



CHINA INNOVATIONPAY GROUP

China Innovationpay Group Limited
中國創新支付集團有限公司

Stock Code 股份代號: 8083

2017
ANNUAL
REPORT
年報





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CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors. Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report. This report, for which the directors (the “Directors”) of China Innovationpay Group Limited collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

香港聯合交易所有限公司（「聯交所」）GEM之特色

GEM之定位，乃為相比起其他在聯交所上市之公司帶有較高投資風險之公司提供一個上市之市場。有意投資之人士應瞭解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。GEM之高風險及其他特色表示GEM較適合專業及其他經驗豐富投資者。由於GEM上市公司屬新興性質，在GEM買賣之證券可能會較在聯交所主板買賣之證券承受較大之市場波動風險，同時無法保證在GEM買賣之證券會有高流通量之市場。

香港交易及結算所有限公司以及聯交所對本報告的內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示，概不會就因本報告全部或任何部分內容而產生或因倚賴該等內容而引致的任何損失承擔任何責任。本報告乃遵照GEM上市規則之規定而提供有關中國創新支付集團有限公司之資料，本公司各董事（「董事」）願就本報告之資料共同及個別地承擔全部責任。董事在作出一切合理查詢後，確認就其所知及所信，本報告所載資料在各重要方面均屬準確完備，概無誤導或欺詐成分，且並無遺漏任何其他事項，足以令致本報告所載任何陳述或本報告產生誤導。

CORPORATE INFORMATION

公司資料

EXECUTIVE DIRECTOR

Mr. Guan Guisen (*Chairman*)
Mr. Cao Chunmeng (*Chief Executive Officer*)
Mr. Yan Xiaotian

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Fong Chi Wah
Mr. Wang Zhongmin
(Resigned on 8 March 2018)
Mr. Gu Jiawang
Mr. Xu Yanqing
(Appointed on 4 August 2017)

COMPANY SECRETARY

Mr. Fung Kwok Leung

COMPLIANCE OFFICER

Mr. Guan Guisen

AUTHORISED REPRESENTATIVES

Mr. Guan Guisen
Mr. Cao Chunmeng

AUDIT COMMITTEE

Dr. Fong Chi Wah (*Chairman*)
Mr. Gu Jiawang
Mr. Xu Yanqing
(Appointed on 4 August 2017)
Mr. Wang Zhongmin
(Resigned on 8 March 2018)

REMUNERATION COMMITTEE

Mr. Guan Guisen
Mr. Cao Chunmeng
Dr. Fong Chi Wah
Mr. Gu Jiawang
Mr. Xu Yanqing (*Chairman*)
(Appointed on 4 August 2017)
Mr. Wang Zhongmin
(Resigned on 8 March 2018)

執行董事

關貴森先生 (*主席*)
曹春萌先生 (*行政總裁*)
閻曉田先生

獨立非執行董事

方志華博士
王忠民先生
(於二零一八年三月八日辭任)
谷嘉旺先生
徐燕青先生
(於二零一七年八月四日獲委任)

公司秘書

馮國良先生

監察主任

關貴森先生

法定代表

關貴森先生
曹春萌先生

審計委員會

方志華博士 (*主席*)
谷嘉旺先生
徐燕青先生
(於二零一七年八月四日獲委任)
王忠民先生
(於二零一八年三月八日辭任)

薪酬委員會

關貴森先生
曹春萌先生
方志華博士
谷嘉旺先生
徐燕青先生 (*主席*)
(於二零一七年八月四日獲委任)
王忠民先生
(於二零一八年三月八日辭任)



CORPORATE INFORMATION

公司資料

NOMINATION COMMITTEE

Mr. Guan Guisen
Mr. Cao Chunmeng
Dr. Fong Chi Wah
Mr. Gu Jiawang (*Chairman*)
Mr. Xu Yanqing
(Appointed on 4 August 2017)
Mr. Wang Zhongmin
(Resigned on 8 March 2018)

AUDITORS

RSM Hong Kong
29th Floor, Lee Gardens Two
28 Yun Ping Road, Causeway Bay, Hong Kong

PRINCIPAL BANKERS

The Hong Kong and Shanghai Banking
Corporation Limited

SHARE REGISTRARS

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor, Hopewell Centre
183 Queen's Road East, Hong Kong

REGISTERED OFFICE

Canon's Court, 22 Victoria Street
Hamilton HM 12, Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit 2708, 27/F., The Center
99 Queen's Road Central, Hong Kong

STOCK CODE

8083

提名委員會

關貴森先生
曹春萌先生
方志華博士
谷嘉旺先生 (*主席*)
徐燕青先生
(於二零一七年八月四日獲委任)
王忠民先生
(於二零一八年三月八日辭任)

核數師

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香港銅鑼灣恩平道二十八號
利園二期二十九樓

主要往來銀行

香港上海滙豐銀行有限公司

股份過戶登記處

香港中央證券登記有限公司
香港皇后大道東183號
合和中心17樓1712-1716號舖

註冊辦事處

Canon's Court, 22 Victoria Street
Hamilton HM 12, Bermuda

總辦事處及

主要營業地點

香港皇后大道中99號
中環中心27樓2708室

股份代號

8083

CHAIRMAN'S STATEMENT

主席報告書

The board of directors (the "Board") of China Innovationpay Group Limited ("CIP" or the "Company") and its subsidiaries (collectively the "Group") is pleased to present the annual report of the Group for the year ended 31 December 2017.

During the year under review, the Group continued operating third-party payment business. The operating environment for the year had been complicated with social and economic uncertainties.

In the past, the Company took the tighten regulation into its expansion consideration. The Company also explored domestic and overseas efficient payment businesses and searched for the optimal business model in the fast-growing and ever changing payment industry. In 2017, the Company is pleased to demonstrate that the focus approach to market our mature services as set out in our 2016 Annual Report was a success. All we are doing is to create a harmonic cycle of the Group's progressively mature platforms with increasing ease of services to customers and merchants. Added to this is the success stories from our renowned merchants in the retail industry to whom the Group has deployed its payment channels and platforms. They have proved to be extremely useful in helping merchants generating operational efficiency. The Group successfully connected more buyer and seller, user and merchant through our advanced and integrated platforms. The Group makes its licensed payment services to bridge the gap between its distributors and their customers by a mean of seamless, efficient payment experiences. The Group connects more and more industrial distributor cross products and services. The Company's ambition is to be a well-recognized innovative market leader in the e-commerce industry, staying the payment and beyond. The Group will achieve this by assisting its distributors and business partners in their own business development, emphasize on the needs of theirs, as well as the society the Group serves, so that the Group is making long-term sustainable return to all of its stakeholders.

中國創新支付集團有限公司（「CIP」或「本公司」）及其附屬公司（統稱「本集團」）之董事會（「董事會」）欣然公佈本集團截至二零一七年十二月三十一日止年度之年度報告。

於回顧年內，本集團繼續經營第三方支付業務。由於年度經營環境因社會及經濟等不明朗因素而變得錯綜複雜。

過往，本公司業務拓展受監管收緊所限。本公司亦於快速發展及瞬息萬變支付行業探討國內外高效的支付業務及尋求最佳業務模式。於二零一七年，本公司欣然展示二零一六年年報所載專注市場推廣成熟服務的策略取得成功。本公司所作所為乃構建本集團日益成熟的平台維持良好運作，並向客戶及商戶提供更便利的服務。零售行業內知名商戶採納本公司部署之支付渠道及平台，為我們的成功案例錦上添花。事實證明其協助商戶帶來高效營運具有極大用處。本集團已成功透過本集團的先進及綜合平台對接更多買家及賣家，使用者及商戶。本集團透過提供無縫高效的支付體驗作出持牌支付服務，為分銷商及客戶搭建橋梁。本公司對接越來越多產品及服務間的不同行業分銷商。本公司矢志成為電子商務行業知名革新市場領導者，保持在支付業務及其他業務的領先地位。本集團旨在協助分銷商及業務夥伴發展其本身的業務、重視彼等及本集團所服務社會的需求，因此，本集團將向所有的利益相關方奉獻長期可持續的回報。



CHAIRMAN'S STATEMENT

主席報告書

The Group is going to be cautious to meet with the challenges ahead and continue to focus the third party payment industry, and will also grasp every opportunity against the strong market competition striving to create more fruitful value to the shareholders.

On behalf of the Board, I would like to take this opportunity to express my gratitude to all shareholders, investors, customers and business partners for their strong support to our Group. I would also like to express our sincere appreciation to the management team and staff of the Group for their dedicated efforts and contributions.

Mr. Guan Guisen
Chairman

Hong Kong, 27 March 2018

本集團將審慎應對前面挑戰，將繼續專注第三方支付行業，並抓住每個機會以應對激烈的市場競爭，為廣大股東創造更多的價值。

本人謹代表董事會藉此機會對全體股東、投資者、客戶及業務夥伴對本集團鼎力支持致以衷心謝意。本人亦謹此感謝本集團管理層團隊及員工的不懈努力及貢獻。

主席
關貴森先生

香港，二零一八年三月二十七日

CIP AT A GLANCE

CIP概覽

CIP is a renowned investment holding company committed to innovation and technology advancement in payment services. Our group consists of the Company, Shenzhen Innovationpay Co., Limited and its subsidiaries, Country Praise Enterprise Limited (“CPE”) and its subsidiaries (collectively the “CPE Group”). The Group mainly operate payment system based business across the People’s Republic of China (the “PRC”).

OUR BUSINESS FOUNDATION

On 28 June 2012, Beijing Gaohuitong Commercial Management Co., Ltd. (“Beijing Gaohuitong”), an indirect wholly owned subsidiary of the Company obtained the Certificate for Approval for Payment Business from the People’s Bank of China (the “PBOC”). In June 2017, Beijing Gaohuitong has smoothly obtained the Certificate for Approval for Payment business from the PBOC, which allows continuing to conducting it business. The PBOC Approval allows us to operate issuance and acceptance of prepaid cards in five geographical areas and operate internet payment service in the PRC. In November 2014, the payment and settlement division of the operations of PBOC further permitted us to operate the virtual card in the PRC countrywide on a pilot basis. In September 2015, PBOC Guangzhou Branch has approved Beijing Gaohuitong to commence the Renminbi settlement services for the cross-border goods and services trading business for enterprises and individuals.

CIP為一家致力於支付服務行業的創新與科技進步的知名投資控股有限公司。本集團包括本公司、深圳前海中創匯通互聯網金融服務有限公司及其附屬公司、Country Praise Enterprise Limited (「CPE」)及其附屬公司(統稱「CPE集團」)。我們主要於中華人民共和國(「中國」)經營支付服務業務。

我們的業務基礎

於二零一二年六月二十八日，本公司間接全資附屬公司北京高匯通商業管理有限公司(「北京高匯通」)獲中國人民銀行(「中國人民銀行」)頒發支付業務許可證。於二零一七年六月，北京高匯通支付業務許可證順利獲得中國人民銀行批准，支付業務得以繼續經營。中國人民銀行批准我們在五個地區開辦預付卡發行與受理業務及在中國經營互聯網支付服務。於二零一四年十一月，中國人民銀行營業管理部支付結算處進一步批准我們在全國範圍內試點開辦虛擬預付卡業務。於二零一五年九月，中國人民銀行廣州分行批准北京高匯通可為企業和個人跨境貨物貿易，服務貿易提供人民幣的結算服務。



CIP AT A GLANCE

CIP概覽

BUSINESS OVERVIEW

CIP is a renowned investment holding company committed to innovation and technology advancement in payment services. Our Group consists of the Company, Shenzhen Innovationpay Co., Limited and its subsidiaries, Country Praise Enterprise Limited (“CPE”) and its subsidiaries (collectively the “CPE Group”). We mainly operate payment service based business across the People’s Republic of China (the “PRC”). Up to 2017, our operation consists of three operating segments, which are (i) general trading, (ii) third party payment services and (iii) Onecomm.

Within the third party payment services, there are four core business sectors which are:

- (i) Prepaid Card Service;
- (ii) Internet Payment Service;
- (iii) Integrated Payment Service; and
- (iv) Cross-border Renminbi Payment Service

With the payment licenses and permissions obtained by the Group and the businesses explored through years, the Group has established three business systems based on its core payment system, namely the internet payment system, the prepaid card operating system and the integrated payment system. The Group has also developed four business segments based on three business systems, namely the prepaid card service, internet payment service, merchant integrated payment service, and cross-border Renminbi payment service.

In 2017, the Group’s financial and investment focus is on payment business, while other non-key business sectors, i.e. the general trading services, have been maintained their normal operation without any key investment.

Up to 2017, the Group’s operation consists of four core business sectors which are shown as follows:

業務回顧

CIP為一家致力於支付服務行業的創新與科技進步的知名投資控股有限公司。本集團包括本公司、深圳前海中創匯通互聯網金融服務有限公司及其附屬公司、Country Praise Enterprise Limited (「CPE」)及其附屬公司(統稱「CPE集團」)。我們主要於中華人民共和國(「中國」)經營支付服務業務。截至二零一七年，我們的業務由三個營運分類組成，即(i)一般貿易，(ii)第三方支付服務及(iii)一鳴神州。

第三方支付服務內有四大核心業務分部：

- (i) 預付卡服務；
- (ii) 互聯網支付服務；
- (iii) 綜合支付服務；及
- (iv) 跨境人民幣支付服務

憑藉本集團多年以來獲得的支付牌照及許可以及所探索的業務，本集團已經在核心支付系統的基礎上形成了三大業務系統，即互聯網支付系統、預付卡運營系統及綜合支付系統。本集團亦已根據該三大業務系統開發四個業務分類，即預付卡服務、互聯網支付服務、商戶綜合支付服務及跨境人民幣支付服務。

於二零一七年，本集團的財務及投資焦點為支付業務，其他非關鍵業務分部(即一般貿易服務)雖維持正常營運但並無任何重大投資。

截至二零一七年，本集團業務有四大核心業務分部，列示如下：

CIP AT A GLANCE

CIP概覽

PREPAID CARD SERVICE

Virtual prepaid card service is the main contributor to the business sector about volume of business. This sector's service products are co-operated by CPE and Moderntimes Payment Limited (the "Moderntimes Payment"). Through the joint confirmed cooperation with the Group's distributors, the virtual prepaid card operating platform establishes an online and offline payment service by a virtual prepaid card product to support the needs under various payment handling conditions, help the distributors to develop and operate their own customers.

INTERNET PAYMENT SERVICE

The business sector of internet payment service is a major profit contributor in 2017. This sector's service provides a speedy B2C and B2B mobile payment gateway service to our clients. All Chinese popular payment paths, such as WeChat, ApplePay, AliPay and China Unionpay, have been built into the Group's payment gateway where the end user has no feeling of using our internet payment service.

預付卡服務

虛擬預付卡服務為該業務分部業務量的主要貢獻者。該分部的服務產品由CPE及Moderntimes Payment Limited (「Moderntimes Payment」)共同運營。虛擬預付卡運營平台通過虛擬預付卡產品，打造線上線下的支付服務，以支持各種支付受理環境需要，與本集團分銷商以聯名認同的合作方式，幫助分銷商發展和經營客戶。

互聯網支付服務

二零一七年，互聯網支付服務業務分部為主要溢利貢獻者。此分部的服務為客戶提供基於B2C及B2B的快捷移動支付網關服務。所有中國流行支付途徑（如微信、ApplePay、支付寶及中國銀聯）均已整合至本集團的支付網關，而終端用戶並無察覺在使用我們的互聯網支付服務。



**CONNECTOR OF THE EVER-CHANGING MARKET
INNOVATOR OF THE RAPID-GROWING INDUSTRY**

瞬息萬變的市場聯繫者
快速發展的行業革新者



CIP AT A GLANCE

CIP概覽

INTEGRATED PAYMENT SERVICE

The business sector of integrated payment service can provide merchants all-round membership management, full-channel, self-marketing services. The Company has applied a conservative strategies in developing this business sector due to the relative cost. In a foreseeable future, seeking sizable merchants in this business sector is still challenging for us.

CROSS-BORDER RENMINBI PAYMENT SERVICE

The business sector of cross-border Renminbi Payment provides our clients from international trading, e-trading, tourism, and study abroad consultancy companies payment services in doing their businesses of cross-border trading in goods/services. Compared to the traditional bank, the Group is able to provide safe accounts with simpler procedure and shorter settlement cycle.

綜合支付服務

綜合支付服務業務分部可提供全方位的會員管理、全渠道、自我營銷服務。鑑於相對成本，本公司採用保守策略發展該業務分部。在可預見的將來，大規模拓展商戶仍是該業務的重要工作任務。

跨境人民幣支付服務

跨境人民幣支付業務分部向我們客戶（涵蓋國際貿易、電子貿易、旅遊至出國留學諮詢公司）的貨品／服務跨境貿易業務提供支付服務。相比於傳統銀行，我們在保障賬戶安全的同時，極大的簡化操作程序及縮短了結算周期。

CIP AT A GLANCE

CIP概覽

FINANCIAL HIGHLIGHTS

Financial Review

For the past few years, the Group had been focused in building up an all rounded and comprehensive Third Party Payment service and solution system in order to staying ahead of the industry. Although we have been confronted with various difficulties such as the rapidly changing market condition as well as changes in government policies, we still could make continuous progress which was gradually reflected in the progressive increase in the Group's turnover since 2015 and 2016. We have a comparatively fruitful year in 2017 in terms of increase in revenue.

During the year ended 31 December 2017, the Group's continuing operations turnover was approximately HK\$207,856,000 (2016: HK\$80,182,000), a 159.2% increase as compared to last year. The Group recorded a loss attributable to shareholders from continuing operations of the Company amounted to approximately HK\$112,192,000 (2016: loss HK\$210,128,000). The gross profit margin from continuing operations of the Group recorded 12.6% (2016: 29.9%). Of the said loss, HK\$Nil (2016: HK\$12,301,000) was attributable to impairment of goodwill.

財務摘要

財務回顧

於過去數年，本集團專注於建立全面全方位的第三方支付服務及解決方案系統，以保持行業領先地位。雖然我們一直面對各種困難，例如行業市況的急劇變化及政府政策有所變動，但集團仍可繼續取得進展，並逐步反映自二零一五年及二零一六年以來本集團營業額逐漸增加。於2017年我們有一個比較豐碩的收入增長。

截至二零一七年十二月三十一日止年度，本集團持續經營業務之營業額約為207,856,000港元（二零一六年：80,182,000港元），較去年增加159.2%。本集團錄得本公司股東應佔持續經營業務虧損約112,192,000港元（二零一六年：虧損210,128,000港元）。本集團持續經營業務之毛利率錄得12.6%（二零一六年：29.9%）。上述虧損中，零港元（二零一六年：12,301,000港元）乃來自商譽減值。

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue	營業額	207,856	80,182
Gross profit	毛利	26,102	23,955
Loss for the year	本年度虧損	(135,094)	(228,897)
Total assets	總資產	1,392,495	1,081,293
Net assets	資產淨值	1,232,539	858,329

Sales and Marketing

For the twelve months ended 31 December 2017, sales and marketing expenses from continuing operations recorded HK\$23,812,000 (2016: HK\$16,917,000), representing a 40.8% increase over the same period last year.

銷售及市場推廣

截至二零一七年十二月三十一日止十二個月，持續經營業務之銷售及市場推廣開支為23,812,000港元（二零一六年：16,917,000港元），較去年同期增加40.8%。



CIP AT A GLANCE

CIP概覽

Significant Investment and Acquisition

Conditional Acquisition of 51% Equity Interest in Qima Holdings Limited (“Youzan”)

On 17 March 2017, the Company and the shareholders of Youzan entered into a Sale and Purchase Agreement pursuant to which the shareholders of Youzan have conditionally agreed to sell and the Company has conditionally agreed to purchase the sale shares for a total consideration of HK\$2,096,100,000 which shall be satisfied by the Company by way of allotment and issue of 5,516,052,632 consideration shares at the issue price of HK\$0.38. The sale shares represent 51.0% of the issued share capital of Youzan as at the date of the announcement, assuming all preference shares of Youzan having been converted into ordinary shares.

For details of the above transaction please refer to the Company’s announcement dated 28 March 2017.

Loan Agreement with Youzan

On 8 April 2017, the Company entered into the Loan Agreement with Youzan, pursuant to which the Company conditionally agreed to grant to Youzan an unsecured loan facility up to HK\$200,000,000 (inclusive of the principal loan amount and interest) and subject to the terms and conditions set out therein from the loan effective date until 31 December 2019. The proposed annual caps in respect of the transactions contemplated under the Loan Agreement for each of the three years ending 31 December 2019 was HK\$200,000,000, HK\$200,000,000 and HK\$200,000,000 respectively. Due to the delay in the despatch of the Circular, the Company and Youzan entered into a supplemental agreement to the Loan Agreement (“Supplemental Loan Agreement”) pursuant to which the parties agree to (i) revise the term to being from the loan effective date to 31 December 2020; and (ii) revise the annual caps to HK\$160,000,000, HK\$200,000,000 and HK\$200,000,000 for each of the three years ending 31 December 2020 respectively. The revised annual caps are determined with reference to, among others, the current business plan of Youzan Group.

For details of the above transaction please refer to the Company’s announcements dated 10 April 2017 and 29 November 2017.

重大投資及收購

有條件之收購Qima Holdings Limited (“有贊”)51%股權

於二零一七年三月十七日，本公司與有贊股東訂立買賣協議，據此，有贊股東已有條件地同意出售及本公司已有條件地同意購買銷售股份，總代價為2,096,100,000港元，其將由本公司透過按發行價0.38港元配發及發行5,516,052,632股代價股份支付。銷售股份佔有贊於公告日期已發行股本之51.0%（假設有贊所有優先股已轉換為普通股）。

有關上述交易的詳情，請參閱本公司日期為二零一七年三月二十八日的公告。

與有贊訂立貸款協議

於二零一七年四月八日，本公司與有贊訂立貸款協議，據此，本公司有條件同意根據協議所載之條款及條件向有贊授出無抵押貸款融資至多200,000,000港元（包括貸款本金及利息），自貸款生效日期起直至二零一九年十二月三十一日止。截至二零一九年十二月三十一日止三個年度各年，貸款協議項下擬進行之交易之建議年度上限分別為200,000,000港元、200,000,000港元及200,000,000港元。由於寄發通函之延遲，本公司與有贊訂立貸款協議之補充協議（「補充貸款協議」），據此，訂約方同意(i)將年期修訂為自貸款生效日期起至二零二零年十二月三十一日；及(ii)將年度上限修訂為截至二零二零年十二月三十一日止三個年度各年之160,000,000港元、200,000,000港元及200,000,000港元。經修訂年度上限乃經參考（其中包括）有贊集團之當前業務計劃而釐定。

有關上述交易的詳情，請參閱本公司日期為二零一七年四月十日及二零一七年十一月二十九日之公告。

CIP AT A GLANCE

CIP概覽

Financial Resources and Liquidity

As at 31 December 2017, the Group had cash and cash equivalents of approximately HK\$304,612,000 (2016: HK\$185,422,000) of which HK\$23,101,000 were exclusively for the purposes of settlement obligations.

As at 31 December 2017, the Group had bank borrowings of HK\$nil (2016: HK\$ nil).

As at 31 December 2017, the Group had restricted bank balances of HK\$1,102,000 (2016: HK\$nil) that were frozen by a PRC District People's Procuratorate to facilitate legal investigation not related to the Group.

The Group will keep looking for chances of further synergetic investments and will consider difference ways of raising funds, such as obtaining loans, Placing or Open Offer, to cope with our intended expansion.

Capital Commitments and Pledge of Assets

On 12 December 2016, the Group entered into a sale and purchase agreement to obtain 20% equity interests of an investee company by way of capital injection of RMB5,000,000. As at 31 December 2016, the Group paid RMB2,000,000. The remaining balance of RMB3,000,000 was a capital commitment.

On 31 December 2017, a subsidiary of the Company entered into a capital agreement with a potential investor and other shareholders of the associate, Beijing Wallet Science and Technology Co. Ltd. ("BJ Wallet"), conditionally agreed to invest further RMB2,500,000 for maintenance 20% equity interests of the associate. The investment is subject to fulfillment of other conditions precedent.

財務資源及流動資金

於二零一七年十二月三十一日，本集團之現金及現金等值物約為304,612,000港元（二零一六年：185,422,000港元），其中23,101,000港元僅用作結算責任用途。

於二零一七年十二月三十一日，本集團有銀行借款零港元（二零一六年：零港元）。

於二零一七年十二月三十一日，本集團有受限制銀行結餘1,102,000港元（二零一六年：零港元），其乃由中國一地區人民檢察院凍結以利於與本集團無關之法律調查。

本集團將繼續尋求進一步協同投資的機會，並考慮籌集資金的不同方式，例如獲取貸款，配售或公開發售，以應付集團預期的擴張。

資本承擔及資產抵押

於二零一六年十二月十二日，本集團訂立買賣協議透過註資人民幣5,000,000元取得於一間被投資公司之20%股權。於二零一六年十二月三十一日，本集團支付人民幣2,000,000元。餘額人民幣3,000,000元為資本承擔。

於二零一七年十二月三十一日，本公司一間附屬公司與一間聯營公司北京沃雷特科技有限公司（「北京沃雷特」）之一名潛在投資者及其他股東訂立資本協議，有條件同意進一步投資人民幣2,500,000元以維持於聯營公司之20%股權。該項投資須待其他先決條件獲達成後方可作實。



CIP AT A GLANCE

CIP概覽

As at 31 December 2017, available-for-sale financial assets were pledged as security in respect of loan granted to the underlying investee company.

Contingent liability

As at 31 December 2017, the Group did not have any contingent liabilities (2016: Nil).

As at 31 December 2017, the total current assets over the total current liabilities was 3.00 times (2016: 1.41 times). The ratio of all debts to total assets was 0 (2016: 0). As most sales are made in Renminbi, no hedging arrangement is made to offset the exposures to fluctuations in exchange rates.

Foreign Exchange Exposure

Since the Group's operations are mainly located in the PRC and its transactions, monetary assets and liabilities are primarily denominated in Renminbi, there is minimal exposure to foreign currency risks. The Group monitors its foreign currency risks and will consider hedging significant currency exposures should the need arises.

Intellectual Property

As at 31 December 2017, the Group had 34 trademarks (2016: 24) registered in the PRC and Hong Kong, of which all trademarks have been approved. At the same time, the Group had 50 software copyrights (2016: 68) and 6 patents (2016: 6) in the PRC.

於二零一七年十二月三十一日，可供出售財務資產已就授予相關被投資公司貸款作抵押。

或然負債

於二零一七年十二月三十一日，本集團並無任何或然負債（二零一六年：無）。

於二零一七年十二月三十一日，流動資產總值對流動負債總額為3.00倍（二零一六年：1.41倍）。所有債項對資產總值的比率為0（二零一六年：0）。由於大部分銷售額均以人民幣計價，故並無作出對沖安排以抵銷匯率波動風險。

外匯風險

由於本集團之業務主要位於中國，其交易、貨幣資產及負債均主要按人民幣計值，故外匯風險輕微。本集團監察其外匯風險，並於有需要時考慮對沖重大貨幣風險。

知識產權

於二零一七年十二月三十一日，本集團已於中國及香港註冊三十四項商標（二零一六年：二十四項），全部商標已獲批准。同時，本集團於中國擁有五十項軟件著作權（二零一六年：六十八項）及六項專利（二零一六年：六項）。

CIP AT A GLANCE

CIP概覽

Employees

As at 31 December 2017, the Group has approximately 239 employees (2016: 275). Employees are remunerated according to their performance and work experience. In addition to basic salaries and retirement scheme, staff benefits include performance bonus and employee share options. The Directors believe that good quality of its employees is a company asset which affects growth and improves profitability. The Group recognizes the importance of staff training and thus regularly provides internal and external training for its staff to enhance their skills and knowledge.

Further information of our group's employees and related issues will be disclosed in page 75.

Litigation

As at 31 December 2017, the Group has no material outstanding litigation.

僱員

於二零一七年十二月三十一日，本集團共聘用約239名僱員（二零一六年：275名）。僱員薪酬待遇乃按其表現及工作經驗而定。除基本薪金及退休計劃之外，員工福利亦包括表現花紅及員工購股權。董事認為，僱員是本公司的重要資產，亦是促進本集團發展及提高盈利能力之關鍵因素。本集團深知僱員培訓之重要性。故定期為僱員提供內部及外間培訓，以加強其技能及產品知識。

有關集團僱員之進一步資料及相關事項將於第75頁披露。

訴訟

於二零一七年十二月三十一日，本集團並無重大未決訴訟。

STRATEGIC REPORT

策略報告

From 2016, the Company is moving towards the concept of integrated reporting, as envisaged by the International Integrated Reporting Council ("IIRC"). The IIRC described Integrated Reporting as that which "brings together material information about an organization's strategy, governance, performance and prospects in a way that reflects the commercial, social and environmental context within which it operates. It provides a clear and concise representation of how an organization demonstrates stewardship and how it creates and sustains value". Specifically, the strategic report provides analysis of the development and performance of the Group's businesses in 2017 and the Group's position at the end of 2017.

MARKET CONDITION

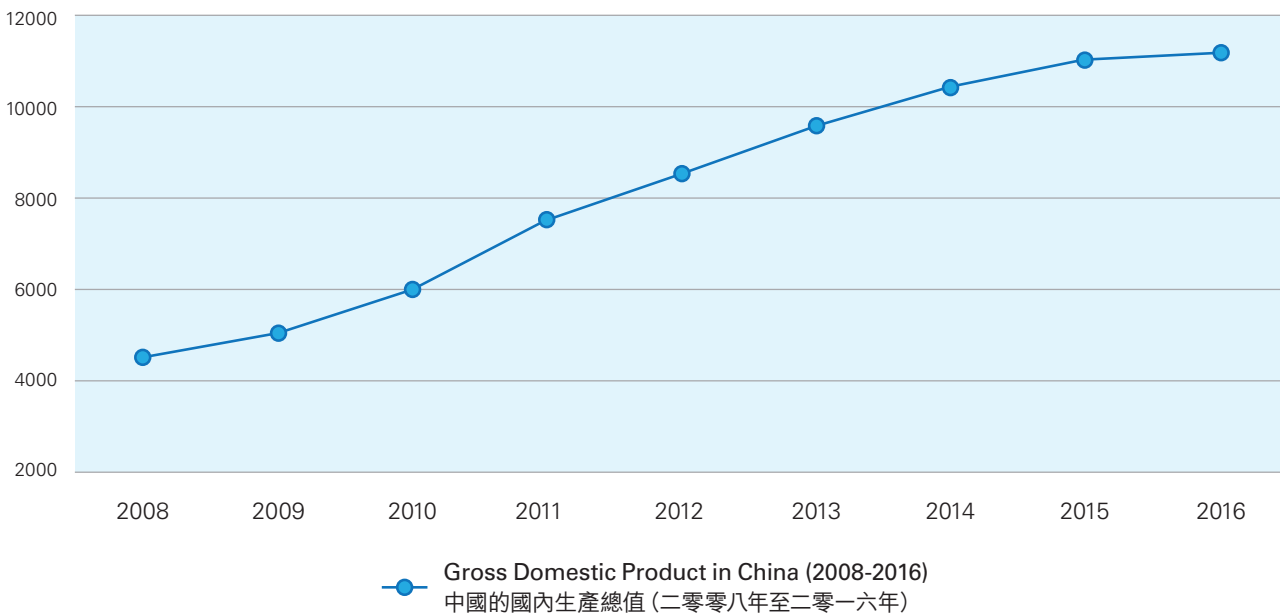
Economic growth of the PRC has strengthened in 2017, driven by services and a number of strategic industries. The quarter nominal GDP of the PRC has reached US\$3.6 billion in December 2017, compared with US\$3.2 billion in the previous quarter, and is expected to have a year-on-year growth of 6.8%.

自二零一六年以來，本公司實施International Integrated Reporting Council (「IIRC」)提倡的綜合報告理念。根據IIRC描述，綜合報告為「匯聚一家機構的經營策略、管治方式、業務表現和展望等重要資料，並針對有關業務身處的經濟、社會和環境狀況，清晰、簡明地表達該機構如何展現管理能力，以及如何創造和賦予業務恆久的價值」。尤其是，策略報告提供本集團於二零一七年的業務發展及表現以及本集團於二零一七年年底的狀況的分析。

市況

於二零一七年，中國的經濟增長受服務業及若干策略性行業推動而加強。於二零一七年十二月，中國的季度名義國內生產總值達36億美元，而上一季度為32億美元，預計按年增長6.8%。

Gross Domestic Product of the PRC (2008-2016) (in US\$'billion)
中國的國內生產總值 (二零零八年至二零一六年) (十億美元)



Source: Trading Economics

資料來源：經濟指標

STRATEGIC REPORT

策略報告



Third-party payment business is one of the most rapid growing strategic industries in the PRC recent years. The business lands on distribution and acceptance of the prepaid card and electronic payment process such as making payment via internet and mobile phone network. The electronic payment process can ensure a provision of safe and convenient payment platform for the consumer and merchants to carry out electronic business trading activities. The use of third-party payment is getting diversified from day-to-day and it can be seen in e-commerce, mobile payments, and online payment etc.

第三方支付業務為近年來中國發展最快之策略性產業之一。該業務通過發行與受理預付卡及電子支付方式開展，如透過互聯網及手提電話網絡付款。電子支付方式可確保為消費者及商家進行電子商務交易活動提供安全便捷的支付平台。使用第三方支付業務日益多元化，表現於電子商務、移動支付及網上支付等方面。

Third-party payment can be categorized into the followings based on the license regulated by the PBOC:	
A)	The issuance and acceptance of prepaid cards (including magnetic stripe, chip and other technologies issued in the form of cards, passwords, etc.);
B)	Providing online payment service (exchange of currency, payment on the Internet, payment by mobile phone, payment by landline and digital TV);
C)	Carrying out merchant integrated acquiring service (refer to the act of receiving money from an authorized merchant from a bank card to a point terminal sales); and
D)	Other payment services determined by the PRC.

根據中國人民銀行監管之牌照，第三方支付可分類如下：	
A)	發行與受理預付卡（包括磁條、晶片及以發行卡片、密碼等形式的其他科技）；
B)	提供網上支付服務（貨幣兌換、網上支付、手機支付、固定電話及數字電視支付）；
C)	提供商戶綜合收單服務（指從一張銀行卡向一個終端銷售點收取授權商戶款項的行為）；及
D)	由中國釐定的其他支付服務。



STRATEGIC REPORT

策略報告

It is undoubted that third-party payment has reformed the commercial payments model and to a large extent, it reshaped people's shopping style. Payment is to be one of the significant and fastest-growing areas of the financial service sector globally and at the same time the emerging markets is seen to be the primary catalyst for the growth of payment industry. The performance is mainly driven by the widening acceptance of cashless payment methods in countries especially the PRC and India.

Narrow down to domestic market, China Payment and Clearing Association has released the "China Payment and Settlement Industry Operation Report (2016)" (2016年支付體系運行總體情況) in 2017. The report indicates that the payment and settlement industry in the PRC is developing rapidly and the business increment has come first in the world. In 2016, a total of 125.1 billion non-cash payment transactions were processed in the country, representing a transaction volume of RMB3,687.2 billion in total, an increase of 32.6% and 6.9% respectively with compared to the previous year.

Risks and Regulations

Given the popularity of third-party payment in the PRC, mobile payment is almost penetrated to every corner and every sector of the country, from transportation to public services such as hospital, household bills, from mini store to supermarket. The popularity of third-party payment has placed a growing concern towards data security protection and privacy. To identify and classify the risk of mobile payment, first and foremost, is to recognize its ecosystem.

第三方支付改革商業支付模式及在很大程度上改變人們的購物方式已毋庸置疑。支付將成為全球金融服務行業的重要及增長最快的領域之一，同時新興市場被視為支付行業增長的主要催化劑。此表現主要由多個國家（尤其是中國及印度）日益接納非現金支付方式所推動。

聚焦國內市場，中國支付清算協會於二零一七年發佈「2016年支付體系運行總體情況」。報告顯示中國的支付結算行業迅速發展，業務增量位居世界首位。於二零一六年，國內合共進行1,251億筆非現金支付交易，交易總額為人民幣36,872億元，較去年分別增加32.6%及6.9%。

風險及監管

隨著中國的第三方支付普及，移動支付幾乎滲透至國內每個角落及各行各業，從運輸到公共服務，如醫院、家庭賬單，從小商店到超級市場。第三方支付普及使人們越來越關注數據安全保護及隱私。要識別及分類移動支付的風險，首先要認可其生態系統。

STRATEGIC REPORT

策略報告



According to ISACA, the mobile payment ecosystem involves the following stakeholders:

- | | | | |
|---------------------------------------|------------------------------------|------------|-------------|
| - Consumers | - In-service providers (merchants) | - 消費者 | - 服務供應商(商戶) |
| - Financial service providers | - Network service providers | - 金融服務供應商 | - 網絡服務供應商 |
| - Payment service providers | - Device manufacturers | - 支付服務供應商 | - 設備製造商 |
| - Regulators | - Trusted service managers | - 監管機構 | - 可信服務管理 |
| - Standardization and industry bodies | - Application developers | - 標準化及行業機構 | - 應用開發商 |

The regulator has tighten the regulation policies year by year, as a result of the intensive competition for the industry. At the end of 2017, the PBOC confirmed to raise the reserve funds ratio of third-party payment firms to 50.0% by April 2018 from the existing rate of 20.0%. The move aims to ban all non-bank payment agencies from using client's money, and prevent the financial risks caused by the increase of illegally embezzled and abscond with money cases.

In addition, the payment license is gradually becoming a scarcity resource since the issuance of license is tightened, and the requirement on renewal is getting stricter. 24 license payment license were become invalid in 2017 and the total number of Chinese non-bank payment institutions has reduced to 247 at the end of 2017. Also, a number of small market participants were fined for operational violations. It is worth note that the third-party payment industry is under reshuffling and the surviving space for small market participants is getting narrower.

根據國際信息系統審計協會的資料，移動支付生態系統涉及以下相關方：

由於行業競爭激烈，監管機構逐年收緊監管政策。於二零一七年年末，中國人民銀行確認於二零一八年四月前將第三方支付公司之儲備金率由現時之20.0%增加至50.0%。此舉旨在禁止所有非銀行付款機構使用客戶的錢，並防止非法盜用及攜款潛逃案件增加帶來的金融風險。

此外，於收緊發放許可證及續新規定日加嚴格後，支付許可證逐漸成為稀缺資源。於二零一七年，24份支付許可證失效，於二零一七年年末，中國非銀行支付機構總數減少至247家。此外，若干小型市場參與者因經營違規而遭罰款。值得注意的是第三方支付行業正在洗牌，小型市場參與者的生存空間越來越小。



STRATEGIC REPORT

策略報告

In order to strengthen supervision and administration in the future, the PBOC has formulated and promulgated the “Centralized Custody System for Customer Payment Institutional Preservation,” setting up the so-called “China Nets Union Clearing Corporation” and is building a real management mechanism and making more efforts for cleaning up undocumented payments and cracking down money laundering in 2017, laying a solid foundation for the healthy and sustainable development of third-party payment in the PRC.

During the regulatory escalation, license barriers is becoming the industry moat. The industry will reduce the threat posed by new entrants through tighten licenses, high prices and specific license for specific business, while preventing risks will be the mainstay of future regulation. To be concrete, the industry at this stage can be illustrated by the following table:

Main concerns we have considered	as a result of...
Decreasing industry rivalries	Stricter regulations carried out by regulatory body
Decreasing threats from new entrants	Stricter regulations carried out by regulatory body
Decreasing threats from substitutes	The trend of cash payment and traditional debit card being eliminated
Strengthening on Government regulations	Standardizing the third-party payment industry
Increasing business opportunities	Improvements on economic conditions

為日後加強監督及管理，中國人民銀行於二零一七年制定及頒佈「支付機構客戶備付金集中存管制度」，設立「網聯清算有限公司」，並建立一套真正的管理機制且加大力度清除非法支付及打擊洗錢，為中國第三方支付的健康及可持續發展打下堅基。

在監管升級過程中，牌照門檻逐漸成為行業壁壘。該行業將通過收緊許可證、高價格及針對特定業務的具體許可減少新入行者帶來的威脅，同時防範風險將成為未來監管的主調。具體而言，現階段該行業可以下表加以說明：

我們考慮的主要問題	由於...
減少行業競爭	監管機構實施更嚴格的規章制度
減少新入行者帶來的威脅	監管機構實施更嚴格的規章制度
減少替代品帶來的威脅	現金支付及傳統借記卡正在退出的趨勢
加強政府監管	規範第三方支付行業
越來越多的商機	經濟狀況改善

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EXECUTIVE RETROSPECT & PROSPECT

Past Operation

In the past, the Company took the tighten regulation into its expansion consideration. The Company also explored domestic and overseas efficient payment businesses and searched for the optimal business model in the fast-growing and ever changing payment industry. In 2017, the Company is pleased to demonstrate that the focus approach to market our mature services as set out in our 2016 Annual Report was a success. All we are doing is to create a harmonic cycle of the Group's progressively mature platforms with increasing ease of services to customers and merchants. Added to this is the success stories from our renowned merchants in the retail industry to whom the Group has deployed its payment channels and platforms. They have proved to be extremely useful in helping merchants generating operational efficiency. The Group successfully connected more buyer and seller, user and merchant through our advanced and integrated platforms. The Group makes its licensed payment services to bridge the gap between its distributors and their customers by a mean of seamless, efficient payment experiences. The Group connects more and more industrial distributor cross products and services. The Company's ambition is to be a well-recognized innovative market leader in the Mobile e-commerce industry, staying the payment and beyond. The Group will achieve this by assisting its distributors and business partners in their own business development, emphasize on the needs of theirs, as well as the society the Group serves, so that the Group is making long-term sustainable return to all of its stakeholders.

執行回顧及展望

過往的營運

過往，本公司業務拓展受監管收緊所限。本公司亦於快速發展及瞬息萬變支付行業探討國內外高效的支付業務及尋求最佳業務模式。於二零一七年，本公司欣然展示二零一六年年報所載專注市場推廣成熟服務的策略取得成功。本公司所作所為乃構建本集團日益成熟的平台維持良好運作，並向客戶及商戶提供更便利的服務。零售行業內知名商戶採納本公司部署之支付渠道及平台，為我們的成功案例錦上添花。事實證明其協助商戶帶來高效營運具有極大用處。本集團已成功透過本集團的先進及綜合平台對接更多買家及賣家，使用者及商戶。本集團透過提供無縫高效的支付體驗作出持牌支付服務，為分銷商及客戶搭建橋梁。本公司對接越來越多產品及服務間的不同行業分銷商。本公司矢志成為移動電子商務行業知名革新市場領導者，保持在支付業務及其他業務的領先地位。本集團旨在協助分銷商及業務夥伴發展其本身的業務、重視彼等及本集團所服務社會的需求，因此，本集團將向所有的利益相關方奉獻長期可持續的回報。

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In the past, the Company regarded the mergers and acquisitions (“M&A”) to be an integral part of the growth strategy. The following sets out the Group’s major M&A activities and business collaborations in connection with third-party payment services of the Group:

November 2010	The Group acquired 100% equity interest in Country Praise Enterprises Limited, a company principally engaged in the development and operation of electronic payment tools in the PRC.
June 2011	The Group was contracted to distribute and promote Yinsheng Prepaid Card, a prepaid card accredited and licensed by China Unionpay Co., Ltd.
September 2011	The Group was contracted to distribute and promote Gold Exchangeable Gift Card.
February 2013	The Group issued a co-brand prepaid card with China Construction Bank (Asia) Limited.
June 2013	高匯通•微樂付 virtual card, jointly issued by the Group and Tenpay, a third-party payment platform operated by Tencent, was launched officially in the PRC.

本公司過去視併購(「併購」)為增長戰略不可或缺的一部分。以下載列本集團之主要併購活動及有關本集團第三方支付服務之業務合作：

二零一零年十一月	本集團收購Country Praise Enterprises Limited之100%股權，其為主要於中國從事電子支付工具之開發及經營之公司。
二零一一年六月	本集團訂約發行及推廣銀盛商旅卡，其為獲中國銀聯有限公司認可並許可之預付卡。
二零一一年九月	本集團訂約發行及推廣可兌換黃金實物卡。
二零一三年二月	本集團與中國建設銀行(亞洲)股份有限公司發行聯名預付卡。
二零一三年六月	本集團與騰訊營運之第三方支付平台財付通聯合發行之高匯通•微樂付虛擬卡於中國正式推出。

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<p>October 2014</p>	<p>The Group acquired 51% equity interest in Beijing Onecomm Technology Company Limited (“ONECOMM”), a company principally engaged in the provision of total solution for third-party payment system, and the sales of integrated smart point of sales (“POS”) device, including payment software development, application integration, software testing, construction and maintenance of business application platforms. Its management has extensive knowledge and expertise in the development of third-party electronic payment platform in the PRC.</p> <p>The purpose of the investment was to enable the Group to leverage on the ONECOMM’s research capability and its expertise to develop different payment platforms like O2O (online-to-offline or offline-to-online) payment platform.</p>	<p>二零一四年 十月</p>	<p>本集團收購北京一鳴神州科技有限公司(「一鳴神州」)之51%股權，而其主要業務為為第三方支付系統提供全面解決方案，以及銷售綜合智能銷售點(「POS」)機具，包括支付軟件開發、應用集成、軟件測試以及商業應用平台建設及維護。其管理層於中國第三方電子支付平台開發方面擁有豐富知識及專業才能。</p> <p>該投資旨在令本集團可憑藉一鳴神州之研究實力及其專業才能，開發不同支付平台，如O2O(線上對線下或線下對線上)支付平台。</p>
<p>November 2014</p>	<p>The Group has involved in the investment of setting up of Haier Consumer Finance Co., Ltd. (海爾消費金融有限公司), representing 10% equity interest, which principally engages in Personal consumption loans.</p> <p>Through the development and launch of integrated intelligent POS, the operations and management of prepaid card system and the development of relevant payment software for Haier Consumer Finance Co. Ltd, the investment can (i) expand the Group’s payment business and improve the finance payment industrial chain; and (ii) accelerate the accumulation of individual users and expand the acceptance of the prepaid cards of the Group.</p>	<p>二零一四年 十一月</p>	<p>本集團投資參予設立海爾消費金融有限公司，持有其10%股權，其為主要從事個人消費貸款放貸業務之公司。</p> <p>透過綜合智能POS之開發及佈放、預付卡系統運營和管理及海爾消費金融有限公司之相關支付軟件的開發，投資可(i)擴展本集團之支付業務及改善金融支付產業鏈；及(ii)加速積累個人用戶及拓展本集團預付卡受理環境。</p>

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June 2015	The Group acquired 51% equity interest in Moderntimes Payment Limited, a company principally engaged in (i) providing consultancy services in strategy and implementation in the traditional finance industry and the internet finance industry; (ii) the development, operation and promotion of innovative products in the internet and finance fields; and (iii) customer value management. The purpose of this investment was to accelerate the acquisition of the virtual prepaid card holders and stimulate the acceptance of the virtual prepaid cards, while at the same time bring in the management team with over 20 years' experience in the finance and internet industries to the Group.
September 2015	The Group's online payment service and cross-border RMB payment service were launched officially in the PRC.

二零一五年 六月	本集團收購 Moderntimes Payment Limited之51%股權，其為主要從事(i)提供傳統金融行業及互聯網金融行業之策略及實施諮詢服務；(ii)發展、營運及推廣互聯網及金融領域創新產品；及(iii)客戶價值管理之公司。該投資旨在加快獲得虛擬預付卡持有人及促進虛擬預付卡之認可度，同時為本集團引進於金融及互聯網行業均具備逾20年經驗之管理團隊。
二零一五年 九月	本集團線上支付服務及跨境人民幣支付服務於中國正式推出。

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The above series of M&A demonstrated the continuous effort of the Group in its third-party payment services business expansion strategy in (i) capturing technology, research and development capabilities, and experienced professionals; and (ii) expanding payment gateway for various businesses or industries in order to increase the number of contracted merchants/brands for its payment services, and in turn the transaction volume handled through its third-party payment system.

Nevertheless, the Company is of the view that such expansion hinges on the Group's ability to capture a critical mass of merchants or stores using the Group's third-party payment services; which the Group believes could contribute positively to the popularity and reputation of the Group's third-party payment platform and, in turn, could attract more consumers, enhance transaction volume, and thus increase transaction fee income for the Group's business segment.

Set aside the macro economic factors, indeed the Company has noticed that online purchases as a growing trend changing the conventional trade model in recent years. The trend has positively impacted the e-commerce market in terms of increased transaction volume. Following the past experience and the vision of being the industry connector, the Group has proposed including Youzan to be one of its subsidiary in 2017. The completion of which is expected to be within 2018. As of 31 December 2016, Youzan Group's e-commerce platform has over 364,000 active registered merchants and a GMV of approximately RMB10 billion. Youzan Group was currently handling its daily transactions through multiple payment gateways provided by several third-party payment service providers. At present, Youzan Group had engaged six third-party payment service providers servicing its e-commerce platforms.

上述一系列併購彰顯了本集團在(i)獲得技術、研發實力及經驗豐富之專業人士；及(ii)擴大各種業務或行業之支付網關方面，對其第三方支付服務業務擴展策略之持續投入，藉以提高其支付服務之訂約商戶／品牌之數量，進而提高經其第三方支付系統處理之交易量。

然而，本公司認為上述擴展取決於本集團能否贏得使用本集團第三方支付服務之多數商戶或商舖；而本集團認為此舉將對本集團第三方支付平台之受青睞程度及聲譽帶來正面影響，進而可吸引更多消費者、提升交易量，故能提高本集團業務分類之交易費收入。

撇除宏觀經濟因素，事實上本公司注意到近年網上購物蔚然成風，並改變了傳統貿易模式。此趨勢就交易量增加而言為電子商務市場帶來正面影響。根據過往經驗及成為行業連接營運商之願景，本集團於二零一七年擬購入有贊及其附屬公司。收購預期將於二零一八年年內完成。於二零一六年十二月三十一日，有贊集團之電子商務平台已有超過364,000個活躍註冊商家及總商品交易額為約人民幣100億元。有贊集團現時透過若干第三方支付服務供應商提供之多個支付網關處理其日常交易。現時，有贊集團委聘六家第三方支付服務供應商服務其電子商務平台。



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The intention of the Company is that Beijing Gaohuitong will replace the existing third-party payment service providers of Youzan Group by substituting the applicable third-party payment services currently provided by those existing third-party payment service providers and gradually become the sole third-party payment service provider of Youzan Group. Such an anticipated arrangement includes providing various third-party payment services to Youzan Group, such as offline integrated payment transactions services, online payment services for “WeiMall”, cross-border RMB payment settlement services for “WeiMall” overseas merchants, physical and virtual prepaid cards services for merchants of Youzan Group and other payment related services. Accordingly, the GMV of Youzan Group, representing the total value of all confirmed transactions for products and services on Youzan Group’s e-commerce platform, regardless of whether the goods are delivered or returned or how such orders are settled, could be translated into the Group’s existing principal e-commerce business – third-party payment service, through charging service fee for the third-party payment services to be provided by the Group. The conditional acquisition could immediately contribute positively and expand the Group’s number of contracted merchants and increase the transaction volume using the Group’s third-party payment services. The Group considers the conditional acquisition complements the Group’s development strategy regarding its third-party payment services by expanding the number of merchants and consumers using the Group’s payment gateway and processing transaction volume via the Group’s payment system.

The expanded merchant and consumer base through the conditional acquisition could also be a pool of potential business for the Group’s other business segments, such as use of pre-paid cards, provision of consultancy services, payment solutions, use of cross-border payment gateway, big data analytics enabling etc., which, the Group considers complements and provides growth momentum for the Group’s existing business segments.

本公司之意向為北京高匯通將透過代替當前由該等現有第三方支付服務供應商提供之適用第三方支付服務取代有贊集團之現有第三方支付服務供應商並逐漸成為有贊集團之唯一第三方支付服務供應商。有關預期安排包括向有贊集團提供多種第三方支付服務，如線下整合支付交易服務、「微商城」線上支付服務、「微商城」海外商戶之跨境人民幣支付結算服務、有贊集團商戶之實體及虛擬預付卡服務及其他支付相關服務。因此，有贊集團之GMV（即有贊集團電商平台所有確認產品及服務交易總值，不論是否已交付或退回貨品或以何種方式結算有關訂單）可透過本集團就將予提供之第三方支付服務收取服務費，換算為本集團之現有主要電子商務業務－第三方支付服務。該有條件之收購事項可即時帶來正面影響及擴大使用本集團第三方支付服務之本集團訂約商戶數目及提高交易量。本集團認為，該有條件之收購事項擴大使用本集團支付網關之商戶及消費者數目及透過本集團之支付系統擴大處理交易量，與本集團有關其第三方支付服務之發展策略相輔相成。

透過該有條件之收購事項擴大之商戶及消費者基礎，亦為使用預付卡、提供諮詢服務、支付解決方案、使用跨境支付網關、大數據分析等本集團其他業務分類之潛在業務之共用資源，而本集團認為此可與本集團現有業務分類相輔相成及為之帶來增長動力。

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Through the conditional acquisition, the combination of Youzan Group's third-party ecommerce platform and the Group's third-party payment platform can allow the Group to provide comprehensive one-stop services to the merchants, including opening and operating of their online stores, inventory management, consumer management, marketing management, online store management, coupled with the payment services support and capital management.

With the abovementioned synergetic effects with the existing businesses of the Group, it is also expected that both income from the principal businesses of the Group and the income from Youzan Group's operation of the e-commerce applications related business (which mainly consists of (i) fees charged for use of applications and premium functions; and (ii) transaction fees based on consideration of relevant transactions) could be enhanced through providing a comprehensive one-stop service that will enrich the Group's income stream, which the Group considers is beneficial to and in the interests of the Group and its shareholders as a whole.

Further Discussion

Third-party payment as one of the new financial infrastructures, its influence and industry penetration have further underpinned in recent years. In the context of the consumer era, the traditional industries represented by the heavy asset model have gradually taken over and the light asset industries such as science, technology and finance have taken the stage.

該有條件之收購事項將有贊集團之第三方電子商務平台與本集團之第三方支付平台結合，令本集團得以向商戶提供綜合一站式服務，包括網上店舖之開設及經營、存貨管理、消費者管理、營銷管理、線上店舖管理，連同支付服務支持及資本管理。

憑藉上述與本集團現有業務產生之協同效應，亦預期源自本集團主要業務之收入及源自有贊集團經營電子商務應用相關業務之收入（主要包括(i)使用應用及高級功能所收取之費用；及(ii)基於相關交易代價計算之交易費）可因提供綜合一站式服務而得以提高，而綜合一站式服務將會增加本集團之收入來源，本集團認為此有利於且符合本集團及其股東之整體利益。

進一步討論

第三方支付作為新的金融基礎設施之一，其近年的影響力及行業滲透進一步增強。在消費時代背景下，以重資產模式為代表的傳統產業逐漸被替代，而科技及金融等輕資產產業時代已來臨。



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Third-party payment competition is stepping into abyssal zone, pushing the evolution of the ecosystem, technology and models. The competition among the third-party payment agencies has gradually evolved from pure product-based to business model competition and it is tend to move to ecosystem competition in the future. From the password payment, the development of biometric fingerprint recognition to face recognition payment, the innovation continues to be accelerated. But as a payment business, relying solely on the channel business itself is far from enough, marketing and other value-added services such as credit payment is a fundamental platform dedicated to providing customers with a seamless and efficient scene-based transaction experience. At the same time, more and more payment enterprises integrate their upstream and downstream industry chains and different financial institutions to build their own ecosystem ensure third-party payment of the core competitiveness of enterprises. Especially as financial industry replaced real estate industry and became the key support of the economic development, its industry ecosystem is under reconstruction. Traditional banks, non-bank financial institutions are under shrinking the balance sheet, P2P, consumer finance and other non-bank financial institutions have also been pressured by a series of tighten regulations. Third-party payment, with transactions as the entry point, relies on data to connect traditional finance and digital inclusion finance, will become the next new important financial infrastructure.

第三方支付競爭白熱化，推動生態系統、技術及模式革新。第三方支付機構之間的競爭已經從單純的產品競爭逐漸演變為商業模式競爭，且於未來趨向生態系統競爭。從密碼支付、指紋識別的發展到人臉識別支付，創新不斷加快。但作為支付業務，單純依靠渠道業務本身遠遠不夠，推廣及其他增值服務（如信用支付）乃致力為客戶提供無縫及高效的場景交易體驗的基礎平台。同時，越來越多的支付企業將其上下游產業鏈及不同的金融機構整合，構建自身的生態系統，確保第三方支付企業的核心競爭力。特別是隨著金融業取代房地產業成為經濟發展的重要支撐，其產業生態系統正在重建。傳統銀行、非銀行金融機構正縮表，P2P、消費金融及其他非銀行金融機構亦受到一系列收緊監管的壓力。以交易為切入點的第三方支付憑藉連接傳統金融與數字金融數據，將成為新一代重要金融基礎。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層之履歷詳情

EXECUTIVE DIRECTORS

Mr. Guan Guisen, aged 54, joined the Company on 28 February 2011. Mr. Guan acts as an executive Director, Chairman of the Company. Mr. Guan obtained his bachelor degree from China Central University of Finance and Economics (中央財經大學) in 1984 and a master degree from Graduate School of the PBOC (中國人民銀行研究部) in 1987. Mr. Guan has over twenty years of senior management experience in finance, property development and investment in the PRC.

Mr. Guan was a deputy president of Hainan Technology and Industry Group (海南科工集團) from 1990 to 1994, a deputy president of Taihe Holdings Co., Ltd. (太合控股有限公司) from 2001 to 2003 and a director of China Union Pay Data Services Co., Ltd. (銀聯數據有限公司) from 2002 to 2005. From August 2008, Mr. Guan became the chairman of Beijing Dongsen Jinbi Investment Consultancy Co., Ltd. (北京東森金碧投資諮詢有限公司) and a director of China Union Loyalty Co., Ltd. (上海銀商資訊有限公司) from August 2008 to October 2014. From April 2010 to March 2011, Mr. Guan became the chairman of Beijing Shangyin Investment Consultancy Co., Ltd. (商銀融通(北京)投資諮詢有限公司). Mr. Guan owns the entire equity interest in Beijing Dongsen Jinbi Investment Consultancy Co., Ltd., (北京東森金碧投資諮詢有限公司) an investment company, which in turns ever owned 10.18% equity interest in China Union Loyalty Co., Ltd. (上海銀商資訊有限公司). In October of 2014, Beijing Dongsen Jinbi Investment Consultancy Co., Ltd. (北京東森金碧投資諮詢有限公司) disposed 10.18% equity interest in China Union Loyalty Co., Ltd. (上海銀商資訊有限公司).

執行董事

關貴森先生，54歲，於二零一一年二月二十八日加盟本公司，任執行董事及本公司主席。彼於一九八四年取得中央財經大學之學士學位，後於一九八七年取得中國人民銀行研究生部之碩士學位。關先生於中國金融、物業發展及投資擁有超過二十年之高級管理經驗。

自一九九零年至一九九四年，關先生為海南科工集團副總裁。其後自二零零一年至二零零三年為太合控股有限公司副總裁。彼自二零零二年至二零零五年為銀聯數據有限公司董事。自二零零八年八月起，關先生為北京東森金碧投資諮詢有限公司的董事長，自二零零八年八月至二零一四年十月任上海銀商資訊有限公司之董事。二零一零年四月至二零一一年三月關先生為商銀融通(北京)投資諮詢有限公司董事長。關先生擁有北京東森金碧投資諮詢有限公司之全部股本權益，而北京東森金碧投資諮詢有限公司曾擁有上海銀商資訊有限公司10.18%股本權益之投資公司。於二零一四年十月，北京東森金碧投資諮詢有限公司出售上海銀商資訊有限公司之10.18%股本權益。



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層之履歷詳情

Mr. Cao Chunmeng, aged 46, joined the Company in March 2011 and acted as Vice President of the Company. Mr. Cao was appointed as executive Director and Chief Executive Officer of the Company on 11 July 2012. Mr. Cao held a bachelor's degree in Computer Science from Shandong University in 1994. And he obtained a master's degree in business administration from Peking University in 2006. He worked at Shandong Branch of Industrial and Commercial Bank of China Limited, acted as General Manager in Jinan Xiande Technology Limited. (濟南先得科技有限公司), Senior Deputy President in Fengyuanxin (China) Limited. (豐元信(中國)有限公司), General Manager in Zongheng Tiandi (Beijing) Information Technology Limited. (縱橫天地(北京)資訊技術有限公司), Vice President in Beikong Easycode (Beijing) Electric Commerce Ltd. (北控易碼通(北京)電子商務有限公司) and Vice President of Beijing Shangyin Investment Consultancy Co., Limited. (商銀融通北京投資諮詢有限公司). From December 2014, Mr. Cao acts as Director of Haier Consumer Finance Co., Ltd. (海爾消費金融有限公司). Mr. Cao has over 20 years of financial information technology Internet industry management experience.

Mr. Yan Xiaotian, aged 58, joined the Company in April 2014 and acted as the chief strategy and investment officer of the Company in April 2014; and acted as the chairman and legal representative of Beijing ONECOMM Technology Company Limited, an indirect subsidiary of the Company since December 2014. Mr. Yan has been appointed as an executive Director and the chief investment officer of the Company with effect from 24 December 2014. Mr. Yan has obtained a master degree in economics from Graduate School of the People's Bank of China (中國人民銀行研究部), which was then merged with Tsinghua University and known as PBC School of Finance, Tsinghua University since 2012, and is a senior economist. Mr. Yan had worked consecutively as the president of the head office of Bank of China Limited, vice president of Guangzhou Branch of China CITIC Bank Corporation Limited, formerly known as CITIC Industrial Bank Limited, general manager of CITIC Securities Co., Ltd. (Guangzhou) and director and executive president of South China International Leasing Co., Ltd.

曹春萌先生，46歲，於二零一一年三月加盟本公司，任常務副總裁，並於二零一二年七月十一日獲委任為本公司執行董事及行政總裁。彼於一九九四年在山東大學取得電腦科學系學士學位，並於二零零六年在北京大學取得工商管理碩士學位。曹先生先後任職工商銀行山東省分行、濟南先得科技有限公司總經理、豐元信(中國)有限公司高級副總裁、縱橫天地(北京)資訊技術有限公司總經理、北控易碼通(北京)電子商務有限公司常務副總裁及商銀融通(北京)投資諮詢有限公司副總經理。自二零一四年十二月起，曹先生擔任海爾消費金融有限公司董事。曹先生具有超過20年金融信息技術互聯網行業管理經驗。

閻曉田先生，58歲，於二零一四年四月加盟本公司出任本公司首席戰略投資官；並自二零一四年十二月起兼任本公司間接附屬公司北京一鳴神州科技有限公司之董事長及法人代表。自二零一四年十二月二十四日起，閻先生獲委任為本公司執行董事及首席投資官。彼於中國人民銀行研究生部(自二零一二年併入清華大學，稱為清華大學五道口金融學院)取得經濟學碩士學位，為高級經濟師。閻先生先後為中國銀行股份有限公司總行處長、中信銀行股份有限公司(前稱「中信實業銀行」)廣州分行副行長、中信證券股份有限公司(廣州)總經理及南方國際租賃有限公司董事及行政總裁。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層之履歷詳情

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Fong Chi Wah, aged 55, was appointed as an independent non-executive director of the Company on December 19, 2013. Dr. Fong is a Chartered Financial Analyst, a fellow of CPA Australia and Hong Kong Institute of CPA, a member of the Institute of Certified Management Accountants, Australia, and a fellow of the Hong Kong Institute of Directors. He holds a Bachelor's Degree majoring in Management Science (Economics) from Lancaster University in the United Kingdom, a Master's degree in Business Administration from Warwick University, United Kingdom, a Master's degree in Investment Management from the Hong Kong University of Science and Technology, a Master's degree in Practising Accounting from Monash University, Australia and a Doctorate in Business Administration from the Hong Kong Polytechnic University and a Juris Doctor from Chinese University of Hong Kong. Dr. Fong has over 25 years of extensive experience in various sectors of financial industry, including direct investment, project and structured finance and capital markets with focus on the PRC and Hong Kong. Dr. Fong was previously a director of Baring Capital (China) Management Limited and held various management positions in ING Bank. Dr. Fong was previously also an executive director of Grand Investment International Limited (15 April 2003 (date of incorporation) to 1 April 2006), a company listed on the Stock Exchange. Dr. Fong has been serving as an executive director of National Investments Fund Limited since 1 November 2005 and an independent non-executive director of Real Nutraceutical Group Limited since 28 March 2008, both of which are listed on the Stock Exchange.

獨立非執行董事

方志華博士，55歲，於二零一三年十二月十九日獲委任為本公司獨立非執行董事。方博士為特許財務分析師、澳洲執業會計師及香港會計師公會資深會員、澳洲執業管理會計師協會會員及香港董事學會會員。彼持有英國蘭卡斯特大學管理科學（經濟）學士學位，英國華威大學工商管理碩士學位，香港科技大學投資管理碩士學位，澳洲蒙納士大學執業會計碩士學位，香港理工大學工商管理學博士學位及香港中文大學法律博士學位。方博士於金融業之不同範疇擁有逾25年豐富經驗，包括主要於中國及香港進行之直接投資、項目及結構性融資以及資本市場。方博士曾為霸菱投資（中國）基金管理有限公司董事，並於ING Bank擔任不同管理層職位。方博士亦曾任聯交所上市公司大唐投資國際有限公司之執行董事（二零零三年四月十五日（註冊成立日期）至二零零六年四月一日）。方博士自二零零五年十一月一日起及自二零零八年三月二十八日起分別獲委任為國盛投資基金有限公司執行董事及瑞年國際有限公司獨立非執行董事，而該兩家公司均為聯交所上市公司。



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層之履歷詳情

Mr. Gu Jiawang, aged 67, has accumulated profound knowledge and valuable experience in the mass media industry. Mr. Gu worked as a senior editor, commentator, person in charge of the editing section and the head of the business development department of People's Daily (人民日報). He was also appointed as the chief executive officer of China Huawei Investment Holding Company Limited (中國華聞投資控股有限公司) which is held by People's Daily (人民日報) the chairman of Zhongtai Trust and Investment Co., Ltd. (中泰信託投資有限公司), the chairman of Shanghai New Huang Pu (Group) Co., Ltd. (上海新黃浦(集團)有限責任公司) and the chairman of Shenzhen Stock Times Media Limited (深圳證券時報社有限公司). Mr. Gu graduated from the Philosophy Department of Nanjing University. He also obtained a postgraduate diploma after studying two years at the Party School of the Central Committee of C.P.C. Mr. Gu joined the Company in April 2011.

Mr. Xu Yanqing, aged 61, graduated from the Department of Finance at the Central Institute of Finance (中央財政金融學院) (now known as the Central University of Finance and Economics) with a bachelor degree in economics (major in international insurance) in 1984. Mr. Xu is a senior economist and has over 30 years of experience in finance industry. Prior to his retirement in August 2016, he was the vice general manager of The People's Insurance Company of China (Hong Kong) Ltd between August 2011 and August 2016.

谷嘉旺先生，67歲，於大眾傳播業具備豐富知識及寶貴經驗。谷先生曾出任人民日報評論部評論員、總編輯部主管及事業發展局局長。彼亦曾獲委任為人民日報轄下中國華聞投資控股有限公司總裁、中泰信託投資有限公司董事長、上海新黃浦(集團)有限責任公司董事長及深圳證券時報社有限公司董事長。谷先生畢業於南京大學哲學系。彼亦於中共中央黨校學習兩年後取得研究生文憑。谷先生於二零一一年四月加盟本公司。

徐燕青先生，61歲，於一九八四年畢業於中央財政金融學院(現稱為中央財經大學)，獲得經濟學學士學位(主修國際保險)。徐先生為一名高級經濟師，並於金融業擁有逾30年經驗。於二零一六年八月退任前，彼於二零一一年八月至二零一六年八月擔任中國人民保險(香港)有限公司之副總經理。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層之履歷詳情

HONORABLE CHAIRMAN

Mr. Liu Tinghuan, a famous banker, was appointed as Honorable Chairman of the Company on 23 October 2011. Mr. Liu was the former chairman of China Unionpay Co., Ltd. Mr. Liu began his profession in the banking sector of the PRC from 1960s. Since 1985, Mr. Liu had served as deputy president, deputy Secretary of the Party, and then became the president and the Party Secretary of Industrial and Commercial Bank of China. In 2000, Mr. Liu was appointed to the deputy president and deputy Secretary of the Party Committee of the PBOC. Mr. Liu was a committee member of the Standing Committee of the 10th National Committee of the Chinese People's Political Consultative Conference in 2003. He was deputy director of the Economic Commission, an alternate committee member of the 15th Central Committee of Communist Party of the PRC and a representative of the 16th National Congress of Communist Party of the PRC. Mr. Liu served as chairman of China Unionpay Co., Ltd from 2004 to 2010. Mr. Liu served as independent non-executive director of Bank of Communications since August 2013. Mr. Liu achieved extraordinary contribution to the development of China Unionpay and the PRC's payment industry.

CHIEF ECONOMIC CONSULTANT

Mr. Xia Bin, a famous economist and financial expert in the PRC, was acted as the Chief Economic Consultant of the Company on 8 June 2011. Mr. Xia Bin currently serves as an honorable director of Research Institute of Finance under Development Research Centre of the State Council, and Chief Consultant of China International Futures Co., Ltd. He also acts as an independent director of China Fortune Land Co., Limited and Haitong Securities Co., Limited. Mr. Xia was ever a director of Research Institute of Finance under Development Research Centre of the State Council, a number of the Monetary Policy Committee of the PBOC, served as a vice director of the Institute of Finance of the People's Bank of China, a manager of trading department of the CSRC, a general manager of Shenzhen Stock Exchange, a person-in-charge of Department of Policy Research of the People's Bank of China and a director of Regulatory of Non-Banking Financial Organization of the People's Bank of China. Mr. Xia Bin's research primarily covers macro-economic condition; currency policy; financial regulatory and the development of the capital market in the PRC. Mr. Xia wrote or edited a lot of books which are very influential to the capital markets.

名譽主席

劉廷煥先生，著名銀行家，於二零一一年十月二十三日獲委任為本公司名譽主席。劉先生為中國銀聯股份有限公司前任董事長。劉先生六十年代就開始在中國銀行業工作，一九八五年起歷任中國工商銀行副行長、黨組副書記，中國工商銀行行長、黨組書記，二零零零年任中國人民銀行副行長、黨委副書記。劉先生二零零三年任第十屆全國政協常委、經濟委員會副主任，是中共第十五屆中央候補委員，中共十六大代表。劉先生二零零四年至二零一零年任中國銀聯股份有限公司董事長。自二零一三年八月起任交通銀行獨立非執行董事。劉先生對中國銀聯的發展和中國支付事業的發展貢獻非凡。

首席經濟顧問

夏斌先生，中國著名經濟學家、金融專家，自二零一一年六月八日起為本公司首席經濟顧問。夏斌先生現任國務院發展研究中心金融研究所名譽所長及中國國際期貨公司首席顧問。彼亦擔任China Fortune Land Co., Limited及海通證券股份有限公司之獨立董事。夏先生曾任國務院研究發展中心金融研究所所長、中國人民銀行貨幣政策委員會委員、中國人民銀行金融研究所副所長、中國證監會交易部主任、深圳證券交易所總經理、中國人民銀行政策研究室負責人、中國人民銀行非銀行金融機構監管司司長。夏斌先生主要研究方向為宏觀經濟政策、貨幣政策、金融監管和中國資本市場發展。夏先生撰寫或者參與編寫了大量對資本市場極具影響力著作。



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層之履歷詳情

Mr. Fung Kwok Leung, aged 52, is the qualified accountant and company secretary of the Company. Mr. Fung holds an Honors Degree in Accountancy from the Hong Kong Polytechnic University and is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants.

All directors have full and timely access to all relevant information as well as advice and services of the group's general counsel and the company secretary, with a view to ensuring the Board procedures and all applicable rules and regulations are followed. All directors may also obtain independent professional advice at the group's expenses for carrying out their functions. In addition, the Board has adopted various practices to bring the Group to a high level of corporate governance and in compliance with the CG Code.

Maintaining a high level of corporate governance and integrity cannot depend solely on the Board's efforts, each of the Group's employees is also required to contribute to such cause. A code of conduct policy which emphasizes on honesty and respect is distributed by the Company to all employees and forms part of their service contracts.

馮國良先生，52歲，為本公司合資格會計師及公司秘書。馮先生持有香港理工大學頒授之會計學榮譽學士學位，為英國特許公認會計師公會及香港會計師公會資深會員。

全體董事均可全面及適時獲取一切有關資料，以及集團法律總顧問及公司秘書的意見及服務，以確保董事會程序及所有適用規則及法例均已獲遵行。全體董事於履行職務時亦可徵求獨立專業意見，有關費用由集團承擔。此外，董事會已採納多項常規以令本集團達至高水平企業管治及遵守企業管治守則。

維持高水平的企業管治及操守不可僅依賴董事會，本集團之每名僱員亦需就此作出貢獻。本公司向全體僱員派發著重誠信及相互尊重的行為守則政策，其構成服務合約之一部份。

DIRECTORS' REPORT

董事會報告書

The Directors present this report together with the audited financial statements of China Innovationpay Group Limited and our subsidiaries for the year ended 31 December 2017.

THE COMPANY

The Company was incorporated in Bermuda on 17 August 1999 as an exempted company with limited liability under the Companies Act 1981 of Bermuda (as amended). Its shares have been listed on the GEM of the Stock Exchange of Hong Kong Limited since 14 April 2000.

PRINCIPLE ACTIVITIES

Our Company is an investment holding company. Its subsidiaries are principally engaged in three operating segments, which are (i) general trading, (ii) third party payment services and (iii) Onecomm. Within the third party payment services, there are four core business sectors which are:

Business

- (1) Prepaid Card Service
- (2) Internet Payment Service
- (3) Integrated Payment Service
- (4) Cross-border Renminbi Payment Service

An analysis of our Group's turnover, segment result and segment assets for the year ended 31 December 2017 are set out in Note 8 and 10 respectively to the accompanying financial statements.

董事會欣然提呈本報告書及中國創新支付集團有限公司及其附屬公司截至二零一七年十二月三十一日止年度的經審核財務報表。

本公司

本公司於一九九九年八月十七日根據百慕達一九八一年公司法（經修訂）在百慕達註冊成立為獲豁免之有限公司。其股份自二零零零年四月十四日起在香港聯合交易所有限公司GEM上市。

主要業務

本公司為投資控股公司。其附屬公司主要從事三個經營分類，即(i)一般貿易，(ii)第三方支付服務及(iii)一鳴神州。第三方支付服務內有四大核心業務分部，包括：

業務

- (1) 預付卡服務
- (2) 互聯網支付服務
- (3) 綜合支付服務
- (4) 跨境人民幣支付服務

截至二零一七年十二月三十一日止年度，本集團的營業額、分類業績及資產之分析分別載於隨附的財務報表附註8及10。



DIRECTORS' REPORT

董事會報告書

CUSTOMERS & SUPPLIERS

For the year ended 31 December 2017, the five largest customers accounted for approximately 56% (2016: 55%) of our Group's total turnover, while the five largest suppliers of our Group accounted for approximately 68% (2016: 100%) of our Group's total purchases. The largest customer accounted for approximately 21% (2016: 35%) of our Group's total turnover while the largest supplier accounted for approximately 24% (2016: 48%) of our Group's total purchases.

As far as the Directors are aware, none of the Directors, their associates, or any shareholders (which, to the knowledge of the Directors, owned more than 5.0% of the Company's share capital) had a beneficial interest in the five largest customers and suppliers of our Group.

RESULTS AND APPROPRIATIONS

Details of our Group's results for the year ended 31 December 2017 are set out on pages 98 to 102 of this annual report.

DIVIDEND

The Directors did not recommend the payment of any dividend (2016: Nil).

SHARE CAPITAL

Details of movements share capital of the Company are set out in Note 37 to the accompanying financial statements.

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this report, based on information that is publicly available to the Company and within the knowledge of the directors, the directors confirm that the Company maintained a sufficient of public float as required under the GEM Listing rules.

CONVERTIBLE BONDS

As at 31 December 2017, there is no outstanding convertible bonds.

客戶及供應商

截至二零一七年十二月三十一日止年度，五大客戶佔本集團總營業額約56%（二零一六年：55%），而本集團五大供應商則佔本集團總採購額約68%（二零一六年：100%）。最大客戶佔本集團總營業額約21%（二零一六年：35%），而最大供應商則佔本集團總採購額約24%（二零一六年：48%）。

就董事所察覺，概無董事、彼等的聯繫人士或任何據董事所知擁有本公司股本超過5.0%的股東於本集團五大客戶及供應商中擁有實益權益。

業績及撥款

本集團截至二零一七年十二月三十一日止年度的業績詳情載於本年報第98至102頁。

股息

董事不建議派付任何股息（二零一六年：無）。

股本

本公司股本變動詳情載於隨附財務報表附註37。

充足公眾持股量

於本報告日期，根據本公司所掌握之公開資料以及就董事所知，董事確認本公司保持GEM上市規則所規定之充足公眾持股量。

可換股債券

於二零一七年十二月三十一日，本公司並無尚未轉換可換股債券。

DIRECTORS' REPORT

董事會報告書

WARRANTS

On 6 February 2015 (after trading hours), the Company and Greater China Select Fund (the "Subscriber") entered into the Subscription Agreement. Following obtaining the Shareholders' approval of the Warrant Subscription and issue of the Warrant Shares at the SGM dated 29 June 2015, all conditions set out in the Subscription Agreement have been fulfilled and completion of the Warrant Subscription took place on 6 July 2015. Warrants of an aggregate amount of HK\$381.6 million have been issued to the Subscriber at the Issue Price of HK\$0.002 per Warrant. The Warrants entitle the Subscriber to subscribe a maximum of 530,000,000 Warrant Shares at the initial Subscription Price of HK\$0.72 per Warrant Share for a period of five (5) years commencing from the date of issue of the Warrants.

As at this report date, there were still outstanding 530,000,000 Warrant Shares with an aggregate fair value of HK\$381,600,000 to be subscribed.

RESERVES AND RETAINED LOSS

Movements in reserves of the Company during the year are set out in Note 39 to the accompanying financial statements. Movements in retained profits and other reserves of our Group during the year are set out in the consolidated statement of changes in equity on page 103 of this annual report.

As at 31 December 2017 the Company had no reserves available for distribution to its shareholders. However, the Company's share premium account, in the amount of approximately HK\$1,601,579,000 may be distributed in the form of fully paid bonus shares.

PURCHASE, SALE OR REDEMPTION OF SHARES

A conditional acquisition of 51% equity interest in Youzan was proceeding during the financial year, details are set out on pages 12 of this annual report.

PRE-EMPTIVE RIGHT

There is no provision for pre-emptive rights under the Company's Byelaws and the laws in Bermuda in relation to the issue of new shares by the Company.

認股權證

於二零一五年二月六日(交易時段後)，本公司與Greater China Select Fund(「認購人」)訂立認購協議。在取得股東於二零一五年六月二十九日股東特別大會上就認股權證認購事項及發行認股權證股份之批准後，載於認購協議之所有條件已獲達成，認股權證認購事項於二零一五年七月六日完成。總額為381,600,000港元之認股權證已按每份認股權證0.002港元之發行價發行予認購人。認股權證賦予認購人自認股權證發行日期起計五(5)年期間以每股認股權證股份0.72港元之初步認購價認購最多530,000,000股認股權證股份。

於本報告日期，尚有面值381,600,000港元之530,000,000股認股權證股份可獲行使。

儲備及保留虧損

本公司儲備於年內的變動載於隨附財務報表附註39。本集團保留溢利及其他儲備於年內的變動載於本年報第103頁的綜合權益變動表。

於二零一七年十二月三十一日，本公司並無可分發予其股東的儲備。然而，本公司金額約1,601,579,000港元之股份溢價賬可以繳足紅股之形式分派。

購買、出售或贖回股份

於財政年度內，有條件之收購有贊之51%股權正在進行中，詳情載於本年報第12頁。

優先購買權

本公司的公司細則及百慕達法例並無有關本公司發行新股的優先購買權的任何條文。



DIRECTORS' REPORT

董事會報告書

SUBSIDIARIES AND ASSOCIATES

Particulars of the Company's subsidiaries and associates are set out in Notes 20 and 21 respectively to the accompanying financial statements.

EMPLOYEE BENEFITS

Details of our Group's share option schemes are set out in Note 40 to the accompanying financial statements.

RELATED PARTY TRANSACTIONS

Details of related party transactions are set out in Note 46 to the accompanying financial statements.

Permitted Indemnity Provisions

Pursuant to Article 178 of the Bye Law of the Company, the Directors, Managing Directors, alternate Director, Auditors, Secretary and other officers for the time being of the Company and the trustees (if any) for the time being acting in relation to any of the affairs of the Company, and their respective executors or administrators, shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their executors or administrators, shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain through their own wilful neglect or default, fraud and dishonesty respectively, and none of them shall be answerable for the acts, receipts, neglects or defaults of any other of them, or for joining in any receipt for the sake of conformity, or for any bankers or other persons with whom any moneys or effects of the Company shall be lodged or deposited for safe custody, or for the insufficiency or deficiency of any security upon which any moneys of the Company shall be placed out or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, except as the same shall happen by or through their own wilful neglect or default, fraud and dishonesty respectively.

Such provision was in force during the year. In addition, the Company has also maintained Directors and officers liability insurance during the year.

附屬公司及聯營公司

本公司的附屬公司及聯營公司詳情分別載於隨附財務報表附註20及21。

僱員福利

本集團的購股權計劃詳情載於隨附財務報表附註40。

關連人士交易

關連人士交易的詳情載於隨附財務報表附註46。

獲准許之彌償條文

根據本公司之公司細則第178條，本公司董事、董事總經理、替任董事、核數師、秘書及其他當時之其他高級職員及當時就本公司任何事務行事的受託人（如有），以及他們各自的遺囑執行人或遺產管理人，就他們或他們當中任何人、他們或他們的任何遺囑執行人或遺產管理人因執行其各自職務或信託事宜中的職責或假定職責時應會或可能招致或因任何作為、同意或遺漏而蒙受的一切訴訟、成本、費用、損失、損害及費用，應獲得以本公司資產作出彌償保證及保障他們免受傷害，但因（如有）他們各自本身的故意疏忽或失職、欺詐和不誠實而應招致或蒙受者除外；並且他們對於任何其他人的作為、收受、疏忽或失職，或者對於出於一致考慮而參與任何收受行為，或者對於本公司任何款項或財產應送交或存放作安全保管所在的任何銀行或其他人士，或者對於以本公司任何款項投資的任何擔保的不足或缺陷，或者對於執行其各自職務或信託事宜或進行其他有關事宜發生其他任何損失、不幸情況或損害，概不承擔任何責任，但因他們各自本身的故意疏忽或失職、欺詐和不誠實而造成的後果除外。

該條文於本年度生效。此外，本公司亦已於本年度為董事及高級職員投保責任險。

DIRECTORS' REPORT

董事會報告書

DIRECTORS

The Directors who held office during the year and up to the date of this report were:

Executive Directors

Mr. Guan Guisen (*Chairman*)
Mr. Cao Chunmeng (*Chief Executive Officer*)
Mr. Yan Xiaotian

Independent non-executive Directors

Dr. Fong Chi Wah
Mr. Wang Zhongmin
(Resigned on 8 March 2018)
Mr. Gu Jiawang
Mr. Xu Yanqing
(Appointed on 4 August 2017)

In accordance with Article 99 of the Bye-Laws, Mr. Cao Chunmeng, Mr. Yan Xiaotian and Dr. Fong Chi Wah will retire by rotation at the forthcoming AGM and, being eligible, offer themselves for re-election.

Mr. Xu Yanqing was appointed as an independent non-executive Director of the Company on 4 August 2017, Mr. Xu is required to retire in accordance with Article 102(A) of the Bye-Laws and he, being eligible, has offered himself for re-election.

董事

於年內及截至本報告日期的在任董事如下：

執行董事

關貴森先生 (*主席*)
曹春萌先生 (*行政總裁*)
閔曉田先生

獨立非執行董事

方志華博士
王忠民先生
(於二零一八年三月八日辭任)
谷嘉旺先生
徐燕青先生
(於二零一七年八月四日獲委任)

根據公司細則第99條，曹春萌先生、閔曉田先生及方志華博士將於應屆股東週年大會上輪值退任，惟符合資格膺選連任。

徐燕青先生於二零一七年八月四日獲委任為本公司獨立非執行董事。徐先生須按公司細則第102(A)條退任，並符合資格膺選連任。



DIRECTORS' REPORT

董事會報告書

DIRECTORS' SERVICE CONTRACT

Mr. Guan Guisen, the executive director, has entered into a service agreement with the Company for a term of three years commencing from 28 February 2017.

Mr. Cao Chunmeng, the executive director, has entered into a service agreement with the Company for a term of three years commencing from 11 July 2015.

Mr. Yan Xiaotian, the executive director, has entered into a service agreement with the Company for a term of three years commencing from 24 December 2017.

Dr. Fong Chi Wah, the independent non-executive director, has entered the service agreement with the Company for a term of three years commencing from 19 December 2015.

Dr. Fong Chi Wah has served on the Board for more than 10 years but he has never held any executive or management position in our Group nor has he throughout such period been under the employment of any member of our Group. Dr. Fong has demonstrated his ability to provide an independent view to the Company's matters. The Directors noted the positive contributions Dr. Fong made to the development of the Company. Dr. Fong Chi Wah has given the confirmation of his independence pursuant to Rule 5.09 of GEM Listing Rules to the Company. The nomination committee of the Company has assessed and is satisfied of the independence of Dr. Fong. The Board considers that the long services of Dr. Fong would not affect his exercises of independent judgments, notwithstanding his years of service as an independent Non-executive Director of the Company, the Board is of the view that Dr. Fong is able to continue to fulfill his roles as required.

董事的服務合約

執行董事關貴森先生與本公司訂立服務協議，自二零一七年二月二十八日開始為期三年。

執行董事曹春萌先生與本公司訂立服務協議，自二零一五年七月十一日開始為期三年。

執行董事閻曉田先生與本公司訂立服務協議，自二零一七年十二月二十四日開始為期三年。

獨立非執行董事方志華博士與本公司訂立服務協議，自二零一五年十二月十九日開始為期三年。

方志華博士已服務董事會逾十年之久，惟彼未曾於本集團擔任任何行政或管理職務，期間內亦並無受僱於本集團任何成員公司。方博士於在任期間已展現彼對本公司事務提供獨立意見之能力。董事注意到方志華博士對本公司發展有著正面影響。方志華博士已根據GEM上市規則第5.09條向本公司確認其獨立身份。本公司之提名委員會已評定及信納方博士之獨立性。董事會認為方博士之長期服務不會影響其作出獨立判斷，儘管方博士已擔任本公司獨立非執行董事多年，惟董事會認為方博士有能力繼續履行規定職責。

DIRECTORS' REPORT

董事會報告書

Mr. Gu Jiawang, the independent non-executive director, has entered into a service agreement with the Company for a term of three years commencing from 28 April 2017.

Mr. Xu Yanqing, the independent non-executive director, has entered the service agreement with the Company for a term of one year commencing from 4 August 2017 subject to rotation and re-election at annual general meetings of the Company in accordance with the bye-laws of the Company. Pursuant to Article 102(A) of the bye-laws of the Company, Mr. Xu will hold office until the next annual general meeting of the Company and shall then be eligible for re-election thereat.

Save as disclosed above, none of the Directors being proposed for re-election at the forthcoming AGM has an unexpired service contract with the Company which is not determinable by our Group within one year without payment of compensation (other than statutory compensation).

DIRECTORS' INTERESTS IN CONTRACTS

No director had a material interest, whether directly or indirectly, in any contract of significance to the business of the Company to which the Company, its holding company or any of its subsidiaries or fellow subsidiaries was a party at the end of the year or at any time during the year.

獨立非執行董事谷嘉旺先生與本公司訂立服務協議，自二零一七年四月二十八日開始為期三年。

獨立非執行董事徐燕青先生與本公司訂立服務協議，自二零一七年八月四日開始為期一年，並須根據本公司的公司細則於本公司股東週年大會上退任及膺選連任。根據本公司的公司細則第102(A)條，徐先生將任職至本公司下屆股東週年大會並符合資格於會上膺選連任。

除以上所披露者外，於應屆股東週年大會上建議重選連任的各董事並無與本公司訂立本集團不可於一年內免付賠償（法定賠償除外）而予以終止之尚未逾期服務合約。

董事的合約權益

於年度完結時或年內任何時間，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簽訂任何與本公司的業務有關而董事（不論直接或間接）擁有重大權益的重要合約。

DIRECTORS' REPORT

董事會報告書

DIRECTORS' INTEREST IN SHARES

As at the date of this report, the interests or short positions of the Directors in the Shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which (i) were 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 or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange, were as follows:

董事於股份的權益

於本報告日期，董事於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債權證中，擁有(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之權益或淡倉（包括根據證券及期貨條例有關條文被列作或視為持有之權益或淡倉）；或(ii)根據證券及期貨條例第352條規定須記入該條所述登記冊之權益或淡倉；或(iii)根據GEM上市規則第5.46至5.67條有關董事進行證券交易之規定須知會本公司及聯交所之權益或淡倉如下：

Long Position in Shares 於股份之好倉				
Name of Directors 董事姓名	Interest in shares 於股份之權益	Interest in underlying shares 於相關股份之權益	Total interest in shares 於股份之總權益	% Shareholding 股權百分比
Mr. Guan Guisen (Note 1) 關貴森先生 (附註1)	1,311,792,000 (L) 1,140,000,000 (S)	-	1,311,792,000 (L) 1,140,000,000 (S)	18.80% 16.33%
Mr. Cao Chunmeng 曹春萌先生	67,420,000	36,000,000 (Note 2) (附註2)	103,420,000	1.48%
Mr. Yan Xiaotian 閻曉田先生	21,640,000	25,000,000 (Note 2) (附註2)	46,640,000	0.67%
Dr. Fong Chi Wah 方志華博士	1,000,000	3,000,000 (Note 2) (附註2)	4,000,000	0.06%
Mr. Wang Zhongmin (Resigned on 8 March 2018) 王忠民先生 (於二零一八年 三月八日辭任)	1,000,000	3,000,000 (Note 2) (附註2)	4,000,000	0.06%
Mr. Gu Jiawang 谷嘉旺先生	1,000,000	3,000,000 (Note 2) (附註2)	4,000,000	0.06%

DIRECTORS' REPORT

董事會報告書

Note 1: The shares are held by Mighty Advantage Enterprises Limited ("Mighty Advantage"). Mighty Advantage is incorporated in the British Virgin Islands and is beneficially owned by Mr. Guan Guisen.

Note 2: The Company granted the share options under New Share Option Scheme on 11 June 2015.

附註1：該等股份由Mighty Advantage Enterprises Limited (「Mighty Advantage」)持有，Mighty Advantage於英屬處女群島註冊成立並由關貴森先生實益擁有。

附註2：本公司於二零一五年六月十一日根據新購股權計劃授出該等購股權。

Save as disclosed above, as at the date of this report, none of the Directors of the Company had any interests or short positions in any Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which (i) were 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 they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to Section 352 of the SFO, to be entered into the register referred to therein; or (iii) were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange.

除上文所披露者外，於本報告日期，概無本公司董事於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之任何股份、相關股份或債權證中，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之權益或淡倉（包括根據證券及期貨條例有關條文被列作或視為持有之權益及淡倉）；或(ii)根據證券及期貨條例第352條規定須記入該條所述登記冊之權益或淡倉；或(iii)根據GEM上市規則第5.46至5.67條有關董事進行證券交易之規定須知會本公司及聯交所之權益或淡倉。

INTERESTS DISCLOSABLE UNDER THE SFO AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed below, as at the date of this report, there was no other person (other than a director or chief executive officer of the Company) who had any interests and short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

根據證券及期貨條例須予披露的權益及主要股東

除下文所披露者外，於本報告日期，按本公司根據證券及期貨條例第336條備存的登記冊所記錄，概無其他人士（本公司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任何權益及淡倉。

Long position in Shares 於股份之好倉				
Name of Directors 董事姓名	Interest in shares 於股份之權益	Interest in underlying shares 於相關股份之權益	Total interest in shares 於股份之總權益	% Shareholding 股權百分比
Mr. Guan Guisen (Note) 關貴森先生(附註)	1,311,792,000 (L) 1,140,000,000 (S)	- -	1,311,792,000 (L) 1,140,000,000 (S)	18.80% 16.33%



DIRECTORS' REPORT

董事會報告書

Note 1: The shares are held by Mighty Advantage Enterprises Limited ("Mighty Advantage"). Mighty Advantage is incorporated in the British Virgin Islands and is beneficially owned by Mr. Guan Guisen.

附註1：該等股份由Mighty Advantage Enterprises Limited (「Mighty Advantage」)持有，Mighty Advantage於英屬處女群島註冊成立並由關貴森先生實益擁有。

MANAGEMENT CONTRACTS

No contract 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，概無訂立或存有與本公司全部或任何主要業務管理及行政有關的合約。

CODE OF BEST PRACTICE

In the opinion of the Directors, the Company has complied with the standards of good practice concerning the general management responsibilities of the Board of Directors as set out in Chapter 5 of the GEM Listing Rules throughout year ended 31 December 2017.

最佳應用守則

董事認為，本公司於截至二零一七年十二月三十一日止整個年度一直遵守GEM上市規則第五章所載有關董事會一般管理職責的良好應用標準。

FIVE YEAR FINANCIAL SUMMARY

A summary of the consolidated statement of comprehensive income and consolidated statement of financial position of our Group is set out on pages 239 and 240 of this annual report.

五年財務概要

本集團的綜合全面收益表及綜合財務狀況表概要分別載於本年報第239及第240頁。

AUDITORS

RSM was re-appointed as auditor of the Company. A resolution for the re-appointment of RSM Hong Kong will be put at the forthcoming Annual General Meeting.

核數師

中瑞岳華(香港)會計師事務所獲續聘為本公司之核數師。續聘中瑞岳華(香港)會計師事務所之決議案將於應屆股東週年大會上提呈。

By Order of the Board

Mr. Guan Guisen

Chairman

Hong Kong, 27 March 2018

承董事會命

主席

關貴森先生

香港，二零一八年三月二十七日

CORPORATE GOVERNANCE REPORT

企業管治報告

Pursuant to the Rule 18.44 of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “GEM Listing Rules”), the Board of Directors of CIP (the “Board”) is pleased to present the corporate governance report for the year ended 31 December 2017. The Hong Kong Governance Code is available at www.hkex.com.hk. This report highlights the key corporate governance practices of the Company.

The Board continues to monitor and review the Company’s corporate governance and makes necessary changes at an appropriate time.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance to protect the interests of the shareholders of the Company. The Company’s corporate governance practices are based on principles and code provisions as set out in the Corporate Governance Code (“Code”) in Appendix 15 to the GEM Listing Rules. The Company has complied with the Code for the year ended 31 December 2017.

DIRECTORS’ SECURITIES TRANSACTIONS

The Group adopted the required standard of dealings set out in rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding directors’ securities transactions in securities of the Company. Upon the Company’s specific enquiry, each director had confirmed that during the year ended 31 December 2017, they had fully complied with the required standard of dealings and there was no event of non-compliance.

根據聯交所GEM證券上市規則(「GEM上市規則」)第18.44條，中國創新支付董事會(「董事會」)欣然呈列截至二零一七年十二月三十一日止年度之企業管治報告。香港管治守則可於www.hkex.com.hk瀏覽。本報告強調本公司的主要企業管治常規。

董事會持續監控及檢討本公司的企業管治及於適當時作出必要改動。

企業管治常規

本公司致力保持高水平的企業管治，以保障本公司股東的利益。本公司的企業管治常規乃基於GEM上市規則附錄十五的企業管治守則(「守則」)所載的原則及守則條文。截至二零一七年十二月三十一日止年度，本公司已遵守守則之條文。

董事進行證券交易

本集團已就董事進行本公司證券交易採納一套操守準則，其條款遵守GEM上市規則第5.48至5.67條所載之規定交易準則。本公司作出特定查詢後，確定每一位董事於截至二零一七年十二月三十一日止年度，一直全面遵守規定交易準則，且並無不遵守情況。



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BOARD OF DIRECTORS

The Board's fundamental responsibility is to exercise its best judgement and to act in the best interests of the Company and its shareholders. The Board is responsible for overseeing the management's efforts to promote the Company's Success while operating in an effective and responsible manner. The Board is able to delegate and confer on any executive Director any of its powers, authorities and discretions for such time and on such terms as it thinks fit.

The Board may at any time appoint any person who is willing to act as a Director, either to fill a vacancy or as an addition to the existing Board. The total number of Directors shall not be less than five nor should it exceed 25. Newly-appointed Directors retire at the Annual General Meeting ("AGM") following appointment and shall be eligible for election. The Board may appoint any Director to hold any employment or executive office and may revoke or terminate any such appointment. Shareholders may, by ordinary resolution, appoint a person as a Director or remove any Director before the expiration of his or her period of office.

The Board regularly formulates our Group's overall business strategies and monitors management's execution of such strategies.

By discharging its responsibilities, the Board has defined the business and governance issues for which it needs to be responsible, and these matters reserved for the Board have been separately defined, and are reviewed periodically, to ensure that our Group maintains the proper level of corporate governance and to ensure they are up to date. In this regard, the Board:

- determines our Group's mission, provides its strategic direction and is responsible for the approval of strategic plans;

董事會

董事會的基本責任為行使其最佳判斷及以本公司及其股東的最佳利益行事。董事會負責在有效及負責任方式運營的同時監管管理層的努力以推動本公司成功。董事會可於其認為適合之時限內，按其認為適合之條款將本身任何權力、權限及酌情權授予並賦予任何執行董事。

董事會可隨時委任任何願意接受任命者出任董事，以填補空缺或加入現有董事會出任新增董事。董事總數不得少於5位或超過25位。新委任之董事須在獲委任後之股東週年大會（「股東週年大會」）上告退，惟有資格參選連任。董事會可任命任何董事擔任任何受聘職位或行政職位，亦可撤回或終止任何有關委任。股東可通過普通決議案委任董事或在任何董事任期屆滿前將其罷免。

董事會定期制定本集團的整體業務策略及監控管理層對該等策略的執行。

通過履行其責任，董事會已界定其須負責的業務及管治事務，而就董事會保留的有關事宜已獲單獨界定及獲定期審閱，以確保本集團維持適當水平的企業管治，並確保其企業管治持續更新。就此而言，董事會：

- 制定本集團的目標，向本集團提供策略性指示，並負責審批策略性計劃；

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- approves the annual business plan and budget proposed by management;
- retains full and effective control over our Group and monitors management with regard to the implementation of the approved annual budget and business plan;
- appoints the Chief Executive Officer, who reports to the Board, and ensures that succession is planned;
- approves our Group's financial statements, interim and annual reports;
- determines our Group's communication policy;
- determines director selection, orientation and evaluation;
- ensures that our Group has appropriate risk management, internal control, internal audit and regulatory compliance;
- procedures in place and that it communicates adequately with shareholders and stakeholders;
- establishes Board sub-committees with clear terms of reference and responsibilities as appropriate;
- defines levels of delegation in respect of specific matters, with required authority to Board sub-committees and management;
- monitors non-financial aspects pertaining to the business of our Group;
- considers and, if appropriate, declares the payment of dividends to shareholders; and
- regularly evaluates our Group's performance and effectiveness.
- 審批管理層提呈的年度業務計劃及預算；
- 對本集團實施全面及有效的管控，並在執行經審批的年度預算及業務計劃方面對管理層進行監察；
- 委任行政總裁（須向董事會匯報）及確保已安排繼任人選；
- 審批本集團的財務報表、中期及年度報告；
- 制定本集團的通訊政策；
- 決定董事的甄選、工作簡介及評核事宜；
- 確保本集團設立適當的風險管理、內部監控、內部審核及監管合規程序；
- 設立與股東及持份者保持充分溝通的程序；
- 在適當情況下於董事會轄下設立具清晰職權範圍及職責的委員會；
- 界定具體事項的授權標準，並賦予董事會轄下委員會及管理層所須的權限；
- 監控與本集團業務有關的非財務事宜；
- 考慮及（如適用）向股東宣派股息；及
- 定期評核本集團的表現及效能。



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To better serve the long term interests of our stakeholders, the Board dedicates certain matters which require particular time, attention and expertise to be devoted to its committee. The Board has determined that these matters are better dealt with by the committees as they require independent oversight and specialists input. As such, the Board has established four committees to assist the Board: Audit Committee, Risk Committee, Nomination Committee and Remuneration Committee. Each of the committees has terms of reference which clearly specifies its powers and authorities. All committees report back to the Board and make recommendations to the Board if necessary.

Biographical Details of Directors and Senior Management

As at 31 December 2017, the Board comprised three Executive Directors and three Independent Non-executive Directors. Details of biographical details of directors and senior management are set out on page 29 to 34 of this annual report. The Board complies with the minimum requirements of the GEM Listing Rules relating to the appointment of at least three independent non-executive Directors and one of them has the appropriate professional qualifications required under Rule 5.05 of the GEM Listing Rules.

Board Meetings

The Board has adopted good corporate governance practices and procedures, formal notice of at least 14 days will be given in respect of a regular meeting. For special board meeting, reasonable notice will be given. Directors participated, either in person or through other electronic means of communication in the Board meetings. The Board meets regularly at least four times every year. The directors participated in person or through electronic means of communication. All notices of board meetings were given to all directors, who were given an opportunity to include matters in the agenda for discussion. The finalized agenda and accompanying board papers were sent to all directors at least 3 days prior to the meeting.

為我們的持份者更能達致長期的利益，董事會就若干須投入特定時間、注意力及專業知識的事宜指派給其委員會處理。董事會認為該等事宜需要獨立監察及專家支持，故由委員會處理更為適宜。因此，董事會已成立四個委員會協助董事會：審核委員會、風險委員會、提名委員會及薪酬委員會。各委員會訂有職權範圍，明確規定其權力及職權。所有委員會向董事會匯報及向董事會提供推薦建議（如必要）。

董事及高級管理層之履歷詳情

於二零一七年十二月三十一日，董事會成員包括三名執行董事及三名獨立非執行董事。董事及高級管理層之履歷詳情載於本年報第29至34頁。董事會符合GEM上市規則有關委任最少三名獨立非執行董事之最低規定，其中一人具備GEM上市規則第5.05條規定之合適專業資格。

董事會會議

董事會已採取良好企業管治常規及程序，定期會議之正式通告會於會議舉行前最少14日發出。至於董事會特別會議，則會在合理期限內給予通告。董事可親身或透過其他電子通訊方式參加董事會會議。董事會每年最少召開四次定期會議。董事皆親身出席或透過電子通訊方法參與。召開董事會會議前，董事均會收到通知，董事皆有機會提出擬商討事項列入會議議程。最終的會議議程及相關會議文件於會議日期最少三天前送交全體董事。

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All directors are kept informed on a timely basis of major changes that may affect the Group's businesses, including relevant rules and regulations. Directors can also seek independent professional advice in performing their duties at the Company's expense, if necessary. The Company Secretary records the proceedings of each board meeting in detail by keeping detailed minutes, including all decisions by the Board together with concerns raised and dissenting views expressed (if any). All minutes are open for inspection at any reasonable time on request by any director. 8 Board meetings were held in 2017. The attendance of each director at Board, committee meetings and annual general meeting ("AGM"), whether in person or by means of electronic communication, is detailed in the table below:

所有董事亦會適時獲知可能影響本集團業務的重大變動，包括有關規則及規例的修訂。董事亦可於需要時尋求獨立專業意見，以履行其董事職責，費用由本公司承擔。公司秘書就每次董事會會議的議程作出詳細的會議記錄，包括所有董事會決定及董事提出的疑慮或表達的異議（如有）。任何董事可在任何合理的時間查閱所有會議紀錄。董事會於二零一七年舉行8次會議。各董事出席董事會、委員會會議及股東週年大會（「股東週年大會」）（不論親身或以電子通訊方式）的情況詳載於下表：

	Board 董事會	Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	AGM 股東週年大會	Independent Board Committee 獨立董事委員會
Mr. Guan Guisen 關貴森先生	7/8	N/A 不適用	1/1	1/1	1/1	N/A 不適用
Dr. Fong Chi Wah 方志華博士	8/8	5/5	1/1	1/1	1/1	1/1
Mr. Wang Zhongmin (Resigned on 8 March 2018) 王忠民先生 (於二零一八年 三月八日辭任)	3/8	3/5	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. Gu Jiawang 谷嘉旺先生	8/8	5/5	1/1	1/1	1/1	1/1
Mr. Cao Chunmeng 曹春萌先生	8/8	N/A 不適用	1/1	1/1	1/1	N/A 不適用
Mr. Yan Xiaotian 閻曉田先生	8/8	N/A 不適用	N/A 不適用	N/A 不適用	1/1	N/A 不適用
Mr. Xu Yanqing (Appointed on 4 August 2017) 徐燕青先生 (於二零一七年 八月四日獲委任)	1/8	1/5	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用



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At the Board meetings, the Board discussed on a wide range of matters, including the Group's overall strategies, financial and operational performances, approved the annual, interim and quarterly results of the Group, the appointment of directors, business prospects, regulatory compliance and corporate governance, and other significant matters. The company secretary, in consultation with the Chairman and the senior management team, prepares the agendas for each meeting and all directors are given the opportunity to include matters for discussion in the agenda. The company secretary also ensures that all applicable rules and regulations in relation to the Board meetings are followed. The company secretary sends notice of the Board meeting to each of the directors at least fourteen days in advance of each regular Board meeting. The company secretary also sends the agendas, board papers and relevant information relating to the Group to each of the directors at least three days in advance of each regular Board meeting and committee meeting, and keeps the directors updated on the Group's financial performance and latest developments. If any director raises any queries, steps will be taken to respond to such queries as promptly and fully as possible. If there is potential or actual conflict of interests involving a substantial shareholder or a director, such director would declare his interest and will abstain from voting on such matters. The directors may approach the Company's senior management team when necessary. The directors may also seek independent professional advice at the Company's expense in appropriate circumstances.

於董事會會議上，董事會討論的事宜範圍廣泛，包括本集團整體策略、財務及經營表現、審批本集團年度、中期及季度業績、委任董事、業務前景、監管合規及企業管治以及其他重大事宜。經諮詢主席及高級管理團隊，公司秘書就每次會議編製議程，而所有董事均有權於議程內納入討論事宜。公司秘書亦確保遵守所有與董事會會議有關的適用規則及法規。公司秘書於每次定期的董事會會議前至少十四天前向各董事寄發董事會會議通告。公司秘書亦於每次定期的董事會會議及委員會會議前至少三天前向各董事寄發議程、董事會文件及有關本集團的相關資料，使董事得知有關本集團財務表現及最近期發展的更新資料。倘任何董事提出任何問題，會盡快採取措施對該等問題作出全面回應。倘有關主要股東或董事出現潛在或實際利益衝突，有關董事將宣佈其利益及就該事項放棄投票。董事可於必要時接觸本公司高級管理團隊。董事亦可在適當的情況下尋求獨立專業意見，有關費用由本公司承擔。

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Chairman and Chief Executive Officer

The roles of Chairman and Chief Executive Officer are separate and not performed by the same individual to avoid power being concentrated in any one individual. The Chairman of the Company is primarily responsible for the leadership and effective running of the Board and ensuring that all key and appropriate issues are discussed by the Board in a timely and constructive manner, whereas the Chief Executive Officer is primarily responsible for the running of the Group's business and implementation of the Group's strategies in achieving the overall commercial objectives.

The Chairman also encourages all directors, including the independent non-executive directors, to actively participate in all board and committee meetings.

Appointment and Re-Election of Directors

All directors are appointed for a specific term. All the executive directors and independent non-executive directors of the Company are engaged on a service contract of appointment. With the Company for a term as stated in pages 40 to 41 of this report. Besides, the procedures and process of appointment, reelection and removal of directors are laid down in the Company's Bye-laws. According to Bye-laws, all directors of the Company are subject to retirement by rotation at least once every three years and are eligible for re-election at annual general meetings of the Company. Any new director appointed by the Board to fill a casual vacancy shall submit himself for re-election by shareholders at the first general meeting and any new director appointed by the Board as an addition to the Board shall submit himself/herself for re-election by shareholders at the next following annual general meeting.

主席與行政總裁

主席與行政總裁之角色有區分，並非由一人同時兼任，以避免權力僅集中於任何一位人士。本公司之主席主要負責領導董事會及促使其有效運作，並確保董事會及時且有建設性地商討所有重要及適用事宜，而行政總裁則主要負責本集團之業務運作，以及實行本集團之策略，以達致整體營商目標。

主席亦鼓勵全體董事（包括獨立非執行董事）積極參與所有董事會及委員會會議。

董事的委任及重選

全體董事任期固定。本公司全體執行董事及獨立非執行董事均與本公司訂有委任服務合約，於本公司的任期如本報告第40至41頁所述。此外，委任、重選及罷免董事的程序及過程載於本公司的公司細則。根據公司細則，本公司全體董事須最少每三年輪值退任一次，並符合資格於本公司股東週年大會上重選連任。由董事會委任以填補臨時空缺的新董事，須於首次股東大會上由股東重選連任，而由董事會委任作為董事會新增成員的新董事，須於下屆股東週年大會上由股東重選連任。



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In accordance with Bye-laws, Mr. Cao Chunmeng, Mr. Yan Xiaotian, Dr. Fong Chi Wah and Mr. Xu Yanqing shall retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company. The Board recommends their re-appointment. The Company's circular, sent together with this annual report, contains detail information of the above four directors as required by the GEM Listing Rules.

Confirmation of Independence

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 and considers that all the independent non-executive directors to be independent.

Directors' Training

All directors should keep abreast of the responsibilities as a director, and of the conduct and business activities of the Company. The Company is responsible for arranging and funding suitable training for its directors. Accordingly, the Company has put in place a training and development programme for the directors including: an on-going training and professional development programme for directors. The Company regularly organizes the seminars for the directors.

In addition, individual Directors also participated in other courses relating to the roles, functions and duties of a listed company director or further enhancement of their professional development by way of online aids or reading relevant materials.

All executive and independent non-executive Directors had provided the Company Secretary with their training records for the year under review.

根據公司細則，曹春萌先生、閻曉田先生、方志華博士及徐燕青先生須於本公司即將召開的股東週年大會上退任，惟彼等符合資格，並願意於該大會上重選連任。董事會建議彼等重獲委任。連同本年報一併寄發的本公司通函，載有GEM上市規則規定的上述四位退任董事詳情。

確認獨立性

本公司已根據GEM上市規則第5.09條向各獨立非執行董事收取年度獨立地位確認書，並認為全體獨立非執行董事均屬獨立。

董事培訓

全體董事應緊守作為董事的責任及操守，並緊貼本公司的業務活動。本公司負責為其董事安排及資助合適培訓。因此，本公司已為董事設立培訓及發展計劃，包括：為董事提供在職培訓及專業發展計劃。本公司定期為董事安排研討會。

此外，個別董事亦出席其他有關上市公司董事的角色、職能及職責的課程或透過參加網上輔助或閱讀相關資料進一步鞏固其專業發展。

全體執行及獨立非執行董事已向公司秘書提供彼等於回顧年內的培訓記錄。

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Directors' Code of Ethics

The directors observe a code of ethics (the "Code of Ethics") which is formulated and adopted to enhance the standard of corporate governance and corporate behavior. The principles on which the Code of Ethics relies are those that concern transparency, integrity, accountability and corporate social responsibility taking into account the relevant provisions and requirements by the governing authorities.

REMUNERATION COMMITTEE:

The Remuneration Committee was established on 30 June 2005. The Remuneration Committee is with the responsibility of approving the remuneration policy for all Directors and senior executives. The Remuneration Committee members include all directors as follows:

Executive Directors

Mr. Guan Guisen
Mr. Cao Chunmeng

Independent non-executive Directors

Dr. Fong Chi Wah
Mr. Wang Zhongmin
(Resigned on 8 March 2018)
Mr. Gu Jiawang
Mr. Xu Yanqing (*Chairman*)
(Appointed on 4 August 2017)

董事的道德守則

各董事均遵守道德守則（「道德守則」），制定及採納道德守則旨在加強企業管治及企業行為的準則。道德守則所依賴的原則乃關乎透明度、正直品格、問責性及企業社會責任，並顧及監管機構的相關規定和要求。

薪酬委員會：

薪酬委員會於二零零五年六月三十日成立。薪酬委員會負責批准全體董事及高級行政人員之薪酬政策。薪酬委員會成員包括全體董事如下：

執行董事

關貴森先生
曹春萌先生

獨立非執行董事

方志華博士
王忠民先生
(於二零一八年三月八日辭任)
谷嘉旺先生
徐燕青先生 (*主席*)
(於二零一七年八月四日獲委任)



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All Remuneration Committee members met at the end of the year for the determination of the remuneration packages of Directors and senior management of the Group. In addition, the Remuneration Committee members also meet as and when required to consider remuneration related matters. The works carried out by the Remuneration Committee are set out below: (a) to make recommendations to the Board on the Company's policy and structure of remuneration of Directors and the senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration; (b) to determine the specific remuneration packages of all executive Directors and the senior management, including benefits in kind, provident/retirement benefits and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of independent non-executive Directors; (c) to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time; (d) to review and approve the compensation payable to executive Directors, senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company; and (e) to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate.

所有薪酬委員會成員已於年底舉行會議，以確定董事及本集團高級管理層之薪酬組合。此外，薪酬委員會成員亦於需要考慮薪酬相關事宜時舉行會議。薪酬委員會進行之工作載列如下：(a)就本公司有關董事及高級管理層之薪酬政策及結構以及制定有關該等薪酬政策成立正式具透明度之程序向董事會提供意見；(b)釐定所有執行董事及高級管理層之具體薪酬組合，包括實物利益、強積金／退休福利及補償付款，包括就失去或終止職務或委任時應付之任何補償，並就獨立非執行董事之薪酬向董事會提供意見；(c)審閱及批准參考公司目標及目的後，董事會不時議決按表現發放之酬金；(d)審閱及批准就失去或終止職務或委任時付予執行董事及高級管理層之補償，以確保有關補償乃按相關合約條款釐定，且有關補償對本公司而言屬公平及不會過多；及(e)審閱及批准有關因行為不當而撤換或罷免董事之補償安排，以確保有關安排乃按相關合約條款釐定，且任何補償款項均屬合理及恰當。

CORPORATE GOVERNANCE REPORT

企業管治報告

NOMINATION COMMITTEE:

The Nomination Committee was established on 30 June 2005. The Nomination Committee made recommendations to the Board on the appointment of Directors and the senior management personnel with reference to certain guidelines as endorsed by the Nomination Committee members. The Nomination Committee members include all directors as follows:

Executive Directors

Mr. Guan Guisen
Mr. Cao Chunmeng

Independent non-executive Directors

Dr. Fong Chi Wah
Mr. Wang Zhongmin
(Resigned on 8 March 2018)
Mr. Gu Jiawang (*Chairman*)
Mr. Xu Yanqing
(Appointed on 4 August 2017)
Mr. Wang Zhengmin
(Resigned on 8 March 2018)

The nomination committee is responsible in reviewing and monitoring the structure, size, composition and diversity of the Board in light of the group's strategy, identifying qualified individuals to be new Board members, assessing the independence of independent non-executive directors, and reviewing and monitoring the implementation of the board diversity policies of the group.

提名委員會:

提名委員會已於二零零五年六月三十日成立，於參考經提名委員會成員認可之若干指引後，就委任董事及高級管理人員向董事會提供意見。提名委員會成員包括之所有董事如下：

執行董事

關貴森先生
曹春萌先生

獨立非執行董事

方志華博士
王忠民先生
(於二零一八年三月八日辭任)
谷嘉旺先生 (*主席*)
徐燕青先生
(於二零一七年八月四日獲委任)
王忠民先生
(於二零一八年三月八日辭任)

提名委員會負責根據集團策略檢討及監察董事會的架構、規模、組成，及成員多元化、物色合資格的人士成為新董事會成員、評估獨立非執行董事的獨立性、檢討及監察集團董事會成員多元化政策的實行。



CORPORATE GOVERNANCE REPORT

企業管治報告

AUDIT COMMITTEE:

The Audit Committee comprises three independent nonexecutive Directors who possess the appropriate business and financial experience and skills to understand financial statements. The current Committee is chaired by Dr. Fong Chi Wah, and the other Audit Committee members are Mr. Gu Jiawang and Mr. Xu Yanqing. Under its terms of reference for audit committee passed under a directors' resolution dated 30 June 2005, is required, amongst other things, to oversee the relationship with the external auditors, to review the Group's preliminary results, interim results and annual financial statements and to monitor compliance with statutory and listing requirements, to engage independent legal or other advisers as it determines is necessary and to perform any investigations.

Dr. Fong Chi Wah (*Chairman*)

Mr. Gu Jiawang

Mr. Xu Yanqing

(Appointed on 4 August 2017)

Mr. Wang Zhongmin

(Resigned on 8 March 2018)

The audit committee is responsible for handling company issues with external auditor, reviewing financial data and information, overseeing the financial reporting system and internal control procedures.

Financial Statements

The Audit Committee held meetings to discuss the Group's quarterly results, interim results, preliminary results announcement and Annual Report. The Audit Committee reviews and discusses the management's reports and representations with a view to ensuring that the Group's consolidated financial statements are prepared in accordance with Hong Kong Accounting Standards and Hong Kong Financial Reporting Standards and compliance with the GEM Listing Rules and other legal requirements.

The Audit Committee and the Company's external auditors have reviewed the Company's financial statements for the year ended 31 December 2017 and has provided advice and comments thereon.

審核委員會:

審核委員會包括三名獨立非執行董事，彼等具備合適業務及財務經驗及技能以理解財務報表。委員會現由方志華博士出任主席，其他審核委員會成員為谷嘉旺先生及徐燕青先生。根據按日期為二零零五年六月三十日之董事決議案通過之審核委員會職權範圍，審核委員會須（其中包括）監察與外聘核數師之關係、審閱本集團初步業績、中期業績及全年財務報表、確保遵守法定及上市規定，並於其認為必要時委任獨立法律或其他顧問及進行調查。

方志華博士 (*主席*)

谷嘉旺先生

徐燕青先生

(於二零一七年八月四日獲委任)

王忠民先生

(於二零一八年三月八日辭任)

審核委員會負責與外聘核數師處理公司事務、審閱財務數據及資料、監管財務報告系統及內部監控程序。

財務報表

審核委員會舉行會議商討有關本集團之季度業績、中期業績、初步業績公告以及年報。審核委員會審閱及討論管理層報告及陳述，以確保本集團綜合財務報表乃按香港會計準則及香港財務報告準則編製，且符合GEM上市規則及其他法定規定。

審核委員會已連同本公司之外聘核數師審閱本公司於截至二零一七年十二月三十一日止年度之財務報表，並就此提供意見及提議。

CORPORATE GOVERNANCE REPORT

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The Audit Committee also makes recommendations to the Board on the appointment and retention of the external auditors.

External Auditor

The Group engaged RSM Hong Kong to provide services in connection with the audit of the Company's consolidated financial statements and other professional services.

Auditors' Remuneration

During the year under review, the remuneration paid/payable to the Company's auditors, RSM Hong Kong, is set out as follows:

審核委員會亦就委任及留任外聘核數師向董事會提出推薦意見。

外聘核數師

本集團委聘中瑞岳華(香港)會計師事務所就審核本公司之綜合財務報表及其他專業服務提供服務。

核數師酬金

回顧年內，已付／應付本公司核數師中瑞岳華(香港)會計師事務所的酬金如下：

Services rendered	提供的服務	Fees paid/payable
		已付／應付費用 HK\$'000 千港元
Audit services	核數服務	1,500
Other Assurance (Note 1)	其他鑒證(附註1)	1,450
Non-audit services (Note 2)	非核數服務(附註2)	14
TOTAL	總額	2,964

Note 1: The other assurance fees paid/payable to the external auditor were for the circular related assurance work on purposed conditional acquisition of the Youzan Group.

附註1：已付／應付外聘核數師的其他鑒證費乃為就內容有關擬有條件收購有贊集團的通函進行的相關鑒證的費用。

Note 2: The non-audit service fees paid/payable to the external auditors were for advice on taxation matters and for preparation, review and submission of tax returns.

附註2：已付／應付外聘核數師的非核數服務費，屬提供稅務事宜的意見，以及編製、審閱及提交報稅表的費用。



CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTOR'S AND INDEPENDENT AUDITORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors are responsible for the preparation of the financial statements which give a true and fair view of the state of affairs of the Company and its subsidiaries, in accordance with accounting principle generally accepted in Hong Kong. The Directors' responsibilities in the preparation of the financial statements and the auditors' responsibilities are set out in the Independent Auditor's Report in this annual report.

INTERNAL CONTROL

An internal control system, being an integral part of the Company's operations, is a process effected by the Board and management team to provide reasonable assurance regarding the effectiveness and efficiency of operations in achieving the established corporate objectives, safeguarding Company assets, providing reliable financial reporting, and complying with applicable laws and regulations.

The Board is responsible for making appropriate assertions on the adequacy of internal controls over financial reporting and the effectiveness of disclosure controls and procedures. Through the Audit Committee, it regularly reviews the effectiveness of the system.

COMPANY SECRETARY

The company secretary of the Company assists the Board by ensuring good information flow within the Board and that Board policy and procedures are followed. The company secretary is also responsible for advising the Board on governance matters.

As an employee of the Company, Mr. Fung Kwok Leung, the company secretary of the Company, has undertaken not less than 15 hours of relevant professional training to update his skills and knowledge in 2017.

董事及獨立核數師就財務報表須承擔之責任

董事須負責按照香港普遍採納之會計原則編製真實而公平地反映本公司及其附屬公司之財務狀況之財務報表。董事編製財務報表之責任及核數師責任均載於本年報之獨立核數師報告。

內部監控

內部監控是本公司營運的必要一環，由董事會及管理團隊執行，以合理確保營運的成效及效率可達成既定的企業目標、保障公司資產、提供可靠的財政報告及遵守適用的法律法規。

董事會負責確保對財務報告及披露監控與程序之成效進行充分的內部監控，透過審核委員會經常檢討有關系統的成效。

公司秘書

本公司之公司秘書確保董事會成員間有效交流資訊及遵照董事會政策及程序，以協助董事會。公司秘書亦負責就管治事宜向董事會提出建議。

作為本公司僱員，本公司之公司秘書馮國良先生已於二零一七年接受不少於15小時之相關專業培訓，以更新其技能及知識。

CORPORATE GOVERNANCE REPORT

企業管治報告

INVESTOR RELATIONS AND SHAREHOLDERS' RIGHTS

The Board is committed to providing clear and full information about the Company's performance to shareholders through the publication of quarterly reports and annual report. In addition to dispatching circulars, notices and financial reports to shareholders, additional information is also available to shareholders on the websites of the Stock Exchange and the Company, which is updated regularly. The annual general meeting provides a useful forum for shareholders to raise comments and exchange views with the Board. Shareholders are encouraged to attend annual general meetings for which the Company gives at least 21 days' notice. The Chairman, Directors and external auditors are available to answer questions on the Company's businesses at the meeting. The Company values feedback from shareholders on its effort to promote transparencies and foster investor relationships.

投資者關係及股東權利

董事會致力透過公佈季度報告及年報向股東提供有關本公司業績的清楚完整資料，除向股東發佈通函、通知及財務報告外，股東亦可在聯交所網站和本公司網站查閱更多資料，而有關資料會經常更新。股東週年大會為股東向董事會提議及交換意見的有用場所。本公司會給予至少二十一天的通知，鼓勵股東出席股東週年大會。主席、董事及外聘核數師會出席會議回答有關本公司業務的提問。本公司重視股東對促進透明度及加強與投資者關係之意見。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Our Board of Directors is glad to deliver the Environmental, Social and Governance Report (“ESG Report” or “this Report”) of the Group for the year ended 31 December 2017 (“this year”) to all shareholders. This Report is our second ESG Report which aims to present our undertakings on sustainable development. In the current society, investors also value the contribution by an enterprise to the environment and the society in addition to its ability to enhance business performance for the best interests of its shareholders.

ABOUT THIS REPORT

Report Compilation Basis

This Report has been prepared according to the core option of the Global Reporting Initiative (“GRI”) G4 Guidelines, and the “Environmental, Social and Governance Reporting Guide” (“ESG Reporting Guide”) as set out in Appendix 20 to the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”). The Company has complied with the “comply or explain” provisions set out in the ESG Reporting Guide.

In the reporting period, the Board of Directors has supervised our strategies, policies and reports on environment, society and governance issues, monitored continuous compliance, and sought to improve operation of the Group through improving efficiency of business operation and resource utilization and taking environmental protection measures for realizing its sustainable development, thus minimizing our carbon footprint in the environment.

董事會向全體股東欣然發表本集團截至二零一七年十二月三十一日止年度（「本年度」）的環境、社會及管治報告（「環境、社會及管治報告」或「本報告」）。本報告為我們的第二份環境、社會及管治報告，其旨在展現我們對可持續發展的承擔。在現今社會中，投資者在重視於企業提高業績為股東謀求最佳利益的同時，也關注企業在環境及社會中作出的貢獻。

關於本報告

報告編製依據

本報告乃按照全球報告倡議組織（「GRI」）G4指引的核心選項及香港聯合交易所有限公司（「聯交所」）GEM證券上市規則（「上市規則」）附錄20所載「環境、社會及管治報告指引」（「環境、社會及管治報告指引」）而編製。本公司遵守環境、社會及管治報告指引所載「不遵守就解釋」條文。

於報告期間，董事會監督本集團在環境、社會及管治方面的策略、政策和報告，並監察持續遵守情況及尋求透過提高業務營運及資源運用的效率及為實現可持續發展採取環保措施，以改善本集團的營運，從而盡量減少在環境中留下的碳足跡。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

This ESG Report includes forward-looking statements, based on a number of assumptions and expectations as at the issuing date of this Report. Such assumptions and expectations shall not be deemed to be reliable unless they are approved by internal review procedures. Relevant statements include known and unknown risks and uncertainty, which means that the actual results may be different from these expectations, predictions and conclusions in this Report. The Company does not provide any guarantee on the accuracy of these statements, and makes it clear that, if any of the statements do not come true or are confirmed as incorrect, the Company shall not bear any responsibilities on amendment or update of such forward-looking statements.

Reporting Period and Formats of Report

This ESG Report covers all data and policies of main operation regions in the PRC of our Group during the reporting period of 2017 Report (from January 1, 2017 to December 31, 2017).

This Report is published in form of online edition and print edition. The online edition is available on the designated website (www.hkexnews.hk) of the Stock Exchange, and our Company's website (www.innovationpay.com.hk).

Miscellaneous

This report shall be published both in Chinese and English. Should there be any discrepancy between the Chinese and the English version, the English version shall prevail.

Contact Information

Should you have any query or feedback on the Report, please contact us via the following methods:

Tel: (852) 2979 5223

Fax: (852) 2510 9662

Email: cip@innovationpay.com.hk

Official Website: www.innovationpay.com.hk

本環境、社會及管治報告包含前瞻性陳述，有關陳述乃基於本報告發佈之時的若干假設及預期。該等假設及預期須於進行內部審閱程序後，方會被視為可靠。有關陳述包括已知及未知風險及不確定性因素，意味著實際結果可能與本報告所作預期、預測及結論有所不同。本公司對陳述之準確性概不作出任何保證，及本公司明確表示，倘任何陳述並未成為事實或被證實為不正確，本公司概不對該等前瞻性陳述之修正或更新承擔任何責任。

報告期間及發佈方式

本環境、社會及管治報告涵蓋與二零一七年年報內所報告之相同報告期間（自二零一七年一月一日至二零一七年十二月三十一日）本集團於中國業務主要營運地區的數據及政策。

本報告以網絡版和印刷版形式發佈。網絡版可於聯交所指定網站(www.hkexnews.hk)及本公司網站(www.innovationpay.com.hk)查閱。

其他事項

本報告以中英文刊發，如中英文版本有任何歧義，概以英文版為準。

聯繫資料

如對本報告及其內容有任何疑問或反饋意見，歡迎通過以下方式與我們聯繫：

電話：(852) 2979 5223

傳真：(852) 2510 9662

電郵地址：cip@innovationpay.com.hk

官方網站：www.innovationpay.com.hk

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

OUR SUSTAINABLE DEVELOPMENT CONCEPT

我們的可持續發展觀



We understand that, the Company's sustaining success depends on sustainable development of business, premium services provided by diligent and innovative employees for clients and business partners, and valuable contributions of certain stakeholders of the Group. The Group tries its best to meet relevant local and international standards related to its operation. The Group manages its businesses positively adhering to environmental protection and responsibilities to the society, which is in line with the adopted policies. The Company has consolidated and identified five different kinds of stakeholders involved in main businesses of the Group into corresponding categories, including shareholders, clients, employees, communities and the government.

我們明白本公司的長期成功有賴於業務的可持續發展性及勤奮創新的僱員，向客戶及商業夥伴提供優質服務及對本集團之若干持份者作出有益貢獻。本集團竭力符合與其營運有關的相關地方及國際標準。本集團以環保及對社會負責之方式積極管理業務，其與所採納政策一致。本公司綜合及識別涉及本集團主要業務的五個不同持份者分組，分別包括股東、客戶、僱員、社區及政府。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Stakeholders 持份者	Issues of Major Concerns 主要關注問題	Communication Channels 通訊渠道
Shareholders 股東	<ol style="list-style-type: none"> 1. Financial Performance 財務表現 2. Corporate Governance 企業管治 3. Corporate Image 企業形象 	<ol style="list-style-type: none"> a. Annual Report and Interim Report 年報及中期報告 b. Annual General Meeting and other meetings 股東週年大會及其他股東大會 c. HKEx Website 披露易網站 d. Company Website 公司網站 e. Notices of Meetings and Explanatory Materials 大會通告及說明材料
Governance 政府	<ol style="list-style-type: none"> 1. Corporate Governance 企業管治 2. Compliance with Laws and Regulations 遵守法律法規 	<ol style="list-style-type: none"> a. Cooperate with the government and regulatory authorities on compliance inspections 配合政府及監管機構的合規檢查
Customers 客戶	<ol style="list-style-type: none"> 1. Product/Service Quality 產品/服務質量 2. Risk Management 風險管理 	<ol style="list-style-type: none"> a. Email and Phone Contacts 電郵及電話聯絡方式 b. Visits, Meetings and Seminars 拜訪、會議及研討會
Employees 僱員	<ol style="list-style-type: none"> 1. Job Security 工作保障 2. Salaries and Benefits 薪金及福利 3. Reasonableness of Rules and Regulations 規章制度的合理性 4. Working Hours 工作時間 5. Long-term Development 長期發展 	<ol style="list-style-type: none"> a. Internal Website 內部網站 b. E-mail 電郵 c. Employee Welfare Committee 員工福利委員會 d. Committee for Complaints 投訴委員會 e. Surveys/Forums 調查/論壇
Community 社區	<ol style="list-style-type: none"> 1. Compliance with Laws and Regulations 遵守法律法規 2. Career Opportunities 就業機會 3. Community Welfare Outreach Activities 社區福利拓展活動 	<ol style="list-style-type: none"> a. Proactive Visits 主動訪問 b. Public Welfare Activities 公益活動 c. Company Website 公司網站 d. ESG Report 環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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The Company continually strengthens communication and relationship with investors. Designated senior management personnel keep close contact with shareholders and investors through email, teleconference, one-to-one meetings, participation in broker forums and non-trading roadshow or other forms, so as to ensure shareholders and investors can get latest information of the Group in a fair and timely manner, helping them make investment decisions. The Company will give a detailed and timely response to inquiries from investors. The Company has made a materiality evaluation to identify material matters in the Group's businesses which have significant influence on economy, environment and society, and are most important for stakeholders. In accordance with evaluation results, the Company hopes to make its commitments and undertake its responsibilities to all stakeholders.

本公司持續加強與其投資者之溝通及關係。特定高級管理人員通過電郵、電話會議、一對一會面、出席經紀座談會及非交易路演等形式與股東及投資者保持緊密聯繫，以確保股東及投資者能夠公平及時地得到本集團最新資訊以協助彼等作出投資決定。本公司會對投資者之查詢作出詳盡及適時之回應。本公司已進行重要性評估以識別反映本集團之業務於經濟、環境及社會方面之重大影響之事項及對持份者而言屬最為重要之事項。根據評估結果，本公司希望對所有利益相關方作出其承諾以及承擔其責任。

Stakeholders 利益相關方	Our Commitments and Responsibilities 我們的承諾及責任
Clients 客戶	Provide safe, high-quality products and services 提供安全、高品質產品及服務
Environment 環境	Save energy and reduce consumption, reduce waste of resources, respond to climate changes, and develop circular economy 節能降耗、減少資源浪費、應對氣候變化、發展循環經濟
Shareholders/Investors 股東／投資者	Keep sound operation, provide reasonable and sustainable returns 穩健運營、提供合理可持續回報
Employees 員工	Provide safe sites, good welfare and compensation, pay attention to their health and occupational development 提供安全場所、良好福利待遇、關注其他們的健康和職業發展
Business Partners 商業合作夥伴	Achieve mutual development on the basis of good faith 以誠信為基礎、共同發展
Communities 社區	Make contributions to harmonious development and care of communities 為社區和諧發展做出貢獻、關愛社區
Government 政府	Pay taxes by laws and conform to laws and regulations 依法納稅、遵紀守法

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A ENVIRONMENT

Global warming and climate change have become major environmental issues to the world. The Group aims to minimize energy consumption and carbon emissions and has been exploring ways of adopting operational model which incurs less adverse impact on the environment.

The Group is committed to enhancing environmental protection to minimize the impact of its activities on the environment, and compliance with applicable environmental laws. It is the Group's policy to promote clean operation and make the most efficient use of resources in its operations, and minimize wastes and emission. The Group encourages environmental protection and promotes awareness towards environmental protection to the employees. Green office practices are encouraged such as turning off of idle lights and electronic appliances to minimize energy consumption and double-sided printing and copying.

The Group will review its environmental practices from time to time and will consider implementing further eco-friendly measures and practices in the operation of the Group's business to move towards adhering the 3Rs – "Reduce", "Recycle" and "Reuse" and enhance environmental sustainability.

A1 Emissions

The Group is principally engaged in the provision of third-party payment services which is rely heavily on internet technology and related equipment. The operations of the Group do not have significant impact to the environment and do not generate hazardous waste and air emission including NOx, SOx and other pollutants. Greenhouse gas emissions are indirectly generated from electricity consumed at the Group's workplace with minimal emissions. The Group undertakes environmental protection as part of its corporate responsibilities, and it is fully aware of the importance of sustainable environmental development in achieving sustainability in its operations.

A 環境

全球暖化及氣候變化已成為全球各地面對的重大環境問題。本集團以減低能源消耗和碳排放為目標及一直探索對環境較少有害影響的營運方式。

本集團致力於加強環境保護，將其營運對環境所產生的影響減至最低，並遵守適用的環保法規。本集團推行促進清潔生產和在營運上最有效地善用資源及減低浪費和排放之政策。本集團鼓勵環保，並促進僱員之環保意識。本集團鼓勵實施各項綠色辦公室措施，例如透過關掉閒置的電燈及電器將耗能降至最低以及雙面打印及複印。

本集團將不時檢討其環保工作，並將考慮在本集團之業務營運過程中實施更多環保措施及慣例，以堅守3R原則，（即「減廢(Reduce)」、「再造(Recycle)」及「再用(Reuse)」）為目標，加強環境之可持續性。

A1 排放物

本集團主要從事提供第三方支付服務業務，其嚴重依賴互聯網技術及相關設備。本集團的營運不會對環境構成重大影響及不會產生有害污染物及廢氣排放（包括氮氧化物、硫氧化物及其他污染物）。本集團工作區用電間接產生極少量溫室氣體排放。本集團以保護環境作為企業責任，亦深明環境的可持續發展對業務實現可持續營運的重要性。



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The Group complies with environmental legislation, encourages environmental protection and promotes environmental protection awareness to all employees. The Group has implemented a number of measures such as reducing carbon emissions, increasing energy efficiency and conserving water resources in order to deliver our commitment to environmental protection. The Group has launched a number of waste management programs, including recycling of glass, paper and metal. Paper waste is our major source of non-hazardous waste in the office. We have promoted a paperless work environment to reduce paper waste. The Group did not find any records of significant waste disposal disposed of at landfills during the year.

During the year ended 31 December 2017, the Group was not aware of any material non-compliance with relevant standards, rules and regulations that have a significant impact on the Group relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

A1.1 Waste Management

The Company regularly monitors the consumption volume of paper, toner cartridges and ink cartridges and have implemented a number of reduction measures. The Group's office has also provided suitable facilities and encouraged our staff to sort and recycle the wastes to achieve the objectives in mitigating wastes, reusing and recycling in its operations. The Group maintains high standard in waste reduction, educates our employees the significance of sustainable development and provides relevant support in order to enhance their skills and knowledge in sustainable development.

本集團遵循環境法例、鼓勵環境保護並提升全體僱員的環保意識。本集團在減低碳足跡、加大能源使用效益和水資源節能等方面採取了多項措施來貫徹我們保護環境的承諾。本集團推出眾多廢物管理計劃，包括玻璃、紙張及金屬的回收利用。我們辦公室的無害廢棄物最主要是廢紙。我們已倡議無紙化辦公環境，以減少紙張的浪費。本集團在年內並未發現有任何重大的廢棄物棄置於堆填區的記錄。

截至二零一七年十二月三十一日止年度，就本集團所知，並無在廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生方面存在對本集團構成重大影響的相關標準、規則及法規的任何重大違規事宜。

A1.1 廢物管理

本公司會定期監察用紙量、硒鼓和墨盒，並執行多項減少用量措施。本集團旗下辦公室亦提供適當設施，並鼓勵員工分類廢物來源及循環再用廢物，力求於營運過程中達致減廢、再用及再造的目標。本集團在減廢方面維持高標準，並教導員工可持續發展的重要性及提供相關支援，培養他們實行可持續發展的技能 and 知識。

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Apart from recycling, the office has implemented various programs and activities to encourage employees to participate in waste reduction management, including:

- Promote green information and electronic communication, such as e-mail and electronic workflows, to implement “paperless system” concept;
- Place “Green Message” reminders on office equipment;
- Utilize used envelopes and double-side printing. Paper for single-side printing would be only adopted when handling official documents and confidential documents when necessary; and
- Recommend the use of recycled paper.

The Group adheres to waste management principle and strives to properly manage and dispose wastes produced by our business activities. Our waste management practice has been complied with relevant laws and regulations relating to environmental protection.

除回收外，辦公室已推行多項計劃及活動，鼓勵員工參與減廢管理，包括：

- 推行綠色資訊及電子通訊，包括電子郵件和電子工作流程等，以實行「無紙化和系統化」概念；
- 於辦公室設備貼上「環保訊息」提示；
- 使用舊信封和雙頁打印。如必需使用紙張，只有在處理正規文件及機密重要文件才可使用單面列印；及
- 建議使用再造紙。

本集團堅守廢物管理原則，致力適當處理及處置我們的業務活動產生的所有廢物。我們的所有廢物管理慣例符合相關環保法律及規例。

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A1.2 Greenhouse Gases ("GHG") Emission

The consumption of electricity at the offices is the largest indirect sources of GHG emissions of the Group. During the year ended 31 December 2017, the Group's total carbon dioxides emissions through consumption of electricity is amounted to approximately 150 tonnes and the total carbon dioxides emission per employee was 0.63 tonnes. The detailed summary of the GHG emission is shown as below:

Indicators	示值	2017 二零一七年
Total energy consumption (kWh) <i>Equivalent to standard coal consumption (kg) of</i>	能源消耗總計(千瓦時) 相等於標準煤消耗 (千克)	157,301 19,332
Total carbon dioxides emissions through consumption of electricity (tonnes)	透過耗電產生的 二氧化碳總排放量 (噸)	150
Total carbon dioxides emission per employee (tonnes)	每位僱員二氧化碳排放總量 (噸)	0.63

The Group has implemented a number of measures to mitigate energy consumption such as turning off the air-conditioning system at night or when leaving office, keeping the office temperature at 25°C in summer and using LED lights or energy-saving light in the office, etc.

A1.2 溫室氣體 (「溫室氣體」) 排放

本集團旗下辦公室之耗電為本集團溫室氣體排放的最大間接來源。於截至二零一七年十二月三十一日止年度，本集團透過耗電產生的二氧化碳總排放量為約150噸和每位僱員二氧化碳排放總量為0.63噸。溫室氣體排放之詳盡概要示列如下：

本集團已實施若干措施，以降低能源消耗，例如：在夜間或離開時關掉空調系統、控制辦公室於夏天的室溫維持在攝氏25度及在辦公室採用LED燈或節能的光源等。

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In addition to the above-mentioned measures, the Group issues environmental-related memorandum to its staff to raise their awareness of environmental preservation. Notices and posters relating to the environmental information have been placed in the offices to promote the best practice of the environmental management.

The Group has complied with relevant environmental laws and regulations, including but not limited to Environmental Protection Law of the PRC, Water Pollution Prevention and Control Law of the People's Republic of the PRC, Law of the PRC on Prevention and Control of Air Pollution and Environmental Protection and Law of Solid Waste Pollution of the PRC. During the year ended 31 December 2017, the Group was not aware of any material noncompliance with laws and regulations relating to the air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste that would have a significant impact on the Group.

A2 Use of Resources

A2.1 Energy Consumption

Due to the business nature of the Group, the volume of energy consumption, electricity consumption and water consumption are considered as relatively low, in particular water consumption is very minimal. As mentioned in the Aspect A1 section, the Group has formulated policies and procedures relating to the environmental management, including energy management. Electricity consumption and petrol consumption account for a substantial part of the carbon emission for the Group.

除上述措施外，本集團會向員工發放環保通訊，以提高環保意識。此外，辦公室已掛上載有綠色資訊的通告和海報，以宣傳環境管理的最佳實踐。

本集團已遵守所有與環境相關的法律法規，包括但不僅限於《中華人民共和國環境保護法》、《中華人民共和國水污染防治法》、《中華人民共和國大氣污染防治法》、《中華人民共和國固體廢物污染環境防治法》等。於截至二零一七年十二月三十一日止年度，本集團並不知悉在空氣及溫室氣體排放、在水源及土地排污、以及產生有害及非有害廢物方面，對本集團造成重大影響的任何不合法例及規例事故。

A2 資源使用

A2.1 能源使用

基於本集團的業務性質，本集團的能源消耗、用電量及耗水量相對較低，尤其耗水量微乎其微。如A1層面部分所述，本集團已制定了與環境管理相關的政策和程序，包括能源管理。旗下辦公室之耗電和汽油為本集團碳排放的最大來源。

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During the year ended 31 December 2017, the Group's consumption in electricity were:

於截至二零一七年十二月三十一日止年度，本集團耗電量為：

Indicators	示值	2017 二零一七年
Total energy consumption (kWh)	能源消耗總計 (千瓦時)	157,301
Total energy consumption per employee (kWh/employee)	每名僱員能源消耗總計 (千瓦時／僱員)	667

On top of the measures of mitigating the energy consumption mentioned in previous section, the Group strives to utilize telephone or video conference to minimize face-to-face meeting in order to reduce petrol consumption in traveling and unnecessary business trips. The Group encourages resources saving in daily office operation and proactively fosters a low-carbon corporate culture, which further increases our employees' awareness in energy conservation.

除了上一部分所提及的減少能源消耗措施之外，本集團盡量安排以電話或視頻會議代替面談，以減少行駛油耗和不必要的出差。本集團在日常辦公室運營中倡導節約資源，積極建立低碳辦公的企業文化，進一步提高了員工的節能意識。

A2.2 Water Consumption

The Group does not consume significant water in its business activities. Regardless of limited water consumption, the Company still promote behavioral changes at office and encourage water conservation. Pantry and toilets are posted with environmental messages to remind employees for water conservation, which results in further enhancing our employees' awareness in water conservation.

A2.2 水源消耗

本集團在業務活動中不會大量用水。雖然用水量有限，但本公司仍推動辦公室的行為改變，鼓勵節約。茶水間及洗手間均貼有環保訊息，提醒員工節約用水，同時進一步提高了員工的節水意識。

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During the year ended 31 December 2017, the Group's consumption in water cannot be measured reliably since the majority of water consumption were taken place in public area of the rental office.

In addition, due to the nature of business, the Group did not have physical products for sale and therefore did not involve any use of packaging materials. Therefore, this disclosure is not applicable to the Group.

A3 Environment and Natural Resources

The Group pursues the best practices in the environment protection and focuses on the impact of the Group's businesses to the environment and natural resources. In addition to complying with relevant environmental laws and regulations as well as properly preserve the natural environment, the Group has integrated the concept of environmental protection into its internal management and daily operations, with the aim of achieving environmental sustainability.

The Group strives to promote environmental protection and make effective use of resources. It carries out continuous monitoring if the business operations incur any potential impact to the environment, and minimizes such impact to the environment through promoting green office and operating environment by adopting four basic principles which comprise of reduce, reuse, recycle and replacement. Where applicable, the Company adopts green purchasing strategies and the most practical technologies to protect our natural resources.

於截至二零一七年十二月三十一日止年度，本集團的水消耗不能可靠計量，原因為大部分水消耗乃於租用辦公室的公共區域產生。

此外，基於業務性質，本集團並沒有實物產品供銷售，所以不需要使用包裝材料，因此有關披露不適用於本集團。

A3 環境及天然資源

本集團追求與環境保護的最佳實務，著重集團業務對環境及天然資源的影響。除了遵循環境相關法規，適切地保護自然環境外，本集團亦將環境保護的概念融入內部管理及日常營運活動當中，致力達成環境永續之目標。

本集團以積極推動環境保護及有效使用資源為宗旨，持續監察業務營運對環境帶來的潛在影響，並通過減少、重用、回收及取代四個基本原則，推廣綠色辦公及營運環境，將營運對環境的影響減至最低。在適用的情況下，本公司採取綠色採購策略和最切實可行的技術以保護天然資源。



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A3.1 *Noises Pollution*

Due to the nature of business, the Group did not involve in any business activities that would generate noises pollution. This disclosure is therefore not applicable to the Group.

A3.2 *Outdoor Lightings*

Due to the nature of business, the Group did not involve in any business activities that require outdoor lightings. This disclosure is therefore not applicable to the Group.

A3.3 *Landscape and Natural Habitat*

Due to the nature of business, the Group did not involve in any business activities that would potentially place impacts on landscape and natural habitat. This disclosure is therefore not applicable to the Group.

A3.1 噪音污染

基於業務性質，本集團並無涉及任何產生噪音污染的業務活動。因此有關披露不適用於本集團。

A3.2 戶外燈光

基於業務性質，本集團並無涉及任何需要戶外燈光的業務活動。因此有關披露不適用於本集團。

A3.3 景觀及自然棲息地

基於業務性質，本集團並無涉及任何對景觀及自然棲息地可能造成影響的業務活動。因此有關披露不適用於本集團。

B SOCIETY

B1 Employment

The Group is committed to maintaining a diverse workforce that includes age, gender, family status, sexual orientation, disability, ethnicity, religion and equal opportunities. The Group's staff handbook contains policies in regards to recruitment, promotion, discipline, working hours and leave. The human resources department has been responsible for ensuring all employees have fully understood the contents of the handbook. The management regularly reviews the Group's remuneration and benefits policies in reference to the market standards and is committed to safeguarding the rights and interests of the staff. Remuneration and benefits have been adjusted on an annual basis in accordance with the employees' individual performance, contribution and market conditions.

B 社會

B1 僱傭

本集團承諾保持員工多元化，包括年齡、性別、家庭崗位、性取向、殘疾、種族、宗教及機會平等的文化。本集團已制定員工手冊，規管招聘、升遷、紀律、工時及休假。負責執行的人力資源部門證實了各個員工已經充分認識手冊內容。管理層就有關市場標準定期檢討本集團的薪酬及福利政策，致力保障員工的權益。並每年根據員工個別工作表現、貢獻及市場環境作出調整。

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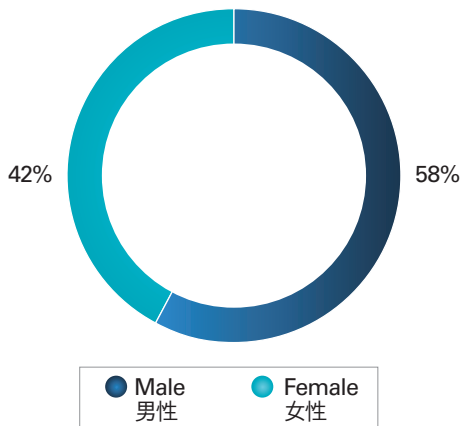
團隊情況

The Group actively recruits high caliber talents of different nationalities, genders, ages and religions in a fair and equitable manner through social media such as online platforms and newspaper advertisements. Across our diversified online business portfolio, the employee's gender, female employees accounted for approximately 42% of total labor force and male employees accounted for the remaining 58%. As for employees' distribution by age for the reporting period, aged below 30 accounted for approximately 47%; aged 31 to 40 accounted for approximately 39%; aged 41 to 50 accounted for approximately 9%; and aged above 50 accounted for approximately 5%.

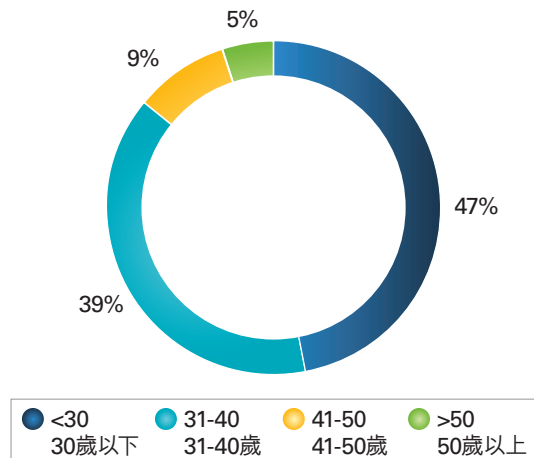
Team Profile

本集團利用線上平台及報章廣告等社會媒體公平公正地積極招募不同國籍、性別、年齡及宗教的人才。在我們多元化的在線業務組合中，按僱員性別分類，女性僱員佔員工總數的約42%，而男性僱員佔餘下58%。於報告期內，僱員按年齡劃分方面，30歲以下佔約47%；31至40歲佔約39%；41至50歲佔約9%；及50歲以上佔約5%。

Workforce by Gender
按性別劃分的員工



Workforce by Age
按年齡劃分的員工



The Group believes in equality of opportunity and treatment between male and female employees because it is just and fair and promotes good business and better performance. The Group recognizes that equality at work between male and female employees means a) discrimination is not existed in the recruitment process to get the best candidates for the appropriate vacancies; and b) equality of opportunity in providing assignments based on candidate's merit and choice rather than sex-typed preconceived notions by management.

本集團認為男女僱員之間的機會及待遇平等，屬公平公正並促進良好業務發展及更佳表現。本集團認可男女僱員間工作中的平等指a)招聘過程中不存在歧視，以就適當的空缺錄取最佳候選人；及b)分派任務時根據候選人的才能及意願而非按管理層的性別先入為主的觀念為候選人提供平等的機會。



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During the year ended 31 December 2017, the Group has fully complied with relevant rules and regulations in the PRC, including the Company Law of the PRC, the Contract Law of the PRC, the Labor Contract Law of the PRC and the Regulations on Labor Inspection and Security, as well as the statutory requirements in Hong Kong, including the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), the Mandatory Provident Fund Schemes Ordinance (Chapter 57 of the Laws of Hong Kong), the Minimum Wages Ordinance, the Personal Data Privacy Ordinance and other relevant rules and regulations. During the year ended 31 December 2017, the Group was not aware of any material non-compliance with laws and regulations relating to employment and labor practices.

B2 Health and Safety

B2.1 Occupational Health and Safety

The Group has always placed emphasis on occupational safety and has set up an occupational health and safety management system to provide a safe working environment for office employees. The operation of the Group belongs to general office operation and does not involve high-risk or high hazard work. However, the Company identifies potential safety risk in the workplace and establish various safety practices. All staff must adhere to the safety guidelines. The Group provides its staff with relevant health and safety training such as fire safety and first aid knowledge training. In addition to the international labor standards and laws, the Group has created internal guidelines and systems specific to its industry to make sure that the employees would discharge their duties effectively.

於截至二零一七年十二月三十一日止年度，本集團已全面遵守中國的規則及法規，包括《中國公司法》、《中國合同法》、《中國勞動合同法》、《勞動保障監察條例》，以及香港的法例規定，包括《公司條例》（香港法例第622章）、《強制性公積金計劃條例》（香港法例第57章）、《最低工資條例》、《個人資料私隱條例》及有關其他相關規則。於截至二零一七年十二月三十一日止年度，本集團並沒有發現任何重大不遵守有關僱傭及勞工法律及規例的情況。

B2 健康及安全

B2.1 職業健康與安全

本集團向來重視職業安全，設立了完善的職業健康安全管理制度，向辦公室僱員提供安全的工作環境。本集團營運性質乃一般辦公室運作，當中並不涉及高風險或高危害工作。然而，本公司識別出工作場所內的潛在安全風險並確立多項安全行為規範。所有員工都必須遵守安全指引。本集團為員工提供相關的健康和安全培訓，如消防安全及急救知識培訓。除國際勞工準則及法律外，我們制定專門針對我們行業的內部指導方針及制度，以確保我們的員工有效地履行職責。

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During the year ended 31 December 2017, the Group has complied with relevant rules and regulations in the PRC, including the Law of the PRC on Work Safety and Occupational Disease Prevention and Control Law of the PRC, as well as the legislative requirements in Hong Kong, including the Occupational Safety and Health Ordinance.

During the year ended 31 December 2017, the Group was not aware of any non-compliance with the health and safety laws and regulations.

於截至二零一七年十二月三十一日止年度，本集團已遵守中國的相關規則及法規，包括《中國安全生產法》及《中國職業病防治法》，以及香港的法例規定，包括《職業安全及健康條例》。

於截至二零一七年十二月三十一日止年度，本集團並沒有發現不遵守有關健康及安全法律及規例的情況。

B3 Development and Training

B3.1 Staff Development and Training

Employees are regarded as the Group's largest and most valuable assets and the core of competitive advantage. They provide the driving force for continuous innovation and development to the Group. The Group provides its staff with training courses for upgrading skills and development as needed. Staff needs to upgrade their personal ability to meet the requirements of rapid changing e-commerce industry and the fast-growing internet technology in order to enhance competitiveness and provide better service to our clients. The Group recognizes that equipping employees with the appropriate knowledge not simply benefits our long term development, but the society as a whole.

B3 發展和培訓

B3.1 員工發展和培訓

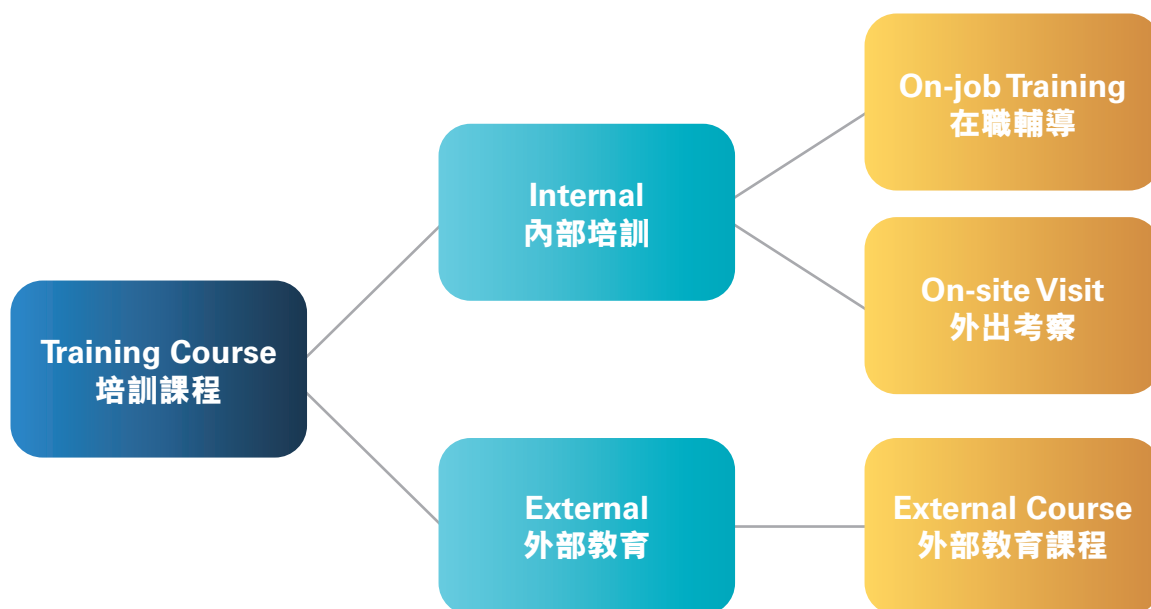
僱員被視為本集團最大及具價值的資產和競爭優勢的核心，同時為本集團提供不斷創新和發展原動力。本集團根據需要為員工提供技能提升及發展課程。員工需提升個人能力以滿足瞬息萬變的電子商務行業及快速發展的互聯網科技的要求，從而提高競爭力及向客戶提供更優質的服務。本集團深明提升員工適當的知識，不但有利於我們的長遠發展，對整個社會亦有莫大裨益。

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Understanding that employees are a vital factor for success in the competitive industry and promotion of innovation, the Group continues to provide a wide range of training opportunities in 2017. The comprehensive training and development opportunities were as follows:

僱員為我們於行業競爭和促進創新方面成功之關鍵因素，有見及此，本集團於二零一七年持續提供廣泛的培訓機會。綜合培訓和發展機會如下：



TRAINING 培訓	TARGET 對象	SUMMARY OF TRAINING 培訓概要
Orientation Training (Headquarter) 入職培訓 (總部)	New employees 新僱員	Introduction of our Group's vision, mission, culture, organizational structure, rules and regulations 本集團之願景、使命、文化、組織架構、規則及規例介紹
Orientation Training (Department) 入職培訓 (部門)	New employees 新僱員	Training on operational standards, job specifications, work procedures and customer service etiquette for each department of our Group 本集團各部門的操作準則，工作說明，工作流程和客戶服務禮儀培訓
Comprehensive Training on Third-party Payment 第三方支付綜合培訓	All employees 全體僱員	Comprehensive training on basic knowledge, laws and regulations and daily operation regarding third-party payment 有關第三方支付的基礎知識、法律和法規及日常營運的綜合培訓

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TRAINING 培訓	TARGET 對象	SUMMARY OF TRAINING 培訓概要
Management Training 管理學培訓	Management Team 管理層團隊	Training specific to the management team on building effective coaching techniques; mastering problem analysis and decision making; strengthening interpersonal skills; and recognizing team success with enthusiasm 專門針對管理層團隊建設有效輔導技能培訓；掌控問題分析及決策培訓；增強人際交往技巧；及熱情表彰團隊成功的相關管理技巧
English Course 英語課程	All employees 全體僱員	Training on current English use 日常英語培訓
Recruitment Training 招聘面試技巧培訓	Management Team 管理層團隊	Course from the understanding of the tasks involved with running a profitable desk through to successful selling, developing client relationships, essential legislation and attracting and interviewing quality candidates 從涉及經營有利可圖的桌面任務之理解至成功銷售，發展客戶關係，必需法律及吸引以及面試優秀候選人的課程
Training on Interpersonal Skills 人際關係技巧訓練	All employees 全體僱員	Course for employees to overcome workplace obstacles by strategically applying interpersonal communication skills to persuade and negotiate their way to positive results 透過策略性地應用人際關係溝通技巧克服工作中的障礙，進行說服及磋商以取得積極結果的員工課程

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TRAINING 培訓	TARGET 對象	SUMMARY OF TRAINING 培訓概要
Security Management of Third-party Payment 第三方支付安全把控	Department of Risk Management 風險管理部門	Training on monitoring, controlling and preventing suspicious transactions regarding money-laundering, terrorist activities, and etc. 監察、控制及防止涉及洗黑錢、恐怖主義活動等可疑交易的培訓
Fire Safety Training 消防安全培訓	All employees 全體僱員	Training on fire prevention and fire escape 火災預防及消防逃生培訓
Strategic Conference 策略研討會	Strategic Departments and Management Team 策略部門及管理層團隊	Insightful educational sessions on different topics regarding the development of Chinese payment industry and online service platform 有關中國支付行業及網上服務平台發展的不同論題的策略性講座
Training on Anti-money Laundering 反洗黑錢培訓	Department of Risk Management 風險管理部門	Training of basic knowledge, laws and regulations, daily operation and related knowledge about Money-laundering 基礎知識、法律法規、日常營運及有關洗黑錢的相關知識的培訓

The Group encourages and supports employees to participate in personal and professional training to fulfill the needs of emerging technologies and new equipment. The Group also encourages the culture of sharing of knowledge and experience. The Group has made good use of its internal resources to organize various forms of training for its office in the PRC, including management, customer service and financial knowledge with the assistance of the Hong Kong Office of General Services.

本集團鼓勵及支持僱員參與個人及專業培訓，以符合新興科技及新規定需求。本集團亦鼓勵分享知識及經驗的文化。本集團善用內部資源，在香港辦事總處的協助下，為中國辦公室舉辦不同形式的培訓，包括管理、客戶服務及財務知識等。

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B4 Labor Standards

The Group strictly prohibits employing any child labor or forced labor in its operations in Hong Kong and the PRC. The Group has established a well-defined recruitment process which examines the background of candidates and a formal reporting procedure for handling any exception. During the recruitment process, the age of the applicant is verified against the identity documents of the applicant. In addition, the Group conducts regular reviews and inspections to prevent any child labor or forced labor in operation.

In the meantime, the Group also avoids engaging vendors and contractors which are already known to be employing child labor or forced labor in their operations. The Group has complied with the Employment of Children Regulations (Chapter 57B of the Laws of Hong Kong) under the Employment Ordinance (Chapter 57 of the Laws of Hong Kong), the Convention on the Abolition of Forced Labor with respect to Employment of Workers, the Labor Law of the PRC on the Employment of Adolescents under the Age of 16 and their Legal Rights and Interests and Provisions on the Prohibition of Child Labor in the PRC.

During the year ended 31 December 2017, the Group has complied with all the laws and regulations relating to the prevention of child labor or forced labor. The Group was not aware of any material non-compliance with laws and regulations relating to employment and labor practices.

B4 勞工準則

本集團嚴格禁止其香港及中國業務僱用任何童工及強制勞工。本集團已建立需檢查候選人背景的完善的招聘流程及處理任何例外情況的正式的報告程式，在招聘過程中，以應徵者之身份證明文件核實其年齡。此外，本集團亦定期進行審查及檢查，以防止經營中存在的任何童工或強制勞工。

與此同時，本集團亦避免委聘該等已知悉在其經營中僱用童工或強制勞工的賣方和承包商。本集團已遵守《僱傭條例》（香港法例第57章）項下《僱用兒童規例》（香港法例第57B章）、有關僱用勞工《廢止強迫勞動公約》、有關僱用16歲以下青少年及其法律權益的《中國勞動法》，以及《中國禁止使用童工規定》。

於截至二零一七年十二月三十一日止年度，本集團已遵守所有與防止童工或強制勞工相關的法律法規。本集團並沒有發現嚴重不遵守有關僱員及勞工準則之法律及規例的情況。

B5 Supply Chain Management

Given that the Group does not engage in production and consumption of raw materials, it is unnecessary to categorize the region of suppliers and record the number of suppliers. Our procurements are mainly office supplies. While purchasing products, impacts on environment will be considered during procurement process and products made from renewable materials are preferred.

B6 Product Responsibility

Quality and Safety of Products and Services

The Group pays high attention to the quality and safety of its services. The Group has established relevant quality and safety inspection policies for different projects, communicates with our customers and confirms their project expectation and direction prior launching any project, and actively coordinates projects with customers in the process of providing services.

Intellectual Property Management

The Group's day-to-day operations involve the use of the intellectual property owned by customers, suppliers or the Group itself. Therefore, the protection of intellectual property rights is an extremely important task for the Group.

The Group stringently protocols the guideline of Network Security Law of the PRC (中華人民共和國網路安全法), take as much as possible measures to protect customer data from leakage. There was no reported leakage of customer data during the year of 2017. We attach great importance to intellectual property, any products or service that violate or infringe intellectual property rights or counterfeit products are not allowed. Any non-compliance cases that may constitute breach of laws will be referred to the judiciary.

B5 供應鏈管理

由於本集團不屬於生產性集團，沒有消耗大量原材料，所以本集團不認為有需要對供貨商地區劃分及供貨商數目進行記錄。一般採購均為辦公室用品。採購任何產品均會考慮對環境有否產生影響及盡量採購以再生物料製造的產品。

B6 產品責任

產品和服務的質量與安全

本集團重視服務的質素及安全，為不同的服務項目制定相關的品質及安全檢測制度，在任何項目進行之前先跟客戶溝通及確認工作方向，並在提供服務之過程中積極與客戶協調項目之進行。

知識產權管理

本集團的日常營運中經常牽涉到使用客戶、供應商或本集團自身擁有的知識產權。因此，保護知識產權為本集團極其重要的任務。

本集團嚴守《中華人民共和國網路安全法》的指引，採取充足措施防止出現洩露客戶資料的情況。於二零一七年，並無報告任何洩漏客戶資料的情況。我們注重知識產權保護，不允許任何產品或服務違反或侵犯知識產權或仿造產品。任何可能構成違法的不合規案例將訴至法院。

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When the Group engages with its customers or suppliers, it will include the protection of intellectual property in the contractual terms. The Group's legal department will also review all the contracts in operation and ensure that the contractual terms protect both parties' intellectual property rights. The Group also requires technical professionals to sign strict confidentiality agreements. Confidential information of our customers is only accessible to employees who are responsible for the corresponding project.

During the year ended 31 December 2017, the Group has complied with relevant laws governing the confidentiality of data and intellectual property, including but not limited to Hong Kong Intellectual Property Law, Patent Law of the PRC, Trademark Law of the PRC and Copyright Law of the PRC. During the year ended 31 December 2017, the Group was not aware of any non-compliance with relevant laws and regulations related to product responsibility.

B7 Prevention of Corruption and Fraud

Preventive Measures, Enforcement and Monitoring
The Group has implemented the Prevention of Commercial Bribery Management Policy, strengthening its internal control mechanism, anti-corruption and anti-bribery work so as to achieve the business philosophy of "abiding by the law, integrity and quality service".

本集團與客戶或供應商訂立合約時均會在合約條款中加入對知識產權的保護條款，而本集團法律部門亦會審核所有營運的合約，確保合約條款保障了雙方的知識產權。此外，本集團亦要求技術專才簽訂嚴格的保密協議。所有客戶的機密資料只可以由負責相關客戶的項目工作的員工存取。

於截至二零一七年十二月三十一日止年度，本集團已遵守有關資料保密和知識產權的相關法律法規，包括但不限於《香港知識產權法》、《中國專利法》、《中國商標法》、《中國著作權法》等。於截至二零一七年十二月三十一日止年度，本集團並沒有發現不遵守有關產品責任之法律及規例的情況。

B7 防止貪污及舞弊

防範措施、執行及監察

本集團實施預防商業賄賂管理制度，加強企業內控機制和反腐敗、反賄賂工作，做到以「守法誠信、優質服務」為核心的經營理念。



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The Group has complied with major relevant laws and regulations including Hong Kong's Prevention of Bribery Ordinance and the Mainland's Corruption Ordinance of the PRC.

During the year ended 31 December 2017, the Group was not aware of any non-compliance with relevant laws and regulations related to anti-corruption.

Anti-Money Laundering ("AML")

The company has formulated a set of anti-money laundering policies based on the applicable local and international anti-money laundering laws and regulations. The principal local laws and regulations involved: The Anti-Money Laundering Law of the PRC 《中華人民共和國反洗錢法》, the Anti-Money Laundering Regulations of Financial Institutions 《金融機構反洗錢規定》, and the Administration of Anti-Money Laundering and Anti-Terrorist Financing for Payment Institutions 《支付機構反洗錢和反恐怖融資管理辦法》. The Company internal implemented policies include: Anti-Money laundering training; Anti-Money laundering auditing; Anti-Money laundering confidentiality requirements; Anti-Money laundering special requirement; Anti-Money laundering reporting system; Anti-Money laundering management policy; Suspicious transaction reporting system; Terrorist Financing Risk Classification Management and assessment; Customer Identification System; Money laundering risk self-assessment system; and Terrorist assets freeze measure.

本集團已遵守主要的相關法律法規，包括香港的《防止賄賂條例》，國內的《中國懲治貪污條例》等。

於截至二零一七年十二月三十一日止年度，本集團並沒有發現不遵守有關反貪污之法律及規例的情況。

反洗錢（「反洗錢」）

本公司已根據本地及國際適用的反洗錢法律及法規制定了一套反洗錢政策。涉及的主要法律及法規有：《中華人民共和國反洗錢法》、《金融機構反洗錢規定》及《支付機構反洗錢和反恐怖融資管理辦法》。本公司內部實施的政策包括：反洗錢培訓、反洗錢審計、反洗錢保密規定、反洗錢特別規定、反洗錢報告制度、反洗錢管理政策、可疑交易報告制度、恐怖分子融資風險分類管理及評估、客戶識別系統、洗錢風險自我評估系統及恐怖分子資產凍結措施。

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Efficiently cooperate with the regulators, information sharing with related department when any violations detected. Through continuous training and stringent monitoring, employees at all levels of the company possess a sense of risk, legal awareness and compliance awareness, shoulder their own responsibilities, and master the necessary AML skills. Consequently, made contribution to the equal and incorruptible society.

B8 Community Investment

Contributions to Society

As a responsible company, the Group actively strives to become a positive force in the community and maintains close communication and interaction with the community to contribute to community development. The Group stays proactive in fulfilling our responsibilities as a corporate citizen not only the real community, but also the online community

In the future, the Group will actively encourage employees to contribute their time and skills to community volunteer works to benefit local communities by giving them opportunities to learn more about social and environmental issues and enhance the corporate value of the Group. The Group will also consider from time to time to make donations to charities when the Group records after-tax profits and has sufficient funds.

當發現任何違規行為時與監管人員有效合作及與相關部門分享信息。透過持續培訓及嚴格監控，本公司所有層面的僱員均形成風險意識、法律意識及合規意識、承擔自身責任及掌握必要反洗錢技巧。從而為平等和廉潔的社會作出貢獻。

B8 社區投資

社會公益

作為一家盡責的企業，本集團積極努力成為社區的正面力量，並一直與社區維持密切溝通和互動，為社區發展作出貢獻。本集團積極履行作為一家企業公民於現實社區及網上社區的責任。

日後，本集團亦將積極鼓勵員工無償付出時間和技能作出社區義工工作，以惠及本地社區，借此給予僱員機會瞭解更多社會及環境問題，及增強本集團企業價值。本集團亦將不時考慮於本集團錄得除稅後溢利及擁有充裕資金時向慈善團體捐款。

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Aspects	Summary	Details
層面	概述	詳情
Aspect A1: 層面A1 : Emissions 排放物	<p>General Disclosure 一般披露</p> <p>Information on: 有關廢氣及溫室氣體排放、向水及土地排污、有害及無 害廢棄物的產生等的：</p> <p>(a) the policies; and 政策；及</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 遵守對發行人有重大影響的相關法律及法規的資 料。</p>	<p>For more details, please refer to Page 65-69 有關更多詳情，請參閱 第65-69頁</p>
Aspect A2: 層面A2 : Use of Resources 資源使用	<p>General Disclosure 一般披露</p> <p>Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源（包括能源、水及其他原材料）的政策。</p>	<p>For more details, please refer to Page 69-71 有關更多詳情，請參閱 第69-71頁</p>
Aspect A3: 層面A3 : The Environment and Natural Resources 環境及天然資源	<p>General disclosure 一般披露</p> <p>Policies on minimizing the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。</p>	<p>For more details, please refer to Page 71-72 有關更多詳情，請參閱 第71-72頁</p>

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Aspects	Summary	Details
層面	概述	詳情
Aspect B1: 層面B1： Employment 僱傭	<p>General Disclosure 一般披露</p> <p>Information on: 有關以下各項的資料：</p> <p>(a) the policies; and 政策；及</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer 遵守對發行人有重大影響的相關法律及法規</p>	<p>For more details, please refer to Page 72-74 有關更多詳情，請參閱第72-74頁</p>
Aspect B2: 層面B2： Health and Safety 健康與安全	<p>General Disclosure 一般披露</p> <p>Information on: 有關以下各項的資料：</p> <p>(a) the policies; and 政策；及</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer 遵守對發行人有重大影響的相關法律及法規</p>	<p>For more details, please refer to Page 74-75 有關更多詳情，請參閱第74-75頁</p>
Aspect B3: 層面B3： Development and Training 發展及培訓	<p>General disclosure 一般披露</p> <p>Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。</p>	<p>For more details, please refer to Page 75-78 有關更多詳情，請參閱第75-78頁</p>

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Aspects	Summary	Details
層面	概述	詳情
Aspect B4: 層面B4： Labor Standards 勞工準則	<p>General disclosure 一般披露</p> <p>Information on: 有關防止童工或強制勞工的：</p> <p>(a) the policies; and 政策；及</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor. 遵守對發行人有重大影響的相關法律及法規的資料。</p>	<p>For more details, please refer to Page 79 有關更多詳情，請參閱第79頁</p>
Aspect B5: 層面B5： Supply Chain Management 供應鏈管理	<p>General disclosure 一般披露</p> <p>Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。</p>	<p>For more details, please refer to Page 80 有關更多詳情，請參閱第80頁</p>
Aspect B6: 層面B6： Service Responsibility 服務責任	<p>General Disclosure 一般披露</p> <p>Information on: 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的：</p> <p>(a) the policies; and 政策；及</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 遵守對發行人有重大影響的相關法律及法規的資料。</p>	<p>For more details, please refer to Page 80-81 有關更多詳情，請參閱第80-81頁</p>

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Aspects	Summary	Details
層面	概述	詳情
Aspect B7: 層面B7： Anti-corruption 反貪污	General Disclosure 一般披露 Information on: 有關防止賄賂、勒索、欺詐及洗黑錢的： <ul style="list-style-type: none"> (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 遵守對發行人有重大影響的相關法律及法規的資料。 	For more details, please refer to Page 81-83 有關更多詳情，請參閱第81-83頁
Aspect B8: 層面B8： Community Investment 社區投資	General Disclosure 一般披露 Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解發行人營運所在社區需要和確保其業務活動會考慮社區利益的政策。	For more details, please refer to Page 83 有關更多詳情，請參閱第83頁



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RSM

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Lee Garden Two	銅鑼灣
28 Yun Ping Road	恩平道二十八號
Causeway Bay	利園二期
Hong Kong	二十九樓

TO THE SHAREHOLDERS OF CHINA INNOVATIONPAY GROUP LIMITED

(Incorporated in Bermuda with limited liability)

QUALIFIED OPINION

We have audited the consolidated financial statements of China Innovationpay Group Limited and its subsidiaries (the “Group”) set out on pages 98 to 238, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the basis for qualified opinion paragraphs set out below, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2017, 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 (the “HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

致：中國創新支付集團有限公司
(於百慕達註冊成立之有限公司)
全體股東

保留意見

吾等已審核中國創新支付集團有限公司及其附屬公司(「貴集團」)載於第98至第238頁之綜合財務報表，當中包括於二零一七年十二月三十一日之綜合財務狀況表及截至該日止年度之綜合損益表、綜合損益及其他全面收入表、綜合權益變動表及綜合現金流量報表，以及綜合財務報表附註(包括重大會計政策概要)。

吾等認為，除下文所載保留意見基準一段所述事宜之影響外，根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)，綜合財務報表真實公平地反映 貴集團於二零一七年十二月三十一日之綜合財務狀況，以及其截至該日止年度之綜合財務表現及綜合現金流量，且已根據香港公司條例之披露規定妥善編製。

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BASIS FOR QUALIFIED OPINION

(a) Impairment test for the Third Party Payment Services CGU

As set out in note 19 to the consolidated financial statements, goodwill with carrying amount of HK\$698,554,000 was allocated to the cash-generating unit ("CGU") of Third Party Payment Services and the carrying amount of the CGU was assessed for impairment by management. The recoverable amount of the CGU was determined based on value in use calculations. The Group prepared cash flow forecasts for a four year period based on the assumption that the CGU would experience significant growth of revenue during the forecast period. Management considered that the forecast revenue would be achieved because, among other factors, the Group expected there would be a synergetic effect upon its strategic development of its Third Party Payment Services segment and the Group's expanding customer base upon completion of the conditional acquisition of Qima Holdings Ltd. and its subsidiaries (collectively, the "Target Group") as described in note 26.

保留意見基準

(a) 對第三方支付服務現金產生單位進行減值測試

誠如綜合財務報表附註19所載，賬面值698,554,000港元之商譽已分配至第三方支付服務之現金產生單位（「現金產生單位」）且現金產生單位之賬面值已由管理層就減值作出減值評估。現金產生單位之可收回金額已根據使用價值計算釐定。貴集團已基於假設現金產生單位於預測期間收益將經歷大幅增長之假設編製四年期之現金流預測。管理層認為在眾多因素中，由於（其中包括）貴集團預期其第三方支付服務分類及貴集團日益擴大之客戶群將受惠於完成附註26所述之Qima Holdings Ltd.及其附屬公司（統稱為「目標集團」）之有條件之收購而引發之協同效應，預料收益將可達致。



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BASIS FOR QUALIFIED OPINION (Cont'd)

(a) Impairment test for the Third Party Payment Services CGU (Cont'd)

However, the historical actual performance of Third Party Payment Services had not met the Group's forecast in the past. Having considered management's business plans and the historical performance of the Third Party Payment Services CGU which has incurred continuous operating losses, we were unable to obtain sufficient appropriate audit evidence to support the appropriateness of the assumptions related to the growth in revenue and the resulting profits during the forecast period. As a result, we were unable to determine whether any impairment should be recognised for the Third Party Payment Services CGU for the reporting period. Any adjustments found to be necessary to the assumptions related to the growth in revenue during the forecast period would have a consequential effect on the recoverable amount of the CGU including the goodwill. Any impairment losses arising as a result of the revised assumptions would have an effect on the Group's net assets as at 31 December 2017, the net loss for the year then ended and the disclosure related to impairment losses in the consolidated financial statements.

保留意見基準 (續)

(a) 對第三方支付服務現金產生單位進行減值測試 (續)

然而，第三方支付服務之過往實際表現並未達致 貴集團之過往預測。考慮到管理層之商業計劃書及第三方支付服務現金產生單位產生持續營運虧損之過往表現後，吾等無法獲得足夠適當之審核憑證以支持有關收益及產生之溢利於預測期間增長之假設之適當性。因此，吾等無法確定是否須對報告期間之第三方支付服務現金產生單位確認任何減值。須就有關收益於預測期間之增長之假設作出之任何調整將會對現金產生單位（包括商譽）之可收回金額帶來相應影響。因經修訂假設產生之任何減值虧損將會對 貴集團於二零一七年十二月三十一日之資產淨值、截至該日止年度之虧損淨額及與綜合財務報表內減值虧損有關之披露造成影響。

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BASIS FOR QUALIFIED OPINION (Cont'd)

(b) Recoverability of earnest money paid for potential investments

As set out in note 26 to the consolidated financial statements, earnest money with carrying amount of HK\$73,246,000 was paid in connection with the conditional acquisition of 51% equity interests of the Target Group. Management determined that no impairment is required for the balance because they expect the acquisition will be completed in near future.

However, significant condition precedents for completion of acquisition have not been fulfilled up to date of this audit report. Should the Group be unable to complete the acquisition the recoverability of the earnest money would be in doubt. We were not provided with sufficient appropriate audit evidence to support the Target Group's capabilities to repay the earnest monies. Therefore, we were unable to determine whether any impairment loss is necessary, which would have a consequent impact on the financial position of the Group at 31 December 2017 and on the Group's financial performance for the year then ended.

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") 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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

保留意見基準 (續)

(b) 已支付潛在投資誠意金之可收回性

誠如綜合財務報表附註26所載，已就有條件收購目標集團之51%股權支付賬面值73,246,000港元之誠意金。由於管理層預期收購將於不久將來完成，故其釐定無須就結餘作出減值。

然而，完成收購之重大先決條件直至本審核報告日期尚未達成。倘貴集團未能完成收購，則誠意金之可收回性將存疑。我們未獲提供充足適當的審核憑證支持目標集團償還誠意金之能力。因此，吾等無法確定是否有必要作出任何減值虧損，其將對貴集團於二零一七年十二月三十一日之財務狀況及貴集團截至該日止年度之財務表現帶來相應影響。

吾等已根據香港會計師公會頒佈的香港審計準則（「香港審計準則」）進行審核。吾等於該等準則項下的責任於我們報告核數師就審核綜合財務報表須承擔的責任一節中進一步詳述。根據香港會計師公會的職業會計師道德守則（「守則」），吾等獨立於貴集團，並已遵循守則履行其他道德責任。吾等相信，吾等所獲得的審核憑證充足及適當地為吾等之保留意見提供基礎。



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OTHER INFORMATION

The directors are responsible for the Other Information. The Other Information comprises all of the information included in the 2017 annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the Other Information and we do 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 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, we conclude that there is a material misstatement of this Other Information, we were required to report that fact. As described in the Basis for Qualified Opinion section above, we were unable to obtain sufficient appropriate evidence about the carrying amount of the Third Party Payment Services CGU and impairment losses on this CGU, if any. We were also unable to determine whether any impairment loss should be recognised in respect of the earnest money paid for potential investments with carrying amount of HK\$73,246,000. Accordingly, we were unable to conclude whether or not the Other Information is materially misstated with respect to these matters.

其他資料

董事須對其他資料負責。其他資料包括二零一七年年報所載之所有資料（綜合財務報表及吾等的核數師報告書除外）。

吾等對綜合財務報表的意見並不涵蓋其他資料，吾等亦不對該等其他資料發表任何形式的鑒證結論。

當吾等審核綜合財務報表時，吾等的責任為閱讀其他資料，於此過程中，考慮其他資料是否與綜合財務報表或吾等於審核過程中所得知的情況有重大抵觸，或者似乎有重大錯誤陳述。

基於吾等已執行的工作，倘吾等認為這些其他資料有重大錯誤陳述，吾等須報告該事實。誠如上文保留意見基準一節所述，吾等無法取得有關第三方支付服務現金產生單位賬面值及此現金產生單位減值虧損（如有）之充足適當憑證。吾等亦無法確定是否須就已支付賬面值為73,246,000港元之潛在投資誠意金確認任何減值虧損。因此，吾等無法就該等事項確定其他資料是否有重大錯誤陳述。

INDEPENDENT AUDITOR'S REPORT

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MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 2 in the consolidated financial statements, which indicate that the Group incurred loss from continuing operations attributable to owners of the Company amounted to HK\$112,192,000 and recorded operating cash outflow of HK\$213,641,000 during the reporting period. The Group has contracted to acquire 51% equity interests of the Target Group subject to certain condition precedents, and the Target Group had net current liabilities (excluding deferred revenue) of approximately RMB61 million at 31 October 2017 as disclosed in the Company's circular dated 2 January 2018. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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. Except for the matters described in the Material Uncertainty Related to Going Concern section and the Basis for Qualified Opinion section, we have determined that there are no other key audit matters to communicate in our report.

與持續經營相關的重大不確定因素

謹請股東注意綜合財務報表附註2，當中顯示，於報告期間，貴集團持續經營業務產生貴公司擁有人應佔虧損112,192,000港元及錄得經營現金流出213,641,000港元。貴集團已訂約收購目標集團之51%股權，惟須待達成若干先決條件，及誠如貴公司於二零一八年一月二日之通函所披露，目標集團於二零一七年十月三十一日擁有流動負債淨值（不包括遞延收益）約人民幣61,000,000元。該等狀況顯示存在重大不明朗因素，其令對貴集團持續經營之能力存有重大懷疑。概不會就此修改吾等之意見。

關鍵審核事項

關鍵審核事項為吾等的專業判斷中，審核本期間綜合財務報表中最重要的事項。吾等於審核整體綜合財務報表及就此形成意見時處理此等事項，而不會就此等事項單獨發表意見。除與持續經營相關的重大不確定因素及保留意見基準章節內所述之事項外，吾等已確定概無其他關鍵審核事項須於本報告中傳達。



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RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with 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 assists the directors in discharging their responsibilities for overseeing the Group's financial reporting process.

董事及審計委員會就綜合財務報表 須承擔之責任

董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港《公司條例》編製真實而公平之綜合財務報表，及落實董事認為就編製綜合財務報表而言屬必要之有關內部監控，致使不存在由於欺詐或錯誤而導致之重大錯誤陳述。

編製綜合財務報表時，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。

審計委員會協助董事履行監督 貴集團的財務報告流程的職責。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

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, in accordance with section 90 of the Companies Act 1981 of Bermuda 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.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism 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.

核數師就審核綜合財務報表須承擔的責任

吾等的目標為合理確定整體綜合財務報表是否存在由於欺詐或錯誤而導致的任何重大錯誤陳述，並發出載有吾等意見的核數師報告書。吾等根據百慕達一九八一年《公司法》第90條僅向閣下（作為整體）報告，而不作其他用途。吾等並不就本報告書內容向其他人士承擔責任或接受義務。

合理確定屬高層次核證，但不能擔保根據香港核數準則進行的審核工作總能發現所有存在的重大錯誤陳述。錯誤陳述可源於欺詐或錯誤，倘個別或整體於合理預期情況下可影響使用者根據該等綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

在根據香港審計準則進行審計的整個過程中，吾等運用專業判斷，保持專業懷疑態度。吾等亦：

- 識別及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，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控的情況，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監控，以設計適當的審計程序，惟並非旨在對貴集團內部監控的有效性發表意見。



INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Cont'd)*

- 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.
 - 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.
- #### 核數師就審核綜合財務報表須承擔的責任(續)
- 評估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，並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。倘吾等認為存在重大不確定性，則有必要在核數師報告書中提請使用者注意綜合財務報表中的相關披露。倘有關披露不足，則修訂吾等意見。吾等結論乃基於截至核數師報告書日期止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團無法持續經營。
 - 評估綜合財務報表的整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易和事項。
 - 就 貴集團內實體或業務活動的財務資料獲取充足及適當的審計憑證，以便對綜合財務報表發表意見。吾等負責集團審計的方向、監督和執行。吾等為審核意見承擔全部責任。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書



AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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.

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.

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.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Yam Tak Fai, Ronald.

RSM Hong Kong

Certified Public Accountants
29th Floor, Lee Garden Two
28 Yun Ping Road
Causeway Bay
Hong Kong
27 March 2018

核數師就審核綜合財務報表須承擔的責任(續)

吾等與審計委員會就(其中包括)審計的計劃範圍、時間安排及重大審計發現溝通,該等發現包括吾等在審計過程中識別的內部監控的任何重大缺失。

吾等亦向審計委員會作出聲明,指出吾等已符合有關獨立性的相關道德要求,並與彼等溝通可能被合理認為會影響吾等獨立性的所有關係及其他事宜,以及相關防範措施(如適用)。

從與審計委員會溝通的事項中,吾等釐定對本期綜合財務報表的審計至關重要的事項,因而構成關鍵審核事項。吾等在核數師報告書中描述該等事項,除非法律或法規不允許公開披露該等事項,或在極端罕見的情況下,倘合理預期在吾等報告中溝通某事項造成的負面後果超出產生的公眾利益,則吾等決定不應在報告中傳達該事項。

本獨立核數師報告書的審計項目合夥人為任德輝先生。

中瑞岳華(香港)會計師事務所

執業會計師
香港
銅鑼灣
恩平道二十八號
利園二期二十九樓
二零一八年三月二十七日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		Note 附註		
Continuing operations	持續經營業務			
Revenue	營業額	8	207,856	80,182
Cost of sales	銷售成本		(181,754)	(56,227)
Gross profit	毛利		26,102	23,955
Other income	其他收入	9	27,331	24,946
Selling expenses	銷售費用		(23,812)	(16,917)
Administrative expenses	行政開支		(160,623)	(125,040)
Equity-settled share-based payments	股權結算股份支付款項		(21,843)	(48,415)
Loss from operations	經營虧損		(152,845)	(141,471)
Share of losses of associates	應佔聯營公司之虧損	21	(1,754)	-
Impairment of investments in associates	於聯營公司之投資減值	21	(21,286)	-
Impairment of amount due from an associate	應收一間聯營公司款項減值	21	(3,469)	-
Impairment of amount due from a non-controlling shareholder	應收一名非控股股東款項減值	27	(752)	-
Impairment of goodwill	商譽減值	19	-	(12,301)
Gain/(loss) on fair value change of contingent consideration payables	應付或然代價公平值變動收益／(虧損)	34	44,558	(70,984)
Loss before tax	除稅前虧損		(135,548)	(224,756)
Income tax credit	所得稅抵免	11	454	242
Loss for the year from continuing operations	來自持續經營業務之年內虧損	12	(135,094)	(224,514)
Discontinued operations	已終止經營業務			
Loss for the year from discontinued operations	已終止經營業務之年內虧損	15	-	(4,383)
Loss for the year	本年度虧損		(135,094)	(228,897)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

		2017 二零一七年	2016 二零一六年
	Note 附註	HK\$'000 千港元	HK\$'000 千港元
Attributable to:			
Owners of the Company	以下人士應佔：		
– Continuing operations	本公司擁有人	(112,192)	(210,128)
– Discontinued operations	– 持續經營業務	–	(4,294)
	– 已終止經營業務	<u>(112,192)</u>	<u>(214,422)</u>
Non-controlling interests	非控股權益		
– Continuing operations	– 持續經營業務	(22,902)	(14,386)
– Discontinued operations	– 已終止經營業務	–	(89)
		<u>(22,902)</u>	<u>(14,475)</u>
		<u>(135,094)</u>	<u>(228,897)</u>
		HK cents 港仙	HK cents 港仙
Loss per share	每股虧損		
		16	
From continuing and discontinued operations	來自持續及已終止經營業務		
Basic	基本	(1.67)	(3.53)
Diluted	攤薄	N/A 不適用	N/A 不適用
From continuing operations	來自持續經營業務		
Basic	基本	(1.67)	(3.46)
Diluted	攤薄	N/A 不適用	N/A 不適用

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收入表

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loss for the year	本年度虧損	(135,094)	(228,897)
Other comprehensive income: <i>Items that may be reclassified to profit or loss:</i>	其他全面收入： 可能重新分類至損益之項目：		
Exchange differences on translating foreign operations	換算海外業務之匯兌差額	60,003	(64,323)
Exchange differences reclassified to profit or loss on disposals of foreign operations	於出售海外業務時重新分類至損益之匯兌差額	21	2,998
Other comprehensive income for the year, net of tax	年內其他全面收入，扣除稅項	60,024	(61,325)
Total comprehensive income for the year	年內全面收入總額	(75,070)	(290,222)
Attributable to:	以下人士應佔：		
Owners of the Company	本公司擁有人		
– Continuing operations	– 持續經營業務	(52,168)	(271,453)
– Discontinued operations	– 已終止經營業務	–	(4,294)
		(52,168)	(275,747)
Non-controlling interests	非控股權益		
– Continuing operations	– 持續經營業務	(22,902)	(14,386)
– Discontinued operations	– 已終止經營業務	–	(89)
		(22,902)	(14,475)
		(75,070)	(290,222)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

AT 31 DECEMBER 2017

於二零一七年十二月三十一日

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	Note 附註			
Non-current assets				
非流動資產				
Property, plant and equipment	17	物業、廠房及設備	12,754	12,882
Intangible assets	18	無形資產	2,706	7,154
Long term deposits	25	長期按金	2,823	3,978
Goodwill	19	商譽	698,554	653,432
Investments in associates	21	於聯營公司之投資	15,099	–
Available-for-sale financial assets	22	可供出售財務資產	108,227	100,620
Deposits for investments in associates	43	聯營公司投資按金	–	2,233
Earnest money paid for potential investments	26	就潛在投資已付誠意金	73,246	33,490
			913,409	813,789
Current assets				
流動資產				
Inventories	23	存貨	2,710	3,153
Trade receivables	24	應收賬款	26,762	20,507
Prepayments, deposits and other receivables	25	預付款項、按金及其他應收款	133,952	54,218
Amount due from an associate	21	應收一間聯營公司款項	–	3,349
Amounts due from non-controlling shareholders of subsidiaries	27	應收附屬公司非控股股東款項	290	855
Financial assets at fair value through profit or loss	28	按公平值計入在損益賬之財務資產	9,658	–
Restricted bank balances	29	受限制銀行結餘	1,102	–
Bank and cash balances	30	銀行及現金結餘	304,612	185,422
			479,086	267,504
Current liabilities				
流動負債				
Trade payables	31	應付賬款	4,982	2,418
Accruals and other payables	32	預提費用及其他應付款項	152,445	120,033
Amount due to a director	33	應付一名董事款項	3	3
Current tax liabilities		即期稅項負債	2,526	2,453
Contingent consideration payables	34	應付或然代價	–	40,278
Financial guarantee	35	財務擔保	–	23,756
			159,956	188,941

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

AT 31 DECEMBER 2017

於二零一七年十二月三十一日

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		Note 附註		
Net current assets	流動資產淨值		319,130	78,563
Total assets less current liabilities	總資產減流動負債		1,232,539	892,352
Non-current liabilities	非流動負債			
Contingent consideration payables	應付或然代價	34	–	33,582
Deferred tax liabilities	遞延稅項負債	36	–	441
			–	34,023
NET ASSETS	資產淨值		1,232,539	858,329
Capital and reserves	資本及儲備			
Share capital	股本	37	69,790	60,993
Reserves	儲備	39	1,170,390	781,811
Equity attributable to owners of the Company	本公司擁有人應佔權益		1,240,180	842,804
Non-controlling interests	非控股權益		(7,641)	15,525
TOTAL EQUITY	權益總額		1,232,539	858,329

Approved by the Board of Directors on 27 March 2018 and are signed on its behalf by:

於二零一八年三月二十七日經董事會批准，及由下列董事代表簽署：

Mr. Guan Guisen
關貴森先生

Mr. Cao Chunmeng
曹春萌先生

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔									Non-controlling interests 非控股權益	Total equity 權益總額
		Share capital 股本	Share premium account 股份溢價賬	Capital reserve 資本儲備	Statutory reserve 法定儲備	Exchange reserve 匯兌儲備	Share option reserve 購股權儲備	Warrant reserve 認股權證儲備	Retained loss 保留虧損	Total 合計		
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2016	於二零一六年一月一日	60,158	1,151,475	(2,850)	9,898	27,316	61,606	1,000	(263,983)	1,044,620	27,697	1,072,317
Total comprehensive income for the year	年內全面收入總額	-	-	-	-	(61,325)	-	-	(214,422)	(275,747)	(14,475)	(290,222)
Deregistration of a subsidiary	註銷一間附屬公司	-	-	1,733	-	-	-	-	(1,733)	-	-	-
Acquisition of non-controlling interests	收購非控股權益	-	-	-	-	-	-	-	-	-	544	544
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	-	-	-	-	1,759	1,759
Issued for contingent consideration shares	或然代價股份發行	463	15,741	-	-	-	-	-	-	16,204	-	16,204
Exercise of share options	行使購股權	372	13,081	-	-	-	(4,141)	-	-	9,312	-	9,312
Share-based payments	股份支付款項	-	-	-	-	-	48,415	-	-	48,415	-	48,415
Release upon lapse of share options	於購股權失效時解除	-	-	-	-	-	(2,442)	-	2,442	-	-	-
Changes in equity for the year	年內權益變動	835	28,822	1,733	-	(61,325)	41,832	-	(213,713)	(201,816)	(12,172)	(213,988)
At 31 December 2016	於二零一六年十二月三十一日	60,993	1,180,297	(1,117)	9,898	(34,009)	103,438	1,000	(477,696)	842,804	15,525	858,329
At 1 January 2017	於二零一七年一月一日	60,993	1,180,297	(1,117)	9,898	(34,009)	103,438	1,000	(477,696)	842,804	15,525	858,329
Total comprehensive income for the year	年內全面收入總額	-	-	-	-	60,003	-	-	(112,192)	(52,189)	(22,902)	(75,091)
Disposal of a subsidiary	出售一間附屬公司	-	-	-	-	21	-	-	-	21	(264)	(243)
Issued for placing shares	配售股份發行	7,886	382,471	-	-	-	-	-	-	390,357	-	390,357
Issued for contingent consideration shares	或然代價股份發行	695	31,249	-	-	-	-	-	-	31,944	-	31,944
Exercise of share options	行使購股權	216	7,562	-	-	-	(2,378)	-	-	5,400	-	5,400
Share-based payments	股份支付款項	-	-	-	-	-	21,843	-	-	21,843	-	21,843
Release upon lapse of share options	於購股權失效時解除	-	-	-	-	-	(4,558)	-	4,558	-	-	-
Changes in equity for the year	年內權益變動	8,797	421,282	-	-	60,024	14,907	-	(107,634)	397,376	(23,166)	374,210
At 31 December 2017	於二零一七年十二月三十一日	69,790	1,601,579	(1,117)	9,898	26,015	118,345	1,000	(585,330)	1,240,180	(7,641)	1,232,539

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量報表

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

	Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax			
Continuing operations		(135,548)	(224,756)
Discontinued operations		-	(4,383)
		(135,548)	(229,139)
Adjustments for:			
(Gain)/loss on fair value change of contingent consideration payables	7(b)	(44,558)	70,984
Interest income	9	(1,465)	(2,907)
Amortisation of financial guarantee contract	9	(24,606)	(15,592)
Gain on fair value change of financial assets at fair value through profit or loss	9	(50)	-
Share of loss of associates		1,754	-
Amortisation of intangible assets	12	1,935	1,971
Depreciation of property, plant and equipment	12	4,629	5,649
Loss/(gain) on disposals of property, plant and equipment	12	36	(1)
Gain on disposals of subsidiaries, net	12,15	(313)	(3,633)
Impairment/(reversal of impairment) of inventories	12	2,516	(137)
Impairment of amounts due from non-controlling shareholders	27	752	-
Equity-settled share-based payments		21,843	48,415
Property, plant and equipment written off	12	-	7
Impairment of intangible assets	18	2,869	-
Impairment of goodwill	19	-	12,301
Impairment of amount due from associate		3,469	-
Impairment of investments in associates	21	21,286	-
Allowance for trade receivables	24	5,072	-
Reversal of allowance for trade receivables	15, 24	-	(612)
Allowance/(reversal of allowance) for prepayments, deposits and other receivables	12	31,430	(1,167)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量報表

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

	Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Operating loss before working capital changes			
Increase in inventories			
(Increase)/decrease in trade receivables			
Increase in prepayments, deposits and other receivables			
Additions of financial assets at fair value through profit or loss			
Increase in trade payables			
Increase in accruals and other payables			
Cash used in operations			
Interest received			
Income tax paid			
Net cash used in operating activities			
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	17		
Proceeds from disposals of property, plant and equipment			
Proceeds from disposals of available-for-sale financial assets			
Additions of intangible assets	18		
Additions of associates			
Advance to an associate			
Disposal of subsidiaries	41(a)&(b)		
Deposits for investments in associates	43		
Earnest money paid for potential investments	26		
Decrease in long term deposits			
Increase in restricted bank balances			
Loans to third parties			
Repayment from loans to third parties			
Net cash used in investing activities			

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量報表

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	Note 附註		
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動現金流量		
Payment to non-controlling shareholders	非控股股東付款	–	(1,416)
Net proceeds from placing	配售所得款項淨額	390,357	–
Issue of shares upon the exercise of share options	於行使購股權時發行股份	5,400	9,403
Payment to directors	董事付款	–	(1,000)
Net cash generated from financing activities	融資活動所得現金淨額	395,757	6,987
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值物增加／(減少)淨額	108,360	(42,607)
Effect of foreign exchange rate changes	匯率變動影響	10,830	(8,579)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	於一月一日之現金及現金等值物	185,422	236,608
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	於十二月三十一日之現金及現金等值物	304,612	185,422
ANALYSIS OF THE CASH AND CASH EQUIVALENTS	現金及現金等值物分析		
Bank and cash balances	銀行及現金結餘	304,612	185,422

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

1. GENERAL INFORMATION

The Company was incorporated in Bermuda with limited liability. The address of its registered office is Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda. The address of its principal place of business is Unit 2708, 27/F, The Center, 99 Queen's Road Central, Hong Kong. The Company's shares are listed on the GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 20 to the consolidated financial statements.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards ("HKAS"); and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). Significant accounting policies adopted by the Group are disclosed in note 4.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

1. 一般資料

本公司為於百慕達註冊成立之有限公司。其註冊辦事處位於Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda。其主要營業地點位於香港皇后大道中99號中環中心27樓2708室。本公司股份在香港聯合交易所有限公司（「聯交所」）GEM上市。

本公司為投資控股公司，其附屬公司之主要業務載於綜合財務報表附註20。

2. 編製基準

該等綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之所有適用香港財務報告準則（「香港財務報告準則」）編製。香港財務報告準則包括香港財務報告準則（「香港財務報告準則」）、香港會計準則（「香港會計準則」）及詮釋。該等綜合財務報表亦符合聯交所證券上市規則之適用披露條文及香港公司條例（第622章）之披露規定。本集團採納之重大會計政策於附註4披露。

香港會計師公會已頒佈若干於本集團本會計期間首次生效或可供提早採納之新訂及經修訂香港財務報告準則。在該等綜合財務報表中反映之因初次應用該等與本集團有關的頒佈而引致之本年度或過往會計期間會計政策之任何變動詳述於附註3。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

2. BASIS OF PREPARATION (Cont'd)

During the reporting period, the Group incurred loss from continuing operations attributable to owners of the Company amounted to HK\$112,192,000 and recorded operating cash outflow of HK\$213,641,000. The Group has contracted to acquire 51% equity interests of the Target Group subject to condition precedents and the Target Group had net current liabilities (excluding deferred revenue) of approximately RMB61 million at 31 October 2017 as disclosed in the Company's circular dated 2 January 2018. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Management has prepared cash flow projections which cover a period of eighteen months from the end of reporting period. The directors of the Company have reviewed the Group's cash flow projections that considered both scenario of successful and unsuccessful acquisition of the Target Group. Having taken into account the above, the directors of the Company consider that the Group will have sufficient financial resources to meet in full its working capital requirements and financial obligations when they fall due in the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

Should the Group be unable to continue as a going concern, adjustments would have to be made to restate the carrying amounts of the assets to their recoverable amounts, to provide for any further liabilities which might arise and to classify non-current assets and liabilities as current assets and liabilities, respectively. The effects of these potential adjustments have not been reflected in these consolidated financial statements.

2. 編製基準 (續)

於報告期間，本集團持續經營業務產生本公司擁有人應佔虧損112,192,000港元及錄得經營現金流出213,641,000港元。本集團已訂約收購目標集團之51%股權，須待先決條件獲達成後方可作實，且誠如本公司日期為二零一八年一月二日之通函所披露，目標集團於二零一七年十月三十一日之流動負債淨額（不包括遞延收入）約人民幣61,000,000元。該等狀況顯示存在重大不確定因素，其令對本集團持續經營之能力存有重大懷疑，因此，其可能無法於一般業務過程中變現其資產及解除其負債。

管理層已制定現金流預測，涵蓋報告期末起計十八個月期間。本公司董事已審閱本集團之現金流預測（已考慮收購目標集團之成功及不成功情況）。經計及上文所述，本公司董事認為，本集團於可見未來將有充足財務資源滿足其營運資金需求及到期財務責任。因此，綜合財務報表已按持續經營基準編製。

倘本集團無法持續經營，將必須做出調整以將資產之賬面值重列為其可收回金額，就任何可能產生之額外負債作出撥備及將非流動資產及負債分別分類為流動資產及負債。該等潛在調整之影響並未於該等綜合財務報表內反映。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

(a) Application of new and revised HKFRSs

The HKICPA has issued a number of new and revised HKFRSs that are first effective for annual periods beginning on or after 1 January 2017. None of these impact on the accounting policies of the Group. However, the Amendments to HKAS 7 Statement of Cash Flows: Disclosure Initiative require disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The effect of the amendments on the Group's consolidated financial statements has been the inclusion of additional disclosures in note 41(e).

Amendments to HKAS 7 Statement of Cash Flows: Disclosure Initiative

The amendments require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). The Group has provided this information in note 41(e).

3. 採納新訂及經修訂香港財務報告準則

(a) 應用新訂及經修訂香港財務報告準則

香港會計師公會已頒佈多項於二零一七年一月一日或以後開始之年度期間首次生效之新訂及經修訂香港財務報告準則。該等修訂未有對本集團之會計政策構成影響。然而，香港會計準則第7號現金流量表：主動性披露之修訂要求對因融資活動而產生的負債變動，包括現金流量和非現金變動作出披露。該等修訂對本集團綜合財務報表之影響已納入附註41(e)內之額外披露。

香港會計準則第7號現金流量表：主動性披露之修訂本

該等修訂要求實體對因融資活動而產生的負債變動，包括現金流量和非現金變動（例如匯兌損益）作出披露。本集團已於附註41(e)內提供此方面資料。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS *(Cont'd)*

(b) New and revised HKFRSs in issue but not yet effective

The Group has not early applied new and revised HKFRSs that have been issued but are not yet effective for the financial year beginning 1 January 2017. These new and revised HKFRSs include the following which may be relevant to the Group.

3. 採納新訂及經修訂香港財務報告準則 *(續)*

- (b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則於二零一七年一月一日開始之財政年度，本集團並無提早應用已頒佈但尚未生效之新訂及經修訂香港財務報告準則。該等新訂及經修訂香港財務報告準則包括下列可能與本集團有關者。

**Effective for
accounting
periods beginning
on or after
於以下日期或
以後開始之
會計期間生效**

HKFRS 9 Financial Instruments 香港財務報告準則第9號金融工具	1 January 2018 二零一八年一月一日
HKFRS 15 Revenue from Contracts with Customers 香港財務報告準則第15號來自客戶合約之收益	1 January 2018 二零一八年一月一日
HKFRS 16 Leases 香港財務報告準則第16號租賃	1 January 2019 二零一九年一月一日
HK(IFRIC) 23 Uncertainty over Income Tax Treatments 香港(國際財務報告詮釋委員會)詮釋第23號所得稅處理之不確定性	1 January 2019 二零一九年一月一日

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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Cont'd)

(b) New and revised HKFRSs in issue but not yet effective (Cont'd)

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far the Group has identified some aspects of the new standards which may have a significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. While the assessment has been substantially completed for HKFRS 9 and HKFRS 15, the actual impacts upon the initial adoption of the standards may differ as the assessment completed to date is based on the information currently available to the Group, and further impacts may be identified before the standards are initially applied in the Group's quarter financial report for the three months ended 31 March 2018. The Group may also change its accounting policy elections, including the transition options, until the standards are initially applied in that quarter financial report.

HKFRS 9 Financial Instruments

HKFRS 9 will replace HKAS 39 Financial Instruments: Recognition and Measurement. HKFRS 9 introduces new requirements for classification and measurement of financial assets, new rules for hedge accounting and a new impairment model for financial assets.

3. 採納新訂及經修訂香港財務報告準則 (續)

(b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則 (續)

本集團正評估該等修訂及新訂準則於首次應用期間預期帶來的影響。迄今本集團已識別新訂準則的若干方面可能對綜合財務報表造成重大影響。有關預期影響的進一步詳情於下文論述。儘管有關香港財務報告準則第9號及香港財務報告準則第15號之評估已大致完成，惟首次採納該等準則時產生之實際影響可能有所不同，因為至今完成之評估乃根據本集團現時可得資料作出，而於首次於本集團截至二零一八年三月三十一日止三個月之季度財務報告內應用該等準則前可能會識別其他影響。本集團亦可能變更其會計政策選擇（包括過渡選擇），直至首次於該季度財務報告應用該等準則。

香港財務報告準則第9號金融工具

香港財務報告準則第9號將取代香港會計準則第39號金融工具：確認及計量。香港財務報告準則第9號引入財務資產分類及計量之新規定、對沖會計之新規則以及財務資產之新減值模式。



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綜合財務報表附註

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3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS *(Cont'd)*

(b) New and revised HKFRSs in issue but not yet effective *(Cont'd)*

HKFRS 9 Financial Instruments (Cont'd)

HKFRS 9 is effective for annual periods beginning on or after 1 January 2018 on a retrospective basis. The Group plans to adopt the new standard on the required effective date and will not restate comparative information.

Based on an analysis of the Group's financial assets and financial liabilities as at 31 December 2017 on the basis of the facts and circumstances that exist at that date, the directors of the Company have assessed the impact of HKFRS 9 to the Group's consolidated financial statements as follows:

(a) *Classification and measurement*

The Group expects to irrevocably designate those listed and unlisted equity securities currently classified as available-for-sale as at fair value through other comprehensive income.

Fair value gains and losses on these instruments will no longer be recycled to profit or loss on disposal. Impairment losses on equity securities will no longer be recognised in profit or loss but rather in other comprehensive income. In addition, the Group currently measures certain unlisted equity securities at cost less impairment. Under HKFRS 9 these instruments will be measured at fair value.

3. 採納新訂及經修訂香港財務報告準則 *(續)*

(b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則 *(續)*

香港財務報告準則第9號金融工具 (續)

香港財務報告準則第9號按追溯基準於二零一八年一月一日或之後開始之年度期間生效。本集團計劃於規定生效日期採納新準則且將不會重列比較資料。

根據本集團於二零一七年十二月三十一日之財務資產及財務負債分析(按照該日存在之事實及情況得出),本公司董事已評估香港財務報告準則第9號對本集團綜合財務報表之影響如下:

(a) *分類及計量*

本集團預期將不可撤回地將該等現時分類為可供出售之上市及非上市股本證券指定為以公平值計入其他全面收益。

該等工具之公平值收益及虧損將不再於出售時回撥至損益。股本證券之減值虧損將不再於損益內確認,而是於其他全面收益內確認。此外,本集團現時按成本減去減值計量若干非上市股本證券。根據香港財務報告準則第9號,該等工具將按公平值計量。

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3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Cont'd)

(b) New and revised HKFRSs in issue but not yet effective (Cont'd)

HKFRS 9 Financial Instruments (Cont'd)

(b) *Impairment*

HKFRS 9 requires the Group to recognise and measure either a 12-month expected credit loss or lifetime expected credit loss, depending on the asset and the facts and circumstances. The Group does not expect the application of HKFRS 9 have significant impact on the recognition of impairment loss.

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 establishes a comprehensive framework for recognising revenue from contracts with customers. HKFRS 15 will replace the existing revenue standards, HKAS 18 Revenue, which covers revenue arising from sale of goods and rendering of services, and HKAS 11, Construction contracts, which specifies the accounting for revenue from construction contracts.

3. 採納新訂及經修訂香港財務報告準則 (續)

(b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則 (續)

香港財務報告準則第9號金融工具 (續)

(b) *減值*

香港財務報告準則第9號要求本集團確認及計量12個月內的預期信貸虧損或整個期限的預期信貸虧損，視乎資產以及事實及情況而定。本集團預期應用香港財務報告準則第9號將對減值虧損確認產生重大影響。

香港財務報告準則第15號來自客戶合約之收益

香港財務報告準則第15號建立了一個確認客戶合約收益之綜合框架。香港財務報告準則第15號將取代現有收益準則香港會計準則第18號收益（涵蓋銷售商品及提供服務產生之收益）及香港會計準則第11號建造合約（規定了建造合約收益之會計處理）。



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綜合財務報表附註

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3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS *(Cont'd)*

(b) New and revised HKFRSs in issue but not yet effective *(Cont'd)*

HKFRS 15 Revenue from Contracts with Customers (Cont'd)

HKFRS 15 is effective for annual periods beginning on or after 1 January 2018. The standard permits either a full retrospective or a modified retrospective approach for the adoption. The Group intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 January 2018 and that comparatives will not be restated.

Based on the assessment completed to date, the Group has identified the following areas which are expected to be affected:

(a) *Timing of revenue recognition*

Currently, revenue arising from the provision of services is recognised over time, whereas revenue from the trading of goods is generally recognised when the risks and rewards of ownership have passed to the customers.

3. 採納新訂及經修訂香港財務報告準則 *(續)*

(b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則 *(續)*

香港財務報告準則第15號來自客戶合約之收益 (續)

香港財務報告準則第15號於二零一八年一月一日或之後開始之年度期間生效。該準則允許按全面追溯方式或經修訂追溯方式採納準則。本集團擬使用經修訂追溯方式採納準則，這意味著採納準則之累積影響將於截至二零一八年一月一日之保留盈利內確認，且將不會重列比較資料。

根據至今完成之評估，本集團已識別出下列預期將受影響之方面：

(a) *收益確認之時點*

目前，提供服務所產生之收益隨時間而確認，而來自買賣商品之收益通常在擁有權風險及回報轉移至客戶時確認。

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綜合財務報表附註

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3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Cont'd)

(b) New and revised HKFRSs in issue but not yet effective (Cont'd)

HKFRS 15 Revenue from Contracts with Customers (Cont'd)

(a) *Timing of revenue recognition (Cont'd)*

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. HKFRS 15 identifies 3 situations in which control of the promised good or service is regarded as being transferred over time:

- a) When the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;
- b) When the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced;

3. 採納新訂及經修訂香港財務報告準則 (續)

(b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則 (續)

香港財務報告準則第15號來自客戶合約之收益 (續)

(a) *收益確認之時點 (續)*

根據香港財務報告準則第15號，收益於客戶獲得合約中所承諾之商品或服務之控制權時確認。香港財務報告準則第15號確定了承諾商品或服務之控制權被視為隨時間轉移的三種情況：

- a) 當客戶同時取得及消耗實體履約所提供之利益時；
- b) 實體之履約行為創造或改良了客戶在資產被創造或改良時已控制的資產（如在建工程）；



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3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS *(Cont'd)*

(b) New and revised HKFRSs in issue but not yet effective *(Cont'd)*

HKFRS 15 Revenue from Contracts with Customers (Cont'd)

(a) *Timing of revenue recognition (Cont'd)*

- c) When the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If the contract terms and the entity's activities do not fall into any of these 3 situations, then under HKFRS 15 the entity recognises revenue for the sale of that good or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that will be considered in determining when the transfer of control occurs.

3. 採納新訂及經修訂香港財務報告準則 *(續)*

(b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則 *(續)*

香港財務報告準則第15號來自客戶合約之收益 (續)

(a) *收益確認之時點 (續)*

- c) 實體之履約行為並未創造一項可被實體用於替代用途之資產，且實體具有就迄今為止已完成之履約部份獲得客戶付款之可執行權利。

倘合約條款及實體之活動並不屬於上述三種情況下的任何情況，則根據香港財務報告準則第15號，實體於某一時間點（即控制權轉移時）就銷售該商品或服務確認收益。擁有權風險及回報之轉移僅為釐定控制權轉移發生時將予考慮的其中一項指標。

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3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Cont'd)

(b) New and revised HKFRSs in issue but not yet effective (Cont'd)

HKFRS 15 Revenue from Contracts with Customers (Cont'd)

(a) *Timing of revenue recognition (Cont'd)*

The Group has assessed that the new revenue standard is not likely to have significant impact on how it recognises revenue from the provision of services.

For contracts with customers in which the sale of goods is generally expected to be the only performance obligation, adoption of HKFRS 15 is not expected to have any impact on the Group's revenue or profit or loss. The Group expects the revenue recognition to occur at a point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

HKFRS 16 Leases

HKFRS 16 replaces HKAS 17 Leases and related interpretations. The new standard introduces a single accounting model for lessees. For lessees the distinction between operating and finance leases is removed and lessees will recognise right-of-use assets and lease liabilities for all leases (with optional exemptions for short-term leases and leases of low value assets). HKFRS 16 carries forward the accounting requirements for lessors in HKAS 17 substantially unchanged. Lessors will therefore continue to classify leases as operating or financing leases.

3. 採納新訂及經修訂香港財務報告準則 (續)

(b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則 (續)

香港財務報告準則第15號來自客戶合約之收益 (續)

(a) *收益確認之時點 (續)*

本集團已評定，上述新的收益準則對其如何確認來自提供服務之收益不大可能構成重大影響。

就本集團與客戶所訂立且一般預期銷售商品為唯一履約責任之合約而言，預期採納香港財務報告準則第15號不會對本集團之收益或盈虧構成任何影響。本集團預期收益確認一般會在交付商品時，資產之控制權轉移至客戶時發生。

香港財務報告準則第16號租賃
香港財務報告準則第16號取代香港會計準則第17號租賃及其相關詮釋。該新訂準則引入有關承租人的單一會計處理模式。承租人無需區分經營和融資租賃，但需就全部租賃確認使用權資產及租賃負債（短期租賃及低價值資產之租賃可獲選擇性豁免）。香港財務報告準則第16號大致保留香港會計準則第17號有關出租人的會計處理規定。因此，出租人需繼續將租賃分類為經營或融資租賃。



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3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS *(Cont'd)*

(b) New and revised HKFRSs in issue but not yet effective *(Cont'd)*

HKFRS 16 Leases (Cont'd)

HKFRS 16 is effective for annual periods beginning on or after 1 January 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

Based on a preliminary assessment, the standard will affect primarily the accounting for the Group's operating leases. The Group's office property leases are currently classified as operating leases and the lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term. Under HKFRS 16 the Group may need to recognise and measure a liability at the present value of the future minimum lease payments and recognise a corresponding right-of-use asset for these leases. The interest expense on the lease liability and depreciation on the right-of-use asset will be recognised in profit or loss. The Group's assets and liabilities will increase and the timing of expense recognition will also be impacted as a result.

As disclosed in note 44, the Group's future minimum lease payments under non-cancellable operating leases for its office properties amounted to HK\$36,045,000 as at 31 December 2017. These leases are expected to be recognised as lease liabilities, with corresponding right-of-use assets, once HKFRS 16 is adopted. The amounts will be adjusted for the effects of discounting and the transition reliefs available to the Group.

3. 採納新訂及經修訂香港財務報告準則 *(續)*

(b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則 *(續)*

香港財務報告準則第16號租賃 (續)

香港財務報告準則第16號於二零一九年一月一日或之後開始之年度期間生效。本集團擬採用簡化過渡法且將不會就首次採納前年度重列比較金額。

根據初步評估，該準則將主要影響本集團經營租賃之會計處理。本集團之辦公物業租賃現分類為經營租賃及租賃款項（扣除出租人給予之任何優惠）於租期內按直線法確認為開支。根據香港財務報告準則第16號，本集團可能需就該等租賃按未來最低租賃款項之現值確認及計量負債，並確認其相應使用權資產。租賃負債之利息開支及使用權資產之折舊將於損益中確認。因此，本集團之資產及負債將增加且開支確認之時間亦會受到影響。

誠如附註44所披露，於二零一七年十二月三十一日，本集團其辦公物業之不可撤銷經營租約項下之未來最低租賃付款為36,045,000港元。一旦採納香港財務報告準則第16號後，預期該等租賃將確認為租賃負債，並確認相應使用權資產。有關金額將就折讓影響及本集團可用之過渡安排作出調整。

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3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Cont'd)

(b) New and revised HKFRSs in issue but not yet effective (Cont'd)

HK(IFRIC) 23 Uncertainty over Income Tax Treatments

The interpretation of HKAS 12 Income Taxes sets out how to apply that standard when there is uncertainty about income tax treatments. Entities are required to determine whether uncertain tax treatments should be assessed separately or as a group depending on which approach will better predict the resolution of the uncertainties. Entities will have to assess whether it is probable that a tax authority will accept an uncertain tax treatment. If yes, the accounting treatment will be consistent with the entity's income tax filings. If not, however, entities are required to account for the effects of the uncertainty using either the most likely outcome or expected value method depending on which method is expected to better predict its resolution.

The Group is unable to estimate the impact of the interpretation on the consolidated financial statements until a more detailed assessment has been completed.

3. 採納新訂及經修訂香港財務報告準則 (續)

(b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則 (續)

香港 (國際財務報告詮釋委員會) 詮釋第23號所得稅處理之不確定性

香港會計準則第12號所得稅之詮釋載列於存在所得稅處理之不確定性時應用該準則之方式。實體須釐定是否應單獨或整體評估不確定之稅項處理 (視乎哪項方法將能更好預測不確定性之解決方案而定)。實體將須評估稅務機構是否可能接受不確定之稅項處理。倘接受，會計處理將符合該實體之所得稅申報；然而倘不接受，該實體則須採用可能性最大之結果或預期價值法 (視乎哪項方法預期能更好預測其解決方案而定) 將不確定性之影響入賬。

本集團需於完成更為詳細之評估後方可估計詮釋對綜合財務報表之影響。



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4. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared under the historical cost convention, unless mentioned otherwise in the accounting policies below (e.g. financial assets at fair value through profit or loss and contingent consideration payables).

The preparation of financial statements in conformity with HKFRS 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 consolidated financial statements are disclosed in note 5.

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below.

(a) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, 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. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties. A potential voting right is considered only if the holder has the practical ability to exercise that right.

4. 重大會計政策

除以下會計政策另有所述者外(如按公平值計入在損益賬之財務資產及應付或然代價),該等綜合財務報表根據歷史成本基準編製。

編製符合香港財務報告準則之財務報表須使用若干主要會計估計,亦需要管理層於應用本集團會計政策之過程中作出判斷。涉及較高程度判斷或複雜性之範疇或對該等綜合財務報表屬重大之假設及估計之範疇,於附註5披露。

編製該等綜合財務報表時應用之重大會計政策載列如下。

(a) 綜合賬目

綜合財務報表包括本公司及其附屬公司截至十二月三十一日止之財務報表。附屬公司指本集團擁有控制權之實體。倘本集團因參與實體業務而承擔可變回報之風險或享有可變回報之權利,及能夠使用其對實體之權力影響該等回報,則本集團控制該實體。當本集團目前有權力掌控有關業務(即對實體回報具有重大影響力之業務)時,則本集團對該實體擁有權力。

在評估控制權時,本集團會考慮其潛在投票權以及其他人士持有之潛在投票。僅於持有人能實際行使潛在投票權之情況下,方會考慮該權利。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(a) Consolidation (Cont'd)

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill and any accumulated exchange reserve relating to that subsidiary.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

4. 重大會計政策 (續)

(a) 綜合賬目 (續)

附屬公司在控制權轉移至本集團之日起綜合入賬，並在控制權終止之日起停止綜合入賬。

出售一間附屬公司導致失去控制權之收益或虧損指(i)出售代價之公平值加該附屬公司留有任何投資之公平值與(ii)本公司應佔該附屬公司資產淨值加有關該附屬公司之任何餘下商譽及任何有關累計匯兌儲備間之差額。

集團內公司間之交易、結餘及未變現溢利均予以對銷。除非交易提供憑證，顯示所轉讓資產出現減值，否則未變現虧損亦予以對銷。附屬公司之會計政策已按需要調整，以確保與本集團所採納之政策貫徹一致。

非控股權益指並非本公司直接或間接應佔附屬公司之權益。非控股權益於綜合財務狀況表及綜合權益變動表之權益內呈列。非控股權益於綜合損益表及綜合損益及其他全面收入表呈列為在非控股股東與本公司擁有人之間分配溢利或虧損及年內全面收入總額。



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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(a) Consolidation (Cont'd)

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling shareholders even if this results in the non-controlling interests having a deficit balance.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment loss, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

4. 重大會計政策 (續)

(a) 綜合賬目 (續)

損益及其他全面收入各部分應歸屬於本公司擁有人及非控股股東，即使此舉會導致非控股權益出現虧絀結餘。

本公司於不會導致失去控制權之附屬公司擁有權權益變動按股權交易（即以擁有人身份與擁有人進行之交易）入賬。控股權益及非控股權益之賬面值已作調整，以反映於附屬公司之相關權益變動。非控股權益之調整金額與已付或已收代價之公平值兩者間之任何差額直接於權益確認，並歸屬於本公司擁有人。

於本公司之財務狀況表內，除非投資分類為持作出售（或計入分類為持作出售之出售組別），否則於附屬公司之投資乃按成本減減值虧損列賬。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(b) Business combination and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The consideration transferred in a business combination is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and any contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the sum of the consideration transferred over the Group's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the sum of the consideration transferred is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Group.

In a business combination achieved in stages, the previously held equity interest in the subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the sum of the consideration transferred in a business combination to calculate the goodwill.

The non-controlling interests in the subsidiary are initially measured at the non-controlling shareholders' proportionate share of the net fair value of the subsidiary's identifiable assets and liabilities at the acquisition date.

4. 重大會計政策 (續)

(b) 業務合併及商譽

本集團採用收購法為業務合併中所收購之附屬公司列賬。業務合併所轉讓代價按所給予資產、所發行股本工具及所產生負債於收購日期之公平值以及任何或然代價計量。收購相關成本於有關成本產生及接受服務之期間確認為開支。於收購時附屬公司之可識別資產及負債，均按其於收購日期之公平值計量。

所轉讓代價超出本集團應佔附屬公司可識別資產及負債公平淨值之差額，入賬列作商譽。本集團應佔可識別資產及負債之公平淨值超出所轉讓代價之差額，乃於綜合損益內確認為本集團應佔議價收購收益。

對於分階段進行之業務合併，先前已持有之附屬公司股權按收購日期之公平值重新計量，而由此產生之收益或虧損於綜合損益內確認。公平值會加入至業務合併所轉讓代價，以計算商譽。

於附屬公司之非控股權益初步按非控股股東應佔該附屬公司於收購當日之可識別資產及負債之公平淨值比例計量。



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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(b) Business combination and goodwill

(Cont'd)

After initial recognition, goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units (“CGUs”) or groups of CGUs that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purposes. Goodwill impairment reviews are undertaken annually, or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to its recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(c) Associates

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of an entity but is not control or joint control over those policies. The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by other entities, are considered when assessing whether the Group has significant influence. In assessing whether a potential voting right contributes to significant influence, the holder’s intention and financial ability to exercise or convert that right is not considered.

4. 重大會計政策 (續)

(b) 業務合併及商譽 (續)

初步確認後，商譽按成本減累計減值虧損計量。就減值測試而言，業務合併所獲商譽會分配至預期將受益於合併協同效應之各現金產生單位（「現金產生單位」）或現金產生單位組別。商譽所分配之各單位或單位組別為本集團內就內部管理目的而監察商譽之最低層次。商譽每年進行減值檢討，或當有事件出現或情況改變顯示可能出現減值時，作出更頻密檢討。包含商譽之現金產生單位賬面值與可收回金額（使用價值與公平值減出售成本之較高者）比較。任何減值實時確認為開支，且其後不會撥回。

(c) 聯營公司

聯營公司為本集團對其有重大影響力之實體。重大影響力指有權參與實體財務及經營政策之決策，但不控制或共同控制該等政策。於評估本集團是否擁有重大影響力時，會考慮現時是否存在可行使或可轉換之潛在投票權（包括其他實體持有之潛在投票權）及其影響。於評估潛在投票權是否具重大影響力時，並未計及持有人行使或轉換該投票權之意向及財務能力。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(c) Associates (Cont'd)

Investment in an associate is accounted for in the consolidated financial statements by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the associate in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of the investment over the Group's share of the net fair value of the associate's identifiable assets and liabilities is recorded as goodwill. The goodwill is included in the carrying amount of the investment and is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

The Group's share of an associate's post-acquisition profits or losses and other comprehensive income is recognised in consolidated statement of profit or loss and other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

4. 重大會計政策 (續)

(c) 聯營公司 (續)

綜合財務報表列賬，且初步按成本確認。於收購中，聯營公司之可識別資產及負債於收購日期按公平值計量。投資成本超出本集團應佔聯營公司可識別資產及負債之公平淨值之差額列為商譽。商譽計入投資之賬面值，且倘有客觀證據顯示投資已減值，則於各報告期間結算日與投資一併進行減值測試。本集團應佔可識別資產及負債公平淨值超出收購成本之任何差額於綜合損益確認。

本集團應佔聯營公司之收購後溢利或虧損及其他全面收入於綜合損益及其他全面收入表確認。當本集團應佔聯營公司之虧損相當於或超逾其於聯營公司之權益（包括實質上構成本集團於該聯營公司投資淨額一部分之任何長期權益）時，本集團不會確認進一步虧損，惟其須代表聯營公司承擔責任或付款除外。倘聯營公司其後錄得溢利，則本集團僅於其應佔溢利與未確認之應佔虧損相等後，方會繼續確認其應佔溢利。



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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(c) Associates (Cont'd)

The gain or loss on the disposal of an associate that results in a loss of significant influence represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that associate and (ii) the Group's entire carrying amount of that associate (including goodwill) and any related accumulated exchange reserve. If an investment in an associate becomes an investment in a joint venture, the Group continues to apply the equity method and does not remeasure the retained interest.

Unrealised profits on transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

(d) Foreign currency translation

- (i) *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 Hong Kong dollars, which is the Company's functional and presentation currency.

4. 重大會計政策 (續)

(c) 聯營公司 (續)

出售一間聯營公司導致失去重大影響力之收益或虧損指(i)出售代價之公平值，加該聯營公司保留任何投資之公平值與(ii)該聯營公司及任何有關累計匯兌儲備之本集團所有賬面值(包括商譽)間之差額。倘於聯營公司之投資成為於合資公司之投資，則本集團繼續應用權益法，且不會重新計量保留權益。

本集團與其聯營公司進行交易之未變現溢利以本集團於聯營公司之權益對銷。未變現虧損亦會對銷，除非該交易有證據顯示所轉讓資產已出現減值。聯營公司之會計政策已按需要變更，以確保與本集團所採納政策貫徹一致。

(d) 外幣換算

- (i) *功能及呈列貨幣*
- 本集團各實體之財務報表所列項目，均以該實體經營所在主要經濟環境之貨幣(「功能貨幣」)計量。綜合財務報表以本公司之功能及呈列貨幣港元呈列。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(d) Foreign currency translation (Cont'd)

(ii) *Transactions and balances in each entity's financial statements*

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

Non-monetary items that are measured at fair value in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

4. 重大會計政策 (續)

(d) 外幣換算 (續)

(ii) *各實體財務報表中之交易及結餘*

外幣交易按交易日期之現行匯率，於初步確認時換算為功能貨幣。以外幣呈列之貨幣資產及負債按各報告期間結算日之匯率換算。此換算政策所產生收益及虧損於損益確認。

以外幣公平值計量之非貨幣項目按釐定公平值日期之匯率換算。

倘非貨幣項目之收益或虧損於其他全面收入確認，則該收益或虧損之任何匯兌部分於其他全面收入確認。倘非貨幣項目之收益或虧損於損益確認，則該收益或虧損之任何匯兌部分亦於損益確認。



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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(d) Foreign currency translation (Cont'd)

(iii) *Translation on consolidation*

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses are translated at average exchange rates for the period (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 exchange rates on the transaction dates); and
- All resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange reserve.

4. 重大會計政策 (續)

(d) 外幣換算 (續)

(iii) *綜合賬目換算*

本集團所有實體之功能貨幣倘有別於本公司之呈列貨幣，則其業績及財務狀況須按以下方式換算為本公司之呈列貨幣：

- 各財務狀況表之資產及負債均按照該財務狀況表日期之收市匯率換算；
- 收入及開支均按期內平均匯率換算（倘此平均匯率未能合理反映交易日匯率所帶來之累計影響，在此情況下，收入及開支則按交易日之匯率換算）；及
- 因而產生之所有匯兌差額均於其他全面收入確認，並於匯兌儲備累計。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(d) Foreign currency translation (Cont'd)

On consolidation, exchange differences arising from the translation of monetary items that form part of the net investment in foreign entities are recognised in other comprehensive income and accumulated in the exchange reserve. When a foreign operation is sold, such exchange differences are reclassified to consolidated profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(e) Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

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

4. 重大會計政策 (續)

(d) 外幣換算 (續)

於綜合賬目時，因換算構成海外實體投資淨額之金額項目產生之匯兌差額，於其他全面收入確認並累計入匯兌儲備。當出售海外業務時，該等匯兌差額重新分類至綜合損益，作為出售收益或虧損之一部分。

收購海外實體產生之商譽及公平值調整被視作該海外實體之資產及負債處理，並按收市匯率換算。

(e) 物業、廠房及設備

物業、廠房及設備按成本減其後累計折舊及其後累計減值虧損（如有）列入綜合財務狀況表。

僅在與項目相關之日後經濟利益有可能流入本集團，及能可靠計算項目成本之情況下，其後成本方會計入資產賬面值或確認為獨立資產（視情況適用）。所有其他維修及保養成本於其產生期間在損益確認。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(e) Property, plant and equipment (Cont'd)

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Leasehold improvements	Over the shorter of unexpired term of lease and estimated useful lives, being no more than 20 years after the date of completion
Furniture and office equipment	20% – 33%
Motor vehicles	20%

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

(f) Operating leases

Leases that do not substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as operating leases. Lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term.

4. 重大會計政策 (續)

(e) 物業、廠房及設備 (續)

物業、廠房及設備折舊以直線法，按撇銷其成本減估計可使用年期之剩餘價值之適當比率計算。主要年率如下：

租賃物業裝修	按未屆滿租賃期及其估計可使用年期(以較短年期為準)，惟自完成日期後不超過20年
傢具及辦公室設備	20%至33%
汽車	20%

剩餘價值、可使用年期和折舊方法於各報告期間結算日進行檢討和調整(如適用)。

出售物業、廠房及設備之收益或虧損指銷售所得款項淨額與有關資產賬面值之間之差額，於損益確認。

(f) 經營租賃

並無實質上將資產擁有權之一切風險及回報轉讓予本集團之租約列為經營租賃。租賃款項(扣除出租人收取之任何優惠)已按租賃期以直線法確認為開支。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(g) Other intangible assets

(i) *Internally-generated intangible assets – research and development expenditure of computer software*

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from the Group's e-business development is recognised only if all of the following conditions are met:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Management intends to complete the intangible asset and use or sell it;
- There is ability to use or sell the intangible asset;
- It can be demonstrated how the intangible asset will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and

4. 重大會計政策 (續)

(g) 其他無形資產

(i) *內部產生之無形資產 – 電腦軟件之研究及開發支出*

研究活動支出確認為於期內產生之支出。就本集團電子商務開發因而內部產生之無形資產僅於達成以下所有條件後，方予確認：

- 在技術上可完成該無形資產以使其可供使用或出售；
- 管理層擬完成該無形資產並使用或出售該無形資產；
- 有能力使用或出售該無形資產；
- 可證實該無形資產如何產生潛在未來經濟利益；
- 有足夠之技術、財政及其他資源以完成開發項目並使用或出售該無形資產；及



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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(g) Other intangible assets (Cont'd)

- (i) *Internally-generated intangible assets – research and development expenditure of computer software (Cont'd)*
- The expenditure attributable to the intangible asset during its development can be reliably measured.

Internally generated intangible assets are stated at cost less accumulated amortisation and impairment losses. Amortisation is calculated on a straight-line basis over their estimated useful lives of 3 to 10 years. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

- (ii) *Intangible assets acquired through acquisition of a subsidiary – technology know-how*
- Technology know-how is stated at cost less accumulated amortisation and impairment losses. Amortisation is calculated on a straight-line basis over their estimated useful lives of 5 years.

- (iii) *Intangible assets acquired through acquisition of a subsidiary – customer relationship*
- Customer relationship is stated at cost less accumulated amortisation and impairment losses. Amortisation is calculated on a straight-line basis over their estimated useful lives of 5 years.

4. 重大會計政策 (續)

(g) 其他無形資產 (續)

- (i) 內部產生之無形資產—電腦軟件之研究及開發支出 (續)
- 該無形資產於開發階段應佔之支出能可靠計量。

內部產生之無形資產按成本減累計攤銷及減值虧損列賬。攤銷分別於其估計可使用年期3至10年以直線法計算。倘並無內部產生之無形資產可獲確認，期內所產生之開發支出於損益中確認。

- (ii) 透過收購一間附屬公司收購之無形資產—科技技術
- 科技技術按成本減累計攤銷及減值虧損入賬。攤銷於其估計可使用年期五年以直線法計算。

- (iii) 透過收購一間附屬公司收購之無形資產—客戶關係
- 客戶關係乃按成本減累計攤銷及減值虧損列賬。攤銷乃以直線法按其估計可使用年期五年計算。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(h) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out basis. The cost of finished goods and work in progress comprises raw materials, direct labour and an appropriate proportion of all production overhead expenditure, and where appropriate, subcontracting charges. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(i) Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

4. 重大會計政策 (續)

(h) 存貨

存貨按成本與可變現淨值兩者之較低者列賬。成本按先入先出基準釐定。製成品及在製品之成本包括原材料、直接人工及全部生產成本開支之適當比例及(如適用)分包費用。可變現淨值按一般業務過程之估計售價，減完工之估計成本及進行銷售所需之估計成本計算。

(i) 確認及終止確認金融工具

財務資產及財務負債於本集團成為工具合約條文之訂約方時，於綜合財務狀況表確認。

倘從資產收取現金流量之合約權利已屆滿；或本集團已將資產擁有權之絕大部分風險及回報轉移；或本集團並無轉移及保留資產擁有權之絕大部分風險及回報，但保留對資產之控制權，則財務資產將被終止確認。於終止確認財務資產時，資產賬面值與已收代價及已於其他全面收入確認之累計收益或虧損兩者總和之差額於損益確認。

倘於有關合約之特定責任獲解除、取消或屆滿，則財務負債將被終止確認。終止確認之財務負債賬面值與已付代價之差額於損益確認。



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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(j) Financial assets

Financial assets are recognised and derecognised on a trade date basis where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial assets within the timeframe established by the market concerned, and are initially measured at fair value, plus directly attributable transaction costs except in the case of financial assets at fair value through profit or loss.

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are either financial assets classified as held for trading or designated as at fair value through profit or loss upon initial recognition. These financial assets are subsequently measured at fair value. Gains or losses arising from changes in fair value of these financial assets are recognised in profit or loss.

4. 重大會計政策 (續)

(j) 財務資產

對於購買和出售的投資合同，如果其要求在相關市場中的規則或慣例通常約定的時間內交付該項投資，則有關投資會按交易日會計方法進行確認及終止確認，並初始按公平價值加直接應佔交易費用計量，按公平值計入在損益賬之財務資產則除外。

本集團將其財務資產分為以下類別：按公平值計入在損益賬、貸款及應收款項、持有至到期之投資及可供出售財務資產。分類取決於收購財務資產之目的。管理層於初步確認時釐定財務資產分類。

(i) *按公平值計入在損益賬之財務資產*

按公平值計入在損益賬之財務資產乃持作買賣或於初步確認時指定按公平值計入在損益賬之投資。該等財務資產其後按公平值計算。因該等財務資產之公平值變動所產生之收益或虧損乃於損益內確認。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(j) Financial assets (Cont'd)

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These assets are carried at amortised cost using the effective interest method (except for short-term receivables where interest is immaterial) minus any reduction for impairment or uncollectibility. Typically trade and other receivables, bank balances and cash are classified in this category.

(iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Group has the positive intention and ability to hold to maturity. Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, less any impairment losses.

4. 重大會計政策 (續)

(j) 財務資產 (續)

(ii) *貸款及應收款項*

貸款及應收款項指擁有固定或可釐訂付款之非衍生工具財務資產，其並無活躍市場報價。該等資產按攤銷成本以實際利率法（利息屬微不足道的短期應收款項除外）減任何減值削減或不可收回款項計算。一般貿易及其他應收款項、銀行結餘及現金乃分類為此類別。

(iii) *持有至到期之投資*

持有至到期之投資指擁有固定或可釐訂付款及固定到期日之非衍生財務資產，本集團有正面意圖及能力持有其至到期日。持有至到期之投資其後使用實際利率法按攤銷成本減任何減值虧損計量。



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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(j) Financial assets (Cont'd)

(iv) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss. Available-for-sale financial assets are subsequently measured at fair value. Gains or losses arising from changes in fair value of these investments are recognised in other comprehensive income and accumulated in the investment revaluation reserve, until the investments are disposed of or there is objective evidence that the investments are impaired, at which time the cumulative gains or losses previously recognised in other comprehensive income are reclassified from equity to profit or loss. Interest calculated using the effective interest method and dividends on available-for-sale equity investments are recognised in profit or loss.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, are measured at cost less impairment losses.

4. 重大會計政策 (續)

(j) 財務資產 (續)

(iv) *可供出售財務資產*

可供出售財務資產指並非歸類為借款及其他應收款、持有至到期之投資或按公平值計入損益的財務資產之非衍生財務資產。可供出售財務資產其後按公平值計量。該等投資公平值變動產生之收益或虧損於其他全面收益確認，並於投資重估儲備累計，直至該等投資被出售或有客觀證據顯示投資已減值為止。屆時，先前在其他全面收益中確認的累計收益或虧損自權益重新歸類至損益。按實際利率法計算之利息及可供出售股本投資之股息於損益確認。

倘股本工具之投資並無於交投活躍之市場中報價且其公平值不能可靠計量，及所掛鈎之衍生工具須透過交付該等無報價股本工具之方式結算，則按成本扣除減值虧損計量。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(k) Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

(l) Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value.

(m) Discontinued operations

A discontinued operation is a component of the Group (i.e. the operations and cash flows of which can be clearly distinguished from the rest of the Group) that either has been disposed of, or is classified as held for sale, and which represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

4. 重大會計政策 (續)

(k) 應收賬款及其他應收款

應收賬款指就於日常業務過程中出售貨品或履行服務而應收客戶之款項。預期於一年或以內(或於正常業務經營週期(如較長))收回之應收賬款及其他應收款分類為流動資產, 否則其呈列為非流動資產。

應收賬款及其他應收款初步按公平值確認, 其後以實際利率方法按攤銷成本減減值撥備計算, 並扣除減值撥備。

(l) 現金及現金等值物

就綜合現金流量表而言, 現金及現金等值物指銀行及手頭現金、於銀行及其他財務機構之活期存款, 及短期流動性極高之投資項目(該等項目易於兌換為已知金額的現金, 且價值變動風險不高)。

(m) 已終止經營業務

已終止經營業務為本集團業務一部分並已分類為已售或持作出售項目, 其營運及現金流量可明確地與本集團其他業務區分。已終止經營業務代表一項按業務或地區劃分之獨立主要業務, 或作為出售一項按業務或地區劃分之獨立主要業務之單一統籌計劃之一部分, 或為一間純粹為轉售而收購之附屬公司。



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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(m) Discontinued operations (Cont'd)

Classification as a discontinued operation occurs upon disposal or when the component meets the criteria to be classified as held for sale in accordance with HKFRS 5, if earlier. It also occurs when the component is abandoned.

When an operation is classified as discontinued, a single amount is presented in the statement of profit or loss, which comprises:

- The post-tax profit or loss of the discontinued operation; and
- The post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group constituting the discontinued operation.

(n) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out in notes (o) to (s) below.

4. 重大會計政策 (續)

(m) 已終止經營業務 (續)

倘業務被出售或符合香港財務報告準則第5號可分類為持作出售項目之準則(以較早者為準),則分類為已終止經營業務。

倘業務被廢止,亦會分類為已終止經營業務。倘業務分類為已終止者,則收益表上會呈列單一數額,當中包含:

- 已終止經營業務之除稅後溢利或虧損;及
- 就構成已終止經營業務之資產或出售組合計算公平值減銷售成本(或於出售時),所確認之除稅後之收益或虧損。

(n) 財務負債及股本工具

財務負債及股本工具根據所訂立合約安排之內容及香港財務報告準則項下之財務負債及一項股本工具之定義進行分類。股本工具為任何證明本集團扣除其所有負債後之剩餘資產權益之任何合約。下文附註(o)至(s)載列就特定財務負債及股本工具所採納之會計政策。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(o) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(p) Financial guarantee contract liabilities

Financial guarantee contract liabilities are measured initially at their fair value and are subsequently measured at the higher of:

- the amount of the obligations under the contracts, as determined in accordance with HKAS 37 “Provisions, Contingent Liabilities and Contingent Assets”; and
- the amount initially recognised less cumulative amortisation recognised in profit or loss on a straight-line basis over the terms of the guarantee contracts.

(q) Trade and other payables

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

4. 重大會計政策 (續)

(o) 借款

借款初步按公平值（扣除所產生交易成本）確認，其後採用實際利率法按攤銷成本計量。

借款歸類為流動負債，除非本集團享有無條件權利可將償還負債之期限順延至報告期間後至少十二個月。

(p) 財務擔保合約負債

財務擔保合約負債初步按其公平值計量，其後按以下較高者計量：

- 根據香港會計準則第37號「撥備、或然負債及或然資產」釐定之合約項下責任金額；及
- 初步確認金額減於擔保合約年期內按直線法於損益內確認之累計攤銷。

(q) 應付賬款及其他應付款

應付賬款及其他應付款初步按公平值列賬，其後採用實際利率法按攤銷成本計量，除非貼現影響微不足道，在此情況下，則按成本列賬。



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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(r) Contingent consideration payable

Contingent consideration payable is classified as a financial liability or equity according to the definitions in HKAS 32 Financial Instruments: Presentation. The amount is initially measured at fair value. Contingent consideration payable classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration payable classified as a liability is measured at fair value at each reporting date and changes in fair value are recognised in profit or loss.

(s) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(t) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

(i) *Sales of goods*

Revenues from the sales of finished goods are recognised on the transfer of significant risks and rewards of ownership, which generally coincides with the time when the goods are delivered and the title has passed to the customers.

4. 重大會計政策 (續)

(r) 應付或然代價

應付或然代價根據香港會計準則第32號財務工具：呈列之定義分類為財務負債或權益。有關金額初步按公平值計量。分類為權益之應付或然代價不予重新計量，其後續結算於權益內入賬。分類為負債之應付或然代價於各報告日期按公平值計量，而公平值之變動於損益確認。

(s) 股本工具

由本公司發行之股本工具按收訖之所得款項（扣除直接發行成本）入賬。

(t) 收益確認

收益按已收或應收代價之公平值計量，並於經濟利益有可能流入本集團且收益金額能可靠計量時確認。

(i) *銷售貨品*

銷售製成品之收益於擁有權之大部分風險及回報轉移時確認，一般與貨品交付及擁有權轉移至客戶之時間一致。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(t) Revenue recognition (Cont'd)

- (ii) Internet payment service income is generally recognised on an accruals basis when the service has been provided, which generally coincides with the time when the transactions are executed.
- (iii) Card transaction levies represent service fee charged by the Group to contracted merchants at specific rates on the monetary value of consumptions made by cardholder settled using the stored value cards in the merchants' stores. Card transaction levies are recognised as these transactions occur.
- (iv) Card handling and service charges consist of monthly maintenance fees on expired unused balances, new card handling charges, net of discount or waivers, and other customer services charges. The monthly maintenance fees are recognised when the fees are deducted from the unused balances at each month end. The new card handling charges are recognised when a card buyer purchases a new card. Other customer services are recognised when the services are rendered.
- (v) Consultancy income is recognised when the service is rendered and on the basis of stage of completion of each individual project, provided that the costs involved can be measured reliably. The stage of completion of a transaction is established by reference to the costs incurred to date as compared to the estimated total costs under the transaction.

4. 重大會計政策 (續)

(t) 收益確認 (續)

- (ii) 互聯網支付服務收入通常在服務已提供時按權責發生制基準確認。該時間通常與交易得到執行的時間相同。
- (iii) 卡交易徵費指本集團根據持卡人於商戶店舖使用儲值卡結算之消費幣值，按特定比率向簽約商戶收取之服務費。卡交易徵費於該等交易發生時確認。
- (iv) 卡手續費及服務費包括期滿未使用結餘之維護月費、新卡手續費（扣除折扣或豁免）及其他客戶服務費。維護月費於每月底從未使用結餘中扣費時確認。新卡手續費於購卡人購買新卡時確認。其他客戶服務費於提供服務時確認。
- (v) 諮詢收入於提供服務時根據各個個別項目完成階段確認，惟所涉及之成本須能可靠計量。交易之完成階段參照迄今為止已產生之成本與該項交易之估計總成本之比較而確定。



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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(t) Revenue recognition (Cont'd)

(vi) Commission income is recognised when the service is rendered.

(vii) Interest income is recognised on a time-proportion basis using the effective interest method.

(u) Employee benefits

(i) *Employee leave entitlements*
Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) *Pension obligations*
The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

4. 重大會計政策 (續)

(t) 收益確認 (續)

(vi) 佣金收入於提供服務時確認。

(vii) 利息收入以實際利率法按時間比例確認。

(u) 僱員福利

(i) *僱員享有之休假*
僱員年假及長期服務假於員工享有休假時確認。已就僱員截至報告期末之服務所享有年假及長期服務假估計須承擔之負債作出撥備。

僱員病假及產假於實際休假時始予確認。

(ii) *退休金責任*
本集團向為所有僱員提供之定額供款退休計劃進行供款。本集團及僱員之計劃供款根據僱員基本薪金之百分比計算。自損益扣除之退休福利計劃成本指本集團須向基金支付之供款。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(u) Employee benefits (Cont'd)

(iii) *Termination benefits*

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs and involves the payment of termination benefits.

(v) Share-based payments

The Group issues equity-settled share-based payments to certain directors and employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

(w) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

4. 重大會計政策 (續)

(u) 僱員福利 (續)

(iii) *終止福利*

終止福利於以下日期之較早者始予確認，該等日期為本集團不再撤回該等福利之要約之日期及本集團確認重組成本並涉及支付終止福利之日期。

(v) 股份付款

本集團向若干董事及僱員發出股權結算股份支付款項。股權結算股份支付款項按授出當日股本工具之公平值（不計非市場為基礎之歸屬條件影響）計量。股權結算股份支付款項於授出當日釐定之公平值，依據本集團對其最終歸屬之股份估計及就非市場為基礎之歸屬條件影響作出調整，以直線法於歸屬期支銷。

(w) 借款成本

與收購、建造或生產合資格資產（即需經一段長時間方能作其擬定用途或出售之資產）直接相關之借款成本均撥充資本，作為此等資產成本之一部分，直至此等資產大體上已可作其擬定用途或出售為止。指定用途借款在用作合資格資產之開支前作短暫投資所賺取投資收入，自合資格資本化之借款成本中扣除。



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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(w) Borrowing costs (Cont'd)

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(x) Government grants

A government grant is recognised when there is reasonable assurance that the Group will comply with the conditions attaching to it and that the grant will be received.

Government grants relating to income are deferred and recognised in profit or loss over the period to match them with the costs they are intended to compensate.

4. 重大會計政策 (續)

(w) 借款成本 (續)

如借款之一般目的及用途為獲取合資格資產，合資格資本化之借款成本金額則採用資本化比率計算該項資產開支之方法釐定。資本化比率為適用於本集團該期間未償還借款之借款成本加權平均值，惟為獲得合資格資產之特別借款則屬例外。

所有其他借款成本於產生期間內於損益內確認。

(x) 政府補貼

如有合理保證本集團將遵守補貼所附帶之條件並收取政府補貼，則確認政府補貼。

與收入有關之政府補貼就其與擬補償成本配對之期間於損益遞延並確認。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(y) Taxation

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

4. 重大會計政策 (續)

(y) 稅項

所得稅指即期稅項及遞延稅項之總和。

應繳即期稅項按年內應課稅溢利計算。由於應課稅溢利不包括其他年度應課稅或可扣稅收入或開支項目，並且不包括從不課稅或不可扣稅項目，故與於損益中確認之溢利不同。本集團之即期稅項負債按報告期末已頒佈或實際上頒佈之稅率計算。

遞延稅項就綜合財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基兩者間之差額確認。遞延稅項負債一般會就所有應課稅暫時差額確認，而遞延稅項資產於可能出現應課稅溢利，以致可扣稅暫時差額、未動用稅項虧損或未動用稅項抵免可予動用時確認。倘因商譽或因初步確認一項既不影響應課稅溢利亦不影響會計溢利之交易（業務合併除外）中其他資產及負債引致之暫時差額，則不會確認該等資產及負債。



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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(y) Taxation (Cont'd)

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

4. 重大會計政策 (續)

(y) 稅項 (續)

遞延稅項負債就於附屬公司及聯營公司之投資產生之應課稅暫時差額確認，惟倘本集團能夠控制暫時差額之撥回且暫時差額可能不會於可見將來撥回則作別論。

遞延稅項資產賬面值於各報告期間結算日檢討，並於不再可能有足夠應課稅溢利以供收回全部或部分資產時調減。

遞延稅項乃按預期於負債清償或資產變現期間適用之稅率計算，而有關稅率以報告期末已頒佈或實際頒佈之稅率為基準。遞延稅項於損益中確認，惟遞延稅項與其他全面收入中確認或直接計入權益之項目有關者則除外，在此情況下，遞延稅項亦在其他全面收入中確認或直接計入權益中。

遞延稅項資產及負債之計量反映於報告期末按本集團預計收回其資產或結清負債賬面值之方式之稅務後果。

遞延稅項資產及負債於有依法強制權利以即期稅項資產與即期稅項負債抵銷時，及於該等遞延稅項資產及負債與同一稅務機關徵收之所得稅相關，且本集團擬以淨額基準結清其即期稅項資產及負債時抵銷。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(z) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date for indications of impairment and where an asset is impaired, it is written down as an expense through the consolidated statement of profit or loss to its estimated recoverable amount. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the CGU to which the asset belongs. Recoverable amount is the higher of value in use and the fair value less costs of disposal of the individual asset or the CGU.

Value in use is the present value of the estimated future cash flows of the asset/CGU. Present values are computed using pre-tax discount rates that reflect the time value of money and the risks specific to the asset/CGU whose impairment is being measured.

Impairment losses for CGUs are allocated first against the goodwill of the unit and then pro rata amongst the other assets of the CGU. Subsequent increases in the recoverable amount caused by changes in estimates are credited to profit or loss to the extent that they reverse the impairment.

4. 重大會計政策 (續)

(z) 非財務資產減值

非財務資產之賬面值於各報告日期檢討有無減值跡象，倘資產已減值，則透過綜合損益表以開支撇減至其估計可收回金額。可收回金額乃就個別資產釐定，惟倘資產並無產生大部分獨立於其他資產或資產組合之現金流入，則可收回金額就資產所屬之現金產生單位釐定。可收回金額為個別資產或現金產生單位之使用價值與其公平值減出售成本兩者中之較高者。

使用價值為資產／現金產生單位估計未來現金流量之現值。現值按反映貨幣時間值及資產／現金產生單位（已計量減值）之特有風險之稅前貼現率計算。

現金產生單位之減值虧損首先用於抵銷單位商譽，然後於現金產生單位之其他資產之間按比例分配。隨後估計變動導致的可收回金額增長計入損益，直至撥回減值。



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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(aa) Impairment of financial assets

At the end of each reporting period, the Group assesses whether its financial assets (other than those at fair value through profit or loss) are impaired, based on objective evidence that, as a result of one or more events that occurred after the initial recognition, the estimated future cash flows of the (group of) financial asset(s) have been affected.

For available-for-sale equity instruments, a significant or prolonged decline in the fair value of the investment below its cost is considered also to be objective evidence of impairment.

In addition, for trade receivables that are assessed not to be impaired individually, the Group assesses them collectively for impairment, based on the Group's past experience of collecting payments, an increase in the delayed payments in the portfolio, observable changes in economic conditions that correlate with default on receivables, etc.

Only for trade receivables, the carrying amount is reduced through the use of an allowance account and subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For all other financial assets, the carrying amount is directly reduced by the impairment loss.

4. 重大會計政策 (續)

(aa) 財務資產減值

於各報告期末，本集團會根據客觀證據（即（一組）財務資產之估計未來現金流量由於初步確認後發生之一項或多項事件而受到影響）評估其財務資產（按公平值計入損益之財務資產除外）有否減值。

就可供出售股本工具而言，投資公平值大幅或長期下降低於其成本乃亦認為屬減值之客觀證據。

此外，就個別評估並無減值之應收賬款而言，本集團將根據本集團之過往收款經驗、投資組合內延遲還款之增加、與應收款項違約情況有關之經濟狀況出現可觀察變動，共同評估有否減值。

僅應收賬款之賬面值會使用撥備賬扣減，而其後收回之前已撇銷之數額乃計入撥備賬。撥備賬之賬面值變動於損益中確認。

就所有其他財務資產而言，賬面值會直接按減值虧損作出扣減。

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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(aa) Impairment of financial assets (Cont'd)

For financial assets measured at amortised cost, if the amount of the impairment loss decreases in a subsequent period and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed (either directly or by adjusting the allowance account for trade receivables) through profit or loss. However, the reversal must not result in a carrying amount that exceeds what the amortised cost of the financial asset would have been had the impairment not been recognised at the date the impairment is reversed.

(bb) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures 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 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 is remote.

4. 重大會計政策 (續)

(aa) 財務資產減值 (續)

就按攤銷成本計量之財務資產而言，倘減值虧損之金額於其後期間減少，而該減少可以客觀地與確認減值後發生之一項事件有關，則先前已確認之減值虧損透過損益撥回（直接或透過調整應收賬項之撥備賬）。然而，撥回不得導致賬面值高於倘並無確認減值，該項財務資產於撥回減值當日之攤銷成本。

(bb) 撥備及或然負債

當本集團因過往事件須承擔現有法律或推定責任，而履行責任時有可能導致經濟利益流出，並能可靠估計責任金額之情況下，須對產生時間或金額皆不明確之負債確認撥備。倘貨幣時值重大，則撥備按預期用於履行該責任之支出現值列賬。

倘不大可能導致經濟利益流出，或責任金額無法可靠估計，則有關責任披露為或然負債，除非經濟利益流出之可能性極低則另作別論。可能出現之責任，其是否存在將僅取決於日後是否會發生一宗或多宗事件，亦披露為或然負債，除非經濟利益流出之可能性極低。



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4. SIGNIFICANT ACCOUNTING POLICIES

(Cont'd)

(cc) Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES

Critical judgements in applying accounting policies

In the process of applying the accounting policies, the directors have made the following judgements that have the most significant effect on the amounts recognised in the consolidated financial statements (apart from those involving estimations, which are dealt with below).

(a) *Going concern basis*

These consolidated financial statements have been prepared on a going concern basis since the directors of the Company consider that the Group will have sufficient financial resources to meet in full its working capital requirements and financial obligations when they fall due in the foreseeable future after reviewing both scenario of successful and unsuccessful acquisition of the Target Group. Details are explained in note 2 to the consolidated financial statements.

4. 重大會計政策 (續)

(cc) 報告期間後事項

提供有關本集團於報告期末狀況之額外資料或顯示持續經營假設並不適用之報告期間後事項均屬於調整事項，並於綜合財務報表內反映。倘並非調整事項之報告期間後事項屬重大，則於綜合財務報表附註中披露。

5. 重大判斷及主要估計

應用會計政策之重大判斷

於應用會計政策過程中，董事已作出以下對綜合財務報表中所確認金額具有重大影響之判斷（在下文處理涉及估計之判斷除外）。

(a) *持續經營基準*

於審閱成功及不成功收購目標集團的兩種情況後，本公司董事認為本集團將具備充裕財務資源，以應付其營運資金需求及在可預見未來到期的財務承擔。因此，該等綜合財務報表乃按持續經營基準編製。有關詳情於綜合財務報表附註2內詳述。

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5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Cont'd)

Critical judgements in applying accounting policies (Cont'd)

(b) *Equity pick up of entity of less than 20% equity interest*

Although the Group holds less than 20% of the voting power of Nanjing Houjian Cloud Computing Co., Ltd. and Guangzhou Kuaizi Information Technology Co., Ltd., the directors considered that the Group has significant influence over Nanjing Houjian Cloud Computing Co., Ltd. and Guangzhou Kuaizi Information Technology Co., Ltd. because the Group is entitled to appoint a director out of the five directors of Nanjing Houjian Cloud Computing Co., Ltd. and Guangzhou Kuaizi Information Technology Co., Ltd..

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) *Property, plant and equipment and depreciation*

The Group determines the estimated useful lives, residual values and related depreciation charges for the Group's property, plant and equipment. This estimate is based on the historical experience of the actual useful lives and residual values of property, plant and equipment of similar nature and functions. The Group will revise the depreciation charge where useful lives and residual values are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned.

5. 重大判斷及主要估計 (續)

應用會計政策之重大判斷 (續)

(b) *佔實體少於20%的權益*

儘管本集團持有 Nanjing Houjian Cloud Computing Co., Ltd. 及 Guangzhou Kuaizi Information Technology Co., Ltd. 少於20%的投票權，董事認為，本集團對 Nanjing Houjian Cloud Computing Co., Ltd. 及 Guangzhou Kuaizi Information Technology Co., Ltd. 有重大影響力，因為本集團有權委任 Nanjing Houjian Cloud Computing Co., Ltd. 及 Guangzhou Kuaizi Information Technology Co., Ltd. 五名董事的其中一名。

估計不確定因素之主要來源

下文討論有關未來之主要假設及報告期末估計不確定因素之其他主要來源，而該等假設及來源具有重大風險，足以導致須對下一個財政年度資產及負債之賬面值作出重大調整。

(a) *物業、廠房及設備以及折舊*

本集團釐定其物業、廠房及設備之估計可使用年期、剩餘價值及相關折舊開支。該估計以性質及功能相若之物業、廠房及設備實際可使用年期及剩餘價值之過往經驗為基準。倘可使用年期及剩餘價值與先前估計不同，本集團將修訂折舊開支，或撤銷或撤減已棄置之技術過時或非策略資產。



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5. CRITICAL JUDGEMENTS AND KEY ESTIMATES *(Cont'd)*

5. 重大判斷及主要估計 *(續)*

Key sources of estimation uncertainty *(Cont'd)*

估計不確定因素之主要來源 *(續)*

(a) *Property, plant and equipment and depreciation (Cont'd)*

The carrying amount of property, plant and equipment as at 31 December 2017 was approximately HK\$12,754,000 (2016: HK\$12,882,000).

(a) *物業、廠房及設備以及折舊 (續)*

於二零一七年十二月三十一日，物業、廠房及設備之賬面值約為12,754,000港元（二零一六年：12,882,000港元）。

(b) *Intangible assets and amortisation*

The Group determines the estimated useful lives and related amortisation for the Group's intangible assets. The useful lives of intangible assets are assessed to be finite, based on the expected usage and technical obsolescence from the changes in the market demands or services output from the assets. Intangible assets with finite useful lives are amortised over the expected useful economic lives and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method for the intangible assets with a finite useful life are reviewed by the management at least at the end of each reporting period.

The carrying amount of intangible assets as at 31 December 2017 was approximately HK\$2,706,000 (2016: HK\$7,154,000).

(b) *無形資產及攤銷*

本集團釐定本集團無形資產之估計可使用年期及相關攤銷。無形資產之可使用年期按照預期用途及因資產市場需求或服務提供之變動所導致之技術過時，評估為有限年期。具有有限可使用年期之無形資產於預期使用經濟年期內攤銷，並進行減值評估，以得知是否有任何無形資產可能出現減值之跡象。管理層最少於每個報告期間結算日檢討具有限可使用年期之無形資產之攤銷期及攤銷法。

於二零一七年十二月三十一日，無形資產之賬面值約為2,706,000港元（二零一六年：7,154,000港元）。

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5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Cont'd)

Key sources of estimation uncertainty (Cont'd)

(c) *Income taxes*

Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. During the year, HK\$454,000 of income tax (2016: HK\$242,000) of income tax credit was recognised in profit or loss based on the estimated profit from continuing operations.

(d) *Recoverability of internally-generated intangible asset*

During the year, the Group reconsidered the recoverability of its internally-generated intangible asset arising from the Group's e-business development, which is included in the consolidated statement of financial position at 31 December 2017 with carrying value of HK\$2,706,000 (2016: HK\$7,154,000). The project continues to progress in a very satisfactory manner, and customer reaction has reconfirmed the Group's previous estimates of anticipated revenues from the project. However, increased competitor activity has caused the Group to reconsider its assumptions regarding future market shares and anticipated margins on these products. This situation will be closely monitored, and adjustments would be made in future periods, if future market activity indicates that such adjustments are appropriate.

5. 重大判斷及主要估計 (續)

估計不確定因素之主要來源 (續)

(c) *所得稅*

釐定所得稅撥備時須要重大估計。於日常業務過程中存在可能無法釐定最終稅率之交易及計算。當該等事項之最終稅項結果與初步記錄之金額有別時，該差額將影響於作出有關決定期間之所得稅及遞延稅項撥備。年內，按持續經營業務之估計溢利計算之所得稅抵免454,000港元(二零一六年：242,000港元)已於損益內確認。

(d) *內部產生無形資產之可收回性*

於年內，本集團重新考慮其因電子商務發展而引致內部產生無形資產之可收回性，該內部產生無形資產之可收回性計入本集團於二零一七年十二月三十一日之綜合財務狀況表中，賬面值為2,706,000港元(二零一六年：7,154,000港元)。該項目之進展繼續令人非常滿意，客戶之反應亦再一次肯定本集團過往就該項目預期收益所作之估算。然而，競爭對手業務活動日趨頻密，此舉促使本集團重新考慮其對相關產品之日後市場佔有率及預期利潤之假設。本集團將密切監察此種情況，倘未來市場活動顯示應作合適調整，本集團將於日後作出適當調整。



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5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Cont'd)

5. 重大判斷及主要估計 (續)

Key sources of estimation uncertainty (Cont'd)

估計不確定因素之主要來源 (續)

(e) *Impairment loss for bad and doubtful debts*

The Group makes impairment loss for bad and doubtful debts based on assessments of the recoverability of the trade and other receivables, including the current creditworthiness and the past collection history of each debtor. Impairments arise where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts, in particular of a loss event, requires the use of judgement and estimates. Where the actual result is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debt expenses in the year in which such estimate has been changed.

As at 31 December 2017, accumulated impairment loss for bad and doubtful debts amounted to HK\$64,813,000 from continuing operations (2016: HK\$25,017,000).

(f) *Allowance for slow-moving inventories*

Allowance for slow-moving inventories is made based on the ageing and estimated net realisable value of inventories. The assessment of the allowance amount involves judgement and estimates. Where the actual outcome in future is different from the original estimate, such difference will impact the carrying value of inventories and allowance charge/write-back in the period in which such estimate has been changed.

As at 31 December 2017, accumulated allowance for slow-moving inventories amounted to HK\$3,928,000 (2016: HK\$1,223,000).

(e) *呆壞賬減值虧損*

本集團根據應收賬款及其他應收款之可收回性作出之評估，包括每名債務方之現時信貸及過往收賬記錄，就呆壞賬作出減值虧損。倘事件或情況變動顯示餘款或會無法收回，則產生減值。識別呆壞賬（特別是虧損事件）須使用判斷及估計。倘實際結果與原有估計存在差異，相關差異將影響相關估計出現變動年度之應收賬款及其他應收款賬面值及呆賬開支。

於二零一七年十二月三十一日，呆壞賬累計減值虧損為64,813,000港元（二零一六年：25,017,000港元）。

(f) *滯銷存貨撥備*

滯銷存貨撥備根據存貨賬齡及估計存貨可變現淨值作出。評估撥備金額涉及判斷及估計。倘日後實際結果與原來估計有所不同，則有關差額將影響上述估計出現變動期間存貨之賬面值及撥備開支／撥回。

於二零一七年十二月三十一日，就滯銷存貨計提撥備為3,928,000港元（二零一六年：1,223,000港元）。

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5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Cont'd)

Key sources of estimation uncertainty (Cont'd)

(g) *Impairment of goodwill*

Determining whether goodwill is impaired requires an estimation of the value in use of the CGU to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value.

The total carrying amount of goodwill at the end of the reporting period was HK\$698,554,000 (2016: HK\$653,432,000) and an impairment loss of HK\$Nil (2016: HK\$12,301,000) was recognised during the year. Details of the impairment loss calculation are set out in note 19 to the consolidated financial statements.

(h) *Impairment of investments in associates and amount due from associates*

Management determines whether investments in associates and amounts due from associates have suffered any impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable, according to their recoverable amounts determined by the CGU based on value in use calculations. The determination of impairment indication requires significant judgement, and the calculations require the use of estimates which are subject to change of economic environment in future.

As at 31 December 2017, the carrying amount of investments in associates and amount due from associates were HK\$15,099,000 (2016: HK\$Nil) and HK\$Nil (2016: HK\$3,349,000) respectively.

5. 重大判斷及主要估計 (續)

估計不確定因素之主要來源 (續)

(g) *商譽減值*

釐定商譽有否減值須估計獲分配商譽之現金產生單位之使用價值。在計算使用價值時，本集團須估計該現金產生單位預期將產生之未來現金流量，並以適當之貼現率計算其現值。

於報告期末，商譽之總賬面值為698,554,000港元（二零一六年：653,432,000港元）及於年內確認減值虧損為零港元（二零一六年：12,301,000港元）。減值虧損計算方法之詳情載於綜合財務報表附註19。

(h) *於聯營公司之投資及應收聯營公司款項減值*

倘事件或環境變動顯示於聯營公司之投資及應收聯營公司款項賬面值可能無法收回，管理層將根據使用價值計算法以現金產生單位釐定其可回收金額，以確定是否出現任何減值。確定減值現象需要作出重大判斷，而計算過程中需使用的估算會因未來經濟環境變化而受到影響。

於二零一七年十二月三十一日，於聯營公司之投資及應收聯營公司款項之賬面值分別為15,099,000港元（二零一六年：零港元）及零（二零一六年：3,349,000港元）。



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6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign currency risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities Hong Kong dollars and Renminbi ("RMB"). The Group currently does not have a foreign currency hedging policy in respect of other foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

At 31 December 2016 and 2017, the Group entities had no significant assets or liabilities denominated in currency other than respective functional currencies.

(b) Credit risk

The Group's credit risk is primarily attributable to its trade receivables. In order to minimise credit risk, the directors have delegated senior management to be responsible for the determination of credit limits, credit approvals and other monitoring procedures. In addition, the directors review the recoverable amount of each individual trade debt regularly to ensure that adequate impairment losses are recognised for irrecoverable debts. In this regard, the directors consider that the Group's credit risk is significantly reduced.

6. 財務風險管理

本集團業務活動承受多項財務風險：外幣風險、信貸風險、流動資金風險及利率風險。本集團之整體風險管理項目專注於金融市場之不可預測性及尋求降低對本集團財務表現造成之潛在不利影響。

(a) 外幣風險

由於本集團大部分業務交易、資產及負債主要以本集團實體功能貨幣港元及人民幣（「人民幣」）計值，故本集團所承受之外幣風險不高。本集團現時並無就其他外幣交易、資產及負債制定外幣對沖政策。本集團將密切監察外幣風險，並將於有需要時考慮對沖重大外幣風險。

於二零一六年及二零一七年十二月三十一日，本集團實體並無以各自功能貨幣以外之貨幣計值之重大資產或負債。

(b) 信貸風險

本集團之信貸風險主要來自其應收賬款。為盡量降低信貸風險，董事已委任高級管理人員，負責釐定信貸額度、信貸審批及其他監察程序。此外，董事定期監控各個別貿易債務之可收回款項，確保就不可收回之債項確認充裕之減值虧損。就此而言，董事認為本集團之信貸風險大幅降低。

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6. FINANCIAL RISK MANAGEMENT (Cont'd)

(b) Credit risk (Cont'd)

The largest two (2016: two) trade receivables represent approximately 97% (2016: 46%) of total trade receivables.

It has policies in place to ensure that sales are made to customers with an appropriate credit history. To control the credit risk of receivables from factoring business, they were arranged as factoring with recourse.

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Except for the financial guarantee given by a subsidiary as set out in note 35, the Group does not provide any other guarantees which would expose the Group to credit risk. The maximum exposure to credit risk in respect of these financial guarantees at the end of the reporting period is disclosed in note 35.

(c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

6. 財務風險管理 (續)

(b) 信貸風險 (續)

兩(二零一六年:兩)大應收賬款佔總應收賬款約97%(二零一六年:46%)。

本集團已制訂政策以確保向擁有合適信貸記錄之客戶進行銷售。為控制保理業務應收款項之信貸風險,該等客戶被安排為附有追索之保理。

由於對手方為國際信貸評級機構評定為具有高信貸評級之銀行,故現金及銀行結餘之信貸風險有限。

除附註35所載之一間附屬公司給予之財務擔保外,本集團並無提供將令本集團承受信貸風險之任何其他擔保。於報告期末,就該等財務擔保承受之最大信貸風險披露於附註35內。

(c) 流動資金風險

本集團之政策為定期監控現有及預期流動資金需求,確保其維持充裕現金儲備,以滿足短期及長期流動資金需求。

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6. FINANCIAL RISK MANAGEMENT (Cont'd)

(c) Liquidity risk (Cont'd)

The maturity analysis based on contractual undiscounted cash flows of the Group's financial liabilities is as follows:

6. 財務風險管理 (續)

(c) 流動資金風險 (續)

本集團之財務負債根據合約未經折現現金流之到期日分析如下：

		Less than 1 year 少於一年 HK\$'000 千港元	Between 2 to 5 years 兩年至五年 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 31 December 2017	於二零一七年 十二月三十一日			
Trade payables	應付賬款	4,982	-	4,982
Accruals and other payables	預提費用及 其他應付款	148,382	-	148,382
Amount due to a director	應付一名董事款項	3	-	3
At 31 December 2016	於二零一六年 十二月三十一日			
Trade payables	應付賬款	2,418	-	2,418
Accruals and other payables	預提費用及 其他應付款	115,531	-	115,531
Amount due to a director	應付一名董事款項	3	-	3
Financial guarantee (Note)	財務擔保(附註)	59,105	-	59,105

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6. FINANCIAL RISK MANAGEMENT (Cont'd)

(c) Liquidity risk (Cont'd)

Note:

Financial guarantee liabilities with a repayment on demand clause are included in the "on demand or less than 1 year" time band in the above maturity analysis. As at 31 December 2016, the aggregate undiscounted principal amounts of the financial guarantee amounted to RMB50,000,000 (equivalent to HK\$55,818,000) for the year ended 31 December 2016. Taking into account the Group's financial position, the directors do not believe that it is probable that the lenders will exercise their discretionary rights to demand immediate repayment. The directors believe that such borrowings will be repaid one year after the end of the reporting period in accordance with the scheduled repayment dates set out in the loan agreement. At that time, the aggregate principal and interest cash outflows of financial guarantee will amount to approximately RMB52,945,000 (equivalent to HK\$59,105,000) for the year ended 31 December 2016.

(d) Interest rate risk

The Group's exposure to interest-rate risk arises from its bank deposits. These deposits bear interests at variable rate varied with the then prevailing market condition.

At 31 December 2017, if interest rates at that date had been 100 basis points higher with all other variables held constant, consolidated loss after tax for the year would have been HK\$556,000 lower (2016: HK\$435,000 lower), arising mainly as a result of higher interest income on bank deposits. If interest rates had been 100 basis points lower, with all other variables held constant, consolidated loss after tax for the year would have been HK\$556,000 higher (2016: HK\$435,000 higher), arising mainly as a result of lower interest income on bank deposits.

6. 財務風險管理 (續)

(c) 流動資金風險 (續)

附註：

具按要求償還條款之財務擔保負債於上文到期日分析中納入「按要求或少於一年」之組別。於二零一六年十二月三十一日，截至二零一六年十二月三十一日止年度之財務擔保之未貼現本金總額為人民幣50,000,000元（相當於55,818,000港元）。經計及本集團之財務狀況，董事認為貸方不太可能行使其酌情權要求即時還款。董事認為，該等借款將根據貸款協議所載之預定還款日期於報告期間結算日後一年內償還。截至二零一六年十二月三十一日止年度，財務擔保之本金及利息現金流出總額將約為人民幣52,945,000元（相當於59,105,000港元）。

(d) 利率風險

本集團面對之利率風險來自其銀行存款。該等存款則按當時市況變動之浮動息率計息。

於二零一七年十二月三十一日，倘當日之利率上升100個基點，而所有其他變數均保持不變，則年度綜合除稅後虧損應會減少556,000港元（二零一六年：減少435,000港元），主要是由於該等銀行存款之較高利息收入所致。倘利率降低100個基點，而所有其他變數均保持不變，則年度綜合除稅後虧損應會增加556,000港元（二零一六年：增加435,000港元），主要是由於該等銀行存款之較低利息收入所致。

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6. FINANCIAL RISK MANAGEMENT (Cont'd)

6. 財務風險管理 (續)

(e) Categories of financial instruments at 31 December 2017

(e) 於二零一七年十二月三十一日之金融工具類別

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Financial assets:	財務資產：		
Financial assets at fair value through profit or loss:	按公平值計入損益之財務資產：		
Held for trading	持作貿易	9,658	-
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等值物)	350,316	259,277
Available-for-sale financial assets	可供出售財務資產	108,227	100,620
Financial liabilities:	財務負債：		
Financial liabilities at amortised cost	按攤銷成本計量之財務負債	153,367	141,708
Financial liabilities at fair value through profit or loss:	按公平值計入損益之財務負債：		
Held for trading	持作貿易	-	73,860

(f) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

(f) 公平值

本集團於綜合財務狀況表反映之財務資產及財務負債賬面值與其各自之公平值相若。

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7. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

7. 公平值測量法

公平值為市場參與者於測量日期在一宗有序交易中出售資產所收取或轉讓負債所支付之價格。下文使用公平值級別披露公平值測量法，而公平值級別根據測量公平值所用估值技術之輸入數據分為三個級別：

級別1輸入數據：本集團可在測量日期取得之相同資產或負債於活躍市場之報價（未經調整）。

級別2輸入數據：除級別1報價之輸入數據外，可直接或間接觀察取得之資產或負債輸入數據。

級別3輸入數據：資產或負債之不可觀察輸入數據。

本集團之政策為於轉撥事件或導致轉撥情況變動之日，確認轉入及轉出任何三個級別之一。

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7. FAIR VALUE MEASUREMENTS (Cont'd)

7. 公平值測量法 (續)

(b) Reconciliation of liabilities measured at fair value based on level 3:

(b) 按級別3公平值測量之負債之對賬:

Contingent consideration payables

應付或然代價

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At 1 January	於一月一日	(73,860)	(19,667)
Release upon issue of consideration shares	於發行代價股份時解除	31,944	16,204
Gain/(loss) on fair value change recognised in profit or loss	於損益內確認之公平值變動收益/(虧損)	44,558	(70,984)
Exchange difference	匯兌差額	(2,642)	587
At 31 December	於十二月三十一日	-	(73,860)

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2017:

The Group's directors are responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements. The directors report directly to the Board of Directors for these fair value measurements. Discussions of valuation processes and results are held between the directors and the Board of Directors at least twice a year.

(c) 本集團於二零一七年十二月三十一日使用之估值程序及公平值測量中使用之估值技術及輸入數據之披露:

本集團董事負責進行財務報告所需之資產及負債之公平值測量法，包括級別3公平值測量法。董事直接向董事會報告此等公平值測量法。董事及董事會之間最少每年討論兩次估值之程序及結果。

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7. FAIR VALUE MEASUREMENTS (Cont'd)

7. 公平值測量法 (續)

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2017:

(Cont'd)

For level 3 fair value measurements, the Group will normally engage independent external valuation experts with the recognised professional qualifications and recent experience to perform the valuations.

Level 2 fair value measurements

(c) 本集團於二零一七年十二月三十一日使用之估值程序及公平值測量中使用之估值技術及輸入數據之披露：

(續)

就級別3公平值測量法而言，本集團通常會外聘具備認可專業資格且近期有估值經驗之獨立外部估值專家進行有關估值。

級別2公平值測量法

Description 概述	Valuation method 估值方法	Inputs 輸入數據	Positive/(negative) change on fair value 公平值變動 正面/(負面)	
			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Unlisted PRC equity funds	Redemption value	Redemption value provided by the fund company	-	N/A
非上市中國股權基金	贖回價值	基金公司提供之贖回價值	-	不適用

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7. FAIR VALUE MEASUREMENTS (Cont'd)

7. 公平值測量法 (續)

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2017:

(c) 本集團於二零一七年十二月三十一日使用之估值程序及公平值測量中使用之估值技術及輸入數據之披露：

(Cont'd)

(續)

Level 3 fair value measurements

級別3公平值測量法

Description	Valuation technique	Unobservable inputs	Possible change	Effect on fair value for increase of inputs 輸入數據增加對公平值之影響	Positive/(negative) change on fair value 公平值變動 正面/(負面)	
					2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Contingent consideration payables	Discount cash flows	The number of cumulative virtual prepaid cards sold	N/A (2016: +/-50%)	The higher the cumulative number of virtual prepaid cards sold, the higher of fair value	N/A	-(33,866)
應付或然代價	已貼現現金流量	已售虛擬預付卡累計數目	不適用 (二零一六年： +/-50%)	已售虛擬預付卡累計數目越高，公平值越高	不適用	-(33,866)
		The amount of cumulative virtual prepaid cards reloaded	N/A (2016: +/-50%)	The higher the cumulative amount of virtual prepaid cards reloaded, the higher of fair value	N/A	-/-
		累計虛擬預付卡充值金額	不適用 (二零一六年： +/-50%)	充值虛擬預付卡累計金額越高，公平值越高	不適用	-/-

During the two years, there were no changes in the valuation techniques used.

於此兩個年度內，所用估值技術並無變動。

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8. REVENUE

An analysis of the Group's revenue for the year from continuing operations is as follows:

8. 營業額

本集團於年內持續經營業務之營業額分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Sale of goods	銷售貨品	65,742	28,525
Rendering of services	提供服務	142,114	51,657
		207,856	80,182

9. OTHER INCOME

9. 其他收入

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Continuing operations	持續經營業務		
Amortisation of financial guarantee contract	財務擔保合約攤銷	24,606	15,592
Exchange gain, net	匯兌收益，淨額	831	1,907
Interest income	利息收入	1,465	2,907
Gain on disposals of subsidiaries, net	出售附屬公司之收益，淨額	313	2,465
Reversal of allowance for prepayments, deposits and other receivables	預付款項、按金及其他應收款撥備撥回	-	1,167
Reversal of impairment of inventories	存貨減值撥回	-	137
Gain on fair value change of financial assets at fair value through profit or loss	按公平值計入在損益之財務資產之公平值變動收益	50	-
Others	其他	66	771
		27,331	24,946

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10. SEGMENT INFORMATION

The Group has three (2016: three) operating segments as follows:

- General trading – trading of watches and other goods
- Third party payment services – provision of third party payment services and related consultancy services in the People's Republic of China (the "PRC")
- Onecomm – provision of third party payment management services and sales of integrated smart point of sales ("POS") devices

Travellers related services segment was discontinued during the year ended 31 December 2016. The segment information reported does not include any amounts for these discontinued operations, which is described in more detail in note 15 to the consolidated financial statements.

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

The Group's other reportable segment includes certain inactive operations. None of the segments meets any of the quantitative thresholds for determining reportable segment. The information of the other operating segments is included in the "others" column.

The accounting policies of the operating segments are the same as those described in note 4 to the consolidated financial statements. Segment profits or losses do not include equity-settled share-based payment and impairment of goodwill. Segment assets do not include goodwill, available-for-sale financial assets, deposits for investments in associates, earnest money paid for potential investments and other corporate assets. Segment non-current assets do not include financial instruments, deferred tax assets and goodwill.

The Group accounts for intersegment sales and transfers as if the sales or transfers were to third parties, i.e. at current market prices.

10. 分類資料

本集團有以下三個(二零一六年:三個)經營分類:

- 一般貿易 – 買賣手錶及其他貨品
- 第三方支付服務 – 於中華人民共和國(「中國」)提供第三方支付服務及相關顧問服務
- 一鳴神州 – 提供第三方支付管理服務及銷售綜合智能銷售點(「POS」)裝置

旅客相關服務分類已於截至二零一六年十二月三十一日止年度終止經營。此分類資料並無報告此等終止經營業務之任何金額,其更多詳情闡述於綜合財務報表附註15。

本集團之可呈報分類為提供各種產品及服務之策略性業務單位。該等分類因各業務所需技術及市場推廣策略不同而獨立管理。

本集團之其他可呈報分類包括若干不活躍業務。此分類尚未達到決定作為可呈報分類之量化門檻。其他經營分類之資料載於「其他」一欄。

經營分類之會計政策與該等於綜合財務報表附註4所述者相同。分類溢利或虧損不包括股權結算股份支付款項及商譽減值。分類資產不包括商譽、可供出售財務資產、聯營公司投資按金、就潛在投資已付誠意金及其他企業資產。分類非流動資產不包括金融工具、遞延稅項資產及商譽。

本集團按以當時市場價格向第三方銷售或轉讓之假設,將分類間銷售及轉撥入賬處理。

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10. SEGMENT INFORMATION (Cont'd)

Information about operating segment profit or loss, assets and liabilities from continuing operations:

10. 分類資料 (續)

有關經營分類溢利或虧損、持續經營業務資產及負債之資料如下：

		General trading	Third party payment services	Onecomm	Others	Total
		一般貿易	第三方支付服務	一鳴神州	其他	合計
		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
Year ended 31 December 2017	截至二零一七年十二月三十一日止年度					
Revenue from external customers	來自外部客戶之營業額	64,676	137,099	6,081	-	207,856
Interest income	利息收入	350	530	6	-	886
Intersegment interest income/(expenses)	分類間利息收入／(開支)	1,284	-	(1,284)	-	-
Segment (loss)/gain	分類(虧損)／收益	(15,677)	(118,102)	(22,483)	164	(156,098)
Depreciation and amortisation	折舊及攤銷	(600)	(4,242)	(1,718)	(2)	(6,562)
Shares of associates	分佔聯營公司	-	(1,754)	-	-	(1,754)
Other material items of non-cash items:	其他非現金重大項目：					
- Impairment of prepayment, deposits and other receivables	- 預付款項、按金及其他應收款減值	-	(20,752)	(10,678)	-	(31,430)
- Impairment of trade receivables	- 應收賬款減值	(4,894)	(12)	(166)	-	(5,072)
- Impairment of intangible assets	- 無形資產減值	-	-	(2,869)	-	(2,869)
- Impairment of inventories	- 存貨減值	-	-	(2,516)	-	(2,516)
- Impairment of amounts due from associates	- 應收聯營公司款項減值	-	(3,469)	-	-	(3,469)
- Impairment of investments in associates	- 於聯營公司之投資減值	-	(21,286)	-	-	(21,286)
Income tax (expense)/credit	所得稅(開支)／抵免	-	(3)	457	-	454
Additions to segment non-current assets	添置分類非流動資產	19	3,587	-	-	3,606
As at 31 December 2017	於二零一七年十二月三十一日					
Segment assets	分類資產	48,022	218,110	1,958	18	268,108
Investments in associates	於聯營公司之投資	-	15,099	-	-	15,099

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10. SEGMENT INFORMATION (Cont'd)

Information about operating segment profit or loss, assets and liabilities: (Cont'd)

10. 分類資料 (續)

有關經營分類溢利或虧損、資產及負債之資料如下：(續)

		General trading	Third party payment services 第三方支付	Onecomm	Others	Total
		一般貿易	支付服務	一鳴神州	其他	合計
		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
Year ended 31 December 2016	截至二零一六年十二月三十一日止年度					
Revenue from external customers	來自外部客戶之營業額	33,712	42,665	3,357	448	80,182
Interest income	利息收入	2,383	520	2	2	2,907
Segment loss	分類虧損	(10,033)	(63,314)	(8,202)	(3,213)	(84,762)
Depreciation and amortisation	折舊及攤銷	(1,666)	(3,932)	(1,823)	(72)	(7,493)
Other material items of non-cash items:	其他非現金重大項目：					
– Reversal of allowance for prepayment, deposits and other receivables	– 預付款項、按金及其他應收款撥備撥回	1,167	–	–	–	1,167
Income tax (expense)/credit	所得稅(開支)/抵免	–	(30)	272	–	242
Additions to segment non-current assets	添置分類非流動資產	2,197	12,118	86	315	14,716
As at 31 December 2016	於二零一六年十二月三十一日					
Segment assets	分類資產	46,303	188,373	11,108	601	246,385

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10. SEGMENT INFORMATION (Cont'd)

Reconciliations of segment revenue and profit or loss:

10. 分類資料 (續)

分類收益、溢利或虧損之對賬：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue	收益		
Total revenue from continuing operations	持續經營業務之營業額 總額	207,856	80,182
Loss	虧損		
Total profit or loss of reportable segments	可呈報分類之溢利或 虧損總額	(156,098)	(84,762)
Gain/(loss) on fair value change of contingent consideration payables	應付或然代價公平值變動 收益 / (虧損)	44,558	(70,984)
Equity-settled share-based payment	股權結算股份支付款項	(21,843)	(48,415)
Unallocated amounts:	未分配金額：		
Corporate income and expenses, net	企業收入及開支·淨額	(26,771)	(23,886)
Amortisation of financial guarantee contract	財務擔保合約攤銷	24,606	15,592
Impairment of goodwill	商譽減值	-	(12,301)
Consolidated loss before income tax from continuing operations	來自持續經營業務之 除所得稅前綜合虧損	(135,548)	(224,756)
Assets	資產		
Total assets of reportable segments from continuing operations	來自持續經營業務之 可呈報分類之資產總額	268,108	246,385
Unallocated amounts:	未分配金額：		
Available-for-sale financial assets	可供出售財務資產	108,227	100,620
Deposits for investments in associates	聯營公司投資按金	-	2,233
Earnest money paid for potential investments	就潛在投資已付 誠意金	73,246	33,490
Goodwill	商譽	698,554	653,432
Other corporate assets	其他企業資產	244,360	45,133
Consolidated total assets	綜合資產總額	1,392,495	1,081,293

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10. SEGMENT INFORMATION (Cont'd)

Geographical information:

No separate analysis of segment information by geographical information is presented as the Group's revenue and non-current assets are principally attributable to a single geographical region, which is the PRC.

Revenue from major customers:

10. 分類資料 (續)

地區資料:

由於本集團之收益及非流動資產主要歸屬於單一地理區域(即中國),因此並無呈列就地區資料劃分之獨立分類資料分析。

來自主要客戶之收益:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Third party payment services segment	第三方支付服務分類		
Largest customer	最大客戶	32,988	-
Second largest customer	第二大客戶	15,250	-
General trading segment	一般貿易分類		
Largest customer	最大客戶	44,019	28,038
Second largest customer	第二大客戶	13,759	-

11. INCOME TAX CREDIT

Income tax relating to continuing operations has been recognised in profit or loss as following:

11. 所得稅抵免

有關持續經營業務之所得稅已於損益內確認如下:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current tax – the PRC	即期稅項 – 中國		
Under-provision in prior years	過往年度撥備不足	3	30
Deferred tax (Note 36)	遞延稅項 (附註36)	3 (457)	30 (272)
		(454)	(242)

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11. INCOME TAX CREDIT (Cont'd)

No provision for PRC Enterprise Income Tax and Hong Kong Profits Tax is required since the Group has no assessable profit for the year ended 31 December 2016 and 2017.

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

The reconciliation between the income tax credit and the product of loss before tax multiplied by the PRC Enterprise Income Tax rate is as follows:

11. 所得稅抵免 (續)

由於本集團於截至二零一六年及二零一七年十二月三十一日止年度內並無產生應課稅溢利，故並無作出中國企業所得稅及香港利得稅撥備。

其他地區應課稅溢利之稅項支出按本集團業務所在國家之現行稅率，並根據有關現有法律、詮釋及慣例計算。

所得稅抵免與除稅前虧損乘以中國企業所得稅稅率所得結果之對賬如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loss before tax (from continuing operations)	除稅前虧損 (來自持續經營業務)	(135,548)	(224,756)
Tax at the PRC Enterprise Income Tax rate of 25% (2016: 25%)	按中國企業所得稅 稅率25% (二零一六年: 25%) 計算之稅項	(33,887)	(56,189)
Tax effect of expenses that are not deductible	不可扣稅開支之稅務影響	30,169	55,218
Tax effect of income that are not taxable	毋須課稅收入之稅務影響	(18,052)	(11,887)
Tax effect of temporary differences not recognised	未確認暫時差額之 稅務影響	(457)	(278)
Tax effect of unused tax losses not recognised	未動用未確認稅項虧損 之稅務影響	20,203	11,722
Tax effect of utilisation of tax losses not previously recognised	動用以往未確認稅項虧損 之稅務影響	(355)	(1,155)
Under-provision in prior years	過往年度撥備不足	3	30
Effect of different tax rates of subsidiaries	附屬公司不同稅率之影響	1,922	2,297
Income tax credit (relating to continuing operations)	所得稅抵免 (有關持續經營業務)	(454)	(242)

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12. LOSS FOR THE YEAR FROM CONTINUING OPERATIONS

The Group's loss for the year from continuing operations is stated after charging/(crediting) the following:

12. 持續經營業務之年內虧損

本集團持續經營業務之年內虧損乃扣除／(計入)各項後列出：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Auditor's remuneration	核數師薪酬	1,500	1,450
Allowance for trade receivables	應收賬款撥備	5,072	-
Allowance/(reversal of allowance) for prepayments and other receivables	預付款項及其他應收款項撥備／(撥備撥回)	31,430	(1,167)
Amortisation of intangible assets	無形資產攤銷	1,935	1,955
Cost of inventories sold	已售存貨成本	61,177	33,407
Depreciation of property, plant and equipment	物業、廠房及設備折舊	4,629	5,538
Impairment of intangible assets	無形資產減值	2,869	-
Impairment/(reversal of impairment) of inventories	存貨減值／(減值撥回)	2,516	(137)
Loss/(gain) on disposals of property, plant and equipment	出售物業、廠房及設備之虧損／(收益)	36	(1)
Gain on disposal of subsidiaries, net (note 41(b))	出售附屬公司之收益，淨額(附註41(b))	(313)	(2,465)
Operating lease charges	經營租賃支出	13,757	14,889
Property, plant and equipment written off	物業、廠房及設備撇銷	-	7

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13. EMPLOYEE BENEFITS EXPENSE

13. 僱員福利開支

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Continuing operations		
Employee benefits expense:		
Salaries, bonuses and allowances	79,159	69,605
Equity-settled share-based payments	21,843	48,415
Retirement benefit scheme contributions	6,396	3,746
	107,398	121,766

Five highest paid individuals

The five highest paid individuals in the Group during the year included two (2016: two) directors whose emoluments are reflected in the analysis presented in note 14(a). The emoluments of the remaining three (2016: three) individuals are set out below:

五名最高薪酬人士

年內本集團五名最高薪酬人士包括兩名(二零一六年:兩名)董事,其酬金載於附註14(a)所列分析內。餘下三名(二零一六年:三名)人士之薪酬載列如下:

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Basic salaries and allowances	1,139	1,120
Equity settled share-based payments	7,879	16,952
Retirement benefit scheme contributions	86	43
	9,104	18,115

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13. EMPLOYEE BENEFITS EXPENSE (Cont'd)

The emoluments fell with the following band:

13. 僱員福利開支 (續)

有關薪酬所屬範圍：

		Number of individuals 人數	
		2017 二零一七年	2016 二零一六年
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至 3,000,000港元	2	—
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至 3,500,000港元	—	—
HK\$3,500,001 to HK\$4,000,000	3,500,001港元至 4,000,000港元	1	3
		3	3

During the year, no emoluments were paid by the Group to any of the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

年內，本集團概無向任何董事或五名最高薪酬人士支付酬金，作為加入本集團或加盟時之獎勵或離職補償。

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14. BENEFITS AND INTERESTS OF DIRECTORS

14. 董事福利及利益

(a) Directors' emoluments

The remuneration of every director is set out below:

(a) 董事酬金

各董事之酬金載列如下：

		Fees	Salaries and allowances	Discretionary bonus	Equity-settled share-based payments	Retirement benefit scheme contributions	Total
		袍金	工資及津貼	酌情花紅	股權結算 股份支付款項	退休福利 計劃供款	總薪酬
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Executive directors	執行董事						
Guan Guisen	關貴森	-	2,074	357	-	18	2,449
Cao Chunmeng	曹春萌	-	1,830	315	4,128	18	6,291
Yan Xiaotian	閻曉田	-	1,627	280	2,867	18	4,792
		-	5,531	952	6,995	54	13,532
Independent non-executive directors	獨立非執行董事						
Wang Zhongmin (note (i))	王忠民(附註(i))	120	-	-	344	-	464
Gu Jiawang	谷嘉旺	244	-	-	344	-	588
Fong Chi Wah	方志華	244	-	-	344	-	588
Xu Yanqing (note (iii))	徐燕青(附註(iii))	102	-	-	-	-	102
		710	-	-	1,032	-	1,742
Total for 2017	二零一七年總計	710	5,531	952	8,027	54	15,274

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14. BENEFITS AND INTERESTS OF DIRECTORS (Cont'd)

14. 董事福利及利益 (續)

(a) Directors' emoluments (Cont'd)

(a) 董事酬金 (續)

		Fees	Salaries and allowances	Discretionary bonus	Equity-settled share-based payments	Retirement benefit contributions	Total
		袍金	工資及津貼	酌情花紅	股份支付款項	退休福利計劃供款	總薪酬
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Executive directors	執行董事						
Guan Guisen	關貴森	-	2,000	150	-	18	2,168
Cao Chunmeng	曹春萌	-	1,740	120	9,021	18	10,899
Yan Xiaotian	閻曉田	-	1,513	90	6,265	-	7,868
		-	5,253	360	15,286	36	20,935
Independent non-executive directors	獨立非執行董事						
Wang Zhongmin	王忠民	220	-	-	752	-	972
Gu Jiawang	谷嘉旺	220	-	-	752	-	972
Fong Chi Wah	方志華	220	-	-	752	-	972
		660	-	-	2,256	-	2,916
Total for 2016	二零一六年總計	660	5,253	360	17,542	36	23,851

Note:

(i) Suspended his duties on 4 August 2017 and resigned on 12 March 2018.

(ii) Appointed on 4 August 2017.

Neither the chief executive nor any of the directors waived any emoluments during the year (2016: nil).

附註：

(i) 於二零一七年八月四日停職並於二零一八年三月十二日辭任。

(ii) 於二零一七年八月四日獲委任。

年內行政總裁及任何董事概無放棄酬金(二零一六年：無)。



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14. BENEFITS AND INTERESTS OF DIRECTORS *(Cont'd)*

(b) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company and the director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

15. DISCONTINUED OPERATIONS

On 11 April 2016, the Group entered into a sale and purchase agreement to dispose of the Group's entire equity interest in Kopu (Beijing) Technology Co., Ltd. and its subsidiary (collectively referred to as "Kopu Group"). On 14 April 2016, the Group entered into another sale and purchase agreement to dispose of the Group's equity interest in Kanghui Financial (Beijing) E-Commerce Co., Ltd. ("Kanghui"). Kopu Group and Kanghui represented the travellers related services segment and were principally engaged in the provision of air-ticketing services and related customer services. Details of the assets and liabilities disposed of and the calculation of the profit or loss on disposal are disclosed in note 41(a).

14. 董事福利及利益 (續)

(b) 董事於交易、安排或合約中之重大權益

本集團概無就其業務訂立本公司為其中訂約方及本公司董事以及董事之關聯方直接或間接擁有重大權益而於年終或年內任何時間仍然存續之重大交易、安排及合約。

15. 已終止經營業務

於二零一六年四月十一日，本集團訂立一份買賣協議，以出售於靠譜輝程(北京)科技有限公司及其附屬公司(統稱為「靠譜輝程集團」)之全部股權。於二零一六年四月十四日，本集團訂立另一份買賣協議，以出售康輝商融(北京)電子商務有限責任公司(「康輝」)之股權。靠譜輝程集團及康輝指旅客相關服務分類，主要從事提供機票服務及相關客戶服務。出售資產及負債以及計算出售事項之損益之詳情披露於附註41(a)。

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15. DISCONTINUED OPERATIONS (Cont'd)

The disposal of Kanghui and Kopu Group were completed on 29 April 2016 and 29 September 2016 respectively.

15. 已終止經營業務 (續)

出售康輝及靠譜輝程集團已分別於二零一六年四月二十九日及二零一六年九月二十九日完成。

		2016 二零一六年 HK\$'000 千港元
Loss for the year from discontinued operations:	來自己終止經營業務之年內虧損：	
Revenue	收益	3,852
Cost of sales	銷售成本	—
Gross profit	毛利	3,852
Other income	其他收入	8
Selling expenses	銷售開支	(4,535)
Administrative expenses	行政開支	(4,876)
Loss before tax	除稅前虧損	(5,551)
Income tax expense	所得稅開支	—
Loss after tax	除稅後虧損	(5,551)
Gain on disposal of discontinued operations (note 41(a))	出售已終止經營業務之收益 (附註41(a))	1,168
Loss for the year from discontinued operations	來自己終止經營業務之年內虧損	(4,383)

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15. DISCONTINUED OPERATIONS (Cont'd)

Loss for the year from discontinued operations includes the following:

15. 已終止經營業務 (續)

來自己終止經營業務之年內虧損包括以下各項：

		2016 二零一六年 HK\$'000 千港元
Auditor's remuneration	核數師薪酬	–
Amortisation of intangible assets	無形資產攤銷	16
Reversal of allowance for trade receivables	應收賬款撥備撥回	(612)
Operating leases charges of premises and facilities	房屋及設施之經營租賃支出	2,146
Depreciation of property, plant and equipment	物業、廠房及設備折舊	111
Employee benefits expense:	僱員福利開支：	
Salaries, bonuses and allowances	工資、花紅及津貼	2,662
Retirement benefit scheme contributions	退休福利計劃供款	236
Cash flows from discontinued operations:	已終止經營業務現金流量：	
Net cash outflows from operating activities	經營活動現金流出淨額	(5,584)
Net cash inflows from financing activities	融資活動現金流入淨額	2,806
		(2,778)
Effect of foreign exchange rate changes	匯率變動影響	727
Net cash outflows	現金流出淨額	(2,051)

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16. LOSS PER SHARE

(a) Basic loss per share

(i) *From continuing and discontinued operations*

The calculation of basic loss per share is based on the loss for the year attributable to owners of the Company of approximately HK\$112,192,000 (2016: HK\$214,422,000) and the weighted average number of ordinary shares of 6,720,598,000 (2016: 6,070,965,000) in issue during the year.

(ii) *From continuing operations*

The calculation of basic loss per share is based on the loss for the year attributable to owners of the Company of approximately HK\$112,192,000 (2016: HK\$210,128,000) and the weighted average number of ordinary shares of 6,720,598,000 (2016: 6,070,965,000) in issue during the year.

16. 每股虧損

(a) 每股基本虧損

(i) *來自持續及已終止經營業務*

每股基本虧損乃根據本公司擁有人應佔年度虧損約112,192,000港元(二零一六年: 214,422,000港元)及年內已發行普通股之加權平均數6,720,598,000股(二零一六年: 6,070,965,000股)而計算。

(ii) *來自持續經營業務*

每股基本虧損乃根據本公司擁有人應佔年度虧損約112,192,000港元(二零一六年: 210,128,000港元)及年內已發行普通股之加權平均數6,720,598,000股(二零一六年: 6,070,965,000股)而計算。



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16. LOSS PER SHARE (Cont'd)

16. 每股虧損 (續)

(a) Basic loss per share (Cont'd)

(a) 每股基本虧損 (續)

(iii) *From discontinued operations*

Basic loss per share from the discontinued operations during the year ended 31 December 2016 was HK0.07 cent per share based on the loss for the year from discontinued operations attributable to the owners of the Company of approximately HK\$4,294,000 and the denominator used was the same as those detailed above for basic loss per share.

(iii) 來自已終止經營業務
根據本公司擁有人應佔已終止經營業務之年度虧損約4,294,000港元，於截至二零一六年十二月三十一日止年度之已終止經營業務之每股基本虧損為每股0.07港仙。所使用之分母與上文詳述之每股基本虧損所用者相同。

(b) Diluted loss per share

As exercise of the Group's outstanding share options, warrants and contingent consideration payables for the years ended 31 December 2016 and 2017 would be anti-dilutive, no diluted loss per share was presented for the years ended 31 December 2016 and 2017.

(b) 每股攤薄虧損

由於行使截至二零一六年及二零一七年十二月三十一日止年度之本集團之尚未行使購股權、認股權證及應付或然代價將產生反攤薄效應，故截至二零一六年及二零一七年十二月三十一日止年度並無呈列每股攤薄虧損。

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17. PROPERTY, PLANT AND EQUIPMENT

17. 物業、廠房及設備

		Leasehold improvements	Furniture and office equipment	Motor vehicles	Total
		租賃物業裝修	傢具及 辦公室設備	汽車	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Cost	成本				
At 1 January 2016	於二零一六年一月一日	5,707	19,345	1,110	26,162
Additions	添置	1,985	2,695	-	4,680
Disposal of subsidiaries	出售附屬公司	-	(1,720)	-	(1,720)
Disposals/written off	出售/撤銷	-	(143)	-	(143)
Exchange differences	匯兌差額	(456)	(1,262)	(72)	(1,790)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及 二零一七年一月一日	7,236	18,915	1,038	27,189
Additions	添置	1,754	1,852	-	3,606
Disposals/written off	出售/撤銷	(262)	(183)	(307)	(752)
Exchange differences	匯兌差額	604	1,464	67	2,135
At 31 December 2017	於二零一七年十二月三十一日	9,332	22,048	798	32,178
Accumulated depreciation	累積折舊				
At 1 January 2016	於二零一六年一月一日	2,087	8,174	593	10,854
Charge for the year	本年度開支	2,256	3,319	74	5,649
Disposal of subsidiaries	出售附屬公司	-	(1,202)	-	(1,202)
Disposals/written off	出售/撤銷	-	(130)	-	(130)
Exchange differences	匯兌差額	(233)	(589)	(42)	(864)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及 二零一七年一月一日	4,110	9,572	625	14,307
Charge for the year	本年度開支	1,359	3,116	154	4,629
Disposals/written off	出售/撤銷	(262)	(166)	(288)	(716)
Exchange differences	匯兌差額	353	809	42	1,204
At 31 December 2017	於二零一七年十二月三十一日	5,560	13,331	533	19,424
Carrying amount	賬面值				
At 31 December 2017	於二零一七年十二月三十一日	3,772	8,717	265	12,754
At 31 December 2016	於二零一六年十二月三十一日	3,126	9,343	413	12,882

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18. INTANGIBLE ASSETS

18. 無形資產

		Customer relationship 客戶關係 HK\$'000 千港元	Technology know-how 科技知識 HK\$'000 千港元	Computer software (internally generated) 電腦軟件 (內部生產) HK\$'000 千港元	Total 合計 HK\$'000 千港元
Cost	成本				
At 1 January 2016	於二零一六年一月一日	244	7,406	11,417	19,067
Additions	添置	–	–	147	147
Disposal of subsidiaries	出售附屬公司	(245)	–	(6,048)	(6,293)
Exchange differences	匯兌差額	1	(481)	(504)	(984)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及 二零一七年一月一日	–	6,925	5,012	11,937
Exchange differences	匯兌差額	–	523	379	902
At 31 December 2017	於二零一七年十二月三十一日	–	7,448	5,391	12,839
Accumulated amortisation and impairment loss	累積攤銷及減值虧損				
At 1 January 2016	於二零一六年一月一日	134	1,482	7,693	9,309
Charge for the year	本年度開支	16	1,447	508	1,971
Disposal of subsidiaries	出售附屬公司	(151)	–	(5,905)	(6,056)
Exchange differences	匯兌差額	1	(159)	(283)	(441)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及 二零一七年一月一日	–	2,770	2,013	4,783
Charge for the year	本年度開支	–	1,435	500	1,935
Impairment loss	減值虧損	–	2,869	–	2,869
Exchange differences	匯兌差額	–	374	172	546
At 31 December 2017	於二零一七年十二月三十一日	–	7,448	2,685	10,133
Carrying amount	賬面值				
At 31 December 2017	於二零一七年十二月三十一日	–	–	2,706	2,706
At 31 December 2016	於二零一六年十二月三十一日	–	4,155	2,999	7,154

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18. INTANGIBLE ASSETS *(Cont'd)*

The average remaining amortisation period of technology know-how and computer software are 4 years and 5 years respectively (2016: 5 years and 6 years).

The Group carried out reviews of the recoverable amount of its intangible assets in 2017, having regard to the market conditions of the Group's business. These assets are used in the CGUs of Onecomm and Third Party Payment Services.

For the year ended 31 December 2017, the review led to the recognition of an impairment loss of HK\$2,869,000 for technical know-how used in the segment of Onecomm since the directors of the Company expected that no revenue would be generated in the foreseeable future. The recoverable amount of HK\$2,706,000 of computer software has been determined on the basis of its value in use using discounted cash flow method. Details of the impairment testing of computer software in the CGU2 are out in note 19.

18. 無形資產 (續)

科技知識及電腦軟件之平均剩餘攤銷年期分別為4年及5年(二零一六年:5年及6年)。

本集團經考慮本集團業務之市況後，對其於二零一七年之無形資產之可收回金額進行審閱。該等資產用於一鳴神州之現金產生單位及第三方支付業務。

截至二零一七年十二月三十一日止年度，經審閱，已就一鳴神州分部使用之科技知識確認2,869,000港元之減值虧損，原因為本公司董事預期在可預見將來將不會產生收益。電腦軟件2,706,000港元之可收回金額已使用貼現現金流量法計算使用價值後釐定。於現金產生單位2之電腦軟件之減值測試之詳情載於附註19。

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19. GOODWILL

19. 商譽

		General trading operations ("CGU 1")	Third party payment services ("CGU 2")	Travellers related services ("CGU 3")	Onecomm ("CGU 4")	Total
		一般貿易業務 (「現金產生單位1」)	第三方支付服務 (「現金產生單位2」)	旅客相關服務 (「現金產生單位3」)	一鳴神州 (「現金產生單位4」)	合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Cost	成本					
At 1 January 2016	於二零一六年一月一日	204,760	910,457	4,497	12,589	1,132,303
Disposal of subsidiaries	出售附屬公司	-	-	(4,491)	-	(4,491)
Exchange differences	匯兌差額	(13,308)	(55,496)	(6)	(818)	(69,628)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日	191,452	854,961	-	11,771	1,058,184
Exchange differences	匯兌差額	14,474	60,359	-	890	75,723
At 31 December 2017	於二零一七年十二月三十一日	205,926	915,320	-	12,661	1,133,907
Accumulated impairment losses	累積減值虧損					
At 1 January 2016	於二零一六年一月一日	204,760	215,538	4,497	-	424,795
Disposal of subsidiaries	出售附屬公司	-	-	(4,491)	-	(4,491)
Impairment loss recognised in the current year	本年度確認之減值虧損	-	-	-	12,301	12,301
Exchange differences	匯兌差額	(13,308)	(14,009)	(6)	(530)	(27,853)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日	191,452	201,529	-	11,771	404,752
Impairment loss recognised in the current year	本年度確認之減值虧損	-	-	-	-	-
Exchange differences	匯兌差額	14,474	15,237	-	890	30,601
At 31 December 2017	於二零一七年十二月三十一日	205,926	216,766	-	12,661	435,353
Carrying amount	賬面值					
At 31 December 2017	於二零一七年十二月三十一日	-	698,554	-	-	698,554
At 31 December 2016	於二零一六年十二月三十一日	-	653,432	-	-	653,432

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19. GOODWILL (Cont'd)

Goodwill acquired in a business combination is allocated, at acquisition, to the CGUs that are expected to benefit from that business combination.

The recoverable amounts of the CGUs have been determined on the basis of their value in use using discounted cash flow method. The key assumptions for the discounted cash flow method include those regarding the discount rates, growth rates and budgeted gross margin and revenue during the period. The Group estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on long-term average economic growth rate of the geographical area in which the businesses of the CGUs operate. Budgeted gross margin and turnover are based on past practices and expectations on market development.

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by the directors for the next four years (2016: five years) with the residual period using the terminal growth rate of 3% (2016: 3%) for CGU 2 (2016: CGU 2 and 4). This terminal growth rate does not exceed the average long-term growth rate for the relevant markets.

At 31 December 2017, the pre-tax rates used to discount the forecast cash flows in each CGU of the Group are as follows:

19. 商譽 (續)

於業務合併時獲得之商譽乃於收購時分配至預期將從該業務合併中受惠之現金產生單位。

現金產生單位之可收回金額乃經使用貼現現金流量法計算使用價值後釐定。貼現現金流量法所採用之主要假設包括期內有關之貼現率、增長率、預算毛利率及收益。本集團利用可反映目前市場對貨幣時值之評估及現金產生單位之特定風險之除稅前比率估計貼現率。增長率則按現金產生單位經營業務所在地區之長期平均經濟增長率為基準。預算毛利率及收益乃按過往慣例及預期市場發展為基準。

本集團編製之現金流量預測，乃源自獲董事批准未來四年（二零一六年：五年）及剩餘期間之現金產生單位2（二零一六年：現金產生單位2及現金產生單位4）終端增長率為3%（二零一六年：3%）之最近期財政預算。該終端增長率不超過有關市場之平均長期增長率。

於二零一七年十二月三十一日，用以貼現預測本集團各現金產生單位現金流量之除稅前比率如下：

		2017 二零一七年	2016 二零一六年
CGU 2	現金產生單位2	21.60%	20.75%
CGU 4	現金產生單位4	N/A 不適用	24.94%

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19. GOODWILL (Cont'd)

At 31 December 2016, the Group changed its business strategy for CGU 4 to focus on third party payment management services and not sales of POS devices. The directors determined the recoverable amount of CGU 4 having regard to the revised business strategy and recognised a full impairment of goodwill of HK\$12,301,000. The recoverable amount of CGU 4 of HK\$12,384,000 was based on value in use. A discount rate of 24.94% was applied to the forecast future cash flows. No other impairment of the assets of the CGU 4 was considered necessary.

20. INVESTMENTS IN SUBSIDIARIES

Particulars of major subsidiaries as at 31 December 2017 are as follows:

Name 名稱	Place of incorporation/ registration and operation 註冊成立/ 註冊及營業地點	Issued and paid up capital 已發行及實繳股本	Percentage of ownership interest 擁有權權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Country Praise Enterprises Limited	British Virgin Islands ("BVI") 英屬處女群島 (「英屬處女群島」)	769,231 ordinary shares of no par value 769,231股無面值之普通股	100%	-	Investment holding 投資控股
Splendid Win Enterprise Limited	Hong Kong 香港	HK\$10,000 10,000港元	-	100%	Investment holding 投資控股
Bright Voyage Limited	BVI 英屬處女群島	US\$50,000 50,000美元	-	100%	Investment holding 投資控股
Moderntimes Payment Limited ("Moderntimes")	BVI 英屬處女群島	US\$102,041 102,041美元	-	51%	Investment holding 投資控股

19. 商譽 (續)

於二零一六年十二月三十一日，本集團就現金產生單位4更改其業務戰略，專注於第三方支付管理服務而非銷售POS裝置。董事經計及已修訂業務戰略確定現金產生單位4之可收回金額及確認全額商譽減值12,301,000港元。現金產生單位4之可收回金額為12,384,000港元乃基於使用價值。預測未來現金流量使用貼現率24.94%。現金產生單位4資產之其他減值被認為並不重大。

20. 於附屬公司之投資

主要附屬公司於二零一七年十二月三十一日之詳情如下：

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20. INVESTMENTS IN SUBSIDIARIES (Cont'd)

20. 於附屬公司之投資 (續)

Name 名稱	Place of incorporation/ registration and operation 註冊成立/ 註冊及營業地點	Issued and paid up capital 已發行及實繳股本	Percentage of ownership interest 擁有權權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Essence Management Service Limited	Hong Kong 香港	HK\$100,000 100,000港元	–	100%	Investment holding 投資控股
商銀融通(北京)投資諮詢有限公司 Beijing Shangyin Investment Consultancy Co., Ltd.*	The PRC 中國	RMB123,330,000 人民幣123,330,000元	–	100%	Trading of goods 買賣貨品
北京天同賽伯信息科技有限公司 Beijing Tiantongsaibo Information Technology Co., Ltd.*	The PRC 中國	RMB101,000,000 人民幣101,000,000元	–	100%	Provision of third party payment services, information system maintenance and development services 提供第三方支付服務及信息 系統維護及開發服務
北京高滙通商業管理有限公司 Beijing Gaohuitong Commercial Management Co., Ltd.*	The PRC 中國	RMB150,000,000 人民幣150,000,000元	–	100%	Provision of third party payment services 提供第三方支付服務
北京志翔創付商貿有限公司 Beijing Zhixiang Chuangfu Commercial Co., Ltd.*	The PRC 中國	RMB10,000,000 人民幣10,000,000元	–	100%	Trading of goods 買賣貨品
上海京滙商貿有限公司 Shanghai Jinghui Commercial Co., Ltd.*	The PRC 中國	RMB1,000,000 人民幣1,000,000元	–	100%	Provision of third party payment services 提供第三方支付服務
深圳前海中創匯通互聯網金融服務 有限公司 Shenzhen Innovationpay Co., Ltd.*	The PRC 中國	HK\$18,000,000 (2016: HK\$10,000,000) 18,000,000港元 (二零一六年: 10,000,000港元)	–	100%	Investment holding 投資控股

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20. INVESTMENTS IN SUBSIDIARIES (Cont'd)

20. 於附屬公司之投資 (續)

Name 名稱	Place of incorporation/ registration and operation 註冊成立/ 註冊及營業地點	Issued and paid up capital 已發行及實繳股本	Percentage of ownership interest 擁有權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
北京一鳴神州科技有限公司 (附註) Beijing Onecomm Technology Co., Ltd.* (Note)	The PRC 中國	RMB23,000,000 人民幣23,000,000元	–	51%	Provision of third party payment management services and sales of POS devices 提供第三方支付管理服務及 銷售POS裝置
裕順投資諮詢(上海)有限公司 Yu Shun Investment Consultancy (Shanghai) Co., Ltd.*	The PRC 中國	US\$7,340,000 7,340,000美元	–	51%	Provision of consultancy services, development, operation and promotion of innovative products and customer value management 提供顧問服務、開發、經營及 促銷創新產品及客戶價值 管理
杭州塞伯科技有限公司 (附註) Hangzhou Saibo Information Technology Co., Ltd.* (Note)	The PRC 中國	RMB6,350,000 (2016: RMB4,000,000) 人民幣6,350,000元 (二零一六年: 人民幣 4,000,000元)	–	100%	Inactive 暫無營業
杭州高匯商貿有限公司 (附註) Hangzhou Gaohuitong Commercial Co. Ltd.* (Note)	The PRC 中國	RMB7,300,000 (2016: RMB2,000,000) 人民幣7,300,000元 (二零一六年: 人民幣 2,000,000元)	–	100%	Inactive 暫無營業

* The English translation name is for identification purpose only. The official name of the entity is in Chinese.

Note: To facilitate legal investigation not related to the Group, by order of a PRC District People's Procuratorate, the shares of these subsidiaries were restricted to transfer freely.

The above list contains the particulars of major subsidiaries which principally affected the results, assets or liabilities of the Group.

附註: 為促進與本集團無關之法律調查, 一中國地區人民檢察院頒令該等附屬公司之股份被限制自由轉讓。

上表載列主要影響本集團業績、資產或負債之主要附屬公司詳情。

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20. INVESTMENTS IN SUBSIDIARIES (Cont'd)

As at 31 December 2017, the bank and cash balances of the Group's subsidiaries in the PRC denominated in RMB amounted to HK\$57,374,000 (2016: HK\$136,836,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

21. INVESTMENTS IN ASSOCIATES

20. 於附屬公司之投資 (續)

於二零一七年十二月三十一日，本集團中國附屬公司以人民幣計值之銀行及現金結餘達57,374,000港元（二零一六年：136,836,000港元）。人民幣兌換為外幣須遵循《中國外匯管理條例》及《結匯、售匯及付匯管理規定》。

21. 於聯營公司之投資

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Unlisted investments in the PRC:	於中國之非上市投資：		
Share of net assets	應佔資產淨值	1,393	-
Goodwill	商譽	35,810	-
		37,203	-
Impairment losses	減值虧損	(22,104)	-
		15,099	-
Reconciliation of impairment of investments:	投資減值之對賬：		
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At 1 January	於一月一日	-	-
Impairment for the year	年內減值	21,286	-
Exchange difference	匯兌差額	818	-
At 31 December	於十二月三十一日	22,104	-

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21. INVESTMENTS IN ASSOCIATES (Cont'd)

Details of the Group's associates at 31 December 2017 were as follows:

21. 於聯營公司之投資 (續)

本集團聯營公司於二零一七年十二月三十一日之詳情如下：

Name	Place of incorporation/ registration and operation	Registered capital	Percentage of equity interest attributable to the Group	Principal activities
名稱	註冊成立／註冊及營業地點	註冊資本	本集團應佔 股權百分比	主要業務
上海裕暢金融信息服務有限公司 (「裕暢」) Shanghai Yu Chang Financial Information Services Co., Ltd. ("Yu Chang")*	The PRC 中國	RMB5,000,000 人民幣5,000,000元	37%	Micro business lending 微型企業貸款
上海雪營信息科技有限公司 (「雪營」)(附註(a)) Shanghai Xueying Information & Technology Co., Ltd. ("Xueying")*(note (a))	The PRC 中國	RMB1,000,000 人民幣1,000,000元	20%	Information technology development and consultancy services 信息技術開發及 諮詢服務
北京沃雷特科技有限公司 (「北京沃雷特」) Beijing Wallet Science and Technology Co., Ltd. ("BJ Wallet")*	The PRC 中國	RMB2,500,000 人民幣2,500,000元	20%	Provision of consultancy services for internet operation 提供互聯網運營 諮詢服務
廣州筷子信息科技有限公司 (「廣州筷子」)(附註(b)) Guangzhou Kuaizi Information Technology Co., Ltd. ("GZ Kuaizi")*(note (b))	The PRC 中國	RMB3,207,470 人民幣3,207,470元	5%	Information technology development 信息技術開發
南京厚建雲計算有限公司 (「南京厚建」)(附註(c)) Nanjing Houjian Cloud Computing Co., Ltd.* ("NJ Houjian") (note (c))	The PRC 中國	RMB1,164,023 人民幣1,164,023元	5%	Information technology development and consultancy services 信息技術開發及 諮詢服務

* The English translation name is for identification purpose only. The official name of the entity is in Chinese.

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21. INVESTMENTS IN ASSOCIATES (Cont'd)

Notes:

- (a) As at 31 December 2016, the amount due from an associate was unsecured, interest free and repayable on demand.
- (b) The recoverable amount of the investment in an associate, GZ Kuaizi, is determined from the value in use calculation. The key assumptions for the value in use calculations are those regarding the discount rate, growth rate and net profit after tax. The Group estimates discount rates using pre-tax rates of 17.71% (2016: N/A) with the residual period using the terminal growth rate of 3%. This terminal growth rate does not exceed the average long-term growth rate for the relevant markets.

As at 31 December 2017, accumulated impairment loss of HK\$10,567,000 (2016: N/A) was made on the investment in GZ Kuaizi as the associate has been unable to achieve its financial forecasts and requires continuous funding from investors to develop its business to a meaningful scale.

- (c) The recoverable amount of the investment in an associate, NJ Houjian, is zero because the directors of the Company expected that no profit would be generated in the foreseeable future.

As at 31 December 2017, accumulated impairment loss of HK\$11,537,000 (2016: N/A) was made on the investment in NJ Houjian.

Although the Group holds less than 20% of the voting power of GZ Kuaizi and NJ Houjian, the Group exercises significant influence over these entities because the Group is entitled to appoint a director out of the five directors of these entities.

21. 於聯營公司之投資 (續)

附註：

- (a) 於二零一六年十二月三十一日，應收一間聯營公司款項為無抵押、免息及須應要求償還。
- (b) 於一間聯營公司廣州筷子投資之可收回金額乃自使用價值計算中釐定。使用價值計算之關鍵假設包括用折現率、增長率及除稅後純利。本集團使用除稅前利率17.71%（二零一六年：不適用）及剩餘期間使用終端增長率3%估計折現率。該終端增長率不超過有關市場之平均長期增長率。

於二零一七年十二月三十一日，累計減值虧損10,567,000港元（二零一六年：不適用）乃就於廣州筷子之投資作出，原因為該聯營公司已無法達致其財務預測及需投資者持續提供資金以將其業務發展至可觀規模。

- (c) 於一間聯營公司南京厚建投資之可收回金額為零，原因為本公司董事預期於可見將來並不會產生純利。

於二零一七年十二月三十一日，累計減值虧損11,537,000港元（二零一六年：不適用）乃就於南京厚建之投資作出。

儘管本集團擁有廣州筷子及南京厚建不足20%之投票權，惟本集團對該等實體具有重大影響力，原因為本集團有權委任該等實體五名董事中的其中一名董事。

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21. INVESTMENTS IN ASSOCIATES (Cont'd)

The following table shows, in aggregate, the Group's share of the amounts of all individual immaterial associates that are accounted for using the equity method.

21. 於聯營公司之投資 (續)

下表合計顯示本集團應佔以權益法入賬之所有個別不重大聯營公司之金額。

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At 31 December:	於十二月三十一日：		
Carrying amounts of interests	利息之賬面值	15,099	-
Year ended 31 December:	截至十二月三十一日 止年度：		
Loss from continuing operations	持續經營業務虧損	(1,754)	-
Other comprehensive income	其他全面收入	-	-
Total comprehensive income	全面收入總額	<u>(1,754)</u>	<u>-</u>

The Group has not recognised loss for the year amounting to approximately HK\$4,000 (2016: approximately HK\$45,000) and HK\$19,000 (2016: HK\$114,000) for Yu Chang and Xueying respectively. The accumulated losses not recognised were approximately HK\$50,000 (2016: approximately HK\$46,000) and HK\$133,000 (2016: HK\$114,000) for Yu Chang and Xueying respectively.

本集團尚未確認裕暢及雪營之年內虧損分別約為4,000港元(二零一六年:約45,000港元)及19,000港元(二零一六年:114,000港元)。裕暢及雪營之未確認累積虧損分別約為50,000港元(二零一六年:約46,000港元)及133,000港元(二零一六年:114,000港元)。

As at 31 December 2017, the bank and cash balances of the Group's associates in the PRC denominated in RMB amounted to approximately HK\$16,585,000 (2016: approximately HK\$53,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

於二零一七年十二月三十一日,本集團中國聯營公司以人民幣計值之銀行及現金結餘達約16,585,000港元(二零一六年:約53,000港元)。人民幣兌換為外幣須遵循《中國外匯管理條例》及《結匯、售匯及付匯管理規定》。

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22. AVAILABLE-FOR-SALE FINANCIAL ASSETS

22. 可供出售財務資產

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Unlisted equity securities	非上市股本證券		
At cost	按成本	108,227	100,620

Unlisted equity securities with carrying amount of approximately HK\$108,227,000 (2016: HK\$100,620,000) were carried at cost as they do not have a quoted market price in an active market and their fair value cannot be reliably measured.

非上市股本證券賬面值約108,227,000港元(二零一六年: 100,620,000港元)按成本價列值, 因該證券在活躍市場並無市場報價及不能可靠計量其公平值。

The carrying amounts of the Group's available-for-sale financial assets are denominated in RMB as at 31 December 2016 and 2017.

於二零一六年及二零一七年十二月三十一日, 本集團可供出售財務資產之賬面值以人民幣計值。

As at 31 December 2017, available-for-sale financial assets were pledged as security in respect of loan granted to the underlying investee company.

於二零一七年十二月三十一日, 可供出售財務資產已就授予相關被投資公司貸款作抵押。

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23. INVENTORIES

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Finished goods	<u>2,710</u>	<u>3,153</u>

As at 31 December 2017, an allowance was made for estimated irrecoverable inventories for approximately HK\$3,928,000 (2016: HK\$1,223,000).

23. 存貨

於二零一七年十二月三十一日，就估計不可收回之存貨作出撥備約3,928,000港元（二零一六年：1,223,000港元）。

24. TRADE RECEIVABLES

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade receivables	35,638	23,863
Allowance for doubtful debts	(8,876)	(3,356)
	<u>26,762</u>	<u>20,507</u>

The Group's trading terms with customers are mainly on credit. The credit terms generally range from 25 to 90 (2016: 30 to 90 days) days. For new customers, payment in advance is normally required. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the directors.

本集團與客戶之貿易條款主要為信貸。信貸期一般介乎25至90日（二零一六年：30至90日）。對於新客戶而言，一般須預付款項。本集團對未收回之應收款維持嚴格控制。董事定期審視逾期結餘。

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24. TRADE RECEIVABLES (Cont'd)

The ageing analysis of trade receivables based on the invoice date, and net of allowance, is as follows:

0 to 90 days	0至90日
91 to 180 days	91日至180日
181 to 365 days	181至365日

24. 應收賬款 (續)

應收賬款(按發票日期計算,並已扣除撥備)之賬齡分析如下:

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
25,073	10,688
1,666	4,662
23	5,157
26,762	20,507

As at 31 December 2017, an allowance was made for estimated irrecoverable trade receivables for approximately HK\$8,876,000 (2016: HK\$3,356,000).

於二零一七年十二月三十一日,就估計不可收回之應收賬款作出撥備約8,876,000港元(二零一六年:3,356,000港元)。

Reconciliation of allowance for trade receivables:

應收賬款撥備之對賬:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At 1 January	於一月一日	3,356	4,216
Allowance for the year	年內撥備	5,072	-
Reversal of allowance for the year	年內撥備撥回	-	(612)
Exchange difference	匯兌差額	448	(248)
At 31 December	於十二月三十一日	8,876	3,356

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24. TRADE RECEIVABLES (Cont'd)

As of 31 December 2017, trade receivables of HK\$2,189,000 (2016: HK\$9,862,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Up to 3 months	三個月之內	2,118	4,704
3 to 6 months	三個月至六個月	48	1
Over 6 months	六個月以上	23	5,157
		2,189	9,862

The carrying amounts of the Group's trade receivables are denominated in RMB as at 31 December 2016 and 2017.

24. 應收賬款 (續)

於二零一七年十二月三十一日，應收賬款2,189,000港元（二零一六年：9,862,000港元）已逾期但未減值。該等款項與多名近期無拖欠記錄之獨立客戶有關。該等應收賬款之賬齡分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Up to 3 months	三個月之內	2,118	4,704
3 to 6 months	三個月至六個月	48	1
Over 6 months	六個月以上	23	5,157
		2,189	9,862

於二零一六年及二零一七年十二月三十一日，本集團應收賬款之賬面值以人民幣計值。

25. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Prepayments (Note (a))	預付款項 (附註(a))	115,301	9,052
Deposits	按金	13,653	12,357
Loans to independent third parties (Note (b))	向獨立第三方作出之貸款 (附註(b))	-	3,349
Other receivables	其他應收款	7,821	33,438
		136,775	58,196
Long term deposits classified as non-current assets	分類為非流動資產之長期按金	(2,823)	(3,978)
		133,952	54,218

25. 預付款項、按金及其他應收款

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Prepayments (Note (a))	預付款項 (附註(a))	115,301	9,052
Deposits	按金	13,653	12,357
Loans to independent third parties (Note (b))	向獨立第三方作出之貸款 (附註(b))	-	3,349
Other receivables	其他應收款	7,821	33,438
		136,775	58,196
Long term deposits classified as non-current assets	分類為非流動資產之長期按金	(2,823)	(3,978)
		133,952	54,218

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25. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (Cont'd)

Note:

- (a) As at 31 December 2017, prepayment of HK\$109,989,000 (2016: HK\$Nil) were exclusively for the purpose of fulfilling settlement obligation as set out in note 32.
- (b) The carrying amounts of loans to independent third parties were denominated in RMB as at 31 December 2016. The loans were arranged at fixed interest rates between 12% to 15% per annum.

At 31 December 2016, the loans are secured by the following:

- (i) Personal guarantee with unlimited amount given by the largest shareholder of the borrowing company; and
- (ii) Land located in the PRC owned by the borrowing company.

As at 31 December 2017, an allowance was made for estimated irrecoverable prepayment, deposits and other receivables of approximately HK\$55,937,000 (2016: HK\$21,661,000).

Reconciliation of allowance for prepayments, deposits and other receivables:

25. 預付款項、按金及其他應收款 (續)

附註：

- (a) 於二零一七年十二月三十一日，預付款項109,989,000港元（二零一六年：零港元）如附註32所述並無用於履行結算責任。
- (b) 於二零一六年十二月三十一日，向獨立第三方作出之貸款之賬面值以人民幣計值。貸款以介乎每年12%至15%之固定利率安排。

於二零一六年十二月三十一日，貸款乃以下列各項作抵押：

- (i) 借款公司之最大股東作出之無限制金額之個人擔保；及
- (ii) 由借款公司擁有之位於中國之土地。

於二零一七年十二月三十一日，就估計不可收回之預付款項、按金及其他應收款作出撥備約55,937,000港元（二零一六年：21,661,000元）。

預付款項、按金及其他應收款撥備之對賬：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At 1 January	於一月一日	21,661	24,361
Allowance for the year	年內撥備	31,430	-
Reversal of allowance for the year	年內撥備撥回	-	(1,167)
Exchange difference	匯兌差額	2,846	(1,533)
At 31 December	於十二月三十一日	55,937	21,661

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26. EARNEST MONEY PAID FOR POTENTIAL INVESTMENTS

On 18 July 2016, the Company entered into a memorandum in respect of a conditional acquisition of the Target Group. Pursuant to the memorandum, the Group paid to the Target Group RMB30,000,000 (equivalent to HK\$33,490,000) as earnest money during the year ended 31 December 2016.

On 17 March 2017, the Company and the sellers entered into a Sale and Purchase Agreement pursuant to which the Company have conditionally agreed to purchase 51% equity interests of the Target Group.

On 31 October 2017, the Group agreed to pay further RMB31,000,000 (equivalent to HK\$36,023,000) as earnest money to the Target Group and the total earnest money paid by the Group was RMB61,000,000 (equivalent to HK\$73,246,000) as at 31 December 2017.

27. AMOUNTS DUE FROM NON-CONTROLLING SHAREHOLDERS OF SUBSIDIARIES

Amounts due from non-controlling shareholders of subsidiaries are as follows:

26. 就潛在投資已付誠意金

於二零一六年七月十八日，本公司就有條件收購目標集團訂立備忘錄。根據該備忘錄，本集團於截至二零一六年十二月三十一日止年度向目標集團支付人民幣30,000,000元（相當於33,490,000港元）作為誠意金。

於二零一七年三月十七日，本公司與賣方訂立買賣協議，據此，本公司已有條件同意購買目標集團之51%股權。

於二零一七年十月三十一日，本集團同意向目標集團進一步支付人民幣31,000,000元（相當於36,023,000港元）作為誠意金，而本集團已於二零一七年十二月三十一日支付之誠意金總額為人民幣61,000,000元（相當於73,246,000港元）。

27. 應收附屬公司之非控股股東款項

應收附屬公司之非控股股東款項如下：

Name	姓名	Balance at	Balance at	Maximum
		31 December	1 January 2017	amount
		2017	於二零一七年	outstanding
		於二零一七年	於二零一七年	during the year
		十二月三十一日	一月一日	年內最高
		之結餘	之結餘	未償還金額
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Mr. JOONG Chi-Wei	仲躋偉先生	290	290	290
Mr. Sun Jiangning	孫江寧先生	-	565	650
		290	855	

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27. AMOUNTS DUE FROM NON-CONTROLLING SHAREHOLDERS OF SUBSIDIARIES (Cont'd)

The amounts were unsecured, interest free and repayable on demand.

As at 31 December 2017, an allowance was made for estimated irrecoverable amounts due from non-controlling shareholders of subsidiaries of approximately HK\$752,000 (2016: nil).

28. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The carrying amount of the above financial assets is classified as held for trading. The fair value of the unlisted PRC equity funds at 31 December 2017 are based on statement provided by the operator of the fund. The directors of the Group assessed that there was no material difference when the funds were redeemed as at 31 December 2017.

27. 應收附屬公司之非控股股東款項 (續)

該款項為無抵押、免息及須應要求償還。

於二零一七年十二月三十一日，就應收附屬公司之非控股股東估計不可撤銷款項約752,000港元(二零一六年：零)作出撥備。

28. 按公平值計入在損益賬之財務資產

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Unlisted PRC equity funds	9,658	-
非上市中國股權基金	9,658	-

上述財務資產之賬面值分類為持作交易。於二零一七年十二月三十一日非上市中國股權基金之公平值乃基於基金操作者所提供之報表。本集團董事評估基金於二零一七年十二月三十一日贖回時並無重大差異。



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29. RESTRICTED BANK BALANCES

As at 31 December 2017, the Group had bank balances of HK\$1,102,000 (2016: HK\$Nil) frozen by a PRC District People's Procuratorate to facilitate legal investigation not related to the Group.

The restricted bank balances were denominated in RMB.

Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

30. BANK AND CASH BALANCES

As at 31 December 2017, the bank and cash balances of the Group denominated in RMB was amounted to HK\$61,128,000 (2016: HK\$136,836,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

As at 31 December 2017, bank balances of HK\$23,101,000 (2016: HK\$98,295,000) were exclusively for the purpose of fulfilling settlement obligation as set out in note 32.

29. 受限制銀行結餘

於二零一七年十二月三十一日，本集團擁有銀行結餘1,102,000港元（二零一六年：零港元）獲中國一地區人民檢察院凍結用於與本集團無關之法律調查。

受限制銀行結餘以人民幣計值。

人民幣兌換為外幣須遵循《中國外匯管理條例》及《結匯、售匯及付匯管理規定》。

30. 銀行及現金結餘

於二零一七年十二月三十一日，本集團以人民幣計值之銀行及現金結餘達61,128,000港元（二零一六年：136,836,000港元）。人民幣兌換為外幣須遵循《中國外匯管理條例》及《結匯、售匯及付匯管理規定》。

於二零一七年十二月三十一日，銀行結餘23,101,000港元（二零一六年：98,295,000港元）如附註32所述僅就用作結算責任用途。

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31. TRADE PAYABLES

The ageing analysis of trade payables, based on the date of receipt of goods, is as follows:

0 to 90 days	0至90日
181 to 365 days	181日至365日
Over 365 days	365日以上

31. 應付賬款

應付賬款(按收到貨品當日計算)之賬齡分析如下:

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
2,546	17
18	15
2,418	2,386
4,982	2,418

The carrying amounts of the Group's trade payables are denominated in RMB as at 31 December 2016 and 2017.

於二零一六年及二零一七年十二月三十一日,本集團應付賬款之賬面值以人民幣計值。

32. ACCRUALS AND OTHER PAYABLES

Settlement obligation (Note)	結算責任(附註)
Receipt in advance	預收款項
Accruals	預提費用
Other payables	其他應付款

32. 預提費用及其他應付款

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
119,876	98,295
4,063	4,502
5,978	5,985
22,528	11,251
152,445	120,033

Note:

The settlement obligations are recognised upon receipt of fund from end users and prepaid card holders of Third Party Payment Services. The amount represents the Group's obligations to remit the same to designated recipients or the contracted merchants. The settlement basis is normally the next business day of the transaction date, except for certain designated recipients and merchants.

附註:

結算責任於收取終端用戶及第三方支付服務之預付卡卡主之款項時確認。該金額指本集團有責任向指定受益人及合約商戶匯款同等金額。結算期一般為交易日期下一個營業日,惟指定受益人及商戶除外。

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33. AMOUNT DUE TO A DIRECTOR

The amount was unsecured, interest free and repayable on demand.

33. 應付一名董事

該款項為無抵押、免息及須應要求償還。

34. CONTINGENT CONSIDERATION PAYABLES

34. 應付或然代價

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
As at 1 January	於一月一日	73,860	19,667
Release upon issue of consideration shares (Gain)/loss on fair value change recognised for the year	於發行代價股份時解除 年內已確認公平值變動 (收益)/虧損	(31,944) (44,558)	(16,204) 70,984
Exchange differences	匯兌差額	2,642	(587)
As at 31 December	於十二月三十一日	-	73,860
Analysed as:	分析:		
Current liabilities	流動負債	-	40,278
Non-current liabilities	非流動負債	-	33,582
		-	73,860

The contingent consideration payables as at year end date represented the present value of the contingent considerations for the acquisitions of subsidiaries, which were estimated based on level 3 measurement. Details of the above are set out in note 41(c) to the consolidated financial statements.

於年終，應付或然代價代表收購附屬公司之或然代價現值，現值根據第三級計量估算。以上詳情載列於綜合財務報表附註41(c)。

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35. FINANCIAL GUARANTEE

35. 財務擔保

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At 1 January	於一月一日	23,756	41,365
Amortisation for the year (note 9)	年內攤銷(附註9)	(24,606)	(15,592)
Exchange difference	匯兌差額	850	(2,017)
		<hr/>	<hr/>
At 31 December	於十二月三十一日	-	23,756

During the year ended 31 December 2015, the Group has issued a guarantee of RMB150,000,000 in respect of loans granted to an investee company. Under the guarantee, the Group is liable for the maximum liability of RMB150,000,000 (equivalent to HK\$179,093,000) of the investee company's borrowings from the investee company's major equity holder upon failure of the investee company making payments when due.

The maximum liability of the Group as at 31 December 2016 under this guarantee is the aggregate of borrowings drawn at that date of RMB50,000,000 (equivalent to approximately HK\$55,818,000) and interest accrued up to that date of approximately RMB2,945,000 (equivalent to approximately HK\$3,288,000).

During the year ended 31 December 2017, the investee company settled loans from the investee company's major equity holder. Thus, the financial guarantee was derecognised when the loans settled.

於截至二零一五年十二月三十一日止年度內，本集團就授予一間被投資公司貸款發行人民幣150,000,000元之擔保。根據擔保，倘被投資公司於貸款到期未能償還，則本集團將對來自被投資公司之主要權益持有人之被投資公司貸款之最高負債為人民幣150,000,000元(相當於179,093,000港元)負責。

於二零一六年十二月三十一日，本集團於該擔保項下之最高負債為於該日提取之借款總額人民幣50,000,000元(相當於約55,818,000港元)及直至該日止之應計利息約人民幣2,945,000元(相當於約3,288,000港元)。

截至二零一七年十二月三十一日止年度內，被投資公司已償還投資主要權益持有人之貸款。因此，財務擔保於還清貸款時確認撤銷。

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36. DEFERRED TAX

Deferred tax liability of fair value gain on intangible assets by acquisition of a subsidiary is recognised by the Group.

36. 遞延稅項

本集團透過收購一間附屬公司確認無形資產之公平值收益之遞延稅項負債。

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At 1 January	於一月一日	(441)	(749)
Credit to profit or loss for the year (Note 11)	計入於本年度損益 (附註11)	457	272
Exchange differences	匯兌差額	(16)	36
At 31 December	於十二月三十一日	-	(441)

At the end of the reporting period, the Group has unused tax losses of HK\$179,066,000 (2016: HK\$112,417,000) available for offset against future profits. No deferred tax asset has been recognised in respect of such tax losses due to the unpredictability of future profit streams. All unused tax losses will expire on or before 2022.

於報告期末，本集團有未動用稅項虧損179,066,000港元（二零一六年：112,417,000港元），可用以抵銷未來溢利。由於無法預測未來溢利來源，故並未就有關稅務虧損確認遞延稅項資產。所有未動用稅項虧損將於二零二二年或之前屆滿。

No temporary differences associated with undistributed earnings of subsidiaries for which deferred tax liabilities was recognised as at 31 December 2016 and 2017. No liability has been recognised in respect of these differences because the Group is in a position to control the timing of reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

於二零一六年及二零一七年十二月三十一日，並無與確認遞延稅項負債之附屬公司未分派盈利相關之暫時差額。由於本集團可控制撥回暫時差額之時間，且有關差額可能不會於可見未來撥回，故並無就該等差額確認任何負債。

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37. SHARE CAPITAL

37. 股本

	Note 附註	2017 二零一七年		2016 二零一六年	
		Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元	Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
Authorised: Ordinary shares of HK\$0.01 each	法定： 每股面值0.01港元 之普通股	20,000,000	200,000	20,000,000	200,000
Ordinary, issued and fully paid:	普通、已發行及 繳足：				
At 1 January	於一月一日	6,099,310	60,993	6,015,766	60,158
Share issued under placing	股份根據配售發行	(a) 788,600	7,886	-	-
Share issued under share option scheme	股份根據購股權 計劃發行	40 21,600	216	37,248	372
Share issued under contingent consideration	股份根據或然 代價發行	34 69,445	695	46,296	463
At 31 December	於十二月三十一日	6,978,955	69,790	6,099,310	60,993

Note:

- (a) On 17 March 2017, the Company entered into a placing agreement with Oriental Patron Asia Limited (the "Placing Agent") pursuant to which the Company has conditionally agreed to place, through the Placing Agent, up to 900,000,000 placing shares at a price of HK\$0.5 per placing share. The placing was completed on 26 April 2017 and the net proceeds from placing was approximately HK\$390,357,000.

附註：

- (a) 於二零一七年三月十七日，本公司與Oriental Patron Asia Limited（「配售代理」）訂立配售協議，據此，本公司已有條件同意通過配售代理按每股配售股份0.5港元之價格配售最多900,000,000股配售股份。配售於二零一七年四月二十六日完成及配售所得款項淨額約為390,357,000港元。

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance.

本集團資本管理之目標是維護本集團之持續經營能力，並透過優化債務與股權平衡而為股東帶來豐厚回報。

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37. SHARE CAPITAL (Cont'd)

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the payment of dividends, issue new shares, buy-back shares, raise new debts, redeem existing debts or sell assets to reduce debts.

The Group monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt divided by adjusted capital. Net debt is calculated as total debts less cash and cash equivalents. Adjusted capital comprises all components of equity (i.e. share capital, share premium, retained profits and other reserves).

37. 股本 (續)

本集團按風險比例設定資本金額。本集團根據經濟環境之變化及相關資產之風險特徵，管理資本架構並加以調整。為維持或調整資本架構，本集團可調整派付股息、發行新股、回購股份、募集新債務、贖回現有債務或出售資產以減輕債務。

本集團按債務對經調整資本比率基準監管資本。該比率按淨債務除以經調整資本計算。淨債務按總債務減現金及現金等值物計算。經調整資本包括所有權益部分（如：股本、股份溢價、保留虧損及其他儲備）。

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Debts (a)	債務(a)	153,364	141,705
Less: Prepayment restricted for settlement obligation	減：有關結算責任之受限制預付款項	(109,989)	-
Less: Cash and cash equivalents	減：現金及現金等值物	(304,612)	(185,422)
Net debts	債務淨額	(261,237)	(43,717)
Equity (b)	權益(b)	1,240,180	842,804
Net debts to equity ratio	淨債務對權益比率	N/A 不適用	N/A 不適用

(a) Debt is defined as trade payables, accruals and other payables excluding receipt in advance and financial guarantee as detailed in notes 31, 32 and 35 to the consolidated financial statements.

(a) 債務被定義為應付賬款、預提費用及其他應付款（不包括預收款項）以及財務擔保，詳情見綜合財務報表附註31、32及35。

(b) Equity included all capital and reserves before non-controlling interests of the Group.

(b) 權益包括本集團非控股權益前之所有資本及儲備。

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37. SHARE CAPITAL (Cont'd)

The externally imposed capital requirements for the Group is to have a public float of at least 25% of the Company's shares in order to maintain its listing on the Stock Exchange. Based on information that is publicly available to the Company and within the knowledge of the directors, at least 25% of the Company's total issued share capital was held by the public.

37. 股本 (續)

本集團為維持其於聯交所上市地位，其外部施加之資本要求為須保持至少25%本公司股份為公眾持股量。根據本公司所得公開資料及就董事所知，公眾持有本公司已發行股本總額最少25%。

38. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

38. 本公司之財務狀況表及儲備變動

(a) Statement of financial position of the Company

(a) 本公司之財務狀況表

		As at 31 December		
		於十二月三十一日		
		2017	2016	
		二零一七年	二零一六年	
		HK\$'000	HK\$'000	
		千港元	千港元	
Non-current assets	非流動資產	Note		
		附註		
Property, plant and equipment	物業、廠房及設備		-	2
Investments in subsidiaries	於附屬公司之投資		405,036	375,291
Amounts due from subsidiaries	應收附屬公司款項		413,851	261,701
Earnest money paid for potential investments	就潛在投資已付誠意金	26	73,246	33,490
			892,133	670,484
Current assets	流動資產			
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		834	834
Amounts due from subsidiaries	應收附屬公司款項		203,448	195,448
Bank and cash balances	銀行及現金結餘		214,847	14,202

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38. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Cont'd)

38. 本公司之財務狀況表及儲備變動 (續)

(a) Statement of financial position of the Company (Cont'd)

(a) 本公司之財務狀況表 (續)

		As at 31 December	
		於十二月三十一日	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
Current liabilities	流動負債		
Accruals and other payables	預提費用及其他應付款項	2,393	2,388
Amounts due to subsidiaries	應付附屬公司款項	76,434	36,679
		78,827	39,067
Net current assets	流動資產淨值	340,302	171,417
NET ASSETS	資產淨值	1,232,435	841,901
Capital and reserves	資本及儲備		
Share capital	股本	37	69,790
Reserves	儲備	38(b)	1,162,645
TOTAL EQUITY	權益總額	1,232,435	841,901

Approved by the Board of Directors on 27 March 2018 and are signed on its behalf by:

於二零一八年三月二十七日經董事會批准，並由下列董事代表簽署：

Mr. Guan Guisen
關貴森先生

Mr. Cao Chunmeng
曹春萌先生

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38. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Cont'd)

38. 本公司之財務狀況表及儲備變動 (續)

(b) Reserve movement of the Company

(b) 本公司之儲備變動

		Share premium account	Contributed surplus	Share option reserve	Warrant reserve	Retained loss	Total
		股份溢價賬 HK\$'000 千港元	繳入盈餘 HK\$'000 千港元	購股權儲備 HK\$'000 千港元	認股權證儲備 HK\$'000 千港元	保留虧損 HK\$'000 千港元	合計 HK\$'000 千港元
At 1 January 2016	於二零一六年一月一日	1,151,475	70,121	61,606	1,000	(299,821)	984,381
Total comprehensive income for the year	年內全面收入總額	-	-	-	-	(276,569)	(276,569)
Issued for contingent consideration shares	發行或然代價股份	15,741	-	-	-	-	15,741
Exercise of share options	行使購股權	13,081	-	(4,141)	-	-	8,940
Share-based payments	股份支付款項	-	-	48,415	-	-	48,415
Release upon lapse of share options	於購股權失效時解除	-	-	(2,442)	-	2,442	-
Changes in equity for the year	年內權益變動	28,822	-	41,832	-	(274,127)	(203,473)
At 31 December 2016	於二零一六年十二月三十一日	1,180,297	70,121	103,438	1,000	(573,948)	780,908
At 1 January 2017	於二零一七年一月一日	1,180,297	70,121	103,438	1,000	(573,948)	780,908
Total comprehensive income for the year	年內全面收入總額	-	-	-	-	(59,010)	(59,010)
Issued for placing shares	配售股份發行	382,471	-	-	-	-	382,471
Issued for contingent consideration shares	發行或然代價股份	31,249	-	-	-	-	31,249
Exercise of share options	行使購股權	7,562	-	(2,378)	-	-	5,184
Share-based payments	股份支付款項	-	-	21,843	-	-	21,843
Release upon lapse of share options	於購股權失效時解除	-	-	(4,558)	-	4,558	-
Changes in equity for the year	年內權益變動	421,282	-	14,907	-	(54,452)	381,737
At 31 December 2017	於二零一七年十二月三十一日	1,601,579	70,121	118,345	1,000	(628,400)	1,162,645



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39. RESERVES

(a) Group

The amounts of the Group's reserves and movements therein are presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity.

(b) Nature and purpose of reserves

(i) *Share premium account*

Share premium represents premium arising from the issue of shares at a price in excess of their par value per share and is not distributable but may be utilised in paying up unissued shares of the Company to be issued to the shareholders of the Company as fully paid bonus shares or in providing for the premiums payable on repurchase of shares.

(ii) *Contributed surplus*

The contributed surplus of the Group arose as a result of the Group reorganisation implemented in preparation for the listing of the Company's shares in 2000 and represented the excess of the then consolidated net assets of the subsidiaries acquired, over the nominal value of the share capital of the Company issued in exchange therefore.

39. 儲備

(a) 本集團

本集團儲備金額及其變動於綜合損益及其他全面收入表以及綜合權益變動表呈列。

(b) 儲備性質及目的

(i) *股份溢價賬*

股份溢價指因按超過每股面值之價格發行股份所產生之溢價。該溢價不可分派，惟本公司可動用以繳付本公司未發行股份，藉以作為繳足紅股發行予本公司股東，或作為就購回股份應付溢價之撥備。

(ii) *繳入盈餘*

本集團之繳入盈餘於二零零零年因籌備本公司股份上市而進行之集團重組所產生，指所收購附屬公司當時之綜合資產淨值超出本公司就交換該綜合資產淨值所發行股本面值之差額。

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39. RESERVES (Cont'd)

(b) Nature and purpose of reserves (Cont'd)

- (iii) *Share option reserve*
The share option reserve represents the fair value of the actual or estimated number of unexercised share options granted to employees of the Group recognised in accordance with the accounting policy adopted for equity-settled share-based payments in note 4(v) to the consolidated financial statements.
- (iv) *Capital reserve*
The capital reserve represents the excess of the fair value of the Group's share of net assets over the purchase price. The amount is retained in the consolidated statement of financial position until the disposal of the subsidiaries.
- (v) *Statutory reserve*
The statutory reserve, which is non-distributable, is appropriated from the profit after taxation of the Group's PRC subsidiaries under the applicable laws and regulations in the PRC.
- (vi) *Exchange reserve*
The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with accounting policies set out in note 4(d) to the consolidated financial statements.

39. 儲備 (續)

(b) 儲備性質及目的 (續)

- (iii) *購股權儲備*
購股權儲備指根據綜合財務報表附註4(v)就股權結算股份支付款項所採納會計政策，確認實際或估計授予本集團僱員之未行使購股權數目之公平值。
- (iv) *資本儲備*
資本儲備指本集團應佔資產淨值之公平值超出購買價之差額。金額於綜合財務狀況表保留，直至附屬公司出售為止。
- (v) *法定儲備*
法定儲備為不可分派，乃產生自本集團中國附屬公司根據中國適用法例及法規計算之除稅後溢利。
- (vi) *匯兌儲備*
匯兌儲備包括產生自換算海外業務財務報表之所有外匯差額。該儲備根據綜合財務報表附註4(d)所載會計政策處理。

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39. RESERVES (Cont'd)

(b) Nature and purpose of reserves (Cont'd)

(vii) *Warrant reserve*

Warrant reserve represents the net proceeds received from the issue of warrants of the Company. The reserve will be transferred to share capital and share premium accounts upon the exercise of the warrants.

On 6 February 2015, the Company issued 530,000,000 unlisted warrants at an issue price of HK\$0.002 per warrant pursuant to a subscription agreement. Each warrant entitles the holder to subscribe for one ordinary share of HK\$0.01 each at an initial subscription price of HK\$0.72 per share at any time within 5 years commencing from the date of issue of the warrants.

During the year ended 31 December 2016 and 2017, there was no changes in number of underlying shares of warrants.

Terms of unexpired and unexercised warrants at the end of the reporting periods:

39. 儲備 (續)

(b) 儲備性質及目的 (續)

(vii) *認股權證儲備*

認股權證指自發行本公司認股權證收取之所得款項淨額。該儲備將於行使認股權證後轉撥至股本及股份溢價賬。

於二零一五年二月六日，本公司根據認購協議，按發行價每份認股權證0.002港元，發行530,000,000份非上市認股權證。每份認股權證賦予持有人權利，可於認股權證發行日期起計五年內，按初步認購價每股0.72港元認購一股面值0.01港元之普通股。

截至二零一六年及二零一七年十二月三十一日止年度期間，相關認股權證股份數目並無變動。

於報告期間結算日，未到期及未行使認股權證之年期如下：

Date of issue 發行日期	Exercisable period 行使期	Number of underlying shares of the warrants 認股權證相關股份數目	
		2017 二零一七年	2016 二零一六年
6 February 2015 二零一五年二月六日	6 February 2015 to 5 February 2020 二零一五年二月六日至 二零二零年二月五日	530,000,000	530,000,000

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40. SHARE-BASED PAYMENTS

At the annual general meeting of the Company held on 3 May 2012, shareholders of the Company approved the adoption of a New Share Option Scheme.

Concerning New Share Option Scheme, the Company operates it for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants include the full-time and part-time employees, executives, officers, directors, business consultants, agents, legal and financial advisers of the Company and the Company's subsidiaries. The Scheme became effective on 3 May 2012 and, unless otherwise cancelled or amended, will remain in force for 5 years from that date.

Pursuant to the New Share Option Scheme, the Company may grant options to the participants to subscribe for ordinary share of HK\$0.01 each, subject to, when aggregated under this scheme and any other share option schemes of the Company must not exceed 30% of the total number of shares in issue from time to time. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period, is limited to 1% of the shares of the Company in issue at any time. Any further grant of shares options in excess of this limit is subject to shareholders' approval in a general meeting.

40. 股份支付款項

於二零一二年五月三日舉行之本公司股東週年大會上，本公司股東批准採納新購股權計劃。

本公司設立新購股權計劃之目的為向對本集團業務成功發展付出貢獻之合資格參與者提供獎勵及獎賞。合資格參與者包括本公司及本公司附屬公司之全職及兼職僱員、行政人員、高級職員、董事、業務諮詢顧問、代理、法律及財務顧問。計劃已於二零一二年五月三日生效，除非另行取消或修訂，否則自該日起計5年內有效。

根據新購股權計劃，本公司可向參與者授出購股權，以認購每股面值0.01港元之普通股，惟該等普通股加上根據本計劃及本公司任何其他購股權計劃可認購之任何股份後，不得超過當時已發行股份總數30%。於任何十二個月期間內，根據計劃向每名合資格參與者授出購股權涉及之可發行股份最高數目，以本公司於任何時間已發行股份之1%為限。進一步授出超逾此限額之購股權須於股東大會獲股東批准。



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40. SHARE-BASED PAYMENTS *(Cont'd)*

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a connected person, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of the grant) in excess of HK\$5,000,000, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 28 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than five years from the date of the offer of the share options.

The exercise price of the share options is determinable by the directors, but may not be less than the highest of (i) the Stock Exchange closing price of the Company's shares on the date of the offer of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the offer; and (iii) the nominal value of the Company's shares on the date of the offer.

Share options do not confer rights on the holder to dividends or to vote at shareholders' meetings.

40. 股份支付款項 (續)

向本公司董事、高級行政人員或主要股東或彼等之任何聯繫人士授出購股權，須事先獲得獨立非執行董事批准。此外，於任何十二個月期間內，向關連人士授出之任何購股權如超出本公司於任何時間已發行股份之0.1%，或價值合計（按照本公司於授出日期之股份價格計算）超過5,000,000港元，須事先於股東大會獲股東批准。

承授人須於獲授予購股權建議日期起計28日期間內，以象徵式代價合共1港元，接納向其授出之購股權建議。所授出購股權之行使期由董事決定，於若干歸屬期後開始，直至建議授出購股權之日起計五年內完結。

購股權行使價由董事決定，不得低於下列各項最高者：(i)本公司股份於建議授出購股權之日在聯交所之收市價；(ii)本公司股份於緊接建議授出日期前五個營業日在聯交所之平均收市價；及(iii)本公司股份於建議授出日期之面值。

購股權並無賦予持有人收取股息或於股東大會投票之權利。

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40. SHARE-BASED PAYMENTS (Cont'd)

The fair value of share options granted is recognised in profit or loss taking into account the probability that the options will vest over the vesting period. Upon the exercise of the options the resulting shares issued are recorded as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded in the share premium account. At the time when the share options are exercised, the amount previously recognised in share option reserve is transferred to share premium. When the share options are forfeited or are still not exercised at the expiry date, the amount previously recognised in share option reserve is transferred to retained profits. Lapsed options, prior to their exercise date, are deleted from the outstanding options. All equity-settled share-based compensation expense is settled in equity. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

The grantees may exercise the options in whole or in part by giving exercise notice to the grantor at any time during the option period provided that the grantees shall exercise the options to acquire the option shares in accordance with the following vesting schedule:

Vesting schedule

One year after the grant date	30%
Two years after the grant date	30%
Three years after the grant date	40%

40. 股份支付款項 (續)

所授出購股權之公平值於計及購股權將於歸屬期內歸屬之可能性後，在損益確認。於購股權獲行使後，因此發行之股份按股份面值列作額外股本，而每股行使價超出股份面值之差額計入股份溢價賬。於購股權獲行使時，早前於購股權儲備內確認之金額會轉撥至股份溢價。當購股權被沒收或於到期日仍有待行使，則早前於購股權儲備內確認之金額轉撥至保留溢利。於行使日期前失效之購股權自尚未行使購股權中剔除。所有權益結算以股份支付之補償於權益結算。本集團並無購回或以現金結算購股權之法定或推定責任。

承授人可於購股權期限內任何時間，透過向授出人發出通知，行使全部或部分購股權，前提為承授人須根據以下歸屬時間表行使購股權以認購購股權股份：

歸屬時間表

自授出日期起計一年後	30%
自授出日期起計兩年後	30%
自授出日期起計三年後	40%

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40. SHARE-BASED PAYMENTS (Cont'd)

The following table discloses details of the Company's share options under New Share Option Scheme and the movements during the year ended 31 December 2016:

40. 股份支付款項 (續)

下表披露新購股權計劃項下本公司購股權之詳情，及其於截至二零一六年十二月三十一日止年度之變動：

Date of grant	Exercise period	Exercise price	Number of share options 購股權數目				At 31 December 2016 於二零一六年 十二月 三十一日
			At 1 January 2016 於二零一六年 一月一日	Granted during the year 年內授出	Expired/ lapsed during the year 年內到期/ 失效	Exercised during the year 年內行使	
New Share Option Scheme							
新購股權計劃							
Directors and Chief Executives 董事及高級行政人員							
6 July 2012 二零一二年七月六日	6 July 2013 to 5 July 2017 二零一三年七月六日至二零一七年七月五日	HK\$0.25 0.25港元	6,240,000	-	-	-	6,240,000
	6 July 2014 to 5 July 2017 二零一四年七月六日至二零一七年七月五日	HK\$0.25 0.25港元	6,240,000	-	-	-	6,240,000
	6 July 2016 to 5 July 2017 二零一六年七月六日至二零一七年七月五日	HK\$0.25 0.25港元	8,320,000	-	-	-	8,320,000
11 June 2015 二零一五年六月十一日	1 February 2016 to 10 June 2020 二零一六年二月一日至二零二零年六月十日	HK\$1.25 1.25港元	21,000,000	-	-	-	21,000,000
	1 February 2017 to 10 June 2020 二零一七年二月一日至二零二零年六月十日	HK\$1.25 1.25港元	21,000,000	-	-	-	21,000,000
	1 February 2018 to 10 June 2020 二零一八年二月一日至二零二零年六月十日	HK\$1.25 1.25港元	28,000,000	-	-	-	28,000,000
			90,800,000	-	-	-	90,800,000
Other employees							
其他僱員							
6 July 2012 二零一二年七月六日	6 July 2015 to 5 July 2017 二零一五年七月六日至二零一七年七月五日	HK\$0.25 0.25港元	38,048,000	-	-	(37,248,000)	800,000
11 June 2015 二零一五年六月十一日	1 February 2016 to 10 June 2020 二零一六年二月一日至二零二零年六月十日	HK\$1.25 1.25港元	38,791,800	-	(1,442,400)	-	37,349,400
	1 February 2017 to 10 June 2020 二零一七年二月一日至二零二零年六月十日	HK\$1.25 1.25港元	38,791,800	-	(1,442,400)	-	37,349,400
	1 February 2018 to 10 June 2020 二零一八年二月一日至二零二零年六月十日	HK\$1.25 1.25港元	51,722,400	-	(1,923,200)	-	49,799,200
			167,354,000	-	(4,808,000)	(37,248,000)	125,298,000
Total share options 購股權總數			258,154,000	-	(4,808,000)	(37,248,000)	216,098,000

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40. SHARE-BASED PAYMENTS (Cont'd)

The following table discloses details of the Company's share options under New Share Option Scheme and the movements during the year ended 31 December 2017:

40. 股份支付款項 (續)

下表披露新購股權計劃項下本公司購股權之詳情，及其於截至二零一七年十二月三十一日止年度之變動：

Date of grant	Exercise period	Exercise price	Number of share options 購股權數目				At 31 December 2017 於二零一七年 十二月 三十一日
			At 1 January 2017 於二零一七年 一月一日	Granted during the year 年內授出	Expired/ lapsed during the year 年內到期/ 失效	Exercised during the year 年內行使	
New Share Option Scheme							
新購股權計劃							
Directors and Chief Executives 董事及高級行政人員							
6 July 2012 二零一二年七月六日	6 July 2013 to 5 July 2017 二零一三年七月六日至二零一七年七月五日	HK\$0.25 0.25港元	6,240,000	-	-	(6,240,000)	-
	6 July 2014 to 5 July 2017 二零一四年七月六日至二零一七年七月五日	HK\$0.25 0.25港元	6,240,000	-	-	(6,240,000)	-
	6 July 2016 to 5 July 2017 二零一六年七月六日至二零一七年七月五日	HK\$0.25 0.25港元	8,320,000	-	-	(8,320,000)	-
11 June 2015 二零一五年六月十一日	1 February 2016 to 10 June 2020 二零一六年二月一日至二零二零年六月十日	HK\$1.25 1.25港元	21,000,000	-	-	-	21,000,000
	1 February 2017 to 10 June 2020 二零一七年二月一日至二零二零年六月十日	HK\$1.25 1.25港元	21,000,000	-	-	-	21,000,000
	1 February 2018 to 10 June 2020 二零一八年二月一日至二零二零年六月十日	HK\$1.25 1.25港元	28,000,000	-	-	-	28,000,000
			90,800,000	-	-	(20,800,000)	70,000,000
New Share Option Scheme							
新購股權計劃							
Other employees 其他僱員							
6 July 2012 二零一二年七月六日	6 July 2016 to 5 July 2017 二零一六年七月六日至二零一七年七月五日	HK\$0.25 0.25港元	800,000	-	-	(800,000)	-
11 June 2015 二零一五年六月十一日	1 February 2016 to 10 June 2020 二零一六年二月一日至二零二零年六月十日	HK\$1.25 1.25港元	37,349,400	-	(2,692,200)	-	34,657,200
	1 February 2017 to 10 June 2020 二零一七年二月一日至二零二零年六月十日	HK\$1.25 1.25港元	37,349,400	-	(2,692,200)	-	34,657,200
	1 February 2018 to 10 June 2020 二零一八年二月一日至二零二零年六月十日	HK\$1.25 1.25港元	49,799,200	-	(3,589,600)	-	46,209,600
			125,298,000	-	(8,974,000)	(800,000)	115,524,000
Total share options 購股權總數			216,098,000	-	(8,974,000)	(21,600,000)	185,524,000

If the options remain unexercised after a period of 5 years from the date of grant, the options will expire. Options are forfeited if the employee leaves the Group.

倘購股權於授出日期起計五年期間後仍未行使，購股權將到期。倘僱員離開本集團，購股權將被沒收。

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40. SHARE-BASED PAYMENTS (Cont'd)

Details of the share options outstanding during the year are as follows:

40. 股份支付款項 (續)

年內尚未行使購股權詳情如下：

		2017 二零一七年		2016 二零一六年	
		Number of share options 購股權數目	Weighted average exercise price 加權平均 行使價 HK\$ 港元	Number of share options 購股權數目	Weighted average exercise price 加權平均 行使價 HK\$ 港元
Outstanding at the beginning of the year	年初尚未行使	216,098,000	1.150	258,154,000	1.022
Exercised during the year	年內行使	(21,600,000)	0.250	(37,248,000)	0.250
Lapsed during the year	年內失效	(8,974,000)	1.150	(4,808,000)	1.250
Outstanding at the end of the year	年末尚未行使	185,524,000	1.250	216,098,000	1.150
Exercisable at the end of the year	年末可予行使	111,314,400		79,949,400	

The weighted average share price at the date of exercise for share option exercised during the year ended 31 December 2017 was HK\$0.511 (2016: HK\$0.620). 21,600,000 (2016: 37,248,000) share options have been exercised during the year ended 31 December 2017. The options outstanding at the end of the year have a weighted average remaining contractual life of 2.47 years (2016: 3.18 years) and average exercise price of HK\$1.250 (2016: HK\$1.150).

截至二零一七年十二月三十一日止年度，於購股權獲行使日期之加權平均股份價格為0.511港元（二零一六年：0.620港元）。截至二零一七年十二月三十一日止年度，21,600,000份（二零一六年：37,248,000份）購股權已獲行使。於年末尚未行使購股權之加權平均剩餘合約年期為2.47年（二零一六年：3.18年），而平均行使價則為1.250港元（二零一六年：1.150港元）。

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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2017

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41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

41. 綜合現金流量報表附註

(a) Disposal of travellers related services segment

As mentioned in note 15 to the consolidated financial statements, the Group discontinued the travellers related services segment including Kopu Group and Kanghui during the year ended 31 December 2016.

Net liabilities at the date of disposal were as follows:

(a) 出售旅客相關服務分類

誠如綜合財務報表附註15所述，截至二零一六年十二月三十一日止年度，本集團終止經營旅客相關服務分部（包括靠譜輝程集團及康輝）。

於出售日期之負債淨額如下：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	308
Intangible assets	無形資產	94
Trade receivables	應收賬款	1,843
Prepayments, deposits and other receivables	預付款項、按金及其他應收款	1,356
Bank and cash balances	銀行及現金結餘	2,164
Trade payables	應付賬款	(1,859)
Accruals and other payables	預提費用及其他應付款	(1,631)
Amount due to the Group	應付本集團款項	(32,050)
Due to a director	應付一名董事款項	(465)
		<hr/>
Net liabilities disposed of	所出售之負債淨額	(30,240)
Release of foreign currency translation reserve	解除外幣換算儲備	(2,920)
Amount due to the Group written off	撇銷應付本集團款項	32,050
Gain on disposal of the subsidiaries (Note 15)	出售附屬公司之收益（附註15）	1,168
		<hr/>
Total consideration	代價總額	58
Satisfied by:	以下列方式償付：	
Cash consideration	現金代價	58
		<hr/>
Net cash outflow arising on disposal:	出售產生之現金流出淨額：	
Cash consideration	現金代價	58
Cash and cash equivalents disposed	所出售之現金及現金等值物	(2,164)
		<hr/>
		(2,106)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

41. 綜合現金流量報表附註 (續)

(b) Disposal of subsidiaries

- (i) On 1 January 2017, the Group entered into a sale and purchase agreement with a minority shareholder of Beijing Yushunhengda Technology Co., Ltd. to dispose of 51% equity interests of Beijing Yushunhengda Technology Co., Ltd. at a cash consideration of RMB600,000 (equivalent to HK\$678,000). Beijing Yushunhengda Technology Co., Ltd. was not yet commence business. The consideration was satisfied by cash and the completion date was at 1 March 2017.

Net assets at the date of disposal were as follows:

(b) 出售附屬公司

- (i) 於二零一七年一月一日，本集團與一名少數股東 Beijing Yushunhengda Technology Co., Ltd 訂立買賣協議，以出售於 Beijing Yushunhengda Technology Co., Ltd 之 51% 股權，現金代價為人民幣 600,000 元（相當於 678,000 港元）。Beijing Yushunhengda Technology Co., Ltd 尚未開始營業。該代價乃以現金償付，完成日期為二零一七年三月一日。

於出售日期之資產淨值如下：

		HK\$'000 千港元
Bank and cash balances	銀行及現金結餘	608
Non-controlling interests	非控股權益	(264)
Net assets disposed of	所出售之資產淨值	344
Release of foreign currency translation reserve	解除外幣換算儲備	21
Gain on disposal of the subsidiary (Note 9)	出售附屬公司之收益 (附註9)	313
Total consideration	代價總額	678
Satisfied by:	以下列方式償付：	
Cash consideration	現金代價	678
Net cash inflow arising on disposal:	出售產生之現金流入淨額：	
Cash consideration received	已收現金代價	678
Cash and cash equivalents disposed	所出售之現金及現金等值物	(608)
		70

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綜合財務報表附註

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41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

41. 綜合現金流量報表附註 (續)

(b) Disposal of subsidiaries (Cont'd)

- (ii) On 2 September 2016, the Group entered into a sale and purchase agreement with an independent third party to dispose of 51% equity interests of Beijing Meichuang Commercial Management Co., Limited ("Meichuang Commercial") at a cash consideration of RMB1,545,000 (equivalent to HK\$1,797,000). Meichuang Commercial was principally engaged in provision of software development. The consideration was satisfied by cash and the completion date was 30 September 2016.

(b) 出售附屬公司 (續)

- (ii) 於二零一六年九月二日，本集團與一名獨立第三方訂立買賣協議，以出售於北京美創兄弟商業管理有限公司（「美創兄弟商業」）之51%股權，現金代價為人民幣1,545,000元（相當於1,797,000港元）。美創兄弟商業主要從事提供軟件開發。該代價乃由現金償付，完成日期為二零一六年九月三十日。

Net liabilities at the date of disposal were as follows:

於出售日期之負債淨額如下：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	139
Intangible assets	無形資產	143
Prepayments, deposit and other receivables	預付款項、按金及其他應收款	509
Bank and cash balances	銀行及現金結餘	1,028
Accruals and other payables	預提費用及其他應付款	(2,067)
Non-controlling interests	非控股權益	121
Net liabilities disposed of	所出售之負債淨額	(127)
Release of foreign currency translation reserve	解除外幣換算儲備	(656)
Gain on disposal of the subsidiary (Note 9)	出售附屬公司之收益 (附註9)	2,580
Total consideration	代價總額	1,797

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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2017

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41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

41. 綜合現金流量報表附註 (續)

(b) Disposal of subsidiaries (Cont'd)

(b) 出售附屬公司 (續)

(ii) (Cont'd)

(ii) (續)

		HK\$'000 千港元
Satisfied by:		
Cash received	以下列方式償付：	
Cash receivables	已收現金	424
	應收現金	1,373
		<hr/>
Total cash consideration	總現金代價	1,797
		<hr/>
Net cash outflow arising on disposal:		
	出售產生之現金流出淨額：	
Cash consideration received	已收現金代價	424
Cash and cash equivalents disposed	所出售之現金及現金等值物	(1,028)
		<hr/>
		(604)

(iii) On 16 December 2016, the Group entered into a sale and purchase agreement with an independent third party to dispose of 100% equity interests of Shengyang Tonghui Technology Development Co., Limited ("Shengyang Tonghui") at nil consideration. Shengyang Tonghui was inactive during the year. The completion date was 31 December 2016.

(iii) 於二零一六年十二月十六日，本集團與一名獨立第三方訂立買賣協議，以出售於瀋陽通匯科技發展有限公司（「瀋陽通匯」）之100%股權，代價為零。瀋陽通匯於本年度暫無營業。完成日期為二零一六年十二月三十一日。

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截至二零一七年十二月三十一日止年度

41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

41. 綜合現金流量報表附註 (續)

(b) Disposal of subsidiaries (Cont'd)

(b) 出售附屬公司 (續)

(iii) (Cont'd)

(iii) (續)

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	71
Inventories	存貨	7
Prepayments, deposit and other receivables	預付款項、按金及其他應收款	295
Trade receivables	應收賬款	12
Bank and cash balances	銀行及現金結餘	283
Accruals and other payables	預提費用及其他應付款	(1,131)
Net liabilities disposed of	所出售之負債淨額	(463)
Release of foreign currency translation reserve	解除外幣換算儲備	578
Loss on disposal of the subsidiary (Note 9)	出售附屬公司之虧損 (附註9)	(115)
Total consideration	代價總額	—
Satisfied by:	以下列方式償付：	
Cash	現金	—
Net cash outflow arising on disposal:	出售產生之現金流出淨額：	
Cash consideration received	已收現金代價	—
Cash and cash equivalents disposed	所出售之現金及現金等值物	(283)
		(283)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

41. 綜合現金流量報表附註 (續)

(c) Contingent Consideration shares of Moderntimes and its subsidiaries

On 30 September 2015 (“Completion Date”), the Group obtained 51% of equity interest of Moderntimes Payment Limited (“Moderntimes”) and its subsidiaries (collectively referred to as “Moderntimes Group”). Moderntimes Group is principally engaged in (i) provision of consultancy services in strategy and implementation in the traditional finance industry and the internet finance industry; (ii) development, operation and promotion of innovative products in the internet and finance fields; and (iii) customer value management.

According to the subscription agreement, assignment of shareholder’s loan and incentive agreement dated 18 June 2015 entered into between the Group and the shareholders of Moderntimes, the consideration of the acquisition of 51% equity interest of Moderntimes will be settled by way of:

- (i) injection of HK\$49,510,000 to Moderntimes by way of cash on Completion Date as registered capital;
- (ii) settlement of outstanding amount of HK\$13,090,000 due to a former shareholder of Moderntimes Group;

(c) Moderntimes及其附屬公司之或然代價股份

於二零一五年九月三十日（「完成日期」），本集團取得Moderntimes Payment Limited（「Moderntimes」）及其附屬公司（統稱為「Moderntimes集團」）之51%股權。Moderntimes集團主要從事(i)於傳統金融行業及互聯網金融行業內提供策略及實施之顧問服務；(ii)於互聯網及金融領域發展、營運及推廣創新產品；及(iii)客戶價值管理。

根據本集團與Moderntimes股東所訂立日期為二零一五年六月十八日訂立之認購協議及轉讓股東貸款及激勵協議，收購Moderntimes之51%股權將透過以下方式償付：

- (i) 於完成日期以現金向Moderntimes注資49,510,000港元作為註冊資本；
- (ii) 償付應付Moderntimes集團前股東之尚未償還金額13,090,000港元；

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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

41. 綜合現金流量報表附註 (續)

(c) Contingent Consideration shares of ModernTimes and its subsidiaries (Cont'd)

- (iii) allotting and issuing up to 231,481,481 ordinary shares of the Company to the vendor, ModernTimes Information Co., Limited, depending on the number of cumulative virtual prepaid card sold for the period from 1 July 2015 to 31 December 2017 and the amount of cumulative virtual prepaid card reloaded for the period from 1 January 2016 to 31 December 2017 ("Guaranteed Period"). The number of ordinary shares to be issued ("Contingent Shares") is subject to the adjustments below:

(c) ModernTimes及其附屬公司之或然代價股份 (續)

- (iii) 視乎於二零一五年七月一日至二零一七年十二月三十一日期間已售累計虛擬預付卡數目及於二零一六年一月一日至二零一七年十二月三十一日期間(「保證期間」)累計虛擬預付卡充值數額·配發及發行最多231,481,481股本公司普通股予賣方ModernTimes Information Co., Limited。將發行普通股(「或然股份」)數目按以下情況調整:

For the six months ended 31 December 2015

截至二零一五年十二月三十一日止六個月

Scenario 1:	in the event that the number of cumulative virtual prepaid card sold for the period is less than 3,500,000, the Contingent Shares to be issued for the period shall be zero;
情況一:	倘期內已售累計虛擬預付卡數目少於3,500,000, 於期內將不會發行或然股份;
Scenario 2:	in the event that the number of cumulative virtual prepaid card sold for the period is 3,500,000 or more, the Contingent Shares to be issued for the period shall be 46,296,296.
情況二:	倘期內已售累計虛擬預付卡數目為3,500,000或以上, 於期內將發行之或然股份將為46,296,296股。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

41. 綜合現金流量報表附註 (續)

(c) Contingent Consideration shares of Moderntimes and its subsidiaries (Cont'd)

(c) Moderntimes及其附屬公司之或然代價股份 (續)

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

(i) Cumulative virtual prepaid card sold

(i) 已售累計虛擬預付卡

Scenario 1: in the event that the number of cumulative virtual prepaid card sold for the period from 1 July 2015 to 31 December 2016 is less than 30,000,000, the Contingent Shares to be issued for the year ended 31 December 2016 shall be zero;

情況一：倘於截至二零一五年七月一日至二零一六年十二月三十一日止期間已售累計虛擬預付卡數目少於30,000,000，於截至二零一六年十二月三十一日止年度將不會發行或然股份；

Scenario 2: in the event that the number of cumulative virtual prepaid card sold for the period from 1 July 2015 to 31 December 2016 is 30,000,000 or more, the Contingent Shares to be issued for the year ended 31 December 2016 shall be 115,740,740 less the number of any Contingent Shares issued for the six months ended 31 December 2016.

情況二：倘於截至二零一五年七月一日至二零一六年十二月三十一日止期間已售累計虛擬預付卡數目為30,000,000或以上，於截至二零一六年十二月三十一日止年度將發行115,740,740股或然股份，少於截至二零一六年十二月三十一日止六個月已發行之任何或然股份數目。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

41. 綜合現金流量報表附註 (續)

(c) Contingent Consideration shares of Moderntimes and its subsidiaries (Cont'd)

(c) Moderntimes及其附屬公司之或然代價股份 (續)

For the year ended 31 December 2016 (Cont'd)

截至二零一六年十二月三十一日止年度 (續)

(ii) Cumulative virtual prepaid card reloaded

(ii) 累計虛擬預付卡充值

Scenario 1: in the event that the amount of cumulative virtual prepaid card reloaded for the period from 1 July 2015 to 31 December 2016 is less than RMB30,000,000,000, the Contingent Shares to be issued for the year ended 31 December 2016 shall be zero;

情況一：倘於截至二零一五年七月一日至二零一六年十二月三十一日止期間累計虛擬預付卡充值少於人民幣30,000,000,000元，於截至二零一六年十二月三十一日止年度將不會發行或然股份；

Scenario 2: in the event that the amount of cumulative virtual prepaid card reloaded for the period from 1 July 2015 to 31 December 2016 is RMB30,000,000,000 or more, the Contingent Shares to be issued for the year ended 31 December 2016 shall be 23,148,148.

情況二：倘於截至二零一五年七月一日至二零一六年十二月三十一日止期間累計虛擬預付卡充值為人民幣30,000,000,000元或以上，於截至二零一六年十二月三十一日止年度將發行23,148,148股或然股份。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

41. 綜合現金流量報表附註 (續)

(c) Contingent Consideration shares of Moderntimes and its subsidiaries (Cont'd)

(c) Moderntimes及其附屬公司之或然代價股份 (續)

For the year ended 31 December 2017

截至二零一七年十二月三十一日止年度

(i) Cumulative virtual prepaid card sold

(i) 已售累計虛擬預付卡

Scenario 1: in the event that the number of cumulative virtual prepaid card sold for the period from 1 July 2015 to 31 December 2017 is less than 43,750,000, the Contingent Shares to be issued for the year ended 31 December 2017 shall be zero;

情況一：倘於截至二零一五年七月一日至二零一七年十二月三十一日止期間已售累計虛擬預付卡數目少於43,750,000，於截至二零一七年十二月三十一日止年度將不會發行或然股份；

Scenario 2: in the event that the number of cumulative virtual prepaid card sold for the period from 1 July 2015 to 31 December 2017 is 43,750,000 or more but less than 70,000,000, the Contingent Shares to be issued for the year ended 31 December 2017 shall be 86,805,555 less the number of any Contingent Shares issued for the period from 1 July 2015 to 31 December 2016 under the scenarios of cumulative virtual prepaid card sold mentioned above;

情況二：倘於截至二零一五年七月一日至二零一七年十二月三十一日止期間已售累計虛擬預付卡數目為43,750,000或以上惟少於70,000,000，於截至二零一七年十二月三十一日止年度將發行86,805,555股或然股份，少於上文所述累計已售虛擬預付卡情況下截至二零一五年七月一日至二零一六年十二月三十一日止期間已發行之任何或然股份數目；

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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

41. 綜合現金流量報表附註 (續)

(c) Contingent Consideration shares of Moderntimes and its subsidiaries (Cont'd)

(c) Moderntimes及其附屬公司之或然代價股份 (續)

For the year ended 31 December 2017 (Cont'd)

截至二零一七年十二月三十一日止年度 (續)

(i) Cumulative virtual prepaid card sold (Cont'd)

(ii) 已售累計虛擬預付卡 (續)

Scenario 3: in the event that the number of cumulative virtual prepaid card sold for the period from 1 July 2015 to 31 December 2017 is 70,000,000 or more but less than 87,500,000, the Contingent Shares to be issued for the year ended 31 December 2017 shall be 104,166,666 less the number of any Contingent Shares issued for the period from 1 July 2015 to 31 December 2016 under the scenarios of cumulative virtual prepaid card sold mentioned above;

情況三：倘於截至二零一五年七月一日至二零一七年十二月三十一日止期間已售累計虛擬預付卡數目為70,000,000或以上惟少於87,500,000，於截至二零一七年十二月三十一日止年度將發行104,166,666股或然股份，少於上文所述累計已售虛擬預付卡情況下截至二零一五年七月一日至二零一六年十二月三十一日止期間已發行之任何或然股份數目；

Scenario 4: in the event that the number of cumulative virtual prepaid card sold for the period from 1 July 2015 to 31 December 2017 is 87,500,000 or more, the Contingent Shares to be issued for the year ended 31 December 2017 shall be 173,611,111 less the number of any Contingent Shares issued for the period from 1 July 2015 to 31 December 2016 under the scenarios of cumulative virtual prepaid card sold mentioned above.

情況四：倘於截至二零一五年七月一日至二零一七年十二月三十一日止期間已售累計虛擬預付卡數目為87,500,000或以上，於截至二零一七年十二月三十一日止年度將發行173,611,111股或然股份，少於上文所述累計已售虛擬預付卡情況下截至二零一五年七月一日至二零一六年十二月三十一日止期間已發行之任何或然股份數目。



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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

41. 綜合現金流量報表附註 (續)

(c) Contingent Consideration shares of Moderntimes and its subsidiaries (Cont'd)

(c) Moderntimes及其附屬公司之或然代價股份 (續)

For the year ended 31 December 2017 (Cont'd)

截至二零一七年十二月三十一日止年度 (續)

(ii) Cumulative virtual prepaid card reloaded

(ii) 累計虛擬預付卡充值

Scenario 1:

in the event that the amount of cumulative virtual prepaid card reloaded for the period from 1 July 2015 to 31 December 2017 is less than RMB43,750,000,000, the Contingent Shares to be issued for the year ended 31 December 2017 shall be zero;

情況一：

倘於截至二零一五年七月一日至二零一七年十二月三十一日止期間累計虛擬預付卡充值額少於人民幣43,750,000,000元，於截至二零一七年十二月三十一日止年度將不會發行或然股份；

Scenario 2:

in the event that the amount of cumulative virtual prepaid card reloaded for the period from 1 July 2015 to 31 December 2017 is RMB43,750,000,000 or more but less than RMB70,000,000,000, the Contingent Shares to be issued for the year ended 31 December 2017 shall be 28,935,185 less the number of any Contingent Shares issued for the year ended 31 December 2016 under the scenarios of cumulative virtual prepaid card reloaded mentioned above;

情況二：

倘於截至二零一五年七月一日至二零一七年十二月三十一日止期間累計虛擬預付卡充值額為人民幣43,750,000,000元或以上惟少於人民幣70,000,000,000元，於截至二零一七年十二月三十一日止年度將發行28,935,185股或然股份，少於上文所述累計虛擬預付卡充值情況下截至二零一六年十二月三十一日止年度已發行之任何或然股份數目；

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截至二零一七年十二月三十一日止年度

41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

41. 綜合現金流量報表附註 (續)

(c) Contingent Consideration shares of Moderntimes and its subsidiaries (Cont'd)

(c) Moderntimes及其附屬公司之或然代價股份 (續)

For the year ended 31 December 2017 (Cont'd)

截至二零一七年十二月三十一日止年度 (續)

(ii) Cumulative virtual prepaid card reloaded (Cont'd)

(ii) 累計虛擬預付卡充值 (續)

Scenario 3:

in the event that the amount of cumulative virtual prepaid card reloaded for the period from 1 July 2015 to 31 December 2017 is RMB70,000,000,000 or more but less than RMB87,500,000,000, the Contingent Shares to be issued for the year ended 31 December 2017 shall be 34,722,222 less the number of any Contingent Shares issued for the year ended 31 December 2016 under the scenarios of cumulative virtual prepaid card reloaded mentioned above;

情況三：

倘於截至二零一五年七月一日至二零一七年十二月三十一日止期間累計虛擬預付卡充值額為人民幣70,000,000,000元或以上惟少於人民幣87,500,000,000元，於截至二零一七年十二月三十一日止年度將發行34,722,222股或然股份，少於上文所述累計虛擬預付卡充值情況下截至二零一六年十二月三十一日止年度已發行之任何或然股份數目；

Scenario 4:

in the event that the amount of cumulative virtual prepaid card reloaded for the period from 1 July 2015 to 31 December 2017 is RMB87,500,000,000 or more, the Contingent Shares to be issued for the year ended 31 December 2017 shall be 57,870,370 less the number of any Contingent Shares issued for the year ended 31 December 2016 under the scenarios of cumulative virtual prepaid card reloaded mentioned above.

情況四：

倘於截至二零一五年七月一日至二零一七年十二月三十一日止期間累計虛擬預付卡充值額為人民幣87,500,000,000或以上，於截至二零一七年十二月三十一日止年度將發行57,870,370股或然股份，少於上文所述累計虛擬預付卡充值情況下截至二零一六年十二月三十一日止年度已發行之任何或然股份數目。



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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

41. 綜合現金流量報表附註 (續)

(c) Contingent Consideration shares of Moderntimes and its subsidiaries (Cont'd)

For the year ended 31 December 2016, the number of cumulative virtual prepaid card sold for the period from 1 July 2015 to 31 December 2016 is more than 30,000,000, therefore the Contingent Shares shall be 69,444,444. The amount of cumulative virtual prepaid card reloaded for the period from 1 July 2015 to 31 December 2016 is less than RMB30,000,000, therefore the Contingent Shares shall be zero.

As at 31 December 2016, 115,740,741 Contingent Shares were yet issued and the issuance will depend on the outcome of future fulfillment of performance targets as set out.

For the year ended 31 December 2017, the number of cumulative virtual prepaid card sold for the period from 1 July 2015 to 31 December 2017 is 43,750,000 or more but less than 70,000,000, therefore the Contingent Shares shall be zero. The amount of cumulative virtual prepaid card reloaded for the period from 1 July 2015 to 31 December 2017 is less than RMB43,750,000,000, therefore the Contingent Shares shall be zero.

As at 31 December 2017, there was no Contingent Shares were yet issued.

(c) Moderntimes及其附屬公司之或然代價股份 (續)

截至二零一六年十二月三十一日止年度，已售累計虛擬預付卡數目於截至二零一五年七月一日至二零一六年十二月三十一日止期間超過30,000,000，因此，或然股份為69,444,444股。累計虛擬預付卡充值額於自二零一五年七月一日起至二零一六年十二月三十一日止期間少於人民幣30,000,000元，因此，不會發行或然股份。

於二零一六年十二月三十一日，115,740,741股或然股份尚未發行及其發行將取決於上文所載未來實現表現目標之結果。

截至二零一七年十二月三十一日止年度，已售累計虛擬預付卡數目於截至二零一五年七月一日至二零一七年十二月三十一日止期間超過43,750,000或以上惟少於70,000,000，因此，不會發行或然股份。累計虛擬預付卡充值額於自二零一五年七月一日起至二零一七年十二月三十一日止期間少於人民幣43,750,000,000元，因此，不會發行或然股份。

於二零一七年十二月三十一日，本集團概無發行任何或然股份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

41. 綜合現金流量報表附註 (續)

(d) Acquisition of interest in a subsidiary without change of control

During the year ended 31 December 2016, the Group acquired 5% equity interests in a 95% subsidiary at nil consideration. The effect of the acquisition on the equity attributable to the owners of the Company is as follows:

(d) 收購一間附屬公司之權益 (並無控制權變動)

於截至二零一六年十二月三十一日止年度，本集團以零代價收購一間擁有95%股權之附屬公司之5%股權。本公司擁有人應佔收購權益之影響如下：

		HK\$'000 千港元
Carrying amount of non-controlling interests acquired	所收購之非控股權益之賬面值	(544)
Consideration paid for non-controlling interests	就非控股權益所付之代價	—
Loss on acquisition recognised directly in equity	直接於權益內確認之收購虧損	(544)

(e) Reconciliation of assets/(liabilities) arising from financing activities

The table below details changes in the Group's assets/(liabilities) arising from financing activities, including both cash and non-cash changes. Assets/(liabilities) arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

(e) 融資活動產生之資產/(負債)對賬

下表詳列本集團融資活動產生之資產/(負債)變動，包括現金及非現金變動。融資活動產生之資產/(負債)乃指其現金流量或未來現金流量於本集團綜合現金流量表中分類為融資活動現金流量之資產/(負債)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2017

截至二零一七年十二月三十一日止年度

41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Cont'd)

41. 綜合現金流量報表附註 (續)

(e) Reconciliation of assets/(liabilities) arising from financing activities (Cont'd)

(e) 融資活動產生之資產／(負債)對賬 (續)

		Amount due from an associate	Amounts due from non-controlling shareholders of subsidiaries 應收附屬公司之非控股股東款項	Amount due to a director	Contingent consideration payables
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	3,349	855	(3)	(73,860)
Impairment for the year	本年度減值	(3,469)	(752)	-	-
Share issued under contingent consideration	股份根據或然代價發行	-	-	-	31,944
Gain on fair value change recognised in profit or loss	於損益內確認之公平值變動收益	-	-	-	44,558
Exchange difference	匯兌差額	120	187	-	(2,642)
At 31 December 2017	於二零一七年十二月三十一日	-	290	(3)	-

42. CONTINGENT LIABILITIES

As at 31 December 2017, the Group did not have any significant contingent liabilities (2016: nil).

42. 或然負債

於二零一七年十二月三十一日，本集團並無任何重大或然負債（二零一六年：無）。

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43. CAPITAL COMMITMENTS

On 12 December 2016, the Group entered into a sale and purchase agreement to obtain 20% equity interests of an investee company by way of capital injection of RMB5,000,000. As at 31 December 2016, the Group paid RMB2,000,000. The remaining balance of RMB3,000,000 was a capital commitment.

On 31 December 2017, a subsidiary of the Company entered into a capital agreement with a potential investor and other shareholders of the associate, BJ Wallet, conditionally agreed to invest further RMB2,500,000 for maintenance 20% equity interests of the associate. The investment is subject to fulfillment of other conditions precedent.

44. LEASE COMMITMENTS

At 31 December 2017, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

Within one year	一年內
In the second to fifth year inclusive	第二年至第五年 (包括首尾兩年)

Operating lease payments represent rental payable by the Group for certain of its offices. Leases are negotiated for terms of one to three years (2016: one to four years) and rentals are fixed over the lease terms and do not include contingent rentals.

43. 資本承擔

於二零一六年十二月十二日，本集團訂立買賣協議透過註資人民幣5,000,000元取得於一間被投資公司之20%股權。於二零一六年十二月三十一日，本集團支付人民幣2,000,000元。餘額人民幣3,000,000元為資本承擔。

於二零一七年十二月三十一日，本集團與一間聯營公司北京沃雷特之一名潛在投資者及其他股東訂立資本協議，有條件同意進一步投資人民幣2,500,000元以維持於聯營公司之20%股權。該項投資須待其他先決條件獲達成後方可作實。

44. 租賃承擔

於二零一七年十二月三十一日，根據不可撤銷經營租賃應付之未來最低租賃款項總額如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	15,495	11,970
In the second to fifth year inclusive	20,550	18,205
	36,045	30,175

經營租賃款項指本集團就其若干辦公室應付之租金。租賃按一至三年（二零一六年：一至四年）期商議，租金於租期內固定，且不計入或然租金。



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45. OTHER OPERATING COMMITMENT

The Company's subsidiary, Beijing Shangyin Investment Consultancy Co. Ltd., entered into a purchase agreement on 6 November 2017. The subsidiary agreed to purchase goods from a supplier for at least RMB50,000,000 (equivalent to HK\$60,037,500) during the year ending 31 December 2018.

46. RELATED PARTY TRANSACTIONS

The key management personnel are the directors. The details of the remuneration paid to them are set out in note 14 to the consolidated financial statements.

47. COMPARATIVE FIGURES

Certain comparative figures have been restated or reclassified as a result of presentation of earnest money paid for potential investments in the current year.

48. EVENTS AFTER REPORTING PERIOD

The conditional acquisition as mentioned in note 26 was approved by Special General Meeting of the Company on 26 January 2018. The completion of the conditional acquisition is subject to fulfilment of certain condition precedents. Details can be found in the Company's circular dated 26 January 2018.

45. 其他經營承擔

本公司之附屬公司商銀融通（北京）投資諮詢有限公司於二零一七年十一月六日訂立購買協議。該附屬公司同意於截至二零一八年十二月三十一日止年度以至少人民幣50,000,000元（相當於60,037,500港元）向一名供應商購買商品。

46. 關連人士交易

主要管理人員為董事。已付主要管理人員之薪酬詳情載於綜合財務報表附註14。

47. 比較數字

若干比較數字由於呈列本年度就潛在投資已付誠意金而重列或重新分類。

48. 報告期後事件

附註26所述有條件收購事項已於二零一八年一月二十六日舉行之本公司股東特別大會上獲批准。有條件收購事項之完成須待若干先決條件獲達成後方可作實。詳情請參閱本公司日期為二零一八年一月二十六日之通函。

FIVE YEAR FINANCIAL SUMMARY

五年財務概要



		Year ended 31 December				
		截至十二月三十一日止年度				
		2017	2016	2015	2014	2013
		二零一七年	二零一六年	二零一五年	二零一四年	二零一三年
		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
				(Represented)		
				(經重列)		
RESULT	業績					
CONTINUING OPERATIONS	持續經營業務					
Revenue	營業額	207,856	80,182	97,068	81,222	142,896
Cost of sales	銷售成本	(181,754)	(56,227)	(71,468)	(46,173)	(93,173)
Gross profit	毛利	26,102	23,955	25,600	35,049	49,723
Other income	其他收入	27,331	24,946	15,021	4,461	3,943
Selling expenses	銷售費用	(23,812)	(16,917)	(27,378)	(31,181)	(19,911)
Administrative expenses	行政開支	(160,623)	(125,040)	(100,621)	(60,675)	(52,025)
Share loss of associates	應佔聯營公司虧損	(1,754)	-	-	-	-
Impairment of amount due from an associate	應收一間聯營公司款項減值	(3,469)	-	-	-	(4,733)
Impairment of investment in an associate	於一間聯營公司的投資減值	(21,286)	-	-	-	-
Impairment of goodwill	商譽減值	-	(12,301)	(4,641)	(53,323)	(228,787)
Impairment of intangible assets	無形資產減值	-	-	-	-	(933)
Impairment of amount due from a non-controlling shareholder	應收一名非控股股東款項減值	(752)	-	-	-	-
Equity-settled share-based payment	股權結算股份支付款項	(21,843)	(48,415)	(57,548)	(4,463)	(9,173)
Gain on fair value change of investment in an associate	於一間聯營公司投資公平值變動收益	-	-	-	-	1,273
Gain/(loss) on fair value change of contingent consideration payables	應付或然代價公平值變動收益/(虧損)	44,558	(70,984)	13,155	-	-

FIVE YEAR FINANCIAL SUMMARY

五年財務概要

		Year ended 31 December 截至十二月三十一日止年度				
		2017	2016	2015	2014	2013
		二零一七年	二零一六年	二零一五年	二零一四年	二零一三年
		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
		(Represented) (經重列)				
Finance costs	融資成本	-	-	(15)	(9,714)	(13,187)
LOSS BEFORE TAX	除稅前虧損	(135,548)	(224,756)	(136,427)	(119,846)	(273,810)
Income tax credit/(expenses)	所得稅抵免/(開支)	454	242	(2,556)	(3,740)	(4,927)
LOSS FOR THE YEAR FROM CONTINUING OPERATIONS	來自持續經營業務之年內虧損	(135,094)	(224,514)	(138,983)	(123,586)	(278,737)
DISCONTINUED OPERATIONS	已終止經營業務					
Loss for the year from a discontinued operation	已終止經營業務之年內虧損	-	(4,383)	(21,588)	-	-
LOSS FOR THE YEAR	年內虧損	(135,094)	(228,897)	(160,571)	(123,586)	(278,737)
Attributable to:	以下人士應佔部分:					
Owners of the Company	本公司擁有人	(112,192)	(214,422)	(153,818)	(122,724)	(279,352)
Non-controlling interests	非控股權益	(22,902)	(14,475)	(6,753)	(862)	615
		(135,094)	(228,897)	(160,571)	(123,586)	(278,737)
ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS	資產、負債及非控股權益					
TOTAL ASSETS	總資產	1,392,495	1,081,293	1,181,047	1,105,536	987,578
TOTAL LIABILITIES	總負債	(159,956)	(222,964)	(108,730)	(77,212)	(163,593)
NON-CONTROLLING INTERESTS	非控股權益	7,641	(15,525)	(27,697)	(6,502)	(707)
		1,240,180	842,804	1,044,620	1,021,822	823,278

