part of these consolidated financial statements.

第69至155頁的附註構成該等綜合財務報表的一部分。

CONSOLIDATED BALANCE SHEET
綜合資產負債表

As at 31 December 2016
於二零一六年十二月三十一日

		Note 附註	2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Current liabilities	**流動負債**			
Finance lease obligations	融資租賃承擔	*18*	**18**	43
Current income tax liabilities	即期所得稅負債		**2,201**	13,775
Other payables and accrued liabilities	其他應付款項及應計負債	*20*	**31,785**	57,363
Amounts due to other related parties	應付其他關聯方款項	*29*	**–**	73
Borrowing	借貸	*21*	**55,835**	–
Derivative financial instruments	衍生金融工具	*15*	**3,047**	3,414
Clients' balances	客戶結餘	*22*	**473,904**	528,059
			566,790	602,727
Non-current liabilities	**非流動負債**			
Finance lease obligations	融資租賃承擔	*18*	**–**	19
Deferred tax liabilities	遞延稅項負債	*19*	**851**	620
			851	639
Total liabilities	**負債總額**		**567,641**	603,366
Total equity and liabilities	**總權益及負債**		**1,082,158**	1,068,776

The financial statements on pages 62 to 155 were approved by the Board of Directors on 21 March 2017 and were signed on its behalf

第62至155頁的財務報表已於二零一七年三月二十一日獲董事會批准及授權刊發

Liu Stefan
劉欣諾

Ng Chee Hung Frederick
吳棋鴻

The notes on pages 69 to 155 form part of these consolidated financial statements.

第69至155頁的附註構成該等綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
綜合權益變動表

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

		Note 附註	Share capital 股本 HK$'000 千港元	Share premium 股份溢價 HK$'000 千港元	Capital reserve 資本儲備 HK$'000 千港元 (Note 24) (附註24)	Share option reserve 購股權儲備 HK$'000 千港元	Currency translation reserve 貨幣匯兑儲備 HK$'000 千港元	Retained earnings 保留盈利 HK$'000 千港元	Total equity 權益總額 HK$'000 千港元
At 1 January 2015	於二零一五年一月一日		20,000	166,928	171,892	4,339	(413)	29,977	392,723
Comprehensive income	**全面收益**								
Profit for the year	年度溢利		–	–	–	–	–	94,709	94,709
Other comprehensive income for the year	年度其他全面收益		–	–	–	–	(11,381)	–	(11,381)
			20,000	166,928	171,892	4,339	(11,794)	124,686	476,051
Share option scheme	購股權計劃	25	–	–	–	9,902	–	–	9,902
Issuance of new ordinary shares upon exercise of share option	行使購股權時發行之新普通股		330	13,348	–	(4,052)	–	4,052	13,678
Release of share option reserves upon cancellation of share option scheme	註銷購股權計劃時解除購股權儲備		–	–	–	(638)	–	638	–
Dividends	股息	10	–	–	–	–	–	(34,221)	(34,221)
Balance at 31 December 2015	**於二零一五年十二月三十一日之結餘**		20,330	180,276	171,892	9,551	(11,794)	95,155	465,410
At 1 January 2016	於二零一六年一月一日		**20,330**	**180,276**	**171,892**	**9,551**	**(11,794)**	**95,155**	**465,410**
Comprehensive income	**全面收益**								
Profit for the year	年度溢利		**–**	**–**	**–**	**–**	**–**	**38,688**	**38,688**
Other comprehensive income for the year	年度其他全面收益		**–**	**–**	**–**	**–**	**2,028**	**–**	**2,028**
			20,330	**180,276**	**171,892**	**9,551**	**(9,766)**	**133,843**	**506,126**
Share option scheme	購股權計劃	25	**–**	**–**	**–**	**8,201**	**–**	**–**	**8,201**
Issuance of new ordinary shares upon exercise of share option	行使購股權時發行之新普通股		**2**	**188**	**–**	**(60)**	**–**	**60**	**190**
Balance at 31 December 2016	**於二零一六年十二月三十一日之結餘**		**20,332**	**180,464**	**171,892**	**17,692**	**(9,766)**	**133,903**	**514,517**

The notes on pages 69 to 155 form part of these consolidated financial statements.

第69至155頁的附註構成該等綜合財務報表的一部分。

CONSOLIDATED CASH FLOW STATEMENT
綜合現金流量表

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

		Note 附註	2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Cash flows from operating activities	**經營活動所得現金流量**			
Profit before tax	除税前溢利		**54,243**	128,149
Adjustments for:	調整：			
Depreciation and amortisation	折舊及攤銷	*12 &13*	**8,146**	5,401
Interest income	利息收入		**(1,877)**	(1,314)
Gain on disposal of fixed assets	出售固定資產的收益		**(36)**	–
Share option expenses	購股權開支	*7*	**8,201**	9,902
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**		**68,677**	142,138
Increase in pledged time deposits	已抵押定期存款增加		**(64,906)**	(48,517)
Increase in client trust bank balances	客戶信託銀行結餘增加		**(103,570)**	(159,031)
Increase in balances due from agents	應收代理結餘增加		**(15,697)**	(29,760)
Decrease/(increase) in derivative financial instruments	衍生金融工具 減少／（增加）		**147,115**	(170,563)
Increase in other receivables, prepayments and deposits	其他應收款項、預付款項及按金增加		**(3,293)**	(513)
Decrease in amounts due to other related parties	應付其他關聯方款項減少		**(73)**	(415)
(Decrease)/increase in clients' balances	客戶結餘（減少）／增加		**(54,155)**	324,185
(Decrease)/increase in other payables and accrued liabilities	其他應付款項及應計負債（減少）／增加		**(25,578)**	40,205
Cash (used in)/generated from operations	經營（所用）／所得現金		**(51,480)**	97,729
Income tax paid	已付所得税		**(33,165)**	(26,523)
Net cash (used in)/generated from operating activities	經營活動（所用）／所得現金淨額		**(84,645)**	71,206

The notes on pages 69 to 155 form part of these consolidated financial statements.

第69至155頁的附註構成該等綜合財務報表的一部分。

CONSOLIDATED CASH FLOW STATEMENT
綜合現金流量表

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

		Note 附註	2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'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		**1,359**	1,353
Purchase of property, plant and equipment and intangible assets	購買物業、廠房及設備及無形資產	*12 & 13*	**(28,843)**	(11,288)
Proceeds from sale of fixed assets	銷售固定資產所得款項		**100**	–
Net cash used in investing activities	投資活動所用現金淨額		**(27,384)**	(9,935)
Cash flows from financing activities	**融資活動所得現金流量**			
Net proceeds from issue of shares	股份發行所得款項淨額		**190**	13,678
Repayment of finance lease obligations	償還融資租賃承擔		**(44)**	(44)
Proceeds from borrowing	借貸所得款項	*21*	**55,835**	–
Dividends paid	已付股息	*10*	**–**	(34,221)
Net cash generated from/(used in) financing activities	融資活動所得／(所用)現金淨額		**55,981**	(20,587)
Net (decrease)/increase in cash and cash equivalents	**現金及現金等價物(減少)／增加淨額**		**(56,048)**	40,684
Cash and cash equivalents at beginning of year	年初現金及現金等價物		**373,014**	343,722
Effect of foreign exchange rate changes, net	匯率變動影響淨額		**1,950**	(11,392)
Cash and cash equivalents at end of year	**年末現金及現金等價物**	*17*	**318,916**	373,014

The notes on pages 69 to 155 form part of these consolidated financial statements.

第69至155頁的附註構成該等綜合財務報表的一部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

1 CORPORATE INFORMATION

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 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.

The Company's shares have been listed on the Growth Enterprise Market (the "GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 3 July 2013.

On 29 January 2015, KVB Kunlun Holdings Limited, the then controlling shareholder of the Company, and CITIC Securities Company Limited (the "CITIC Securities"), a company incorporated in the People's Republic of China, entered into a share purchase agreement (the "Share Purchase Agreement") pursuant to which CITIC Securities has agreed to acquire 1,200,000,000 shares of the Company (the "Sale Shares") from the controlling shareholder (the "Transaction"). In accordance with the Share Purchase Agreement, CITIC Securities has nominated CITIC Securities Overseas Investment Company Limited (the "CITIC Securities Overseas"), a wholly-owned subsidiary of CITIC Securities which is incorporated in Hong Kong to purchase the full legal and beneficial ownership of the Sale Shares.

Subsequent to the completion of the Transaction, CITIC Securities Overseas holds 1,200,000,000 shares of the Company, representing approximately 59.37% of the total issued share capital of the Company as at the completion date and becomes the immediate holding company while CITIC Securities becomes the ultimate holding company of the Company.

1 公司資料

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。

本公司股份自二零一三年七月三日起在香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)上市。

於二零一五年一月二十九日,本公司當時控股股東KVB Kunlun Holdings Limited與中信証券股份有限公司(「中信証券」,一間於中華人民共和國註冊成立的公司)訂立股份購買協議(「股份購買協議」),據此,中信証券同意向控股股東收購1,200,000,000股本公司股份(「銷售股份」)(「交易事項」)。根據股份購買協議,中信証券提名中信証券海外投資有限公司(「中信証券海外」,中信証券的全資附屬公司,於香港註冊成立),購買銷售股份的全部法定及實益擁有權。

於交易事項完成後,中信証券海外持有1,200,000,000股本公司股份,佔本公司於完成日期的已發行股本總數約59.37%,並成為本公司直接控股公司,而中信証券成為本公司最終控股公司。

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1 CORPORATE INFORMATION *(continued)*

General information *(continued)*

As at 31 December 2016, 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.

As a consequence of the completion of the transaction, companies owned by KVB Kunlun Holdings Limited ceased to be the fellow subsidiaries. Accordingly, such companies are now referred to as "other related parties" throughout these financial statements and underlying notes.

On 2 June 2016, Zhuhai Hengqin Kunlun Financial Exchange Limited ("KVB ZHHQ"), a wholly-owned subsidiary of the Company, entered into a membership agreement with Tianjin Precious Metals Exchange Limited ("TPME"), whereby TPME will provide KVB ZHHQ a spot trading and settlement platform for precious metals trading and the relevant consulting, training and management services to KVB ZHHQ. TPME is controlled by CITIC Limited, an entity incorporated in Hong Kong which has significant influence over CITIC Securities Overseas.

The financial statements are presented in Hong Kong dollars ("HK$"), unless otherwise stated.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1 公司資料*(續)*

一般資料*(續)*

於二零一六年十二月三十一日，本公司已發行股份總數之59.03%由中信証券海外持有，14.75%已發行股份由KVB Kunlun Holdings Limited持有，而餘下26.22%已發行股份則由公眾人士持有。

由於交易事項經已完成，故KVB Kunlun Holdings Limited擁有的公司不再為同系附屬公司。因此，於該等財務報表及相應附註內，該等公司現稱為「其他關聯方」。

於二零一六年六月二日，本公司全資附屬公司珠海橫琴昆侖新金融交易中心有限公司(「昆侖珠海橫琴」)與天津貴金屬交易所有限公司(「天津貴金屬交易所」)訂立會員協議，據此，天津貴金屬交易所將為昆侖珠海橫琴提供一個貴金屬現貨交易及結算平台，亦將為昆侖珠海橫琴提供相關諮詢、培訓及管理服務。天津貴金屬交易所由中國中信股份有限公司控制，該公司於香港註冊成立，對中信証券海外擁有重大影響力。

除非另有說明，本財務報表以港元(「港元」)呈列。

2 重要會計政策概要

編製該等綜合財務報表所採用的主要會計政策載列如下。除另有說明外，該等政策一直適用於所有呈列年度。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.1 Basis of preparation

The consolidated financial statements of the Company and its subsidiaries (together the "Group") have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss, which carried at fair value.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

(a) New and amended standards adopted by the Group

The following amendments to standards have been adopted by the Group for the first time for the financial year beginning on or after 1 January 2016:

- Clarification of acceptable methods of depreciation and amortisation – Amendments to HKAS 16 and HKAS 38;
- Annual improvements to HKFRSs 2012 – 2014 cycle; and
- Disclosure initiative – amendments to HKAS 1.

The adoption of these amendments did not have any impact on the current period or any prior period and is not likely to affect future periods.

2 重要會計政策概要*(續)*

2.1 編製基準

本公司及其附屬公司(統稱「本集團」)的綜合財務報表乃根據所有適用香港財務報告準則(「香港財務報告準則」)編製。綜合財務報表乃按歷史成本法編製，並經重估按公允值計入損益的金融資產及金融負債(包括衍生工具)所修訂，以公允值列賬。

編製符合香港財務報告準則規定的財務報表須採用若干關鍵會計估計。管理層在應用本集團的會計政策時須作出其判斷。涉及高度判斷或複雜性的範圍，或假設及估計對財務報表而言屬重大的範圍，在附註4內披露。

(a) 本集團採納的新訂及經修訂準則

本集團已於二零一六年一月一日或之後開始的財政年度首次採納以下準則修訂：

- 澄清折舊及攤銷的可接納方法－香港會計準則第16號及香港會計準則第38號的修訂本；
- 二零一二年至二零一四年週期香港財務報告準則的年度改進；及
- 披露計劃－香港會計準則第1號的修訂本。

採納該等修訂本不會對本期間或任何過往期間造成任何影響，且不大可能影響未來期間。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.1 Basis of preparation *(continued)*

(b) New standards and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2016 and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group, except the following set out below:

HKFRS 9, 'Financial instruments' addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.

The Group does not expect the new guidance to have a significant impact on the classification and measurement of its financial assets.

There will be no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities. The derecognition rules have been transferred from HKAS 39 Financial Instruments: Recognition and Measurement and have not been changed.

The new hedge accounting rules will align the accounting for hedging instruments more closely with the Group's risk management practices. As a general rule, more hedge relationships might be eligible for hedge accounting, as the standard introduces a more principles-based approach.

2 重要會計政策概要*(續)*

2.1 編製基準*(續)*

(b) 尚未採納的新準則及詮釋

多項新訂準則及準則的修訂本及詮釋於二零一六年一月一日後開始的年度期間生效，惟於編製該等綜合財務報表時並未應用。預期該等新訂準則及準則的修訂本及詮釋對本集團的綜合財務報表並無重大影響，惟下列各項除外：

香港財務報告準則第9號「金融工具」闡述金融資產及金融負債的分類、計量及終止確認、為對沖會計法提出新規則及為金融資產提出一個新的減值模型。

本集團預期該新指引並不會對其金融資產之分類及計量造成重大影響。

由於新規定僅影響指定按公允值計入損益之金融負債會計方法，而本集團並無任何該等負債，故對本集團金融負債之會計方法並無影響。終止確認之規則已自香港會計準則第39號「金融工具：確認及計量」轉移且並無變動。

新對沖會計規則中的對沖工具會計方法將有所調整，以更貼近本集團之風險管理慣例。作為一般規則而言，由於該準則引入更多原則導向之方法，故可能有更多合資格作對沖會計處理之對沖關係。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.1 Basis of preparation *(continued)*

(b) New standards and interpretations not yet adopted (continued)

The new standard also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the Group's disclosures about its financial instruments particularly in the year of the adoption of the new standard.

HKFRS 9 must be applied for financial years commencing on or after 1 January 2018. Based on the transitional provisions in the completed HKFRS 9, early adoption in phases was only permitted for annual reporting periods beginning before 1 February 2015. After that date, the new rules must be adopted in their entirety. The Group does not intend to adopt HKFRS 9 before its mandatory date.

HKFRS 15, 'Revenue from contracts with customers', the HKICPA has issued a new standard for the recognition of revenue. This will replace HKAS 18 which covers contracts for goods and services and HKAS 11 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

2 重要會計政策概要*(續)*

2.1 編製基準*(續)*

(b) 尚未採納的新準則及詮釋(續)

該新準則亦引進擴大披露之規定及更改其呈報方式。此等影響預期將更改本集團有關其金融工具作出披露之性質及範圍，特別是於新準則採納年度。

香港財務報告準則第9號適用於二零一八年一月一日或之後開始的財政年度。根據完整的香港財務報告準則第9號的過渡性條文，僅可於二零一五年二月一日之前開始的年度報告期間分階段提早採納。於該日後，必須採納完整的新規則。本集團不擬於香港財務報告準則第9號的強制生效日期前採納該準則。

就香港財務報告準則第15號「客戶合約收入」而言，香港會計師公會已頒佈確認收入之新準則。此將取代香港會計準則第18號(涵蓋貨品及服務合約)及香港會計準則第11號(涵蓋建築合約)。此新訂準則乃根據當貨品或服務之控制權轉讓予客戶時才確認收入之原則下作出。該準則准許選擇具全面追溯力之方式或改良追溯力之方式採納。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.1 Basis of preparation *(continued)*

(b) New standards and interpretations not yet adopted (continued)

Management is currently assessing the effects of applying the new standard on the Group's financial statements and has identified the following areas that are likely to be affected:

- revenue from service – the application of HKFRS 15 may result in the identification of separate performance obligations which could affect the timing of the recognition of revenue.

- accounting for certain costs incurred in fulfilling a contract – certain costs which are currently expensed may need to be recognised as an asset under HKFRS 15.

At this stage, the Group is not able to estimate the impact of the new rules on the Group's financial statements.

HKFRS 15 is mandatory for financial years commencing on or after 1 January 2018. At this stage, the Group does not intend to adopt the standard before its effective date.

HKFRS 16, 'Leases', 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.

2 重要會計政策概要*(續)*

2.1 編製基準*(續)*

(b) 尚未採納的新準則及詮釋(續)

管理層目前正評估應用該新準則對本集團財務報表之影響，並已識別下列該等可能受影響之領域：

- 服務收益－應用香港財務報告準則第15號或會導致須識別獨立履約責任，其可能影響確認收入的時間。

- 履行合約所產生若干成本之會計法－目前支銷之若干成本可能需根據香港財務報告準則第15號確認為資產。

於現階段，本集團無法估計新規則對本集團之財務報表之影響。

香港財務報告準則第15號已於二零一八年一月一日或之後開始的財政年度強制生效。於現階段，本集團不擬於其生效日期前採納有關準則。

在經營及融資租賃的劃分遭刪除的情況下，香港財務報告準則第16號「租賃」將導致近乎所有租約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。

出租人的會計處理法將不會有重大變動。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.1 Basis of preparation *(continued)*

(b) New standards and interpretations not yet adopted (continued)

The standard will affect primarily the accounting for Group's operating leases. At this stage, the Group is not able to estimate the impact of the new rules on the Group's financial statements. 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 new standard is mandatory for financial years commencing on or after 1 January 2019. At this stage, the Group does not intend to adopt the standard before its effective date.

2 重要會計政策概要*(續)*

2.1 編製基準*(續)*

(b) 尚未採納的新準則及詮釋(續)

該準則將主要影響本集團經營租賃的會計處理法。於目前階段，本集團尚未能估計新規則對本集團財務報表的影響。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。

新訂準則於二零一九年一月一日或之後開始的財政年度強制生效。於目前階段，本集團不擬於其生效日期前採納該準則。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.2 Subsidiaries

2.2.1 Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

Acquisition-related costs are expensed as incurred.

2 重要會計政策概要*(續)*

2.2 附屬公司

2.2.1 綜合賬目

附屬公司是本集團擁有控制權的全部實體(包括結構實體)。本集團對實體的控制權體現為自實體投資錄得可變回報的風險或權利，並擁有對實體行使權力以影響該等回報金額的能力。附屬公司的賬目自其控制權轉移至本集團之日起全面列入綜合賬目，並於本集團失去其控制權時停止綜合入賬。

本集團採用收購法將業務合併入賬。收購一家附屬公司轉讓的代價為所轉讓資產、所產生的負債及本集團發行的股本權益的公允值。所轉讓的代價包括或然代價安排所產生的任何資產或負債的公允值。

收購相關成本於產生時支銷。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.2 Subsidiaries *(continued)*

2.2.1 Consolidation (continued)

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2 重要會計政策概要*(續)*

2.2 附屬公司*(續)*

2.2.1 綜合賬目(續)

在業務合併中所收購的可識別資產以及所承擔的負債及或然負債，初步以其於收購日期的公允值計量。本集團按逐項收購基準，以公允值或按非控股權益所佔被收購方資產淨值比例確認於被收購方的任何非控股權益。

所轉撥代價、於被收購方的任何非控制性權益金額以及於被收購方的任何先前股權於收購日期的公允值超過本集團應佔所收購可識別淨資產公允值的差額列作商譽。就議價購買而言，倘該差額低於所購入附屬公司的淨資產公允值，則直接在全面收益表中確認有關差額。

公司間的交易、集團公司間的交易結餘及未變現收益予以對銷。未變現虧損亦予以對銷，除非有關交易證明轉撥資產出現減值。附屬公司的會計政策已經變更(倘需要)，以確保與本集團採納的政策相一致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.2 Subsidiaries *(continued)*

2.2.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Group has determined the executive directors and senior management as its chief operating decision maker.

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency").

The consolidated financial statements are presented in HK$, which is the Company's functional and the Group's presentation currency.

2 重要會計政策概要*(續)*

2.2 附屬公司*(續)*

2.2.2 獨立財務報表

於附屬公司之投資按成本減減值入賬。成本包括投資之直接應佔成本。附屬公司之業績在本公司賬目內按已收及應收股息入賬。

倘自附屬公司收取之股息超出宣派股息期間該附屬公司之全面收益總額，或倘獨立財務報表之投資賬面值超出綜合財務報表所示被投資公司之資產淨值(包括商譽)之賬面值，則須對該等附屬公司之投資進行減值測試。

2.3 分部報告

經營分部的報告方式與提供予主要營運決策人的內部報告方式一致。主要營運決策人為向實體分配資源及評估實體經營分部表現的人士或集團。本集團已釐定執行董事及高級管理層作為其主要營運決策人。

2.4 外幣兑換

(a) 功能及呈列貨幣

本集團各實體的財務報表所載項目均以有關實體營運的主要經濟環境所用貨幣(「功能貨幣」)計量。

綜合財務報表以本公司的功能及本集團的呈列貨幣港元呈列。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.4 Foreign currency translation *(continued)*

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

(ii) income and expenses for each consolidated statements of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

(iii) all resulting exchange differences are recognised in other comprehensive income.

2 重要會計政策概要*(續)*

2.4 外幣兑換*(續)*

(b) 交易及結餘

外幣交易按交易當日或項目重新計量的估值日期的通行匯率換算為功能貨幣。因該等交易結算及按年結時匯率換算以外幣計值的貨幣資產及負債而產生的外匯盈虧均於綜合全面收益表確認。

(c) 集團公司

本集團旗下所有功能貨幣與呈列貨幣不同的實體(均非使用超高通脹地區的貨幣)的業績及財務狀況按以下方式換算為呈列貨幣：

(i) 各資產負債表所呈列的資產及負債按結算日的收市匯率換算；

(ii) 各綜合全面收益表的收支按平均匯率(除非此平均值並非該等交易日期通行匯率累計影響的合理約數，在此情況下，收支於交易日期換算)換算；及

(iii) 所有產生的匯兑差額於其他全面收益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Leasehold improvements	10 years or over the lease term, whichever is shorter
Computer equipment	3 to 5 years
Furniture, fixtures and equipment	3 to 5 years
Motor vehicles	3 to 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in 'other income' in the consolidated statement of comprehensive income.

2 重要會計政策概要*(續)*

2.5 物業、廠房及設備

物業、廠房及設備按歷史成本減累計折舊及減值(如有)列賬。歷史成本包括收購項目直接應佔開支。

僅當與該項目有關的未來經濟利益很可能流入本集團，而且該項目的成本能可靠計量時，其後成本方可列入資產的賬面值內或確認為獨立資產(如適用)。所有其他維修及保養均於其產生的財政期間於損益表扣除。

物業、廠房及設備於以下估計使用年期採用直線法將成本分配至剩餘價值計算折舊：

租賃物業裝修	十年或租期(以較短期間為準)
電腦設備	三至五年
傢俱、裝置及設備	三至五年
汽車	三至五年

資產的剩餘價值及使用年期於各結算日檢討，並在適當情況下作出調整。當有事件出現或情況改變而顯示賬面值不可回收時，本集團就是否存在減值對資產(受折舊所規限)進行檢討。倘資產的賬面值高於其估計可收回金額，則其賬面值即時撇減至其可收回金額。可收回金額為資產的公允值減銷售成本與使用價值兩者中較高者。

出售時的盈虧乃透過比較所得款項與賬面值而釐定，並計入綜合全面收益表內的「其他收入」。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.6 Intangible assets

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life (3 to 5 years) and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each balance sheet date.

Intangible assets with indefinite useful lives are tested for impairment annually. Such intangible assets are not amortised. The useful lives of intangible assets with indefinite lives are reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

2.7 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each balance sheet date.

2 重要會計政策概要*(續)*

2.6 無形資產

無形資產的使用年期可評估為有限或無限。年期有限的無形資產於可使用經濟年期(三至五年)內攤銷，並評估是否有跡象顯示無形資產可能出現減值。使用年期有限的無形資產的攤銷期及攤銷方法最少於各結算日檢討一次。

無限可用年期的無形資產於每年進行減值測試。該等無形資產不予攤銷。無限可用年期的無形資產的使用年期每年進行檢討以釐定無限可用年期評估是否仍然適用。倘不適用，則對可使用年期從無限評定為有限的變動按預期基準入賬。

2.7 非金融資產的減值

無限使用年期的資產毋須攤銷，並每年進行減值測試。每當有事件發生或情況出現轉變，顯示須作出攤銷的資產不可按賬面值收回時，則會審閱有關減值情況。減值虧損按資產賬面值超出其可收回金額的金額確認。可收回金額為資產公允值減銷售成本與使用價值兩者中的較高者。於評估減值時，資產按可獨立識別現金流量(現金產生單位)的最低水平劃分組別。除商譽外，錄得減值的非金融資產於各結算日審閱減值可否撥回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.8 Financial assets

2.8.1 Classification

The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss and loans and receivables. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if it holds the asset primarily for the purpose of trading and expected to be settled within 12 months; otherwise, they are classified as non-current.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the balance sheet date. These are classified as non-current assets.

2 重要會計政策概要*(續)*

2.8 金融資產

2.8.1 分類

本集團將其金融資產分為以下類別：按公允值計入損益的金融資產以及貸款及應收款項。管理層於初始確認時釐定金融資產的分類。

(a) 按公允值計入損益的金融資產

按公允值計入損益的金融資產為持作買賣的金融資產。倘收購金融資產的主要目的為在短期內售出，則該金融資產歸類為此類別。衍生工具亦歸類為持作買賣，惟指定作對沖者除外。倘持有該類資產的主要目的為買賣並預期於十二個月內結清，則此類別資產歸類為流動資產；否則歸類為非流動資產。

(b) 貸款及應收款項

貸款及應收款項指具有固定或可確定支付金額且不在活躍市場報價的非衍生金融資產，計入流動資產，惟結算金額或預期結算金額超逾結算日後十二個月者，則歸類為非流動資產。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.8 Financial assets *(continued)*

2.8.2 Recognition and measurement

Regular purchases and sales of financial assets are recognised on trade-date – the date on which the Group commits to purchase or sell the assets.

Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the consolidated statement of comprehensive income. Gains and losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category are included directly in consolidated statement of comprehensive income and are reported as "leveraged foreign exchange and other trading income" in the period in which they arise. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the Group has transferred substantially all risks and rewards of ownership.

Loans and receivables are carried at amortised cost using the effective interest method less impairment if any. The Group's receivables (including amounts due from group companies) and "cash and cash equivalents" fall under this category. Accounts receivables and amounts due from group companies are measured subsequently at amortised cost using the effective interest rate method. Interest on loans is included in the consolidated statement of comprehensive income and is reported as net interest income.

2 重要會計政策概要*(續)*

2.8 金融資產*(續)*

2.8.2 確認及計量

金融資產的常規買賣於交易當日(即本集團承諾購買或出售資產當日)確認。

就所有未按公允值計入損益的金融資產而言，金融資產最初按公允值另加交易成本確認。按公允值計入損益的金融資產最初按公允值確認，而交易成本則於綜合全面收益表支銷。「按公允值計入損益的金融資產」分類的公允值變動所產生的收益及虧損直接計入綜合全面收益表，並於產生期間呈報為「槓桿式外匯及其他交易收入」。在收取來自金融資產現金流量的權利屆滿或本集團已轉讓所有權的絕大部分風險及回報時，終止確認有關金融資產。

貸款及應收款項以實際利率法按攤銷成本減去減值(如有)列賬。本集團的應收款項(包括應收集團公司款項)及「現金及現金等價物」屬於此類別。應收款項及應收集團公司款項隨後使用實際利率法按攤銷成本計量。貸款利息計入綜合全面收益表並呈報為利息收入淨額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.8 Financial assets *(continued)*

2.8.3 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.9 Impairment of financial assets

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset classified as loans and receivables is impaired. A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

2 重要會計政策概要*(續)*

2.8 金融資產*(續)*

2.8.3 抵銷金融工具

當存在一項可依法強制執行的權利可抵銷已確認金額且亦有意以淨額結算或同時變現資產及償付債務，則金融資產及負債均可予抵銷，且將有關淨額列入資產負債表內。法定可執行權利必須不得依賴未來事件而定，而在一般業務過程中以及倘本公司或對手方一旦出現違約、無償債能力或破產時亦必須可強制執行。

2.9 金融資產減值

本集團於各結算日對分類為貸款及應收款項的金融資產是否存在減值的客觀證據進行評估。僅當有客觀證據表明金融資產因初始確認該資產後發生的一項或多項事件(「虧損事件」)而出現減值，且虧損事件對該項金融資產的估計未來現金流量會產生可以可靠估計的影響時，該金融資產出現減值並產生減值虧損。

減值證據或包括顯示一名或一組債務人面對重大財務困難、違約或拖欠利息或本金以及彼等將破產或訂立其他財務重組的跡象，及顯示估計未來現金流量出現可計量減少(例如因拖欠款項或與違約有關經濟狀況的變動)的可觀察數據。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.9 Impairment of financial assets *(continued)*

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated statement of comprehensive income. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using observable market data.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of previously recognised impairment loss is recognised in the consolidated statement of comprehensive income.

2.10 Derivative financial instruments

The Group classifies derivatives as financial assets or financial liabilities at fair value through profit or loss at inception. These financial assets and financial liabilities are classified as held for trading by the Board of Directors.

Financial assets or financial liabilities held for trading are those acquired or incurred principally for the purposes of selling or repurchasing in the short term. The Group does not classify any derivatives as hedges in a hedging relationship.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Gains or losses arising from changes in the fair value are recognised in the "leveraged foreign exchange and other trading income" in the period in which they arise.

2 重要會計政策概要*(續)*

2.9 金融資產減值*(續)*

虧損金額乃以資產賬面值與按金融資產原實際利率折算的估計未來現金流量(不包括未產生的日後信貸虧損)現值的差額計算。資產的賬面值削減，而虧損金額則於綜合全面收益表確認。倘貸款具浮動利率，用於計量任何減值虧損的折現率則為合約項下釐定的即期實際利率。作為一項實際合宜事項，本集團可採用可供觀察的市場數據以工具的公允值基準計量減值。

倘於日後期間，減值虧損金額減少，同時客觀地與減值獲確認後發生的事項(例如債務人信貸評級改善)相關，則過往確認的減值虧損撥回於綜合全面收益表確認。

2.10 衍生金融工具

本集團於開始時將衍生工具分類為按公允值計入損益的金融資產或金融負債。該等金融資產及金融負債由董事會分類為持作買賣。

持作買賣的金融資產或金融負債指主要目的為於短期內售出或購回而購入或產生的金融資產或金融負債。本集團並無將任何衍生工具分類作對沖關係中對沖用途。

衍生工具於訂立衍生工具合約當日初步按公允值確認，其後按公允值重新計量。公允值變動所產生的收益或虧損於其產生期間於「槓桿式外匯及其他交易收入」中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, deposits held at call with banks, bank deposits with original maturities of three months or less, and bank overdrafts.

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash and cash equivalents available for the disposition of the Group and exclude client trust bank balances, and bank deposits held to secure the banking facilities granted to the Group.

2.12 Rental, utility and other deposits

Rental, utility and other deposits held on a long term basis are stated at amortised cost using the effective interest method less impairment if any.

2.13 Borrowing

Borrowing is recognised initially at fair value, net of transaction costs incurred. Borrowing is subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the period of the borrowing using the effective interest method.

Borrowing is classified as current liabilities unless the liabilities are due to be settled or the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date.

2.14 Financial liabilities

Financial liabilities including other payables are recognised initially at fair value net of transaction costs incurred. Financial liabilities are subsequently stated at amortised cost; any difference between proceeds net of transaction costs and the redemption value is recognised in the profit or loss over the period of the other financial liabilities using the effective interest method. Financial liabilities are derecognised when they are extinguished – that is, when the obligation is discharged, cancelled or expires.

2 重要會計政策概要*(續)*

2.11 現金及現金等價物

現金及現金等價物包括手頭現金、銀行通知存款、原到期日為三個月或以下的銀行存款及銀行透支。

就綜合現金流量表而言，現金及現金等價物為可供本集團處置的現金及現金等價物，不包括客戶信託銀行結餘以及為授予本集團的銀行信貸提供擔保而持有的銀行存款。

2.12 租金、公用設施及其他按金

長期持有的租金、公用設施及其他按金按實際利率法以攤銷成本扣減減值(如有)列賬。

2.13 借貸

借貸最初以公允值確認，並扣除所產生的交易成本。借貸其後以攤銷成本列賬；所得款項(扣除交易成本)與贖回價值之間的差額按實際利率法於借貸期間於損益確認。

借貸分類為流動負債，除非負債乃到期將予償還或本集團有權無條件將償還日期遞延至結算日後至少十二個月。

2.14 金融負債

金融負債(包括其他應付款項)最初以公允值確認並扣除所產生的交易成本。金融負債其後以攤銷成本列賬；所得款項(扣除交易成本)與贖回價值之間的差額以實際利率法於其他金融負債期間於損益表內確認。金融負債在所指定的責任解除、註銷或屆滿時終止確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.15 Provision

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. When the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2.16 Employee benefits

(a) Retirement benefits scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of its employees in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries and are charged to the profit or loss as they become payable in accordance with the rules of the Scheme.

The employees of the Group's subsidiary, which operates in New Zealand, are eligible to participate in KiwiSaver plan on a voluntary basis. This subsidiary is required to contribute certain percentage of its payroll costs to the fund only if employees are making contribution to KiwiSaver plan. The contributions are charged to the profit or loss as they become payable in accordance with the rules of the fund.

2 重要會計政策概要*(續)*

2.15撥備

當由於過往事件引致目前出現法定或推定責任，而可能導致日後資源流出以履行責任，並能夠可靠估計責任金額時，則會確認撥備。倘金錢的時間價值重大，撥備會以履行責任預期所需開支的現值列賬。

倘可能毋須流出經濟利益，或金額未能可靠估計，除非流出經濟利益的可能性極低，否則須披露該責任為或然負債。潛在責任的存在僅以發生或不發生一項或多項未來事件確定，除非流出經濟利益的可能性極低，否則亦同時披露為或然負債。

2.16 僱員福利

(a) 退休福利計劃

本集團根據強制性公積金計劃條例，為所有香港僱員設立界定供款的強制性公積金退休福利計劃(「該計劃」)。根據該計劃的規則，供款按僱員基本薪酬的一定百分比作出，並於支付時在損益中扣除。

本集團紐西蘭附屬公司的僱員均合資格自願參與KiwiSaver計劃。僅當僱員向KiwiSaver計劃作出供款時，該附屬公司須按薪金成本的一定百分比向該基金作出供款。根據該基金的規則，該等供款於應付時在損益中扣除。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.16 Employee benefits *(continued)*

(a) Retirement benefits scheme *(continued)*

The employees of the Group's subsidiary, which operates in Australia, are required to participate in employee superannuation fund. This subsidiary is required to contribute certain percentage of its payroll costs to the fund. The contributions are charged to the profit or loss as they become payable in accordance with the rules of the fund.

The assets of the Scheme and other plans as described above are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the Scheme and other plans.

(b) Employee level entitlements

Employee entitlements to annual leave are recognised when they are accrued to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

(c) Bonus

The Group recognises a liability and an expense for bonuses, in which the bonus scheme is at the discretion of the Group's Directors based on the Group performance that takes into consideration the profit attributable to the Group after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2 重要會計政策概要*(續)*

2.16 僱員福利*(續)*

(a) 退休福利計劃 *(續)*

本集團澳洲附屬公司的僱員須參與僱員退休基金。該附屬公司須按薪金成本的一定百分比向該基金作出供款。根據該基金的規則，該等供款於應付時在損益中扣除。

該計劃及上文所述其他計劃的資產乃以獨立管理基金方式與本集團的資產分開持有。本集團向該計劃及其他計劃繳納僱主供款時，該等供款即全數歸僱員所有。

(b) 僱員假期權益

僱員的年假權利在僱員享有的有關假期產生時確認。本集團為截至結算日止僱員已提供服務產生的年假的估計負債作出撥備。

(c) 花紅

本集團就花紅確認負債及開支，而有關花紅計劃乃本集團董事根據本集團表現酌情制定，並計及於作出若干調整後本集團應佔的溢利。於出現合約責任或過往慣例引致推定責任時，本集團即確認撥備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.17 Share-based payment transactions

(a) Equity-settled share-based payment transactions

The Group operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined with reference to the fair value estimated by external valuer under a valuation model commonly used in the market.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company ("market conditions"), if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the year in which the service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the "vesting date"). The cumulative expense recognised for equity-settled transactions at each balance sheet date until the vesting date reflects the extent to which the vesting year has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the income statement for a year represents the movement in the cumulative expense recognised as at the beginning and end of that year.

2 重要會計政策概要*(續)*

2.17以股份支付交易

(a) 權益結算股份支付交易

本集團設有一項購股權計劃，為對本集團業務成功作出貢獻之合資格參與者提供鼓勵與獎賞。本集團僱員(包括董事)以股份支付交易之方式收取報酬，而僱員則提供服務作為權益工具之代價(「權益結算交易」)。

與僱員進行權益結算交易之成本乃參考授出購股權當日之公允值計算。公允值乃參考外部估值師根據市場常用估值模型估計公允值釐定。

在評估權益結算交易時，除與本公司股價相關之條件(「市場條件」)(如適用)外，並不考慮任何表現條件。

權益結算交易之成本，連同權益相應增加部分，在服務條件獲得履行之年度(於有關僱員完全有權獲得授予之日(「歸屬日期」)結束)內確認。在歸屬日期前，每個結算日確認之權益結算交易之累積開支，反映歸屬年度已到期部分及本集團對最終將會歸屬之權益工具數目之最佳估計。本年度在收益表內扣除或進賬，乃反映累積開支於年初與年終確認之變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.17 Share-based payment transactions *(continued)*

(a) Equity-settled share-based payment transactions *(continued)*

When the options are exercised, the company issues new shares. The proceeds received net of any directly transaction costs are credited to share capital.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

(b) Share-based payment transaction among group entities

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting periods an increase to investment in subsidiaries undertakings, with a corresponding credit to equity in the parent entity accounts.

2 重要會計政策概要*(續)*

2.17 以股份支付交易*(續)*

(a) 權益結算股份支付交易（續）

本公司於購股權獲行使時發行新股份。已收所得款項(扣除任何直接交易成本)，乃計入股本。

倘股本結算獎勵之條款已修改，則須確認一項最少支出，尤如有關條件並無修改。此外，會就任何修改確認支出，使股份支付的安排總公允值增加，或另行對僱員有所裨益，猶如修訂日期所計量者。

倘若權益結算獎勵被註銷，應被視為已於註銷日期歸屬，任何尚未確認之獎勵開支，均應立刻確認。然而，若授予新獎勵代替已註銷之獎勵，並於授出日期指定為替代獎勵，則已註銷之獎勵及新獎勵，均應被視為原獎勵之變更，一如前段所述。

計算每股盈利時，未行使購股權之攤薄效應，反映為額外股份攤薄。

(b) 集團實體間股份支付交易

本公司向本集團附屬公司的僱員授予其股本工具的購股權，被視為資本投入。所獲得僱員服務的公允值乃參考授出日期的公允值計量，於歸屬期內確認為增加對附屬公司的投資，並相應計入母公司實體賬目內的權益。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.18 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividend on ordinary shares is recognised as a liability in the consolidated financial statements in the period in which it is approved by the shareholders or directors where appropriate.

2.19 Income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit of loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group's subsidiaries operate and generate taxable income. Management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 重要會計政策概要*(續)*

2.18 股本

普通股被分類為權益。直接歸屬於發行新股或購股權的新增成本於扣除稅項後在權益中列為所得款項減少。

普通股股息於獲股東或董事(如適用)批准期間於綜合財務報表內確認為負債。

2.19 所得稅

年內稅項支出包括即期及遞延稅項。稅項在損益確認，惟倘與在其他全面收益確認或直接在權益確認的項目相關的情況除外。在該情況下，稅項亦分別在其他全面收益或直接在權益確認。

(a) 即期所得稅

即期所得稅支出根據本集團附屬公司營運及產生應課稅收入的國家於結算日已頒佈或實質頒佈的稅務法例計算。管理層就適用稅務法例詮釋所規限的情況定期評估報稅表的狀況，並在適用情況下根據預期須向稅務機關支付的稅款設定撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.19 Income tax *(continued)*

(b) Deferred income tax

Deferred income tax is recognised in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 重要會計政策概要*(續)*

2.19所得稅*(續)*

(b) 遞延所得稅

遞延所得稅採用負債法，就資產及負債的計稅基準與資產及負債於綜合財務報表的賬面值之間產生的暫時性差額予以全數確認。遞延所得稅採用在結算日前已頒佈或實質頒佈，並在有關的遞延所得稅資產變現或遞延所得稅負債結算時預期將會適用的稅率（及法例）而釐定。

遞延所得稅資產僅於可能有未來應課稅溢利將可用作抵銷暫時性差額時確認。

遞延所得稅按於附屬公司的投資所產生的暫時性差額作出撥備，惟倘遞延所得稅負債撥回暫時性差額的時間由本集團控制，而在可見將來不大可能撥回暫時性差額則除外。

當有法定可執行權力將即期稅項資產與即期稅項負債抵銷，且遞延所得稅資產及負債涉及由同一稅務機關向應課稅實體或有意以淨額基準結算結餘的不同應課稅實體徵收所得稅，則可將遞延所得稅資產與負債互相抵銷。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.20 Goods and Services Tax ("GST")

The financial statements have been prepared so that expenses/costs are stated inclusive of GST, where appropriate. The Group is not a registered person in term of the Goods and Services Tax Act 1985 in New Zealand.

2.21 Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

(i) fees and commission income, when the services have been rendered;

(ii) management fees income, when the services have been rendered; and

(iii) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

2.22 Cash dealing income

Unleveraged cash dealing services are 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. Cash dealing income is recognised when cash dealing transactions have been completed by market makers with reference to prevailing exchange rate.

2 重要會計政策概要*(續)*

2.20 商品及服務稅(「商品及服務稅」)

財務報表已編製以使開支／成本列賬時包括商品及服務稅(如適用)。就紐西蘭一九八五年商品及服務稅法而言，本集團並非註冊人。

2.21 收入確認

收入於經濟利益有可能流入本集團及收入能可靠計量時確認，基準如下：

(i) 費用及佣金收入，於提供服務時確認；

(ii) 管理費收入，於提供服務時確認；及

(iii) 利息收入，按應計基準以實際利率法確認，方法為於金融工具的預計年期將估計未來現金收入按利率折現至金融資產賬面淨值。

2.22 現金交易收入

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兑換業務的客戶。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。現金交易收入於市場莊家完成交易時並參考現行匯率確認。

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.23 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor), are charged to the profit or loss on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments.

The corresponding rental obligations, net of finance charges, are included in finance lease obligation. Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in non-current liabilities. The interest element of the finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life and the lease term.

2 重要會計政策概要*(續)*

2.23 租賃

出租人保留所有權的主要風險及回報的租賃歸類為經營租賃。根據經營租賃支付的款項(扣除出租人給予的任何優惠),按直線基準於租賃期間內於損益扣除。

本集團出租若干物業、廠房及設備。本集團擁有幾乎全部所有權的風險及回報的物業、廠房及設備的租賃歸類為融資租賃。融資租賃於租賃開始時按租賃物業的公允值與最低租賃付款現值兩者的較低者撥充資本。

相應的租金責任在扣除融資開支後,計入融資租賃承擔。每項租賃付款在負債及融資開支間分攤。相應的租金債務在扣除融資開支後計入非流動負債。融資成本的利息部分按租賃期在損益中扣除,以對各期間餘下負債結餘產生常數定期利息比率。根據融資租賃購入的物業、廠房及設備按資產的使用年期與租期兩者的較短者折舊。

3 FINANCIAL RISK MANAGEMENT

Risk is inherent in the financial service business and sound risk management is a cornerstone of prudent and successful financial practice. The Group acknowledges that a balance must be achieved between risks, control and business growth. The principal financial risks inherent in the Group's business are credit risk, market risk (including interest rate risk and foreign currency risk) and liquidity risk. The Group's overall risk management objective is to enhance shareholder value while retaining exposure within acceptable thresholds in response to changes in markets. The Group has a robust risk management system in place to identify, analyse, assess and manage risks.

The Group's risk management is carried out by the Group Risk Department under policies approved by the Group audit, risk and compliance committee. The Group Risk Department provides written principles for overall risk management, as well as written policies covering specific areas, such as mitigating credit risk, market risk, liquidity risk, capital management risk and risk limits setting and monitoring.

The policies for managing each of these risks are summarised below:

3.1 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk from bank balances, balances due from agents, derivative financial instruments and other receivables and deposits. After evaluating the client's risk profiles, the Group sets stop-out levels to the clients. Once their equity drops to the stop-out level the Group's trading system will automatically liquidate the client's positions. Without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk is the carrying amounts of these assets. The balances due from agents have no defaults in the past.

3 財務風險管理

金融服務業本身存在風險，因此訂立妥善的風險管理制度，乃企業審慎而成功的做法。本集團知悉風險、控制及業務發展之間須達致平衡。本集團的業務存在的主要金融風險為信貸風險、市場風險(包括利率風險及外匯風險)及流動性風險。本集團的全面風險管理目標為於應對市場變動時，將所面對的風險局限於可接受水平內之餘，同時致力提高股東價值。本集團已建立完善的風險管理系統以識別、分析、評估及管理風險。

本集團風險部根據本集團審核、風險及合規委員會批准的政策管理本集團風險。本集團風險部就全面風險管理制定書面原則，並就涵蓋如降低信貸風險、市場風險、流動性風險、資本管理風險以及設定及監控風險限額等特定範疇制定書面政策。

管理該等風險各自的政策概述如下：

3.1 信貸風險

信貸風險指對手方在其合約責任的失責以致本集團蒙受財務損失的風險。本集團就銀行結餘、應收代理結餘、衍生金融工具以及其他應收款項及按金承受信貸風險。於評估客戶風險狀況後，本集團為客戶設立強制平倉水平。一旦其淨值跌至強制平倉水平，本集團交易系統將自動為客戶平倉。在未計及所持任何抵押品或其他信貸提升情況下，承受的最高信貸風險乃該等資產的賬面值。應收代理結餘於過往並無拖欠款項。

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3 FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Credit risk *(continued)*

The Group's bank deposits are held with banks and balances due from agents are held with major financial institutions and TPME. Management reviews the banks and financial institutions' creditworthiness on a regular basis. The banks and financial institutions are of high credit quality and substantially with a rating of grade A or with long established relationships. The Group is also subject to credit risk relating to balance due from TMPE, a recognised investment exchange under the Tianjin Municipal People's Government and a related party of the Group. The credit risk relating to the balance is treated as any other receivables in the normal course of business. The Group monitors the credit risk exposure of the balance on a regular basis, taking into account the financial position and past experience. The Group did not experience any losses from non-performance by the counterparty. The credit risk associated with these balances is deemed insignificant.

(a) Maximum exposure to credit risk before collateral held or other credit enhancements

The Group's maximum exposure to credit risk in the event the counterparties fail to perform their obligations as at the balance sheet date, in relation to each class of financial assets, is the carrying amount of those assets as indicated in the consolidated balance sheet. These amounts represent the worst case scenario of credit risk exposure to the Group at 31 December 2016 and 2015, without taking into account any collateral held or other credit enhancements attached.

The carrying values of receivables and other assets arising from the course of business of the Group are as follows:

3 財務風險管理*（續）*

3.1 信貸風險*（續）*

本集團銀行存款由銀行持有，而應收代理結餘由重要金融機構及天津金屬交易所持有。管理層定期審閱銀行及金融機構的信譽。銀行及金融機構具有高信貸質素，大部分評級均為A級或與本集團已建立長期合作關係。本集團亦面對有關應收天津貴金屬交易所結餘的信貸風險，天津貴金屬交易所為天津市人民政府的認可投資交易所及本集團之關聯方。結餘相關的信貸風險被視為於日常業務過程中之任何其他應收款項。本集團定期透過考慮財務狀況及過往經驗監察結餘所產生的信貸風險。本集團並無因對手方不履約而蒙受任何損失。與該等結餘有關的信貸風險被視作微不足道。

(a) 持有抵押品或其他信貸提升前的最高信貸風險值

倘對手方未能於結算日履行其責任，則本集團所面臨的與各類金融資產相關的最高信貸風險值為綜合資產負債表內所示該等資產的賬面值。該等金額為本集團於二零一六年及二零一五年十二月三十一日所面臨的信貸風險的最差情形，且未計及任何所持抵押品或所附其他信貸提升情況。

於本集團業務過程中產生的應收款項及其他資產賬面值如下：

		2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Other receivables and deposits	其他應收款項及按金	**6,913**	5,331
Derivative financial instruments	衍生金融工具	**77,377**	224,859
Balances due from agents	應收代理結餘	**57,556**	41,859
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	**890,403**	776,025
		1,032,249	1,048,074

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Credit risk *(continued)*

(b) None of the financial assets is either past due or impaired.

(c) The following table breaks down the Group's major credit exposure at their carrying amounts, as categorised by geographical region as of 31 December 2016 and 2015. The Group has allocated exposures to regions based on the country of domicile of its counterparties. Credit risk exposure by geographical sectors is classified according to the location of counterparties after taking into account the transfer of risk.

3 財務風險管理*(續)*

3.1 信貸風險*(續)*

(b) 概無金融資產逾期或減值。

(c) 下表以賬面值細分本集團的主要信貸風險，並按截至二零一六年及二零一五年十二月三十一日的地理區域分類。本集團根據其對手方的所在國家分配風險至各地區。按區域劃分的信貸風險經計及轉讓風險後按對手方所在地予以分類。

As at 31 December 2016 於二零一六年十二月三十一日

		Hong Kong 香港 HK$'000 千港元	Asia Pacific excluding Hong Kong 亞太地區（不包括香港） HK$'000 千港元	Europe and other regions 歐洲及其他地區 HK$'000 千港元	Total 總計 HK$'000 千港元
Other receivables and deposits	其他應收款項及按金	**3,601**	**3,312**	**–**	**6,913**
Derivative financial instruments	衍生金融工具	**157**	**77,220**	**–**	**77,377**
Balances due from agents	應收代理結餘	**–**	**57,556**	**–**	**57,556**
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	**326,219**	**494,505**	**69,679**	**890,403**
Total	總計	**329,977**	**632,592**	**69,679**	**1,032,249**

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3 FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Credit risk *(continued)*

(c) *(continued)*

As at 31 December 2015

3 財務風險管理*（續）*

3.1 信貸風險*（續）*

(c) *（續）*

於二零一五年十二月三十一日

		Hong Kong 香港 HK$'000 千港元	Asia Pacific excluding Hong Kong 亞太地區（不包括香港） HK$'000 千港元	Europe and other regions 歐洲及其他地區 HK$'000 千港元	Total 總計 HK$'000 千港元
Other receivables and deposits	其他應收款項及按金	3,022	2,309	–	5,331
Derivative financial instruments	衍生金融工具	–	224,859	–	224,859
Balances due from agents	應收代理結餘	–	41,859	–	41,859
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	260,039	379,746	136,240	776,025
Total	總計	263,061	648,773	136,240	1,048,074

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.2 Market risk

3.2.1 Interest rate risk

The Group is exposed to interest rate risk as the Group invests all surplus funds in accounts with reputable counterparties and is susceptible to movements in call interest rates. Interest rate risk arises from unexpected changes in interest rates that may result in an adverse impact on the Group's current and near future performance. The Group has not used any interest rate swaps nor forward interest rate contracts to hedge its exposure to interest rate risk.

3 財務風險管理*（續）*

3.2 市場風險

3.2.1 利率風險

由於本集團將所有盈餘資金投資於信譽良好對手方的賬戶並受通知存款利率波動的影響，故本集團面對利率風險。利率風險源自利率的意外波動，或會導致對本集團的現時及近期表現產生不利影響。本集團並未利用任何利率掉期或遠期利率合約對沖其利率風險。

As at 31 December 2016 於二零一六年十二月三十一日

		Floating interest rate 浮動利率 HK$'000 千港元	Fixed interest rate 固定利率 HK$'000 千港元	Non-interest bearing 免息 HK$'000 千港元	Total 總計 HK$'000 千港元
Assets	**資產**				
Other receivables and deposits	其他應收款項及按金	–	–	6,913	6,913
Derivative financial instruments	衍生金融工具	–	–	77,377	77,377
Balances due from agents	應收代理結餘	3,372	–	54,184	57,556
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	726,799	158,233	5,371	890,403
Liabilities	**負債**				
Finance lease obligation	融資租賃承擔	–	18	–	18
Other payables	其他應付款項	–	–	21,954	21,954
Derivative financial instruments	衍生金融工具	–	–	3,047	3,047
Borrowing	借貸	–	55,835	–	55,835
Clients' balances	客戶結餘	–	–	473,904	473,904

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3 FINANCIAL RISK MANAGEMENT *(continued)*

3.2 Market risk *(continued)*

3.2.1 Interest rate risk (continued)

As at 31 December 2015

3 財務風險管理*(續)*

3.2 市場風險*(續)*

3.2.1 利率風險(續)

於二零一五年十二月三十一日

		Floating interest rate 浮動利率 HK$'000 千港元	Fixed interest rate 固定利率 HK$'000 千港元	Non-interest bearing 免息 HK$'000 千港元	Total 總計 HK$'000 千港元
Assets	**資產**				
Other receivables and deposits	其他應收款項及按金	–	–	5,331	5,331
Derivative financial instruments	衍生金融工具	–	–	224,859	224,859
Balances due from agents	應收代理結餘	4,756	–	37,103	41,859
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	673,628	89,318	13,079	776,025
Liabilities	**負債**				
Finance lease obligation	融資租賃承擔	–	62	–	62
Other payables	其他應付款項	–	–	22,990	22,990
Amounts due to other related parties	應付其他關聯方款項	–	–	73	73
Derivative financial instruments	衍生金融工具	–	–	3,414	3,414
Clients' balances	客戶結餘	–	–	528,059	528,059

Based on the simulations performed and with other variables held constant, should the interest rate increase/decrease by 1%, the profit after taxation for the year ended 31 December 2016 would increase/decrease by approximately HK$7,302,000 (2015: HK$6,783,000) and the equity would increase/decrease by approximately HK$7,302,000 (2015: HK$6,783,000).

根據模擬表現而其他可變因素保持不變計算，倘利率提高／下跌1%，則截至二零一六年十二月三十一日止年度的除稅後溢利將增加／減少約7,302,000港元(二零一五年：6,783,000港元)及權益將增加／減少約7,302,000港元(二零一五年：6,783,000港元)。

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.2 Market risk *(continued)*

3.2.2 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.

3 財務風險管理*（續）*

3.2 市場風險*（續）*

3.2.2 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兑換風險。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。

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3 FINANCIAL RISK MANAGEMENT *(continued)*

3.2 Market risk *(continued)*

3.2.2 *Foreign currency risk (continued)*

The tables below summarise the Group's exposure to foreign currency exchange rate risk as at 31 December 2016 and 2015. 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)*

3.2 市場風險*(續)*

3.2.2 *外匯風險(續)*

下表概述本集團於二零一六年及二零一五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。

As at 31 December 2016 於二零一六年十二月三十一日

		HK$ 港元 HK$'000 千港元	NZD 紐西蘭元 HK$'000 千港元	AUD 澳元 HK$'000 千港元	USD 美元 HK$'000 千港元	JPY 日圓 HK$'000 千港元	RMB 人民幣 HK$'000 千港元	Others 其他 HK$'000 千港元	Total 總計 HK$'000 千港元
Assets	**資產**								
Other receivables and deposits	其他應收款項及按金	3,052	179	191	555	–	2,936	–	6,913
Derivative financial instruments	衍生金融工具	–	23,057	7,001	47,189	–	130	–	77,377
Balances due from agents	應收代理結餘	163	1,205	23	7,227	1,830	46,627	481	57,556
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	28,203	9,541	36,322	802,601	5,269	8,299	168	890,403
Liabilities	**負債**								
Finance lease obligation	融資租賃承擔	–	–	18	–	–	–	–	18
Other payables	其他應付款項	3,640	1,332	590	14,761	–	1,631	–	21,954
Derivative financial instruments	衍生金融工具	–	1,671	13	1,351	–	12	–	3,047
Borrowing	借貸	–	–	–	–	–	55,835	–	55,835
Clients' balances	客戶結餘	–	8,333	30,288	431,815	3,468	–	–	473,904

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.2 Market risk *(continued)*

3.2.2 Foreign currency risk (continued)

As at 31 December 2015

3 財務風險管理*(續)*

3.2 市場風險*(續)*

3.2.2 外匯風險(續)

於二零一五年十二月三十一日

		HK$ 港元 HK$'000 千港元	NZD 紐西蘭元 HK$'000 千港元	AUD 澳元 HK$'000 千港元	USD 美元 HK$'000 千港元	JPY 日圓 HK$'000 千港元	RMB 人民幣 HK$'000 千港元	Others 其他 HK$'000 千港元	Total 總計 HK$'000 千港元
Assets	**資產**								
Other receivables and deposits	其他應收款項及按金	2,952	20	60	259	–	2,040	–	5,331
Derivative financial instruments	衍生金融工具	–	23,367	10,584	190,423	485	–	–	224,859
Balances due from agents	應收代理結餘	501	1,651	470	36,868	1,855	16	498	41,859
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	46,973	27,207	49,549	639,069	3,909	9,248	70	776,025
Liabilities	**負債**								
Finance lease obligation	融資租賃承擔	–	–	62	–	–	–	–	62
Other payables	其他應付款項	6,024	1,156	1,755	13,502	–	553	–	22,990
Amounts due to other related parties	應付其他關聯方款項	–	–	–	73	–	–	–	73
Derivative financial instruments	衍生金融工具	–	446	22	2,946	–	–	–	3,414
Clients' balances	客戶結餘	–	16,336	39,839	470,239	1,645	–	–	528,059

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3 FINANCIAL RISK MANAGEMENT *(continued)*

3.2 Market risk *(continued)*

3.2.2 Foreign currency risk (continued)

The following table indicates the impact of management's reasonable expectation on the movement in foreign exchange rate on the Group's profit after taxation and on equity as at 31 December 2016 and 2015:

3 財務風險管理*(續)*

3.2 市場風險*(續)*

3.2.2 外匯風險(續)

下表列示管理層的合理預期對二零一六年及二零一五年十二月三十一日本集團除税後溢利及權益的外匯匯率波動的影響：

Foreign currency risk	**外匯風險**	**Movement in foreign currency 外匯波動**	**2016 二零一六年 HK$'000 千港元**	Movement in foreign currency 外匯波動	2015 二零一五年 HK$'000 千港元
AUD	澳元	**+/-3%**	**+/-379**	+/-8%	+/-1,519
JPY	日圓	**+/-3%**	**+/-109**	+/-3%	+/-138
NZD	紐西蘭元	**+/-10%**	**+/-2,265**	+/-10%	+/-3,430
RMB	人民幣	**+/-6%**	**+/-31**	+/-5%	+/-538

3.3 Liquidity risk

The Group's operations are subject to various statutory liquidity requirements as prescribed by the relevant authorities. The Group has put in place a monitoring system to ensure that it maintains adequate liquid capital to fund its business commitments and to comply with the regulatory requirements. The liquidity risk of the Group is managed by regularly monitoring current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and current working capital to meet its liquidity requirements in the short and longer term. The Group holds sufficient cash and deposits on demand to repay its liabilities.

3.3 流動性風險

本集團的業務受有關機構規定的各種法定流動資金要求所限。本集團已建立監控系統，確保維持充裕的流動資金為本集團的業務承擔提供資金，及遵守法規要求。本集團透過定期監控目前及預期流動資金要求管理其流動性風險，確保本集團維持足夠的現金儲備及目前營運資金以滿足其短期及長期流動資金要求。本集團持有充足的現金及活期存款償還其負債。

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.3 Liquidity risk *(continued)*

3.3.1 Undiscounted cash flows by contractual maturities

The table below presents the cash flows payable by the Group under financial liabilities by remaining contractual maturities as at 31 December 2016 and 2015. The amounts disclosed in the table are the contractual undiscounted cash flows.

3 財務風險管理*（續）*

3.3 流動性風險*（續）*

3.3.1 按合約到期日劃分的未貼現現金流量

下表呈列本集團於二零一六年及二零一五年十二月三十一日按餘下合約到期日於金融負債項下的應付現金流量。該表所披露的金額為合約未貼現現金流量。

As at 31 December 2016

於二零一六年十二月三十一日

		Up to 1 month 一個月內 HK$'000 千港元	1-3 months 一至三個月 HK$'000 千港元	3-12 months 三至十二個月 HK$'000 千港元	1-5 Years 一至五年 HK$'000 千港元	Over 5 years 逾五年 HK$'000 千港元	Indefinite 無限期 HK$'000 千港元	Total 總計 HK$'000 千港元
Liabilities	**負債**							
Finance lease obligation	融資租賃承擔	4	8	7	–	–	–	19
Other payables	其他應付款項	19,793	1,302	859	–	–	–	21,954
Borrowing	借貸	–	–	55,835	–	–	–	55,835
Clients' balances	客戶結餘	473,904	–	–	–	–	–	473,904
		493,701	1,310	56,701	–	–	–	551,712
Derivative financial instruments	衍生金融工具	3,047	–	–	–	–	–	3,047
		496,748	1,310	56,701	–	–	–	554,759

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3 FINANCIAL RISK MANAGEMENT *(continued)*

3.3 Liquidity risk *(continued)*

3.3.1 Undiscounted cash flows by contractual maturities (continued)

As at 31 December 2015

3 財務風險管理*(續)*

3.3 流動性風險*(續)*

3.3.1 按合約到期日劃分的未貼現現金流量(續)

於二零一五年十二月三十一日

		Up to 1 month 一個月內 HK$'000 千港元	1-3 months 一至三個月 HK$'000 千港元	3-12 months 三至十二個月 HK$'000 千港元	1-5 Years 一至五年 HK$'000 千港元	Over 5 years 逾五年 HK$'000 千港元	Indefinite 無限期 HK$'000 千港元	Total 總計 HK$'000 千港元
Liabilities	**負債**							
Finance lease obligation	融資租賃承擔	4	8	53	–	–	–	65
Other payables	其他應付款項	21,023	16	1,951	–	–	–	22,990
Amount due to other related parties	應付其他關聯方款項	73	–	–	–	–	–	73
Clients' balances	客戶結餘	528,059	–	–	–	–	–	528,059
		549,159	24	2,004	–	–	–	551,187
Derivative financial instruments	衍生金融工具	3,414	–	–	–	–	–	3,414
		552,573	24	2,004	–	–	–	554,601

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.4 Fair value of financial assets and liabilities

3.4.1 Financial instruments measured at fair value

The following table represents the carrying value of financial instruments measured at fair value at the balance sheet date across the three levels of the fair value hierarchy defined in HKFRS 7 Financial Instruments: Disclosures, with the fair value of each financial instrument categorised in its entirety based on the lowest level of input that is significant to that fair value measurement. The levels are defined as follows:

Level 1 (highest level): fair values measured using quoted prices (unadjusted) in active markets.

Level 2: fair values measured using quoted price in active markets for similar financial instruments, or using valuation techniques in which all significant inputs are directly or indirectly based on observable market data.

Level 3 (lowest level): fair values measured using valuation techniques in which any significant input is not based on observable market data.

3 財務風險管理*(續)*

3.4 金融資產及負債的公允值

3.4.1 按公允值計量的金融工具

下表呈列於結算日按香港財務報告準則第7號「金融工具：披露」所界定的公允值等級制度的三個等級中以公允值計量的金融工具的賬面值，每種金融工具的公允值根據其等級最低的重要公允值計量因素確定的類別進行歸類。有關等級定義如下：

第1級（最高等級）：利用在活躍市場中的報價（未經調整）計量公允值。

第2級：公允值計量參照活躍市場類似金融工具的報價，或採用估值技術確定，其全部重要的參數乃直接或間接來源於可觀察市場數據。

第3級（最低等級）：公允值使用估值技術計量，任何重要的參數均不來源於可觀察市場數據。

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3 FINANCIAL RISK MANAGEMENT *(continued)*

3.4 Fair value of financial assets and liabilities *(continued)*

3.4.1 Financial instruments measured at fair value (continued)

As at 31 December 2016

		Level 1 第1級 HK$'000 千港元	Level 2 第2級 HK$'000 千港元	Level 3 第3級 HK$'000 千港元	Total 總計 HK$'000 千港元
Assets	**資產**				
Derivative financial instruments	衍生金融工具	**–**	**77,377**	**–**	**77,377**
Liabilities	**負債**				
Derivative financial instruments	衍生金融工具	**–**	**3,047**	**–**	**3,047**

As at 31 December 2015

		Level 1 第1級 HK$'000 千港元	Level 2 第2級 HK$'000 千港元	Level 3 第3級 HK$'000 千港元	Total 總計 HK$'000 千港元
Assets	**資產**				
Derivative financial instruments	衍生金融工具	–	224,859	–	224,859
Liabilities	**負債**				
Derivative financial instruments	衍生金融工具	–	3,414	–	3,414

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise 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.

3 財務風險管理*(續)*

3.4 金融資產及負債的公允值*(續)*

3.4.1 按公允值計量的金融工具(續)

於二零一六年十二月三十一日

於二零一五年十二月三十一日

並非於活躍市場買賣之金融工具，其公允值採用估值技術釐定。該等估值技術充分使用可獲得的可觀察市場數據，並盡可能不依賴公司特定估計。倘按公允值計量一項工具所需的全部重要參數均可觀察獲得，則該項工具會被列入第2級。

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.4 Fair value of financial assets and liabilities *(continued)*

3.4.1 Financial instruments measured at fair value (continued)

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.

There have been no significant transfers between level 1, level 2 and level 3 for the year ended 31 December 2016 and 2015.

3.4.2 Financial assets and liabilities not measured at fair value

As at 31 December 2016 and 2015, the fair value of the Group's financial assets and liabilities not measured at fair value are not materially different from their carrying amounts due to their short maturities.

Balances due from agents and other receivables include the contractual amounts for settlement of trades and other obligations due to the Group.

Clients' balances represent the margin deposits received from clients and the unrealised profit or loss from their trading activities under normal course of business. Their carrying values are a reasonable approximation of fair value.

3 財務風險管理*(續)*

3.4 金融資產及負債的公允值*(續)*

3.4.1 按公允值計量的金融工具(續)

遠期外匯合約的公允值按報告期末的遠期匯率釐定，所產生的價值將貼現計回現值。

於截至二零一六年及二零一五年十二月三十一日止年度，第1級、第2級及第3級間概無重大轉讓。

3.4.2 並非按公允值計量的金融資產及負債

於二零一六年及二零一五年十二月三十一日，由於本集團並非按公允值計量的金融資產及負債的到期日較短，故其公允值與其賬面值並無重大差異。

應收代理結餘及其他應收款項包括應付本集團用於結付交易的合約款項及其他責任。

客戶結餘指於正常業務過程中收取客戶的保證金存款及彼等進行買賣活動的未變現溢利或虧損。賬面值與其公允值相若。

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3 FINANCIAL RISK MANAGEMENT *(continued)*

3.4 Fair value of financial assets and liabilities *(continued)*

3.4.3 Offsetting financial assets and financial liabilities

(a) Financial assets

The following financial assets are subject to offsetting, enforceable master netting arrangements and similar agreements.

As at 31 December 2016

3 財務風險管理*(續)*

3.4 金融資產及負債的公允值*(續)*

3.4.3 對銷金融資產及金融負債

(a) 金融資產

以下金融資產受抵銷、可強制執行統一淨額結算安排及類似協議規限。

於二零一六年十二月三十一日

		Gross amounts of recognised financial assets 已確認金融資產總額 HK$'000 千港元	Gross amounts of recognised financial liabilities set off in the balance sheet 於資產負債表內抵銷已確認金融負債總額 HK$'000 千港元	Net amounts of financial assets presented in the balance sheet 資產負債表內所呈列的金融資產淨額 HK$'000 千港元	Related amounts not set off in the balance sheet 並未於資產負債表抵銷的相關款項		Net Amount 淨額 HK$'000 千港元
					Financial Instruments 金融工具 HK$'000 千港元	Cash collateral received 已收現金抵押品 HK$'000 千港元	
Derivative financial instruments	衍生金融工具	85,681	(8,304)	77,377	–	–	77,377
Total	總計	85,681	(8,304)	77,377	–	–	77,377

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.4 Fair value of financial assets and liabilities *(continued)*

3.4.3 Offsetting financial assets and financial liabilities (continued)

(a) Financial assets (continued)

As at 31 December 2015

3 財務風險管理*(續)*

3.4 金融資產及負債的公允值*(續)*

3.4.3 對銷金融資產及金融負債(續)

(a) 金融資產(續)

於二零一五年十二月三十一日

		Gross amounts of recognised financial assets 已確認金融資產總額 HK$'000 千港元	Gross amounts of recognised financial liabilities set off in the balance sheet 於資產負債表內抵銷已確認金融負債總額 HK$'000 千港元	Net amounts of financial assets presented in the balance sheet 資產負債表內所呈列的金融資產淨額 HK$'000 千港元	Related amounts not set off in the balance sheet 並未於資產負債表抵銷的相關款項		
					Financial Instruments 金融工具 HK$'000 千港元	Cash collateral received 已收現金抵押品 HK$'000 千港元	Net Amount 淨額 HK$'000 千港元
Derivative financial instruments	衍生金融工具	448,983	(224,124)	224,859	–	–	224,859
Total	總計	448,983	(224,124)	224,859	–	–	224,859

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3 FINANCIAL RISK MANAGEMENT *(continued)*

3.4 Fair value of financial assets and liabilities *(continued)*

3.4.3 Offsetting financial assets and financial liabilities (continued)

(b) Financial liabilities

The following financial liabilities are subject to offsetting, enforceable master netting arrangements and similar agreements.

As at 31 December 2016

3 財務風險管理*(續)*

3.4 金融資產及負債的公允值*(續)*

3.4.3 對銷金融資產及金融負債(續)

(b) 金融負債

以下金融負債受抵銷、可強制執行統一淨額結算安排及類似協議規限。

於二零一六年十二月三十一日

		Gross amounts of recognised financial liabilities 已確認金融負債總額 HK$'000 千港元	Gross amounts of recognised financial liabilities set off in the balance sheet 於資產負債表內抵銷已確認金融負債總額 HK$'000 千港元	Net amounts of financial liabilities presented in the balance sheet 資產負債表內所呈列的金融負債淨額 HK$'000 千港元	Related amounts not set off in the balance sheet 並未於資產負債表抵銷的相關款項		
					Financial Instruments 金融工具 HK$'000 千港元	Cash collateral pledged 已抵押現金抵押品 HK$'000 千港元	Net Amount 淨額 HK$'000 千港元
Derivative financial instruments	衍生金融工具	(11,351)	8,304	(3,047)	–	–	(3,047)
Total	總計	(11,351)	8,304	(3,047)	–	–	(3,047)

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.4 Fair value of financial assets and liabilities *(continued)*

3.4.3 Offsetting financial assets and financial liabilities (continued)

(b) Financial liabilities (continued)

The following financial liabilities are subject to offsetting, enforceable master netting arrangements and similar agreements.

As at 31 December 2015

3 財務風險管理*(續)*

3.4 金融資產及負債的公允值*(續)*

3.4.3 對銷金融資產及金融負債(續)

(b) 金融負債(續)

以下金融負債受抵銷、可強制執行統一淨額結算安排及類似協議規限。

於二零一五年十二月三十一日

					Related amounts not set off in the balance sheet 並未於資產負債表抵銷的相關款項		
		Gross amounts of recognised financial liabilities 已確認金融負債總額 HK$'000 千港元	Gross amounts of recognised financial liabilities set off in the balance sheet 於資產負債表內抵銷已確認金融負債總額 HK$'000 千港元	Net amounts of financial liabilities presented in the balance sheet 資產負債表內所呈列的金融負債淨額 HK$'000 千港元	Financial Instruments 金融工具 HK$'000 千港元	Cash collateral pledged 已抵押現金抵押品 HK$'000 千港元	Net Amount 淨額 HK$'000 千港元
Derivative financial instruments	衍生金融工具	(229,430)	226,016	(3,414)	–	–	(3,414)
Total	總計	(229,430)	226,016	(3,414)	–	–	(3,414)

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3 FINANCIAL RISK MANAGEMENT *(continued)*

3.4 Fair value of financial assets and liabilities *(continued)*

3.4.3 Offsetting financial assets and financial liabilities (continued)

(b) Financial liabilities (continued)

For the financial assets and liabilities subject to enforceable master netting arrangements or similar arrangements above, each agreement between the Group and the counterparty allows for net settlement of the relevant financial assets and liabilities when both elect to settle on a net basis. In the absence of such an election, financial assets and liabilities will be settled on a gross basis, however, each party to the master netting agreement or similar agreement will have the option to settle all such amounts on a net basis in the event of default of the other party. Per the terms of each agreement, an event of default includes failure by a party to make payment when due; failure by a party to perform any obligation required by the agreement (other than payment) if such failure is not remedied within 30 days after notice of such failure is given to the party; or bankruptcy.

3 財務風險管理*(續)*

3.4 金融資產及負債的公允值*(續)*

3.4.3 對銷金融資產及金融負債(續)

(b) 金融負債(續)

就上述受可強制執行統一淨額結算安排或類似安排規限的金融資產及負債而言，本集團與交易對手簽訂的各項協議在雙方選擇按淨額基準結算時，容許淨額結算相關財務資產及負債。在沒有作出該選擇的情況下，金融資產及負債將會按總額基準結算，但一旦統一淨額協議或類似協議的其中一方違約，任何一方均有權選擇按淨額基準結算所有有關金額。根據各項協議的條款，違約事件包括一方未能支付到期款項；任何一方未能履行協議所規定的責任(付款除外)，且該訂約方在收到違約通知書後30天期限內未能作出補救措施；或破產。

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.5 Financial instruments by category

All the financial assets and financial liabilities (including cash and bank balances, client trust bank balances, balance due from/to agents, other receivables, amounts due to other related parties, client balances, borrowing, other payables and finance lease obligation) in the consolidated balance sheet are carried at amortised cost using the effective interest method as "loans and receivables" and "other financial liabilities at amortised cost" except for the derivative financial instruments and financial assets at fair value through profit or loss which are carried at fair value.

3.6 Capital management

The Group's objectives when managing capital, which is a broader concept than the "equity" on the face of balance sheet, are:

- To comply with the liquid capital requirements under the Securities and Futures Commission in Hong Kong, Australian Securities and Investments Commission in Australia and the Securities Commission in New Zealand for its subsidiaries which are licensed corporations;
- To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders;
- To support the Group's stability and growth; and
- To maintain a strong capital base to support the development of its business.

3 財務風險管理*(續)*

3.5 按類別劃分的金融工具

綜合資產負債表內的全部金融資產及金融負債(包括現金及銀行結餘、客戶信託銀行結餘、應收／應付代理結餘、其他應收款項、應付其他關聯方款項、客戶結餘、借貸、其他應付款項及融資租賃承擔)按攤銷成本以實際利率法入賬列為「貸款及應收款項」及「按攤銷成本計量的其他金融負債」，惟以公允值入賬的衍生金融工具及按公允值計入損益的金融資產除外。

3.6 資本管理

本集團資本(概念較資產負債表的「權益」更為廣闊)管理的目標，即：

- 就屬持牌法團的附屬公司而言，符合香港證券及期貨事務監察委員會、澳洲的澳洲證券與投資管理委員會及紐西蘭證券委員會的流動資金規定；
- 保障本集團的持續經營能力，以繼續為股東及其他利益相關者提供回報及利益；
- 支持本集團的穩定及發展；及
- 維持穩固的資本基礎，以支持其業務發展。

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3 FINANCIAL RISK MANAGEMENT *(continued)*

3.6 Capital management *(continued)*

The Group's gearing ratio at the balance sheet date is shown below:

3 財務風險管理*(續)*

3.6 資本管理*(續)*

本集團於結算日的負債比率如下：

		2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Total debt	債務總額	**55,853**	135
Total equity	權益總值	**514,517**	465,410
Gearing ratio	負債比率	**10.86%**	0.03%

Total debt includes finance lease obligation, bank borrowing and amounts due to other related parties.

債務總額包括融資租賃承擔、銀行借貸及應付其他關聯方款項。

All licensed corporations within the Group complied with their required liquid capital during the years ended 2016 and 2015.

於截至二零一六年及二零一五年止年度，本集團的所有持牌法團已遵守其流動資金規定。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

4 重要會計估計及判斷

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

估計及判斷經持續評估，並以過往經驗及其他因素為基礎，包括在現實情況下相信對未來事件的合理預期。

4.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is fair value of share options.

4.1 重要會計估計及假設

本集團會就未來作出估計及假設。由此產生之會計估計顯然很少與相關實際結果相符。估計及假設存在於下一財政年度對資產及負債之賬面值作出重大調整之重大風險為購股權的公允值。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(continued)*

4.1 Critical accounting estimates and assumptions *(continued)*

The Group determines the fair value of share options at the date at which they are granted with reference to the fair value estimated under a valuation model which are commonly used in the market. The assumptions used in computing the fair value of the share options are subject to managements' best estimation. Changes in assumptions about these assumptions could affect reported fair value of share options. Management use their judgment to make assumptions that are mainly reference to the historical data of comparable listed companies.

More details of the assumptions made are included in Note 25 to the consolidated financial statements.

4.2 Critical judgements in applying the Group's accounting policies

Management of the Group has not made any significant critical judgements in applying the Group's accounting policies.

4 重要會計估計及判斷*(續)*

4.1 重要會計估計及假設*(續)*

本集團於授出日期參考根據市場通常使用之估值模式估計之公允值釐定購股權之公允值。計算購股權之公允值所用之假設須由管理層作出最佳估計。就該等假設產生之假設變動可能影響購股權所呈報之公允值。管理層運用其判斷，並主要參考可資比較上市公司之歷史數據作出假設。

有關所作出假設之更多詳情載於綜合財務報表附註25。

4.2 應用本集團之會計政策時作出之重要判斷

本集團管理層尚未就本集團所應用的會計政策作出任何重要判斷。

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5 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the executive directors and senior management of the Group. 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 and other trading services in 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;

(c) the investment sales segments engage in provision of sales and marketing functions to clients in New Zealand and Australia; and

(d) the 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 years ended 31 December 2016 and 2015.

5 分部報告

經營分部的報告方式與向本集團執行董事及高級管理層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。

有關業務分部的詳情概述如下：

(a) 保證金交易分部從事於香港及紐西蘭提供槓桿式外匯及其他交易服務；

(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兑換業務的客戶。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；

(c) 投資銷售分部從事向紐西蘭及澳洲客戶提供銷售及市場推廣業務；及

(d) 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，有關基準於截至二零一六年及二零一五年十二月三十一日止年度並無變動。

5 SEGMENT REPORTING *(continued)*

The segment information provided to the management for the reportable segments for the years ended 31 December 2016 and 2015 is as follows:

5 分部報告*(續)*

截至二零一六年及二零一五年十二月三十一日止年度，就可報告分部向管理層提供的分部資料如下：

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

		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	New Zealand Cash dealing 紐西蘭現金交易 HK$'000 千港元	New Zealand Investment sales 紐西蘭投資銷售 HK$'000 千港元	Australia Investment sales 澳洲投資銷售 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	310,104	(2)	4,251	–	–	(4,066)	–	–	310,287
Inter-segment sales	分部間銷售	–	113,659	–	14,489	13,317	–	–	(141,465)	–
Segment revenue	分部收益	310,104	113,657	4,251	14,489	13,317	(4,066)	–	(141,465)	310,287
Fee and commission income	費用及佣金收入	53,700	–	–	–	–	–	1,656		55,356
Other (losses)/ income	其他(虧損)／收入	1,096	–	47	–	81	17	(4,277)		(3,036)
Total revenue and other income	收益及其他收入總額	364,900	113,657	4,298	14,489	13,398	(4,049)	(2,621)	(141,465)	362,607
Segment profit/(loss)	分部溢利／(虧損)	52,561	104,238	3,228	952	9,367	(17,388)	(2,621)		150,337
Other unallocated staff costs	其他未分配員工成本									(35,459)
Other unallocated administrative and operating expenses	其他未分配行政及經營開支									(60,635)
Profit before tax	除稅前溢利									54,243
Income tax expense	所得稅開支									(15,555)
Profit for the year	年度溢利									38,688
Other segment information:	其他分部資料：									
Depreciation and amortisation	折舊及攤銷	–	82	–	–	21	928	7,115		8,146
Lease payments	租賃付款	–	953	–	–	–	2,925	8,670		12,548
Finance cost	融資成本	35	–	–	–	–	1,126	5		1,166

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5 SEGMENT REPORTING *(continued)*

For the year ended 31 December 2015

5 分部報告*(續)*

截至二零一五年十二月三十一日止年度

		New Zealand Margin dealing 紐西蘭保證金交易 HK$'000	Hong Kong Margin dealing 香港保證金交易 HK$'000	New Zealand Cash dealing 紐西蘭現金交易 HK$'000	New Zealand Investment sales 紐西蘭投資銷售 HK$'000	Australia Investment sales 澳洲投資銷售 HK$'000	Unallocated 未分配 HK$'000	Elimination 對銷 HK$'000	Total 總計 HK$'000
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	342,917	145	11,517	–	–	–	–	354,579
Inter-segment sales	分部間銷售	–	118,979	–	27,628	22,781	–	(169,388)	–
Segment revenue	分部收益	342,917	119,124	11,517	27,628	22,781	–	(169,388)	354,579
Fee and commission income	費用及佣金收入	47,413	–	–	–	–	1,406	–	48,819
Other income	其他收入	2,221	–	106	–	152	934	–	3,413
Total revenue and other income	收益及其他收入總額	392,551	119,124	11,623	27,628	22,933	2,340	(169,388)	406,811
Segment profit	分部溢利	80,403	109,341	11,078	12,740	18,968	2,340		234,870
Other unallocated staff costs	其他未分配員工成本								(36,447)
Other unallocated administrative and operating expenses	其他未分配行政及經營開支								(70,274)
Profit before tax	除稅前溢利								128,149
Income tax expense	所得稅開支								(33,440)
Profit for the year	年度溢利								94,709
Other segment information:	其他分部資料：								
Depreciation and amortisation	折舊及攤銷	–	194	–	–	–	5,207		5,401
Lease payments	租賃付款	–	855	–	–	–	8,445		9,300
Finance cost	融資成本	1,913	–	–	–	–	90		2,003

5 SEGMENT REPORTING *(continued)*

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

5 分部報告*(續)*

本公司駐於香港。本集團來自外部客戶的主要收入來自其於紐西蘭的經營業務。

		2016 **二零一六年** **HK$'000** **千港元**	2015 二零一五年 HK$'000 千港元
New Zealand	紐西蘭	**314,355**	354,434
Others	其他	**(4,068)**	145
		310,287	354,579

The locations of its non-current assets (excluding deferred tax assets) are as follows:

其非流動資產(不包括遞延稅項資產)分佈如下:

		2016 **二零一六年** **HK$'000** **千港元**	2015 二零一五年 HK$'000 千港元
Hong Kong	香港	**8,943**	6,395
New Zealand	紐西蘭	**18,311**	7,836
Australia	澳洲	**1,395**	2,845
PRC	中國	**9,198**	–
		37,847	17,076

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

概無外部客戶單獨佔各年度本集團交易收入的10%以上。

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

由於有關分部資產及負債的資料並無呈報予董事會,因而並無披露有關資料。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。

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6 OTHER (LOSSES)/INCOME

6 其他(虧損)／收入

		2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Provision of management services *(Note 29(a)(i))*	提供管理服務*(附註29(a)(i))*	–	1,256
Interest income	利息收入	**1,877**	1,314
Exchange losses, net	匯兑虧損，淨額	**(5,814)**	(1,324)
Handling fee rebate	手續費回扣	**865**	1,891
Others	其他	**36**	276
		(3,036)	3,413

7 STAFF COSTS

7 員工成本

		2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Staff costs (including directors' remuneration *(Note 27)*):	員工成本(包括董事酬金*(附註27)*)：		
Salaries, bonus and allowances	工資、花紅及津貼	**50,595**	69,469
Pension scheme contributions	退休金計劃供款	**1,309**	1,289
Staff option expenses *(Note 25)*	員工購股權開支*(附註25)*	**8,201**	9,902
		60,105	80,660

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

		2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Management fees paid to the then immediate holding company *(Note 29(a)(ii))*	支付予當時直接控股公司的管理費 *（附註29(a)(ii)）*	**857**	983
Other office occupation expenses	其他寫字樓租用開支	**2,873**	2,216
Auditor's remuneration	核數師酬金		
– Audit services	－審核服務	**2,833**	2,931
– Non-audit services	－非審核服務	**611**	252
Information services expenses	資訊服務開支	**4,018**	4,584
Professional and consultancy fee	專業及諮詢費	**3,508**	5,334
Repair and maintenance (including system maintenance)	維修及維護（包括系統維護）	**9,745**	9,138
Marketing, advertising and promotion expenses	市場推廣、廣告及宣傳開支	**16,149**	14,140
Handling fee expenses	手續費開支	**10,468**	7,005
Travelling expenses	差旅費	**4,038**	3,650
Entertainment expenses	交際應酬費	**1,901**	2,651
Insurance	保險	**709**	705
Bank charges	銀行費用	**1,599**	843
Staff training	員工培訓	**1,071**	640
Client's debit balances written off	客戶虧絀結餘撇銷	**2,115**	2,388
Others	其他	**3,497**	3,376
		65,992	60,836

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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9 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2015: 16.5%) on the estimated assessable profit during the year. Taxation on overseas profits has been calculated on the estimated assessable profit during the year 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% (2015: 28%) in New Zealand, 30% (2015: 30%) in Australia and 25% (2015: 25%) in PRC in accordance with the local tax authorities.

9 所得稅開支

香港利得稅乃按年內的估計應課稅溢利以16.5%(二零一五年：16.5%)的稅率計提撥備。海外溢利的稅項已按本年度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%(二零一五年：28%)、30%(二零一五年：30%)及25%(二零一五年：25%)的稅率計算。

		2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Current tax:	即期稅項：		
Charge for the year	年內支出	**15,416**	33,951
Over-provision in prior year	去年超額撥備	**(383)**	(155)
Others	其他	**249**	225
Deferred tax:	遞延稅項：		
Charge/(credit) for the year *(Note 19)*	年內扣除／(計入)*(附註19)*	**273**	(581)
Income tax expense	所得稅開支	**15,555**	33,440

		2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Profit before income tax	除所得稅前溢利	**54,243**	128,149
Tax at the Hong Kong statutory tax rate	按香港法定稅率計算的稅項	**8,950**	21,145
Effect of different taxation rates in other countries	其他國家不同稅率的影響	**1,430**	9,396
Income not subject to tax	無須課稅收入	**(673)**	(828)
Expenses not deductible for tax	不可扣稅開支	**5,343**	1,630
Temporary differences not recognized	未確認暫時性差額	**318**	2,135
Utilization of previously unrecognized tax losses	動用先前未確認的稅項虧損	**–**	(246)
Over-provision in prior year	去年超額撥備	**(383)**	(155)
Others	其他	**570**	363
Income tax expense	所得稅開支	**15,555**	33,440

10 DIVIDENDS

A final dividend in respect of the year ended 31 December 2014 of HK1.075 cents per ordinary share amounting to a total dividend of approximately HK$21,729,000 was recommended by the Directors at the meeting of the Board of Directors held on 31 March 2015. The final dividend was approved by the Company's shareholders at its annual general meeting held on 6 May 2015 and was paid to the then shareholders on 21 May 2015.

On 6 May 2015, the Board approved the payment of an interim dividend of HK0.618 cents per ordinary share. A total of approximately HK$12,492,000 was paid to then shareholders on 1 June 2015.

The Board does not declare the payment of any dividend for the year ended 31 December 2016.

10 股息

董事於二零一五年三月三十一日舉行的董事會會議上建議派付截至二零一四年十二月三十一日止年度的末期股息每股普通股1.075港仙(總股息數約21,729,000港元)。末期股息已在本公司於二零一五年五月六日舉行的股東週年大會上獲得股東批准,並已於二零一五年五月二十一日支付予當時的股東。

於二零一五年五月六日,董事會批准派付每股普通股0.618港仙的中期股息。總數約12,492,000港元已於二零一五年六月一日支付予當時的股東。

董事會不宣派截至二零一六年十二月三十一日止年度的任何股息。

11 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 year.

11 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本年度已發行普通股的加權平均數計算。

		2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Profit attributable to equity holders of the Company	本公司股權持有人應佔溢利	**38,688**	94,709
		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	**2,033,229,071**	2,022,362,301
Basic earnings per share (HK cents)	每股基本盈利(港仙)	**1.90**	4.68

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11 EARNINGS PER SHARE *(continued)*

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit for the year 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 year, 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 schemes into ordinary shares.

11 每股盈利*(續)*

(b) 每股攤薄盈利

每股攤薄盈利乃根據年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年內之已發行普通股數目，加上假設根據購股權計劃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。

		2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Profit attributable to equity holders of the Company	本公司股權持有人應佔溢利	**38,688**	94,709
		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	**2,033,229,071**	2,022,362,301
Adjustments for share options converted, lapsed and cancelled in the period up to 26 June 2015 *(Note 25)*	直至二零一五年六月二十六日止期間已轉換、失效及註銷的購股權的調整*(附註25)*	**–**	13,194,493
Weighted average number of shares for the purpose of calculating diluted earnings per share	計算每股攤薄盈利的股份加權平均數	**2,033,229,071**	2,035,556,794
Diluted earnings per share (HK cents)	每股攤薄盈利（港仙）	**1.90**	4.65

The effects of the share options granted on 19 August 2015 and 29 December 2016 (Note 25) which are outstanding on 31 December 2016 are not included in the computation of diluted earnings per share for the year ended 31 December 2016 as those are anti-dilutive.

於計算截至二零一六年十二月三十一日止年度之每股攤薄盈利時，並未計入於二零一五年八月十九日及二零一六年十二月二十九日授出但於二零一六年十二月三十一日尚未行使的購股權（附註25）之影響，原因是其具反攤薄效應。

12 PROPERTY, PLANT AND EQUIPMENT 12 物業、廠房及設備

		Furniture, fixtures and equipment 傢俱、裝置及設備 HK$'000 千港元	Computer equipment 電腦設備 HK$'000 千港元	Leasehold improvements 租賃裝修 HK$'000 千港元	Motor vehicles 汽車 HK$'000 千港元	Total 總計 HK$'000 千港元
As at 1 January 2015	於二零一五年一月一日					
Cost	成本	8,632	10,620	9,330	2,937	31,519
Accumulated depreciation	累計折舊	(7,206)	(8,332)	(7,064)	(1,855)	(24,457)
Net carrying amount	賬面淨值	1,426	2,288	2,266	1,082	7,062
For the year ended 31 December 2015	截至二零一五年十二月三十一日止年度					
Opening net carrying amount	年初賬面淨值	1,426	2,288	2,266	1,082	7,062
Exchange adjustments	匯兑調整	(94)	(117)	(126)	(87)	(424)
Additions	添置	596	5,652	50	–	6,298
Depreciation	折舊	(607)	(1,324)	(1,250)	(358)	(3,539)
Closing net carrying amount	年末賬面淨值	1,321	6,499	940	637	9,397
As at 31 December 2015	於二零一五年十二月三十一日					
Cost	成本	8,334	15,104	8,761	2,668	34,867
Accumulated depreciation	累計折舊	(7,013)	(8,605)	(7,821)	(2,031)	(25,470)
Net carrying amount	賬面淨值	1,321	6,499	940	637	9,397
For the year ended 31 December 2016	截至二零一六年十二月三十一日止年度					
Opening net carrying amount	年初賬面淨值	**1,321**	**6,499**	**940**	**637**	**9,397**
Exchange adjustments	匯兑調整	**9**	**(31)**	**21**	**8**	**7**
Additions	添置	**1,006**	**1,559**	**2,937**	**–**	**5,502**
Disposals	出售	**–**	**–**	**–**	**(64)**	**(64)**
Depreciation	折舊	**(654)**	**(2,047)**	**(1,413)**	**(328)**	**(4,442)**
Closing net carrying amount	年末賬面淨值	**1,682**	**5,980**	**2,485**	**253**	**10,400**
As at 31 December 2016	於二零一六年十二月三十一日					
Cost	成本	**9,368**	**16,636**	**11,693**	**1,927**	**39,624**
Accumulated depreciation	累計折舊	**(7,686)**	**(10,656)**	**(9,208)**	**(1,674)**	**(29,224)**
Net carrying amount	賬面淨值	**1,682**	**5,980**	**2,485**	**253**	**10,400**

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13 INTANGIBLE ASSETS

13 無形資產

		Computer software 電腦軟件 HK$'000 千港元	Trading right (Note) 交易權 (附註) HK$'000 千港元	Total 總計 HK$'000 千港元
As at 1 January 2015	於二零一五年一月一日			
Cost	成本	11,610	–	11,610
Accumulated amortisation	累計攤銷	(6,527)	–	(6,527)
Net carrying amount	賬面淨值	5,083	–	5,083
For the year ended 31 December 2015	截至二零一五年十二月三十一日止年度			
Opening net carrying amount	年初賬面淨值	5,083	–	5,083
Exchange adjustments	匯兑調整	(524)	–	(524)
Additions	添置	4,982	–	4,982
Amortisation	攤銷	(1,862)	–	(1,862)
Closing net carrying amount	年末賬面淨值	7,679	–	7,679
As at 31 December 2015	於二零一五年十二月三十一日			
Cost	成本	15,416	–	15,416
Accumulated amortisation	累計攤銷	(7,737)	–	(7,737)
Net carrying amount	賬面淨值	7,679	–	7,679
For the year ended 31 December 2016	截至二零一六年十二月三十一日止年度			
Opening net carrying amount	年初賬面淨值	**7,679**	**–**	**7,679**
Exchange adjustments	匯兑調整	**131**	**–**	**131**
Additions	添置	**21,666**	**1,675**	**23,341**
Amortisation	攤銷	**(3,704)**	**–**	**(3,704)**
Closing net carrying amount	年末賬面淨值	**25,772**	**1,675**	**27,447**
As at 31 December 2016	於二零一六年十二月三十一日			
Cost	成本	**37,274**	**1,675**	**38,949**
Accumulated amortisation	累計攤銷	**(11,502)**	**–**	**(11,502)**
Net carrying amount	賬面淨值	**25,772**	**1,675**	**27,447**

Note: The balance represents the fee paid pursuant to the membership agreement with TPME, as mentioned in Note 1 to the consolidated financial statements, which is not subject to amortization and is assessed for impairment annually.

*附註：*餘額指根據與天津貴金屬交易所訂立的會員協議已付的費用，載述於綜合財務報表附註1，毋須攤銷惟須每年進行減值評估。

14 OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

14 其他應收款項、預付款項及按金

		2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Rental and utility deposits	租金及公用設施按金	**4,525**	4,825
Prepayments	預付款項	**3,962**	1,733
Other receivables	其他應收款項	**2,388**	506
Total	總計	**10,875**	7,064

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。

15 DERIVATIVE FINANCIAL INSTRUMENTS

15 衍生金融工具

		2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Current assets	**流動資產**		
Derivative foreign exchange contracts	衍生外匯合約	**77,377**	224,859
Current liabilities	**流動負債**		
Derivative foreign exchange contracts	衍生外匯合約	**(3,047)**	(3,414)
Total	總計	**74,330**	221,445

The Group has trades in foreign currencies through its foreign currency margin trading business. In order to protect against exchange rate movements, the Group has entered into a number of foreign exchange and forward transactions with the Group's bankers to manage its net foreign currency exposure.

本集團透過其外幣保證金交易業務進行外幣交易。為保障本集團不受匯率波動影響，本集團與其往來銀行訂立多項外匯及遠期交易以管理其外幣風險淨額。

The notional principal amounts of the outstanding forward foreign exchange contracts at 31 December 2016 and 2015 are HK$3,707,941,000 and HK$10,566,270,000 respectively.

於二零一六年及二零一五年十二月三十一日，尚未平倉遠期外匯合約的名義本金額分別為3,707,941,000港元及10,566,270,000港元。

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16 BALANCES DUE FROM AGENTS

16 應收代理結餘

		2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Balances due from:	應收結餘：		
– securities agents	— 證券代理	**10,950**	41,859
– TPME *(Note 29(xii))*	—天津貴金屬交易所*(附註29(xii))*	**46,606**	–
Total	總計	**57,556**	41,859

The carrying amounts of the Group's balances due from agents approximate to their fair values. Except for balances due from TPME, the Group is free to withdraw the funds from accounts maintained with these agents at any time.

本集團應收代理結餘的賬面值與其公允值相若。除應收天津貴金屬交易所之結餘外，本集團可隨時自由提取在該等代理所開立的賬戶內的資金。

17 CASH AND BANK BALANCES AND CLIENT TRUST BANK BALANCES

17 現金及銀行結餘以及客戶信託銀行結餘

		2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Cash and bank balances	現金及銀行結餘	**317,554**	371,655
Fixed deposits with banks	銀行定期存款	**160,282**	95,373
Client trust bank balances	客戶信託銀行結餘	**412,567**	308,997
		890,403	776,025

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 statement of cash flows.

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現金流量表中列作現金及現金等價物。

As at 31 December 2016 and 2015, fixed deposits of HK$158,920,000 and HK$94,014,000 respectively are pledged to banks for banking facilities. No overdraft facility was utilised by the Group as at 31 December 2016 and 2015. No bank deposits are collateral deposits by the Group placed with market makers as at 31 December 2016 (2015: Nil).

於二零一六年及二零一五年十二月三十一日，158,920,000港元及94,014,000港元的定期存款分別就銀行信貸抵押予銀行。於二零一六年及二零一五年十二月三十一日，本集團概無動用任何透支額。於二零一六年十二月三十一日，概無銀行存款為本集團於市場莊家存置的抵押存款(二零一五年：無)。

17 CASH AND BANK BALANCES AND CLIENT TRUST BANK BALANCES *(continued)*

For the purposes of the consolidated cash flow statements, cash and cash equivalents comprises of the following:

17 現金及銀行結餘以及客戶信託銀行結餘*(續)*

就綜合現金流量表而言，現金及現金等價物包括以下各項：

		2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Cash and bank balances	現金及銀行結餘	**317,554**	371,655
Fixed deposits with bank with original maturity within three months	原訂於三個月內到期的銀行定期存款	**1,362**	1,359
		318,916	373,014

18 FINANCE LEASE OBLIGATIONS

Lease liabilities are effectively secured as the rights to the lease asset revert to the lessor in the event of default.

18 融資租賃承擔

租賃負債實際上為租賃資產權利的抵押，發生違約事件時，該等權利將轉歸出租人。

		2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Gross finance lease liabilities – minimum lease payments	融資租賃負債總額 – 最低租賃付款		
Not later than 1 year	一年內	**19**	46
Later than 1 year and no later than 5 years	一年後及五年內	**–**	19
		19	65
Future finance charges on finance leases	融資租賃的未來融資開支	**(1)**	(3)
Present value of finance lease liabilities	融資租賃負債現值	**18**	62

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18 FINANCE LEASE OBLIGATIONS *(continued)*

The present value of finance lease liabilities is as follows:

18 融資租賃承擔*(續)*

融資租賃負債現值如下：

		2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Not later than 1 year	一年內	**18**	43
Later than 1 year and no later than five years	一年後及五年內	**–**	19
		18	62

The Group leases various vehicles under non-cancellable finance lease agreements. The lease terms are 3 to 5 years and ownership of the assets lie within the Group.

本集團根據不可註銷的融資租賃協議出租若干車輛。租賃期為三至五年，而資產所有權歸本集團所有。

19 DEFERRED TAXATION

Deferred tax assets and liabilities are offset on an individual entity basis when there is a legal right to set off current tax assets against current tax liabilities and when the deferred taxation relates to the same authority. The following amounts, without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

19 遞延税項

當有法定權利可將即期税項資產與即期税項負債抵銷，而遞延税項涉及同一機構時，則可將個別法人的遞延税項資產與負債抵銷。於相同税務司法權區內的金額（並無計及抵銷結餘）載列如下：

		2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Deferred tax assets to be recovered after more than twelve months	遞延税項資產（超過12個月後收回）	**1,876**	1,893
Deferred tax liabilities to be settled after more than twelve months	遞延税項負債（超過12個月後支付）	**(851)**	(620)
		1,025	1,273

19 DEFERRED TAXATION *(continued)*

The major components of deferred tax assets/(liabilities) recorded in the consolidated balance sheet and the movements during the year are as follows:

19 遞延稅項*(續)*

綜合資產負債表內列賬的遞延稅項資產／(負債)的主要部分及年內變動如下：

		Employee benefits 僱員福利 HK$'000 千港元	Depreciation 折舊 HK$'000 千港元	Other temporary differences 其他暫時性差額 HK$'000 千港元	Total 總計 HK$'000 千港元
At 1 January 2015	於二零一五年一月一日	369	(133)	578	814
Exchange adjustments	匯兑調整	(66)	13	(69)	(122)
Credit/(charge) for the year	年內計入／(扣除)	891	(500)	190	581
At 31 December 2015	於二零一五年十二月三十一日	1,194	(620)	699	1,273
At 1 January 2016	於二零一六年一月一日	**1,194**	**(620)**	**699**	**1,273**
Exchange adjustments	匯兑調整	**20**	**(1)**	**6**	**25**
(Charge)/credit for the year	年內(扣除)／計入	**(63)**	**(214)**	**4**	**(273)**
At 31 December 2016	於二零一六年十二月三十一日	**1,151**	**(835)**	**709**	**1,025**

20 OTHER PAYABLES AND ACCRUED LIABILITIES

20 其他應付款項及應計負債

		2016 **二零一六年** **HK$'000** **千港元**	2015 二零一五年 HK$'000 千港元
Accrued rental benefit	應計租金利益	**456**	322
Accrued audit fees	應計審核費用	**2,210**	2,041
Other accruals	其他應計費用	**4,279**	5,352
Commission payable	應付佣金	**11,873**	12,574
Employee entitlements	僱員權益	**9,638**	33,811
Deferred revenue	遞延收益	**193**	562
Other payables	其他應付款項	**3,136**	2,701
		31,785	57,363

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應計負債的賬面值與其公允值相若。

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21 BORROWING

21 借貸

		2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Current	**即期**		
Bank borrowing	銀行借貸	**55,835**	–
		55,835	–

The bank borrowing bears an interest rate at 4.35% per annum and are secured by bank deposits of HK$68,860,848 (2015: Nil). As at 31 December 2016, the bank borrowing is repayable within 1 year.

銀行借貸須按年利率4.35%計息，並以銀行存款68,860,848港元(二零一五年：無)提供抵押。於二零一六年十二月三十一日，銀行借貸須於一年內償還。

The carrying amounts of the Group's borrowing approximate to their fair values.

本集團借貸之賬面值與其公允值相若。

22 CLIENTS' BALANCES

22 客戶結餘

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.

該等結餘指於正常業務過程中收取客戶的保證金存款及彼等進行買賣活動的已變現溢利或虧損。賬面值與其公允值相若。

23 SHARE CAPITAL

23 股本

		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
As at 1 January 2015	於二零一五年一月一日	2,000,000,000	20,000
Issuance of new ordinary shares upon exercise of share options *(Note 25)*	行使購股權時發行的新普通股*(附註25)*	33,040,000	330
As at 31 December 2015	於二零一五年十二月三十一日	2,033,040,000	20,330
As at 1 January 2016	於二零一六年一月一日	**2,033,040,000**	**20,330**
Issuance of new ordinary shares upon exercise of share options *(Note 25)*	行使購股權時發行的新普通股*(附註25)*	**200,000**	**2**
As at 31 December 2016	於二零一六年十二月三十一日	**2,033,240,000**	**20,332**

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24 CAPITAL RESERVE

The balance represents the difference between the book value of the net assets of KVB Kunlun New Zealand Limited, KVB Kunlun Pty Limited and KVB Kunlun International (HK) Limited over the par value of the shares issued by LXL Capital II Limited, LXL Capital III Limited and LXL Capital IV Limited in exchange for these subsidiaries as part of the reorganisation completed in 2012.

24 資本儲備

該結餘指KVB Kunlun New Zealand Limited、KVB Kunlun Pty Limited及昆倫國際(香港)有限公司資產淨值的賬面值與LXL Capital II Limited、LXL Capital III Limited及LXL Capital IV Limited作為於二零一二年完成的重組一部分用以交換該等附屬公司而發行的股份面值的差額。

25 SHARE OPTION SCHEME

On 10 January 2014, the Board of Directors of the Company had granted 40,000,000 share options to 68 individuals for their subscription of new ordinary shares of HK$0.01 per share of the Company.

These share options were exercisable at HK$0.414 per share, with varying vesting period and validity from the date of grant. 40 out of 68 of the Grantees were granted share options which were exercisable for a period of three years and a vesting period of one year from the date of grant. 28 remaining Grantees were granted share options which were exercisable for a period of two years from the date of grant, with a vesting period of two years from the date of grant. All of the share options had no vesting condition. Among the 40,000,000 share options granted, 14,920,000 share options were granted to six Directors of the Company.

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

25 購股權計劃

於二零一四年一月十日，本公司董事會向68名人士授出40,000,000份購股權，供彼等認購本公司每股面值0.01港元的新普通股。

該等購股權可按每股股份0.414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。68名獲授人中的40名獲授人獲授可於三年期間內行使的購股權，歸屬期自授出日期起計為期一年。餘下28名獲授人獲授可自授出日期起計兩年期間內行使的購股權，歸屬期自授出日期起計為期兩年。所有購股權均無歸屬條件。已授出的40,000,000份購股權中，本公司六名董事獲授14,920,000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。

25 SHARE OPTION SCHEME *(continued)*

Subsequent to the acquisition of approximately 60% of the ordinary shares of the Company by CITIC Securities Company Limited, as mentioned in Note 1 to the consolidated financial statements, an unconditional mandatory general cash offer was made by CITIC Securities to the then holders of outstanding options issued by the Company on 29 May 2015 pursuant to Rules 26.1 and 13.5 of the Hong Kong Code on Takeovers and Mergers at a consideration of HK$0.236 of each of the respective share options for cancellation of the outstanding options (the "Offer"). The offer was closed on 26 June 2015.

Out of the 16,910,000 outstanding share options on 29 May 2015, 12,940,000 options were exercisable and 3,970,000 remain unvested. Subsequent to 29 May 2015:

- 11,720,000 vested options were exercised at a price of HK$0.414 prior to the Offer closing date;
- the share option holders of 520,000 vested options and 3,870,000 unvested options accepted the offer and received cash consideration made by CITIC Securities at HK$0.236 per option;
- for the remaining 700,000 vested options remaining unexercised and 100,000 unvested options which the share option holders hereof did not accept the Offer, these options were automatically lapsed and are not exercisable after 29 June 2015, being one month after the Offer becomes or is declared unconditional;

As a result, share option expenses of HK$351,000 were charged to the consolidated statement of comprehensive income during the year ended 31 December 2015, which included HK$131,000 arising from the unvested options cancelled, and the corresponding share option reserves balance of HK$638,000 was transferred to the retained earnings during the same period. There have been no share options outstanding immediately subsequent to the close of the Offer on 26 June 2015.

25 購股權計劃*(續)*

在中信証券股份有限公司收購本公司約60%普通股後，誠如綜合財務報表附註1所述，根據香港公司收購及合併守則規則26.1及13.5，中信証券於二零一五年五月二十九日向本公司所發行尚未行使購股權的當時持有人作出無條件強制現金要約，代價為每份各自的購股權0.236港元，以註銷尚未行使的購股權(「要約」)。要約已於二零一五年六月二十六日截止。

於二零一五年五月二十九日尚未行使的16,910,000份購股權中，12,940,000份購股權可予行使，而3,970,000份購股權則仍未歸屬。於二零一五年五月二十九日後：

- 11,720,000份已歸屬購股權於要約截止日期前按0.414港元的價格獲行使；
- 520,000份已歸屬購股權及3,870,000份未歸屬購股權的購股權持有人已接納要約及收取中信証券按每份購股權0.236港元作出的現金代價；
- 就餘下700,000份尚未行使的已歸屬購股權及100,000份未歸屬的購股權而言，因購股權持有人沒有接納要約，該等購股權於二零一五年六月二十九日(即要約成為或宣佈為無條件後一個月)後已自動失效及不可行使；

因此，截至二零一五年十二月三十一日止年度產生之購股權開支351,000港元已計入綜合全面收益表內，包括註銷未歸屬購股權產生之131,000港元，而相關購股權儲備結餘638,000港元已於同期轉撥至保留盈利。緊隨二零一五年六月二十六日要約截止後並無尚未行使之購股權。

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25 SHARE OPTION SCHEME *(continued)*

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.

25 購股權計劃*(續)*

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計至二零一八年八月十八日為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一週年當日起計至二零一九年八月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48名獲授人獲授予可於授出日期兩週年當日起計至二零一九年八月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。

25 SHARE OPTION SCHEME *(continued)*

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

25 購股權計劃*(續)*

尚未行使的購股權數目變動如下：

Grantee 獲授人	Date of grant 授出日期	Outstanding as at 31 December 2015 於二零一五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 31 December 2016 於二零一六年十二月三十一日尚未行使	Exercise price 行使價 HK$ 港元	Exercise period 行使期間
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
Ng Chee Hung Frederick 吳棋鴻	19 August 2015 二零一五年八月十九日	2,000,000	–	–	–	2,000,000	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
Stephen Gregory McCoy 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 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	16,700,000	–	–	(200,000)	16,500,000	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
Employees of group companies 集團公司僱員	19 August 2015 二零一五年八月十九日	1,250,000	–	–	–	1,250,000	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	6,740,000	–	(2,440,000)	–	4,300,000	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	950,000	–	(550,000)	–	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	800,000	–	(250,000)	–	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
		38,640,000	–	(3,240,000)	(200,000)	35,200,000		

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25 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
Risk free interest rate:	0.821%
Expected volatility:	59.08%
Expected dividend yield:	1.63%
Expected exercise multiple:	Directors: 2.8x exercise price Others: 2.2x exercise price

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.

A total of HK$964,000 share option expenses were recognised in the consolidated statement of comprehensive income during the current year.

25 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：

於授出日期的加權平均購股權價格：	0.3133港元
無風險利率：	0.821%
預期波幅：	59.08%
預期股息率：	1.63%
預期行使倍數：	董事：行使價2.8倍 其他：行使價2.2倍

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的股價截至評估日期的年度化過往每週波幅而釐定。

本年度於綜合全面收益表確認的購股權開支合共為964,000港元。

25 SHARE OPTION SCHEME *(continued)*

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.

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.

25 購股權計劃*(續)*

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。

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。

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25 SHARE OPTION SCHEME *(continued)*

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

25 購股權計劃*(續)*

尚未行使的購股權數目變動如下：

Grantee 獲授人	Date of grant 授出日期	Outstanding as at 31 December 2015 於二零一五年十二月三十一日尚未行使	Granted during the year 於年內授出	Forfeited during the year 於年內被沒收	Exercised during the year 於年內行使	Outstanding as at 31 December 2016 於二零一六年十二月三十一日尚未行使	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
Ng Chee Hung Frederick 吳棋鴻	29 December 2016 二零一六年十二月二十九日	–	1,850,000	–	–	1,850,000	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 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 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	–	17,900,000	–	–	17,900,000	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	–	1,150,000	–	–	1,150,000	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	–	8,500,000	–	–	8,500,000	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	–	500,000	–	–	500,000	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	–	–	200,000	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
		–	40,000,000	–	–	40,000,000		

25 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
Risk free interest rate:	1.443%
Expected volatility:	70.97%
Expected dividend yield:	0%
Expected exercise multiple:	Directors: 2.8x exercise price Others: 2.2x exercise price

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$7,237,000 share option expenses were recognised in the consolidated statement of comprehensive income during the current year.

25 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：

於授出日期的加權平均購股權價格：	0.2385港元
無風險利率：	1.443%
預期波幅：	70.97%
預期股息率：	0%
預期行使倍數：	董事：行使價2.8倍 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。

本年度於綜合全面收益表確認的購股權開支合共為7,237,000港元。

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26 BALANCE SHEET AND RESERVES MOVEMENT OF THE COMPANY

26 本公司之資產負債表及儲備變動

Balance sheet of the Company 本公司之資產負債表

		As at 31 December 於十二月三十一日	
		2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
ASSETS	**資產**		
Non-current assets	**非流動資產**		
Investment in subsidiaries (Note 28)	於附屬公司之投資(附註28)	**71,692**	66,448
		71,692	66,448
Current assets	**流動資產**		
Cash and bank balances	現金及銀行結餘	**211,017**	120,795
Amounts due from subsidiaries	應收附屬公司之款項	**31,687**	14,276
Loans to a subsidiary	給予一間附屬公司之貸款	**62,037**	62,008
Prepayments and other receivables	預付款項及其他應收款項	**861**	628
Total current assets	**流動資產總值**	**305,602**	197,707
Total assets	**資產總值**	**377,294**	264,155
EQUITY AND LIABILITIES	**權益及負債**		
Share capital	股本	**20,332**	20,330
Reserves *(Note (a))*	儲備*(附註(a))*	**198,157**	189,828
Retained earnings	保留盈利	**156,830**	32,939
Total equity	**權益總額**	**375,319**	243,097
Current liabilities	**流動負債**		
Amounts due to subsidiaries	應付附屬公司款項	**171**	19,157
Other payables and accrued liabilities	其他應付款項及應計負債	**1,804**	1,901
Total liabilities	**負債總額**	**1,975**	21,058
Total equity and liabilities	**總權益及負債**	**377,294**	264,155

The balance sheet of the Company was approved by the Board of Directors on 21 March 2017 and was signed on its behalf.

本公司資產負債表經董事會於二零一七年三月二十一日批准並代其簽署。

Liu Stefan
劉欣諾

Ng Chee Hung Frederick
吳棋鴻

26 BALANCE SHEET AND RESERVES MOVEMENT OF THE COMPANY *(continued)*

26 本公司之資產負債表及儲備變動*(續)*

Note (a) Reserve movement of the Company

附註(a) 本公司之儲備變動

		Reserves 儲備 HK$'000 千港元	Retained earnings 保留盈利 HK$'000 千港元
As at 1 January 2015	**於二零一五年一月一日**	171,378	6,029
Profit for the year	年度溢利	–	56,441
Share option scheme	購股權計劃	9,792	–
Issuance of new ordinary shares upon exercise of share options	行使購股權時發行的新普通股	9,296	4,052
Release of share option reserves upon cancellation of share option scheme	註銷購股權計劃時解除購股權儲備	(638)	638
Dividends	股息	–	(34,221)
As at 31 December 2015	**於二零一五年十二月三十一日**	189,828	32,939
As at 1 January 2016	**於二零一六年一月一日**	**189,828**	**32,939**
Profit for the year	年度溢利	**–**	**123,831**
Share option scheme	購股權計劃	**8,201**	**–**
Issuance of new ordinary shares upon exercise of share options	行使購股權時發行的新普通股	**128**	**60**
As at 31 December 2016	**於二零一六年十二月三十一日**	**198,157**	**156,830**

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27 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

27 董事及高級管理層的酬金

(a) Directors' emoluments

Emoluments paid/payable to the directors of the Company by the Group during the years ended 31 December 2016 and 2015.

(a) 董事酬金

本集團截至二零一六年及二零一五年十二月三十一日止年度向本公司董事支付／應付的酬金。

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Name of director	董事姓名	Director fee 董事袍金 HK$'000 千港元	Salary and commission 薪金及佣金 HK$'000 千港元	Employer's contribution to pension scheme 僱主退休金計劃供款 HK$'000 千港元	Dis-cretionary bonuses *(Note (b))* 酌情花紅 *(附註(b))* HK$'000 千港元	Estimated value of other benefits *(Note (a))* 其他福利的估計價值 *(附註(a))* HK$'000 千港元	Total 總計 HK$'000 千港元
Executive Directors:	**執行董事：**						
Mr. Liu Stefan	劉欣諾先生	240	2,700	18	2,891	2,152	8,001
Mr. Ng Chee Hung Frederick	吳棋鴻先生	240	1,475	18	254	498	2,485
Non-executive Directors:	**非執行董事：**						
Mr. Li Zhi Da	李志達先生	120	–	–	–	–	120
Mr. Stephen Gregory McCoy	Stephen Gregory McCoy 先生	120	–	–	144	269	533
Independent Non-executive Directors	**獨立非執行董事**						
Ms. Zhao Guixin	趙桂馨女士	240	–	–	–	81	321
Mr. Cornelis Jacobus Keyser	Cornelis Jacobus Keyser 先生	240	–	–	–	81	321
Mr. Lin Wenhui	林文輝先生	240	–	–	–	81	321
		1,440	4,175	36	3,289	3,162	12,102

27 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS *(continued)*

27 董事及高級管理層的酬金*(續)*

(a) Directors' emoluments *(continued)*

(a) 董事酬金*(續)*

For the year ended 31 December 2015:

截至二零一五年十二月三十一日止年度：

Name of director	董事姓名	Director fee 董事袍金 HK$'000 千港元	Salary and commission 薪金及佣金 HK$'000 千港元	Employer's contribution to pension scheme 僱主退休金計劃供款 HK$'000 千港元	Discretionary bonuses *(Note (b))* 酌情花紅*(附註(b))* HK$'000 千港元	Estimated value of other benefits *(Note (a))* 其他福利的估計價值*(附註(a))* HK$'000 千港元	Total 總計 HK$'000 千港元
Executive Directors:	**執行董事：**						
Mr. Liu Stefan	劉欣諾先生	120	384	18	15,450	2,858	18,830
Mr. Ng Chee Hung Frederick	吳棋鴻先生	120	827	18	1,490	636	3,091
Non-executive Directors:	**非執行董事：**						
Mr. Li Zhi Da	李志達先生	60	–	–	–	–	60
Mr. Stephen Gregory McCoy	Stephen Gregory McCoy 先生	60	–	–	491	314	865
Independent Non-executive Directors	**獨立非執行董事**						
Ms. Zhao Guixin	趙桂馨女士	120	–	–	–	94	214
Mr. Cornelis Jacobus Keyser	Cornelis Jacobus Keyser 先生	120	–	–	–	94	214
Mr. Lin Wenhui	林文輝先生	120	–	–	–	94	214
		720	1,211	36	17,431	4,090	23,488

During the years ended 31 December 2016 and 2015, no directors of the Group waived any emoluments and no emolument was paid to any of the directors as an inducement to join or upon joining the Group or as compensation for loss of office.

截至二零一六年及二零一五年十二月三十一日止年度，概無本集團董事放棄任何酬金，且本集團並無支付酬金予任何董事，作為加入本集團或加入時的獎勵或作為離職補償。

Note (a): Other benefits are housing allowance and share options.

附註(a)： 其他福利為住房津貼及購股權。

Note (b): Certain executive directors of the Company are entitled to discretionary bonus payments which are determined with reference to the Group's operating results, individual performance of the directors and relevant market statistics during the year.

附註(b)： 本公司若干執行董事享有酌情花紅款項，有關款項乃參考年內本集團的經營業績、董事的個人表現及相關市場統計資料而釐定。

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27 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS *(continued)*

27 董事及高級管理層的酬金*(續)*

(a) Directors' emoluments *(continued)*

(a) 董事酬金*(續)*

Note(b): (continued)

附註(b)：(續)

		2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Emoluments paid or receivable in respect of a person's services as a director, whether of the company or its subsidiary undertaking	就個人提供擔任董事(不論是公司或其附屬公司)的服務而已付或應收的酬金	**1,440**	720
Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the company or its subsidiary undertaking	就董事提供管理公司或其附屬公司事宜的其他服務而已付或應收的酬金	**10,662**	22,768
		12,102	23,488

27 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS *(continued)*

27 董事及高級管理層的酬金*(續)*

(b) Five highest paid individuals

The five highest paid employees during the years ended 31 December 2016 and 2015 included two and two directors respectively, details of whose remuneration are set out in Note 27(a) above. Details of the remuneration of the remaining non-directors, highest paid employees during the years ended 31 December 2016 and 2015 are as follows:

(b) 五名最高薪人士

截至二零一六年及二零一五年十二月三十一日止年度，五名最高薪僱員分別包括兩名及兩名董事，其酬金詳情載於上文附註27(a)。其餘非董事最高薪僱員於截至二零一六年及二零一五年十二月三十一日止年度的酬金詳情載列如下：

		2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Salary and commission	薪金及佣金	**2,925**	2,497
Employer's contribution to pension scheme	僱主退休金計劃供款	**18**	195
Discretionary bonuses	酌情花紅	**1,413**	8,027
		4,356	10,719

No emoluments have been paid to these individuals as an inducement to join or upon joining the Group or as compensation for loss of office during the years ended 31 December 2016 and 2015.

截至二零一六年及二零一五年十二月三十一日止年度，概無向該等人士支付酬金作為加入本集團或加入時的獎勵或作為離職補償。

The emoluments of the highest-paid individuals of the Group other than the directors fall within the following bands:

本集團最高薪人士(除董事外)的薪酬屬於以下範疇：

		2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Emolument bands	薪酬範疇		
– HK$0 to HK$1,000,000	– 0港元至1,000,000港元	**–**	–
– HK$1,000,001 to HK$1,500,000	– 1,000,001港元至1,500,000港元	**2**	–
– HK$1,500,001 to HK$2,000,000	– 1,500,001港元至2,000,000港	**–**	1
– HK$2,000,001 to HK$2,500,000	– 2,000,001港元至2,500,000港元	**1**	1
– HK$5,000,001 to HK$5,500,000	– 5,000,001港元至5,500,000港元	**–**	1

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28 INVESTMENT IN SUBSIDIARIES

As at 31 December 2016, the Company had direct and indirect interests in the following subsidiaries:

28 於附屬公司之投資

於二零一六年十二月三十一日，本公司於下列附屬公司擁有直接及間接權益：

Company name 公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法律實體類別	Principal activities and place of operation 主要業務及經營地點	Particulars of issued share capital/ paid-up capital 已發行股本／繳足股本詳情	Equity Interest held 持有的股權
LXL Capital I Limited Note 1	British Virgin Islands, Limited liability company	Investment holding, British Virgin Islands	US$300	100% (direct)
LXL Capital I Limited 附註1	英屬處女群島，有限責任公司	投資控股，英屬處女群島	300美元	100%（直接）
KVB Kunlun New Zealand Limited	New Zealand, Limited liability company	Provision of leveraged foreign exchange services, New Zealand	NZ$20,862,083	100% (indirect)
KVB Kunlun New Zealand Limited	紐西蘭，有限責任公司	提供槓桿式外匯服務，紐西蘭	20,862,083紐西蘭元	100%（間接）
KVB Kunlun Securities (NZ) Limited Note 2	New Zealand, Limited liability company	Inactive	NZ$1,000,000	100% (indirect)
KVB Kunlun Securities (NZ) Limited 附註2	紐西蘭，有限責任公司	尚未營業	1,000,000紐西蘭元	100%（間接）
KVB Kunlun Pty Ltd	Australia, Limited liability company	Provision of sales service, Australia	AU$1,800,010	100% (indirect)
KVB Kunlun Pty Ltd	澳洲，有限責任公司	提供銷售服務，澳洲	1,800,010澳元	100%（間接）
KVB Kunlun International (HK) Limited	Hong Kong, Limited liability company	Provision of management services and leveraged foreign exchange trading services, Hong Kong	HK$100,000,000	100% (indirect)
昆侖國際(香港)有限公司	香港，有限責任公司	提供管理服務及槓桿式外匯交易服務，香港	100,000,000港元	100%（間接）
LXL Capital II Limited Note 1	British Virgin Islands, Limited liability company	Investment holding, British Virgin Islands	US$200	100% (indirect)
LXL Capital II Limited 附註1	英屬處女群島，有限責任公司	投資控股，英屬處女群島	200美元	100%（間接）
LXL Capital III Limited Note 1	British Virgin Islands, Limited liability company	Investment holding, British Virgin Islands	US$200	100% (indirect)
LXL Capital III Limited 附註1	英屬處女群島，有限責任公司	投資控股，英屬處女群島	200美元	100%（間接）
LXL Capital IV Limited Note 1	British Virgin Islands, Limited liability company	Investment holding, British Virgin Islands	US$100	100% (indirect)
LXL Capital IV Limited 附註1	英屬處女群島，有限責任公司	投資控股，英屬處女群島	100美元	100%（間接）

28 INVESTMENT IN SUBSIDIARIES *(continued)* 28 於附屬公司之投資*(續)*

Company name 公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法律實體類別	Principal activities and place of operation 主要業務及經營地點	Particulars of issued share capital/ paid-up capital 已發行股本／繳足股本詳情	Equity Interest held 持有的股權
LXL Capital V Limited *Note 1*	British Virgin Islands, Limited liability company	Investment holding, British Virgin Islands	US$100	100% (indirect)
LXL Capital V Limited *附註1*	英屬處女群島，有限責任公司	投資控股，英屬處女群島	100美元	100%（間接）
LXL Capital IX Limited *Note 1*	British Virgin Islands, Limited liability company	Investment holding, British Virgin Islands	US$100	100% (indirect)
LXL Capital IX Limited *附註1*	英屬處女群島，有限責任公司	投資控股，英屬處女群島	100美元	100%（間接）
LXL Capital VIII Limited *Note 1*	British Virgin Islands, Limited liability company	Investment holding, British Virgin Islands	US$100	100% (indirect)
LXL Capital VIII Limited *附註1*	英屬處女群島，有限責任公司	投資控股，英屬處女群島	100美元	100%（間接）
Yorkastle Capital Limited	Hong Kong, Limited liability company	Investment holding, Hong Kong	HK$1,000,000	100% (indirect)
盛城資本有限公司	香港，有限責任公司	投資控股，香港	1,000,000港元	100%（間接）
Zhuhai Hengqin Kunlun Financial Exchange Limited	People's Republic of China, Limited liability company	Provision of financial services, People's Republic of China	RMB20,000,000	100% (indirect)
珠海橫琴昆侖新金融交易中心有限公司	中華人民共和國，有限責任公司	提供金融服務，中華人民共和國	人民幣20,000,000元	100%（間接）

Note 1: No audited financial statements have been prepared as these companies are incorporated in a jurisdiction which does not have any statutory audit requirements.

附註1： 由於該等公司註冊成立的司法權區並無任何法定審核規定，故並無編製經審核財務報表。

Note 2: The Company has no operation during the current year.

附註2： 該公司於本年度並無經營業務。

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29 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.

As disclosed in Note 1 to the consolidated financial statements, subsequent to the completion of the Transaction on 29 May 2015, CITIC Securities Overseas becomes the immediate holding company and CITIC Securities becomes the ultimate holding company of the Group.

Subsequent to the completion of the Transaction, KVB Kunlun Holdings Limited owns 14.76% of issued shares of the Company. Accordingly, companies owned by KVB Kunlun Holdings Limited ceased to be the fellow subsidiaries and are now referred to as "other related parties" as they are controlled by some common key management personnel.

As disclosed in Note 1 to the consolidated financial statements, KVB ZHHQ, entered into a membership agreement with TPME, during the year ended 31 December 2016. Pursuant to the membership agreement, TPME provides a spot trading and settlement platform for precious metals trading and the relevant consulting, training and management services to KVB ZHHQ. TPME is controlled by CITIC Limited, an entity incorporated in Hong Kong which has significant influence over CITIC Securities overseas.

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 recognized amounts, and intends to settle on a net basis.

29 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。

如綜合財務報表附註1所披露，於二零一五年五月二十九日交易完成後，中信証券海外成為直接控股公司，中信証券成為本集團最終控股公司。

於完成交易後，KVB Kunlun Holdings Limited擁有本公司已發行股份的14.76%。因此，KVB Kunlun Holdings Limited擁有的公司不再為同系附屬公司，現稱為「其他關聯方」，原因為彼等由若干共同主要管理人員控制。

誠如綜合財務報表附註1所披露，截至二零一六年十二月三十一日止年度期間，昆侖珠海橫琴與天津貴金屬交易所訂立會員協議。根據會員協議，天津貴金屬交易所為昆侖珠海橫琴提供一個貴金屬現貨交易及結算平台，以及相關諮詢、培訓及管理服務。天津貴金屬交易所由中國中信股份有限公司控制，該公司於香港註冊成立，對中信証券海外擁有重大影響力。

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

29 RELATED PARTY TRANSACTIONS *(continued)*

(a) The Group had the following material transactions with its related entities during the year:

29 關聯方交易*(續)*

(a) 本集團於年內與其關聯實體進行的重大交易如下：

		Note 附註	2016 二零一六年 HK$'000 千港元	2015 二零一五年 HK$'000 千港元
Transactions	**交易**			
Management fee income for the provision of group management, IT, marketing and administration support from:	向以下公司收取提供集團管理、資訊科技、市場推廣及行政支援的管理費收入：	*(i)*		
– other related parties	– 其他關聯方		**–**	1,256
Management fee expense for the provision of financial system services which include the provision of enterprise resources planning system support to:	向以下公司支付提供財務系統服務，當中包括企業資源管理系統支援的管理費開支：	*(ii)*		
– the then immediate holding company	– 當時直接控股公司		**857**	983
Amount paid for the provision of software development and maintenance services, IT infrastructure project management and maintenance services and IT risk assessment services to:	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：	*(iii)*		
– an other related party	– 其他關聯方		**24,970**	8,995
Amount paid for the provision of foreign exchange conversion and settlement services to:	向以下公司支付提供外匯兌換及結算服務的款項：	*(iv)*		
– other related parties	–其他關聯方		**557**	–
Amount paid for the trading right to the spot trading and settlement platform provided by:	向以下公司支付提供貴金屬現貨交易及結算平台交易權的款項：	*(v)*		
– TPME	–天津貴金屬交易所		**1,675**	–
Referral fees paid for introducing and referring prospective clients to the Group:	向以下公司支付介紹及轉介潛在客戶予本集團的轉介費：	*(vi)*		
– an other related party	–其他關聯方		**272**	–
Purchases of fixed assets:	購買固定資產：	*(vii)*	**970**	–
– an other related party	–其他關聯方			
Amount paid for the provision of software maintenance, upgrade and support services from:	向以下公司支付提供軟件維護、升級及支援服務的款項：	*(viii)*		
– an other related party	–其他關聯方		**1,260**	–
Amount received for the sharing of the offices to:	向以下公司收取共同辦公室的款項：			
– other related parties	–其他關聯方	*(ix)*	**3,235**	5,109

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29 RELATED PARTY TRANSACTIONS *(continued)* 29 關聯方交易*（續）*

(a) *(continued)* **(a)** *（續）*

		Note *附註*	**2016 二零一六年 HK$'000 千港元**	2015 二零一五年 HK$'000 千港元
Cash dealing income 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：			
– other related parties	－其他關聯方	*(x)*	**4,251**	11,517
Annual membership management fee paid to:	向以下公司支付的年度會員管理費：			
– TPME	－天津貴金屬交易所	*(xi)*	**571**	–
Balances with related parties:	與其他關聯方的結餘：			
– TPME	－天津貴金屬交易所	*(xii)*	**46,606**	–
Due to related parties:	應付關聯方款項：			
– other related parties	－其他關聯方	*(xiii)*	**–**	73

Notes:

(i) Management fee income is determined with reference to the cost of provision of group management, IT, marketing and administration support services plus mark up.

(ii) Management fee expenses are charged for the provision of financial system services which include the provision of enterprise resources planning system support with reference to the costs incurred.

(iii) Amounts are paid for provision of software development and maintenance services, IT infrastructure project management and maintenance services and IT risk assessment services.

(iv) Amounts are paid for provision of foreign exchange conversion and settlement services.

(v) Amounts are paid for the trading right to the spot trading and settlement platform for precious metals trading based on the agreement signed between parties.

(vi) Referral fees are paid for introducing and referring prospective clients to the Group in accordance with the fee agreement.

(vii) Amounts are paid for the purchases of fixed assets based on the agreement signed between parties.

(viii) Amounts are paid for the provision of software maintenance, upgrade and support services based on the terms on agreement signed between parties.

附註：

(i) 管理費收入乃參考提供集團管理、資訊科技、市場推廣及行政支援服務的成本加差價釐定。

(ii) 管理費開支乃就提供財務系統服務，當中包括企業資源管理系統支援參考產生的費用而扣除。

(iii) 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。

(iv) 就提供外匯兑換及結算服務而支付的款項。

(v) 就提供貴金屬現貨交易及結算平台交易權而支付的款項乃根據訂約各方所簽訂之協議而釐定。

(vi) 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。

(vii) 就購買固定資產而支付的款項乃根據訂約各方所簽訂之協議而釐定。

(viii) 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。

29 RELATED PARTY TRANSACTIONS *(continued)*

(a) *(continued)*

Notes: (continued)

(ix) Amounts are received for the sharing of the offices based on the agreement signed between parties.

(x) Cash dealing income is recognised when cash dealing transactions have been completed by market makers with reference to prevailing exchange rate.

(xi) Annual membership management fee is charged based on the agreement signed between parties.

(xii) Deposits placed are unsecured and non-interest bearing.

(xiii) Amounts due to related parties were unsecured, non-interest bearing and repayable on demand.

(b) Key management includes directors (executive & non-executive) and the remuneration of the key management personnel of the Group discloses in Note 27.

29 關聯方交易*(續)*

(a) *(續)*

附註：(續)

(ix) 根據訂約各方簽訂之協議共用辦公室的應收款項。

(x) 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。

(xi) 年度會員管理費乃根據訂約各方簽訂之協議收取。

(xii) 所存放之存款為無抵押及免息。

(xiii) 應付關聯方款項為無抵押、免息及須按要求償還。

(b) 本集團主要管理層(包括執行及非執行董事)及主要管理人員的薪酬於附註27披露。

30 COMMITMENTS AND CONTINGENCIES

Operating lease commitments

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

The Group is required to give six-month notice for termination of these leases.

30 承擔及或然事項

經營租賃承擔

本集團根據於今年末已有的不可撤銷經營租賃承擔租賃辦公室。租期按平均三至六年磋商。

本集團須發出六個月通知方可終止該等租賃。

		2016 **二零一六年** **HK$'000** **千港元**	2015 二零一五年 HK$'000 千港元
Within one year	一年內	**15,342**	14,617
One to five years	一至五年	**12,889**	20,187
		28,231	34,804

31 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorized for issue by the Board of Directors on 21 March 2017.

31 批准財務報表

本財務報表由董事會於二零一七年三月二十一日批准及授權刊發。

FINANCIAL SUMMARY
財務概要

A summary of the results and of the financial position of KVB Kunlun Financial Group Limited (the "Company", together with its subsidiaries, the "Group") for the last five financial years, as extracted from the published audited financial statements, is set out below

以下載列昆侖國際金融集團有限公司(「本公司」,連同其附屬公司統稱「本集團」)過往五個財政年度之業績及財務狀況概要,乃摘錄自已刊發經審核之財務報表。

		For the year ended 31 December 截至十二月三十一日止年度				
		2016	2015	2014	2013	2012
		二零一六年	二零一五年	二零一四年	二零一三年	二零一二年
		HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
		千港元	千港元	千港元	千港元	千港元
Total income	收入總額	**362,607**	406,811	188,634	176,719	123,222
Profit before tax	除税前溢利	**54,243**	128,149	47,697	50,130	2,432
Profit/(loss) for the year	年內溢利/(虧損)	**38,688**	94,709	35,081	34,774	(1,749)
Total comprehensive income for the year	年內全面收益總額	**40,716**	83,328	29,785	33,010	2,837

		As at 31 December 於十二月三十一日				
		2016	2015	2014	2013	2012
		二零一六年	二零一五年	二零一四年	二零一三年	二零一二年
		HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
		千港元	千港元	千港元	千港元	千港元
Total assets	資產總值	**1,082,158**	1,068,776	626,510	569,993	408,006
Total liabilities	負債總額	**(567,641)**	(603,366)	(233,787)	(187,894)	(175,254)
		514,517	465,410	392,723	382,099	232,752
Total equity and liabilities	總權益及負債	**1,082,158**	1,068,776	626,510	569,993	408,006
Net current assets	流動資產淨值	**475,645**	447,080	379,837	375,403	226,470
Total assets less current liabilities	總資產減流動負債	**515,368**	466,049	392,929	382,374	223,131

Note:

The summary of the financial information of the Group for year ended 31 December 2012 have been extracted from the prospectus of the Company dated 11 June 2013. Such summary was prepared as if the current structure of the Group had been in existence throughout these financial years.

附註:

本集團截至二零一二年十二月三十一日止年度之財務資料概要乃摘錄自本公司日期為二零一三年六月十一日之招股章程。有關概要乃猶如本集團現時架構在該等財政年度內一直存在而編製。

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)

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