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CHINA TRUSTFUL GROUP LIMITED

中國之信集團有限公司

(於百慕達註冊成立的有限公司)

(股份代號：8265)

**截至2018年12月31日止年度的
全年業績公佈**

香港聯合交易所有限公司(「聯交所」)GEM(「GEM」)的特色

GEM的定位，乃為相比起其他在聯交所上市的公司帶有較高投資風險的小型及中型公司提供一個上市的市場。有意投資者應瞭解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。

由於GEM上市公司一般為小型及中型公司，在GEM買賣的證券可能會較於聯交所主板買賣的證券承受較大的市場波動風險，同時無法保證在GEM買賣的證券會有高流通量的市場。

本公佈乃遵照聯交所GEM證券上市規則(「GEM上市規則」)的規定而提供有關中國之信集團有限公司(「本公司」)的資料。本公司各董事(「董事」)願共同及個別就本公佈負全責，並在作出一切合理查詢後確認，就他們所深知及確信，本公佈所載資料在各重大方面均屬準確完整，並無誤導或欺詐成份，及並無遺漏其他事項，致使本公佈任何聲明或本公佈有所誤導。

中國之信集團有限公司(「**本公司**」)董事(「**董事**」)會(「**董事會**」)欣然公佈本公司及其附屬公司(統稱「**本集團**」)截至2018年12月31日止年度的經審核綜合業績。本公佈載有本公司2018年年報全文，符合香港聯合交易所有限公司GEM證券上市規則(「**GEM上市規則**」)有關全年業績初步公佈隨附資料的相關規定。



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CORPORATE INFORMATION

Board of Directors

Executive Directors

Mr. FEI Jie, *Chairman*
Mr. NG Chin Ming Stephen, *Chief Executive Officer*
(resigned with effect from 28 February 2019)
Mr. ZHANG Genjiang
Mr. FUNG Chi Kin (appointed with effect from 1 March 2019)

Independent Non-executive Directors

Mr. JIM Yiu Ming
Mr. SHEN Ruolei
Mr. SIT Sai Hung, Billy

Company Secretary

Ms. HUI Wai Man, Shirley

Compliance Officer

Mr. NG Chin Ming Stephen
(resigned with effect from 28 February 2019)
Mr. FUNG Chi Kin (appointed with effect from 1 March 2019)

Authorised Representatives

Mr. FEI Jie
Ms. HUI Wai Man, Shirley

Audit Committee

Mr. SIT Sai Hung, Billy, *Chairman*
Mr. JIM Yiu Ming
Mr. SHEN Ruolei

Remuneration Committee

Mr. SIT Sai Hung, Billy, *Chairman*
Mr. JIM Yiu Ming
Mr. SHEN Ruolei

Nomination Committee

Mr. JIM Yiu Ming, *Chairman*
Mr. SHEN Ruolei
Mr. SIT Sai Hung, Billy

Auditors

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

公司資料

董事會

執行董事

費杰先生，*主席*
伍展明先生，*行政總裁*
(於2019年2月28日辭任)
章根江先生
馮志堅先生 (於2019年3月1日獲委任)

獨立非執行董事

詹耀明先生
沈若雷先生
薛世雄先生

公司秘書

許惠敏女士

監察主任

伍展明先生
(於2019年2月28日辭任)
馮志堅先生 (於2019年3月1日獲委任)

授權代表

費杰先生
許惠敏女士

審核委員會

薛世雄先生，*主席*
詹耀明先生
沈若雷先生

薪酬委員會

薛世雄先生，*主席*
詹耀明先生
沈若雷先生

提名委員會

詹耀明先生，*主席*
沈若雷先生
薛世雄先生

核數師

國衛會計師事務所有限公司
執業會計師



CORPORATE INFORMATION

Principal Banker

Hang Seng Bank Limited

Registered Office

Clarendon House, 2 Church Street
Hamilton HM 11 Bermuda

Headquarter and Place of Business

Units 2610-2611, 26/F, China Merchants Tower
Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

Principal Share Registrar and Transfer Office

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM 08, Bermuda

Hong Kong Branch Share Registrar and Transfer Office

Tricor Investor Services Limited
Level 22, Hopewell Centre
183 Queen's Road East, Hong Kong

Stock Code

8265

Company Website and Investor Relations

www.china-trustful.com

公司資料

主要往來銀行

恒生銀行有限公司

註冊辦事處

Clarendon House, 2 Church Street
Hamilton HM 11 Bermuda

總辦事處及營業地點

香港
干諾道中168-200號
信德中心
招商局大廈26樓2610-2611室

股份過戶登記總處及轉讓辦事處

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM 08, Bermuda

香港股份過戶登記分處及轉讓辦事處

卓佳證券登記有限公司
香港皇后大道東183號
合和中心22樓

股份代號

8265

公司網站及投資者關係

www.china-trustful.com

CHAIRMAN'S STATEMENT

主席報告



FEI JIE 費杰
CHAIRMAN 主席

Dear Shareholders,

On behalf of the Board of Directors (the “Board”) of China Trustful Group Limited (the “Company”), I am pleased to present the annual report of the Company and its subsidiaries (collectively, referred to as the “Group”) for the year ended 31 December 2018.

The revenue of the Group from our continuing operations for the year ended 31 December 2018 decreased by 58.9% to approximately HK\$215,696,000 when compared with that of the last year (2017: HK\$525,269,000) as mainly the sales of goods decreased under (i) the intense competition in the market and (ii) the poor market sentiment since the trade war between the US and China. National Bureau of statistics of China has announced that the China’s gross domestic product (the “GDP”) growth for the year of 2018 fell to 6.6%.

各位股東：

本人欣然代表中國之信集團有限公司（「本公司」）董事會（「董事會」）呈報本公司及其附屬公司（統稱「本集團」）截至2018年12月31日止年度的年報。

截至2018年12月31日止年度，本集團的持續經營業務收入較去年減少58.9%至約215,696,000港元（2017年：525,269,000港元），主要原因是(i)市場競爭激烈及(ii)市場氣氛自中美爆發貿易戰以來持續低迷，導致貨品銷售額下跌。中國國家統計局亦公佈中國2018年度的國內生產總值（「國內生產總值」）增長跌至6.6%。



CHAIRMAN'S STATEMENT

主席報告



The Group's gross profit for the year ended 31 December 2018 was approximately HK\$75,940,000, representing a decrease of 59.7% as compared with last year (2017: HK\$188,313,000). The Group recorded profit for the year ended 31 December 2018 amounted to HK\$9,281,000 (2017: HK\$91,682,000).

In view of the global market uncertainties, the Group will closely monitor the international and domestic market situations and remain cautious on our portfolio management. At the same time, our management team will continue to work hard to create the best value to our shareholder via delivering products that exceed customers' expectation, while enhancing efficiency and focusing on sustainable growth.

Finally, on behalf of the Board, I would like to extend my sincerest gratitude to our shareholders, board of directors, employees and business partners for their outstanding performance and continued support especially for Mr Stephen Ng, former ED and CEO, for all his great leadership and collegiality.

Fei Jie
Chairman

Hong Kong, 26 March 2019

截至2018年12月31日止年度，本集團錄得毛利約75,940,000港元（2017年：188,313,000港元），較去年下跌59.7%。本集團就截至2018年12月31日止年度錄得溢利9,281,000港元（2017年：91,682,000港元）。

鑒於全球市場不明朗，本集團將會密切留意國內外市場狀況，並繼續審慎管理我們的業務組合。與此同時，本集團管理團隊將繼續提供超出客戶預期的產品、提高效率，並專注於可持續增長，努力為股東創造最大價值。

最後，本人謹代表董事會衷心感謝全體股東、董事會、員工及業務夥伴的傑出表現及一貫支持，尤其感謝前執行董事兼行政總裁伍先生為本集團帶來卓越領導和團隊合作。

主席
費杰

香港，2019年3月26日

MANAGEMENT DISCUSSION AND ANALYSIS

Business Overview

For the year ended 31 December 2018, China Trustful Group Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) continued to engage in the business of the research and development, manufacture and sale of rechargeable batteries, electric vehicles and related products and provision of related services (the “Electric Vehicle Business”) and the retail and wholesale of luxury brand silverware, silver utensils and luxury goods in the People’s Republic of China (“China”) (the “Silverware Business”),

To streamline our businesses, on 18 May 2018, the Group disposed of the provision of sourcing and procurement solutions to customers for production of watches, costume jewelries, and display and packaging products (the “Sourcing Business”).

The Group is fully prepared and determined to become a strong market player in the industries that our businesses belong to, especially the green transportation and electric vehicles industry. The Group will continue to build a strong and better corporate image and identity, and also facilitate its future business development, grasp every opportunity and face any new challenges.

Business Review

Results of the Group

In relation to the Electric Vehicle Business and the Silverware Business (collectively referred to as the “Continuing Operations”), during the year ended 31 December 2018, the Group recorded revenue of HK\$215,696,000, representing a 58.9% decrease as compared with the same period in 2017 (31 December 2017: HK\$525,269,000) and gross profit and gross profit margin of HK\$75,940,000 and 35.2% respectively (31 December 2017: HK\$188,313,000 and 35.9% respectively). Combining with the loss generated from the Sourcing Business (the “Discontinued Operation”) of HK\$4,355,000 (31 December 2017: HK\$7,143,000) and other income and expenses, the Group recorded profit for the year ended 31 December 2018 of HK\$9,281,000 (31 December 2017: HK\$91,682,000) and other comprehensive loss of HK\$33,468,000 (31 December 2017: income of HK\$25,242,000), being exchange differences arising from translating foreign operations. Profit attributable to owners of the Company from Continuing Operations was HK\$7,315,000 as compared with HK\$84,365,000 for the same period last year; whereas basic earnings per share for both continuing and discontinued operations was HK0.12 cents (31 December 2017: HK3.66 cents).

管理層討論及分析

業務概覽

截至2018年12月31日止年度，中國之信集團有限公司（「本公司」）及其附屬公司（統稱「本集團」）繼續從事研發、生產及銷售充電電池、電動汽車與相關產品及提供相關服務（「電動汽車業務」）以及於中華人民共和國（「中國」）零售及批發奢侈品品牌銀器、銀質餐具及奢侈品（「銀器業務」）。

為精簡我們的業務，本集團於2018年5月18日出售其向客戶提供生產鐘錶、人造珠寶及陳列包裝品的貨源搜尋及採購解決方案業務（「貨源搜尋業務」）。

本集團已做好充分準備，立志成為我們業務所屬行業（尤其是綠色交通及電動汽車行業）的強大市場參與者。本集團將繼續建立強大且良好的企業形象及身份，亦將促進其未來業務發展，把握每一個機會，以及面對任何新挑戰。

業務回顧

本集團業績

在電動汽車業務及銀器業務（統稱為「持續經營業務」）方面，於截至2018年12月31日止年度，本集團錄得收入215,696,000港元（2017年12月31日：525,269,000港元），較2017年同期減少58.9%，而毛利及毛利率分別為75,940,000港元及35.2%（2017年12月31日：分別為188,313,000港元及35.9%）。連同貨源搜尋業務（「已終止經營業務」）產生之虧損4,355,000港元（2017年12月31日：7,143,000港元）及其他收益及開支，本集團就截至2018年12月31日止年度錄得溢利9,281,000港元（2017年12月31日：91,682,000港元）及其他全面虧損（即換算海外業務產生的匯兌差額）33,468,000港元（2017年12月31日：收益25,242,000港元）。來自持續經營業務的本公司擁有人應佔溢利為7,315,000港元，去年同期則為84,365,000港元；而持續經營及已終止經營業務之每股基本盈利為0.12港仙（2017年12月31日：3.66港仙）。



MANAGEMENT DISCUSSION AND ANALYSIS

The Group's selling and distribution costs and administrative expenses, in total, increased from HK\$42,944,000 for the same period last year to HK\$57,606,000 during the year ended 31 December 2018.

In general, the Group's result during the year ended 31 December 2018 has been decreased and our business were affected by (i) the intense competition in the market and (ii) numerous uncertainties such as the trade war between the United States of America ("US") and China. Further description of the business performances from our businesses are described below.

Electric Vehicle Business

The Electric Vehicle Business is comprised of two divisions namely the battery division and electric vehicle division. The battery division is engaged in the manufacture and supply of rechargeable lithium batteries, while the electric vehicle division is engaged in the manufacture of electric vehicles and provision of related services for the Electric Vehicle Business.

During the year ended 31 December 2018, our revenue from the Electric Vehicle Business was mainly derived from the selling of rechargeable batteries, auto parts for the electric vehicles and electric bus system solutions and provision of relevant consultancy services. Under (i) the intense competition in the market and (ii) the poor market sentiment since the economies faced a lot of uncertainties including the trade war between the US and China and the China's gross domestic product (the "GDP") growth for the year of 2018 fell to 6.6%, revenue from Electric Vehicle Business was dropped. The Group has been considering various strategies to counter and minimize the contingent risks from the changing global business environment. Our senior management has also been actively exploring projects in relation to electric vehicles and electric bus system solutions with good profitability in different countries and cities including China, Macau, Hong Kong and some Southeast Asian countries.

On 25 to 28 October 2018, Hong Kong Trade Development Council held an exhibition named "Eco Expo Asia 2018". China Trustful Group Limited and its subsidiary, Ecological Green Transportation Limited ("EGT"), a UK incorporated company which is a wholly-owned subsidiary, were invited to participate in the Fair to showcase its latest electric vehicles to global buyers. We were proud to present our brand new full electric 12-metre single deck bus which has been successfully certified against the internationally recognised European Whole Vehicle Type Approval (ECWVTA) standards.

管理層討論及分析

本集團的銷售及分銷成本及行政開支總額由去年同期的42,944,000港元上升至截至2018年12月31日止年度的57,606,000港元。

總體而言，於截至2018年12月31日止年度，本集團業績有所下跌，且業務受到(i)市場的激烈競爭及(ii)多項不明朗因素（如美利堅合眾國（「美國」）與中國之間的貿易戰）所影響。下文載述有關我們業務之業務表現的進一步描述。

電動汽車業務

電動汽車業務包括兩個部分，即電池分部及電動汽車分部。電池分部從事製造及供應可充電鋰電池；而電動汽車分部為電動汽車業務製造電動汽車及提供相關服務。

截至2018年12月31日止年度，電動汽車業務之收入主要來自銷售充電電池、汽車零部件及電動巴士操作系統的顧問方案及提供相關的諮詢服務。由於(i)市場的激烈競爭及(ii)經濟出現大量不明朗因素，包括中美貿易戰及中國2018年度國內生產總值（「國內生產總值」）增長跌至6.6%，導致市場氣氛低迷，電動汽車分部收入因而有所下跌。本集團一直考慮多個策略方案，以應對不斷變化的全球商業環境並盡量降低當中的或然風險。本集團高級管理人員亦在不同國家及城市（包括中國、澳門、香港及部分東南亞國家）積極開拓可帶來豐厚利潤的電動汽車項目及電動巴士操作系統的顧問方案。

於2018年10月25日至28日，香港貿易發展局舉辦一項名為「國際環保博覽2018」的展覽。中國之信集團有限公司及其附屬公司Ecological Green Transportation Limited（「EGT」，一間於英國註冊成立之公司，為全資附屬公司）獲邀參加該展覽，以向全球買家展示其最新的電動汽車。本集團展示了我們引以為傲的全新全電動12米長單層巴士，其已成功獲得國際認可的歐洲整車型式認證（ECWVTA）準則認證。

MANAGEMENT DISCUSSION AND ANALYSIS

With today's growing environmental awareness EGT is setting out to offer practical solutions that help protect the environment and sustain future generations to come by offering energy efficient transport solutions.

EGT will utilise and combine the latest technological advances to offer green, safe and reliable products that offer genuine benefits to both the operators and passengers as well as the wider population at large in terms of environmental protection and public health.

During the year ended 31 December 2018, the Group recorded segment revenue of HK\$174,164,000 (31 December 2017: HK\$456,017,000) in the Electric Vehicle Business, representing 80.7% of the Group's total revenue generated from Continuing Operations (31 December 2017: 86.8%). This segment recorded segment profit of HK\$22,054,000 (31 December 2017: HK\$122,731,000), and segment margin of 12.7% (31 December 2017: 26.9%).

Silverware Business

In 2018, the national and global economic were unstable and complicated, there are numerous uncertainties such as the trade war between the US and China. Also, GDP growth for the year of 2018 fell to 6.6% and the intense competition in the market. The Group has been revamping its strategies to promote and sell our luxury silverware products branded S.collodi by focusing in developing a stable and long term relationship with its wholesale customers. Our senior management has also been actively exploring potential new wholesale customers who promotes silverware products with special themes and/or through their online sales platform. However, in overall, we received less sales orders from our customers.

In 2018, the Group introduced a new series of gift packs in collaboration with our brand of silverwares. In relation to our silverware retail operations, we have two premier stores as at 31 December 2018.

For the year ended 31 December 2018, the Silverware Business recorded a drop in segment revenue to HK\$41,532,000 from HK\$69,252,000 for the year ended 31 December 2017, representing 19.3% of the Group's total revenue (2017: 13.2%). It recorded segment profit of HK\$16,690,000 (2017: HK\$40,368,000), and segment margin of 40.2% (2017: 58.3%).

管理層討論及分析

隨著現今社會的環保意識日漸提高，EGT計劃提供高效能交通顧問方案，以為協助保護環境和未來可持續發展提供實際的解決方案。

EGT將利用並結合最新技術發展提供綠色、安全、可靠的產品，以在環保和公眾健康方面能夠令營運商、乘客及普羅大眾真正受惠。

截至2018年12月31日止年度，本集團電動汽車業務錄得分部收入174,164,000港元（2017年12月31日：456,017,000港元），佔本集團持續經營業務總收入的80.7%（2017年12月31日：86.8%）。該分部錄得分部溢利22,054,000港元（2017年12月31日：122,731,000港元）及分部利潤率12.7%（2017年12月31日：26.9%）。

銀器業務

於2018年，國內及全球經濟複雜動盪，並出現如中美貿易戰等多項不明朗因素。此外，2018年的國內生產總值增長跌至6.6%，加上市場競爭激烈。通過專注與批發商客戶建立穩定而長期的合作關係，本集團已調整其業務策略以推廣及銷售S.collodi品牌的奢華銀器產品。高級管理人員亦積極開拓推銷及／或通過本身在線銷售平台推銷特定主題銀器產品的潛在新批發商客戶。然而，我們接獲的客戶銷售訂單整體仍有所下跌。

於2018年，本集團與我們的銀器品牌合作推出全新禮品包系列。就銀器零售業務而言，我們於2018年12月31日設有兩間主要店舖。

截至2018年12月31日止年度，銀器業務錄得的分部收入自截至2017年12月31日止年度的69,252,000港元下跌至41,532,000港元，佔本集團總收入的19.3%（2017年：13.2%）。該分部錄得分部溢利16,690,000港元（2017年：40,368,000港元）及分部利潤率40.2%（2017年：58.3%）。

MANAGEMENT DISCUSSION AND ANALYSIS

Sourcing Business

In view of the downturn of the Sourcing industry, the Group discontinued the Sourcing Business by disposing of the entire issued share capital of Powerwell Pacific Limited (the "Disposal"), which through its subsidiaries was principally engaged in the provision of sourcing and procurement solutions to customers for production of watches, costume jewelries, and display and packaging products. The Disposal was completed on 18 May 2018.

Immediately before the Disposal, this segment recorded revenue of HK\$10,379,000 (31 December 2017: HK\$63,275,000). It recorded loss for the period of HK\$4,880,000 before disposal (31 December 2017: HK\$7,143,000), and net profit margin of negative 47.0% (31 December 2017: 11.3%), as a result of the drop in both revenue and profitability.

Disposal of the Entire Share Capital of Powerwell Pacific Limited

In respect of the Disposal, the Group recorded a gain from the Disposal of HK\$525,000 for the year ended 31 December 2018. In respect of this discontinued operation, a net loss for the year ended 31 December 2018 of HK\$4,880,000 (31 December 2017: net loss for the year HK\$7,143,000) was recorded to the Group before its disposal. Details of the results of the discontinued operation and the Disposal are presented in notes 10 and 41 to the consolidated financial statement and the announcement of the Company dated 18 May 2018.

Financial Review

Liquidity, Financial Resources and Capital Structure

As at 31 December 2018, the Group had current assets of HK\$583,717,000 (2017: HK\$792,733,000) comprising cash and cash equivalents of HK\$56,683,000 (2017: HK\$293,853,000), and net current assets of HK\$510,221,000 (2017: HK\$540,996,000). The Group did not have any bank borrowings, guarantee and banking facilities, while the Group's other borrowings included a secured loan amounted to HK\$nil (2017: HK\$15,000,000), amounts due to a Director HK\$30,000,000 (2017: HK\$nil) and amount due to non-controlling interests HK\$122,000 (2017: HK\$118,000), details of which are described in notes 26 and 23 to the consolidated financial statements. As at 31 December 2018, the Group's equity attributable to owners of the Company increased by HK\$34,177,000 to HK\$637,726,000 (2017: HK\$603,549,000), which was mainly due to the exercise of convertible bonds and share options.

管理層討論及分析

貨源搜尋業務

鑒於貨源搜尋行業處於低迷時期，本集團已透過出售Powerwell Pacific Limited全部已發行股本的方式終止經營貨源搜尋業務（「該出售」），而Powerwell Pacific Limited通過其附屬公司主要從事向客戶提供生產鐘錶、人造珠寶及陳列包裝品的貨源搜尋及採購解決方案。該出售已於2018年5月18日完成。

緊接該出售前，該分部錄得收入10,379,000港元（2017年12月31日：63,275,000港元）。由於收入及盈利能力下滑，該分部於出售前錄得期內虧損4,880,000港元（2017年12月31日：7,143,000港元）及淨利潤率負47.0%（2017年12月31日：11.3%）。

出售Powerwell Pacific Limited的全部股本

就該出售而言，本集團於截至2018年12月31日止年度自該出售錄得收益525,000港元。就本項已終止經營業務而言，於截至2018年12月31日止年度，本集團在其出售前錄得淨虧損4,880,000港元（2017年12月31日：年度淨虧損7,143,000港元）。有關已終止經營業務之業績及該出售之詳情載列於綜合財務報表附註10及41及本公司日期為2018年5月18日之公佈。

財務回顧

流動資金、財務資源及資本架構

於2018年12月31日，本集團擁有流動資產583,717,000港元（2017年：792,733,000港元），包括現金及現金等價物56,683,000港元（2017年：293,853,000港元）及流動資產淨值510,221,000港元（2017年：540,996,000港元）。本集團並無任何銀行借款、擔保及銀行融資，而本集團其他借款包括有抵押貸款零港元（2017年：15,000,000港元）、應付一名董事款項30,000,000港元（2017年：零港元）及應付非控股權益款項122,000港元（2017年：118,000港元），有關詳情於綜合財務報表附註26及23闡述。於2018年12月31日，本集團之本公司擁有人應佔權益增加34,177,000港元至637,726,000港元（2017年：603,549,000港元），主要由於可換股債券和購股權獲行使所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

During the year ended 31 December 2018, the Group has fully repaid the secured loan HK\$15,000,000 which was denominated in Hong Kong dollars with variable interest rate at 1% per annum above the HKD prime lending rate published by The Hongkong and Shanghai Banking Corporation Limited and is fully secured by the shares charge in respect of the entire share capital of Powerwell Pacific Limited (a wholly-owned subsidiary of the Company incorporated in the British Virgin Islands).

The Group's gearing ratio represented its total borrowings over the equity attributable to owners of the Company. As at 31 December 2018, the Group had total borrowings amounted to HK\$30,122,000 (2017: HK\$66,444,000). The Group's equity attributable to owners of the Company as at 31 December 2018 amounted to HK\$637,726,000 (2017: HK\$603,549,000). The Group's gearing ratio was therefore maintained at a low level of 4.7%, which was lower than that at 31 December 2017 of 11.0%, as a result of the exercise of convertible bonds and share options.

The Group's current ratio, calculated based on current assets of HK\$583,717,000 (2017: HK\$792,733,000) over current liabilities of HK\$73,496,000 (2017: HK\$251,737,000), was at a healthy level of 7.94 times (2017: 3.15 times).

As at 31 December 2018, our trade receivables amounted to HK\$183,787,000, which was a decrease of HK\$197,927,000 compared to HK\$381,714,000 as at 31 December 2017, our trade payables as at 31 December 2018 also decreased to HK\$13,490,000 from HK\$114,395,000 as at 31 December 2017. The significant decrease in these balances was mainly due to the outstanding balances due from our customers/to our suppliers from the Electric Vehicle Business. These customers are mainly the travel bus distributors in the PRC, and eyeing on the bulk future sales orders from these customers, the Group granted credit terms of 180 days for part of the outstanding balances. As at the date of this annual report, trade receivables as at 31 December 2018, approximately 40% has been settled. Our Directors have reviewed the recoverability of the trade receivables and considered that no further allowance of credit losses in respect of trade receivables was required for the year ended 31 December 2018. Details of allowance of credit losses in respect of trade receivables are set out in note 21 to the consolidated financial statement.

截至2018年12月31日止年度，本集團已悉數償還15,000,000港元之有抵押貸款，該項有抵押貸款乃以港元計值、按香港上海滙豐銀行有限公司頒佈之港元最優惠利率加年利率1厘的浮動利率計息，並以與Powerwell Pacific Limited（本公司於英屬處女群島註冊成立之一間全資附屬公司）全部股本相關的股份抵押作全面擔保。

本集團之資產負債比率為其借款總額除以本公司擁有人應佔權益。於2018年12月31日，本集團擁有借款總額30,122,000港元（2017年：66,444,000港元）。於2018年12月31日，本集團之本公司擁有人應佔權益為637,726,000港元（2017年：603,549,000港元）。因此，本集團之資產負債比率維持在4.7%之較低水平，低於2017年12月31日之11.0%，乃由於可換股債券及購股權獲行使所致。

本集團按流動資產583,717,000港元（2017年：792,733,000港元）除以流動負債73,496,000港元（2017年：251,737,000港元）計算之流動比率為7.94倍（2017年：3.15倍），屬穩健水平。

於2018年12月31日的貿易應收款項為183,787,000港元，較2017年12月31日的381,714,000港元減少197,927,000港元，而於2018年12月31日的貿易應付款項亦由2017年12月31日的114,395,000港元減少至13,490,000港元。該等結餘大幅減少乃主要由於來自電動汽車業務的應收客戶／應付供應商未償還結餘所致。該等客戶主要為中國旅遊巴士分銷商，就該等客戶的大宗期貨銷售訂單而言，本集團就部分未償還結餘授予180天的信貸期。於本年報日期，於2018年12月31日的貿易應收款項中，約40%已結清。董事已檢討貿易應收款項的可收回性，並認為截至2018年12月31日止年度無須就貿易應收款項作出進一步信貸虧損撥備。貿易應收款項信貸虧損撥備詳情載於綜合財務報表附註21。

MANAGEMENT DISCUSSION AND ANALYSIS

Furthermore, the deposits, prepayments and other receivables of the Group increased from HK\$70,517,000 as at 31 December 2017 to HK\$271,485,000 as at 31 December 2018 as a result of the Group's operating business in which deposits were made in accordance with the contracts terms. The balance as at 31 December 2018 included guarantee deposits paid to a customer amounted to HK\$68,316,000 (2017: HK\$53,022,000), which is expected to be fully recovered within one year. The guarantee deposits paid during the year ended 31 December 2017 was fully recovered during the year ended 31 December 2018.

As the cash and cash equivalents of the Group amount to HK\$56,683,000 as at 31 December 2018, with other current assets, the Directors consider the Company has ability to meet its obligation when they fall due.

During the year ended 31 December 2018, the issued share capital of the Company increased from 2,151,209,327 shares of HK\$0.02 each to 2,675,424,685 shares as a result of the exercise of remaining 37,500,000 share options on 18 May 2018, and the conversion of all outstanding convertible bonds into 486,715,358 conversion shares on 1 June 2018. Details of the convertible bonds and share options are set out in the sections headed "Convertible Bonds" and "Share Option Scheme" below.

The Group continues to maintain a prudent approach in managing its financial requirements. In the long run, the Group finances its daily operations and future acquisitions from internally generated cash flows and/or external debt and/or by equity fund raisings.

Convertible Bonds

On 1 June 2016, the Company issued convertible bonds with principal amount of HK\$110,000,000 (the "Convertible Bonds") as the consideration payable of the sale assets under the sale and purchase agreement dated 5 November 2015 entered into by 湖州信成電動汽車有限公司 (Huzhou Xincheng Electric Vehicle Co., Ltd*), an indirect wholly-owned subsidiary of the Company and as the purchaser, and 湖州百成電池有限公司 (Huzhou Brighsun Battery Co., Ltd*) and 湖州百成客車有限公司 (Huzhou Brighsun Automobile Co., Ltd*) ("Brighsun Automobile") collectively as the vendors, and 黃科竣 (Huang Kejun) and 章根江 (Zhang Genjiang) collectively as the guarantors. The holders of the Convertible Bonds have the right to convert the outstanding principal amount of the Convertible Bonds on the expiry of 6 months from the date of issue of the Convertible Bonds up to the maturity date of 1 June 2018.

管理層討論及分析

此外，本集團的按金、預付款項及其他應收款項由2017年12月31日的70,517,000港元增加至2018年12月31日的271,485,000港元，原因是本集團於經營業務中根據合約條款支付按金。於2018年12月31日的結餘包括68,316,000港元（2017年：53,022,000港元）的已付客戶保證金，預計將於一年內全部收回。於截至2017年12月31日止年度支付之擔保按金已於截至2018年12月31日止年度全數收回。

由於本集團於2018年12月31日的現金及現金等價物為56,683,000港元，連同其他流動資產，董事認為本公司有能力履行其到期時的責任。

截至2018年12月31日止年度，本公司已發行股本由2,151,209,327股每股0.02港元之股份增加至2,675,424,685股股份，此乃由於餘下的37,500,000份購股權於2018年5月18日獲行使及於2018年6月1日全部尚未行使之可換股債券獲轉換為486,715,358股換股股份所致。有關可換股債券及購股權之詳情載於下文「可換股債券」及「購股權計劃」各節。

本集團繼續採取審慎的措施管理其財務需求。長遠而言，本集團以內部產生的現金流量及／或外部債務及／或通過股本集資為其日常業務及未來收購提供資金。

可換股債券

於2016年6月1日，本公司發行本金額為110,000,000港元之可換股債券（「可換股債券」）作為根據湖州信成電動汽車有限公司（本公司之間接全資附屬公司，作為買方）與湖州百成電池有限公司及湖州百成客車有限公司（「湖州百成」）（共同作為賣方）及黃科竣及章根江（共同作為擔保人）訂立日期為2015年11月5日之買賣協議就收購待售資產須予支付之代價。可換股債券持有人有權於可換股債券發行日期起計滿六個月後至到期日（即2018年6月1日）止期間，轉換可換股債券的未贖回本金額。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

On 1 June 2018, as permitted under the terms of Convertible Bonds and with the written consent of the Company, Convertible Bonds with an aggregate principal amount of HK\$53,051,974 had been transferred from Brighsun Automobile to Smart Focus Inc Limited, a wholly-owned subsidiary of Brighsun Automobile. The Company also received a conversion notice from Smart Focus Inc Limited for the exercise of the conversion rights attaching to the Convertible Bonds with an aggregate principal of HK\$53,051,974 at the Conversion Price of HK\$0.109 per conversion share (the "Conversion"). Upon such Conversion, a total of 486,715,358 conversion shares has been allotted and issued, credited as fully paid, to Smart Focus Inc Limited in accordance with the provisions of the Convertible Bonds. The 486,715,358 conversion shares, having an aggregate nominal value of HK\$9,734,307.16, represent approximately 22.24% and 18.19% of the issued share capital of the Company immediately before and after the issue of such conversion shares respectively. After the Conversion and as at 31 December 2018, there are no outstanding Convertible Bonds as at 31 December 2018.

於2018年6月1日，按照可換股債券之條款所允許，並在獲得本公司書面同意之情況下，本金總額為53,051,974港元之可換股債券已由湖州百成轉讓予雋特有限公司（湖州百成的全資附屬公司）。本公司亦接獲雋特有限公司之轉換通知，內容有關行使本金總額為53,051,974港元之可換股債券所附之換股權，轉換價為每股換股股份0.109港元（「轉換」）。於有關轉換後，合共486,715,358股換股股份已根據可換股債券之條文以入賬列為繳足方式配發及發行予雋特有限公司。該486,715,358股換股股份（總面值為9,734,307.16港元）分別佔緊接發行有關換股股份前及緊隨其後本公司已發行股本約22.24%及18.19%。於轉換後及於2018年12月31日，並無於2018年12月31日尚未行使之可換股債券。

Share Option Scheme

On 27 May 2015 (the "Date of Grant"), the Company granted share options (the "Share Options") to the eligible persons within the Group (the "Grantees") pursuant to the Company's share option scheme launched on 22 December 2010, subject to acceptance by the Grantees. The Share Options entitle the Grantees to subscribe for a total of 15,000,000 ordinary shares with nominal value of HK\$0.10 each in the capital of the Company upon exercise of the Share Options in full. The exercise price of the Share Options granted of HK\$1.17 per share represent the highest of (i) the closing price of HK\$1.17 per share on the Date of Grant; (ii) the average closing price of HK\$1.04 per share for the five business days immediately preceding the Date of Grant; and (iii) the nominal value of HK\$0.10 per share. Details of the Grant of Share Options was set out in the announcement of the Company dated 27 May 2015. 7,500,000 options had been exercised and gross proceeds of HK\$8,775,000 was received from exercise of these options. Upon the subdivision of shares from par value of HK\$0.10 each into five subdivided shares of par value of HK\$0.02 each which became effective on 4 May 2016, the exercise price and the number of outstanding options were adjusted to HK\$0.234 and 37,500,000 options respectively in accordance with the terms and conditions of the Share Option Scheme. On 18 May 2018, the 37,500,000 options had been exercised and gross proceeds of HK\$8,775,000 was received from exercise of these options. There are no outstanding share options as at 31 December 2018.

購股權計劃

於2015年5月27日（「授出日期」），本公司根據其於2010年12月22日推出之購股權計劃向本集團之合資格人士（「承授人」）授出購股權（「購股權」），惟須待承授人接納後，方可作實。有關購股權賦予承授人權利於購股權獲悉數行使後認購合共15,000,000股本公司股本中每股面值0.10港元之普通股。所授出購股權之行使價每股1.17港元相當於下列各項其中之最高者：(i)於授出日期之收市價每股股份1.17港元；(ii)緊接授出日期前五個營業日之平均收市價每股股份1.04港元；及(iii)每股股份面值0.10港元。授出購股權的詳情載於本公司日期為2015年5月27日的公佈。7,500,000份購股權已獲行使，並因該等購股權獲行使而收到所得款項總額8,775,000港元。待每股面值0.10港元之股份拆分為五股每股面值0.02港元之拆分股份並於2016年5月4日生效後，行使價及尚未行使購股權之數目已根據購股權計劃之條款及條件分別調整為0.234港元及37,500,000份購股權。於2018年5月18日，37,500,000份購股權已獲行使，並因該等購股權獲行使而收到所得款項總額8,775,000港元。於2018年12月31日，概無尚未行使之購股權。

MANAGEMENT DISCUSSION AND ANALYSIS

Contingent Consideration Receivables and Profit Guarantee

There was no contingent consideration receivables and profit guarantee for the year ended 31 December 2018. For the year ended 31 December 2017, pursuant to the sale and purchase agreement (the “Core Kingdom Agreement”) entered in relation to the acquisition of Core Kingdom Limited dated 8 December 2014 (the “Core Kingdom Acquisition”), Mr. Chow Tsi Tung (“Mr. Chow”), being the vendor in the Core Kingdom Acquisition, provided an irrecoverable and unconditional guarantee in favour of the Company that the audited net profits of 浙江通銀貴金屬經營有限公司 (Zhejiang Tong Yin Precious Metal Operation Company Limited*) (“Tong Yin”), an indirect 51%-owned subsidiary of the Company, for the three years ended 31 December 2015, 31 December 2016 and 31 December 2017 shall be no less than RMB20 million, RMB24 million and RMB30 million respectively (the “Guaranteed Net Profit”). A contingent consideration receivable has been recognised in the consolidated statement of financial position of the Group which was measured at fair value at each of the end of the reporting period.

The audited net profits of Tong Yin for the years ended 31 December 2015 and 2016 were no less than the Guaranteed Net Profit. However, for the year ended 31 December 2017, the audited net profit of Tong Yin was RMB25,586,000 (equivalent to HK\$29,512,000), which was lower than the Guarantee Net Profit of RMB30,000,000. As a result, pursuant to the Core Kingdom Agreement, the Company recognised a compensation from profit guarantee of HK\$2,596,000 as at 31 December 2017, which is to be paid by Mr. Chow and was calculated as 51% of the difference between the audited net profit of Tong Yin and the Guaranteed Net Profit for the year ended 31 December 2017.

For further details of the Core Kingdom Acquisition and the profit guarantee, please refer to the announcements of the Company dated 9 December 2014, 8 January 2015, 9 February 2015, 27 February 2015 and 29 March 2018.

Connected Transaction

There was no connected transaction for the year ended 31 December 2018 except the exempt connected transaction of HK\$30,000,000 set out in note 23 and 31 to consolidated financial statement.

On 8 November 2017, International Faith Limited, an indirect wholly-owned subsidiary of the Company, served an exercise notice on Mr. Zhang Genjiang (“Mr. Zhang”), the executive Director and a substantial shareholder of the Company, to exercise the put option and to require Mr. Zhang to purchase 1,200 ordinary shares of Brightsun Ev-tech Co., Limited, representing 10% of the issued shares, at the consideration of HK\$9,000,000. Further details of this transaction was set out in the announcement of the Company dated 8 November 2017.

管理層討論及分析

應收或然代價及溢利保證

截至2018年12月31日止年度，概無應收或然代價及溢利保證。截至2017年12月31日止年度，根據有關收購Core Kingdom Limited (「Core Kingdom收購事項」)而訂立的日期為2014年12月8日的買賣協議(「Core Kingdom協議」)，周吉東先生(「周先生」)(即Core Kingdom收購事項賣方)向本公司提供不可撤回及無條件擔保，保證浙江通銀貴金屬經營有限公司(「通銀」，本公司間接擁有51%之附屬公司)於截至2015年12月31日、2016年12月31日及2017年12月31日止三個年度之經審核溢利淨額分別不少於人民幣20,000,000元、人民幣24,000,000元及人民幣30,000,000元(「保證溢利淨額」)。應收或然代價乃於各報告期末按公平值計量並於本集團之綜合財務狀況表確認。

截至2015年及2016年12月31日止年度，通銀之經審核溢利淨額不低於保證溢利淨額。然而，截至2017年12月31日止年度，通銀之經審核溢利淨額為人民幣25,586,000元(相當於29,512,000港元)，低於保證溢利淨額人民幣30,000,000元。因此，根據Core Kingdom協議，本公司於2017年12月31日確認溢利保證之補償2,596,000港元，該代價乃通銀於截至2017年12月31日止年度之經審核溢利淨額與保證溢利淨額之差額之51%，將由周先生支付。

有關Core Kingdom收購事項及溢利保證的進一步詳情，請參閱本公司日期為2014年12月9日、2015年1月8日、2015年2月9日、2015年2月27日及2018年3月29日的公佈。

關連交易

除綜合財務報表附註23及31所載涉及30,000,000港元的關連交易外，本集團於截至2018年12月31日止年度並無進行關連交易。

於2017年11月8日，國際信達有限公司(本公司之間接全資附屬公司)向章根江先生(「章先生」，本公司之執行董事兼主要股東)發出行使通知，以行使認沽期權並要求章先生以代價9,000,000港元購買百成電車科技有限公司之1,200股普通股，佔已發行股份之10%。該交易之進一步詳情載於本公司日期為2017年11月8日之公佈內。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Directors confirmed that the Company has complied with the applicable requirements under Chapter 20 of the GEM Listing Rules with regard to the related party transactions set out in note 31 to the consolidated financial statements which were also connected transaction.

董事確認本公司已就綜合財務報表附註31所載的關連人士交易（亦為關連交易）遵守GEM上市規則第20章項下的適用規定。

Income Tax

The effective tax rate for the year was 33.8% (2017: 30.9%), which was higher for the tax rates applicable to the relevant jurisdictions ranging from 0% to 25%.

所得稅

本年度之實際稅率為33.8%（2017年：30.9%），高於相關司法權區的適用稅率（介於0%到25%）。

Foreign Currency Management

The Group's transactions, trade receivables, trade payables and cash and cash equivalents are mainly denominated in United States dollars, Hong Kong dollars and Renminbi. Therefore, the Group is exposed to foreign currency exchange rate risk. The directors of the Company have a positive attitude to regularly monitor the Group's exposure to foreign exchange so as to reduce the foreign exchange rate risk to a minimum level. To a larger extent, foreign exchange risks were minimised via balancing the foreign currency monetary assets versus the corresponding currency liabilities, and foreign currency revenues versus the corresponding currency expenditures. In light of the above, it was considered that the Group's exposure to foreign exchange risks was not significant and no hedging measure had been undertaken by the Group.

外幣管理

本集團的交易、貿易應收款項、貿易應付款項以及現金及現金等價物主要以美元、港元及人民幣計值。因此，本集團承受外匯匯率風險。本公司董事積極定期監察本集團面臨的外匯風險，以將外匯匯率風險降至最低水平。透過維持外幣資產與相應貨幣負債之平衡，以及外幣收入與相應貨幣開支之平衡，本公司已將大部份外匯風險減至最低。鑒於以上所述，本集團所承受的外匯風險相信並不重大，故本集團並無實行對沖措施。

Contingent Liabilities

The Group had no significant contingent liabilities as at 31 December 2018 (2017: Nil).

或然負債

本集團於2018年12月31日並無任何重大或然負債（2017年：無）。

Pledge of Assets

As at 31 December 2018, save as disclosed above, no other assets of the Group were pledged (2017: Nil).

資產抵押

於2018年12月31日，除上文所披露者外，本集團並無其他已抵押資產（2017年：無）。

Capital Commitments

As at 31 December 2018, the Group had material capital commitments of HK\$22,400,000 (2017: HK\$716,000).

資本承擔

於2018年12月31日，本集團的重大資本承擔為22,400,000港元（2017年：716,000港元）。

Dividends

The Group did not recommend the payment of any dividend during the year ended 31 December 2018 (31 December 2017: Nil).

股息

本集團不建議派發截至2018年12月31日止年度的任何股息（2017年12月31日：無）。

MANAGEMENT DISCUSSION AND ANALYSIS

Significant Investments Held and Material Acquisitions and Disposals

Except for the disposal of the entire share capital of Powerwell Pacific Limited discussed in the section headed “Disposal of the Entire Share Capital of Powerwell Pacific Limited”, there were no significant investment held as at 31 December 2018, and there were no material acquisitions and disposals of subsidiaries during the year ended 31 December 2018.

Employees and Remuneration Policies

The Group had 98 (2017: 113) employees as at 31 December 2018. Total staff costs for the year, including Directors’ remuneration, was HK\$19,388,000 (2017: HK\$32,855,000). The Group’s remuneration practices are in line with the prevailing market practice and are determined on the basis of performance, qualification and experience of individual employee. The Group recognises the importance of a good relationship with the employees by providing competitive remuneration package to the employees including salaries, allowances, insurance, discretionary bonus, share option scheme and training for human resources upskilling.

Fund Raising Activity

Placing of New Shares under General Mandate

During the year ended 31 December 2017, the Company issued 100,000,000 shares to not less than six placees at a placing price of HK\$2.80 per share. The placing price was agreed with the placing agent in a placing agreement dated 21 April 2017, and the closing price quoted on the Exchange as at that date was HK\$3.32 per share. The net placing price was approximately HK\$2.78 per share. The number of the Company’s issued shares increased from 2,051,209,327 as at 1 January 2017 to 2,151,209,327 upon the completion of the Placing on 25 May 2017. The gross proceeds raised by the Company from the Placing amounted to HK\$280,000,000, and the net proceeds raised, after the deduction of share issuing expenses, was approximately HK\$277,760,000. The Company intended to apply HK\$20,000,000 for general working capital of the Group and the remaining balance for the development of the Electric Vehicle Business. Further details of the Placing have been set out in the Company’s announcements dated 21 April 2017 and 25 May 2017.

As at 31 December 2017, of the net proceeds of the Placing of HK\$277,760,000, approximately HK\$138,000,000 were subsequently used in the operation of the Electric Vehicle Business, while approximately HK\$9,760,000 were used in general working capital for our Hong Kong operation. Approximately HK\$130,000,000 was remained unused and placed with licensed banks in Hong Kong and the PRC.

管理層討論及分析

持有重大投資以及重大收購及出售事項

除於「出售Powerwell Pacific Limited的全部股本」一節所討論之出售Powerwell Pacific Limited之全部股本外，本集團於2018年12月31日並無持有任何重大投資，及截至2018年12月31日止年度亦無任何重大收購及出售附屬公司的事項。

僱員及薪酬政策

於2018年12月31日，本集團有98名（2017年：113名）僱員。本年度總員工成本（包括董事酬金）為19,388,000港元（2017年：32,855,000港元）。本集團的薪酬常規符合現行市場慣例，並根據個別僱員的表現、資歷及經驗而釐定。本集團明白與僱員建立良好關係的重要性，並透過向僱員提供富競爭力的薪酬組合，包括薪金、津貼、保險、酌情花紅、購股權計劃及人力資源技能提升訓練，以達致該目標。

集資活動

根據一般授權配售新股份

截至2017年12月31日止年度，本公司以每股2.80港元的配售價向不少於六名承配人發行100,000,000股股份。配售價已與配售代理於日期為2017年4月21日的配售協議內協定，而股份於該日在聯交所所報收市價為每股3.32港元。配售價淨值約為每股2.78港元。配售事項於2017年5月25日完成後，本公司已發行股份數目由2017年1月1日的2,051,209,327股增加至2,151,209,327股。本公司自配售事項籌集的所得款項總額為280,000,000港元，以及籌集的所得款項淨額（扣除股份發行開支後）約為277,760,000港元。本公司擬將20,000,000港元用於本集團一般營運資金及餘額用於發展電動汽車業務。配售事項的進一步詳情載於本公司日期為2017年4月21日及2017年5月25日的公佈。

於2017年12月31日，配售事項之所得款項淨額為277,760,000港元，其中約138,000,000港元隨後於電動汽車業務運營中使用，而約9,760,000港元作香港營運的一般營運資金。約130,000,000港元尚未動用，並存放於香港及中國的持牌銀行。



MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

During year ended 31 December 2018, the HK\$130,000,000 was used as follows:

截至2018年12月31日止年度，130,000,000港元已用作以下用途：

Net proceeds raised and unutilised as at 31 December 2017	Intended use of the Unutilised proceeds	Actual use of the Unutilised Proceeds for the year ended 31 December 2018
於2017年12月31日籌集及未動用所得款項淨額	未動用所得款項計劃用途	截至2018年12月31日止年度未動用所得款項實際用途
HK\$130,000,000 (the "Unutilised Proceeds")	HK\$119,760,000 – development of Electric Vehicle Business	HK\$119,760,000 – development of Electric Vehicle Business
130,000,000港元（「未動用所得款項」）	119,760,000港元 – 發展電動汽車業務	119,760,000港元 – 發展電動汽車業務
	HK\$10,240,000 – general working capital	HK\$10,240,000 – general working capital
	10,240,000港元 – 一般營運資金	10,240,000港元 – 一般營運資金

Principal Risks and Uncertainties

The Group's businesses, financial conditions, results of operations or growth prospects may be affected by risks and uncertainties directly or indirectly pertaining to the Group's businesses. The risk factors that could result in the Group's businesses, financial conditions, results of operations or growth prospects are identified as below, while there may be other risks and uncertainties in addition to those identified below which are not known to the Group or which may not be material now but could turn out to be material in the future.

主要風險及不確定因素

本集團的業務、財務狀況、經營業績或發展前景可能受到與本集團業務直接或間接相關的風險及不確定因素之影響。下文載列可能影響本集團業務、財務狀況、經營業績或發展前景之風險因素，然而，除下文所列者外，或會存在本集團並未知悉或目前可能不重要但日後可能變得重要的其他風險及不確定因素。

MANAGEMENT DISCUSSION AND ANALYSIS

Market Risk

As the growth of traditional automobile market worldwide is expected to slow down, more and more automobile manufacturers enter into the green transportation and electric vehicle industry. Market risk arises from the intensifying competitions of the Electric Vehicle Business of the Group.

With an aim to become one of the market leaders in the green transportation and electric vehicle industry, not only have we engaged qualified managerial, operational and marketing team to deal with the Electric Vehicle Business, in order to minimise the market risk, the Group also builds our competitive edge in the Electric Vehicle Business by being customer-oriented and provision of tailor-made solutions to our customers.

Regulatory Risk

The Group is exposed to regulatory risks, especially in the Electric Vehicle Business, in relation to failure to comply with relevant laws and regulations in financial, operational and environment aspects. While there is no non-compliance of laws and regulations during the year, the Group will remain sensitive to any changes in the regulations, and respond to any changes to ensure our businesses comply with the relevant policies.

Financial Risks

Details of the financial risks are set out in note 35 to the consolidated financial statements.

Currency Market Risk

The Group's currency exposure mainly arises from its businesses and assets based in the PRC, further details of which are set out in the paragraph "Foreign Currency Management" under the section headed "Financial Review" above.

Global Economic and Environment Risk

In 2018, the national and global economic environments was unstable and complicated, the economies faced a lot of uncertainties including the trade war between the US and China.

National Bureau of Statistics of the People's Republic of China has announced that the China's gross domestic product growth for the year of 2018 fell to 6.6% and the manufacturing Purchasing Managers' Index was 49.4 in December 2018 which was below the threshold 50 which indicate the China manufacturers' contraction in purchasing activities.

管理層討論及分析

市場風險

鑒於預計全球傳統汽車市場的增速放緩，更多的汽車製造商步入綠色交通及電動汽車行業。市場風險乃因本集團電動汽車業務之競爭加劇所致。

為成為綠色交通及電動汽車行業的市場領導者之一，本集團已聘請合資格管理、營運及營銷團隊應對電動汽車業務，以將市場風險降至最低，亦通過以客為尊及向客戶提供量身定制的方案，以在電動汽車業務方便確立競爭優勢。

監管風險

倘於財務、營運及環境方面未遵守相關法律及法規，則本集團面臨監管風險，尤其是於電動汽車業務。儘管本集團於本年度內並無違反相關法律及法規，但將會對任何法規變動保持敏感，並予以應對，以確保我們的業務遵守相關政策。

金融風險

有關金融風險的詳情載於綜合財務報表附註35。

貨幣市場風險

本集團之貨幣風險主要源自其於中國之業務及資產，其進一步詳情載於上文「財務回顧」一節「外幣管理」一段。

全球經濟及環境風險

於2018年，國內及全球經濟環境複雜動盪，各經濟體均面對包括中美貿易戰在內的多項不明朗因素。

中華人民共和國國家統計局公佈中國的2018年度國內生產總值增長跌至6.6%，而2018年12月製造業採購經理人指數為49.4，低於50點的門檻，顯示中國製造業採購活動收縮。



MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Looking forward to 2019, the Group would continue to provide quality services and to expand customer base into the industries it already set foot in. In case of adverse market condition, we will pay close attention to the market changes of the industries involved and adjust our business strategies in a timely manner to avoid visible risks. The Group will take risk management and risk investigation as its paramount concerns, and improve its asset management and team management abilities while enhancing the comprehensive strength of the Group.

Subsequent Events After the Reporting Period

There is no significant event took place subsequent to the end of the reporting period.

展望2019年本集團將繼續提供優質服務及將客戶基礎擴大至已插足之行業。為應對不利市況，本集團將密切注意所從事行業的市場變動，適時調整業務策略以避免可見風險。本集團將以風險管理及風險調查作為首要任務，並在全面提升集團實力的同時改善資產管理及團隊管理能力。

報告期後重大事項

於報告期末後並無發生任何重大事項。



CORPORATE GOVERNANCE REPORT 企業管治報告

Pursuant to Rule 18.44(2) of the GEM Listing Rules, the Board is pleased to present this corporate governance report for the year ended 31 December 2018 (the “Year”). This report highlights the key corporate governance practices of the Company.

Corporate Governance Practices

The Group is committed to upholding high standards of corporate governance. The Board considers that enhanced public accountability and corporate governance are beneficial for the healthy growth of the Group, improving customer and supplier confidence and safeguarding the interests of shareholders of the Company.

The Company has complied with the Corporate Governance Code (the “CG Code”) contained in Appendix 15 of the GEM Listing Rules throughout the Year.

根據GEM上市規則第18.44(2)條，董事會欣然呈報截至2018年12月31日止年度（「本年度」）的企業管治報告。本報告羅列本公司的主要企業管治常規。

企業管治常規

本集團致力維持高水平的企業管治。董事會認為，加強公眾問責性及企業管治有利於本集團的穩健增長，提升客戶及供應商信心，並保障本公司股東的利益。

本公司於年內已遵守GEM上市規則附錄15所載之企業管治守則（「企業管治守則」）。



CORPORATE GOVERNANCE REPORT

企業管治報告

Securities Transactions by Directors and Relevant Employees

The Company adopted the model code for securities transactions by the Directors (the “Model Code”) on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. On specific enquiry made, all the Directors have confirmed compliance with the Model Code throughout the Year.

Relevant employees who are likely to be in possession of inside information of the Company are also subject to compliance with guidelines on no less exacting terms than the Model Code for the Year.

Board of Directors

The Board is currently composed of six Directors, three being executive Directors and three being independent non-executive Directors as set out below.

Executive Directors

Mr. Fei Jie, *Chairman*

Mr. Ng Chin Ming Stephen, *Chief Executive Officer*
(resigned with effect from 28 February 2019)

Mr. Zhang Genjiang

Mr. Fung Chi Kin (appointed with effect from 1 March 2019)

Independent Non-executive Directors

Mr. Jim Yiu Ming

Mr. Shen Ruolei

Mr. Sit Sai Hung, Billy

The Board is responsible for the overall management and affairs of the Company and to maximise returns for shareholders. The day-to-day operations and management of the Company are delegated to the executive Directors and senior management of the Company.

The biographical details of the Directors are set out in the section “Biographies of Directors” of this annual report.

董事及相關僱員進行證券交易

本公司採納董事進行證券交易之標準守則（「標準守則」），條款不寬鬆於GEM上市規則第5.48至5.67條所載的交易必守標準。經向所有董事作出特定查詢後，全體董事已確認在整個年度期間一直遵守標準守則。

有可能掌握本公司內幕消息的相關僱員於本年度亦須遵守條款不寬鬆於標準守則的指引。

董事會

董事會現由六名董事組成，其中三名為執行董事，三名為獨立非執行董事，詳情載列如下。

執行董事

費杰先生，主席

伍展明先生，行政總裁

(自2019年2月28日起辭任)

章根江先生

馮志堅先生(自2019年3月1日起獲委任)

獨立非執行董事

詹耀明先生

沈若雷先生

薛世雄先生

董事會負責本公司的整體管理及事務，旨在為股東提供最大的回報。本公司的日常營運及管理交由本公司執行董事及高級管理人員負責。

董事的履歷詳情載於本年報「董事履歷」一節。

CORPORATE GOVERNANCE REPORT

企業管治報告

Disclosure of Changes in Information of Director

Pursuant to Rule 17.50A(1) of the GEM Listing Rules, changes in Directors' information since the date of the Interim Report 2018 are set out below:

1. Mr. Ng Chin Ming Stephen has resigned as executive director, chief executive officer, compliance officer and other positions in the Group with effect from 28 February 2019.
2. Mr. Fung Chi Kin has been appointed as executive director and compliance officer with effect from 1 March 2019.

Chairman and Chief Executive

During the period from 1 January 2018 to 31 December 2018, Mr. Ng Chin Ming Stephen as the CEO was responsible for managing and smoothing business operations of the Group while Mr. Fei Jie as the Chairman was responsible for leading the Board in the overall strategic management and business development of the Group.

With effect from 28 February 2019, Mr. Ng Chin Ming Stephen has resigned as executive director, chief executive officer, compliance officer and other positions in the Group. The position of Chairman is currently held by Mr. Fei Jie.

Independent Non-executive Directors

In compliance with the GEM Listing Rules, the Company has appointed three independent non-executive Directors representing more than one-third of the Board and at least one of whom has appropriate professional qualifications, or accounting or related financial management expertise.

The functions of independent non-executive Directors are primarily to bring an independent judgement on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conducts at board meetings.

Confirmation of Independence

Each of independent non-executive Directors has made an annual confirmation of independence by reference to Rule 5.09 of the GEM Listing Rules and the Company considers that all Independent Non-executive Directors were independent during the Year.

Appointment and Re-election of Directors

Except for Mr. Zhang Genjiang, an executive Director, who is appointed for terms of three years, all the Directors, including independent non-executive Directors, are appointed for terms of one year. All the Directors are subject to retirement by rotation and eligible for re-election in accordance with the Company's Bye-laws.

董事資料變動披露

根據GEM上市規則第17.50A(1)條，自2018年中期報告日期以來之董事資料變動載列如下：

1. 伍展明先生已辭任執行董事、行政總裁、監察主任及於本集團之其他職位，自2019年2月28日起生效。
2. 馮志堅先生已獲委任為執行董事兼監察主任，自2019年3月1日起生效。

主席及行政總裁

於2018年1月1日至2018年12月31日期間，伍展明先生作為行政總裁負責管理及促進本集團的業務營運，而費杰先生作為主席負責領導董事會實施本集團整體策略管理及業務發展。

伍展明先生已辭任執行董事、行政總裁兼監察主任以及於本集團內之其他職位，自2019年2月28日起生效。主席一職目前由費杰先生擔任。

獨立非執行董事

為遵守GEM上市規則，本公司已委任三名獨立非執行董事，佔董事會人數三分之一以上，且至少一名擁有適當專業資格或會計或相關財務管理專長。

獨立非執行董事的職能主要為於董事會會議上就策略、政策、表現、問責性、資源、主要委任及操守標準事宜作出獨立判斷。

確認獨立性

各獨立非執行董事已根據GEM上市規則第5.09條作出年度獨立性確認，本公司認為所有獨立非執行董事於本年度均為獨立人士。

董事委任及重選

除執行董事章根江先生的任期為三年外，所有董事（包括獨立非執行董事）的任期為一年。所有董事須根據本公司細則輪值退任及符合資格重選。

CORPORATE GOVERNANCE REPORT

企業管治報告

In accordance with the Company's Bye-laws, (i) any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of the Company after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election; and (ii) at each annual general meeting, not less than one-third of the Directors then in office shall retire and every Director is subject to retirement by rotation at least once every three years.

根據本公司的細則，(i)董事會為填補臨時空缺而委任的任何董事任期應至其獲委任後的首次股東大會止，且須於該會議上重選，而任何獲董事會委任加入現有董事會的董事任期僅至本公司下一屆股東週年大會，屆時將符合資格重選；及(ii)於各股東週年大會上，不少於三分之一當時在任的董事須退任，而每名董事須最少每三年輪值退任一次。

Relationships and Association among the Directors

There was no relationships between members of the Board, including financial, business, family or other material/relevant relationships.

董事之間的關係及聯繫

董事會成員之間並無任何關係(包括財務、業務、近親或其他重大／相關關係)。

Directors' Continuous Professional Development

During the Year, the Company provides regular updates on the business performance of the Group to the Directors, so as to ensure that they had appropriate understanding of the Group's businesses and of their duties and responsibilities under the GEM Listing Rules and the relevant statutory and regulatory requirements. The Directors are continually updated on the latest development regarding the GEM Listing Rules and other applicable statutory requirements to ensure compliance and upkeep of good corporate governance practices.

董事的持續專業發展

於本年度，本公司向董事提供本集團業務表現的定期更新，以確保彼等適當理解本集團業務，以及其根據GEM上市規則及相關法定及監管規定項下的職責與責任。董事持續獲得有關GEM上市規則及其他適用法定規定的最新發展更新，以確保符合及維持良好企業管治常規。

Board Diversity Policy

Recognising the benefits of having a diversified Board, the Company adopts a board diversity policy and aims to achieve diversity in the Board in order to achieve a sustainable and balanced development for the businesses of the Group. Selection of candidates for the members of the Board are made through the consideration of a different aspects including age, gender, cultural and ethnic background, professional qualification, skills, knowledge and length of services. Besides the above aspects, the Nomination Committee will consider whether the Board composition, as a whole, has sufficient diverse expertise particularly in corporate management, financial control, business development and human resources management. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

董事會成員多元化政策

因認可擁有多元化董事會之好處，本公司採納董事會成員多元化政策，旨在實現董事會多元化，以達致本集團業務之可持續及平衡發展。甄選董事會成員人選時會考慮不同方面，包括年齡、性別、文化及種族背景、專業資格、技能、知識及服務任期。除上文各方面，提名委員會將考慮董事會組成在整體上是否具備足夠多元化專長，尤其針對企業管理、財務控制、業務發展及人力資源管理方面。最終將按所選人選的長處及可為董事會作出的貢獻而作決定。



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Board Meetings Held and Attendance

The CG Code requires regular meeting of the Board be held at least four times a year at approximately quarterly intervals. Such Board meetings involve the active participation, either in person or by telephone conference. Under code provision A.1.3 of the CG Code, notice of at least 14 days should be given of a regular board meeting to all Directors to give all Directors an opportunity to attend. Certain regular Board meetings were convened with less than 14 days' notice to enable the Board members to react timely and make expeditious decision making in respect of transactions which were of significance to the Group's businesses. As a result, the Board meetings were held with a shorter notice period than required with the consent of all the Directors for that time being. The Board will do its best endeavours to meet the requirement of code provision A.1.3 of the CG Code in future. Adequate and appropriate information is circulated normally three days in advance of Board meetings to the Directors. In addition to the regular Board meetings, the Chairman met with independent non-executive Directors without the presence of other executive Directors.

已舉行的董事會會議及出席情況

企業管治守則規定董事會須每年最少舉行四次定期會議，大約每季舉行一次。該等董事會會議均取得董事親身或透過會議電話積極參與。根據企業管治守則之守則條文第A.1.3條，應至少提前十四天向全體董事發出有關定期董事會會議的通告以給予全體董事機會出席。若干定期董事會會議所發出的通知少於十四日，讓董事會成員能夠就對本集團業務屬重大之交易及時作出迅速決策。因此，董事會會議於當時全體董事同意下較規定時間為短之通知期內舉行。董事會日後將盡其最大努力以遵守企業管治守則之守則條文第A.1.3條規定。一般在董事會會議舉行前三天會向董事傳閱充足及適用資料。除董事會定期會議外，主席亦曾於並無其他執行董事出席之情況下與獨立非執行董事會面。

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The attendance records of the Directors at Board meetings and Board Committee meetings held during the Year are set out below:

董事於本年度舉行的董事會會議及董事委員會會議的出席記錄載列如下：

		Number of meetings attended/Eligible to attend ¹			
		出席／合資格出席的會議數目 ¹			
		Board 董事會	Remuneration Committee 薪酬委員會	Audit Committee 審核委員會	Nomination Committee 提名委員會
Executive Directors	執行董事				
Mr. Fei Jie, <i>Chairman</i>	費杰先生，主席	12/12	N/A不適用	N/A不適用	N/A不適用
Mr. Ng Chin Ming Stephen, <i>Chief Executive Officer</i> <i>(resigned with effect from 28 February 2019)</i>	伍展明先生， 行政總裁 (自2019年2月28日起辭任)	11/12	N/A不適用	N/A不適用	N/A不適用
Mr. Zhang Genjiang	章根江先生	9/12	N/A不適用	N/A不適用	N/A不適用
Independent Non-executive Directors	獨立非執行董事				
Mr. Jim Yiu Ming	詹耀明先生	12/12	3/3	5/5	1/1
Mr. Shen Ruolei	沈若雷先生	11/12	3/3	5/5	1/1
Mr. Sit Sai Hung, Billy	薛世雄先生	12/12	3/3	5/5	1/1

¹ Number of meetings held during the Year or during the tenure of the Directors/ Board Committee members for the Year (if such Director was appointed or ceased to be a Director/Board Committee member part way during the Year)

¹ 於本年度或董事／董事委員會成員於本年度的任期內(倘該董事於本年度獲委任或不再擔任董事／董事委員會成員)舉行的會議次數



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General Meetings Held and Attendance

The attendance records of the Directors at general meetings held during the Year is set out below:

已舉行的股東大會及出席情況
董事於本年度舉行的股東大會的出席記錄載列如下：

		Number of meetings attended/ Eligible to attend ¹ 出席／合資格出席的會議數目 ¹	
		Annual General Meeting 股東週年大會	Special General Meeting 股東特別大會
Executive Directors		執行董事	
Mr. Fei Jie, <i>Chairman</i>	費杰先生，主席	1/1	1/1
Mr. Ng Chin Ming Stephen, <i>Chief Executive Officer</i> (resigned with effect from 28 February 2019)	伍展明先生， 行政總裁 (自2019年2月28日起辭任)	1/1	1/1
Mr. Zhang Genjiang	章根江先生	1/1	1/1
Independent Non-executive Directors		獨立非執行董事	
Mr. Jim Yiu Ming	詹耀明先生	1/1	1/1
Mr. Shen Ruolei	沈若雷先生	1/1	1/1
Mr. Sit Sai Hung, Billy	薛世雄先生	1/1	1/1

¹ Number of meetings held during the Year or during the tenure of the Directors (if such Director was appointed or ceased to be a Director part way during the Year)

¹ 於本年度或董事於本年度的任期內(倘該董事於本年度獲委任或不再擔任董事)舉行的會議次數

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Remuneration Committee

As at 31 December 2018, the Remuneration Committee comprised all independent non-executive Directors, namely Mr. Jim Yiu Ming, Mr. Sit Sai Hung, Billy and Mr. Shen Ruolei. Mr. Sit Sai Hung, Billy is the chairman of the Remuneration Committee. The primary duties of the Remuneration Committee are making recommendations to the Board on the Company's policy and structure for the Directors and senior management remuneration, making recommendations to the Board on the remuneration packages of individual Director and ensuring that no Director or any of his associates is involved in deciding his own remuneration. Specific terms of reference of the Remuneration Committee are published on the websites of the Company and the Exchange.

The Remuneration Committee held three meetings during the Year to review the remuneration package of the Directors.

Audit Committee

As at 31 December 2018, the Audit Committee comprised all independent non-executive Directors, namely Mr. Jim Yiu Ming, Mr. Sit Sai Hung, Billy and Mr. Shen Ruolei. Mr. Sit Sai Hung, Billy is the chairman of the Audit Committee, who has appropriate professional qualifications and experience as required by the GEM Listing Rules. Specific terms of reference of the Audit Committee are published on the websites of the Company and the Exchange. The primary duties of the Audit Committee include the following:

- (a) monitoring and ensuring a proper relationship with the Company's auditors;
- (b) reviewing the Group's quarterly, interim and annual reports and compliance with accounting standards, the GEM Listing Rules, and legal requirements before submission to the Board; and
- (c) overseeing the Company's financial reporting system, risk management and internal control system.

The Audit Committee held five meetings during the Year, to review the Group's quarterly, interim and annual financial statements, to review the annual audit plan of the external auditors, to meet and discuss with the external auditors about audit findings, and to discuss with the Board about re-appointment of the external auditor and the progress of internal control review performed by an external advisor.

The Audit Committee has reviewed the audited financial statements of the Group for the Year and recommended to the Board the approval and announcement of such financial statements.

薪酬委員會

於2018年12月31日，薪酬委員會由全體獨立非執行董事，詹耀明先生、薛世雄先生及沈若雷先生組成。薛世雄先生為薪酬委員會主席。薪酬委員會的主要職責為就本公司董事及高級管理人員的薪酬政策及架構以及個別董事的薪酬方案向董事會提供推薦建議，並確保概無董事或其任何聯繫人參與決定其自身的薪酬。薪酬委員會的職權範圍詳情已登載於本公司及聯交所之網站。

薪酬委員會於本年度舉行三次會議，以檢討董事的薪酬待遇。

審核委員會

於2018年12月31日，審核委員會由全體獨立非執行董事，詹耀明先生、薛世雄先生及沈若雷先生組成。薛世雄先生為審核委員會主席，其具備GEM上市規則規定的適當專業資格及經驗。審核委員會的職權範圍詳情已登載於本公司及聯交所之網站。審核委員會的主要職責包括以下各項：

- (a) 監察並確保與本公司核數師的關係恰當；
- (b) 於提交董事會前審閱本集團的季度、中期及年度報告，以及遵守會計準則、GEM上市規則及法律規定的情況；及
- (c) 監督本公司的財務申報制度、風險管理及內部監控系統。

審核委員會於本年度已舉行五次會議，以審閱本集團的季度、中期及年度財務報表，審閱外聘核數師的年度審計計劃，會見外聘核數師，與外聘核數師討論審計過程中的發現，並與董事會討論有關外聘核數師的續聘及由一名外聘顧問所執行的內部監控審核程序。

審核委員會已審閱本集團的本年度經審核財務報表，並推薦董事會批准及公佈該等財務報表。

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Nomination Committee

As at 31 December 2018, the Nomination Committee comprised all independent non-executive Directors, namely Mr. Jim Yiu Ming, Mr. Sit Sai Hung, Billy and Mr. Shen Ruolei. Mr. Jim Yiu Ming is the chairman of the Nomination Committee. The primary duties of the Nomination Committee are to review the size, structure and composition of the Board, identify suitably qualified individual for appointment to the Board, assess the independence of independent non-executive Directors and make recommendations to the Board on the appointment or re-appointment of the Directors and succession planning for the Directors. The Nomination Committee is also responsible for ensuring the Board comprises diversity of perspectives appropriate for the Company's healthy development. The Nomination Committee considered that the Board has sufficient diverse expertise, particularly in corporate management, financial control, business development and human resources management, for the Company's businesses, while gender diversity is not directly relevant to the quality of the Board. Specific terms of reference of the Nomination Committee are published on the websites of the Company and the Exchange.

When making recommendations regarding the appointment of any proposed candidate to the Board or re-appointment of any existing member(s) of the Board, the Nomination Committee shall consider a variety of factors including without limitation the following in assessing the suitability of the proposed candidate:

- a. Reputation for integrity.
- b. Qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy.
- c. Willingness to devote adequate time to discharge duties as a Board member and other directorships and significant commitments.
- d. Diversity in all its aspects, including but not limited to gender, age (18 years or above), cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.
- e. Such other perspectives appropriate to the Company's business.

提名委員會

於2018年12月31日，提名委員會由全體獨立非執行董事，詹耀明先生、薛世雄先生及沈若雷先生組成。詹耀明先生為提名委員會主席。提名委員會的主要職責為檢討董事會的大小、架構及組成，物色可獲委任進入董事會的適當合資格人士，評核獨立非執行董事的獨立性，並就董事的任命或重新任命及董事的繼任安排，向董事會提供建議。提名委員會亦負責確保董事會成員提供有利於本公司健康發展之多元化見解。提名委員會認為董事會在企業管理、財務控制、業務發展及人力資源管理等方面就本公司業務而言具備足夠的多元化專長，而性別多元化與董事會質素並無直接關係。提名委員會的職權範圍詳情已登載於本公司及聯交所之網站。

提名委員會在評估候選人是否合適時須考慮多項因素，以就委任任何候選人加入董事會或重新委任董事會任何現有成員作出推薦意見，有關因素包括但不限於以下各項：

- a. 誠信。
- b. 資歷，包括與本公司業務及企業策略相關之專業資格、技能、知識及經驗。
- c. 願意投放足夠時間履行董事會成員和其他董事職務及肩負重要承擔。
- d. 董事會各方面之多元化，包括但不限於性別、年齡（18歲或以上）、文化及教育背景、種族、專業經驗、技能、知識和服務年期等方面。
- e. 適用於本公司業務之有關其他因素。

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These factors are for reference only, and not meant to be exhaustive and decisive. The Nomination Committee may consider other factors so to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. The Nomination Committee has the discretion to nominate any person, as it considers appropriate.

The Nomination Committee held one meeting during the Year to review the size, structure and composition of the Board, the independence of the independent non-executive Directors and the suitability of the Directors proposed for re-appointment at the Company's annual general meeting, and make recommendations to the Board for the Directors newly appointed during the Year.

Corporate Governance Functions

The Board is responsible for performing the following corporate governance duties as required under the CG Code:

- (a) developing and reviewing the Company's policies and practices on corporate governance;
- (b) reviewing and monitoring the training and continuous professional development of the Directors and senior management of the Group;
- (c) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) developing, reviewing and monitoring the codes of conduct, where applicable, to employees and the Directors; and
- (e) reviewing the Company's compliance with the CG Code and disclosures in this report.

During the Year, the Board had reviewed the compliance with the CG Code and the effectiveness of the risk management and internal control systems of the Group through the Audit Committee.

Company Secretary

Any executive Director will be the person to whom such external service provider can contact with. The Company appointed Ms. Hui Wai Man, Shirley ("Ms. Hui") as the company secretary of the Company from an external secretarial services provider. In accordance with Rule 5.15 of the GEM Listing Rules, Ms. Hui confirmed that she has taken no less than 15 hours of the relevant professional training during the Year.

上述因素僅供參考，並非盡列所有因素，亦不具決定性作用。提名委員會或會考慮其他因素，以確保董事會具備均衡之技能、經驗及多元化思維，以切合本公司之業務需要。提名委員會可酌情決定提名其認為適當之任何人士。

提名委員會於本年度期間舉行了一次會議，以檢討董事會的大小、架構及組成，獨立非執行董事的獨立性，及擬於本公司股東週年大會連任的董事是否適當人選，並就於本年度新委任的董事向董事會提供建議。

企業管治職能

董事會負責根據企業管治守則履行下列規定之企業管治職責：

- (a) 制定及審閱本公司企業管治政策及慣例；
- (b) 檢討及監察本集團董事及高級管理層之培訓及持續專業發展；
- (c) 審閱及監察本公司遵守法定及監管規定的政策及慣例；
- (d) 制定、審閱及監察適用於僱員及董事之行為守則；及
- (e) 檢討本公司是否已遵守企業管治守則及於本企業管治報告中的披露。

於本年度，董事會透過審核委員會檢討是否已遵守企業管治守則及本集團風險管理及內部監控系統的成效。

公司秘書

任何執行董事將為該外部服務供應商可以聯絡之人士。本公司委任許惠敏女士（「許女士」）為本公司的公司秘書（原為外部秘書服務供應商）。根據GEM上市規則第5.15條，許女士確認彼於本年度已參加不少於15個小時的相關職業培訓。

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Auditors' Remuneration

For the Year, fees for audit and non-audit services paid/payable to HLB Hodgson Impey Cheng Limited, the auditors of the Company, amounted to HK\$610,000 and HK\$224,000 respectively. The non-audit services included professional services rendered for interim review and agreed-upon procedures engagements.

Risk Management and Internal Control

The Board acknowledges its responsibility for the effectiveness of the Group's risk management and internal control systems.

The Group's risk management process includes risk identification, risk evaluation, risk management and risk control and review. The Group's risk management framework sets out the risk management process as described below:

- (a) The head of each businesses and functions of the Group, including areas covering financial, operational, compliance and risk management functions, is entrusted with duties in identifying, evaluating and managing risks within its own division regularly. Mitigation plans are implemented to manage the risks after taking into account the objectives of each businesses.
- (b) The senior management, including the CEO, is responsible for overseeing the risk management and internal control activities of the Group through regular meetings with each division to ensure principal risks are properly addressed and any material internal control defects are properly identified and well addressed.
- (c) The Board is responsible for reviewing the effectiveness of the Group's risk management and internal control systems through regular meetings with the senior management. In addition, the Audit Committee, taking into consideration of the advices and opinions from the external professional internal control consultant, is responsible for ensuring the sufficiency and effectiveness of the Group's risk management and internal control systems through regular inspection and monitoring.

The Group has conducted a review of the implemented risk management and internal control systems. The systems are implemented to minimise the risk to which the Group is exposed and is used as a management tool for the day-to-day operation of business. The system can only provide reasonable but not absolute assurance against misstatement or losses.

核數師酬金

於本年度，已付／應付本公司核數師國衛會計師事務所有限公司的審核及非審核服務費用分別為610,000港元及224,000港元。非審核服務包括就中期審閱及協定程序所提供的專業服務。

風險管理及內部監控

董事會確認其有責任確保本集團風險管理及內部監控系統行之有效。

本集團風險管理程序包括風險識別、風險評估、風險管理以及風險控制及審查。本集團風險管理框架載列如下所述風險管理程序：

- (a) 本集團各業務及職能部門（範圍包括財務、營運、合規及風險管理職能部門）主管獲委派定期於本部門內識別、評估、管理風險。經計及各業務部門的目標後，實施緩減計劃以管理風險。
- (b) 高級管理層（包括行政總裁）通過與各部門之定期會議負責監督本集團風險管理及內部監控活動，以確保妥善處理主要風險以及妥為識別及妥善處理任何重大內部監控缺陷。
- (c) 董事會通過與高級管理層之定期會議，負責檢討本集團的風險管理及內部監控系統的成效。此外，審核委員會在外聘專業內部監控顧問的建議及意見下通過定期檢查和監督負責確保本集團風險管理及內部監控制度的充分性和有效性。

本集團已就實施的風險管理及內部監控系統進行審查。實施系統旨在將本集團面臨的風險降至最低，並用作日常業務營運的管理工具。該系統僅提供合理而非絕對保證可避免出現錯誤陳述或損失。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Group does not have an internal audit function as the Board has reviewed the effectiveness of the internal control system of the Company and is currently of the view that there is no immediate need to set up an internal audit function within the Group in light of the size, nature and complexity of the Group's business. The situation will be reviewed from time to time.

The Group has engaged ZHONGHUI ANDA Risk Services Limited, external professional internal control consultant, to conduct independent internal control review for the Year and the review is completed as at the date of this annual report.

For the Year, the Board considered the Group's internal control system as adequate and effective and that the Company has complied with the code provisions on internal control of the Code.

Procedures and Internal Controls for the Handling and Dissemination of Inside Information

The Group complies with requirements of Securities and Futures Ordinance ("SFO") and the GEM Listing Rules. The Group discloses inside information to the public as soon as reasonably practicable unless the information falls within any of the safe harbours as provided in the SFO. Before the information is fully disclosed to the public, the Group ensures the information is kept strictly confidential. If the Group believes that the necessary degree of confidentiality cannot be maintained or that confidentiality may have been breached, the Group would immediately disclose the information to the public. The Group is committed to ensure that information contained in announcements or circulars are not false or misleading as to a material fact, or false or misleading through the omission of a material fact in view of presenting information in a clear and balanced way, which requires equal disclosure of both positive and negative facts.

Financial Reporting

The Directors acknowledge their responsibility for preparation of the Group's consolidated financial statements that give a true and fair view. As at 31 December 2018, the Directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as going concern. The responsibility of auditors in respect of the Group's consolidated financial statements are set out in the independent auditors' report forming part of this annual report.

本集團並無內部審核功能。董事會已檢討本公司內部監控系統之效用，目前認為根據本集團業務的規模、性質及複雜性，毋須即時於本集團內設立內部審核功能。該情況將不時進行檢討。

本集團於本年度已聘用外聘專業內部監控顧問中匯安達風險管理有限公司，進行獨立內部監控審閱，有關審閱於本年報日期已完成。

於本年度，董事會認為本集團的內部監控系統屬足夠及有效，且本公司已遵守守則內有關內部監控的守則條文。

處理及發放內幕消息的程序和內部監控措施

本集團遵循證券及期貨條例（「證券及期貨條例」）及GEM上市規則的規定。本集團在合理切實可行的情況下，會盡快向公眾披露內幕消息，除非有關消息屬證券及期貨條例所規定屬於任何安全港範圍內。本集團在向公眾全面披露有關消息前，會確保該消息絕對保密。若本集團認為無法保持所需的機密程度，或可能違反保密措施，本集團會即時向公眾披露該消息。本集團致力確保公告或通函中所載的消息就重大事實而言並不屬虛假或具誤導性，或鑒於以清晰平衡的方式呈列消息（就正面及負面事實需要同等披露而言）並不因遺漏重大事實而屬虛假或具誤導性。

財務申報

董事知悉他們須負責編製本集團的綜合財務報表，以真實及公平地反映業務狀況。於2018年12月31日，董事並不知悉有關可能對本公司持續經營的能力構成重大疑問的事件或情況的任何重大不明朗因素。核數師就有關本集團綜合財務報表的責任載於本年報的獨立核數師報告內。



CORPORATE GOVERNANCE REPORT 企業管治報告

Communications with Shareholders and Investor Relations

The Board has established a shareholders' communication policy to maintain an on-going dialogue with its shareholders and investors in a timely, open and transparent manner. The Board reviews the policy on a regular basis to ensure effective communication between the Company, its shareholders and investors.

The Board communicates with its shareholders and investors through various channels. The Board meets and communicates with shareholders and investors at annual general meetings and other general meetings. Corporate communications (such as quarterly, interim and annual reports, notices, circulars and announcements) are sent to shareholders in a timely manner and are available on the websites of the Company and the Exchange.

During the Year, there was no change in the Company's constitutional documents.

Shareholders' Rights

Procedures for Shareholders to Propose a Person for Election as a Director

According to Bye-law 85 of the Company's Bye-laws, a shareholder of the Company (other than the person to be proposed) duly qualified to attend and vote at an annual general meeting of the Company may propose a person for election as a director at such meeting by lodging a notice in writing signed by such shareholder of his intention to propose such person for election and a notice in writing signed by the person to be proposed of his willingness to be elected at the head office of the Company or the office of the Hong Kong branch share registrar of the Company provided that the minimum length of the period, during which such notices are given, shall be at least seven days and that (if the notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgement of such notices shall commence on the day after the despatch of the notice of the meeting appointed for such election and end no later than seven days prior to the date of such meeting.

與股東之溝通及投資者關係

董事會已建立股東溝通政策，以及時、公開及透明地與股東及投資者保持持續溝通。董事會負責定期審查上述政策，確保本公司、其股東及投資者之間保持有效溝通。

董事會透過各種渠道與股東及投資者進行溝通。董事會參加股東週年大會和其他股東大會，以與股東及投資者會面與溝通。本公司會及時向股東會面與傳達公司通訊（如季度、中期及年度報告、通告、通函及公告），公司通訊亦可於本公司及聯交所網站查閱。

於本年度，本公司的憲章文件概無變動。

股東的權利

股東提名董事人選的程序

根據本公司的公司細則第85條，有資格出席本公司股東週年大會並於會上投票的股東（不包括被推選者）可透過將經其簽署的一份表明該股東建議提名相關人士參選之意向的書面通知以及該被推選人士簽署的表明其願意參選的書面通知呈交至本公司總辦事處或香港股份過戶登記分處，於該大會上推選一名人士為董事，前提是發出該通知的最短期限至少應為七天，倘通知是在指定作該推選的股東大會通知寄發後提交，該通告之提交期間應從指定該推選的大會通知寄發當日開始截至該大會召開日期前不少於七天止。



CORPORATE GOVERNANCE REPORT

企業管治報告

Procedures for Shareholders to Convene a Special General Meeting

Other than election at annual general meeting, pursuant to Bye-law 58 of the Company's Bye-laws, shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the company secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition, including election of directors, and such meeting shall be held within two months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionists themselves may do so in accordance with the provisions of Section 74(3) of the Companies Act 1981 of Bermuda.

Procedures for Shareholders to Direct Enquiries to the Board

Shareholders can put enquiries to the Board. All enquiries shall be in writing and sent by post to the headquarter and place of business of the Company at Units 2610–2611, 26/F, China Merchants Tower, Shun Tak Centre, 168–200 Connaught Road Central, Hong Kong, for the attention of the company secretary of the Company.

股東召開股東特別大會的程序

除於股東週年大會上選舉外，根據本公司的細則第58條，在申請書提交當日持有本公司實收資本不少於十分之一且在本公司股東大會上有投票權之股東隨時有權通過向本公司董事會或公司秘書提出書面申請，要求董事會召開股東特別大會，以商議申請書中列明之交易事項（包括選舉董事），該大會應在申請書提交後兩個月內舉行。倘在提交申請書後二十一(21)天內，董事會未能著手準備召開該大會，則申請人可自行根據百慕達1981年公司法第74(3)條之規定召開該大會。

股東直接諮詢董事會的程序

股東可向董事會作出查詢。所有查詢均須為書面形式，並以郵遞方式送達本公司總辦事處及營業地點，地址為香港干諾道中168–200號信德中心招商局大廈26樓2610–2611室，註明收件人為本公司公司秘書。



BIOGRAPHIES OF DIRECTORS

董事履歷



Executive Directors

FEI Jie, aged 39, was appointed as an executive Director on 2 September 2014 and appointed as the Chairman of the Board on 22 September 2014. He has over 13 years of experience in management level positions from deputy manager to chairman of the board in several companies located in Zhejiang province, the PRC, two of which are mining related companies.

執行董事

費杰，39歲，於2014年9月2日獲委任為執行董事並於2014年9月22日獲委任為董事會主席。他曾於中國浙江省多間公司（其中兩間為採礦相關公司）擔任副經理至董事會主席等管理層職位，相關經驗超過13年。



BIOGRAPHIES OF DIRECTORS

董事履歷



ZHANG Genjiang, aged 53, has been appointed as an executive Director with effect from 9 May 2017. Currently, Mr. Zhang is serving as the Chairman of Zhejiang Zhisin Holding Group (浙江之信控股集團有限公司), the Vice President of China Precious Metals Industry Committee, the Standing Vice President of Zhejiang Precious Metals Professional Committee, the Deputy Director of Shanghai Leasing Industry Association and the Deputy Director of Hangzhou Huzhou Chamber of Commerce. Mr. Zhang holds a Bachelor Degree from University of Science and Technology Beijing (Industrial Automation Department), and studied at Xiamen University. Mr. Zhang worked in Industrial and Commercial Bank of China after his graduation and was employed as an economist in 1992. Mr. Zhang served as the General Manager of Beihai Nandu Real Estate Development Co., Ltd. (北海南都房地產開發有限公司) since 1996 and was appointed as the Chairman of Zhejiang Taiheng Gold Sales Co., Ltd. (浙江太恆黃金銷售有限公司) from 2006. Mr. Zhang qualified as a Senior Gold Investment Analyst at the national level in November 2007. In 2010, Mr. Zhang graduated from the Doctor Degree course of Renmin University of China. Since 2008, Mr. Zhang has served as the Chairman of the Board of Zhejiang Zhisin Holding Group.

章根江先生，53歲，於2017年5月9日獲委任為執行董事。章先生現為浙江之信控股集團有限公司董事長、中國貴金屬產業委員會副理事長、浙江貴金屬專業委員會常務副理事長、上海市租賃行業協會副會長及杭州市湖州商會副會長。章先生先後在北京科技大學工業自動化系取得學士學位及在廈門大學學習。章先生畢業後進入中國工商銀行工作，並於1992年擔任經濟師。1996年起，章先生擔任北海南都房地產開發有限公司總經理職務。2006年後，章先生在浙江太恆黃金銷售有限公司擔任董事長職務，並於2007年11月獲得國家級高級黃金投資分析師資格。2010年，章先生於中國人民大學博士班畢業。2008年至今，章先生出任浙江之信控股集團董事會主席。

BIOGRAPHIES OF DIRECTORS

董事履歷



FUNG Chi Kin, aged 69, has been appointed as executive director and compliance officer with effect from 1 March 2019. He is the Honorary Permanent President of The Chinese Gold & Silver Exchange Society and Director of Fung Chi Kin Consulting Limited. Mr. Fung has over 33 years of experience in banking and finance. Prior to his retirement, he was the Director and Deputy General Manager of Po Sang Bank Limited (merged into Bank of China (Hong Kong) Limited in 2001), Managing Director of BOCI Securities Limited and Chief Administration Officer of BOC International Holdings Limited. From October 1998 to June 2000, Mr. Fung served as a Council Member of the First Legislative Council of the HKSAR. He also held offices in various public organisations and was the Vice Chairman of The Stock Exchange of Hong Kong Limited, Director of the Hong Kong Futures Exchange Limited, Director of Hong Kong Securities Clearing Company Limited and Hong Kong Affairs Advisor. Mr. Fung has been an independent non-executive director of Chaoda Modern Agriculture (Holdings) Limited (stock code: 682) since 2003. Mr. Fung has also been an independent non-executive director of Kenford Group Holdings Limited (stock code: 464) and Geotech Holdings Ltd. (stock code: 1707) since 2017. Mr. Fung was an executive director of the Company and also a director of a number of the Company's subsidiaries during the period from September 2014 to May 2017.

馮志堅先生，69歲，於2019年3月1日獲委任為執行董事兼監察主任。彼現為金銀業貿易場永遠名譽會長及馮志堅顧問有限公司董事。馮先生從事銀行金融業務超過33年。彼於退休之前，曾任寶生銀行有限公司（於2001年合併於中國銀行（香港）有限公司）董事兼副總經理、中銀國際證券有限公司董事總經理及中銀國際控股有限公司行政總監。於1998年10月至2000年6月，馮先生擔任香港特別行政區第一屆立法會議員。彼亦曾先後擔任多項重要公職，包括香港聯合交易所有限公司副主席、香港期貨交易所有限公司董事、香港中央結算有限公司董事及香港事務顧問等等。馮先生自2003年起擔任超大現代農業（控股）有限公司（股份代號：682）之獨立非執行董事。馮先生亦自2017年起擔任建福集團控股有限公司（股份代號：464）及致浩達控股有限公司（股份代號：1707）之獨立非執行董事。馮先生曾於2014年9月至2017年5月期間擔任本公司之執行董事以及本公司眾多附屬公司的董事。

BIOGRAPHIES OF DIRECTORS

董事履歷

Independent Non-executive Directors

獨立非執行董事

JIM Yiu Ming, aged 52, was appointed as an independent non-executive Director, the chairman of the Nomination Committee and a member of each of the Audit Committee and the Remuneration Committee on 22 September 2014. Mr. Jim is a practicing solicitor in Hong Kong and is the founding partner of Jim & Co., Solicitors. He obtained the Degree of Bachelor of Laws at The University of Hong Kong in 1989 and completed the Postgraduate Certificate in Laws at The University of Hong Kong in 1991.

詹耀明，52歲，於2014年9月22日獲委任為獨立非執行董事、提名委員會主席以及各審核委員會及薪酬委員會之成員。詹先生現為香港執業律師，並為詹耀明律師事務所之創始合夥人。他於1989年獲得香港大學法律學士學位，並於1991年獲香港大學法律專業研究生證書。

SHEN Ruolei, aged 73, was appointed as an independent non-executive Director and a member of the Nomination Committee on 4 February 2016. He was also appointed as a member of the Audit Committee and the Remuneration Committee on 8 May 2017. Mr. Shen, a graduate of School of Finance at Central University of Finance and Economics, and is a senior economist. He has been a manager, deputy division chief and deputy governor of the People's Bank of China (Zhejiang Branch). From April 1984 to June 1992, he was Deputy Governor of Industrial and Commercial Bank of China (Zhejiang Branch) and President of Hangzhou Financial Management Cadres College of Industrial and Commercial Bank of China. From June 1992 to June 1997, he was Governor of Industrial and Commercial Bank of China (Shanghai Municipal Branch) cum Chairman of Shanghai Shenyin Securities Co., Ltd., Chairman of International Bank of Paris and Shanghai, Chairman of the Second Session of Shanghai Banking Association, Vice President of Shanghai Finance Association, and President of Shanghai Urban Financial Society. From June 1997 to April 2013, he was Vice-Chairman of Shanghai International Trust & Investment Co., Ltd., Chairman of China United MetLife Insurance Co., Ltd., General Manager cum Chairman of Shanghai United International Investment Ltd. (申聯國際投資公司), Director of Shanghai Commercial Bank, and Director of Bank of Shanghai. From June 2013 to present, Mr. Shen is Chairman cum President of Shanghai Zhan Zheng Equity Investment Fund Management Co., Ltd. (上海展正股權投資基金管理有限公司), Independent Non-executive Director of Huajun International Group Limited (formerly known as "Huajun Holdings Limited") (listed on the Main Board of the Stock Exchange, Stock Code: 377), Consultant of the Government of Zhoushan New Area in Zhejiang. In addition, Mr. Shen is a part-time professor at various universities including Jiaotong University, Central University of Finance and Economics, and Shanghai University of Finance and Economics. He is Consultant and Vice-President of Alumni Association of Central University of Finance and Economics. He has been a member of the 8th and 9th Session of Shanghai Political Consultative Conference.

沈若雷，73歲，於2016年2月4日獲委任為獨立非執行董事及提名委員會之成員，並於2017年5月8日獲委任為審核委員會及薪酬委員會成員。沈先生畢業於中央財經大學金融系，為高級經濟師。彼曾在中國人民銀行浙江省分行歷任科長、副處長、副行長。由1984年4月到1992年6月，彼先後任中國工商銀行浙江省分行副行長、中國工商銀行杭州金融管理幹部學院院長。彼於1992年6月到1997年6月期間，擔任中國工商銀行上海市分行行長，兼任上海申銀證券公司董事長、上海巴黎國際銀行董事長、上海市銀行同業公會第二屆理事長、上海市金融學會副會長、上海市城市金融學會會長。他於1997年6月至2013年4月期間，擔任上海國際信託投資公司副董事長、聯泰大都會人壽保險公司董事長、申聯國際投資公司董事長兼總經理、上海商業銀行董事及上海銀行董事。由2013年6月至今，沈先生任職上海展正股權投資基金管理有限公司董事長兼總裁，華君國際集團有限公司（前稱「華君控股有限公司」）（其股份於聯交所主板上市，股份代號：377）獨立非執行董事，浙江舟山新區政府顧問。沈先生另外擔任交通大學、中央財經大學、上海財經大學等多所大學的兼職教授，中央財經大學校友會副會長、顧問。彼亦曾是上海市政協第八、第九屆委員。



BIOGRAPHIES OF DIRECTORS

董事履歷

SIT Sai Hung, Billy, aged 62, was appointed as an independent non-executive Director, the chairman of each of the Audit Committee and Remuneration Committee and a member of the Nomination Committee on 22 September 2014. He obtained the Degree of Bachelor of Social Science at The Chinese University of Hong Kong in 1981, the Diploma in Surveying at The College of Estate Management in 1996 and the Degree of Master of Law at The University of Beijing in 2002. Mr. Sit also completed the Merchant Bank Program at the School of Business Administration of The University of Washington in 1994. Mr. Sit has been working in the banking and financial related sector for more than 31 years.

Mr. Sit is currently an executive Director of Power Financial Group Limited (formerly known as “Jun Yang Financial Holdings Limited”) (listed on the Main Board of the Exchange, Stock Code: 397).

薛世雄，62歲，於2014年9月22日獲委任為獨立非執行董事、各審核委員會及薪酬委員會之主席以及提名委員會之成員。他於1981年獲得香港中文大學社會科學學士學位，於1996年獲得College of Estate Management測量文憑，並於2002年獲得北京大學法律碩士學位。薛先生亦於1994年在華盛頓大學工商管理學院完成修讀商業銀行課程。薛先生於銀行及金融相關行業工作逾31年。

薛先生現時為權威金融集團有限公司（前稱「君陽金融控股有限公司」）（於聯交所主板上市，股份代號：397）之執行董事。



DIRECTORS' REPORT

The Directors present their annual report together with the audited consolidated financial statements of the Group for the Year.

Principal Activities

The principal activity of the Company is investment holding. The principal activities of its principal subsidiaries are set out in note 38 to the consolidated financial statements.

Results

The results of the Group for the Year are set out in the consolidated statement of profit or loss and other comprehensive income on pages 59 to 61 to this annual report.

Dividend

No special dividend was paid during the Year (2017: nil). The Directors do not recommend the payment of a final dividend for the Year (2017: nil).

Business Review

Further discussion and analysis of the activities of the Group as required by Schedule 5 to the Hong Kong Companies Ordinance can be found in the sections headed "Chairman's Statement" on pages 4 to 5 to this annual report and "Management Discussion and Analysis" on pages 6 to 18 to this annual report. These sections form part of this Directors' report.

Environmental Policies and Performance

With an aim to become a strong market player in the green transportation and electric vehicle industry, the Group leads by example by placing strong emphasis on the environmental impact caused by the Company's operation and have established appropriate environmental management systems tailored to the nature of our businesses. The Group adheres to a green production process, including handling three wastes from factories and strictly complying with national and local environmental laws and regulations. As for our daily office operations, the Group also encourages controlling energy consumption in terms of employees' daily behaviors and equipment management.

Further discussions on the Group's environmental policies and our relationship with various stakeholders are covered by a separate Environmental, Social and Governance report which will be available at the websites of the Company and the Exchange in or before June 2019.

董事會報告

董事呈報本集團本年度的年報及經審核綜合財務報表。

主要業務

本公司的主要業務為投資控股。本公司的主要附屬公司的主要業務載於綜合財務報表附註38。

業績

本集團本年度的業績載於本年報第59至61頁的綜合損益及其他全面收益表。

股息

於本年度並無已支付特別股息（2017年：無）。董事不建議派發本年度的末期股息（2017年：無）。

業務回顧

按香港公司條例附表5所規定有關本集團業務的進一步討論及分析，載於本年報第4至5頁的「主席報告」及本年報第6至18頁的「管理層討論及分析」各節。該等章節構成本董事會報告的一部分。

環境政策及表現

為成為綠色交通及電動汽車行業強大市場參與者，本集團亦以身作則，重視本公司運營帶來的環境影響，並根據業務性質設立適宜的環境管理制度。本集團堅持綠色生產流程，包括工廠「三廢」處理及嚴格遵守國家及地方環境法律法規。就我們的辦公室日常措施而言，本集團亦鼓勵從員工的日常行為和設備管理控制能源消耗。

關於本集團環境政策及我們與不同持份者的關係的進一步討論載於環境、社會及管治報告書，該報告書將於2019年6月或之前上載於本公司網站及聯交所網站。

DIRECTORS' REPORT

Compliance with Relevant Laws and Regulations

During the Year, as far as the Company is aware, there was no material breach of or non-compliance with applicable laws and regulations by the Group that has a significant impact on the businesses and operations of the Group, such as the national and local environmental laws and regulations, such as the 中華人民共和國環境保護法 (literally translated as the Environmental Protection Law of the People's Republic of China) and the regulations of environmental protection of the Zhejiang Province.

Key Relationships with Employees, Customers and Suppliers

Being people-oriented, the Group ensures all staff are reasonably remunerated and also continues to improve, regularly review and update its policies on remuneration, benefits, occupational health and safety. The Group maintains a good relationship with its customers and suppliers. The Group carries out effective communication with customers, with an aim to provide better services for the customers. The Group cooperates with its suppliers to achieve the synergetic effects.

Property, Plant and Equipment

Details of movements in property, plant and equipment of the Group during the Year are set out in note 16 to the consolidated financial statements.

Share Capital

Details of movements in the share capital of the Company during the Year are set out in note 29 to the consolidated financial statements.

Convertible Bonds

Details of the convertible bonds are set out in note 27 to the consolidated financial statements.

Reserves

Details of the movements in reserves of the Group and the Company during the Year are set out in consolidated statement of changes in equity on pages 64 to 66 to this annual report and note 30 to the consolidated financial statements respectively.

Distributable Reserves of the Company

The distributable reserves of the Company as at 31 December 2018 amounted to HK\$411,426,000 (2017: HK\$379,595,000). In addition, the Company's share premium account may be distributed in the form of fully paid bonus shares.

董事會報告

遵守相關法律及法規

於本年度，據本公司所知，本集團概無對適用法律及法規的重大違反或不合規而對本集團業務及營運有重大影響的情況，如中華人民共和國環境保護法及浙江省環境保護法規等國家及地方環保法律及法規。

與僱員、客戶及供應商之重要關係

本集團以人為本，給予僱員合理待遇，同時為挽留人才不斷完善薪酬、福利及職業健康與安全等政策並定期檢討更新。本集團與其客戶及供應商關係良好。本集團與客戶進行有效溝通，旨在為客戶提供更佳服務。本集團與其供應商合作，以實現協同效應。

物業、廠房及設備

有關本集團物業、廠房及設備於年內的變動詳情載於綜合財務報表附註16。

股本

有關本公司股本於年內的變動詳情載於綜合財務報表附註29。

可換股債券

有關可換股債券的詳情載於綜合財務報表附註27。

儲備

有關本集團及本公司儲備於本年度的變動詳情分別載於本年報第64至66頁的綜合權益變動表及綜合財務報表附註30。

本公司的可供分派儲備

本公司於2018年12月31日之可供分派儲備為411,426,000港元（2017年：379,595,000港元）。此外，本公司之股份溢價賬可以繳足紅股之方式分派。



DIRECTORS' REPORT

董事會報告

Major Customers and Suppliers

The approximate percentages in respect of the Group's sales and purchases attributable to the major customers and suppliers respectively during the Year are as follows:

主要客戶及供應商

本集團的主要客戶及供應商應佔本年度銷售及採購的概約百分比如下：

		Sales 銷售	Purchases 採購
The largest customer	最大客戶	51.72%	N/A 不適用
Five largest customers in aggregate	五大客戶合計	80.08%	N/A 不適用
The largest supplier	最大供應商	N/A 不適用	22.56%
Five largest suppliers in aggregate	五大供應商合計	N/A 不適用	80.94%

At no time during the Year have the Directors, their associates or any shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had any interest in these major customers and suppliers.

各董事、他們的聯繫人或任何據董事所知擁有本公司股本超過5%的本公司股東於年內概無擁有該等主要客戶及供應商的任何權益。

Directors

The Directors during the Year and up to the date of this annual report are as follows:

董事

於本年度及截至本年度報告日期為止的董事如下：

Executive Directors

Mr. Fei Jie, *Chairman*
Mr. Fung Chi Kin (appointed on 1 March 2019)
Mr. Ng Chin Ming Stephen, *Chief Executive Officer*
(resigned on 28 February 2019)
Mr. Zhang Genjiang

執行董事

費杰先生，*主席*
馮志堅先生（於2019年3月1日獲委任）
伍展明先生，*行政總裁*
（於2019年2月28日辭任）
章根江先生

Independent Non-executive Directors

Mr. Jim Yiu Ming
Mr. Shen Ruolei
Mr. Sit Sai Hung, Billy

獨立非執行董事

詹耀明先生
沈若雷先生
薛世雄先生

In accordance with the Company's Bye-laws, Mr. Fung Chi Kin, Mr. Fei Jie and Mr. Shen Ruolei shall retire and being eligible, offer themselves for re-election at the forthcoming annual general meeting to be held on 8 May 2019.

根據本公司細則，馮志堅先生、費杰先生及沈若雷先生須於將於2019年5月8日舉行之應屆股東週年大會上退任，並符合資格膺選連任。

Biographical details of the Directors are set out on pages 33 to 37 under the section headed "Biographies of Directors" of this annual report.

董事的履歷詳情載於本年報33頁至37頁「董事履歷」一節。



DIRECTORS' REPORT

董事會報告

Dividend Policy

The Company has adopted a dividend policy (“**Dividend Policy**”), pursuant to which the Company may distribute by way of (i) cash or (ii) shares as may be determined by the board of directors of the Company from time to time. The profit distribution policy of the Company is:

- (a) Profit distribution policy of the Company shall achieve continuity, stability and sustainability;
- (b) The Company targets a payout ratio with balance on distribution of profits and profits retained for business operation and future development;
- (c) Profit distribution of the Company shall take into account:
 - (i) the earnings per share of the Company;
 - (ii) the reasonable return in investment of the investors and the shareholders in order to provide incentive to them to continue to support the Company in their long-term development;
 - (iii) the financial conditions and business plan of the Company; and
 - (iv) the market sentiment and circumstances.

股息政策

本公司已採納股息政策（「**股息政策**」），據此，本公司可按本公司董事會不時所釐定以(i)現金或(ii)股份之方式作出分派。本公司溢利分派政策乃：

- (a) 本公司溢利分派政策應實現連續性、穩定性和可持續性；
- (b) 本集團期望設定一個能在分派溢利與保留溢利以應付業務營運和未來發展之間達致平衡之派息比率；
- (c) 本公司分派溢利時須計及下列各項：
 - (i) 本公司之每股盈利；
 - (ii) 投資者及股東之合理投資回報，從而激勵彼等繼續支持本公司之長遠發展；
 - (iii) 本公司之財務狀況及業務計劃；及
 - (iv) 市場氣氛及情況。

Remuneration Policy

The emolument policy of the employees of the Group is set up by reference to the recommendations of the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the Directors of the Company are decided by reference to the recommendations of the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to the Directors and eligible employees. Details of the scheme are set out in the section headed “Share Option Scheme” of this report.

酬金政策

本集團僱員的酬金政策乃參考薪酬委員會的推薦建議後按其表現、資歷及能力而訂立。

本公司董事的酬金乃參考薪酬委員會的推薦建議後根據本公司的經營業績、個人表現及可比較市場統計數據而釐定。

本公司已採納購股權計劃，作為對董事及合資格僱員的獎勵。計劃的詳情載於本報告「購股權計劃」一節。

DIRECTORS' REPORT

董事會報告

Remuneration of Directors and Senior Management

The Board considers the Directors and the Chief Executive Officer to be the senior management of the Company.

董事及高級管理人員的薪酬

董事會認為董事及行政總裁為本公司的高級管理人員。

Details of the emoluments of the Directors are set out in note 14 to the consolidated financial statements.

董事薪酬詳情載於綜合財務報表附註14。

Directors' interest in Transactions, Arrangement or Contracts of Significance

Save as disclosed in note 31 to the consolidated financial statements, no other transactions, arrangements or contracts of significance to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

董事於重大交易、安排或合約的權益

除綜合財務報表附註31所披露者外，於年終或年內任何時間，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訂立任何其他本公司董事直接或間接擁有重大權益的重大交易、安排或合約。

Directors' Interests in Competing Businesses

As at 31 December 2018, none of the Directors, the controlling shareholders of the Company and their respective associates (as defined in the GEM Listing Rules) had any interest in a business which causes or may cause a significant competition with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

董事於競爭業務的權益

於2018年12月31日，概無本公司的董事、控股股東及他們各自的聯繫人（定義見GEM上市規則）於導致或可能導致與本集團業務有重大競爭的業務中擁有任何權益，而任何有關人士並無與或可能與本集團有任何其他利益衝突。

Directors' Service Contracts

All of the executive Directors and independent non-executive Directors have entered into service contracts or letters of appointment with the Company respectively. The term of appointment of Mr. Fei Jie, Mr. Fung Chi Kin, Mr. Jim Yiu Ming, Mr. Shen Ruolei and Mr. Sit Sai Hung, Billy are 1 year from 2 September 2014, 1 March 2019, 22 September 2014, 4 February 2016 and 22 September 2014 respectively; the term of appointment of Mr. Zhang Genjiang is 3 years from 9 May 2017. The term of appointment of each Director is renewable by mutual agreement of both parties unless terminated by not less than three months' prior written notice in writing to the other party. All the Directors are subject to retirement by rotation and re-election at the Company's annual general meeting at least once every three years in accordance with the Bye-laws of the Company.

董事的服務合約

所有執行董事及獨立非執行董事已分別與本公司訂立服務合約或委任函。費杰先生、馮志堅先生、詹耀明先生、沈若雷先生及薛世雄先生的任期分別由2014年9月2日、2019年3月1日、2014年9月22日、2016年2月4日及2014年9月22日起計為期一年；章根江先生的任期由2017年5月9日起計為期三年。各董事任期經訂約雙方共同協定可予續期，除非向對方發出不少於三個月的事先書面通知終止服務合約。根據本公司細則條文，所有董事均須每三年於本公司股東週年大會上最少輪值退任及膺選連任一次。



DIRECTORS' REPORT

董事會報告

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

概無董事（包括擬於應屆股東週年大會重選的董事）與本公司訂立於一年內不可免付賠償（法定賠償除外）而終止的服務合約。

Permitted Indemnity Provision and Directors' and Officers' Liability Insurance

A permitted indemnity provision (as defined in Section 469 of the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) for the benefit of the Directors is currently in force and was in force throughout the Year.

獲准許的彌償條文以及董事及高級人員之責任保險

惠及董事之獲准許的彌償條文（按香港法例第622章香港公司條例第469條之定義）現時有效並於本年度一直有效。

Pursuant to Article 164(1) of the Bye-laws of the Company, the Directors or other officers of the Company shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which may incur in connection with the executive of their duty provided that the indemnity shall not extend to any matter in respect of fraud or dishonesty of the above persons. The Company has arranged Directors' and officers' liability insurance policy of the Company during the Year.

根據本公司細則第164(1)條，本公司董事及其他高級人員基於本身職位履行職責時而招致或蒙受的所有訴訟、費用、收費、損失、損害及開支，均可自本公司的資產及利潤獲得彌償，確保免就此受損，惟彌償須不延伸至任何與上述人士之欺詐或不誠實有關的事宜。於本年度內，本公司已安排董事及高級人員責任保險政策。

Management Contracts

No contract concerning the management and administration of the entire or primary business of the Company has been entered into or existed during the Year.

管理合約

於本年度內，概無訂立或存在任何涉及本公司全部或主要業務管理及行政之合約。

DIRECTORS' REPORT

Controlling Shareholders' Interests in Contracts of Significance

To the best knowledge of the Directors, no contract of significance had been entered into between the Company or any of its subsidiaries and the controlling shareholder of the Company or any of its subsidiaries during the Year.

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or any Associated Corporation

As at 31 December 2018, the interests of the Directors in the share capital of the Company which were required to be notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") (including interests which they were taken or deemed to have under such provisions of the SFO), or were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or were required, pursuant to Rules 5.48 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Exchange were as follows:

Long positions in shares of the Company

(a) Interest in the shares of the Company

Director	Capacity/Nature of interest	Number of shares held	Approximate percentage of the existing issued share capital of the Company
董事	身份／權益性質	所持股份數目	佔本公司現有已發行股本的概約百分比
Mr. Fei Jie 費杰先生	Corporate interest (Note 1) 公司權益 (附註1)	811,950,000	30.35%
Mr. Zhang Genjiang 章根江先生	Corporate interest (Note 2) 公司權益 (附註2)	520,209,327	19.44%

Note 1: These shares are held by associated corporations King Full Inc Limited and Sure Gold Ventures Limited.

Note 2: These shares are held by an associated corporation Top Bliss Holdings Limited.

董事會報告

控股股東於重大合約之權益

據董事所知，於本年度，本公司或其任何附屬公司概無與本公司或其任何附屬公司之控股股東訂立任何重大合約。

董事及最高行政人員於本公司或任何相聯法團股份、相關股份及債券的權益及淡倉

於2018年12月31日，董事於本公司股本中擁有根據證券及期貨條例（香港法例第571章）（「證券及期貨條例」）第XV部第7及第8分部必須知會本公司及聯交所的權益（包括根據證券及期貨條例有關條文彼等被當作或視為擁有的權益），或根據證券及期貨條例第352條須記錄於該條所述登記冊的權益，或根據GEM上市規則第5.48至5.67條須知會本公司及聯交所的權益如下：

於本公司股份的好倉

(a) 於本公司股份的權益

附註1：該等股份由相聯法團環灃有限公司及定金創投资有限公司持有。

附註2：該等股份由相聯法團佳福控股有限公司持有。

DIRECTORS' REPORT

董事會報告

(b) Interest in the shares of associated corporations

(b) 於相聯法團股份的權益

Director 董事	Name of associated corporation 相聯法團名稱	Capacity/ Nature of interest 身份／權益性質	Number of shares held 所持股份數目	Percentage of shareholding 持股比例
Mr. Fei Jie	King Full Inc Limited	Corporate interest & beneficial owner (Note 1)	50,000,000	100%
費杰先生	環灃有限公司	公司權益及實益 擁有人(附註1)		
	Sure Gold Ventures Limited	Beneficial owner (Note 1)	100	100%
	定金創投有限公司	實益擁有人(附註1)		
Mr. Zhang Genjiang	Top Bliss Holdings Limited	Beneficial owner	1	100%
章根江先生	佳福控股有限公司	實益擁有人		
	浙江通銀貴金屬經營有限公司 (Zhejiang Tong Yin Precious Metal Operation Company Limited*) ("Zhejiang Tong Yin")	Corporate interest (Note 2)	N/A (Note 2)	49%
	浙江通銀貴金屬經營有限公司 (「浙江通銀」)	公司權益(附註2)	不適用(附註2)	

Note 1: King Full Inc Limited is 90% (45,000,000 shares) directly owned by Sure Gold Ventures Limited and is 10% (5,000,000 shares) directly owned by Mr. Fei Jie. Sure Gold Ventures Limited is in turn wholly-owned by Mr. Fei Jie.

Note 2: Zhejiang Tong Yin is 49% owned by 浙江之信控股集團有限公司(Zhejiang Zhisin Holding Group Limited*), which is in turn 60% owned by Mr. Zhang Genjiang. Zhejiang Tong Yin is a subsidiary of the Company and is thus an associated corporation of the Company.

附註1：環灃有限公司分別由定金創投有限公司及費杰先生直接擁有90%（45,000,000股股份）及10%（5,000,000股股份），而定金創投有限公司由費杰先生全資擁有。

附註2：浙江通銀由浙江之信控股集團有限公司擁有49%，而浙江之信控股集團有限公司由章根江先生擁有60%。浙江通銀為本公司的附屬公司及由此為本公司的相聯法團。

* for identification purposes only



DIRECTORS' REPORT

董事會報告

Save as disclosed above, as at 31 December 2018, none of the Directors or any chief executive of the Company had an interest or short position in any shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of the SFO) or which was required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or pursuant to the Rules 5.48 to 5.67 of the GEM Listing Rules to be notified to the Company and the Exchange.

除上文所披露者外，於2018年12月31日，本公司的董事或任何最高行政人員概無於本公司或任何相聯法團（定義見證券及期貨條例第XV部）的任何股份、相關股份或債券中擁有根據證券及期貨條例第XV部第7及第8分部必須知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例有關條文彼等被當作或視為擁有的權益及淡倉），或根據證券及期貨條例第352條須記錄於該條所述登記冊的權益或淡倉，或根據GEM上市規則第5.48至5.67條須知會本公司及聯交所的權益或淡倉。

Substantial Shareholders' Interests in Shares

As at 31 December 2018, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that, other than the interests disclosed above in respect of certain Directors, the following shareholders had notified the Company of relevant interests in the issued share capital of the Company.

主要股東於股份的權益

於2018年12月31日，本公司根據證券及期貨條例第336條存置的主要股東登記冊顯示，除上文所披露有關若干董事的權益外，以下股東已通知本公司於本公司的已發行股本中擁有相關權益。



DIRECTORS' REPORT

董事會報告

Long Positions

Ordinary shares and underlying shares of the Company

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本公司的普通股及相關股份

Name of shareholder	Capacity/ Nature of interest	Number of shares held	Approximate percentage of the existing issued share capital of the Company 佔本公司現有 已發行股本的 概約百分比
股東名稱	身份／權益性質	所持股份數目	
King Full Inc Limited 璟灃有限公司	Beneficial owner (Note 1) 實益擁有人(附註1)	811,950,000	30.35%
Sure Gold Ventures Limited 定金創投有限公司	Corporate Interest (Note 1) 公司權益(附註1)	811,950,000	30.35%
Mr. Fei Jie 費杰先生	Corporate interest (Note 1) 公司權益(附註1)	811,950,000	30.35%
Ms. Wu Wen 吳雯女士	Interest in spouse (Note 2) 於配偶的權益(附註2)	811,950,000	30.35%
Top Bliss Holdings Limited 佳福控股有限公司	Beneficial owner (Note 3) 實益擁有人(附註3)	520,209,327	19.44%
Mr. Zhang Genjiang 章根江先生	Corporate interest (Note 3) 公司權益(附註3)	520,209,327	19.44%
Smart Focus Inc Limited 雋特有限公司	Beneficial owner (Note 4) 實益擁有人(附註4)	486,715,358	18.19%
Trillion Power International Limited ("Trillion Power")	Corporate Interest (Note 4) 公司權益(附註4)	486,715,358	18.19%
Trillion Power International Limited ("Trillion Power")	公司權益(附註4)		
湖州百成客車有限公司 (Huzhou Brighsun Automobile Co., Ltd.*) ("Huzhou Brighsun")	Corporate Interest (Note 4) 公司權益(附註4)	486,715,358	18.19%
湖州百成客車有限公司(「湖州百成」) 浙江百成新能源有限公司 (Zhejiang Brighsun New Energy Co., Ltd.*) ("Brighsun New Energy")	Corporate Interest (Note 4) 公司權益(附註4)	486,715,358	18.19%
浙江百成新能源有限公司(「百成新能源」) 杭州鴻泰股權投資基金管理有限公司 (Hangzhou Hong Tai Equity Investment Fund Management Co., Ltd.*) ("Hangzhou Hong Tai")	Corporate Interest (Note 4) 公司權益(附註4)	486,715,358	18.19%
杭州鴻泰股權投資基金管理有限公司 (「杭州鴻泰」)	公司權益(附註4)		
杭州一嘜投資合夥企業(有限合夥) (Hangzhou Yi Bei Investment Partnership Enterprise (Limited Partnership)*) ("Hangzhou Yi Bei")	Corporate Interest (Note 4) 公司權益(附註4)	486,715,358	18.19%
杭州一嘜投資合夥企業(有限合夥) (「杭州一嘜」)	公司權益(附註4)		
Mr. Luo Liangshun ("Mr. Luo") 羅良順先生(「羅先生」)	Corporate Interest (Note 4) 公司權益(附註4)	486,715,358	18.19%



DIRECTORS' REPORT

董事會報告

Notes:

- King Full Inc Limited is 10% directly held by Mr. Fei Jie and the remaining 90% directly held by Sure Gold Ventures Limited. Sure Gold Ventures Limited is in turn wholly-owned by Mr. Fei Jie. Accordingly, Sure Gold Ventures Limited and Mr. Fei Jie are deemed to be interested in the 811,950,000 shares of the Company held by King Full Inc Limited by virtue of the SFO.
- The shares are held by King Full Inc Limited, the entire issued share capital of which is indirectly wholly-owned by Mr. Fei Jie, the spouse of Ms. Wu Wen. Accordingly, Ms. Wu Wen is deemed to be interested in the entire 811,950,000 shares by virtue of the SFO.
- The entire issued share capital of Top Bliss Holdings Limited is wholly and beneficially owned by Mr. Zhang Genjiang. By virtue of the SFO, Mr. Zhang Genjiang is deemed to be interested in the entire 520,209,327 shares held by Top Bliss Holdings Limited.
- Smart Focus Inc Limited is directly wholly-owned by Trillion Power. Trillion Power is directly wholly-owned by Huzhou Brighsun, which is directly wholly-owned by Brighsun New Energy. Brighsun New Energy is directly wholly-owned by Hangzhou Hong Tai, which is in turn 60% owned directly by Hangzhou Yi Bei and is 40% owned directly by Mr. Luo.

Save as disclosed above, as at 31 December 2018, no other persons had any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO, or otherwise notified to the Company.

Share Option Scheme

The Company operates a share option scheme which has become effective on 22 December 2010 (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations.

* for identification purposes only

附註：

- 環澧有限公司分別由費杰先生及定金創投有限公司直接擁有10%及90%，而定金創投有限公司由費杰先生全資擁有。因此，根據證券及期貨條例，定金創投有限公司及費杰先生被視為於環澧有限公司所持有的本公司811,950,000股股份中擁有權益。
- 該等股份由環澧有限公司持有，而環澧有限公司的全部已發行股本由費杰先生（吳雯女士的配偶）間接全資擁有。因此，根據證券及期貨條例，吳雯女士被視為於全部811,950,000股股份中擁有權益。
- 佳福控股有限公司的全部已發行股本由章根江先生全資及實益擁有。根據證券及期貨條例，章根江先生被視為於佳福控股有限公司持有的全部520,209,327股股份中擁有權益。
- 馬特有限公司由Trillion Power直接全資持有。Trillion Power由湖州百成直接全資持有，其乃由百成新能源直接全資擁有。百成新能源則由杭州鴻泰直接全資擁有。杭州鴻泰則由杭州一喂直接擁有60%及羅先生直接擁有40%。

除上文所披露者外，於2018年12月31日，概無其他人士於本公司的股份或相關股份中擁有根據證券及期貨條例第336條須記錄於本公司存置的登記冊或須另行知會本公司的任何權益或淡倉。

購股權計劃

本公司設立一項購股權計劃（已於2010年12月22日生效（「計劃」）），向為本集團業務成功作出貢獻的合資格參與者提供獎勵及回報。

DIRECTORS' REPORT

董事會報告

Share Option Scheme

On 27 May 2015 (the "Date of Grant"), the Company granted share options (the "Share Options") to the eligible persons within the Group (the "Grantees") pursuant to the Company's share option scheme launched on 22 December 2010, subject to acceptance by the Grantees. The Share Options entitle the Grantees to subscribe for a total of 15,000,000 ordinary shares with nominal value of HK\$0.10 each in the capital of the Company upon exercise of the Share Options in full. The exercise price of the Share Options granted of HK\$1.17 per share represent the highest of (i) the closing price of HK\$1.17 per share on the Date of Grant; (ii) the average closing price of HK\$1.04 per share for the five business days immediately preceding the Date of Grant; and (iii) the nominal value of HK\$0.10 per share. Details of the Grant of Share Options was set out in the announcement of the Company dated 27 May 2015. 7,500,000 options had been exercised and gross proceeds of HK\$8,775,000 was received from exercise of these options. Upon the subdivision of shares from par value of HK\$0.10 each into five subdivided shares of par value of HK\$0.02 each which became effective on 4 May 2016, the exercise price and the number of outstanding options were adjusted to HK\$0.234 and 37,500,000 options respectively in accordance with the terms and conditions of the Share Option Scheme. On 18 May 2018, the 37,500,000 options had been exercised and gross proceeds of HK\$8,775,000 was received from exercise of these options. There are no outstanding share options as at 31 December 2018.

Details of the Share Option Scheme and the movements in Share Options granted are set out in note 34 to the consolidated financial statements.

Directors' Rights to Purchase Shares or Debentures

Save as the Share Option Scheme disclosed above, at no time during the Year was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

購股權計劃

於2015年5月27日（「授出日期」），本公司根據其於2010年12月22日採納之購股權計劃向本集團之合資格人士（「承授人」）授出購股權（「購股權」），惟須待承授人接納後，方可作實。有關購股權賦予承授人權利於購股權獲悉數行使後認購合共15,000,000股本公司股本中每股面值0.10港元之普通股。所授出購股權之行使價為每股1.17港元，即(i)每股股份於授出日期之收市價1.17港元；(ii)每股股份於緊接授出日期前五個營業日的平均收市價1.04港元；及(iii)每股股份面值0.10港元的最高者。授出購股權的詳情載於本公司日期為2015年5月27日的公佈。7,500,000份購股權已獲行使，且因該等購股權獲行使而收到所得款項總額8,775,000港元。待每股面值0.10港元之股份拆分為五股每股面值0.02港元之拆分股份，且於2016年5月4日生效後，行使價及尚未行使購股權之數目根據購股權計劃之條款及條件分別調整至0.234港元及37,500,000份購股權。於2018年5月18日，37,500,000份購股權已獲行使，且因該等購股權獲行使而收到所得款項總額8,775,000港元。於2018年12月31日，概無尚未行使之購股權。

有關購股權計劃及已授購股權變動的詳情載於綜合財務報表附註34。

董事購買股份或債券的權利

除上文所披露的購股權計劃外，於年內任何時間內，本公司、其控股公司或其任何附屬公司或同系附屬公司概無參與任何安排，致令本公司董事可藉購入本公司或任何其他法團的股份或債券而獲得利益。



DIRECTORS' REPORT

董事會報告

Purchase, Sale or Redemption of Listed Securities of the Company

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Year.

購買、出售或贖回本公司上市證券

本公司或其任何附屬公司於本年度概無購買、出售或贖回任何本公司上市證券。

Connected and Related Party Transactions

During the Year, save for the connected transaction described under the sub-section headed "Financial Review – Connected Transaction" in the section headed "Management Discussion and Analysis" of this annual report, the Group has not entered into any significant connected transaction or continuing connected transaction which should be disclosed pursuant to the requirement under the GEM Listing Rules.

關連及關連人士交易

於本年度，除本年報「管理層討論及分析」一節「財務回顧-關連交易」分節所述關連交易外，本集團概無訂立須根據GEM上市規則之規定予以披露之任何重大關連交易或持續關連交易。

Pre-emptive Rights

There are no provisions for pre-emptive rights under the Company's Bye-laws, or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

優先購買權

本公司細則或百慕達法例並無載有優先購買權條文規定本公司須按比例向現有股東發售新股。

Sufficiency of Public Float

As at the date of this report, based on information publicly available to the Company and to the knowledge of the Directors, the Company has maintained a sufficient public float.

足夠公眾持股量

於報告日期，根據本公司所得的公開資料及就董事所知，本公司保持足夠公眾持股量。

Closure of register of members

The register of members of the Company will be closed from Thursday, 3 May 2019 to Tuesday, 8 May 2019, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the annual general meeting of the Company to be held on 8 May 2019, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 2 May 2019.

暫停辦理股份過戶登記手續

本公司將於2019年5月3日(星期四)至2019年5月8日(星期二)(包括首尾兩日)暫停辦理股份過戶登記手續，期間將不會登記股份過戶。為符合資格出席本公司將於2019年5月8日舉行之股東週年大會及在會上投票，所有過戶文件連同相關股票須於2019年5月2日(星期三)下午四時三十分前送達本公司於香港之股份過戶登記分處卓佳證券登記有限公司辦理股份過戶登記手續，地址為香港皇后大道東183號合和中心22樓。

Corporate Governance

A report on corporate governance of the Company is set out on pages 19 to 32 under the section headed "Corporate Governance Report" of this annual report.

企業管治

本公司企業管治的報告載於本年報第19至32頁「企業管治報告」一節。



DIRECTORS' REPORT

董事會報告

Auditors

The consolidated financial statements for the Year have been audited by HLB Hodgson Impey Cheng Limited.

HLB Hodgson Impey Cheng Limited shall retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of HLB Hodgson Impey Cheng Limited as auditors of the Company is to be proposed at the forthcoming annual general meeting.

On behalf of the Board

Fei Jie
Chairman

Hong Kong, 26 March 2019

核數師

本年度的綜合財務報表已由國衛會計師事務所有限公司審閱。

國衛會計師事務所有限公司將告退，惟彼符合資格並願接受續聘。於應屆股東週年大會上將提呈一項決議案，以續聘國衛會計師事務所有限公司擔任本公司之核數師。

承董事會命

主席
費杰

香港，2019年3月26日

INDEPENDENT AUDITORS' REPORT

獨立核數師報告



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The Landmark
11 Pedder Street
Central
Hong Kong

香港
中環
畢打街11號
置地廣場
告羅士打大廈
31樓

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CHINA TRUSTFUL GROUP LIMITED

(Incorporated in Bermuda with limited liability)

致中國之信集團有限公司股東的 獨立核數師報告

(於百慕達註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of China Trustful Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 59 to 174, which comprise the consolidated statement of financial position as at 31 December 2018, 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.

意見

本核數師(「我們」)已審計列載於第59至174頁中國之信集團有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)的綜合財務報表，此綜合財務報表中包括於2018年12月31日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註(包括主要會計政策概要)。

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018, 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.

我們認為，該等綜合財務報表已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」)真實而中肯地反映 貴集團於2018年12月31日的綜合財務狀況及 貴集團截至該日止年度的綜合財務表現及綜合現金流量，並已按照香港公司條例的披露規定妥為編製。

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditors' 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 opinion.

意見基礎

我們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」)進行審計。根據該等準則，我們的責任於本報告「核數師就審計綜合財務報表承擔的責任」一節進一步闡述。根據香港會計師公會頒佈的專業會計師道德守則(以下簡稱「守則」)，我們獨立於 貴集團，並已遵循守則履行其他道德責任。我們相信，我們所獲得的審計憑證能充足和適當地為我們的意見提供基礎。

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, 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.

關鍵審計事項

根據我們的專業判斷，關鍵審計事項為我們審計本期綜合財務報表中最重要的事項。我們在審計綜合財務報表及就此達致意見時處理此等事項，而不會就此等事項單獨發表意見。

Key audit matter 關鍵審計事項

How our audit addressed the key audit matter 我們進行審核時如何處理關鍵審計事項

Impairment of trade receivables **貿易應收款項減值**

Refer to note 21 to the consolidated financial statements
請參閱綜合財務報表附註21

The Group has trade receivables, net of allowance for credit losses recognised, of approximately HK\$183,787,000. Management judgement is required in assessing and determining the recoverability of trade receivables and adequacy of allowance made.

本集團經扣除已確認信貸虧損撥備後的貿易應收款項為約183,787,000港元。在評估及釐定貿易應收款項的可收回性及所計提撥備是否充足時須要管理層作出判斷。

In determining whether there is objective evidence of impairment loss, the Group takes into consideration the credit history of the customers and the current market condition which may require management judgement.

於釐定是否存在減值虧損的客觀證據時，貴集團已計及客戶的信貸歷史及當前市況，可能需要管理層作出判斷。

Our audit procedures in relation to the management's impairment assessment of trade receivables including: 我們有關管理層對貿易應收款項所開展的減值評估的審計程序包括：

- Discussing the Group's procedures on credit period given to customers with the management; 與管理層討論 貴集團向客戶提供信貸期限的程序；
- Checking, on a sample basis, the aging profile of the trade receivables as at 31 December 2018 to the underlying financial records and post year-end settlements to bank receipts; 就於2018年12月31日的貿易應收款項賬齡情況及年末後結算情況分別抽樣檢查相關財務記錄及銀行收據；



KEY AUDIT MATTERS (Continued)

關鍵審計事項 (續)

Key audit matter (continued)

關鍵審計事項 (續)

How our audit addressed the key audit matter (Continued)

我們進行審核時如何處理關鍵審計事項 (續)

Impairment of trade receivables (continued)

貿易應收款項減值 (續)

- Inquiring of management for the status of each of the material trade receivables past due as at 31 December 2018 and corroborating explanations from management with supporting evidence, such as understanding on-going business relationship with the customers based on trade records, checking historical and subsequent settlement records of and other correspondence with the customers; and
向管理層查詢於2018年12月31日已逾期的各重大貿易應收款項的狀況，並透過根據交易記錄了解與客戶的持續業務關係、查核與客戶之間的過往和期後結算記錄及其他往來信函等支持證據證實管理層的解釋；及
- Assessing the appropriateness of the expected credit loss provisioning methodology, examining the key data inputs on a sample basis to assess their accuracy and completeness, and challenging the assumptions, including both historical and forward-looking information, used to determine the expected credit losses.
評估預期信貸虧損撥備法的適當性、抽樣檢查主要輸入數據以評估其準確性和完整性，並質疑用以釐定預期信貸虧損的假設（包括過往及前瞻性資料）。

We consider the management conclusion to be consistent with the available information.

我們認為管理層的結論與公開資料一致。

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditors' report thereon (the "Other Information").

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 the Other Information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS AND THE 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 the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

其他資料

董事須對其他資料負責。其他資料包括年報所載資料，但不包括綜合財務報表及我們就此發出的核數師報告（「其他資料」）。

我們對綜合財務報表的意見並不涵蓋其他資料，我們亦不會就其發表任何形式的鑒證結論。

就審計綜合財務報表而言，我們的責任是閱讀其他資料，及在此過程中，考慮其他資料是否與綜合財務報表或我們在審計過程中所了解的情況有重大抵觸，或者似乎有重大錯誤陳述。基於我們已執行的工作，如果我們認為其他資料有重大錯誤陳述，我們需要報告有關事實。就此而言，我們無需報告任何事項。

董事及審核委員會就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則和香港公司條例披露規定編製綜合財務報表以作出真實而中肯的反映，並落實董事認為必須之內部控制，以使編製綜合財務報表不存在由於欺詐或錯誤而導致的重大失實陳述。

在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。

審核委員會負責監督貴集團財務報告過程。



AUDITORS' 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 auditors' 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 HKSA's 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 HKSA's, 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們按照百慕達1981年公司法第90條僅向整體股東報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響使用者基於該等綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

我們根據香港審計準則進行審計的工作之一，是運用專業判斷，在整個審計過程中保持專業懷疑態度。我們亦：

- 識別及評估綜合財務報表由於欺詐或錯誤而導致的重大錯誤陳述風險，因應該等風險設計及執行審計程序，以及獲得充足及適當的審計憑證為我們的意見提供基礎。由於欺詐涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕於內部控制之上，因此未能發現由此造成的重大錯誤陳述風險比未能發現由於錯誤而導致的重大錯誤陳述風險更高。
- 了解與審計有關的內部控制，以設計恰當的審計程序，但並非旨在對貴集團內部控制的有效性發表意見。
- 評估所用會計政策的恰當性，以及董事所作出的會計估算和相關披露的合理性。

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- 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 auditors' 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 auditors' 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.

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.

核數師就審計綜合財務報表承擔的責任 (續)

- 總結董事採用以持續經營為基礎的會計法的恰當性，並根據已獲取的審計憑證，總結是否有可能對 貴集團持續經營能力構成重大疑問的事件或情況等重大不確定因素。倘若我們總結認為有重大不確定因素，我們需要在核數師報告中提請注意綜合財務報表內的相關披露，或如果相關披露不足，則修訂我們的意見。我們的結論是基於截至核數師報告日期所獲得的審計憑證。然而，未來事件或情況可能導致 貴集團不再具有持續經營的能力。
- 評估綜合財務報表(包括披露)的整體列報、架構和內容，以及綜合財務報表是否中肯反映相關交易及事項。
- 就 貴集團內各實體或業務活動的財務資料獲得充足適當的審計憑證，以便就綜合財務報表發表意見。我們須負責指導、監督和執行 貴集團的審計工作。我們須為我們的審計意見承擔全部責任。

我們就(其中包括)審計工作的計劃範圍和時間以及重大審計發現(包括我們在審計過程中發現的任何內部控制的重大缺失)與審核委員會進行溝通。

我們亦向審核委員會提交聲明，確認我們已遵守有關獨立性的道德要求，並就所有被合理認為可能影響我們獨立性的關係和其他事宜以及相關保障措施(如適用)，與審核委員會進行溝通。



AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

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 auditors' 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 director on the audit resulting in this independent auditors' report is Yu Chi Fat.

HLB Hodgson Impey Cheng Limited

Certified Public Accountants

Yu Chi Fat

Practicing Certificate Number: P05467

Hong Kong, 26 March 2019

核數師就審計綜合財務報表承擔的責任 *(續)*

我們通過與審核委員會溝通，確定哪些是本期綜合財務報表審計工作的最重要事項，即關鍵審計事項。除非法律或法規不容許公開披露此等事項或在極罕有的情況下，我們認為披露此等事項可合理預期的不良後果將超過公眾知悉此等事項的利益而不應在報告中予以披露，否則我們會在核數師報告中描述此等事項。

出具本獨立核數師報告的審計項目董事為余智發。

國衛會計師事務所有限公司

執業會計師

余智發

執業證書編號：P05467

香港，2019年3月26日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2018

綜合損益及其他全面 收益表

截至2018年12月31日止年度

	Notes 附註	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Continuing operations			
Revenue		215,696	525,269
Cost of sales	5	(139,756)	(336,956)
Gross profit		75,940	188,313
Other revenue and other income	6	4,177	3,516
Selling and distribution expenses		(2,057)	(1,713)
Administrative expenses		(55,549)	(41,231)
Loss arising in fair value change of contingent consideration receivable	20	-	(4,511)
Finance costs	8	(1,915)	(4,563)
Profit before income tax		20,596	139,811
Income tax expense	11	(6,960)	(40,986)
Profit for the year from continuing operations		13,636	98,825
Discontinued operation			
Loss for the year from discontinued operation	10	(4,355)	(7,143)
Profit for the year		9,281	91,682
Other comprehensive (loss)/income <i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations during the year		(33,468)	25,242
Other comprehensive (loss)/income for the year		(33,468)	25,242
Total comprehensive (loss)/income for the year		(24,187)	116,924



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2018

綜合損益及其他全面 收益表

截至2018年12月31日止年度

	Notes 附註	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Profit/(loss) for the year attributable to:	年內應佔溢利/(虧損)：		
Owners of the Company	本公司擁有人		
– from continuing operations	– 來自持續 經營業務	7,315	84,365
– from discontinued operation	– 來自已終止 經營業務	(4,355)	(7,143)
Non-controlling interests	非控股權益		
– from continuing operations	– 來自持續 經營業務	6,321	14,460
		9,281	91,682
Total comprehensive (loss)/income for the year attributable to:	年內應佔全面 (虧損)/收益總額：		
Owners of the Company	本公司擁有人		
– from continuing operations	– 來自持續 經營業務	(23,980)	106,620
– from discontinued operation	– 來自已終止 經營業務	(4,355)	(7,143)
Non-controlling interests	非控股權益		
– from continuing operations	– 來自持續 經營業務	4,148	17,447
		(24,187)	116,924



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2018

綜合損益及其他全面 收益表

截至2018年12月31日止年度

		Notes 附註	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Earnings/(loss) per share	每股盈利/(虧損)	13		
From continuing and discontinued operations	來自持續及已終止經營業務			
– Basic	– 基本		HK0.12 cents 0.12港仙	HK3.66 cents 3.66港仙
– Diluted	– 攤薄		HK0.12 cents 0.12港仙	HK3.05 cents 3.05港仙
From continuing operations	來自持續經營業務			
– Basic	– 基本		HK0.30 cents 0.30港仙	HK4.00 cents 4.00港仙
– Diluted	– 攤薄		HK0.29 cents 0.29港仙	HK3.32 cents 3.32港仙
From discontinued operation	來自已終止經營業務			
– Basic	– 基本		HK(0.18) cents (0.18)港仙	HK(0.34) cents (0.34)港仙
– Diluted	– 攤薄		HK(0.17) cents (0.17)港仙	HK(0.27) cents (0.27)港仙

The accompanying notes form an integral part of these consolidated financial statements.

隨附附註構成該等綜合財務報表的組成部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2018

綜合財務狀況表

於2018年12月31日

	Notes 附註	2018 HK\$'000 千港元	2017 HK\$'000 千港元	
Non-current assets	非流動資產			
Intangible assets	無形資產	15	7,621	–
Property, plant and equipment	物業、廠房及設備	16	100,170	88,931
Interest in leasehold land	租賃土地權益	17	19,419	20,964
Deferred tax asset	遞延稅項資產	28	1,599	–
Prepayment for property, plant and equipment	物業、廠房及設備之預付款項		9,600	2,865
			138,409	112,760
Current assets	流動資產			
Inventories	存貨	19	71,645	33,738
Available-for-sale financial assets	可供出售金融資產	18	–	3,122
Trade receivables	貿易應收款項	21	183,787	381,714
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	22	271,485	70,517
Amount due from a director	應收一名董事款項	23	–	9,018
Amount due from a related company	應收一間 關連公司款項	23	117	–
Tax recoverable	可收回稅項		–	771
Cash and cash equivalents	現金及現金等價物	24	56,683	293,853
			583,717	792,733
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	25	21,697	128,955
Contract liabilities	合約負債	25	1,822	–
Secured loan	有抵押貸款	26	–	15,000
Convertible bonds	可換股債券	27	–	51,444
Amount due to a director	應付一名董事款項	23	30,000	–
Amount due to a shareholder	應付一名股東款項	23	–	5,438
Amounts due to non-controlling interests	應付非控股權益款項	23	122	118
Amounts due to related companies	應付關連公司款項	23	–	7,242
Tax payables	應付稅款		19,855	43,540
			73,496	251,737
Net current assets	流動資產淨額		510,221	540,996
Total assets less current liabilities	總資產減流動負債		648,630	653,756

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2018

綜合財務狀況表

於2018年12月31日

		Notes 附註	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Non-current liability	非流動負債			
Deferred tax liability	遞延稅項負債	28	-	1,074
Net assets	資產淨額		648,630	652,682
Capital and reserves	資本及儲備			
Share Capital	股本	29	53,508	43,024
Reserves	儲備		584,218	560,525
Equity attributable to owners of the Company	本公司擁有人應佔權益		637,726	603,549
Non-controlling interests	非控股權益		10,904	49,133
Total equity	權益總額		648,630	652,682

The consolidated financial statements were approved and authorised for issue by the board of directors on 26 March 2019 and signed on its behalf by:

該等綜合財務報表於2019年3月26日獲董事會批准及授權刊發，並由下列董事代表簽署：

Fei Jie
費杰
Director
董事

Fung Chi Kin
馮志堅
Director
董事

The accompanying notes form an integral part of these consolidated financial statements.

隨附附註構成該等綜合財務報表的組成部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2018

綜合權益變動表

截至2018年12月31日止年度

Equity attributable to owners of the Company 本公司擁有人應佔權益

		Share capital	Share premium	Capital reserve	Merger reserve	Share-based	Translation reserve	Capital contribution reserve	Convertible bonds reserve	Statutory general reserve	Retained earnings	Non-controlling interests	Total equity	
						payment reserve								
						以股份為基礎之								
		股本	股份溢價	資本儲備	合併儲備	付款儲備	換算儲備	注資儲備	債券儲備	一般儲備	保留盈利	非控股權益	權益總額	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
			(Note a)	(Note b)	(Note c)	(Note d)	(Note e)	(Note f)	(Note g)	(Note h)				
			(附註a)	(附註b)	(附註c)	(附註d)	(附註e)	(附註f)	(附註g)	(附註h)				
At 1 January 2017	於2017年1月1日	41,024	163,815	155	1,033	2,565	(13,982)	12,144	9,842	-	9,716	226,312	31,686	257,998
Profit for the year	年內溢利	-	-	-	-	-	-	-	-	-	77,222	77,222	14,460	91,682
Other comprehensive income:	其他全面收益：													
Exchange differences arising on translation of foreign operations during the year	年內折算海外業務產生之匯兌差額	-	-	-	-	-	22,255	-	-	-	-	22,255	2,987	25,242
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	-	22,255	-	-	-	77,222	99,477	17,447	116,924
Placement of new shares	配售新股	2,000	278,000	-	-	-	-	-	-	-	-	280,000	-	280,000
Share issuing expenses	股份發行開支	-	(2,240)	-	-	-	-	-	-	-	-	(2,240)	-	(2,240)
At 31 December 2017	於2017年12月31日	43,024	439,575	155	1,033	2,565	8,273	12,144	9,842	-	86,938	603,549	49,133	652,682

Equity attributable to owners of the Company
本公司擁有人應佔權益

		Share capital	Share premium	Capital reserve	Merger reserve	Share-based payment reserve	Translation reserve	Capital contribution reserve	Convertible bonds reserve	Statutory general reserve	Retained earnings	Total	Non-controlling interests	Total equity
		股本	股份溢價	資本儲備	合併儲備	以股份為基礎之 付款儲備	換算儲備	注資儲備	可換股 債券儲備	法定 一般儲備	保留盈利	總額	非控股 權益	權益 總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
			(Note a)	(Note b)	(Note c)	(Note d)	(Note e)	(Note f)	(Note g)	(Note h)				
			(附註a)	(附註b)	(附註c)	(附註d)	(附註e)	(附註f)	(附註g)	(附註h)				
At 1 January 2018 (Originally stated)	於2018年1月1日 (原先呈列)	43,024	439,575	155	1,033	2,565	8,273	12,144	9,842	-	86,938	603,549	49,133	652,682
Impact on initial application of HKFRS 9	首次應用香港財務報告 準則第9號之影響	-	-	-	-	-	-	-	-	-	15	15	-	15
At 1 January 2018 (Restated)	於2018年1月1日(經重列)	43,024	439,575	155	1,033	2,565	8,273	12,144	9,842	-	86,953	603,564	49,133	652,697
Profit for the year	年內溢利	-	-	-	-	-	-	-	-	-	2,960	2,960	6,321	9,281
Other comprehensive loss	其他全面虧損													
Exchange differences arising on translation of foreign operations during the year	年內折算海外業務 產生之匯兌差額	-	-	-	-	-	(31,295)	-	-	-	-	(31,295)	(2,173)	(33,468)
Total comprehensive (loss)/ income for the year	年內全面(虧損)/ 收益總額	-	-	-	-	-	(31,295)	-	-	-	2,960	(28,335)	4,148	(24,187)
Exercise of share options	行使購股權	750	10,590	-	-	(2,565)	-	-	-	-	-	8,775	-	8,775
Disposal of subsidiaries (note 41)	出售附屬公司(附註41)	-	-	(155)	(1,033)	-	-	-	-	-	1,188	-	-	-
Conversion of convertible bonds	轉換可換股債券	9,734	53,970	-	-	-	-	-	(10,652)	-	-	53,052	-	53,052
Release of deferred tax upon conversion of convertible bonds (note 28)	因轉換可換股債券而 解除遞延稅項 (附註28)	-	-	-	-	-	-	-	810	-	-	810	-	810
Dividend paid to non-controlling interests	已付予非控股 權益的股息	-	-	-	-	-	-	-	-	-	-	-	(42,515)	(42,515)
Transfer to statutory general reserve	轉撥至法定一般儲備	-	-	-	-	-	-	-	-	5,693	(5,693)	-	-	-
Acquisition of additional interest in a subsidiary	收購附屬公司 之額外權益	-	-	-	-	-	-	-	-	-	(140)	(140)	138	(2)
At 31 December 2018	於2018年12月31日	53,508	504,135	-	-	-	(23,022)	12,144	-	5,693	85,268	637,726	10,904	648,630

Notes:

- (a) Under the Companies Act 1981 of Bermuda (as amended), the share premium of the Company can be used in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.
- (b) Capital reserve arose from acquisition of additional interests in subsidiaries from non-controlling interests. It represents the difference between the consideration paid and the net assets of the relevant companies shared by non-controlling interests.

附註:

- (a) 根據百慕達1981年公司法(經修訂),本公司之股份溢價可作繳付將發行予本公司股東之尚未發行股份,並列為已繳足紅股。
- (b) 資本儲備源自收購非控制權益於附屬公司的額外權益,指所付代價與非控股股東佔相關公司淨資產之間的差額。

Notes:

- (c) To rationalise the structure of the Group in preparation for the listing of the Company's shares, the Group undergone a group restructuring which became effective on 20 December 2010 (the "Reorganisation"). The financial information of the Group has been prepared as if the group structure intended under the Reorganisation had always been exist. In connection to the Reorganisation, merger reserve arose mainly in respect of the followings:
- (i) On 16 June 2010 and 20 June 2010 respectively, the Group's subsidiary, Powerwell Pacific Limited ("Powerwell Pacific"), issued 752 new shares of United States Dollar ("USD") 1 each to the founding shareholders of the Group at the consideration of USD1 each and issued 44 new shares of USD1 each, representing 5.5% of the enlarged share capital of Powerwell Pacific, to a party who was then a non-controlling shareholder of Powerwell Pacific at a consideration of HK\$1,027,000. These have resulted in an increase in equity of the Group by HK\$1,033,000 which was included in merger reserve; and
- (ii) The difference between the nominal value of the aggregate share capital of subsidiaries acquired pursuant to the Reorganisation over the nominal value of the shares of the Company issued in exchange for the subsidiaries.
- (d) Share-based payment reserve represents the fair value of services estimated to be received in exchange for the grant of the relevant share options over the relevant vesting periods, the total of which is based on the fair value of the share options at grant date. The amount for each period is determined by spreading the fair value of the share options over the relevant vesting period (if any) and is recognised as staff costs and related expenses with a corresponding increase in the share-based payment reserve.
- (e) Translation reserve represents exchange differences relating to the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Hong Kong dollar ("HK\$")) are recognised directly in other comprehensive income and accumulated in the translation reserve. Such exchange differences accumulated in the exchange reserve are reclassified to retained earnings on the disposal of the foreign operations.
- (f) Capital contribution reserve represents the contribution of inventories from shareholder to the Group.
- (g) Under Hong Kong Accounting Standard 32 *Financial Instruments: Presentation*, convertible bonds issued are split into their liability and equity components at initial recognition by recognising the liability component at its fair value which is determined using a market interest rate for similar non-convertible debts and attributing to the equity component the difference between the fair value of the goods received and the fair value of the liability component. The liability component is subsequently carried at amortised cost. The equity component is recognised in the convertible bonds reserve until the convertible bonds are either converted (in which case it is transferred to share premium) or redeemed (in which case it is released directly to retained earnings).
- (h) Statutory general reserve was established in accordance with the relevant rules of the People's Republic of China (the "PRC") and regulations and the article of association of respective companies of the Group. The PRC companies are required to transfer certain of their net profits, as determined under the approval by the Board to statutory general reserve.

附註：

- (c) 為理順本集團的結構以準備本公司股份上市，本集團於2010年12月20日進行重組（「重組」）。本集團財務資料乃按猶如重組後集團結構一直存在而編製。就重組而言，合併儲備主要源自下列各項：
- (i) 分別於2010年6月16日及2010年6月20日，本集團的附屬公司Powerwell Pacific Limited（「Powerwell Pacific」）已按代價每股1美元（「美元」）向本集團創始股東發行752股每股面值1美元的新股份，以及向Powerwell Pacific當時的一名非控制權益股東發行44股每股面值1美元的新股份，佔Powerwell Pacific已擴大股本5.5%，代價為1,027,000港元。發行令本集團之權益增加1,033,000港元，金額已計入合併儲備；及
- (ii) 根據重組收購的附屬公司全部股本之面值超出本公司所發行用作交換附屬公司股份之股本面值之差額。
- (d) 以股份為基礎之付款儲備指因按有關歸屬期授出有關購股權而以交換形式估計將接獲之服務之公平值，其總額乃基於購股權於授出日期之公平值釐定。於各報告期之金額乃透過按有關歸屬期（如有）散佈購股權之公平值予以釐定，並確認為員工成本及相關費用，而相應增加計入以股份為基礎之付款儲備。
- (e) 換算儲備指有關本集團海外業務的資產淨值由其功能貨幣換算為本集團的呈列貨幣（即港元）（「港元」）產生的匯兌差額，直接於其他全面收益中確認及於匯兌儲備中累計。該等於匯兌儲備累計的匯兌差額於出售海外業務時重新分類至保留盈利內。
- (f) 注資儲備指股東向本集團注入存貨。
- (g) 根據香港會計準則第32號金融工具：呈列，已發行可換股債券透過按其公平值（利用類似非可換股債項之市場利率釐定）確認負債部分，並將已收貨品公平值與負債部分公平值之間之差額計入權益部分，於初步確認時劃分為負債及權益部分。負債部分其後按攤銷成本列賬。權益部分於可換股債券儲備確認，直至可換股債券獲轉換（在此情況下轉移至股份溢價）或被贖回（在此情況下直接撥回至保留盈利）為止。
- (h) 法定一般儲備乃根據中華人民共和國（「中國」）的相關規則和規例以及本集團各相關公司的組織章程細則設立。中國公司須將董事會批准釐定的若干純利轉撥至法定一般儲備。

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2018

綜合現金流量表

截至2018年12月31日止年度

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Cash flows from operating activities	經營活動的現金流		
Profit before income tax from continuing operations	來自持續經營業務之除所得稅前溢利	20,596	139,811
Loss before income tax from discontinued operation	來自已終止經營業務之除所得稅前虧損	(4,355)	(7,143)
Adjustments for:	就下列各項作出調整：		
Finance costs	融資成本	1,915	4,563
Depreciation of property, plant and equipment	物業、廠房及設備折舊	14,410	13,816
Amortisation of interest in leasehold land	租賃土地權益攤銷	480	467
Amortisation of intangible assets	無形資產攤銷	145	-
Impairment loss recognised in respect of trade receivables	就貿易應收款項而確認之減值虧損	11,087	-
Loss arising in fair value change of contingent consideration receivable	應收或然代價公平值變動而產生之虧損	-	4,511
Interest income	利息收入	(2,016)	(1,134)
Written-off of property, plant and equipment	物業、廠房及設備撇銷	242	1,295
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	2,135	-
Write-down of obsolete inventories	陳舊存貨撇減	-	275
Operating cash flows before movements in working capital	營運資金變動前的經營現金流	44,639	156,461
(Increase)/decrease in inventories	存貨(增加)/減少	(41,835)	14,263
Increase in trade receivables, deposits, prepayments and other receivables	貿易應收款項、按金、預付款項及其他應收款項增加	(40,236)	(322,075)
(Increase)/decrease in amount due from a related company	應收一間關連公司款項(增加)/減少	(117)	126
Decrease/(increase) in amount due from a director	應收一名董事款項減少/(增加)	9,018	(18)
(Decrease)/increase in trade and other payables	貿易及其他應付款項(減少)/增加	(100,767)	65,955
Increase in contract liabilities	合約負債增加	1,822	-
Increase in amounts due to non-controlling interests	應付非控股權益款項增加	10	4
Decrease in amounts due to related companies	應付關連公司款項減少	(7,242)	(2,896)
Cash used in operations	營運所用的現金	(134,708)	(88,180)
Tax paid	已付稅項	(28,011)	(10,034)
Net cash used in operating activities	經營活動所用的現金淨額	(162,719)	(98,214)



		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Cash flows from investing activities	投資活動的現金流		
Purchase of property, plant and equipment	購買物業、廠房及設備	(31,535)	(2,581)
Purchase of intangible assets	購買無形資產	(8,036)	-
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	984	3
Purchase of available-for-sale financial assets	購買可供出售金融資產	-	(3,358)
Proceeds from disposal of financial assets through profit or loss	出售計入損益之金融資產所得款項	3,375	-
Prepayment for purchase of property, plant and equipment	購買物業、廠房及設備之預付款項	(9,600)	-
Net cash inflow from disposal of subsidiaries	出售附屬公司之現金流入淨額	1,020	-
Interest received	已收利息	2,016	1,134
Net cash used in investing activities	投資活動所用的現金淨額	(41,776)	(4,802)
Cash flows from financing activities	融資活動的現金流		
Proceed from exercise of share options	行使購股權所得款項	8,775	-
Proceeds from placement of new shares	配售新股所得款項	-	280,000
Advance from a director	一名董事的墊款	30,000	-
Repayment to a shareholder	向一名股東還款	(5,438)	-
Repayment of secured loan	償還有抵押貸款	(15,000)	-
Dividend paid to non-controlling interests	已付予非控股權益的股息	(42,515)	-
Interest paid	已付利息	(307)	(900)
Share issuing expenses	股份發行開支	-	(2,240)
Net cash (used in)/generated from financing activities	融資活動(所用)/產生的現金淨額	(24,485)	276,860
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨額	(228,980)	173,844
Cash and cash equivalents at the beginning of the reporting period	報告期初的現金及現金等價物	293,853	127,722
Effect of foreign exchange rate changes	匯率變動的影響	(8,190)	(7,713)
Cash and cash equivalents at the end of the reporting period	報告期末的現金及現金等價物	56,683	293,853

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2018

1. GENERAL

China Trustful Group Limited (the “Company”) was incorporated in Bermuda on 14 June 2010 as an exempted company with limited liability under the Companies Act 1981 of Bermuda. King Full Inc Limited, Top Bliss Holdings Limited and Smart Focus Inc Limited are substantial shareholders of the Company. The Company’s registered office is located at Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda. The Company’s principal place of business is located at Units 2610-2611, 26/F, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong.

The Company’s shares were listed on the GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 26 January 2011.

The consolidated financial statements are presented in HK\$, which is also the functional currency of the Company and all values are rounded to the nearest thousand (HK\$’000) except otherwise indicated.

The principal activity of the Company is investment holding. The principal activities of the Company’s subsidiaries (together with the Company referred to as the “Group”) are the retail and wholesale of luxury brand silverware, silver utensils and luxury goods in the PRC (the “Silverware Business”) and the research and development, manufacture and sale of rechargeable batteries, electric vehicles and related products and provision of related services (the “Electric Vehicle Business”). The Group was also engaged in the provision of sourcing and procurement solutions to customers for production of watches, costume jewelries, and display and packaging products (the “Sourcing Business”) which were discontinued since 18 May 2018.

Details of the principal activities of the Company’s subsidiaries are set out in note 38 to the consolidated financial statements.

綜合財務報表附註

截至2018年12月31日止年度

1. 一般資料

中國之信集團有限公司(「本公司」)於2010年6月14日在百慕達根據百慕達1981年公司法註冊成立為一間獲豁免有限公司。環灃有限公司、佳福控股有限公司及雋特有限公司均為本公司的主要股東。本公司的註冊辦事處位於Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda。本公司的主要營業地點位於香港干諾道中168-200號信德中心招商局大廈26樓2610-2611室。

本公司的股份自2011年1月26日起於香港聯合交易所有限公司(「聯交所」)GEM上市。

綜合財務報表乃按港元呈列，港元亦為本公司之功能貨幣。除另有指明外，各項數據均按四捨五入方式調整至最接近之千位(千港元)。

本公司的主要業務為投資控股。本公司附屬公司(連同本公司統稱「本集團」)的主要業務為於中國零售及批發奢侈品牌銀器、銀質餐具及奢侈品(「銀器業務」)及研發、生產及銷售充電電池、電動汽車及相關產品及提供相關服務(「電動汽車業務」)。本集團亦曾從事向客戶提供生產鐘錶、人造珠寶及陳列包裝品的貨源搜尋及採購解決方案(「貨源搜尋業務」)，該等業務已自2018年5月18日停止經營。

本公司附屬公司的主要業務詳情載於綜合財務報表附註38。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current year, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations (collectively referred to as the “new and revised HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), which are effective for the Group’s financial year beginning from 1 January 2018. A summary of the new and revised HKFRSs applied by the Group is set out as follows:

HKAS 28 (Amendments)	As part of the Annual Improvements to HKFRSs 2014-2016 Cycle
HKAS 40 (Amendments)	Transfers of Investment Property
HKFRS 2 (Amendments)	Classification and Measurement of Share-based Payment Transactions
HKFRS 4 (Amendments)	Applying HKFRS 9 <i>Financial Instruments</i> with HKFRS 4 <i>Insurance Contracts</i>
HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related Amendments
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration

Except as described below, the application of other new and revised HKFRSs in the current year has had no material impact on the Group’s financial performance and financial positions for the current and prior periods and/or on the disclosures set out in the notes to consolidated financial statements.

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)

本集團於本年度首次應用下列由香港會計師公會(「香港會計師公會」)頒佈並於本集團自2018年1月1日起財政年度生效之新訂及經修訂準則、修訂及詮釋(統稱為「新訂及經修訂香港財務報告準則」)。本集團應用的新訂及經修訂香港財務報告準則概要載列如下：

香港會計準則第28號(修訂本)	作為香港財務報告準則2014年至2016年週期之年度改進之一部分
香港會計準則第40號(修訂本)	投資物業之轉撥
香港財務報告準則第2號(修訂本)	以股份為基準之付款交易之分類及計量
香港財務報告準則第4號(修訂本)	香港財務報告準則第9號金融工具與香港財務報告準則第4號保險合約一併應用
香港財務報告準則第9號	金融工具
香港財務報告準則第15號	來自與客戶合約之收益及相關修訂
香港(國際財務報告詮釋委員會)－詮釋第22號	外幣交易及預付代價

除下文所述外，於本年度應用其他新訂及經修訂香港財務報告準則對本集團於本年度及過往年度之財務表現及財務狀況及／或該等綜合財務報表附註所載之披露並無重大影響。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

HKFRS 9 *Financial instruments*

In the current year, the Group has applied HKFRS 9 *Financial Instruments* and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) expected credit losses (“ECL”) for financial assets and 3) general hedge accounting.

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9, i.e. applied the classification and measurement requirements (including impairment under ECL model) retrospectively to instruments that have not been derecognised at 1 January 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised at 1 January 2018. The difference between carrying amounts at 31 December 2017 and the carrying amounts at 1 January 2018 are recognised in the opening retained earnings and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 *Financial Instruments: Recognition and Measurement*.

Accounting policies resulting from application of HKFRS 9 are disclosed in note 3.

Summary of effects arising from initial application of HKFRS 9

The table below illustrates the classification and measurement of financial assets and financial liabilities and other items subject to ECL under HKFRS 9 and HKAS 39 at the date of initial application, 1 January 2018.

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第9號金融工具

於本年度，本集中已應用香港財務報告準則第9號金融工具及其他香港財務報告準則的有關相應修訂。香港財務報告準則第9號引入有關下列各項之新規定：1)金融資產及金融負債的分類及計量，2)金融資產的預期信貸虧損(「預期信貸虧損」)，及3)一般對沖會計處理。

本集團已根據香港財務報告準則第9號所載的過渡條文應用香港財務報告準則第9號，即對於2018年1月1日(首次應用日期)尚未終止確認的工具追溯應用分類及計量要求(包括預期信貸虧損模式下的減值)，以及並無對已於2018年1月1日終止確認的工具應用相關要求。於2017年12月31日的賬面值與於2018年1月1日的賬面值之間的差額於年初保留盈利及其他權益部分確認，但並無重列比較資料。

因此，若干比較資料未必能與根據香港會計準則第39號金融工具：確認及計量編製的比較資料作比較。

因應用香港財務報告準則第9號而產生的會計政策於附註3披露。

首次應用香港財務報告準則第9號所產生的影響概要

下表說明根據香港財務報告準則第9號及香港會計準則第39號適用於預期信貸虧損的金融資產及金融負債以及其他項目於2018年1月1日首次應用日期的分類及計量。



2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

HKFRS 9 *Financial instruments* (Continued)

2. 採納新訂及經修訂香港財務報告準則(「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)

		HKAS 39 carrying amounts at 31 December 2017 於2017年 12月31日 根據香港會計 準則第39號 得出的賬面值 HK\$'000 千港元	Reclassification 重新分類 HK\$'000 千港元	Remeasurement 重新計量 HK\$'000 千港元	HKFRS 9 carrying amounts at 1 January 2018 於2018年 1月1日 根據香港財務 報告準則第9號 得出的賬面值 HK\$'000 千港元
Financial assets at fair value through profit and loss	按公平值計入損益之金融資產				
Available-for-sale financial assets (note a)	可供出售金融資產(附註a)	3,122	(3,122)	-	-
Financial assets at fair value through profit and loss	按公平值計入損益之金融資產	-	3,122	15	3,137

The following table summarises the impact of transition to HKFRS 9 on retained earnings at 1 January 2018:

下表概述於2018年1月1日過渡至香港財務報告準則第9號對保留盈利的影響：

		Retained earnings 保留盈利 HK\$'000 千港元
At 1 January 2018 (originally stated)	於2018年1月1日(原先呈列)	86,938
Remeasurement of unlisted debt securities measured at FVTPL at 1 January 2018	重新計量於2018年1月1日按公平值計入損益計量的非上市債務證券	15
At 1 January 2018 (restated)	於2018年1月1日(經重列)	86,953

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

HKFRS 9 Financial instruments (Continued)

Notes:

(a) Available-for-sale (“AFS”) financial assets

The unlisted debt securities with the carrying amount of approximately HK\$3,122,000 were reclassified from AFS financial assets to financial assets at fair value through profit or loss (“FVTPL”). This is because even though the Group’s business model is to hold financial assets in order to collect contractual cash flows, the cash flows of these investments do not meet the HKFRS 9 criteria as solely payments of principal and interest on the principal amount outstanding.

There was no material impact on the amounts recognised in relation to these assets from the application of HKFRS 9.

(b) Impairment under ECL model

The Group applies the HKFRS 9 simplified approach to measure ECL which uses a lifetime ECL for all trade receivables. Except for those which had been determined as credit impaired under HKAS 39, the remaining balances are grouped based on past due analysis. The Group has therefore estimated the expected loss rates for the trade receivables on the same basis.

Except for those which had been determined as credit impaired under HKAS 39, ECL for other financial assets at amortised cost, including deposits paid, compensation from profit guarantee, other receivables, amount due from a director and bank balances, are assessed on 12-month ECL (“12m ECL”) basis as there had been no significant increase in credit risk since initial recognition.

(c) Financial liabilities

There is no impact on the Group’s accounting for financial liabilities previously carried at amortised costs remained to be measured at amortised cost under HKFRS 9.

2. 採納新訂及經修訂香港財務報告準則(「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)

附註：

(a) 可供出售(「可供出售」)金融資產

賬面值約3,122,000港元的非上市債務證券已由可供出售金融資產重新分類為按公平值計入損益(「按公平值計入損益」)之金融資產，原因是儘管本集團的業務模式為持有金融資產以收取合約現金流量，惟該等投資的現金流量並不符合香港財務報告準則第9號有關純粹為支付本金及尚未償還本金利息之準則。

應用香港財務報告準則第9號並無對就該等資產確認的金額造成重大影響。

(b) 預期信貸虧損模式下的減值

本集團應用香港財務報告準則第9號的經簡化方法，使用全期預期信貸虧損以就所有貿易應收款項計量預期信貸虧損。除根據香港會計準則第39號被釐定為出現信貸減值的該等款項外，餘款乃根據逾期分析進行分組。因此，本集團已按相同基準估計貿易應收款項的預期虧損率。

除根據香港會計準則第39號被釐定為出現信貸減值的該等款項外，按攤銷成本計量的其他金融資產(包括已付按金、溢利保證之補償、其他應收款項、應收一名董事款項及銀行結餘)的預期信貸虧損乃按12個月預期信貸虧損(「12個月預期信貸虧損」)基準評估，原因是自初始確認以來信貸風險並無顯著增加。

(c) 金融負債

先前按攤銷成本計賬仍根據香港財務報告準則第9號按攤銷成本計量，故對本集團有關金融負債之會計處理並無影響。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

HKFRS 15 Revenue from Contracts with Customers

The Group has applied HKFRS 15 for the first time in the current year. HKFRS 15 superseded HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related interpretations.

The Group has applied HKFRS 15 retrospectively with the cumulative effect of initially applying this standard recognised at the date of initial application, 1 January 2018. Any difference at the date of initial application is recognised in the opening retained earnings and comparative information has not been restated. Furthermore, in accordance with the transition provisions in HKFRS 15, the Group has elected to apply the standard retrospectively only to contracts that are not completed at 1 January 2018. Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 18 *Revenue* and HKAS 11 *Construction Contracts* and the related interpretations.

As a result of the changes in the Group’s accounting policies, as explained below, except for the reclassification of the contract liabilities from trade deposits received of approximately HK\$789,000 at initial application, HKFRS 15 was generally applied without restating any other comparative information. The application of HKFRS 15 in the current period does not result in any impact on the amounts reported in the consolidated financial statements and/or disclosures set out in the consolidated financial statements except that, the Group has applied the following accounting policies on revenue with effect from 1 January 2018.

HKFRS 15 requires that revenue from contracts with customers be recognised upon the transfer of control over goods or services to the customer. As such, upon application, this requirement under HKFRS 15 resulted in immaterial impact to the consolidated financial statements as the timing of revenue recognition on sales of goods and commission and consultancy fee services is nearly unchanged. Thus, there was no impact on the Group’s consolidated statement of financial position as of 1 January 2018.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第15號來自與客戶合約之收益

本集團已於本年度首次應用香港財務報告準則第15號。香港財務報告準則第15號取代香港會計準則第18號收益及香港會計準則第11號建築合約及相關詮釋。

本集團已追溯應用香港財務報告準則第15號，而首次應用該準則的累計影響已於2018年1月1日首次應用當日確認。於首次應用當日的任何差異於年初保留盈餘確認，但並無重列比較資料。此外，根據香港財務報告準則第15號的過渡條文，本集團僅選擇對於2018年1月1日尚未完成的合約追溯應用該準則。因此，若干比較資料未必能與根據香港會計準則第18號收益及香港會計準則第11號建築合約及相關詮釋編製的比較資料作比較。

由於本集團會計政策變動，如下文所闡述，除於首次應用時由貿易已收按金約789,000港元重新分類合約負債，香港財務報告準則第15號已予全面應用，但並無重列任何其他比較資料。除本集團自2018年1月1日起就收入應用以下會計政策外，於本期間應用香港財務報告準則第15號並無導致對於綜合財務報表報告的金額及／或載於綜合財務報表的披露造成任何影響。

香港財務報告準則第15號要求於貨品或服務的控制權轉移至客戶時確認客戶合約收入。因此，於應用準則後，香港財務報告準則第15號的此項規定並無對綜合財務報表產生重大影響，原因是確認貨品銷售收入及佣金及諮詢費收入的時間幾乎不變。因此，並無對本集團於2018年1月1日的綜合財務狀況表產生影響。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

HKFRS 15 Revenue from Contracts with Customers

(Continued)

The Group recognises revenue from the following major sources which arise from contracts with customers:

- Sales of goods
- Commission and consultancy fee income

Information about the Group’s performance obligations and the accounting policies resulting from application of HKFRS 15 are disclosed in notes 3.

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKAS 1 and HKAS 8 (Amendments)	Definition of Material ³
HKAS 19 (Amendments)	Plan Amendment, Curtailment or Settlement ¹
HKAS 28 (Amendments)	Long-term interests in Associates and Joint Ventures ¹
HKFRS (Amendments)	Annual Improvements to HKFRSs 2015-2017 Cycle ¹
HKFRS 3 (Amendments)	Definition of a business ²
HKFRS 9 (Amendments)	Prepayment Features with Negative Compensation ¹
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁵
HKFRS 16	Leases ¹
HKFRS 17	Insurance Contracts ⁴
HK (IFRIC) – Int 23	Uncertainty over Income Tax Treatments ¹

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第15號來自與客戶合約之收益(續)

本集團自以下主要來源確認來自與客戶合約之收益：

- 貨品銷售
- 佣金及諮詢費收入

有關本集團履約責任及因應用香港財務報告準則第15號而應用的會計政策的資料於附註3披露。

本集團並無提早應用下列已頒佈但尚未生效的新訂及經修訂香港財務報告準則：

香港會計準則第1號及香港會計準則第8號(修訂本)	重大之定義 ³
香港會計準則第19號(修訂本)	計劃修訂、縮減或結清 ¹
香港會計準則第28號(修訂本)	於聯營公司及合營企業之長期權益 ¹
香港財務報告準則	香港財務報告準則2015年至2017年週期之年度改進 ¹
香港財務報告準則第3號(修訂本)	業務之定義 ²
香港財務報告準則第9號(修訂本)	具有負補償之提前還款特性 ¹
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營公司或合營企業之間之資產出售或注資 ⁵
香港財務報告準則第16號	租賃 ¹
香港財務報告準則第17號	保險合約 ⁴
香港(國際財務報告詮釋委員會) – 詮釋第23號	所得稅處理的不確定性 ¹

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

- 1 Effective for annual periods beginning on or after 1 January 2019.
- 2 Effective for business combination for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.
- 3 Effective for annual periods beginning on or after 1 January 2020.
- 4 Effective for annual periods beginning on or after 1 January 2021.
- 5 Effective for annual periods beginning on or after a date to be determined.

HKFRS 16 Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 Leases and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. In addition, HKFRS 16 requires sales and leaseback transactions to be determined based on the requirements of HKFRS 15 as to whether the transfer of the relevant asset should be accounted as a sale. HKFRS 16 also includes requirements relating to subleases and lease modifications.

Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for owned use while other operating lease payments are presented as operating cash flows. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows by the Group.

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

- 1 於2019年1月1日或以後開始之年度期間生效。
- 2 就收購日期為自2020年1月1日或之後開始之首個年度期間年初或之後之業務合併生效。
- 3 於2020年1月1日或以後開始之年度期間生效。
- 4 於2021年1月1日或以後開始之年度期間生效。
- 5 於將予釐定之日期或以後開始之年度期間生效。

香港財務報告準則第16號租賃

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一個綜合模式。當香港財務報告準則第16號生效時，將取代香港會計準則第17號租賃及相關的詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。此外，香港財務報告準則第16號規定售後租回交易須根據香港財務報告準則第15號有關轉讓相關資產是否應作為銷售入賬之規定而釐定。香港財務報告準則第16號亦包括有關分租及租賃修改之規定。

除短期租賃及低值資產租賃外，經營租賃及融資租賃的差異自承租人會計處理中移除，並由承租人須就所有租賃確認使用權資產及相應負債的模式替代。

使用權資產初步按成本計量，並隨後以成本(惟若干例外情況除外)減累計折舊及減值虧損計量，並就租賃負債任何重新計量而作出調整。租賃負債乃按租賃付款(非當日支付)之現值初步確認。隨後，租賃負債經(其中包括)利息及租賃付款以及租賃修訂的影響所調整。就現金流量分類而言，本集團目前將預付租賃款項呈列為與自用租賃土地有關的投資現金流量，其他經營租賃款項則呈列為經營現金流量。應用香港財務報告準則第16號後，本集團將有關租賃負債的租賃付款分配為本金及利息部分，其將以融資現金流量呈列。

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

HKFRS 16 Leases (Continued)

Furthermore, extensive disclosures are required by HKFRS 16.

At 31 December 2018, the Group has non-cancellable operating lease commitments of approximately HK\$5,904,000 as disclosed in note 32. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

In addition, the Group currently considers refundable rental deposits paid of approximately HK\$1,323,000 as rights and obligations under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost. Adjustments to refundable rental deposits paid would be considered as additional lease payments and included in the carrying amount of right-of-use assets.

The application of new requirements may result in changes in measurement, presentation and disclosure as indicated above. The Group intends to elect the modified retrospective approach for the application of HKFRS 16 as lessee and will recognise the cumulative effect of initial application to opening retained earnings without restating comparative information.

Except disclosed above, the directors do not anticipate that the application of other new and revised HKFRSs will have a material impact on the Group’s financial performance and financial positions.

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第16號租賃(續)

此外，香港財務報告準則第16號要求較廣泛的披露。

於2018年12月31日，本集團有不可撤銷的經營租賃承擔約5,904,000港元(如綜合財務報表附註32所披露)。初步評估顯示該等安排將符合租賃的定義。應用香港財務報告準則第16號後，本集團將就所有該等租賃確認使用權資產及對應負債，除非其符合低價值或短期租賃資格。

此外，本集團現時認為已付可退回租賃按金約1,323,000港元是租賃項下的權利及義務，適用於香港會計準則第17號。按香港財務報告準則第16號租賃付款的定義，上述按金並非與使用相關資產權利有關的付款，因此，上述按金的賬面值可予調整至經攤銷成本，而有關調整乃被視為額外租賃付款。已付可退回租賃按金的調整會被視為額外租賃付款，並計入使用權資產的賬面值內。

應用新規定可能導致上文所述的計量、呈列及披露有所變動。本集團(作為承租人)擬選擇經修訂追溯法應用香港財務報告準則第16號，並將確認首次應用對年初保留盈利的累計影響，但不會重列比較資料。

除上文所披露者外，董事預期，應用其他新訂及經修訂香港財務報告準則將不會對本集團財務業績及財務狀況造成重大影響。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with all applicable HKFRSs, which is a collective term that includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the HKICPA and accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “GEM Listing Rules”) and by the disclosure requirements of the Hong Kong Companies Ordinance.

3.2 Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

3. 主要會計政策概要

編製綜合財務報表所應用的主要會計政策載列如下。除另有指明外，該等政策已於所呈報年度貫徹應用。

3.1 合規聲明

綜合財務報表乃根據香港會計師公會頒佈的所有適用香港財務報告準則（包括所有適用個別香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋之統稱）及香港普遍採納的會計原則編製。此外，綜合財務報表包括聯交所GEM證券上市規則（「GEM上市規則」）及香港公司條例披露規定規定的適用披露事項。

3.2 編製基準

該等綜合財務報表乃按歷史成本基準編製，惟若干金融工具按各報告期末之公平值計量除外，有關詳情於下文會計政策闡述。

歷史成本一般按交換商品及服務時所付代價之公平值計量。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Basis of preparation (Continued)

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 or value in use in HKAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3. 主要會計政策概要(續)

3.2 編製基準(續)

公平值為市場參與者於計量日期在有序交易中出售資產可能收取或轉讓負債可能支付的價格，不論該價格是否直接觀察可得或使用另一種估值方法估計。估計資產或負債的公平值時，本集團考慮了市場參與者在計量日期為該資產或負債進行定價時將會考慮的資產或負債特徵。在該等綜合財務報表中計量及／或披露的公平值均在此基礎上予以確定，惟香港財務報告準則第2號範圍內的以股份為基礎付款交易、香港會計準則第17號範圍內的租賃交易以及與公平值類似但並非公平值的計量(例如，香港會計準則第2號中的可變現淨值或香港會計準則第36號中的使用價值)除外。

此外，就財務報告而言，公平值計量根據公平值計量之輸入數據可觀察程度及輸入數據對公平值計量之整體重要性分類為第一級、第二級或第三級，載述如下：

- 第一級輸入數據為實體於計量日期可以取得的相同資產或負債於活躍市場之報價(未經調整)；
- 第二級輸入數據為就資產或負債直接或間接地可觀察之輸入數據(第一級內包括的報價除外)；及
- 第三級輸入數據為資產或負債的不可觀察輸入數據。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

3. 主要會計政策概要(續)

3.3 綜合基準

綜合財務報表包括本公司及本公司所控制的實體及其附屬公司的財務報表。倘屬以下情況，則本公司取得控制權：

- 對投資對象行使權力；
- 因藉參與投資對象的業務而承擔風險或有權獲得可變回報；及
- 有能力行使其權力而影響其回報。

倘事實及情況表明以上所列控制權三個要素的一個或多個有所變動時，本集團重估其是否控制投資對象。

本集團於獲得附屬公司控制權時將附屬公司綜合入賬，並於失去附屬公司控制權時終止綜合入賬。具體而言，於本年度內購入或出售之附屬公司之收益及開支，按自本集團獲得控制權當日起至本集團失去附屬公司控制權當日止，計入損益內。

損益及各其他全面收益項目各部份歸屬於本公司擁有人及非控股權益。附屬公司之全面收益總額歸屬於本公司擁有人及非控股權益，即使此舉導致非控股權益結餘出現虧絀。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.3 Basis of consolidation (Continued)

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets, less liabilities of the subsidiary. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable HKFRS standards).

3.4 Subsidiaries

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect the amount of the investor's returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment loss, if any. The results of subsidiaries are accounted for by the Company on the basis of dividend receivable.

3. 主要會計政策概要(續)

3.3 綜合基準(續)

所有集團內公司間資產及負債、權益、收益、支出及現金流量(與本集團成員公司間之交易有關)均於綜合賬目時予以全數抵銷。

倘本集團失去對附屬公司的控制權，則於損益確認的出售收益或虧損乃按下列兩者之差額計算：(i)已收代價的公平值與任何保留權益的公平值的總和與(ii)附屬公司資產的過往賬面值減去負債。先前於其他全面收益確認有關該附屬公司的所有金額按猶如本集團直接出售該附屬公司的相關資產或負債入賬(即按適用香港財務報告準則所指定/允許而重新分類至損益或轉撥至另一權益類別)。

3.4 附屬公司

附屬公司為被投資方，本公司可對其行使控制權。倘下列三項因素全部出現時，本公司可控制被投資方：對被投資方擁有權力；藉參與被投資方業務而承擔風險或有權分享可變回報；及有能力利用對被投資方擁有權利影響投資者回報金額。當事實及情況顯示該等控制權的任何因素或會發生變動，控制權將會進行重新評估。

於本公司的財務狀況表中，於附屬公司的投資乃按成本減去減值虧損(如有)入賬。本公司按應收股息將附屬公司的業績入賬。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.5 Property, plant and equipment

Property, plant and equipment including building held for use in the production or supply of goods or services, are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the property, plant and equipment, the expenditure is capitalised as an additional cost of that asset.

Construction in progress represents property, plant and equipment under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowing funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

3. 主要會計政策概要(續)

3.5 物業、廠房及設備

物業、廠房及設備(包括用於生產或貨物供應或服務而持有之樓宇)以成本減去其後累計折舊及其後累計減值虧損(如有)後於綜合財務狀況表入賬。

資產的成本包括其購買價及使該項資產達至運作狀況及運至現址作擬定用途的任何直接應佔成本。物業、廠房及設備投入運作後所產生的開支，例如維修及保養費用，通常於其產生期間自損益中扣除。倘能明確證實該開支導致使用該項物業、廠房及設備預期可獲得的未來經濟利益有所增加，則該開支將資本化作該項資產的額外成本。

在建工程指興建中的物業、廠房及設備，以成本減任何減值虧損及未經折舊列示。成本包括建設的直接成本及建設期內有關借貸基金的資本化借貸成本。在建工程於完工及可供使用時重新劃分歸入物業、廠房及設備的適用分類。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.5 Property, plant and equipment (Continued)

Depreciation is recognised so as to write-off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The principal annual rates are as follows:

Buildings	5%
Leasehold improvements	5%–33%
Furniture, fixtures and equipment	20%
Plant and machinery	5%–20%
Motor vehicles	20%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.6 Interest in leasehold land

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “interest in leasehold land” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis.

3. 主要會計政策概要(續)

3.5 物業、廠房及設備(續)

折舊乃按資產的可使用年期以直線法確認，以撇銷其資產成本減剩餘價值。估計可使用年期、剩餘價值及折舊方法將於各報告期末檢討，而任何估計之變動影響按前瞻基準入賬。主要年率如下：

樓宇	5%
租賃裝修	5%–33%
傢俱、裝置及設備	20%
廠房及機器	5%–20%
汽車	20%

物業、廠房及設備項目於出售或預計不會因持續使用該項資產獲得未來經濟利益時終止確認。出售或停用物業、廠房及設備項目所產生的任何盈虧按出售所得款項與資產賬面值的差額釐定，並於損益確認。

3.6 租賃土地權益

倘一項租賃同時包括土地及樓宇部分，則本集團會分別依照各部分擁有權隨附之絕大部分風險及回報是否已轉移至本集團，評估各部分分類應被界定為融資或是經營租賃，除非兩個部分被清楚確定為經營租賃外，於此情況下，整份租賃歸類為經營租賃。具體而言，最低租約付款(包括任何一次性預付款項)會按訂立租賃時租賃土地部分與樓宇部分租賃權益之相關公平值，按比例於土地與樓宇部分之間分配。

倘能可靠地分配租賃款項，則經營租約之租賃土地之權益將作為「租賃土地權益」於綜合財務狀況表列賬，並按租賃年期以直線法攤銷。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.7 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis

3.8 Impairment of tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of tangible and intangible assets are estimated individually, when it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU, or otherwise they are allocated to the smallest group of CGU for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or the CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

3. 主要會計政策概要(續)

3.7 無形資產

單獨收購並具有有限可使用年期的無形資產乃按成本減累計攤銷及累計減值虧損列賬。攤銷按估計可使用年期以直線基準確認。估計可使用年期及攤銷法於各報告期末檢討，而任何估計變動影響則按前瞻基準入賬。

3.8 有形及無形資產減值

於各報告期末，本集團會檢討其具有有限可使用年期之有形及無形資產的賬面值，以釐定該等資產有否減值虧損跡象。倘存在減值虧損跡象，本集團將估計資產的可收回金額，以釐定減值虧損程度(如有)。

有形及無形資產的可收回金額乃個別估計，惟倘無法估計個別資產的可收回金額，本集團將估計該資產所屬現金產生單位(「現金產生單位」)的可收回金額。當可確定合理及連貫的分配基準時，企業資產亦分配至個別現金產生單位，否則，則將企業資產分配至能確定合理及連貫的分配基準的最小現金產生單位組別。

可收回金額為公平值減出售成本與使用價值之間的較高者。於評估使用價值時，估計未來現金流量會採用反映現時市場對貨幣時間價值及資產(並未調整估計未來現金流量)特殊風險評估的稅前貼現率，貼現至其現值。

倘估計資產(或現金產生單位)的可收回金額低於其賬面值，則該資產(或現金產生單位)的賬面值將減至其可收回金額。減值虧損將即時於損益中確認。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.8 Impairment of tangible and intangible assets

(Continued)

When an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a CGU) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.9 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on first-in-first-out or weighted average basis as appropriate and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as cost of sales in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as cost of sales in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is offset against the cost of sales in the period in which the reversal occurs.

3.10 Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3. 主要會計政策概要 (續)

3.8 有形及無形資產減值 (續)

倘減值虧損其後撥回，則資產（或現金產生單位）的賬面值增至經修訂估計的可收回金額，惟增加的賬面值不得超過有關資產（或現金產生單位）於過往年度並無確認減值虧損時原應釐定的賬面值。減值虧損撥回將即時於損益中確認。

3.9 存貨

存貨乃按成本值與可變現淨值兩者中較低者列賬。存貨成本乃按先入先出基準或加權平均法基準（如適用）計算釐定。如為在製品及成品，則包括直接原料、直接勞動力及適當部分之間接費用。可變現淨值指存貨估計售價減完成估計成本及銷售所需成本。

在出售存貨時，該等存貨的賬面值會於確認相關收入期間確認為銷售成本。將存貨價值撇減至可變現淨值之數額及所有存貨虧損於撇減或虧損期間確認為銷售成本。存貨撇減撥回之金額將於撥回期間內沖對銷售成本。

3.10 金融工具

金融資產及金融負債乃於集團實體成為有關工具合約條文的訂約方時確認。所有一般金融資產買賣均按交易日予以確認及終止確認。一般買賣乃指按照市場規定或慣例須在一定期限內交付資產之金融資產買賣。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.10 Financial instruments (Continued)

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 since 1 January 2018. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at FVTPL are recognised immediately in profit or loss.

Financial assets

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income which are derived from the Group's ordinary course of business are presented as other revenue and other income.

Classification of subsequent measurement of financial assets (upon application of HKFRS 9)

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3. 主要會計政策概要(續)

3.10 金融工具(續)

自2018年1月1日起，金融資產及金融負債初步按公平值計量，惟自客戶合約產生之貿易應收款項則初步根據香港財務報告準則第15號計量。收購或發行金融資產及金融負債(按公平值計入損益之金融資產除外)直接應佔之交易成本乃於初步確認時計入金融資產或金融負債之公平值，或從其公平值扣除(如適用)。收購按公平值計入損益之金融資產直接應佔之交易成本即時於損益內確認。

金融資產

實際利率法為計算金融資產或金融負債的攤銷成本及按相關期間分配利息收入及利息開支的方法。實際利率為於金融資產或金融負債的預期年期或(如適用)較短期間內將估計未來現金收入及付款(包括構成實際利率不可或缺一部分的所有已付或已收費用及貼息、交易成本以及其他溢價或折讓)準確貼現為於初步確認時的賬面淨值之利率。

本集團日常業務過程中產生的利息收入乃呈列為其他收入及其他收益。

金融資產其後計量之分類(應用香港財務報告準則第9號後)

符合下列條件的金融資產其後按攤銷成本計量：

- 金融資產乃以目的為收取合約現金流量的業務模式持有；及
- 金融資產的合約條款於指定日期產生的現金流量純粹為支付本金及未償還本金的利息。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.10 Financial instruments (Continued)

Financial assets (Continued)

Classification of subsequent measurement of financial assets (upon application of HKFRS 9) (Continued)

Financial assets that meet the following conditions are measured subsequently at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

3. 主要會計政策概要 (續)

3.10 金融工具 (續)

金融資產 (續)

金融資產其後計量之分類(應用香港財務報告準則第9號後)(續)

符合下列條件的金融資產其後透過其他全面收入按公平值列賬(「透過其他全面收入按公平值列賬」)計量：

- 金融資產乃以目的透過收取合約現金流量及出售金融資產而達到的業務模式持有；及
- 金融資產的合約條款於指定日期產生的現金流量純粹為支付本金及未償還本金的利息。

所有其他金融資產其後按公平值計入損益計量。

倘屬下列情況，金融資產會被分類為持作買賣：

- 購入之目的為於近期出售；或
- 於初步確認時屬於本集團整體管理之可識別金融工具組合之一部分，且近期事實上有出售以賺取短期溢利之模式；或
- 屬非指定及有效作為對沖工具之衍生工具。

此外，本集團可以不可撤回地將須按攤銷成本或透過其他全面收入按公平值列賬計量之金融資產指定為按公平值計入損益計量(倘若此舉可消除或顯著減少會計錯配情況)。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.10 Financial instruments (Continued)

Financial assets (Continued)

Classification of subsequent measurement of financial assets (upon application of HKFRS 9) (Continued)

(i) *Amortised cost and effective interest method*

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

(ii) *Financial assets at FVTPL*

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes interest earned on the financial asset and is included in the “other revenue and other income” line item.

3. 主要會計政策概要(續)

3.10 金融工具(續)

金融資產(續)

金融資產其後計量之分類(應用香港財務報告準則第9號後)(續)

(i) *攤銷成本及實際利率法*

利息收入就其後按攤銷成本計量之金融資產以實際利率法確認。除其後出現信貸減值之金融資產外，利息收入乃透過就金融資產總賬面值應用實際利率而計算。就其後出現信貸減值之金融資產而言，利息收入將自下個報告期起就金融資產攤銷成本按實際利率確認。如信貸減值金融工具之信貸風險降低以使金融資產不再出現信貸減值，則利息收入自確定資產不再出現信貸減值後之報告期初起就金融資產之總賬面值按實際利率確認。

(ii) *按公平值計入損益計量之金融資產*

不符合按攤銷成本或透過其他全面收入按公平值列賬計量或指定為透過其他全面收入按公平值列賬準則的金融資產乃按公平值計入損益計量。

按公平值計入損益計量之金融資產於各報告期末按公平值計量，而任何公平值收益或虧損均於損益內確認。於損益內確認的淨收益或虧損包括就金融資產賺取之任何利息，並計入「其他收入及其他收益」項目內。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.10 Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application HKFRS 9)

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including trade receivables, deposits paid, other receivables, amount due from a related company and cash and cash equivalents). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting period. Assessment are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables without significant financing component. The ECL on these assets are assessed individually for debts with significant balances or collectively using a provision matrix with appropriate groupings.

For all other financial instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

3. 主要會計政策概要(續)

3.10 金融工具(續)

金融資產(續)

金融資產之減值(應用香港財務報告準則第9號後)

本集團就根據香港財務報告準則第9號須予減值的金融資產(包括貿易應收款項、已付按金、其他應收款項、應收一間關連公司款項及現金及現金等價物)的預期信貸虧損確認虧損撥備。預期信貸虧損的金額於各報告日期更新，以反映自首次確認以來的信貸風險變動。

全期預期信貸虧損指於金融工具的預計年期內所有可能違約事件將產生的預期信貸虧損。相反，12個月預期信貸虧損(「12個月預期信貸虧損」)指預期因報告期後12個月內可能發生的違約事件而產生的全期預期信貸虧損中的一部分。評估乃基於本集團過往的信貸虧損經驗進行，並就應收賬項的特有因素、整體經濟狀況及對於報告日期當前狀況和未來狀況預測的評估作出調整。

本集團一直就並無重大融資部分的貿易應收款項確認全期預期信貸虧損。該等資產的預期信貸虧損乃就負有巨額結餘的應收賬項個別或使用已作合適分組的撥備矩陣集體予以評估。

就所有其他金融工具而言，本集團計量的虧損撥備相等於12個月預期信貸虧損，除非信貸風險自首次確認後顯著增加，則本集團會確認全期預期信貸虧損。有關應否確認全期預期信貸虧損的評估乃視乎自首次確認以來發生違約的可能性或風險有否顯著增加而進行。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.10 Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application HKFRS 9) (Continued)

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the end of the reporting period with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

3. 主要會計政策概要(續)

3.10 金融工具(續)

金融資產(續)

金融資產之減值(應用香港財務報告準則第9號後)(續)

(i) 信貸風險顯著增加

於評估信貸風險自首次確認後有否顯著增加時，本集團會就金融工具於報告期末發生違約的風險與金融工具於首次確認當日發生違約的風險進行比較。在進行該評估時，本集團會考慮合理且可支持的定量和定性資料，包括過往經驗及無需付出不必要的成本或努力便可獲得的前瞻性資料。

具體而言，在評估信貸風險自初始確認以來有否顯著增加時會計及以下資料：

- 金融工具的外部(如有)或內部信貸評級實際或預期明顯轉差；
- 某一特定金融工具的外部市場信貸風險指標明顯轉差；
- 業務、財務或經濟狀況出現預計會導致債務人償債能力大幅下降的現有或預計不利變化；
- 債務人的經營業績實際或預期明顯轉差；及
- 債務人所處之監管、經濟或技術環境出現導致債務人償債能力大幅下降的實際或預期重大不利變化。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.10 Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application HKFRS 9) (Continued)

(i) *Significant increase in credit risk (Continued)*

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) *Definition of default*

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

3. 主要會計政策概要 (續)

3.10 金融工具 (續)

金融資產 (續)

金融資產之減值 (應用香港財務報告準則第9號後) (續)

(i) *信貸風險顯著增加 (續)*

不論上述評估之結果如何，當合約付款逾期超過30天，則本集團會假定信貸風險自首次確認以來已顯著增加，除非本集團另有合理且可支持之資料證明。

本集團定期監察用以識別信貸風險有否顯著增加之準則之成效，並按適用情況修訂有關準則以確保能於款額逾期前識別信貸風險有否顯著增加。

(ii) *違約之定義*

就內部信貸風險管理而言，本集團認為，違約事件在內部制訂或得自外界來源的資料顯示債務人不大可能悉數向債權人(包括本集團)還款(未計及本集團所持任何抵押品)時發生。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.10 Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application HKFRS 9) (Continued)

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

3. 主要會計政策概要(續)

3.10 金融工具(續)

金融資產(續)

金融資產之減值(應用香港財務報告準則第9號後)(續)

(iii) 信貸減值金融資產

於發生對金融資產之估計未來現金流量有不利影響之一項或以上違約事件時，金融資產即出現信貸減值。顯示金融資產出現信貸減值之證據包括有關下列事件之可觀察數據：

- (a) 發行人或借款人出現重大財困；
- (b) 違反合約(如違約或逾期事件)；
- (c) 借款人的貸款人出於與借款人財務困難相關的經濟或合約原因，而向借款人授予貸款人原本不會考慮的優惠；
- (d) 借款人將可能面臨破產或其他財務重組；或
- (e) 金融資產因財務困難而失去活躍市場。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.10 Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application HKFRS 9) (Continued)

(iv) *Write-off policy*

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) *Measurement and recognition of ECL*

The measurement of ECL is a function of the probability of default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of the default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

3. 主要會計政策概要 (續)

3.10 金融工具 (續)

金融資產 (續)

金融資產之減值 (應用香港財務報告準則第9號後) (續)

(iv) *撤銷政策*

當有資料顯示對手方面對嚴重財困及無實際收回可能時，例如對手方被清盤或已進入破產程序時，或貿易應收款項逾期超過兩年時（以較早發生者為準），本集團會撤銷金融資產。於適當時並經考慮法律意見後，本集團仍可能根據收款程序強制執行被撤銷的金融資產。撤銷構成終止確認事件。其後收回之任何款項均在損益確認。

(v) *預期信貸虧損之計量及確認*

預期信貸虧損之計量為違約可能性（即出現違約時之損失幅度）及違約風險之函數。違約可能性及違約損失率乃按照歷史數據進行評估，並就前瞻性資料作出調整。預期信貸虧損估計反映無偏頗之概率加權平均金額，其乃根據加權時產生之相關違約風險而釐定。

一般而言，預期信貸虧損為根據合約應付本集團之所有合約現金流量與本集團預期收取之現金流量之間之差額，並按於首次確認時釐定之實際利率貼現。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.10 Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application HKFRS 9) (Continued)

(v) Measurement and recognition of ECL (Continued)

When ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped as below:

- Nature of financial instruments;
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

Classification and subsequent measurement of financial assets (before application of HKFRS 9 on 1 January 2018)

Financial assets are classified into the following specified categories: financial assets at FVTPL, AFS financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3. 主要會計政策概要 (續)

3.10 金融工具 (續)

金融資產 (續)

金融資產之減值 (應用香港財務報告準則第9號後) (續)

(v) 預期信貸虧損之計量及確認 (續)

倘預期信貸虧損按整體基準計量或迎合個別工具水平證據未必存在之情況，則金融工具按以下基準歸類：

- 金融工具之性質；
- 逾期狀況；
- 債務人之性質、規模及行業；及
- 外部信貸評級 (如有)。

管理層定期檢討分組，以確保各組之組成具有類似之信貸風險特徵。

利息收入按金融資產之總賬面值計算，除非金融資產出現信貸減值則除外，在該情況下，利息收入乃按金融資產之攤銷成本計算。

金融資產分類及其後計量 (於2018年1月1日應用香港財務報告準則第9號前)

金融資產劃分為以下特定類別：按公平值計入損益之金融資產、可供出售金融資產以及「貸款及應收款項」。該分類視乎金融資產的性質及用途而定，並於初步確認時釐定。所有一般金融資產買賣均按交易日予以確認及終止確認。一般買賣乃指按照市場規定或慣例須在一定期限內交付資產之金融資產買賣。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.10 Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (before application of HKFRS 9 on 1 January 2018) (Continued)

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is (i) contingent consideration that may be paid by an acquirer as part of a business combination to which HKFRS 3 applies, (ii) held for trading, or (iii) it is designated as at FVTPL.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. Fair value is determined in the manner described in note 35 to the consolidated financial statements.

3. 主要會計政策概要 (續)

3.10 金融工具 (續)

金融資產 (續)

金融資產分類及其後計量 (於2018年1月1日應用香港財務報告準則第9號前) (續)

按公平值計入損益之金融資產

當金融資產(i)為收購方可能支付的或然代價(作為香港財務報告準則第3號適用的業務合併的一部分); (ii)乃持作買賣;或(iii)被指定為按公平值計入損益時,其將被分類為按公平值計入損益之金融資產。

倘出現下列情況,金融資產(持作買賣之金融資產除外)可於初步確認時指定為按公平值計入損益:

- 有關指定抵銷或大幅減低計量或確認可能出現不一致之情況;或
- 金融資產構成一組金融資產或金融負債或兩者之一部分,並根據本集團既定風險管理或投資策略,按公平值基準管理及評估其表現,而分組資料則按該基準由內部提供;或
- 其為包括一項或多項內嵌式衍生工具之合約之一部分,而香港會計準則第39號容許將全部合併合約(資產或負債)指定為按公平值計入損益。

按公平值計入損益之金融資產按公平值列賬,而重新計量產生之任何盈虧於損益內確認。公平值按綜合財務報表附註35所述方式釐定。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.10 Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (before application of HKFRS 9 on 1 January 2018) (Continued)

AFS financial assets

AFS financial assets are non-derivatives that are either designated as AFS or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets as at FVTPL.

Dividend on AFS equity instruments are recognised in profit or loss when the Group has right to receive the dividends established.

AFS equity investments 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 investments are measured at cost less any identified impairment losses at the end of each reporting period.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade receivable, deposits paid, other receivables, amount due from a director and cash and cash equivalents) are measured at amortised cost using the effective interest method, less any identified impairment losses.

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

3. 主要會計政策概要(續)

3.10 金融工具(續)

金融資產(續)

金融資產分類及其後計量(於2018年1月1日應用香港財務報告準則第9號前)(續)

可供出售金融資產

可供出售金融資產為被指定為可供出售或未被分類為(a)貸款及應收款項；(b)持至到期投資；或(c)按公平值計入損益之金融資產之非衍生工具。

可供出售股本工具之股息在本集團收取股息的權利確立時於損益內確認。

就於活躍市場並無市場報價且其公平值無法可靠計量之可供出售股本投資，以及與其有關連且必須以交付該等無報價股本投資之方式結算之衍生工具而言，須於各報告期末按成本減任何已識別減值虧損計量。

貸款及應收款項

貸款及應收款項指於活躍市場並無報價之固定或可釐定付款之非衍生金融資產。貸款及應收款項(包括貿易應收款項、已付按金、其他應收款項、應收一名董事款項以及現金及現金等價物)乃使用實際利息法按攤銷成本減任何可識別減值虧損計量。

利息收入透過應用實際利率確認，惟確認利息影響不大之短期應收款項除外。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.10 Financial instruments (Continued)

Financial assets (Continued)

Loans and receivables (Continued)

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets that are carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

3. 主要會計政策概要(續)

3.10 金融工具(續)

金融資產(續)

貸款及應收款項(續)

金融資產(按公平值計入損益之金融資產除外)於各報告期末進行減值評估。倘有客觀證據證明金融資產於初步確認後出現一項或多項影響投資之估計未來現金流量之事宜，則金融資產將被視為出現減值。

就所有其他金融資產而言，客觀減值證據可包括：

- 發行人或交易方出現重大財政困難；或
- 違約，例如利息或本金付款出現逾期或拖欠情況；或
- 借款人可能面臨破產或進行財務重組；或
- 因財務困難導致該金融資產失去活躍市場。

應收款項組合出現減值之客觀證據可包括本集團過往收款記錄、平均信貸期後組合內延期還款次數增加以及國家或地區經濟狀況出現明顯變動導致應收款項未能償還。

就按攤銷成本列賬的金融資產而言，所確認的減值虧損金額為資產之賬面值與按金融資產原實際利率貼現之估計未來現金流量現值之差額。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.10 Financial instruments (Continued)

Financial assets (Continued)

Loans and receivables (Continued)

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the assets' carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale debt investments, impairment losses are subsequently reversed through profit or loss, if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

3. 主要會計政策概要 (續)

3.10 金融工具 (續)

金融資產 (續)

貸款及應收款項 (續)

就按成本值列賬之金融資產而言，減值虧損金額按資產賬面值與以類似金融資產之現行市場回報率折現之估計未來現金流量現值間之差額計量。該減值虧損不會於往後期間撥回。

金融資產之賬面值直接扣減所有金融資產之減值虧損，惟貿易應收款項之賬面值透過使用撥備賬扣除。撥備賬之賬面值變動於損益內確認。當貿易應收款項被視為不可收回時，會於撥備賬內撇銷。過往曾被撇銷但其後收回之款項則會計入損益。

就按攤銷成本計量之金融資產而言，倘減值虧損金額於往後期間減少，而有關減少與確認減值虧損後發生之事件有客觀關係，則過往確認之減值虧損將透過損益撥回，惟投資於減值撥回當日之賬面值不得超出並無確認減值時所應有之攤銷成本。

就可供出售債務投資而言，倘投資之公平值增加與確認減值虧損後發生之事件有客觀關係，則減值虧損將透過損益其後撥回。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.10 Financial instruments (Continued)

Financial assets (Continued)

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity instruments

Classification as Financial liabilities or equity

Financial liabilities and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

3. 主要會計政策概要(續)

3.10 金融工具(續)

金融資產(續)

終止確認金融資產

僅於資產現金流量之合約權利屆滿時，或將金融資產及該資產的擁有權之絕大部分風險及回報轉讓予另一實體時，本集團方會終止確認金融資產。倘本集團並無轉讓亦無保留擁有權的絕大部分風險及回報並繼續控制被轉讓資產，本集團確認其於資產之保留權益，並將可能需支付之款項確認為相關負債。若本集團保留已轉移金融資產擁有權的絕大部分風險及回報，本集團會繼續確認該項金融資產，亦就所收到之所得款項確認抵押借貸。

於終止確認按攤銷成本計量之金融資產時，該項資產的賬面值與已收及應收代價總額間的差額於損益中確認。

金融負債及股本工具

分類為金融負債或權益

金融負債及股本工具乃根據合約安排之內容及金融負債和股本工具之定義分類為金融負債或權益。

股本工具

股本工具乃證明一家實體於扣減其所有負債後之資產中擁有剩餘權益之任何合約。本集團發行之股本工具按收取之所得款項扣除直接發行成本後確認。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.10 Financial instruments (Continued)

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, are measured in accordance with the specific accounting policies set out below.

Financial liabilities at amortised cost

Financial liabilities including trade and other payables (excluding receipt in advance and trade deposits received), secured loan, convertible bonds, amount due to a shareholder, amounts due to non-controlling interests and amounts due to related companies are subsequently measured subsequently at amortised cost, using the effective interest method.

Convertible bonds

The component parts of the convertible bonds are classified separately as financial liability and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component (including any embedded non-equity derivatives features) is estimated by measuring the fair value of similar liability that does not have an associated equity component.

3. 主要會計政策概要(續)

3.10 金融工具(續)

金融負債

所有金融負債其後使用實際利率法按攤銷成本計量。

然而，因金融資產轉移不符合終止確認條件或繼續涉入被轉移金融資產所形成的金融負債乃按下文載列的特定會計政策計量。

按攤銷成本列賬之金融負債

金融負債(包括貿易及其他應付款項(不包括預收款項及貿易已收按金)、有抵押貸款、可換股債券、應付一名股東款項、應付非控股權益款項及應付關連公司款項)其後乃使用實際利息法按攤銷成本計量。

可換股債券

可換股債券的組成部分根據合約安排內容以及金融負債及股本工具之定義獨立分類為金融負債及權益。倘換股權以固定金額現金或其他金融資產換取固定數目之本公司股本工具的方式結算，則分類為股本工具。

於發行日期，負債部分的公平值(包括任何嵌入式非股本衍生工具)乃透過計量不包含相關權益部分的類似負債之公平值估算。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.10 Financial instruments (Continued)

Financial liabilities (Continued)

Convertible bonds (Continued)

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share premium. Where the conversion option remains unexercised at the maturity date of the convertible bonds, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible bonds using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3.11 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

3. 主要會計政策概要(續)

3.10 金融工具(續)

金融負債(續)

可換股債券(續)

分類為權益的換股權乃由複合工具整體之公平值扣除負債部分之金額而釐定。此金額在扣除所得稅影響後在權益確認入賬，其後將不會重新計量。此外，分類為權益的換股權將保留在權益中，直至換股權獲行使為止，而在此情況下，在權益中確認的結餘將轉撥至股份溢價。倘換股權於可換股債券到期日仍未獲行使，則在權益中確認的結餘將轉撥至保留盈利。在換股權獲轉換或到期時，不會於損益內確認任何盈虧。

與發行可換股債券有關之交易成本按所得款項總額分配比例分配至負債及權益部分。與權益部分有關之交易成本直接於權益扣除。與負債部分有關之交易成本計入負債部分之賬面值，並於可換股債券期限內按實際利率法攤銷。

終止確認金融負債

本集團僅在本集團之責任獲免除、取消或到期時，方會取消確認金融負債。取消確認之金融負債之賬面值與已付及應付代價之差額於損益內確認。

3.11 現金及現金等價物

現金及現金等價物包括銀行存款及手頭現金、存放於銀行及其他金融機構的活期存款以及隨時可轉換為已知金額現金及價值變動風險不大之高度流通短期投資。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.12 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.13 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. When inflow is virtually certain, an asset is recognised.

3. 主要會計政策概要(續)

3.12 撥備

倘本集團因過往事件而須承擔現時責任(法律或推定)，而本集團可能須履行該責任且該責任之金額能可靠估計，即會確認撥備。

確認為撥備之金額為於報告期末經計及有關責任之風險及不確定因素後，對履行現時責任所需代價作出之最佳估計。當撥備按履行現時責任估計所需之現金流量計量時，其賬面值為有關現金流量之現值(倘貨幣時間價值之影響屬重大)。

如果結算撥備所需之部分或全部經濟利益預期可自第三方收回，則應收款項只有在補償金額基本確定能夠收到及應收款項金額能夠可靠計量時，方會確認為資產。

3.13 或然負債及或然資產

或然負債指因已發生之事件而可能引起之責任，此責任需就某一宗或多宗未來不確定事件會否發生才能確認，而本集團並不能完全控制這些未來事件會否實現。或然負債亦可能是因已發生之事件引致之現有責任，但由於可能不需要消耗經濟資源，或責任金額未能可靠衡量而未有入賬。假若消耗資源之可能性改變導致可能出現資源消耗，此負債將被確認為撥備。

或然資產指因已發生之事件而可能產生之資產，該等資產需就某一宗或多宗未來不確定事件會否發生才能確認，而本集團並不能完全控制這些未來事件會否實現。在實質確定可獲得經濟效益時，方會確認資產。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.14 Revenue and other income

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2)

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- the Group’s performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract asset represents the Group’s right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group’s unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

3. 主要會計政策概要 (續)

3.14 收入及其他收益

客戶合約收入 (於根據附註2的過渡應用香港財務報告準則第15號後)

根據香港財務報告準則第15號，本集團於完成履約責任之時 (或就此) 確認收入，即於特定履約責任相關貨品或服務之「控制權」移交客戶之時。

履約責任指明確之貨品及服務 (或一批貨品或服務) 或一系列大致相同的明確貨品或服務。

控制權乃隨時間轉移，倘符合以下其中一項準則，則收入乃參照全面履行相關履約責任的進度而隨時間確認：

- 隨本集團履約，客戶同時取得並耗用本集團履約所提供之利益；
- 本集團因履約而創建及增強客戶於本集團履約時控制之資產；或
- 本集團之履約並無創建對本集團有替代用途之資產，且本集團對迄今已完成之履約付款具有可執行之權利。

否則，收入於客戶獲得明確貨品或服務之控制權時確認。

合約資產指本集團就向客戶轉讓之貨品或服務而收取代價，但尚未成為無條件之權利。其根據香港財務報告準則第9號進行減值評估。相反，應收款項指本集團收取代價之無條件權利，亦即代表代價到期支付前僅須待時間推移。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.14 Revenue and other income (Continued)

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. A contract asset and a contract liability relating to a contract are accounted for and presented on a net basis.

For contracts that contain more than one performance obligations, the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

Sales of goods

Revenue from sales of goods is recognised at a point in time when control of the products has transferred, being when the products are delivered to the customers and there is no unfulfilled obligation that could affect the customer's acceptance of the product and collectability of the related receivables is reasonably assured.

Services rendered

Revenue for services rendered mainly includes design and consultancy services and is recognised at a point in time when services are rendered.

3. 主要會計政策概要(續)

3.14 收入及其他收益(續)

合約負債指本集團就已向客戶收取之代價(或代價已到期支付)而承擔向該客戶轉讓貨品或服務之責任。與合約有關之合約資產及合約負債乃按淨額基準入賬及呈列。

就包含超過一項履約責任之合約而言，本集團按相對獨立售價基準將交易價格分配至各履約責任。

銷售貨品

來自銷售貨品之收入於產品控制權轉讓時(即產品交付予客戶之時)，以及並無或會影響客戶接納產品之未履行責任且能合理確定能收回相關應收款項之時確認。

提供服務

來自提供服務之收入主要包括設計及諮詢服務，並於提供服務之時確認。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.14 Revenue and other income (Continued)

Interest income

Interest income is recognised as it accrues using the effective interest method.

Government grant

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Revenue recognition (prior to 1 January 2018)

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods and services supplied, net of value-added tax, returns, rebates and discounts.

Revenue from sales of goods is recognised on transfer of risks and rewards of ownership, which generally coincides with the time when the products are delivered to customers and title is passed.

Revenue from commission income is recognised upon certain level of sales is achieved.

Revenue from consultancy services income is recognised when the services are rendered.

Revenue from freight income is recognised when the services are rendered.

Interest income from financial asset is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

3. 主要會計政策概要(續)

3.14 收入及其他收益(續)

利息收入

利息收入於產生時按實際利率法確認。

政府補助

政府補助於可合理保證本集團將遵守補助金附帶的條件及收取補助金時方予確認。

作為就已產生費用或損失的補償或向本集團提供即時財務資助(並無日後相關成本)而可收取的政府補助金，乃於其成為可收取之期間於損益中確認。

收入確認(於2018年1月1日前)

收入按已收或應收代價之公平值計量。收入指就所供應貨品及所提供服務收取之款項(扣除增值稅、退貨、回扣及折扣)。

貨品銷售收入在所有權之風險及報酬轉移時確認，一般與產品送交客戶及所有權轉移之時間相同。

來自佣金收益之收入於銷售達致一定水平時確認。

來自諮詢服務收益之收入於提供服務時確認。

來自運輸收益之收入於提供服務時確認。

金融資產之利息收入乃參考未償還本金額及適用實際利率，按時間基準累計，實際利率為將估計未來現金收入透過金融資產預期壽命準確地折現為該資產的賬面淨值之利率。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.15 Leasing

All leases are classified as operating leases.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a reduction of rental expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

3.16 Employee benefits

Retirement benefit obligations

Payments to Mandatory Provident Fund Scheme (the “MPF Scheme”) and state-managed retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

Retirement benefit obligations Payments to Mandatory Provident Fund Scheme (the “MPF Scheme”) and state-managed retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

Under the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees’ relevant income, with the employers’ contributions subject to a cap of monthly relevant income of HK\$30,000. The Group’s contributions to the scheme are expensed as incurred and are vested in accordance with the scheme’s vesting scales. Where employees leave the scheme prior to the full vesting of the employer’s contributions, the amount of forfeited contributions is used to reduce the contributions payable by the Group.

3. 主要會計政策概要(續)

3.15 租賃

所有租賃均分類為經營租賃。

本集團作為承租人

經營租賃付款乃按租期以直線基準確認為開支，除非另有系統基準更能反映租賃資產消耗所產生經濟利益之時間模式則作別論。

倘訂立經營租賃時收取租賃優惠，則有關優惠會按直線基準於租期內確認為租金開支扣減，除非有另一系統化基準更能反映租賃資產的經濟利益被消耗的時間模式則作別論。

3.16 僱員福利

退休福利責任

向強制性公積金計劃(「強積金計劃」)及國家管理退休福利計劃供款乃於僱員已提供服務並可享有供款時確認為開支。

向強制性公積金計劃(「強積金計劃」)及國家管理退休福利計劃供款之退休福利責任乃於僱員已提供服務並可享有供款時確認為開支。

根據強積金計劃，僱主及僱員均須按僱員有關收入之5%向計劃作出供款，惟僱主供款以每月有關收入30,000港元為上限。本集團的計劃供款於產生時支銷，並根據計劃歸屬程度歸屬。倘僱員於有權享有僱主供款之前退出計劃，沒收之供款將用作扣減本集團的應付供款。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.16 Employee benefits (Continued)

Retirement benefit obligations (Continued)

The employees employed by the Group's subsidiaries in PRC are members of state-managed retirement benefit schemes operated by the government of the PRC. The subsidiaries are required to contribute a specific percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits schemes operated by the government of the PRC is to make the specified contributions under the schemes.

Share-based payment expenses

For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share-based payment reserve will be transferred to share premium. When share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payment reserve will be transferred to retained earnings.

3. 主要會計政策概要 (續)

3.16 僱員福利 (續)

退休福利責任 (續)

本集團於中國的附屬公司旗下僱員為中國政府所營運的國家管理退休福利計劃成員。該等附屬公司須按僱員薪金的指定百分比向退休福利計劃支付供款，藉此為福利撥資。本集團就中國政府所營運的退休福利計劃所負唯一責任乃向該等計劃作出所須供款。

以股份為基礎之支付開支

就於授出日期即時歸屬的購股權而言，所授出購股權之公平值即時於損益列支。

行使購股權時，先前於以股份為基礎之付款儲備確認的金額將轉撥至股份溢價。倘購股權於歸屬日期後被沒收或於屆滿日期時仍未獲行使，先前於以股份為基礎之付款儲備確認的金額將轉撥至保留盈利。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.17 Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity under the heading of "translation reserve" (attributed to non-controlling interests as appropriate).

3.18 Borrowings 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 added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

3. 主要會計政策概要(續)

3.17 外幣

於編製各個別集團實體的財務報表時，以該實體功能貨幣以外的貨幣(外幣)進行的交易均按交易日期之現行匯率確認。於各報告期末，以外幣列值的貨幣項目均按該日之現行匯率重新換算。按公平值以外幣列值的非貨幣項目，乃按於公平值釐定當日之現行匯率重新換算。按過往成本計量以外幣列值的非貨幣項目毋須重新換算。

於結算及重新換算貨幣項目所產生的匯兌差額，於其產生期間在損益內確認。

就呈報綜合財務報表而言，本集團海外業務的資產及負債按各報告期末之現行匯率換算為本集團的呈報貨幣(即港元)。收入及開支項目按該期間平均匯率換算，除非該期間匯率大幅波動，於該情況下，則採用於交易日期之匯率。所產生的匯兌差額(如有)乃於其他全面收益確認，並於權益之「換算儲備」項下之獨立部份累計(歸屬於非控股權益(如適用))。

3.18 借貸成本

直接來自收購、建設或生產需要一段長時間方能用作其擬定用途或出售之合資格資產之借貸成本，乃計入該等資產之成本，直至該等資產大致上已可用作其擬定用途或出售為止。

所有其他借貸成本於彼等產生期間在損益確認。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.19 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before income tax' as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes 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

Deferred tax is recognised on temporary 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. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

3. 主要會計政策概要(續)

3.19 稅項

所得稅開支指現時應付稅項及遞延稅項之總和。

即期稅項

現時應付稅項乃按年內應課稅溢利計算。應課稅溢利不計入其他年度的應課稅或可扣稅收支項目，亦不計入毋須課稅或不獲扣稅項目，故有別於綜合損益及其他全面收益表所呈報「除所得稅前溢利」。本集團即期稅項之負債使用於報告期末前已頒佈或實質上已頒佈之稅率計算。

遞延稅項

就綜合財務報表內資產及負債的賬面值與計算應課稅溢利所採用相應稅基的暫時差額確認遞延稅項。一般將會就所有應課稅暫時差額確認遞延稅項負債。遞延稅項資產則一般於可能有可扣減暫時差額用以對銷應課稅溢利時予以確認。倘暫時差額因首次確認一項不影響應課稅溢利或會計溢利之交易的資產及負債而產生，則有關遞延稅項資產及負債不予確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.19 Taxation (Continued)

Deferred tax (Continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, 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. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to 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 in which the liability is settled or the asset is realised, based on tax laws and tax rates that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets 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.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3. 主要會計政策概要 (續)

3.19 稅項 (續)

遞延稅項 (續)

遞延稅項負債會就與投資附屬公司相關的應課稅暫時差額進行確認，惟倘本集團能夠控制暫時差額之撥回及有關暫時差額很可能不會於可見未來撥回則除外。與該等投資相關的可扣減暫時差額所產生遞延稅項資產僅於可能有足夠應課稅溢利以使用暫時差額作抵銷且預計於可見未來撥回時方始確認。

遞延稅項資產的賬面值在各報告期末進行檢討，並於並無足夠應課稅溢利可用以撥回所有或部份資產時作出相應扣減。

遞延稅項以報告期末已頒佈或實質上已頒佈之稅法及稅率為基礎，按預期清償該負債或實現該資產當期適用之稅率計算。

遞延稅項負債及資產之計量，反映本集團在報告期末預期收回或清償其資產及負債賬面值的方式所導致的納稅後果。

本年度即期及遞延稅項

即期及遞延稅項於損益內確認，惟當其與於其他全面收益或直接於權益內確認之項目相關則除外，於該情況下，即期及遞延稅項亦分別於其他全面收益或直接於權益內確認。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.20 Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3.21 Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographic area of operations, or is a subsidiary acquired exclusively with a view to resale.

When an operation is classified as discontinued, a single amount is presented in the consolidated statement of profit or loss and other comprehensive income, 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.

3. 主要會計政策概要(續)

3.20 分部報告

經營分部及綜合財務報表內呈報各分部項目的金額，乃取自定期提供予本集團最高行政管理人員用作向本集團各項業務及地點分配資源並評估其表現的財務資料。

個別重大的經營分部不會就財務報告目的而合計，除非有關分部具有類似經濟特性，且具有類似的產品及服務性質、生產工序性質、客戶類型或類別、分銷產品或提供服務方法，以及監管環境性質。個別非重大的經營分部倘符合上述大多數準則可予合計。

3.21 已終止經營業務

已終止經營業務為本集團業務之組成部分，其營運及現金流量可與本集團其他業務清楚區分，其為獨立的主要業務線或營運地區，或純粹為轉售而收購之附屬公司。

倘業務分類為已終止經營，則會於綜合損益及其他全面收益表按單一數額呈列，當中包括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量公平值減銷售成本或於出售時確認之除稅後收益或虧損。



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.22 Related parties

A party is considered to be related to the Group if:

- (a) A person, or a close member of that person's family, is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) both entities are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

3. 主要會計政策概要(續)

3.22 關連人士

倘任何人士符合以下條件，則視為本集團的關連人士：

- (a) 一名人士或其近親倘符合以下條件，則與本集團有關連：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司的主要管理層成員。
- (b) 一間實體倘符合下列任何條件，則與本集團有關連：
 - (i) 該實體與本集團屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司相互關連)；
 - (ii) 一間實體為另一實體的聯營公司或合營企業(或另一實體母公司旗下成員公司的聯營公司或合營企業)；
 - (iii) 該實體及本集團均為同一第三方的合營企業；
 - (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.22 Related parties (Continued)

- (b) (Continued)
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

A related party transaction is a transfer of resources, services or obligation between the Group and a related party, regardless of whether a price is charged.

Close family members of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

3. 主要會計政策概要 (續)

3.22 關連人士 (續)

- (b) (續)
- (v) 該實體為離職後福利計劃，該計劃的受益人為本集團或與本集團有關的實體的僱員；
 - (vi) 該實體由(a)項所述人士控制或共同控制；
 - (vii) 於(a)(i)項所述人士對該實體有重大影響或屬該實體(或該實體的母公司)主要管理層成員；或
 - (viii) 實體、或一間集團之任何成員公司(為集團之一部分)向集團或集團之母公司提供主要管理人員服務。

關連人士交易指本集團與關連人士之間的資源、服務或責任轉移，無論是否產生費用。

該人士的近親為與該實體交易時預期可能影響該人士或受該人士影響的家庭成員。



4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3 to the consolidated financial statements, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The followings are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Assessment of economic useful lives of fixed assets and intangible assets

Fixed assets and intangible assets with finite useful lives are depreciated and amortised over their economic useful lives. The assessment of estimated useful lives is a matter of judgement based on the experience of the Group, taking into account factors such as technological progress, changes in market demand, expected usage and physical wear and tear. Useful lives are periodically reviewed for continued appropriateness. Due to long lives of assets, changes to the estimates used can result in variations in their carrying amounts.

4. 估計不確定因素之主要來源

於應用本集團之會計政策（於綜合財務報表附註3內闡述）時，董事須作出有關未能從其他來源輕易獲得之資產及負債賬面值之判斷、估計及假設。該等估計及相關假設乃基於過往經驗及被認為有關的其他因素。實際業績可能不同於該等估計。

此等估計及相關假設乃按持續經營基準予以檢討。倘會計估計之修訂僅影響估計獲修訂之期間，則會計估計之修訂於該期間予以確認，倘修訂影響現時及未來期間，則會計估計之修訂於修訂及未來期間內予以確認。

以下為報告期末有關未來之主要假設及估計不確定因素之其他主要來源，此等假設及來源或會對下一財政年度資產及負債賬面值，造成須作出大幅調整之重大風險。

固定資產及無形資產之經濟可使用年期評估

具有有限可使用年期之固定資產及無形資產須於其經濟可使用年期內折舊及攤銷。評估估計可使用年期乃根據本集團的經驗作出判斷，並考慮如技術進步、市場需求變動、預期用法及實物損耗等因素。本集團會定期檢討可使用年期的持續適用性。由於資產使用年期較長，估計變動會影響其賬面值。



4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Estimated impairment of property, plant and equipment, interest in leasehold land and intangible assets

The Group test whether property, plant and equipment, interest in leasehold land and intangible assets suffered any impairment whenever an impairment indication exists. In accordance with note 3 to the consolidated financial statements, an impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, it is reasonably possible, based on existing knowledge, that outcomes within the next financial period that are different from assumptions could require a material adjustment to the carrying amounts of property, plant and equipment, interest in leasehold land and intangible assets.

Income taxes

The Group is subject to income taxes in various jurisdictions. Significant judgement is required in determining provision for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises tax liabilities based on estimates of whether additional taxes will be due. 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 year in which such determination is made.

Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on the current market condition and the historical experience on selling goods of similar nature. It could change significantly as a result of change in market condition. The directors will reassess the estimations at the end of each reporting period.

4. 估計不確定因素之主要來源 (續)

物業、廠房及設備、租賃土地權益及無形資產之減值估計

本集團於物業、廠房及設備、租賃土地權益及無形資產出現減值跡象時，檢測兩者是否存在任何減值。根據綜合財務報表附註3，倘資產的賬面值高於其可收回金額，則按差額確認減值虧損。基於對現有情況的瞭解，可以合理認為，倘於未來財政期間的結果有別於假設，則可能須對物業、廠房及設備、租賃土地權益及無形資產的賬面值作出重大調整。

所得稅

本集團須於多個司法權區繳納所得稅。於釐定稅項撥備時須作出重大判斷。於日常業務過程中，多項交易及計算均難以確定最終稅項。本集團按會否繳納額外稅項之估計，確認稅項負債。倘該等事宜的最終稅務結果與最初記錄的金額不同，有關差額將影響釐定年度的所得稅及遞延稅項撥備。

存貨可變現淨值

存貨可變現淨值為日常業務過程中的估計售價減估計完成成本及銷售開支。該等估計乃基於目前市況及類似性質銷售貨品之過往經驗而定，可因市況變動而大幅變動。董事將於各報告期末重新評估該等估計。

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Provision of ECL for trade receivables

The Group uses provision matrix to calculate ECL for the trade receivables. The provision rates are based on management judgement as groupings of various debtors that have similar loss patterns. The provision matrix is based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At the end of each reporting period, the historical observed default rates are reassessed and changes in the forward-looking information are considered. In addition, trade receivables with significant balances and credit impaired are assessed for ECL individually.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's trade receivables are disclosed in note 35.

5. REVENUE

Disaggregation of revenue from contracts with customers:

Continuing operations	持續經營業務	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Type of goods or services	貨品或服務類型		
Sales of goods:	貨品銷售：		
– Watches	– 鐘錶	–	11,703
– Silverware	– 銀器	38,498	46,226
– Electric vehicles and related products	– 電動汽車及相關產品	106,824	387,439
– Porcelain	– 瓷器	3,034	11,323
Commission and consultancy fee income	佣金及諮詢費收入	67,340	68,578
		215,696	525,269
			2018 HK\$'000 千港元
Timing of revenue recognition	確認收益之時間		
At a point in time	於某一時間點		215,696

Transaction allocated to the remaining performance obligation for contracts with customers

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its revenue such that the Group does not disclose information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts as all contract works have an original expected duration of one year or less.

4. 估計不確定因素之主要來源 (續)

貿易應收款項的預期信貸虧損撥備

本集團使用撥備矩陣計算貿易應收款項的預期信貸虧損。撥備率基於管理層對具有類似虧損模式之不同債務人組別之判斷。撥備矩陣基於本集團之歷史違約率，當中考慮無需付出不必要之成本或努力便可獲得之合理且可支持之前瞻性資料。於各報告期末，可觀察之歷史違約率會重新評估，並考慮前瞻性資料之變動。此外，具有大額結餘及出現信貸減值之貿易應收款項會個別進行預期信貸虧損評估。

預期信貸虧損撥備容易受估計變動影響。有關預期信貸虧損及本集團貿易應收款項的資料於附註35披露。

5. 收入

來自與客戶合約收入之分拆：

Continuing operations	持續經營業務	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Type of goods or services	貨品或服務類型		
Sales of goods:	貨品銷售：		
– Watches	– 鐘錶	–	11,703
– Silverware	– 銀器	38,498	46,226
– Electric vehicles and related products	– 電動汽車及相關產品	106,824	387,439
– Porcelain	– 瓷器	3,034	11,323
Commission and consultancy fee income	佣金及諮詢費收入	67,340	68,578
		215,696	525,269
			2018 HK\$'000 千港元
Timing of revenue recognition	確認收益之時間		
At a point in time	於某一時間點		215,696

分配至與客戶合約餘下履約責任之交易

本集團就其收入應用香港財務報告準則第15號第121段之可行權宜方法，致使本集團不用披露有關本集團於履行合約餘下履約責任時將享有收益之資料，因所有合約工作均有原預期的一年或以下期限。



6. OTHER REVENUE AND OTHER INCOME

6. 其他收入及其他收益

Continuing operations	持續經營業務	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Interest income	利息收入	1,960	980
Foreign exchange gain	匯兌收益	461	1,264
Government grant (note)	政府補助(附註)	962	954
Sundry income	雜項收入	794	318
		4,177	3,516

Note: Government grants of approximately HK\$962,000 (2017: HK\$954,000) have been received during the year ended 31 December 2018. There were no unfulfilled conditions or contingencies relating to these government grants.

附註：截至2018年12月31日止年度，已收取之政府補助約962,000港元（2017年：954,000港元）。該等政府補助並無涉及尚未達成的條件或然情況。

7. SEGMENT INFORMATION

The management reviews the Group's internal reporting for performance assessment between segments and resource allocation. The management has determined the operating segments based on business lines (products and services) and geographical areas. The management has determined that the Group is organised into two main operating segments: (i) Silverware Business; and (ii) Electric Vehicle Business. The management measures the performance of the segments based on their respective segment results.

7. 分部資料

管理層檢討本集團的內部報告以在分部及資源分配中對表現進行評估。管理層按業務（產品及服務）及地域劃分經營分部。管理層已確定將本集團業務分為兩個主要經營分部：(i)銀器業務；及(ii)電動汽車業務。管理層根據彼等各自的分部業績衡量各分部的表現。

The principal products and services of each of these operations are as follows:

該等業務各自的主要產品及服務如下：

Silverware Business 銀器業務	Retail and wholesale of luxury brand silverware, silver utensils and luxury goods in the PRC 於中國零售及批發奢侈品牌銀器、銀質餐具及奢侈品
Electric Vehicle Business 電動汽車業務	Research and development, manufacture and sale of rechargeable batteries, electric vehicles and related products and provision of related services 研發、生產及銷售充電電池、電動汽車及相關產品並提供相關服務

7. SEGMENT INFORMATION (Continued)

An operating segment regarding provision of sourcing (including product design, product development, raw material sourcing and production outsourcing) and procurement (including quality and assurance control, logistics and delivery handling service) solutions to customers for production of watches, costume jewelries, and display and packaging products (referred to as "Sourcing Business") was discontinued in the current year which are described in more detail in note 10.

Segment revenue and segment results

Information regarding the Group's reportable operating segments including the reconciliations to profit before income tax are as follows. The segment information reported below does not include any figures for the discontinued operation.

7. 分部資料 (續)

向客戶提供生產鐘錶、人造珠寶及陳列包裝品的貨源搜尋(包括產品設計、產品開發、原材料採購及生產外判)及採購(包括質量與質保控制、物流及交付服務)解決方案(稱為「貨源搜尋業務」)之經營分部於本年度終止經營，該等情況詳述於附註10。

分部收入及分部業績

有關本集團可報告經營分部的資料(包括除所得稅前溢利的對賬)如下。下文所報告的分部資料不包括已終止經營業務的任何數據。

		Silverware Business 銀器業務 HK\$'000 千港元	Electric Vehicle Business 電動汽車 業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 31 December 2018	截至2018年 12月31日止年度			
Reportable segment revenue (note (a))	可報告分部收入 (附註(a))	41,532	174,164	215,696
Reportable segment profit	可報告分部溢利	16,690	22,054	38,744
Interest income	利息收入			1,960
Corporate income and expenses	企業收入及開支			(20,108)
Profit before income tax	除所得稅前溢利			20,596
Adjusted earnings before interest, tax, depreciation and amortisation (note (b))	經調整除利息、稅項、 折舊及攤銷前 盈利(附註(b))	17,356	35,327	52,683

7. SEGMENT INFORMATION (Continued)
Segment revenue and segment results (Continued)

7. 分部資料 (續)
分部收入及分部業績 (續)

		Silverware Business 銀器業務 HK\$'000 千港元	Electric Vehicle Business 電動汽車 業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 31 December 2017	截至2017年12月31日 止年度			
Reportable segment revenue (note (a))	可報告分部收入 (附註(a))	69,252	456,017	525,269
Reportable segment profit	可報告分部溢利	40,368	122,731	163,099
Interest income	利息收入			980
Loss arising in fair value change of contingent consideration receivable	應收或然代價公平值 變動而產生之虧損			(4,511)
Corporate income and expenses	企業收入及開支			(19,757)
Profit before income tax	除所得稅前溢利			139,811
Adjusted earnings before interest, tax, depreciation and amortisation (note b))	經調整除利息、稅項、 折舊及攤銷前盈利 (附註(b))	41,615	135,054	176,669

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represent profit earned by each segment without allocation of interest income, loss arising in fair value change of contingent consideration receivable, central administrative income and expenses including partial other revenue and other income, directors' remuneration and partial finance costs under the heading of "corporate income and expenses". This is the measure reported to management for the purposes of performance assessment between segments and resource allocation.

經營分部之會計政策與本集團的會計政策一致。分部業績指各分部賺取之溢利，惟並無分配利息收入、應收或然代價公平值變動而產生之虧損、中央行政收入及開支（包括「企業收入及開支」項下之部分其他收益及其他收入、董事酬金及部分融資成本）。此計量方法呈報予管理層作為評估分部及資源分配間的表現之用。



7. SEGMENT INFORMATION (Continued)

Segment assets and liabilities

Information regarding the Group's reportable segments assets and liabilities are as follows:

7. 分部資料(續)

分部資產及負債

有關本集團可報告分部資產及負債的資料如下：

		Continuing operations 持續經營業務		Discontinued operation 已終止經營業務		Total 總計
		Silverware Business 銀器業務 HK\$'000 千港元	Electric Vehicle Business 電動汽車 業務 HK\$'000 千港元	Sub- total 小計 HK\$'000 千港元	Sourcing Business 貨源搜尋 業務 HK\$'000 千港元	
At 31 December 2018	於2018年12月31日					
Reportable segment assets	可報告分部資產	21,161	689,736	710,897	-	710,897
Unallocated assets	未分配資產					11,229
Total assets	總資產					722,126
Reportable segment liabilities	可報告分部負債	1,754	21,979	23,733	-	23,733
Unallocated liabilities	未分配負債					49,763
Total liabilities	總負債					73,496
At 31 December 2017	於2017年12月31日					
Reportable segment assets	可報告分部資產	86,127	633,401	719,528	44,227	763,755
Unallocated assets	未分配資產					141,738
Total assets	總資產					905,493
Reportable segment liabilities	可報告分部負債	4,361	174,201	178,562	7,607	186,169
Unallocated liabilities	未分配負債					66,642
Total liabilities	總負債					252,811

7. SEGMENT INFORMATION (Continued)

Segment assets and liabilities (Continued)

For the purpose of monitoring performance assessment between segments and resource allocation, all assets and liabilities are allocated to the reportable segments other than those that are for central administrative purposes including partial property, plant and equipment, prepayment for property, plant and equipment, available-for-sale financial assets, partial deposits, prepayments and other receivables, tax recoverable, partial cash and cash equivalents, partial other payables, amount due to a director, amount due to a shareholder, partial amounts due to non-controlling interests, secured loan, tax payables and deferred tax liability.

Other segment information

Amounts included in the measure of segment profit or loss or segment assets:

7. 分部資料 (續)

分部資產及負債 (續)

就監控分部及資源分配間的評估表現而言，除作中央行政目的（包括部分物業、廠房及設備、物業、廠房及設備之預付款項、可供出售金融資產、部分按金、預付款項及其他應收款項、可收回稅項、部分現金及現金等價物、部分其他應付款項、應付一名董事款項、應付一名股東款項、部分應付非控股權益款項、有抵押貸款、應付稅款及遞延稅項負債）者外，所有資產及負債均分配至可報告分部。

其他分部資料

用於計量分部損益或分部資產的金額：

		Silverware Business 銀器業務 HK\$'000 千港元	Electric Vehicle Business 電動汽車 業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 31 December 2018	截至2018年 12月31日止年度				
Interest income	利息收入	-	-	1,960	1,960
Finance costs	融資成本	-	-	1,915	1,915
Amortisation of intangible assets	無形資產攤銷	-	145	-	145
Amortisation of interest in leasehold land	租賃土地權益攤銷	-	480	-	480
Depreciation of property, plant and equipment	物業、廠房及設備折舊	666	12,843	795	14,304
Written-off of property, plant and equipment	物業、廠房及設備撇銷	-	-	242	242
Additions to non-current assets (note (c))	非流動資產添置(附註(c))	868	37,553	4,015	42,436
Allowance for credit losses in respect of trade receivables	貿易應收款項之信貸虧損撥備	-	11,087	-	11,087
Year ended 31 December 2017	截至2017年 12月31日止年度				
Loss arising in fair value change of contingent consideration receivable	應收或然代價公平值變動而產生之虧損	-	-	4,511	4,511
Interest income	利息收入	-	-	980	980
Finance costs	融資成本	-	3,663	900	4,563
Amortisation of interest in leasehold land	租賃土地權益攤銷	-	467	-	467
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,247	11,856	374	13,477
Written-off of property, plant and equipment	物業、廠房及設備撇銷	937	350	8	1,295
Additions to non-current assets (note (c))	非流動資產添置(附註(c))	-	2,187	352	2,539

7. SEGMENT INFORMATION (Continued)

Other segment information (Continued)

Notes:

- (a) Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year (2017: nil).
- (b) Adjusted earnings before interest, tax, depreciation and amortisation is also a measurement basis regularly reviewed by the directors in performance assessment between segments and resources allocation. This measurement basis is consistent with that of the segment results except that finance costs, amortisation of intangible assets, depreciation of property, plant and equipment and amortisation of interest in leasehold land are not included in the adjusted earnings before interest, tax, depreciation and amortisation.
- (c) Addition to non-current assets represents additions to property, plant and equipment and intangible assets.

Geographical information

Since over 90% of the Group's revenue and operating profit were generated in the PRC for both years and over 90% of the Group's non-current assets were located in the PRC, no geographical segment information in accordance with HKFRS 8 *Operating Segments* is presented.

Information about major customers

Revenue from customers for the years ended 31 December 2018 and 2017 contributing over 10% of the total revenue of the Group are as follows:

	Reporting segments 報告分部	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Customer A (Note i) 客戶A (附註i)	Electric Vehicle Business 電動汽車業務	—	258,954
Customer B 客戶B	Electric Vehicle Business 電動汽車業務	111,564	173,525
Customer C (Note ii) 客戶C (附註ii)	Electric Vehicle Business 電動汽車業務	35,822	—

Except as disclosed above, no other customers contributed 10% or more of the Group's total revenue for both years.

Notes:

- (i) Revenue derived from Customer A did not contribute 10% or more to the Group's total revenue during the year ended 31 December 2018.
- (ii) Revenue derived from Customer C did not contribute 10% or more to the Group's total revenue during the year ended 31 December 2017.

7. 分部資料 (續)

其他分部資料 (續)

附註：

- (a) 上文所呈報的分部收入指外部客戶收入。於本年度未有分部間銷售(2017年：無)。
- (b) 董事定期審閱經調整除利息、稅項、折舊及攤銷前盈利，作為評估分部間表現及資源分配的計量基準。此計量基準與分部業績一致，惟經調整除利息、稅項、折舊及攤銷前盈利不包括融資成本、無形資產攤銷、物業、廠房及設備折舊及租賃土地權益攤銷。
- (c) 非流動資產添置指物業、廠房及設備添置及無形資產添置。

地區資料

由於兩個年度本集團超過90%的收入及經營溢利均來自中國，以及本集團超過90%的非流動資產位於中國，故並無呈列符合香港財務報告準則第8號經營分部的地區分部資料。

主要客戶資料

客戶於截至2018年及2017年12月31日止年度為本集團帶來總收入10%以上的貢獻如下：

除上文所披露者外，於兩個年度，概無其他客戶為本集團總收入帶來10%或以上的貢獻。

附註：

- (i) 截至2018年12月31日止年度，來自客戶A的收入並無為本集團總收入帶來10%或以上貢獻。
- (ii) 截至2017年12月31日止年度，來自客戶C的收入並無為本集團總收入帶來10%或以上貢獻。



8. FINANCE COSTS

8. 融資成本

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Continuing operations	持續經營業務		
Interest on secured loan	有抵押貸款之利息	307	900
Imputed interest on convertible bonds (note 27)	可換股債券之估算利息 (附註27)	1,608	3,663
		1,915	4,563

9. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging:

9. 除所得稅前溢利

除所得稅前溢利於扣除以下各項後達至：

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Continuing operations	持續經營業務		
Auditors' remuneration:	核數師酬金：		
– Audit service	– 審核服務	610	450
– Non-audit services	– 非審核服務	224	145
		834	595
Cost of inventories sold	銷售存貨成本	132,986	332,762
Amortisation of interest in leasehold land	租賃土地權益攤銷	480	467
Amortisation of intangible assets	無形資產攤銷	145	–
Depreciation of property, plant and equipment	物業、廠房及設備折舊	14,304	13,477
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備之虧損	2,135	–
Allowance for credit losses in respect of trade receivables	貿易應收款項之 信貸虧損撥備	11,087	–
Operating lease charges in respect of land and buildings	就土地及樓宇的 經營租賃支出	4,778	4,785
Employee benefit expenses (including directors' remuneration):	僱員福利開支(包括 董事酬金)：		
– Salaries, allowances and benefits in kind	– 薪金、津貼及實物利益	13,529	15,248
– Retirement benefit scheme contributions	– 退休福利計劃供款	1,556	1,484
		15,085	16,732
Written-off of property, plant and equipment	物業、廠房及設備撇銷	242	1,295

10. DISCONTINUED OPERATION

On 18 May 2018, the Group entered into a sale and purchase agreement relating to the disposal of the entire issued share capital of Powerwell Pacific and its subsidiaries (collectively refer to as the "Disposal Group") to an independent third party. Powerwell Pacific was incorporated in the British Virgin Islands ("BVI") and is principally engaged in investment holding. The principal activities of the Disposal Group are the provision of sourcing and procurement solutions to customers for production of watches, costume jewelries, and display and packaging products. The disposal was completed on 18 May 2018 and the Disposal Group ceased to be subsidiaries of the Group since 18 May 2018. Details of the assets and liabilities disposed of and the calculation of the gain on disposal, are disclosed in note 41 to the consolidated financial statements.

The loss for the year from the discontinued operation is set out below. The comparative figures in the consolidated statement of profit or loss and other comprehensive income and related notes have been re-presented as if the sourcing operation had been discontinued at the beginning of the year.

10. 已終止經營業務

於2018年5月18日，本集團訂立買賣協議，內容有關向獨立第三方出售 Powerwell Pacific及其附屬公司（合稱「出售集團」）之全部已發行股本。Powerwell Pacific於英屬處女群島（「英屬處女群島」）註冊成立，主要從事投資控股。出售集團的主要業務為向客戶提供生產鐘錶、人造珠寶及陳列包裝品的貨源搜尋及採購解決方案。出售事項於2018年5月18日完成，自2018年5月18日起出售集團不再為本集團的附屬公司。有關已出售資產和負債及計算出售收益之詳情於綜合財務報表附註41披露。

下表載列年內已終止經營業務產生之虧損。綜合損益及其他全面收益表中的比較數字及相關附註已重新呈列，猶如貨源搜尋業務於年初已終止經營。

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Loss from sourcing business for the year	年內貨源搜尋業務之虧損	(4,880)	(7,143)
Gain on disposal of subsidiaries	出售附屬公司的收益	525	-
		(4,355)	(7,143)

The results of the discontinued operation for the current and prior year are as follows:

本年度及上一年度已終止經營業務業績如下：

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Revenue	收入	10,379	63,275
Cost of sales	銷售成本	(9,955)	(49,896)
Gross profit	毛利	424	13,379
Other revenue and other income	其他收入及其他收益	333	736
Selling and distribution costs	銷售及分銷成本	(101)	(933)
Administrative expenses	行政開支	(5,536)	(20,325)
Loss before income tax	除所得稅前虧損	(4,880)	(7,143)
Income tax expense	所得稅開支	-	-
Loss for the year	年內虧損	(4,880)	(7,143)

10. DISCONTINUED OPERATION (Continued)

Loss for the year from discontinued operation includes the following:

10. 已終止經營業務(續)

已終止經營業務產生的年內虧損包括以下各項：

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Auditors' remuneration	核數師酬金：		
– Audit service	– 審核服務	–	180
– Non-audit services	– 非審核服務	–	2
		–	182
Depreciation of property, plant and equipment	物業、廠房及設備折舊	106	339
Cost of inventories sold	銷售存貨成本	9,934	49,521
Net foreign exchange gain	匯兌收益淨額	(276)	(516)
Operating lease charges in respect of land and building	就土地及樓宇的經營租賃支出	527	487
Employee benefit expenses (excluding directors' remuneration)	僱員福利開支(董事酬金除外)		
– Salaries, allowance and benefits in kind	– 薪金、津貼及實物利益	4,161	15,682
– Retirement benefit schemes contributions	– 退休福利計劃供款	142	441
		4,303	16,123
Written-down of obsolete inventories (included in cost of sales)	陳舊存貨撇減(計入銷售成本)	–	275

During the year ended 31 December 2018, the Disposal Group paid approximately of HK\$29,521,000 (2017: HK\$10,816,000) to the Group's net operating cash flows and paid nil (2017: HK\$42,000) in respect of investing activities.

於截至2018年12月31日止年度，出售集團向本集團的淨經營現金流量支付約29,521,000港元(2017年：10,816,000港元)及就投資活動支付零港元(2017年：42,000港元)。

11. INCOME TAX EXPENSE

11. 所得稅開支

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Continuing operations	持續經營業務		
Current tax:	即期稅項：		
– Hong Kong Profits Tax	– 香港利得稅	1,207	–
– PRC Enterprise Income Tax	– 中國企業所得稅	7,681	41,591
		8,888	41,591
Deferred tax:	遞延稅項：		
– credit for the year (note 28)	– 年內抵免(附註28)	(1,928)	(605)
		6,960	40,986

On 21 March 2018, the Hong Kong Legislative Council passed the Inland Revenue (Amendment) Bill 2017 (the “Bill”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazette on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%.

The directors considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% for both years.

於2018年3月21日，香港立法會通過2017年稅務(修訂)條例草案(「條例草案」)。該條例草案引入利得稅兩級制。該條例草案於2018年3月28日獲簽署成為法律，並於翌日在憲報刊登。根據利得稅兩級制，合資格公司首2,000,000港元溢利的稅率為8.25%，而超過2,000,000港元的溢利之稅率為16.5%。未符合利得稅兩級制之集團實體的溢利將繼續以16.5%的劃一稅率計算。

董事認為實施利得稅兩級制所涉及金額對綜合財務報表影響不大。香港利得稅於兩個年度按估計應課稅溢利之16.5%計算。

中國附屬公司於兩個年度內須按25%的稅率繳納中國企業所得稅。



11. INCOME TAX EXPENSE (Continued)

The income tax expense for the year can be reconciled to the profit before income tax per the consolidated statement of profit or loss and other comprehensive income as follows:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	20,596	139,811
Tax calculated at tax rates applicable to the jurisdictions concerned	按相關司法權區的適用稅率計算的稅項	5,318	37,031
Tax effect of non-deductible expenses	不可扣減開支的稅務影響	2,894	3,031
Tax effect of non-taxable income	毋須課稅收入的稅務影響	(607)	(212)
Accelerated accounting depreciation over tax depreciation under provided	加速會計折舊超出不足稅項折舊撥備	(1,928)	(605)
Tax effect of estimated tax loss not recognised	未確認估計稅務虧損的稅務影響	1,283	1,741
Income tax expense	所得稅開支	6,960	40,986

At the end of the reporting period, the Group had unused estimated tax losses of approximately HK\$54,028,000 (2017: HK\$46,250,000) available for offset against future profits. No deferred tax asset has been recognised in respect of tax losses due to the unpredictability of future profit streams and unrecognised tax losses could be carried forward indefinitely.

11. 所得稅開支 (續)

本年度的所得稅開支與綜合損益及其他全面收益表內的除所得稅前溢利之對賬如下：

於報告期末，本集團尚未動用估計稅務虧損約54,028,000港元（2017年：46,250,000港元），可用作抵銷未來溢利。因未來溢利流量存在不確定性，故並未就稅務虧損確認遞延稅項資產，且未確認稅務虧損可無限結轉。

12. DIVIDENDS

No final dividend was paid or proposed during the year, nor has any dividend been proposed by the Board of Directors subsequent to the end of the reporting period.

13. EARNINGS/(LOSS) PER SHARE

From continuing and discontinued operations

The computations of basic and diluted earnings per share from continuing and discontinued operations attributable to owners of the Company are based on the following data:

12. 股息

年內概無派付或擬派末期股息，且董事會亦無建議於報告期末後派發任何股息。

13. 每股盈利／（虧損）

來自持續及已終止經營業務

來自持續及已終止經營業務的本公司擁有人應佔之每股基本及攤薄盈利乃根據下列數據計算：

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Earnings	盈利		
Earnings for the purpose of basic earnings per share (profit for the year attributable to owners of the Company)	就每股基本盈利而言之盈利（本公司擁有人年內應佔溢利）	2,960	77,222
Effect of dilutive potential ordinary shares:	潛在攤薄普通股之影響：		
Interest on convertible bonds, net of tax	可換股債券之利息（扣除稅項）	-	3,058
Earnings for the purpose of diluted earnings per share	就每股攤薄盈利而言之盈利	2,960	80,280
		2018 '000 千股	2017 '000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share	就每股基本盈利／（虧損）而言之普通股加權平均數	2,459,996	2,111,483
Effect of dilutive potential ordinary shares:	潛在攤薄普通股之影響：		
- Share options	- 購股權	13,006	34,767
- Convertible bonds	- 可換股債券	-	486,715
Weighted average number of ordinary shares for the purpose of dilutive earnings/(loss) per share	就每股攤薄盈利／（虧損）而言之普通股加權平均數	2,473,002	2,632,965

As the Company's outstanding convertible bonds where applicable had an anti-dilutive effect to the diluted earnings per share calculation for the year ended 31 December 2018, the conversion of the above potential dilutive shares is not assumed in the calculation of diluted earnings per share.

由於本公司尚未行使的可換股債券（倘適用）對截至2018年12月31日止年度之每股攤薄盈利之計算具有反攤薄影響，故於計算每股攤薄盈利時並無假設轉換上述潛在攤薄股份。



13. EARNINGS/(LOSS) PER SHARE (Continued)

From continuing operations

The computations of basic and diluted earnings per share from continuing operations attributable to owners of the Company are based on the following data:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Earnings	盈利		
Earnings for the purpose of basic earnings per share (profit for the year attributable to owners of the Company)	就每股基本盈利而言之盈利(本公司擁有人應佔年內溢利)	7,315	84,365
Effect of dilutive potential ordinary shares: Interest on convertible bonds, net of tax	潛在攤薄普通股之影響: 可換股債券之利息(扣除稅項)	-	3,058
Earnings for the purpose of diluted earnings per share	就每股攤薄盈利而言之盈利	7,315	87,423

The denominators used are same as those detailed above for both basic and diluted earnings per share from continuing and discontinued operations.

From discontinued operation

The computations of basic and diluted loss per share from discontinued operation attributable to owners of the Company are based on the following data:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Loss	虧損		
Loss for the purpose of basic and dilutive earnings per share (loss for the year attributable to owners of the Company)	就每股基本及攤薄盈利而言之虧損(本公司擁有人應佔年內虧損)	(4,355)	(7,143)

The denominators used are same as those detailed above for both basic and diluted earnings per share from continuing and discontinued operations.

13. 每股盈利／(虧損)(續)

來自持續經營業務

來自持續經營業務的本公司擁有人應佔之每股基本及攤薄盈利乃根據以下數據計算：

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Earnings	盈利		
Earnings for the purpose of basic earnings per share (profit for the year attributable to owners of the Company)	就每股基本盈利而言之盈利(本公司擁有人應佔年內溢利)	7,315	84,365
Effect of dilutive potential ordinary shares: Interest on convertible bonds, net of tax	潛在攤薄普通股之影響: 可換股債券之利息(扣除稅項)	-	3,058
Earnings for the purpose of diluted earnings per share	就每股攤薄盈利而言之盈利	7,315	87,423

所用分母與上述計算來自持續及已終止經營業務之每股基本及攤薄盈利之分母相同。

來自已終止經營業務

來自已終止經營業務的本公司擁有人應佔之每股基本及攤薄虧損乃根據以下數據計算：

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Loss	虧損		
Loss for the purpose of basic and dilutive earnings per share (loss for the year attributable to owners of the Company)	就每股基本及攤薄盈利而言之虧損(本公司擁有人應佔年內虧損)	(4,355)	(7,143)

所用分母與上述計算來自持續及已終止經營業務之每股基本及攤薄盈利之分母相同。

14. REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Directors' remuneration for the year, disclosed pursuant to the applicable GEM Listing Rules and the disclosure requirements of the Hong Kong Companies Ordinance, is as follows:

14. 董事及五名最高薪人士的薪酬

根據適用之GEM上市規則及香港公司條例之披露規定，本年度董事酬金披露如下：

		Fees	Discretionary bonuses	Retirement benefit scheme contribution	Total
		袍金	酌情花紅	退休福利計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Year ended 31 December 2018	截至2018年12月31日止年度				
Executive directors:					
Fei Jie	費杰	1,200	-	-	1,200
Ng Chin Ming Stephen (appointed on 10 March 2017 and resigned on 28 February 2019)	伍展明(於2017年3月10日獲委任及於2019年2月28日辭任)	1,182	100	18	1,300
Zhang Genjiang ("Mr Zhang") (appointed on 9 May 2017)	章根江(「章先生」)(於2017年5月9日獲委任)	100	-	-	100
Fung Chi Kin (appointed on 1 March 2019)	馮志堅(於2019年3月1日獲委任)	-	-	-	-
Independent non-executive directors:					
Jim Yiu Ming	詹耀明	240	20	-	260
Sit Sai Hung, Billy	薛世雄	300	25	-	325
Shen Ruolei	沈若雷	240	20	-	260
		3,262	165	18	3,445



14. REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS (Continued) 14. 董事及五名最高薪人士的薪酬 (續)

		Fees	Discretionary bonuses	Retirement benefit scheme contribution	Total
		袍金 HK\$'000 千港元	酌情花紅 HK\$'000 千港元	退休福利 計劃供款 HK\$'000 千港元	總計 HK\$'000 千港元
Year ended 31 December 2017	截至2017年12月31日止年度				
Executive directors:	執行董事：				
Fei Jie	費杰	1,200	–	–	1,200
Fung Chi Kin (retired on 8 May 2017)	馮志堅 (於2017年5月8日退任)	639	–	–	639
Ng Chin Ming Stephen (appointed on 10 March 2017 and resigned on 28 February 2019)	伍展明 (於2017年3月10日獲委任及於2019年2月28日辭任)	971	100	15	1,086
Zhang Genjiang (“Mr Zhang”) (appointed on 9 May 2017)	章根江 (「章先生」) (於2017年5月9日獲委任)	65	–	–	65
Independent non-executive directors:	獨立非執行董事：				
Cheung Siu Wah (retired on 8 May 2017)	張少華 (於2017年5月8日退任)	83	–	–	83
Jim Yiu Ming	詹耀明	240	20	–	260
Sit Sai Hung, Billy	薛世雄	300	25	–	325
Shen Ruolei	沈若雷	240	20	–	260
		3,738	165	15	3,938

Mr. Ng Chin Ming Stephen has also been appointed as Chief Executive Officer upon appointment as executive director and resigned on 28 February 2019.

伍展明先生於獲委任為執行董事後，亦獲委任為行政總裁，並已於2019年2月28日辭任。

There was no arrangement under which a director waived or agreed to waive any remuneration during the years ended 31 December 2018 and 2017.

截至2018年及2017年12月31日止年度，並無任何董事放棄或同意放棄任何酬金的安排。

During the years ended 31 December 2018 and 2017, no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office.

截至2018年及2017年12月31日止年度，本集團並無向董事支付任何酬金，作為彼等加盟或於加盟本集團時的獎勵或離職補償。



14. REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

The five highest paid individuals consisted of two (2017: two) directors, details of whose remuneration are reflected in the analysis presented above. Details of remuneration of the remaining three (2017: three) highest paid individual are as follows:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	1,852	5,204
Retirement benefit scheme contributions	退休福利計劃供款	54	54
		1,906	5,258

The remuneration of the remaining three (2017: three) individuals with the highest remuneration are within the following bands:

		Number of individuals 人數	
		2018	2017
Nil – HK\$1,000,000	零至1,000,000港元	3	–
HK\$1,000,001 – HK\$2,000,000	1,000,001港元至 2,000,000港元	–	2
HK\$2,000,001 – HK\$3,000,000	2,000,001港元至 3,000,000港元	–	1
		3	3

14. 董事及五名最高薪人士的薪酬(續)

五名最高薪人士包括兩名(2017年：兩名)董事，有關薪酬詳情於上文所列的分析中反映。其餘三名(2017年：三名)最高薪人士的薪酬詳情如下：

其餘三名(2017年：三名)最高薪人士的薪酬屬於以下範圍：

15. INTANGIBLE ASSETS

15. 無形資產

		Licenses 許可 HK\$'000 千港元	Software 軟件 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本			
At 1 January 2017, at 31 December 2017 and at 1 January 2018	於2017年1月1日、 於2017年12月31日 及於2018年1月1日	-	-	-
Additions	添置	1,319	6,717	8,036
Exchange alignments	匯兌調整	-	(272)	(272)
At 31 December 2018	於2018年12月31日	1,319	6,445	7,764
Accumulated amortisation	累計攤銷			
At 1 January 2017, at 31 December 2017 and at 1 January 2018	於2017年1月1日、 於2017年12月31日 及於2018年1月1日	-	-	-
Charge for the year	年內支出	89	56	145
Exchange alignments	匯兌調整	-	(2)	(2)
At 31 December 2018	於2018年12月31日	89	54	143
Carrying amounts	賬面值			
At 31 December 2018	於2018年12月31日	1,230	6,391	7,621
At 31 December 2017	於2017年12月31日	-	-	-

Licenses are amortised on a straight-line basis over their estimated useful lives over period of 10 years.

許可於其為期10年的估計可使用年期按直線基準攤銷。

Software is amortised on a straight-line basis over its estimated useful lives over period of 3 years

軟件於其為期3年的估計可使用年期按直線基準攤銷。



16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Buildings	Leasehold improvements	Furniture, fixtures and equipment 傢俱、裝置及設備	Plant and machinery 廠房及機器	Motor vehicles 汽車	Construction in progress 在建工程	Total 總計
		樓宇 HK\$'000 千港元	租賃裝修 HK\$'000 千港元	裝置及設備 HK\$'000 千港元	廠房及機器 HK\$'000 千港元	汽車 HK\$'000 千港元	在建工程 HK\$'000 千港元	總計 HK\$'000 千港元
Cost	成本							
At 1 January 2017	於2017年1月1日	48,138	5,487	3,767	49,662	4,156	929	112,139
Additions	添置	-	1,584	451	507	-	39	2,581
Disposals	報廢	-	-	(43)	-	-	-	(43)
Written-off	撇銷	-	(3,464)	(89)	(407)	(2)	-	(3,962)
Transfer	轉讓	-	-	145	815	-	(960)	-
Exchange alignments	匯兌調整	3,614	237	149	3,433	161	33	7,627
At 31 December 2017 and at 1 January 2018	於2017年12月31日及 於2018年1月1日	51,752	3,844	4,380	54,010	4,315	41	118,342
Additions	添置	-	3,907	338	29,421	734	-	34,400
Derecognised upon disposal of subsidiaries (note 41)	出售附屬公司後終止 確認(附註41)	-	(531)	(2,222)	(4,493)	(586)	-	(7,832)
Disposals	報廢	-	-	(242)	(5,548)	-	-	(5,790)
Written-off	撇銷	-	(791)	(113)	-	-	-	(904)
Transfer	轉讓	-	-	-	41	-	(41)	-
Exchange alignments	匯兌調整	(2,678)	(136)	(73)	(3,525)	(186)	-	(6,598)
At 31 December 2018	於2018年12月31日	49,074	6,293	2,068	69,906	4,277	-	131,618



16. PROPERTY, PLANT AND EQUIPMENT (Continued)

16. 物業、廠房及設備 (續)

		Buildings	Leasehold improvements	Furniture, fixtures and equipment 傢俱、裝置及設備	Plant and machinery 廠房及機器	Motor vehicles 汽車	Construction in progress 在建工程	Total 總計
		樓宇 HK\$'000 千港元	租賃裝修 HK\$'000 千港元	裝置及設備 HK\$'000 千港元	廠房及機器 HK\$'000 千港元	汽車 HK\$'000 千港元	在建工程 HK\$'000 千港元	總計 HK\$'000 千港元
Accumulated depreciation	累計折舊							
At 1 January 2017	於2017年1月1日	1,333	3,360	2,218	9,083	1,203	-	17,197
Charge for the year	年內支出	2,361	1,013	550	9,177	715	-	13,816
Eliminated on disposals	於出售時抵銷	-	-	(40)	-	-	-	(40)
Written-off	撇銷	-	(2,528)	(23)	(116)	-	-	(2,667)
Exchange alignments	匯兌調整	197	118	32	716	42	-	1,105
At 31 December 2017 and at 1 January 2018	於2017年12月31日及 於2018年1月1日	3,891	1,963	2,737	18,860	1,960	-	29,411
Charge for the year	年內支出	2,429	809	446	9,902	824	-	14,410
Derecognised upon disposal of subsidiaries (note 41)	出售附屬公司後終止確認 (附註41)	-	(531)	(2,072)	(4,340)	(586)	-	(7,529)
Eliminated on disposals	於出售時抵銷	-	-	(187)	(2,484)	-	-	(2,671)
Written-off	撇銷	-	(580)	(82)	-	-	-	(662)
Exchange alignments	匯兌調整	(300)	(60)	(30)	(1,045)	(76)	-	(1,511)
At 31 December 2018	於2018年12月31日	6,020	1,601	812	20,893	2,122	-	31,448
Carrying amounts	賬面值							
At 31 December 2018	於2018年12月31日	43,054	4,692	1,256	49,013	2,155	-	100,170
At 31 December 2017	於2017年12月31日	47,861	1,881	1,643	35,150	2,355	41	88,931

The Group's buildings are located in the PRC held on medium-term leases.

本集團的樓宇位於中國，並以中期租賃持有。



17. INTEREST IN LEASEHOLD LAND

17. 租賃土地權益

HK\$'000
千港元

Cost	成本	
At 1 January 2017	於2017年1月1日	20,207
Exchange alignments	匯兌調整	1,526
		<hr/>
At 31 December 2017 and at 1 January 2018	於2017年12月31日及於2018年1月1日	21,733
Exchange alignments	匯兌調整	(1,125)
		<hr/>
At 31 December 2018	於2018年12月31日	20,608
		<hr/>
Accumulated amortisation	累計攤銷	
At 1 January 2017	於2017年1月1日	264
Amortisation for the year	本年度攤銷	467
Exchange alignments	匯兌調整	38
		<hr/>
At 31 December 2017 and at 1 January 2018	於2017年12月31日及於2018年1月1日	769
Amortisation for the year	本年度攤銷	480
Exchange alignments	匯兌調整	(60)
		<hr/>
At 31 December 2018	於2018年12月31日	1,189
		<hr/>
Carrying amount	賬面值	
At 31 December 2018	於2018年12月31日	19,419
		<hr/>
At 31 December 2017	於2017年12月31日	20,964
		<hr/>

The Group's interest in leasehold land is located in the PRC held on medium-term lease.

本集團的租賃土地權益位於中國，並以中期租賃持有。



18. AVAILABLE-FOR-SALE FINANCIAL ASSETS

18. 可供出售金融資產

2017
HK\$'000
千港元

Current

Unlisted debt securities in the PRC, at cost

即期

按成本計量於中國的非上市債務證券

3,122

AFS financial assets were reclassified to financial assets at FVTPL upon initial application of HKFRS 9 on 1 January 2018.

可供出售金融資產已於2018年1月1日首次應用香港財務報告準則第9號時重新分類為按公平值計入損益之金融資產。

The above unlisted debt securities represent structured contracts entered into with a bank in the PRC with a principal sum of RMB2,600,000 (equivalent to approximately HK\$3,122,000). The debt securities are principal unprotected with no predetermined or guaranteed return. The amount would be repaid to the Group anytime upon request, and therefore, the amount is classified as current assets.

上述非上市債務證券指與一家中國銀行訂立的結構性合約，其本金總額為人民幣2,600,000元（相當於約3,122,000港元）。債務證券為非保本，且並無預先釐定或保證回報。該款項將於要求時隨時償還予本集團，因此，該款項分類為流動資產。

19. INVENTORIES

19. 存貨

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Raw materials	原材料	59,925	8,350
Work in progress	在製品	8,502	11,668
Finished goods	成品	3,218	13,720
		71,645	33,738

Inventories are expected to be recovered within one year.

存貨預期於一年內收回。

The cost of inventories sold recognised as expenses and included in 'cost of sales' with the amount of approximately HK\$132,986,000 (2017: HK\$332,762,000), which included write-down of obsolete inventories of Nil (2017: HK\$275,000).

確認為開支並計入「銷售成本」的銷售存貨成本約為132,986,000港元（2017年：332,762,000港元），包括並無陳舊存貨撇減（2017年：275,000港元）。

20. CONTINGENT CONSIDERATION RECEIVABLE

The balance represents the contingent consideration receivable in relation to the acquisition of Core Kingdom Limited and its subsidiaries (collectively referred as "Core Kingdom Group") completed on 27 February 2015 (the "Completion Date"). Contingent consideration receivable has been designated at financial assets at FVTPL upon initial recognition and measure at fair value at the end of the reporting period. The movement of the fair value of contingent consideration receivable are as follow:

	2017 HK\$'000 千港元
At 1 January	7,107
Compensation from profit guarantee (note 22)	(2,596)
Loss arising in fair value change	(4,511)
At 31 December	—

Note: Shortfall payment in respect of profit guarantee

Pursuant to the sale and purchase agreement ("SPA") entered in relation to the acquisition, the vendor has guaranteed that the audited profit after tax of Tong Yin and its subsidiary for the three financial years ended 31 December 2015, 31 December 2016 and 31 December 2017 shall not be less than RMB20,000,000, RMB24,000,000 and RMB30,000,000 respectively.

In case the profit guarantee is not fulfilled for the corresponding year, the vendor shall pay 51% of the shortfall ("Shortfall") to the Company within seven days of the delivery of the audited consolidated financial statements, and for the avoidance of doubt, if Tong Yin and its subsidiary sustained loss for such financial year, 51% of the amount of such loss shall be included as part of the Shortfall.

The fair value of profit guarantee as at the Completion Date, amounted to approximately HK\$20,536,000.

During the year ended 31 December 2017, the audited net profit of Tong Yin and its subsidiary had not satisfied the profit guarantee, as a result, the vendor is required to make the shortfall payment to the Company in accordance with the terms and conditions as stated in the SPA. Therefore, a loss arising in fair value change and a compensation from profit guarantee of approximately HK\$4,511,000 and HK\$2,596,000 was recognised respectively in the consolidated statement of profit or loss and other comprehensive income during the year ended 31 December 2017.

20. 應收或然代價

結餘指有關收購Core Kingdom Limited及其附屬公司(統稱為「Core Kingdom集團」)(已於2015年2月27日(「完成日期」)完成)之應收或然代價。應收或然代價於初步確認時指定為按公平值計入損益的金融資產，並於報告期末按公平值計量。應收或然代價之公平值變動如下：

	2017 HK\$'000 千港元
於1月1日	7,107
溢利保證之補償 (附註22)	(2,596)
公平值變動產生之虧損	(4,511)
於12月31日	—

附註：溢利保證之差額付款

根據就收購事項所訂立之買賣協議(「買賣協議」)，賣方保證通銀及其附屬公司於截至2015年12月31日、2016年12月31日及2017年12月31日止三個財政年度之經審核除稅後溢利將分別不少於人民幣20,000,000元、人民幣24,000,000元及人民幣30,000,000元。

倘溢利保證於相關年度未獲達致，賣方須於交付經審核綜合財務報表起計七日內向本公司支付差額(「差額」)的51%，而為免生疑，倘通銀及其附屬公司於相關財政年度持續錄得虧損，則該虧損金額的51%須包含在內，作為差額之一部份。

於完成日期，溢利保證之公平值約為20,536,000港元。

於截至2017年12月31日止年度，通銀及其附屬公司之經審核溢利淨額未達致溢利保證，因此，賣方須根據買賣協議所列明的條款及條件向本公司作出差額付款。因此，約4,511,000港元的公平值變動虧損及2,596,000港元的溢利保證之補償已於截至2017年12月31日止年度於綜合損益及其他全面收益表內確認。

21. TRADE RECEIVABLES

Trade receivables	貿易應收款項
Less: Allowance for credit losses	減：信貸虧損撥備

Trade receivables are non-interest bearing and are generally allows a credit period of 30 to 180 days to its customers.

The following is an aging analysis of trade receivables, net of allowance for credit losses reorganised, presented based on the invoice date, which approximates the respective revenue recognition dates and net of allowance for credit losses:

0 – 30 days	0–30天
31 – 60 days	31–60天
61 – 90 days	61–90天
91 – 180 days	91–180天
Over 180 days	180天以上

At 31 December 2018, trade receivables with the amounts of approximately HK\$178,259,000 (2017 HK\$375,668,000) are due from the Group's top five largest customers.

At 31 December 2018, included in the Group's trade receivables balance are debtors with aggregate carrying amount of approximately HK\$129,682,000 which are past due at the end of the reporting period. As at 31 December 2018, trade receivables of HK\$129,682,000 were past due but not impaired. These mainly relate to customers from whom there is no recent history of default. Based on past experience, management of the Group are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

21. 貿易應收款項

	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Trade receivables	194,874	381,714
Less: Allowance for credit losses	(11,087)	–
	183,787	381,714

貿易應收款項為不計息及一般授予其客戶30至180天信貸期。

按發票日期(與各收益確認日期相若)呈列之貿易應收款項(扣除已確認信貸虧損撥備)之賬齡分析(已扣除信貸虧損撥備)如下：

	2018 HK\$'000 千港元	2017 HK\$'000 千港元
0 – 30 days	53,744	370,544
31 – 60 days	–	1,936
61 – 90 days	–	172
91 – 180 days	78	4,655
Over 180 days	129,965	4,407
	183,787	381,714

於2018年12月31日，應收本集團五大客戶的貿易應收款項為約178,259,000港元(2017年：375,668,000港元)。

於2018年12月31日，本集團貿易應收款項結餘包括總賬面值約為129,682,000港元及於報告期末已逾期之應收賬項。於2018年12月31日，129,682,000港元之貿易應收款項已逾期但未減值。該等款項主要與近期並無違約記錄的客戶有關。根據過往經驗，本集團管理層認為，由於該等結餘之信貸質素並無重大變動，且仍被視為可全數收回，因此無需就該等結餘計提減值撥備。



21. TRADE RECEIVABLES (Continued) Comparative information under HKAS 39

Trade receivables disclosed above include amounts which are past due at the end of the reporting period for which the Group has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral over these balances.

The following is an aging analysis of trade receivables which are past due but not impaired:

		2017 HK\$'000 千港元
Neither past due nor impaired	並無逾期或減值	285,075
1 – 30 days past due	逾期1-30天	90,838
31 – 60 days past due	逾期31-60天	172
61 – 90 days past due	逾期61-90天	–
91 – 180 days past due	逾期91-180天	–
Over 180 days past due	逾期180天以上	5,629
		381,714

At 1 January 2018, no loss allowance on the trade receivables was provided upon transition to HKFRS 9 *Financial Instruments*. During the year ended 31 December 2018, an increase in loss allowance of approximately HK\$11,087,000 was recognised, details are stated in note 35 to the consolidated financial statements.

21. 貿易應收款項 (續)

香港會計準則第39號項下之比較資料

上文披露之貿易應收款項包括於報告期末已逾期之款項，由於信貸質素並無重大變化及該等款項仍被視為可收回，故本集團並無確認呆賬撥備。本集團並無就該等結餘持有任何抵押品。

已逾期但未減值之貿易應收款項之賬齡分析如下：

		2017 HK\$'000 千港元
Neither past due nor impaired	並無逾期或減值	285,075
1 – 30 days past due	逾期1-30天	90,838
31 – 60 days past due	逾期31-60天	172
61 – 90 days past due	逾期61-90天	–
91 – 180 days past due	逾期91-180天	–
Over 180 days past due	逾期180天以上	5,629
		381,714

於2018年1月1日，於過渡至香港財務報告準則第9號金融工具後並無就貿易應收款項計提虧損撥備。於截至2018年12月31日止年度已確認虧損撥備增加約11,087,000港元，詳情載於綜合財務報表附註35。

22. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

22. 按金、預付款項及其他應收款項

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Deposits paid	已付按金	4,343	2,247
Trade deposits paid	貿易已付按金	191,819	9,899
Prepayments	預付款項	937	1,715
Compensation from profit guarantee (note 20)	溢利保證之補償(附註20)	–	2,596
Other receivables	其他應收款項	74,386	54,060
		271,485	70,517

22. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES (Continued)

At 31 December 2018, the Group's other receivables mainly included guarantee deposits paid to a customer with the amount of approximately HK\$68,316,000 (2017: HK\$53,022,000). The guarantee deposits paid during the year ended 31 December 2017 was fully recovered during the year ended 31 December 2018.

23. AMOUNTS DUE FROM/(TO) RELATED COMPANIES/A DIRECTOR/A SHAREHOLDER/NON-CONTROLLING INTERESTS

Amounts due from/(to) related companies/a director/a shareholder/non-controlling interests are unsecured, interest-free and repayable on demand.

During the year ended 31 December 2018, the maximum amount due from a director and a related company is HK\$9,018,000 (2017: HK\$9,018,000) and HK\$117,000 (2017: Nil) respectively.

24. CASH AND CASH EQUIVALENTS

Bank balances carry interest at floating rates and placed with creditworthy banks with no recent history of default. At 31 December 2017, short-term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short-term time deposit rates ranged from 0.77% to 1.10% p.a.

At 31 December 2018, the Group's cash and bank balances denominated in USD and Renminbi ("RMB") is approximately HK\$1,454,000 and HK\$49,728,000 (2017: HK\$36,600,000 and HK\$69,460,000) respectively.

22. 按金、預付款項及其他應收款項 (續)

於2018年12月31日，本集團的其他應收款項主要包括約68,316,000港元（2017年：53,022,000港元）的已付客戶保證金。於截至2017年12月31日止年度支付之擔保按金已於截至2018年12月31日止年度全數收回。

23. 應收／（應付）關連公司／一名董事／一名股東／非控股權益款項

應收／（應付）關連公司／一名董事／一名股東／非控股權益款項為無抵押，免息及須按要求償還。

於截至2018年12月31日止年度，應收一名董事及一間關連公司款項最高金額分別為9,018,000港元（2017年：9,018,000港元）及117,000港元（2017年：無）。

24. 現金及現金等價物

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Cash and bank balances	現金及銀行結餘	56,683	172,004
Short-term bank deposits	短期銀行存款	-	121,849
		56,683	293,853

銀行結餘按浮動利率計息，並存放於近期無不良記錄之有信譽銀行。於2017年12月31日，短期定期存款之期限由一日至三個月不等，乃視乎本集團之即時現金需求而定，並會按介乎年利率0.77厘至1.10厘之短期定期存款利率賺取利息。

於2018年12月31日，本集團以美元及人民幣（「人民幣」）計值的現金及銀行結餘分別約為1,454,000港元及49,728,000港元（2017年：36,600,000港元及69,460,000港元）。



24. CASH AND CASH EQUIVALENTS (Continued)

RMB is not a freely convertible currency in the PRC and the remittance of funds out of the PRC is subject to the foreign exchange control promulgated imposed by the PRC government.

For the year ended 31 December 2018, the Group performed impairment assessment on bank balances and concluded that the probability of defaults of the counterparty banks are insignificant and accordingly, no allowance for credit losses is provided.

24. 現金及現金等價物 (續)

在中國，人民幣並非可自由兌換之貨幣，而匯出中國之資金受中國政府實行的外匯管制規範。

於截至2018年12月31日止年度，本集團已就銀行結餘進行減值評估，認為對手方銀行的違約可能性不大，因此並無計提信貸虧損撥備。

25. TRADE AND OTHER PAYABLES AND CONTRACT LIABILITIES

(i) Trade and other payables

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Trade payables	貿易應付款項	13,490	114,395
Accruals and other payables	應計費用及其他應付款項	8,207	13,078
Receipt in advance	預收款項	-	693
Trade deposits received	貿易已收按金	-	789
		21,697	128,955

The following is an aging analysis of trade payables, based on the invoice date:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
0 – 30 days	0-30天	8,134	76,896
31 – 60 days	31-60天	-	16,064
61 – 90 days	61-90天	-	17,785
Over 90 days	90天以上	5,356	3,650
		13,490	114,395

The average credit period granted by supplier ranging from 30 to 180 days.

25. 貿易及其他應付款項及合約負債

(i) 貿易及其他應付款項

按發票日期呈列之貿易應付款項之賬齡分析如下：

供應商授予的平均信貸期介乎30至180日。



25. TRADE AND OTHER PAYABLES AND CONTRACT LIABILITIES (Continued)

(ii) Contract liabilities

	At 31 December 2018 於2018年 12月31日 HK\$'000 千港元
Sales of electric vehicles and related products	1,822

* The amount in this column are after the adjustments from the application of HKFRS 15.

When the Group receives a deposit before the control of the electric vehicles and related products are passed to the customers, this will give rise to contract liabilities at the start of a contract, until the control of the electric vehicles and related products are passed to the customers and revenue of the respective contracts are recognised.

For the contract liabilities at 1 January 2018, the entire balances are recognised as revenue to profit or loss during the year ended 31 December 2018.

25. 貿易及其他應付款項及合約負債 (續)

(ii) 合約負債

At 31 December 2018 於2018年 12月31日 HK\$'000 千港元	At 1 January 2018* 於2018年 1月1日* HK\$'000 千港元
1,822	789

* 此欄所列金額已就應用香港財務報告準則第15號進行調整。

倘本集團於電動汽車及相關產品的控制權轉移至客戶前收取按金，此將導致在合約初期產生合約負債，直至電動汽車及相關產品的控制權轉移至客戶及確認相關合約之收入為止。

就於2018年1月1日的合約負債而言，全數結餘均已於截至2018年12月31日止年度之損益內確認為收入。

26. SECURED LOAN

26. 有抵押貸款

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Secured loan repayable within one year	須於一年內償還的 有抵押貸款	-	15,000

The secured loan bears interest at 1% per annum above the Hong Kong dollar prime lending rate published by The Hong Kong and Shanghai Banking Corporation Limited and is repayable together with interest not later than 12 months from the drawdown date. The loan is fully secured by the share capital of Powerwell Pacific, a wholly-owned subsidiary of the Company incorporated in the BVI. Subject to the fulfilment of certain conditions, the Company shall have the right to extend the repayment date to another 12 months from the original repayment date.

On 6 February 2017, the Company has extended the repayment date of the secured loan to another 12 months from the original repayment date. On 6 February 2018, the Company signed another supplemental loan agreement to further extend the repayment date to another 3 months from the original repayment date. On 3 May 2018, the amount was fully settled.

27. CONVERTIBLE BONDS

On 1 June 2016, the Company issued unsecured convertible bonds in the principal amount of HK\$110,000,000 to satisfied the acquisition of property, plant and equipment and interest in leasehold land. The bonds are interest-free. The bondholders may convert the bonds into ordinary shares of the Company at any time prior to and exclusive of the maturity date on 31 May 2018 at an initial conversion price of HK\$0.55 per share in accordance with the convertible bonds agreements (subject to adjustment if necessary). The conversion price was adjusted to HK\$0.11 per share and the number of conversion shares were adjusted from 200,000,000 shares to 1,000,000,000 shares on 4 May 2016 upon the completion of share subdivision. On 25 May 2017, the conversion price was further adjusted to HK\$0.109 per share upon completion of placement of new shares.

On 1 June 2018, a convertible bond holder has exercised its conversion rights attached to the convertible bond with an aggregate principal amount of HK\$53,051,974 into 486,715,358 ordinary shares of the Company at the adjusted conversion price of HK\$0.109 per share.

有抵押貸款按高於香港上海滙豐銀行有限公司頒佈之港元最優惠利率年利率1厘計息，且須自提取日期起不遲於12個月連同利息一併償還。貸款由Powerwell Pacific（本公司一間於英屬處女群島註冊成立之全資附屬公司）之股本作全面擔保。若滿足一定條件，本公司有權將原來之償還日期再延遲12個月。

於2017年2月6日，本公司已將有抵押貸款的償還日期由原償還日期延長12個月。於2018年2月6日，本公司簽訂另一項補充貸款協議，以將償還日期由原償還日期進一步延長3個月。於2018年5月3日，有關金額已全數償還。

27. 可換股債券

於2016年6月1日，本公司發行本金額為110,000,000港元的無抵押可換股債券，以支付收購物業、廠房及設備以及租賃土地權益。該等債券免息。根據可換股債券協議，債券持有人可於2018年5月31日到期日（不包括該日）前任何時間按初步轉換價每股0.55港元（可於需要時予以調整）將債券轉換為本公司普通股。轉換價於2016年5月4日股份拆細完成後調整至每股0.11港元，而換股股份數目由200,000,000股調整至1,000,000,000股。於2017年5月25日，轉換價已於配售新股完成後進一步調整為每股0.109港元。

於2018年6月1日，一名可換股債券持有人行使其本金總額為53,051,974港元之可換股債券所附之換股權，以轉換為486,715,358股本公司普通股，經調整轉換價為每股0.109港元。

27. CONVERTIBLE BONDS (Continued)

The bond contains two components, liability and equity elements. The equity element is presented in equity under the heading of “convertible bonds reserve”. The effective interest rate of the liability component on initial recognition is 7.41%.

27. 可換股債券 (續)

債券包括兩個部份(負債部份及權益部份)。權益部份於權益項下「可換股債券儲備」呈列。負債部份之實際利率於初步確認時為7.41%。

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
At 1 January	於1月1日	51,444	47,781
Conversion of convertible bonds	轉換可換股債券	(53,052)	—
Imputed interest expenses (note 8)	估算利息開支 (附註8)	1,608	3,663
At 31 December	於12月31日	—	51,444

28. DEFERRED TAX LIABILITY/(ASSET)

The following is the major deferred tax balance recognised by the Group and movements thereon:

28. 遞延稅項負債/(資產)

以下為本集團確認之主要遞延稅項結餘及其相關變動：

		Convertible bonds 可換股債券 HK\$'000 千港元	Allowance for credit losses 信貸 虧損撥備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本			
At 1 January 2017	於2017年1月1日	1,679	—	1,679
Credit to consolidated statement of profit or loss and other comprehensive income (note 11)	計入綜合損益及其他全面收益表(附註11)	(605)	—	(605)
At 31 December 2017 and at 1 January 2018	於2017年12月31日及於2018年1月1日	1,074	—	1,074
Credit to consolidated statement of profit or loss and other comprehensive income (note 11)	計入綜合損益及其他全面收益表(附註11)	(264)	(1,664)	(1,928)
Release of deferred tax upon conversion of convertible bonds	於轉換可換股債券時轉撥遞延稅項	(810)	—	(810)
Exchange alignment	匯兌調整	—	65	65
At 31 December 2018	於2018年12月31日	—	(1,599)	(1,599)

29. SHARE CAPITAL

29. 股本

		2018		2017	
		Number of ordinary shares 普通股數目 '000 千股	Carrying amount 賬面值 HK\$'000 千港元	Number of ordinary shares 普通股數目 '000 千股	Carrying amount 賬面值 HK\$'000 千港元
Ordinary shares of HK\$0.02 each	每股0.02港元的普通股				
Authorised:	法定：				
At 1 January and at 31 December	於1月1日及於12月31日	5,000,000	100,000	5,000,000	100,000
Issued and fully paid:	已發行及繳足：				
At 1 January	於1月1日	2,151,209	43,024	2,051,209	41,024
Placement of new shares (note i)	配售新股 (附註i)	-	-	100,000	2,000
Exercise of share options (note ii)	行使購股權 (附註ii)	37,500	750	-	-
Conversion of convertible bonds (note iii)	轉換可換股債券 (附註iii)	486,715	9,734	-	-
At 31 December	於12月31日	2,675,424	53,508	2,151,209	43,024

Notes:

- (i) On 25 May 2017, the Company allotted and issued an aggregate 100,000,000 new shares of HK\$0.02 each to not less than six places at a price of HK\$2.80 per share. Of the net proceeds of the placing of HK\$277,760,000, approximately HK\$138,000,000 and HK\$9,760,000 were used in the operation of the Electric Vehicle Business and for general working capital purpose respectively.
- (ii) During the year ended 31 December 2018, several option holders exercised their option right to subscribe for 37,500,000 new ordinary shares at exercise price of HK\$0.234 per share.
- (iii) On 1 June 2018, a convertible bond holder has exercised its conversion rights attached to the convertible bonds with an aggregate principal amount of HK\$53,051,974 into 486,715,358 ordinary shares of the Company at the adjusted conversion price of HK\$0.109 per share.

附註：

- (i) 於2017年5月25日，本公司以每股2.80港元之價格向不少於六名承配人配發及發行合共100,000,000股每股面值0.02港元之新股份。配售事項之所得款項淨額為277,760,000港元，其中約138,000,000港元及9,760,000港元分別用於電動汽車業務運營及用作一般營運資金用途。
- (ii) 於截至2018年12月31日止年度，若干購股權持有人按每股0.234港元之行使價行使其購股權權利，以認購37,500,000股新普通股。
- (iii) 於2018年6月1日，一名可換股債券持有人行使其本金總額為53,051,974港元之可換股債券所附之換股權，轉換為本公司之486,715,358股普通股，經調整轉換價為每股0.109港元。



30. STATEMENT OF FINANCIAL POSITION AND MOVEMENT OF RESERVES OF THE COMPANY

(a) Statement of financial position of the Company

30. 本公司財務狀況表及儲備變動

(a) 本公司財務狀況表

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	3,950	973
Prepayment for property, plant and equipment	物業、廠房及設備之預付款項	-	2,865
Investments in subsidiaries	於附屬公司的投資	5,241	32,366
		9,191	36,204
Current assets	流動資產		
Deposits, prepayments and other receivable	按金、預付款項及其他應收款項	2,369	6,093
Amounts due from subsidiaries	應收附屬公司款項	479,617	341,267
Cash and cash equivalents	現金及現金等價物	4,869	130,822
		486,855	478,182
Current liabilities	流動負債		
Accruals and other payables	應計費用及其他應付款項	1,112	1,575
Secured loan	有抵押貸款	-	15,000
Convertible bonds	可換股債券	-	51,444
Amount due to a director	應付一名董事款項	30,000	5,438
Amount due to a subsidiary	應付一間附屬公司款項	-	4,829
		31,112	78,286
Net current assets	流動資產淨額	455,743	399,896
Total assets less current liabilities	總資產減流動負債	464,934	436,100



30. STATEMENT OF FINANCIAL POSITION AND MOVEMENT OF RESERVES OF THE COMPANY

(Continued)

(a) Statement of financial position of the Company
(Continued)

		2018 <i>HK\$'000</i> 千港元	2017 <i>HK\$'000</i> 千港元
Non-current liability	非流動負債		
Deferred tax liability	遞延稅項負債	-	1,074
Net assets	資產淨額	464,934	435,026
Capital and reserves	資本及儲備		
Share Capital	股本	53,508	43,024
Reserves	儲備	411,426	392,002
Total equity	權益總額	464,934	435,026

Signed on behalf of the Board of Directors on 26 March 2019 by:

(a) 本公司財務狀況表 (續)

於2019年3月26日代表董事會簽署：

Fei Jie
費杰
Director
董事

Fung Chi Kin
馮志堅
Director
董事

30. STATEMENT OF FINANCIAL POSITION AND MOVEMENT OF RESERVES OF THE COMPANY

(Continued)

(b) Movement of reserves of the Company

30. 本公司財務狀況表及儲備變動(續)

(b) 本公司儲備變動

		Share- based Share premium 股份溢價 HK\$'000 千港元	payment reserve 以股份為基礎 之付款儲備 HK\$'000 千港元	Convertible bonds reserve 可換股債券 儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2017	於2017年1月1日	163,815	2,565	9,842	(44,227)	131,995
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	(15,753)	(15,753)
Placement of new shares	配售新股	278,000	-	-	-	278,000
Share issuing expenses	股份發行開支	(2,240)	-	-	-	(2,240)
At 31 December 2017 and at 1 January 2018	於2017年12月31日及 於2018年1月1日	439,575	2,565	9,842	(59,980)	392,002
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	(32,729)	(32,729)
Exercise of share options	行使購股權	10,590	(2,565)	-	-	8,025
Conversion of convertible bonds	轉換可換股債券	53,970	-	(10,652)	-	43,318
Release of deferred tax upon conversion of convertible bonds	於轉換可換股債券時 轉撥遞延稅項	-	-	810	-	810
At 31 December 2018	於2018年12月31日	504,135	-	-	(92,709)	411,426

31. MATERIAL RELATED PARTY TRANSACTIONS

- (i) Save as disclosed elsewhere in these consolidated financial statements, during the year, the Group carried out the following material transactions with its related parties:

	Nature of transaction 交易性質	2018 HK\$'000 千港元	2017 HK\$'000 千港元
Richmind International Investment Limited (note (a)) 富宏國際投資有限公司(附註(a))	Rental expenses 租金開支	527	1,296
湖州百成新型電池有限公司 ("Huzhou Brighsun") (note (b)(i)) 湖州百成新型電池有限公司 (「湖州百成」)(附註(b)(i))	Sales of goods 貨品銷售	-	2,119
Mr. Zhang (note (b)(iii)) 章先生(附註(b)(iii))	Loan 貸款	30,000	-
Mr. Zhang (note (c)) 章先生(附註(c))	Disposal of available-for-sale financial assets 出售可供出售金融資產	-	9,000
浙江之信控股集團有限公司 ("Zhejiang Zhisin Holdings Limited") (note (d)) 浙江之信控股集團有限公司 (「浙江之信控股集團有限公司」) (附註(d))	Sales of goods 貨品銷售	540	-
杭州鴻泰股權投資基金 管理有限公司 ("Hangzhou Hong Tai Equity Investment Fund Management Co., Ltd") (note (e)) 杭州鴻泰股權投資基金管理有限公司 (「杭州鴻泰股權投資基金管理有限公司」)(附註(e))	Sales of goods 貨品銷售	845	-

Notes:

- (a) Richmind is a subsidiary of Data Champion Limited in which members of the key management personnel of the Group, have equity interest in Data Champion Limited.
- (b) (i) Mr. Zhang has material equity interest in Huzhou Brighsun. In the opinion of the directors, this transaction is de minimis transaction and fully exempted from shareholders' approval, annual review and all the disclosure requirements of continuing connected transaction as set out in Chapter 20 of the GEM Listing Rules.
- (ii) On 31 July 2018, amount of HK\$30,000,000 was advanced from Mr. Zhang to the Group for the purpose of general working capital. Directors confirmed that the Company has complied with the applicable requirements under Chapter 20 of the GEM Listing Rules.

31. 重大關連人士交易

- (i) 除本綜合財務報表其他部分所披露者外，本集團本年度曾與其關連人士進行以下重大交易：

附註：

- (a) 富宏為Data Champion Limited之附屬公司，而本集團主要管理人員擁有Data Champion Limited之股權。
- (b) (i) 章先生於湖州百成有重大股份權益。董事認為，該交易屬最低豁免水平交易，且獲全面豁免遵守GEM上市規則第20章所載股東批准、年度審核及持續關連交易的所有披露規定。
- (ii) 於2018年7月31日，章先生向本集團墊付30,000,000港元作為一般營運資金。董事確認本公司已遵守GEM上市規則第20章項下的適用規定。



31. MATERIAL RELATED PARTY TRANSACTIONS

(Continued)

- (i) Save as disclosed elsewhere in these consolidated financial statements, during the year, the Group carried out the following material transactions with its related parties: (Continued)

Notes: (Continued)

- (c) Mr. Zhang is the executive director and a substantial shareholder of the Company.
- (d) Tong Yin is 49% owned by 浙江之信控股集團有限公司 (Zhejiang Zhisin Holdings Limited*) ("Zhisin"), which is in turn 60% owned by Mr. Zhang. Tong Yin is a subsidiary of the Company and is thus an related company of the Company.
- (e) Smart Focus Inc Limited, a substantial shareholder of the Company, has material interest in 杭州鴻泰股權投資基金管理有限公司 (Hangzhou Hong Tai Equity Investment Fund Management Co., Ltd*) ("Hong Tai").

* for identification purpose only

(ii) Compensation of key management personnel

Included in employee benefit expenses are key management personnel compensation (including directors), the details of which are as follows:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Salaries and other allowance	薪金及其他津貼	2,582	8,179
Retirement benefit schemes contributions	退休福利計劃供款	18	69
		2,600	8,248

- (iii) Details of the balances with related parties at the end of the reporting period are set out in note 23 to the consolidated financial statements.

31. 重大關連人士交易 (續)

- (i) 除本綜合財務報表其他部分所披露者外，本集團本年度曾與其關連人士進行以下重大交易：(續)

附註：(續)

- (c) 章先生為本公司執行董事兼主要股東。
- (d) 通銀由浙江之信控股集團有限公司 (「之信」) 擁有49%，而之信由章先生擁有60%。通銀為本公司的附屬公司及由此為本公司的關連公司。
- (e) 馬特有限公司為本公司主要股東，其於杭州鴻泰股權投資基金管理有限公司 (「鴻泰」) 擁有重大權益。

(ii) 主要管理人員的補償

僱員福利開支內計入主要管理人員 (包括董事) 的補償，有關詳情如下：

- (iii) 於報告期末，與關連人士之交易結餘詳情載於綜合財務報表附註23。



32. OPERATING LEASE COMMITMENTS

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Within one year	一年內	3,919	5,887
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	1,985	6,436
		5,904	12,323

The Group leases certain properties under operating leases. Leases are mainly negotiated for average term of one to three years (2017: three) years. The Group does not have an option to purchase the leased premises at the expiry of the lease period.

32. 經營租賃承擔

於報告期末，本集團於不可撤銷經營租約下有關租賃物業的未來最低租約付款承擔的到期情況如下：

本集團根據經營租賃租用若干物業。租賃主要以平均一至三年(2017年：三年)的租期進行磋商。本集團並無於租賃期屆滿後購買租賃物業的選擇權。

33. CAPITAL COMMITMENTS

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Authorised and contracted, but not provided for:	已授權及已訂約， 但未撥備：		
– Purchase of property, plant and equipment	– 購買物業、廠房及設備	22,400	716

33. 資本承擔

34. SHARE-BASED PAYMENT TRANSACTION

Pursuant to a resolution passed at annual general meeting of the Company held on 22 December 2010, the share option scheme (the “Share Option Scheme”) was adopted by the Company.

The major terms of the Share Option Scheme are summarised as follows:

- (i) The purpose is to attract and retain quality personnel and other persons to provide incentive to them to contribute to the business and operation of the Group.
- (ii) The eligible person include full time or part time employees of the Group (including any director, whether executive or non-executive and whether independent or not, or consultant of the Company or any subsidiary); any holder of any securities issued by the Group; and any business or joint venture partners, contractors, agents or representatives, consultants, advisers, suppliers, customers, licensees (including any sub-licensee), landlords or tenants (including any sub-tenants) of the Group or any invested entity or any person who, in the sole discretion of the Board of Directors, has contributed or may contribute to the Group.
- (iii) The total number of shares in respect of which share options may be granted under the Share Option Scheme shall not exceed 10% of the issued shares capital of the Company at any point in time, without prior approval from the Company’s shareholders. The number of shares which may be issued upon exercise of all outstanding share option granted and yet to be exercised under the Share Option Scheme and any other share option scheme shall not exceed 30% of the issued share capital of the Company from time to time.
- (iv) The total number of shares issued and to be issued upon exercise of the share options granted to each participant or grantee (including exercised, cancelled and outstanding share options) in any 12-month period shall not exceed 1% of the shares in issue from time to time unless the same is approved by the shareholders.

34. 以股份為基礎之付款交易

根據本公司於2010年12月22日舉行之股東週年大會通過之決議案，本公司採納購股權計劃（「購股權計劃」）。

購股權計劃之主要條款概述如下：

- (i) 購股權計劃之目的為吸引及挽留優秀員工及其他人士，激勵彼等為本集團之業務及營運作出貢獻。
- (ii) 合資格人士包括本集團全職或兼職僱員（包括本公司或任何附屬公司之任何董事，不論為執行董事或非執行董事，亦不論獨立與否或是否為本公司顧問）；本集團所發行之任何證券之任何持有人；及本集團或任何所投資實體之任何業務或合營夥伴、承包商、代理或代表、顧問、諮詢人、供應商、客戶、受權人（包括任何轉授受權人）、業主或租戶（包括任何分租租戶），或董事會全權酌情決定已經或可能對本集團作出貢獻之任何人士。
- (iii) 如未獲本公司股東事先批准，根據購股權計劃可授出之購股權所涉及之股份總數不得超逾本公司不時已發行股本之10%。因行使所有根據購股權計劃及任何其他購股權計劃已授出而尚未行使之購股權而發行之股份數目，不得超逾本公司不時已發行股本之30%。
- (iv) 除非獲得股東批准，於任何十二個月內授予每名參與者或承授人之購股權（包括已行使、已註銷及尚未行使購股權）獲行使時已發行及將發行之股份總數不得超過不時已發行股份之1%。

34. SHARE-BASED PAYMENT TRANSACTION

(Continued)

- (v) The total number of shares issued and to be issued upon exercise of the share options granted to each substantial shareholder (as defined in the GEM Listing Rules) of the Company or any of its respective associates or an independent non-executive Director or any of his associates (including exercised, cancelled and outstanding share options) in the 12-month period up to and including the date of such grant: (a) representing in aggregate over 0.1% of the shares in issue; and (b) having an aggregate value, based on the closing price of the shares at the date of each grant, in excess of HK\$5 million, unless the same is approved by the shareholders.
- (vi) The exercisable period should be determined by the Board of Directors upon grant of the share option but in any event should not exceed 10 years from the date of offer for grant.
- (vii) Save as determined by the Board of Directors provided in the offer of the grant of the relevant share options, there is no general requirement that a share option must be held for any minimum period before it can be exercised.
- (viii) Offer of options shall be open for acceptance in writing or by telex received by the secretary of the Company for a period of 21 days inclusive of, and from, the date of grant.
- (ix) The subscription price of a share option must be the highest of:
 - a. the closing price of a share of the Company on the Stock Exchange on the date of grant of the option;
 - b. the average closing price of a share of the Company from the 5 business days immediately preceding the date of grant of the option; and
 - c. the nominal value of a share of the Company on the date of grant of the option.
- (x) The Share Option Scheme is effective for 10 years from the date of adoption of such scheme (ie. effective until 21 December 2020).

34. 以股份為基礎之付款交易 (續)

- (v) 於截至有關授出日期(包括該日)止之十二個月內於本公司每名主要股東(定義見GEM上市規則)或其任何各自聯繫人或獨立非執行董事或其任何聯繫人獲授之購股權(包括已行使、已註銷及尚未行使購股權)獲行使時已發行及將予發行之股份總數:(a)合共不得超過本公司已發行股份之0.1%;及(b)根據每次授出日期本公司股份之收市價計算,總價值不得超過5,000,000港元,除非獲得股東批准。
- (vi) 行使期由董事會於授出購股權時決定,但於任何情況下,不得超過自授出日期起10年。
- (vii) 除董事會另有決定及於授出相關購股權時另有規定外,並無規定購股權於行使前須持有之最短限期。
- (viii) 購股權可由授出日期起(包括該日)計21日內供接納,接納方式為以書面形式或通過公司秘書收到的電報方式接納。
- (ix) 購股權之認購價必須為以下各項之最高者:
 - a. 於購股權授出日期本公司每股股份在聯交所之收市價;
 - b. 緊接購股權授出日期前5個營業日本公司每股股份之平均收市價;及
 - c. 於購股權授出日期本公司每股股份之面值。
- (x) 購股權計劃於採納該計劃日期起十年內有效(即直至2020年12月21日一直有效)。

34. SHARE-BASED PAYMENT TRANSACTION (Continued)

At 31 December 2017, the number of shares in respect of which may be issued upon exercise of share options granted and remain outstanding under the Share Option Scheme was 37,500,000, representing 1.7% of the shares of the Company in issue at those dates. These options were granted by the Company on 27 May 2015 and are exercisable from 27 May 2015 to 26 May 2018 (both dates inclusive). Further details of the share options granted are discussed in the section headed "Share Option Scheme" of the Directors' Report in this annual report.

34. 以股份為基礎之付款交易(續)

於2017年12月31日，根據購股權計劃已授出及尚未行使之購股權獲行使後可能發行之股份數目為37,500,000股，相當於本公司於該等日期之已發行股份之1.7%。該等購股權乃由本公司於2015年5月27日授出，並於2015年5月27日至2018年5月26日(包括首尾兩日)期間內可供行使。有關已授出購股權的進一步詳情於本年報董事會報告「購股權計劃」一節討論。

Share option type	購股權類別	Number of share options 購股權數目		
		Outstanding at 1 January 2017, 31 December 2017 and at 1 January 2018 於2017年1月1日、 2017年12月31日 及2018年1月1日 尚未行使	Exercised during the year 於年內行使	31 December 2018 2018年 12月31日
2015	2015年	37,500,000	(37,500,000)	-
Exercisable at the end of the year	可於年末行使	37,500,000		-
Weighted average exercise price	加權平均行使價	HK\$0.234 0.234港元	HK\$0.234 0.234港元	-

In respect of the share options exercised during the year, the weighted average share price at the dates of exercise was HK\$3.08.

就年內已行使之購股權而言，於行使日期之加權平均股價為3.08港元。

35. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS

The Group is exposed to a variety of financial risks which result from the use of financial instruments in its ordinary course of operations. The financial risks include market risk (mainly foreign currency risk), credit risks and liquidity risk. Details of these financial instruments are disclosed in the notes below. The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by key management under the policies approved by the directors. The Group does not have written risk management policies. However, the directors and senior management of the Group meet regularly to identify and evaluate risks and to formulate strategies to manage financial risks on timely and effective manner. The risks associated with these financial instruments and the policies applied by the Group to mitigate these risks are set out below.

Categories of financial assets and financial liabilities

The carrying amounts of the Group's financial assets and financial liabilities recognised in the consolidated statement of financial position at the end of the reporting period categorised as follows:

35. 金融風險管理及公平值計量

本集團因於其日常業務過程中使用金融工具而承受多項金融風險。金融風險包括市場風險(主要為外幣風險)、信貸風險及流動資金風險。有關金融工具的詳情於以下附註中披露。本集團的整體風險管理集中於金融市場的不可預測性及致力減低對本集團財務表現的潛在不利影響。風險管理由主要管理層根據董事批准的政策進行。本集團並無書面風險管理政策。不過，董事及本集團高級管理人員定期會面以識別及評估風險以及制定策略以及時及有效地管理金融風險。與該等金融工具相關的風險及本集團採用以降低有關風險的政策載列如下。

金融資產及金融負債類別

本集團於報告期末在綜合財務狀況表確認的金融資產及金融負債的賬面值分類如下：

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Financial assets	金融資產		
Available-for-sale financial assets	可供出售金融資產	-	3,122
Financial assets measured at amortised cost	按攤銷成本計量之金融資產	319,316	-
Loans and receivables	貸款及應收款項	-	743,488
Financial liabilities	金融負債		
Financial liabilities measured at amortised cost	按攤銷成本列賬的金融負債	51,819	206,715

35. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

Market risk

Foreign currency risk

The Group major operates in Hong Kong and the PRC and majority of transactions are denominated in HK\$, USD and RMB. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities, which are denominated in a currency that is not the functional currency of the Group.

At the end of each reporting period, the carrying amounts of the monetary assets and liabilities of the Group, which are denominated in foreign currencies, are as follows:

		Liabilities 負債		Assets 資產	
		2018 HK\$'000 千港元	2017 HK\$'000 千港元	2018 HK\$'000 千港元	2017 HK\$'000 千港元
RMB	人民幣	-	647	553	63,482
USD	美元	-	936	1,531	42,271

The Group is mainly exposed to the foreign currency risk of RMB against HK\$. Since HK\$ is pegged to USD, the Group does not expect any significant movement in USD/HK\$ exchange rate and this is excluded from the sensitivity analysis below. Management will monitor foreign exchange exposure to mitigate the foreign currency risk.

The Group currently do not have a foreign currency hedging policy in respect of assets and liabilities denominated in foreign currency. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

35. 金融風險管理及公平值計量 (續)

市場風險

外幣風險

本集團主要於香港及中國經營業務，且大多數交易以港元、美元及人民幣計值。外匯風險由日後商業交易、已確認資產及負債而產生，並以本集團功能貨幣以外的貨幣計值。

於各報告期末，本集團以外幣計值的貨幣資產及負債的賬面值載列如下：

本集團主要承受人民幣兌港元的外幣風險。由於港元與美元掛鈎，本集團預期美元兌港元匯率不會出現重大變動，因此未有包括在下列敏感度分析。管理層將監察外匯風險以降低外幣風險。

本集團現時並無就以外幣計值的資產及負債制定外幣對沖政策。本集團將密切監察外匯風險，並將考慮於有需要時對沖重大外幣風險。

35. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

Market risk (Continued)

Foreign currency risk (Continued)

Sensitivity analysis

The following table details the Group's sensitivity to a 5% increase and decrease in HK\$ against RMB. 5% is the sensitivity rate used which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rates. A negative number below indicates an increase in pre-tax profit where HK\$ weaken 5% against RMB. For a 5% strengthening of HK\$ against the relevant currency, there would be an equal and opposite impact on the profit and the balances below would be positive.

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
RMB	人民幣	28	3,142

Management considered the sensitivity analysis is unrepresentative of the inherent foreign currency risk as the exposure at the end of each reporting period does not reflect the exposure during the year.

Interest rate risk

At 31 December 2018, the Group's exposure to the risk of changes in market interest rates arises primarily from bank deposits with a floating interest rate. The Group does not use derivative financial instruments to hedge its interest rate risk.

At the end of the reporting period, the Group did not have variable rate interest bearing liabilities. The Group has no exposure to interest rate risk.

At 31 December 2017, the Group is exposed to interest rate risk relates primarily to variable rate borrowings (note 26 to the consolidated financial statements for the details of secured loan). The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

35. 金融風險管理及公平值計量 (續)

市場風險 (續)

外幣風險 (續)

敏感度分析

下表詳細載列本集團對港元兌人民幣升值及貶值5%之敏感度。5%之敏感度率為管理層對外幣匯率可能合理變動之評估。敏感度分析僅包括以外幣計值之尚未支付貨幣項目，並於報告期末就外幣匯率變動5%作匯兌調整。下列負數反映港元兌人民幣貶值5%時，稅前溢利的增加金額。倘港元兌相關貨幣升值5%，則對以下溢利及結餘產生等值之相反影響。

管理層認為，由於各報告期末之風險未能反映年內之風險，故敏感度分析對固有外幣風險不具代表性。

利率風險

於2018年12月31日，本集團面對的市場利率變動風險主要因按浮動利率計息的銀行存款而產生。本集團並無使用衍生金融工具對沖其利率風險。

於報告期末，本集團並無浮息負債。本集團並無面對利率風險。

於2017年12月31日，本集團所承受之利率風險主要涉及浮息借貸(有關有抵押貸款詳情請參閱綜合財務報表附註26)。本集團之收入及經營現金流量基本上不受市場利率變動的影響。本集團目前並無設立利率對沖政策。然而，管理層會監察利率風險，並將在必要時考慮對沖重大利率風險。

35. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

Market risk (Continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the end of each reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis points increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's pre-tax profit for the year ended 31 December 2017 would decrease/increase by approximately HK\$75,000. This is mainly attributable to the Group's exposure to interest rates on its variable rate of borrowings.

Credit risk and impairment assessment

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to the Group.

At 31 December 2018, the Group had certain concentration of credit risk as 100% (2017: 98%) of the trade receivables of the Group were due from top five customers. Management monitored the financial background and creditability of those debtors on an ongoing basis.

The Group's policy to manage credit risk is to deal only with credit worthy counterparties. In order to minimise the credit risk, the management of the Group has formulated a credit policy and, delegated a team responsible for determination of credit limits credit approvals and other monitoring procedures to ensure that follow-up action is take.

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. The Group does not obtain collateral from customers.

35. 金融風險管理及公平值計量 (續)

利率風險 (續)

敏感度分析

下文敏感度分析乃根據各報告期末非衍生工具利率風險釐定。該分析乃假設報告期末尚未償還之金融工具於全年未有償還編製。50基點上升或下降於向主要管理人員內部報告利率風險時使用，亦為管理層對利率合理可能變動的評估。

倘利率上升／下降50基點，而所有其他變數維持不變，則本集團於截至2017年12月31日止年度的除稅前溢利將減少／增加約75,000港元。此乃主要由於本集團承受浮息借貸利率風險所致。

信貸風險及減值評估

信貸風險指金融工具的對手方未能履行金融工具條款項下的責任並導致本集團蒙受財政損失的風險。

於2018年12月31日，由於本集團貿易應收款項的100% (2017年：98%) 為應收五大客戶款項，故本集團有若干信貸集中風險。管理層持續監察該等債務人的財務背景及信譽。

本集團管理信貸風險的政策為只與信用良好的對手方交易。為盡量減低信貸風險，本集團管理層已制定信貸政策，並委派團隊專責釐定信貸限額、批核信貸及進行其他監管程序，以確保採取跟進行動。

本集團會對要求高於某一金額的信貸的所有客戶進行個別信貸評估。該等評估針對客戶過往的到期付款記錄及現時的付款能力，並考慮客戶的特定資料，以及與客戶經營所在經濟環境相關的資料。本集團並無向客戶收取抵押品。

35. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

Market risk (Continued)

Credit risk and impairment assessment (Continued)

Except for debtors that are credit impaired, the Group measures loss allowances for trade receivables equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

Measurement of expected credit loss on collective basis

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables except for those who are credit impaired at 31 December 2018:

		Average expected loss rate 平均預期虧損率	Gross carrying amount 總賬面值 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$000 千港元
Neither yet past due nor impaired	並無逾期或減值	0.00%	54,105	-
1-30 days past due	逾期1-30天	0.38%	31,478	118
31-60 days past due	逾期31-60天	0.38%	5,693	22
61-90 days past due	逾期61-90天	0.00%	-	-
91-180 days past due	逾期91-180天	0.39%	5,771	23
Over 180 days past due	逾期180天以上	6.66%	93,101	6,198
			190,148	6,361

Average expected loss rates are based on actual loss experience over the past 2 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Measurement of expected credit loss on individual basis

Receivables relating to customers with known financial difficulties or significant doubt on collection of receivables are assessed individually for allowance for credit losses. At 31 December 2018, the balance of allowance for credit losses in respect of these individually assessed receivables was HK\$4,726,000.

35. 金融風險管理及公平值計量 (續)

利率風險 (續)

信貸風險及減值評估 (續)

除出現信貸減值之應收賬項外，本集團就貿易應收款項計量的虧損撥備相等於全期預期信貸虧損，有關金額乃使用撥備矩陣計算得出。由於本集團的過往信貸虧損經驗顯示不同客戶分部的虧損模式並無重大不同，故基於逾期狀況的虧損撥備並無就本集團不同客戶基礎作進一步劃分。

按集體基準計量預期信貸虧損

下表提供有關於2018年12月31日本集團所承受信貸風險及貿易應收款項(已出現信貸虧損者除外)預期信貸虧損之資料：

平均預期虧損率乃基於過去兩年的實際虧損經驗得出。該等比率已作調整以反映收集歷史數據的期間的經濟狀況、目前狀況與本集團對應收款項預計存續期的經濟狀況的意見之差異。

按單獨基準計量預期信貸虧損

與該等已獲悉遭遇財政困難或收回應收款項嚴重存疑的客戶有關的應收款項乃單獨進行信貸虧損撥備評估。於2018年12月31日，與該等經單獨評估的應收款項有關的信貸虧損撥備結餘為4,726,000港元。

35. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

Market risk (Continued)

Credit risk and impairment assessment (Continued)

Measurement of expected credit loss on individual basis (Continued)

The following table present the balances of gross amount and the loss allowance in respect of the individually assessed receivables at 31 December 2018:

		Average expected loss rate 平均預期虧損率	Gross carrying amount 總賬面值 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元
On individual basis	按單獨基準	100%	4,726	4,726

The Group deposited its cash and cash equivalents with approved and reputable banks. Bankruptcy or insolvency of the banks may cause the Group's right with respect to cash and cash equivalents held to be delayed or limited. Management of the Company monitors the credit rating of these banks on an ongoing basis, and considers that the Group's exposure to credit risk at 31 December 2018 and 2017 were minimal.

The credit quality of deposits paid, other receivables and amount due from a related company has been assessed with reference to historical information about the counterparties default rates of the counterparties. The directors are of the opinion that the credit risk of these amounts are low and therefore the average expected credit loss rate is assessed to be immaterial and no provision was made for the year ended 31 December 2018.

The credit policies have been followed by the Group since prior years and are considered to have been effective in limiting the Group's exposure to credit risk to a desirable level.

Liquidity risk

Liquidity risk relates to the risk that the Group will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group is exposed to liquidity risk in respect of settlement of trade payables and its financing obligations, and also in respect of its cash flow management. The Group's objective is to maintain an appropriate level of liquid assets and committed lines of funding to meet its liquidity requirements in the short and longer term.

The liquidity policies have been followed by the Group since prior years and considered by management of the Company to have been effective in managing liquidity risks.

35. 金融風險管理及公平值計量 (續)

利率風險 (續)

信貸風險及減值評估 (續)

按單獨基準計量預期信貸虧損 (續)

下表呈列經單獨評估的應收款項於2018年12月31日的總金額及虧損撥備結餘：

本集團將其現金及現金等價物存放於獲認可及信譽良好的銀行。該等銀行破產或無力償債或會導致本集團就所持現金及現金等價物的權利被延遲或受到限制。本公司管理層會持續監察該等銀行的信貸評級，並認為本集團於2018年及2017年12月31日所承受的信貸風險甚微。

本公司已透過參考對手方過往資料及對手方違約率就已付按金、其他應收款項及應收一間關連公司款項進行信貸質素評估。董事認為該等款項之信貸風險偏低，因此平均預期信貸虧損率評定為不重大，且並無就截至2018年12月31日止年度計提撥備。

本集團自過往年度一直遵從信貸政策，而有關政策亦被視為有效將本集團的信貸風險限制於理想水平。

流動資金風險

流動資金風險乃與本集團未能履行以現金或另一金融資產清償的金融負債相關責任的風險有關。本集團在清償貿易應付款項及履行融資承擔方面以及在現金流量管理方面承擔流動資金風險。本集團的目標為維持適當水平的流動資產及取得足夠已承諾資金，以配合短期及長期資金需要。

本集團自過往年度一直遵從流動資金政策，本公司管理層認為該等政策可有效管理流動資金風險。

35. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

Liquidity risk (Continued)

Analysed below is the Group's remaining contractual maturities for its financial liabilities at 31 December 2018 and 2017. When the creditor has a choice of when the liability is settled, the liability is included on the basis of the earliest date on when the Group can be required to pay.

Where the settlement of the liability is in instalments, each instalment is allocated to the earliest period in which the Group is committed to pay.

35. 金融風險管理及公平值計量 (續)

流動資金風險 (續)

下表顯示本集團於2018年及2017年12月31日就金融負債的餘下合約年期分析。當債權人有權選擇償還負債時，負債會基於本集團被要求償還的最早日期入賬。

當分期清償負債時，各分期分配予本集團承諾支付的最早期間。

		At 31 December 2018 於2018年12月31日					
		Interest rate % 利率%	Within one year or on demand 一年內或於要求時 HK\$'000 千港元	Within 2-5 years 兩至五年內 HK\$'000 千港元	More than 5 years 五年以上 HK\$'000 千港元	Total undiscounted amount 未貼現總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
Non-derivative financial liabilities	非衍生金融負債						
Trade and other payables	貿易及其他應付款項	-	21,697	-	-	21,697	21,697
Amount due to a director	應付一名董事款項	-	30,000	-	-	30,000	30,000
Amounts due to non-controlling interests	應付非控股權益款項	-	122	-	-	122	122
Total	總計		51,819	-	-	51,819	51,819

		At 31 December 2017 於2017年12月31日					
		Interest rate % 利率%	Within one year or on demand 一年內或於要求時 HK\$'000 千港元	Within 2-5 years 兩至五年內 HK\$'000 千港元	More than 5 years 五年以上 HK\$'000 千港元	Total undiscounted amount 未貼現總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
Non-derivative financial liabilities	非衍生金融負債						
Trade and other payables	貿易及其他應付款項	-	127,473	-	-	127,473	127,473
Secured loan	有抵押貸款	6	15,089	-	-	15,089	15,000
Amount due to a shareholder	應付一名股東款項	-	5,438	-	-	5,438	5,438
Amounts due to non-controlling interests	應付非控股權益款項	-	118	-	-	118	118
Amounts due to related companies	應付關連公司款項	-	7,242	-	-	7,242	7,242
Convertible bonds	可換股債券	7.41	53,052	-	-	53,052	51,444
Total	總計		208,412	-	-	208,412	206,715



35. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

Fair value of financial instruments

The carrying amounts of the Group's financial assets and financial liabilities carried at cost or amortised cost were not materially different from their fair values at 31 December 2018 and 2017, except for the liability of convertible bonds, the fair value of the liability component of convertible bonds is approximately HK\$52,034,000 at 31 December 2017. The fair value of liability component of convertible bonds is measured using discounted cash flows method in which all significant inputs are directly or indirectly based on observable market data, thus classified level 2 in fair value measurement.

As described in note 20 to the consolidated financial statement, the fair value of contingent consideration receivable in relation to the acquisition of Core Kingdom Group are measured at fair value under expected present value method and take into consideration of whether the Profit Guarantee is probable to be fulfilled. The unobservable inputs used in respect of the valuation are (i) expected future profitability for three scenarios and (ii) probability distribution of three different conditions.

The fair value measurement is negatively correlated to the expected profitability of Tong Yin and its subsidiary.

35. 金融風險管理及公平值計量 (續)

金融工具之公平值

本集團按成本或攤銷成本列賬的金融資產及金融負債的賬面值與其於2018年及2017年12月31日的公平值並無重大差異，惟可換股債券的負債除外，可換股債券負債部分於2017年12月31日的公平值約為52,034,000港元。可換股債券負債部分的公平值乃採用折現現金流量法(其中所有重大輸入數據均直接或間接基於可觀察市場數據)計量，故分類為公平值計量的第二級。

如綜合財務報表附註20所披露，有關收購Core Kingdom集團的應收或然代價公平值乃基於預期現值法按公平值計量，並經計及溢利保證是否可達致。所使用有關估值的不可觀察輸入數據為(i)三個假設的預期未來盈利能力及(ii)三種不同情況下的盈利能力分配。

公平值計量與通銀及其附屬公司的預期盈利能力是負相關關係。



35. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

Fair value of financial instruments (Continued)

In estimating the fair value of a financial asset, the directors worked closely with Ascent Partners Valuation Service Limited to establish the appropriate valuation techniques and inputs to the model. The management of the Company reported the findings to the directors at the end of the reporting period to explain the cause of fluctuations in fair value of the financial asset.

Information about the valuation techniques and inputs used in determining the fair value of contingent consideration receivable are disclosed above.

The following table presents the changes in contingent consideration receivable which are classified as level 3 instruments:

		2017 HK\$'000 千港元
At 1 January	於1月1日	7,107
Compensation from profit guarantee	溢利保證之補償	(2,596)
Loss arising on fair value change	公平值變動產生之虧損	(4,511)
At 31 December	於12月31日	-

During the year ended 31 December 2018 and 2017, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3.

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as of the date of the events or change in circumstances that caused the transfer.

35. 金融風險管理及公平值計量 (續)

金融工具之公平值 (續)

於估算金融資產公平值時，董事則緊密配合艾升評估諮詢有限公司確立適合模型的估值方法及輸入數據。本公司管理層於報告期末向董事匯報結果，以說明該金融資產公平值波動的原因。

於釐定應收或然代價公平值時使用的估值方法及輸入數據資料於上文披露。

下表呈列分類為第三級工具之應收或然代價的變動：

截至2018年及2017年12月31日止年度，第一級與第二級之間並無轉撥，亦無轉撥至或轉撥出第三級。

本集團的政策為於引致轉撥之事件或情況變動日期確認公平值層級之間的轉入及轉出。

36. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern and to provide an adequate return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged during the current and prior years.

The Group is not subject to any external imposed capital requirements.

Gearing ratio

The directors review the capital structure on annual basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on the recommendations of the directors, the Group will balance its overall capital structure through payment of dividends, issue of new shares or repurchase of existing shares as well as issue of new debts or the redemption of existing debts.

The gearing ratio at the end of the reporting period was as follows:

36. 資本管理

本集團管理其資本，以確保本集團的實體可持續經營，同時藉着優化債務及股本平衡，為持份者提供充足回報。本集團的整體策略於本年度及過往年度維持不變。

本集團並無面臨任何外部施加的資本要求。

資產負債比率

董事每年會檢討資本架構。作為此檢討之一部分，董事考慮資本成本及與各類別股本有關的風險。根據董事的推薦建議，本集團將透過派發股息、發行新股或購回現有股份以及發行新債務或贖回現有債務平衡其整體資本架構。

於報告期末之資產負債比率如下：

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Total debts (Note)	債務總額(附註)	30,122	66,444
Less: Cash and cash equivalents	減：現金及現金等價物	(56,683)	(293,853)
Net cash	現金淨額	(26,561)	(227,409)
Equity attributable to owners of the Company	本公司擁有人應佔權益	637,726	603,549
Total debts to equity ratio	債務總額對權益比率	5%	11%

Note: Total debts include amount due to a director, amounts due to non-controlling interests, secured loan and convertible bonds in notes 23, 26 and 27 to the consolidated financial statements respectively.

附註：債務總額包括分別於綜合財務報表附註23、26及27所述的應付一名董事款項、應付非控股權益款項、有抵押貸款及可換股債券。



37. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. 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.

37. 融資活動產生的負債對賬

下表詳述本集團來自融資活動的負債變動，包括現金及非現金變動。融資活動所產生的負債乃為現金流量所致，或未來現金流量將本集團綜合現金流量表中分類為融資活動所產生的現金流量。

		Dividend paid to non-controlling interests 已付予 非控股權益 的股息 HK\$'000 千港元	Amount to a director 應付一名 董事款項 HK\$'000 千港元	Amount to a shareholder 應付一名 股東款項 HK\$'000 千港元	Convertible bonds 可換股債券 HK\$'000 千港元	Secured loan 有抵押貸款 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2017	於2017年1月1日	-	-	5,438	47,781	15,000	68,219
Interest expenses recognised	已確認之利息開支	-	-	-	3,663	900	4,563
Financing cash outflows	融資現金流出	-	-	-	-	(900)	(900)
At 31 December 2017 and at 1 January 2018	於2017年12月31日及 2018年1月1日	-	-	5,438	51,444	15,000	71,882
Interest expenses recognised	已確認之利息開支	-	-	-	1,608	307	1,915
Conversion of convertible bonds	轉換可換股債券	-	-	-	(53,052)	-	(53,052)
Dividend declared	已宣派股息	42,515	-	-	-	-	42,515
Financing cash inflow	融資現金流入	-	30,000	-	-	-	30,000
Financing cash outflows	融資現金流出	(42,515)	-	(5,438)	-	(15,307)	(63,260)
At 31 December 2018	於2018年12月31日	-	30,000	-	-	-	30,000

38. PARTICULARS OF SUBSIDIARIES

The following table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results of the year or assets of the Group. To give details of the other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

38. 附屬公司詳情

根據董事之意見，下表所列之本公司附屬公司，為主要影響本年度之業績或構成本集團資產主要部分。根據董事之意見列出其他附屬公司之詳情則會使資料過於冗長。

Name of subsidiary 附屬公司名稱	Place/ country of incorporation 註冊成立 地點/國家	Class of share/ registered capital held 股份類別/持有 的註冊資本	Issued and fully paid share capital/ registered share capital 已發行及繳足 股本/註冊股本	Proportion of ownership interest and voting power held by the Company 本公司持有之所有權 及投票權比例		Principal activities and place of operations 主要業務及經營地點
				2018	2017	
Ampress Merchandising Limited 和峰實業有限公司	Hong Kong 香港	Ordinary 普通股	HK\$100,000 100,000港元	-	100%	Trading of watches, costume jewelleries and accessories in Hong Kong 於香港買賣鐘錶、人造珠寶 及配飾
Ampress Packaging Asia Limited 和峰包裝(亞洲)有限公司	Hong Kong 香港	Ordinary 普通股	HK\$500,000 500,000港元	-	100%	Trading of display and packaging products in Hong Kong 於香港買賣陳列及包裝品
Australian Green Transport Technology Pty Limited ("Australian Green Transport") Australian Green Transport Technology Pty Limited ([Australian Green Transport])	Australia 澳洲	Ordinary 普通股	AUD100 100澳元	100%	-	Dormant 暫無業務
Core Kingdom Limited Core Kingdom Limited	BVI 英屬處女群島	Ordinary 普通股	USD50,000 50,000美元	100%	100%	Investment holding 投資控股
Display & Packaging Limited Display & Packaging Limited	Hong Kong 香港	Ordinary 普通股	HK\$300,000 300,000港元	-	100%	Trading of display and packaging products in Hong Kong 於香港買賣陳列及包裝品
EC Pacific Limited 宏發(太平洋)有限公司	Hong Kong 香港	Ordinary 普通股	HK\$500,000 500,000港元	-	100%	Trading of watches and accessories in Hong Kong 於香港買賣鐘錶及配飾
Powerwell Pacific Powerwell Pacific	BVI 英屬處女群島	Ordinary 普通股	USD800 800美元	-	100%	Investment holding 投資控股
Runhao Technology (HK) Limited 潤浩科技(香港)有限公司	Hong Kong 香港	Ordinary 普通股	HK\$10,000 10,000港元	100%	100%	Investment holding 投資控股
State Achieve Investments Limited State Achieve Investments Limited	BVI 英屬處女群島	Ordinary 普通股	USD1 1美元	100%	100%	Investment holding 投資控股

38. PARTICULARS OF SUBSIDIARIES (Continued)

38. 附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place/ country of incorporation 註冊成立 地點/國家	Class of share/ registered capital held 股份類別/持有 的註冊資本	Issued and fully paid share capital/ registered share capital 已發行及繳足 股本/註冊股本	Proportion of ownership interest and voting power held by the Company 本公司持有之所有權 及投票權比例		Principal activities and place of operations 主要業務及經營地點
				2018	2017	
International Faith Limited	Hong Kong	Ordinary	HKD1	100%	100%	Sale of rechargeable batteries, electric vehicles and related products
國際信達有限公司	香港	普通股	1港元			銷售充電電池、電動汽車及相關產品
Ecological Green Transportation Limited	United Kingdom	Ordinary	1,000 Pound sterling	100%	100%	Manufacture and design of electric vehicles and related products
Ecological Green Transportation Limited	英國	普通股	1,000英鎊			生產及設計電動汽車及相關產品
Ecological Green Transportation Limited	Hong Kong	Ordinary	HK\$1	100%	-	Manufacture and design of electric vehicles and related products
Ecological Green Transportation Limited	香港	普通股	1港元			生產及設計電動汽車及相關產品
浙江通銀貴金屬經營有限公司	The PRC	Registered	RMB10,000,000	51%	51%	Retail and wholesale of luxury brand silverwares, silver utensils and luxury goods in the PRC
浙江通銀貴金屬經營有限公司	中國	註冊	人民幣 10,000,000元			於中國從事零售及批發奢侈品牌銀器、銀質餐具及奢侈品
上海食巽文化傳播有限公司	The PRC	Registered	RMB5,000,000	51%	-	Retail and wholesale of luxury brand silverwares and silver utensils in the PRC
上海食巽文化傳播有限公司	中國	註冊	人民幣 5,000,000元			於中國從事零售及批發奢侈品牌銀器、銀質餐具
上海銀擎投資管理有限公司	The PRC	Registered	RMB2,000,000	51%	51%	Retail and wholesale of luxury brand silverwares and silver utensils in the PRC
上海銀擎投資管理有限公司	中國	註冊	人民幣 2,000,000元			於中國從事零售及批發奢侈品牌銀器、銀質餐具
杭州銀鑫投資管理有限公司 (Note)	The PRC	Registered	HK\$40,000,000	100%	100%	Retail and wholesale of luxury brand silverwares and silver utensils in the PRC
杭州銀鑫投資管理有限公司 (附註)	中國	註冊	40,000,000港元			於中國從事零售及批發奢侈品牌銀器、銀質餐具

38. PARTICULARS OF SUBSIDIARIES (Continued)

38. 附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place/ country of incorporation 註冊成立 地點/國家	Class of share/ registered capital held 股份類別/持有 的註冊資本	Issued and fully paid share capital/ registered share capital 已發行及繳足 股本/註冊股本	Proportion of ownership interest and voting power held by the Company 本公司持有之所有權 及投票權比例		Principal activities and place of operations 主要業務及經營地點
				2018	2017	
湖州信成電動汽車有限公司 (Note)	The PRC	Registered	HK\$100,000,000	100%	100%	Research and development, manufacturing and sale of rechargeable batteries, electric vehicles and related products and provision of related services in the PRC
湖州信成電動汽車有限公司 (附註)	中國	註冊	100,000,000港元			於中國研發、生產及銷售充電池、電動汽車及相關產品以及提供相關服務
湖州信馳電動汽車有限公司	The PRC	Registered	RMB10,000,000	100%	100%	Research and development, manufacturing and sale of rechargeable batteries, electric vehicles and related products and provision of related services in the PRC
湖州信馳電動汽車有限公司	中國	註冊	人民幣 10,000,000元			於中國研發、生產及銷售充電池、電動汽車及相關產品以及提供相關服務
湖州信宇汽車銷售服務有限公司	The PRC	Registered	RMB20,000,000	100%	-	Trading of electric vehicles and related products and provision of related services in the PRC
湖州信宇汽車銷售服務有限公司	中國	註冊	人民幣 20,000,000元			於中國買賣電動汽車及相關產品以及提供相關服務
江西信成電動汽車有限公司	The PRC	Registered	RMB10,000,000	100%	-	Research and development, manufacturing and sale of rechargeable batteries, electric vehicles and related products and provision of related services in the PRC
江西信成電動汽車有限公司	中國	註冊	人民幣 10,000,000元			於中國研發、生產及銷售充電池、電動汽車及相關產品以及提供相關服務

Note: Wholly foreign-owned enterprise

附註：全外資企業

Except for Core Kingdom Limited and State Achieve Investments Limited which are directly held by the Company, all other subsidiaries are indirectly held by the Company.

除Core Kingdom Limited及State Achieve Investments Limited由本公司直接持有，所有其他附屬公司均由本公司間接持有。



38. PARTICULARS OF SUBSIDIARIES (Continued)

Details of non-wholly owned subsidiaries that have material non-controlling interests

The following table lists out the information relating to Tong Yin and its subsidiaries, subsidiaries of the Group with material non-controlling interests. The summarised financial information presented below represents the amounts before any intercompany elimination.

Name of subsidiaries 附屬公司名稱	Place of incorporation and principal place of business 註冊成立地點及 主要營業地點	Proportion of ownership interest and voting right held by non-controlling interests 非控股權益持有之 所有權及投票權比例	
		2018	2017
Tong Yin 通銀	The PRC 中國	49%	49%
上海銀擎投資管理有限公司 (Note) 上海銀擎投資管理有限公司 (附註)	The PRC 中國	49%	49%
上海食巽文化傳播有限公司 上海食巽文化傳播有限公司	The PRC 中國	49%	—

Note: 上海銀擎投資管理有限公司 is a wholly-owned subsidiary of Tong Yin (together with Tong Yin referred to as the "Tong Yin Group").

附註：上海銀擎投資管理有限公司為通銀之全資附屬公司（連同通銀，統稱為「通銀集團」）。

38. 附屬公司詳情 (續)

擁有重大非控股權益之非全資附屬公司詳情

下表載列有關通銀及其附屬公司（本集團擁有重大非控股權益的附屬公司）之資料。以下呈列之財務資料概要指於作出任何公司間對銷前之金額。



38. PARTICULARS OF SUBSIDIARIES (Continued)
Tong Yin Group

38. 附屬公司詳情 (續)
通銀集團

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Current assets	流動資產	32,140	113,421
Non-current assets	非流動資產	1,782	1,674
Current liabilities	流動負債	(11,582)	(14,822)
Non-current liabilities	非流動負債	-	-
Equity attributable to owners of the Company	本公司擁有人應佔權益	11,393	51,138
Non-controlling interests	非控股權益	10,947	49,133
Revenue	收入	41,532	69,252
Expenses	開支	(34,808)	(39,740)
Profit attributable to owners of the Company	本公司擁有人應佔溢利	263	15,052
Profit attributable to non-controlling interests	非控股權益應佔溢利	6,461	14,460
Profit for the year	年內溢利	6,724	29,512
Other comprehensive (loss)/income attributable to owners of the Company	本公司擁有人應佔其他全面(虧損)/收益	(2,220)	3,109
Other comprehensive (loss)/income attributable to non-controlling interests	非控股權益應佔其他全面(虧損)/收益	(2,133)	2,987
Other comprehensive (loss)/income for the year	年內其他全面(虧損)/收益	(4,353)	6,096



38. PARTICULARS OF SUBSIDIARIES (Continued)
Tong Yin Group (Continued)

38. 附屬公司詳情 (續)
通銀集團 (續)

		2018 HK\$'000 千港元	2017 HK\$'000 千港元
Total comprehensive (loss)/income attributable to owners of the Company	本公司擁有人應佔全面(虧損)/收益總額	(1,957)	18,161
Total comprehensive income attributable to non-controlling interests	非控股權益應佔全面收益總額	4,328	17,447
Total comprehensive income for the year	年內全面收益總額	2,371	35,608
Dividend paid to non-controlling interests	已付予非控股權益的股息	42,515	-
Net cash (used in)/generated from operating activities	經營活動(所用)/產生的現金淨額	(6,338)	48,398
Net cash (used in)/generated from investing activities	投資活動(所用)/產生的現金淨額	(321)	3
Net cash used in financing activities	融資活動所用的現金淨額	(42,515)	-
Net cash (outflow)/inflow	現金(流出)/流入淨額	(49,174)	48,401

Expect for Tong Yin Group, the directors consider that the non-controlling interests of other non-wholly owned subsidiary during the year ended 31 December 2018 is insignificant to the Group and thus is not separately presented in these consolidated financial statements. In addition, no separate financial information of this non-wholly owned subsidiary are required to be presented.

除通銀集團外，董事認為，截至2018年12月31日止年度之其他非全資附屬公司之非控股權益對本集團而言並不重大，因此，並無於該等綜合財務報表作單獨呈列。此外亦無需單獨呈列該非全資附屬公司之財務資料。

39. ACQUISITION OF NON-CONTROLLING INTEREST

On 28 December 2018, the Group acquired an additional 10% equity interest in Australian Green Transport by netting off current account with non-controlling interests. As a result of the acquisition, the Group's shareholding in Australian Green Transport increased from 90% to 100%. The Group recognised an increase in non-controlling interests of approximately HK\$138,000 and a decrease in equity attributable to owners of the Company of approximately HK\$140,000.

39. 收購非控股權益

於2018年12月28日，本集團透過扣除非控股權益之經常賬收購Australian Green Transport之額外10%股權。由於收購事項，本集團於Australian Green Transport之股權由90%增加至100%。本集團確認非控股權益增加約138,000港元及本公司擁有人應佔權益減少約140,000港元。



40. MAJOR NON-CASH TRANSACTIONS

The Group entered into the following major non-cash investing and financing activities which were not reflected in the consolidated statement of cash flows:

- (a) On 8 November 2017, the Group served the exercise notice on Mr. Zhang to exercise the put option right attached to the available-for-sale financial assets, and require Mr. Zhang to purchase the subject shares at the consideration of HK\$9,000,000. The proceed was settled during the year ended 31 December 2018.
- (b) On 1 June 2018, 486,715,358 shares were allotted and issued upon the conversion of convertible bond with the principal amount of HK\$53,051,974 at the conversion price of HK\$0.109 per share by convertible bond holder.
- (c) During the year ended 31 December 2018, the Group acquired items of property, plant and equipment with the amounts of approximately HK\$3,582,000 of which amount of approximately HK\$2,865,000 was prepaid for during the year ended 31 December 2017.
- (d) On 28 December 2018, the Group acquired an additional 10% equity interest in Australian Green Transport by netting off current account with non-controlling interests with the amounts of approximately HK\$2,000.

40. 重大非現金交易

本集團曾進行下列重大非現金投資及融資活動，該等活動並無於綜合現金流量表內反映：

- (a) 於2017年11月8日，本集團向章先生發出行使通知書，以行使可供出售金融資產所附之認沽期權，並要求章先生以代價9,000,000港元購買標的股份。該所得款項已於截至2018年12月31日止年度結算。
- (b) 於2018年6月1日，486,715,358股股份於可換股債券持有人按每股股份0.109港元的換股價轉換本金額為53,051,974港元之可換股債券後配發及發行。
- (c) 於截至2018年12月31日止年度，本集團已添置的物業、廠房及設備項目的金額約為3,582,000港元，其中約2,865,000港元已於截至2017年12月31日止年度預先支付。
- (d) 於2018年12月28日，本集團收購透過扣除非控股權益之經常賬約2,000港元收購Australian Green Transport之額外10%股權。



41. DISPOSAL OF A SUBSIDIARY

As referred to in note 10, on 18 May 2018, the Group discontinued its sourcing business operation at the time of disposal of the Disposal Group. The net assets of the Disposal Group at the date of disposal were as follows:

41. 出售一間附屬公司

如附註10所述，於2018年5月18日，本集團於出售出售集團時終止經營其貨源搜尋業務。出售集團於出售日期之資產淨額如下：

		HK\$'000 千港元
Property, plant and equipment (note 16)	物業、廠房及設備 (附註16)	303
Inventories	存貨	399
Trade receivables	貿易應收款項	2,407
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	1,360
Tax recoverable	可收回稅項	1,004
Cash and cash equivalents	現金及現金等價物	6,780
Trade and other payables	貿易及其他應付款項	(4,978)
Net assets disposed of	已出售之資產淨額	<u>7,275</u>
Gain on disposal of subsidiaries:	出售附屬公司的收益：	
Cash consideration received	已收現金代價	7,800
Net assets disposed of	已出售之資產淨額	<u>(7,275)</u>
Gain on disposal of subsidiaries	出售附屬公司的收益	<u>525</u>
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	7,800
– Cash and cash equivalents disposed of	– 已出售之現金及現金等價物	<u>(6,780)</u>
Net cash inflow on disposal	出售產生之現金流入淨額	<u>1,020</u>

42. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the disclosure requirements in respect of the discontinued operation set out in note 10 to the consolidated financial statements.

The Group has initially applied HKFRS 9 and HKFRS 15 at 1 January 2018. Under the transition methods, comparative information is not restated. Further details of the changes in accounting policies are disclosed in note 2 to the consolidated financial statements.

42. 比較數字

若干比較數字已經重新分類以符合有關綜合財務報表附註10所載已終止經營業務之披露規定。

本集團已於2018年1月1日首次應用香港財務報告準則第9號及香港財務報告準則第15號。根據過渡法，比較資料不予重列。有關會計政策變動之進一步詳情於綜合財務報表附註2披露。

43. EVENTS AFTER THE REPORTING PERIOD

There is no significant event took place subsequent to the end of the reporting period.

43. 報告期後事項

於報告期末後並無發生任何重大事項。

44. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 26 March 2019.

44. 綜合財務報表之審批

綜合財務報表已於2019年3月26日獲董事會批准及授權刊發。

FIVE YEARS FINANCIAL SUMMARY

For the year ended 31 December 2018

五年財務概要

截至2018年12月31日止年度

		2018 HK\$'000 千港元	2017 HK\$'000 千港元 (restated) (經重列)	2016 HK\$'000 千港元	2015 HK\$'000 千港元	2014 HK\$'000 千港元
Results	業績					
Revenue	收入	215,696	525,269	303,268	222,647	151,128
Profit before income tax	除所得稅前溢利	21,121	139,811	39,080	20,864	9,491
Income tax expense	所得稅開支	(6,960)	(40,986)	(14,819)	(11,798)	(2,974)
Profit for the year from continuing operations	年內持續經營業務產生之溢利	14,161	98,825	24,261	9,066	6,517
(Loss)/profit for the year from discontinued operation	年內已終止經營業務產生之(虧損)/溢利	(4,880)	(7,143)	–	–	282
Profit for the year	年內溢利	9,281	91,682	24,261	9,066	6,799
Profit/(loss) for the year attributable to:	年內應佔溢利/(虧損):					
Owners of the Company	本公司擁有人	2,960	77,222	10,328	(1,664)	6,799
Non-controlling interests	非控股權益	6,321	14,460	13,933	10,730	–
		9,281	91,682	24,261	9,066	6,799



FIVE YEARS FINANCIAL SUMMARY

As at 31 December

五年財務概要

於2018年12月31日

		2018 HK\$'000 千港元	2017 HK\$'000 千港元	2016 HK\$'000 千港元	2015 HK\$'000 千港元	2014 HK\$'000 千港元
Assets and liabilities	資產及負債					
Total assets	總資產	722,126	905,493	402,797	224,463	65,992
Total liabilities	總負債	(73,496)	(252,811)	(144,799)	(62,262)	(41,815)
		648,630	652,682	257,998	162,201	24,177
Equity attributable to:	下列人士應佔權益：					
Owners of the Company	本公司擁有人	637,726	603,549	226,312	142,555	24,177
Non-controlling interests	非控股權益	10,904	49,133	31,686	19,646	–
		648,630	652,682	257,998	162,201	24,177

全年業績的審閱

審核委員會已審閱本集團截至2018年12月31日止年度的全年業績。

2019年股東週年大會

2019年股東週年大會將於2019年5月8日(星期三)在香港舉行。根據GEM上市規則及本公司組織章程細則，2019年股東週年大會通告將於適當時候刊發及寄交本公司股東。

刊登業績公佈及年報

2018年年報將於適當時候寄發予股東，並於香港聯合交易所有限公司網站www.hkexnews.hk及本公司網站www.china-trustful.com刊登。本公佈亦可於上述網站查閱。

承董事會命
中國之信集團有限公司
費杰
主席兼執行董事

香港，2019年3月26日

於本公佈日期，執行董事為費杰先生(主席)、章根江先生及馮志堅先生；而獨立非執行董事為詹耀明先生、薛世雄先生及沈若雷先生。

本公佈將於刊登日期後起計最少七日在香港聯合交易所有限公司GEM網頁www.hkgem.com「最新公司公告」一頁內刊登。本公佈亦將於本公司網頁www.china-trustful.com刊登。