



中國恒嘉融資租賃集團有限公司

CHINA EVER GRAND FINANCIAL LEASING GROUP CO., LTD.

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號：379)



Annual Report
2018 年報

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CORPORATE INFORMATION

公司資料

EXECUTIVE DIRECTORS

Mr. Wong Lik Ping (*Chairman*)
Mr. Lai Ka Fai
Mr. Tao Ke
Mr. Qiao Weibing

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Goh Choo Hwee
Mr. Ho Hin Yip
Mr. U Keng Tin

CHIEF EXECUTIVE OFFICER

Mr. Lai Ka Fai

JOINT COMPANY SECRETARIES

Mr. Li Chak Hung
Mr. Siu Wai Bun

AUTHORISED REPRESENTATIVES

Mr. Wong Lik Ping
Mr. Lai Ka Fai

AUDIT COMMITTEE

Mr. Ho Hin Yip (*Chairman*)
Mr. Goh Choo Hwee
Mr. U Keng Tin

REMUNERATION COMMITTEE

Mr. Ho Hin Yip (*Chairman*)
Mr. Wong Lik Ping
Mr. Goh Choo Hwee

NOMINATION COMMITTEE

Mr. Wong Lik Ping (*Chairman*)
Mr. Goh Choo Hwee
Mr. Ho Hin Yip

AUDITOR

BDO Limited
Certified Public Accountants

執行董事

王力平先生 (*主席*)
黎嘉輝先生
陶可先生
喬衛兵先生

獨立非執行董事

吳慈飛先生
何衍業先生
余擎天先生

行政總裁

黎嘉輝先生

聯席公司秘書

李澤雄先生
蕭偉斌先生

授權代表

王力平先生
黎嘉輝先生

審核委員會

何衍業先生 (*主席*)
吳慈飛先生
余擎天先生

薪酬委員會

何衍業先生 (*主席*)
王力平先生
吳慈飛先生

提名委員會

王力平先生 (*主席*)
吳慈飛先生
何衍業先生

核數師

香港立信德豪會計師事務所有限公司
執業會計師

PRINCIPAL BANKERS

In Hong Kong:

The Hongkong and Shanghai Banking Corporation Limited
Fubon Bank (Hong Kong) Limited
Chiyu Banking Corporation Limited

In the PRC:

China Citic Bank
China Guangfa Bank
Bank of China
Industrial and Commercial Bank of China

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Room 2203, 22/F.
Kwan Chart Tower
No. 6 Tonnochy Road
Wanchai, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

STOCK CODE

379

WEBSITE

<http://www.egichk.com>

主要往來銀行

香港:

香港上海滙豐銀行有限公司

富邦銀行(香港)有限公司
集友銀行有限公司

中國:

中信銀行
中國廣發銀行
中國銀行
中國工商銀行

註冊辦事處

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

總辦事處及主要營業地點

香港灣仔
杜老誌道6號
群策大廈
22樓2203室

股份過戶登記總處

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

香港股份過戶登記分處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心22樓

股份代號

379

公司網址

<http://www.egichk.com>

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of China Ever Grand Financial Leasing Group Co., Ltd (the "Company"), I hereby present the annual report of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2018 for your review. The year of 2018 continues to be a challenging year. The intense US-PRC trade war, stringent regulatory policies and keen industrial competition have brought about negative impact on our financial leasing business whose transaction volume and profitability tumbled in 2018. It also led to further downward adjustments on the business forecast in term of budgeted revenue and gross profit which resulted in a non-cash impairment loss of HK\$63 million on the goodwill. Coupled with a non-cash loss on disposal of partial interest in a joint venture and the grant of the call option amounting to HK\$219 million, an overall fair value loss of the financial assets at fair value through profit or loss of HK\$46 million and a non-cash impairment loss on receivables of HK\$32 million, the Group's loss expanded to HK\$373 million in 2018 as compared with HK\$36 million in 2017.

RESULTS OF OPERATIONS

For the year under review, the financial leasing business has contributed a segment loss of HK\$65 million after including an impairment loss on goodwill of HK\$63 million (2017: loss of HK\$31 million after including an impairment loss on goodwill of HK\$31 million). The terminal and logistics services recorded a segment profit of HK\$38 million (2017: HK\$44 million). The investment division recorded a loss of HK\$59 million in 2018 (2017: HK\$24 million). The food additives business recorded a start-up and R&D costs of HK\$4 million (2017: HK\$0.4 million). After considering the corporate expenses (2018: HK\$73 million; 2017: HK\$39 million), loss on partial disposal of JCE and the grant of a call option of HK\$219 million (2017: Nil), gain on disposal of subsidiaries of HK\$10 million (2017: Nil), share of result of an associate of HK\$11 million (2017: Nil), certain unallocated other income, gains and losses, other expenses and income tax expense (2018: HK\$14 million; 2017: HK\$6 million), the Group recorded a net loss of HK\$373 million (2017: net loss of HK\$36 million).

致各位股東：

本人謹代表中國恒嘉融資租賃集團有限公司（「本公司」）董事（「董事」）會（「董事會」）提呈本公司及其附屬公司（統稱「本集團」）截至二零一八年十二月三十一日止年度之年度報告，敬請各位閱覽。二零一八年依舊充滿挑戰，中美貿易戰愈演愈烈、監管政策日趨嚴格及行業競爭加劇，使我們的融資租賃業務受到打擊，交易量及盈利能力均受重挫，亦令有關收入及毛利預算的業務預測進一步下調，從而導致商譽之非現金減值虧損63,000,000港元。加上就出售於一家合營企業的部分權益及授出認購期權的非現金虧損219,000,000港元，按公平值透過損益列賬之金融資產的整體公平值虧損為46,000,000港元及應收賬款非現金減值虧損32,000,000港元，本集團於二零一八年的虧損較二零一七年36,000,000港元增至373,000,000港元。

經營業績

於回顧年度，計入商譽減值虧損63,000,000港元後，融資租賃業務錄得分部虧損65,000,000港元（二零一七年：計入商譽減值虧損31,000,000港元後，虧損31,000,000港元）。碼頭及物流服務錄得分部溢利38,000,000港元（二零一七年：44,000,000港元）。投資分部於二零一八年錄得虧損59,000,000港元（二零一七年：24,000,000港元）。食品添加劑業務錄得開創及研發成本4,000,000港元（二零一七年：400,000港元）。經考慮企業支出（二零一八年：73,000,000港元；二零一七年：39,000,000港元）、部分出售合營企業及授出認購期權之虧損219,000,000港元（二零一七年：無）、出售附屬公司收益10,000,000港元（二零一七年：零）、分攤一家聯營公司業績11,000,000港元（二零一七年：零）、若干未分配其他收入、收益及虧損、其他開支及所得稅支出（二零一八年：14,000,000港元；二零一七年：6,000,000港元）後，本集團錄得淨虧損373,000,000港元（二零一七年：淨虧損36,000,000港元）。

FUTURE OUTLOOK

Notwithstanding the above-mentioned operating difficulties, we have faith in strong economic resilience of the China's market. We also have faith in experienced management team who could leverage the existing resources and capabilities to improve the operation efficiency and look for potential growth opportunities to diversify the source of income and attain growth in long term.

ACKNOWLEDGEMENT

Here, on behalf of the Board of the Company, I hereby wish to extend my gratitude for the hard work contributed by all the staff and the Directors, as well as the support to the Company from all our customers, creditors, business partners and the shareholders. We will adhere to proven management strategy, grasp market trend and opportunities, and endeavor to bring greater value to our shareholders and make new contribution to the community.

Wong Lik Ping

Chairman

Hong Kong, 26 March 2019

未來展望

儘管面對上述的營運困難，我們仍對中國市場具備強勁的經濟反彈力充滿信心。我們亦有信心，經驗豐富的管理團隊可利用現有資源及能力提升營運效率，並物色新的潛在增長機會，以多樣化收入來源並達致長遠發展。

致謝

本人謹此代表本公司董事會向全體員工及董事致以衷心謝意，感謝他們的辛勞付出，同時向我們的客戶、債權人、商業合作夥伴及股東致謝，感謝他們對本公司的支持。我們將秉承有效的管理策略，捕捉市場趨勢和機遇，矢志為股東創造更高價值，為社區作出新貢獻。

主席

王力平

香港，二零一九年三月二十六日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

The continuing operations of the Group recorded revenue of HK\$90.5 million in 2018 as compared with HK\$198.1 million in 2017, gross profit of HK\$23.7 million in 2018 against HK\$31.3 million in 2017 and net loss of HK\$373.1 million in 2018 as compared to net loss of HK\$35.7 million in 2017. Net loss of HK\$0.1 million from the discontinued operation in 2017 while no profit or loss from such in 2018 since deconsolidation of its financial result following the completion of disposal of the Polishing Segment on 5 January 2017.

For the year under review, the Financial leasing business has contributed a segment loss of HK\$65.4 million (including a non-cash impairment loss on goodwill of HK\$63.0 million (2017: HK\$31.0 million), as compared with a segment loss of HK\$10.9 million in 2017 (definition of segment profit or loss and detailed analysis set out in note 6). The increase in loss is mainly due to an increase in impairment loss on goodwill by HK\$32.0 million and the deteriorating operating results by HK\$22.5 million primarily due to decrease in gross profit amount driven by lower number and lease volume of new finance lease transactions, fair value loss on the financial assets at FVTPL and an impairment loss on a loan receivable.

The Terminal and logistics services recorded a segment profit of HK\$37.6 million in 2018 as compared with segment profit HK\$43.5 million in 2017. The decrease was mainly due to the segment profit in 2018 which only accounted for 50% profit sharing in JCE's result for the period from 1 January 2018 to 31 August 2018 (i.e. the date of the partial disposal), while that in 2017 covering the 12-months.

The Food additives business, classified under others in the segment information, has acquired the necessary machineries, equipment, manpower and production license for the first production line of solid sorbitol and performed test runs. It is expecting to commence normal production in the first half of 2019 after ascertaining the food safety requirements on the finished goods through a series of test runs. The segment loss of HK\$4.2 million in this year (2017: HK\$0.4 million) primarily represented the start-up cost of production lines of Sorbitol and back-end processing of nutrition supplements and research & development cost for the prospective production lines such as Advantame and EPS.

業務回顧

本集團之持續經營業務於二零一八年錄得收入90,500,000港元，而二零一七年則為198,100,000港元，二零一八年毛利為23,700,000港元，二零一七年則為31,300,000港元，而二零一八年淨虧損為373,100,000港元，二零一七年則為35,700,000港元。二零一七年來自已終止經營業務的淨虧損為100,000港元，而拋光分部於二零一七年一月五日完成出售後，取消其財務業績的綜合入賬，故於二零一八年並無自有關業務錄得損益。

於回顧年內，融資租賃業務分部錄得虧損65,400,000港元（包括商譽之非現金減值虧損63,000,000港元（二零一七年：31,000,000港元）），相比二零一七年分部虧損為10,900,000港元（分部損益之定義及詳細分析載於附註6）。有關虧損增加主要由於商譽減值虧損增加32,000,000港元及經營業績減少22,500,000港元，乃主要由於新融資租賃交易數量及租賃量減少所導致的毛利減少、按公平值透過損益列賬之金融資產的公平值虧損及應收貸款的減值虧損所致。

碼頭及物流服務於二零一八年錄得分部溢利37,600,000港元，而二零一七年則錄得分部溢利43,500,000港元。有關減少乃主要由於二零一八年分部溢利自二零一八年一月一日起至二零一八年八月三十一日（即部分出售日期）止期間僅佔分攤合營企業溢利的50%，而二零一七年涵蓋12個月。

於分部資料中分類為其他的食品添加劑業務已取得第一條固體山梨糖醇生產線的必要機器、設備、人手及生產牌照，並已進行試運行。預期於通過一系列試運行確保成品符合食品安全要求後於二零一九年上半年開始正常生產。於本年度的分部虧損4,200,000港元（二零一七年：400,000港元）主要指山梨糖醇生產線的啟動成本、營養補充劑的後期加工及未來生產線（例如Advantame及EPS）的研發成本。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

The investment division recorded interest income of HK\$4.5 million from money lending business as revenue in 2018 (2017: HK\$2.3 million as other income). A significant increase in segment loss from HK\$24.3 million in 2017 to HK\$59.1 million in 2018 was primarily due to the wider losses in the fair value of securities investments and an impairment loss on a loan receivable from the money lending business.

After considering the corporate expenses (2018: HK\$72.8 million; 2017: HK\$38.6 million), loss on partial disposal of JCE and the grant of a call option of HK\$218.8 million (2017: Nil), gain on disposal of subsidiaries of HK\$10.2 million (2017: Nil), share of result of an associate of HK\$10.5 million (2017: Nil), certain unallocated other income, gains and losses, other expenses and income tax expense (2018: HK\$13.5 million; 2017: HK\$6.1 million), the Group recorded a net loss of HK\$373.1 million (2017: net loss of HK\$35.8 million) and a net loss attributable to the owners of the Company of HK\$372.1 million in the Current Year (2017: net loss of HK\$42.7 million).

To remove the non-cash material gain or loss from impairment on goodwill, loan receivables, finance lease receivables, partial disposal of equity interest in a joint venture & the grant of a call option, disposal of subsidiaries, and fair value gain on financial liability at FVTPL, the adjusted profit or loss from the continuing operations in both years can be reconciled as below:

二零一八年投資分部將放貸業務產生之利息收入4,500,000港元列為收入(二零一七年: 2,300,000港元列為其他收入)。分部虧損由二零一七年的24,300,000港元顯著增加至二零一八年的59,100,000港元,乃主要由於證券投資公平值的虧損增加及放貸業務的應收貸款減值虧損。

經考慮企業支出(二零一八年: 72,800,000港元; 二零一七年: 38,600,000港元)、部分出售合營企業及授出認購期權之虧損218,800,000港元(二零一七年: 無)、出售附屬公司收益10,200,000港元(二零一七年: 無)、分攤一家聯營公司業績10,500,000港元(二零一七年: 無)、若干未分配其他收入、收益及虧損、其他開支及所得稅支出(二零一八年: 13,500,000港元; 二零一七年: 6,100,000港元)後,本集團於本年度錄得淨虧損373,100,000港元(二零一七年: 淨虧損35,800,000港元)及本公司擁有人應佔淨虧損372,100,000港元(二零一七年: 淨虧損42,700,000港元)。

為剔除有關商譽減值、應收貸款減值撥備、融資租賃應收款減值撥備、部分出售一家合營企業的股權及授出認購期權的重大非現金類收益或虧損以及按公平值透過損益列賬之金融負債之公平值收益,兩個年度內持續經營業務的經調整損益可對賬如下:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Net loss from continuing operations	來自持續經營業務之淨虧損	(373,094)	(35,689)
Add: impairment loss on the goodwill	加: 商譽之減值虧損	63,000	31,000
Less: gain on disposal of subsidiaries	減: 出售附屬公司之收益	(10,194)	-
Add: provision for impairment loss on the loan receivables and finance lease receivables	加: 應收貸款及融資租賃應收款之減值虧損撥備	31,501	-
Add: loss on partial disposal of equity interest in a joint venture and the grant of a call option	加: 部分出售一家合營企業股權及授出認購期權之虧損	218,793	-
Less: fair value gain of financial liability at FVTPL	減: 按公平值透過損益列賬之金融負債之公平值收益	(4,848)	-
		(74,842)	(4,689)

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Continuing Operations

Revenue and gross profit

During the year, the financial leasing segment recorded revenue and gross profit of HK\$86.0 million and HK\$19.2 million (2017: HK\$198.1 million and HK\$31.3 million), representing 95% and 81% of the Group's revenue and gross profit respectively (2017: 100% and 100% respectively). The revenue of this segment mainly represents (i) service fee income for financing arrangement and consultancy services and (ii) finance lease interest income generated from financial leasing. The cost of services mainly represents (i) service cost to banks and other non-bank financial institutions on various kinds of factoring and consultancy services and (ii) interest expenses on borrowings from banks and other non-bank financial institutions. The main customer base primarily includes large corporations covering industries of energy resources, manufacturing, medical and urban infrastructure, transportation and public utility construction.

During the year, the segment saw a remarkable decline on revenue and gross profit because of significant decrease in both number and total lease volume of new finance lease transactions. The number of new transactions was down to a single digit (2017: 18 transactions) while its aggregate lease volume fell by approximately 75% as compared with RMB3.1 billion in 2017. It was attributable to an economic turmoil in the People's Republic of China (the "PRC"). Such economic turmoil was, amongst others, triggered by the US-PRC trade war and consequently affected the customers' sentiment on capital investments and financing needs. The strict regulatory policies and intensified competition in the finance lease industry in the PRC also added fuel to the operating difficulties, including much more difficult to obtain credits from the banks with terms matching the customer's needs in term of size, interest rate and maturity terms as well as weakening the bargaining power of soliciting new projects. To safeguard our assets, the segment takes a prudent and conservative approach to explore the self-funded projects on the small-to-medium size enterprise in the PRC and did not complete any in 2018 until prospective customers with reasonably credit profile and/or sufficient value and liquidity of collateral and/or financial return proven to the satisfaction of local management team. In the meantime, management will assess the possibility of further reallocation of the remaining proceeds from the partial disposal of JCE from development of self-funded projects in financial lease business to other business segments to maximise the return of the idle funds.

持續經營業務

收入及毛利

年內，融資租賃分部錄得收入及毛利分別為86,000,000港元及19,200,000港元（二零一七年：198,100,000港元及31,300,000港元），分別佔本集團收入及毛利的95%及81%（二零一七年：分別佔100%及100%）。該分部收入主要為(i)融資安排及諮詢服務之服務費收入及(ii)融資租賃產生之融資租賃利息收入。服務成本主要為(i)就各種保理及諮詢服務支付予銀行及其他非銀行金融機構之服務成本及(ii)銀行及其他非銀行金融機構之借款之利息開支。主要客戶基礎主要包括涵蓋能源資源、製造、醫療及城市基礎設施、交通及公共設施建設行業的大型企業。

年內，該分部的收入及毛利顯著減少，乃由於新融資租賃交易數量及總租賃量顯著減少所致。新交易的數量降至個位數（二零一七年：18項交易）而其總租賃量較二零一七年的人民幣31億元下降約75%。此乃歸因於中華人民共和國（「中國」）的經濟動蕩。有關經濟動蕩乃由（其中包括）中美貿易戰所引發，並因此影響了客戶對資本投資及融資需求的情緒。中國融資租賃行業嚴格的監管政策及激烈的競爭亦加劇了經營難度，包括更難從銀行獲得在規模、利率及屆滿期限方面的條款滿足客戶需求的信貸以及招攬新項目的議價能力減弱。為保護本公司資產，該分部採納審慎及保守的方式以探索中國中小型企業的自籌項目，惟於二零一八年並未完成任何項目，直至具備經證明令當地管理團隊信納的合理信貸情況及／或充分價值及流動性的抵押品及／或把財務回報的潛在客戶。同時，管理層將評估把部分出售合營企業的餘下所得款項自融資租賃業務開發自籌項目進一步重新分配至其他業務分部的可能性，以最大化閒置資金的回報。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

The money lending business (classified under the Investment segment) recorded revenue and gross profit of HK\$4.5 million in 2018 (2017: nil), representing 5% and 19% of the Group's revenue and gross profit respectively (2017: nil). The revenue represents loan interest income from the provision of loan facilities carried out by a licensed subsidiary in Hong Kong. The segment diligently allocated internal resources and placed a 10% per annum 1-year HK\$80 million loan with both listed shares as collateral and guaranteed by a corporate and its beneficial individual to a corporate borrower and its beneficial individual in Hong Kong during the year.

The decrease in the Group's gross profit amount was in line with the decrease in the Group's revenue, with higher margin % primarily thanks to the profit contribution from the money lending business.

Other income

The other income of the Group in 2018 mainly comprised of bank interest income, interest income from trust products and highly liquid wealth management investments issued by the non-bank financial institutions in the PRC, dividend income from financial assets at FVTPL. The decrease of HK\$8.9 million or 43% was primarily due to the absence of the government grant (2017: HK\$4.6 million), decrease in sundry income and general decline in the interest income in the Current Year.

Other gains and losses

The other gains and losses in 2018 mainly comprised of overall loss of approximately HK\$41.5 million from both change in fair value of listed securities investments and an unlisted option granted by the Group in relation to the remaining 25% equity interest on an associate, impairment losses on loan receivables and finance lease receivables totaling approximately HK\$31.5 million, and gain on disposal of subsidiaries of HK\$10.2 million. The increase in loss was mainly due to (i) expansion of loss from change in fair values of listed securities investments in Hong Kong and the mainland Chinese stock markets where Hang Seng index and Shanghai Composite index were down by 14% and 25% in 2018 respectively and (ii) impairment losses on loan receivables and finance lease receivables as a result of certain non-performing loans and more forward-looking impairment assessment model under HKFRS 9 (as compared with the preceding HKAS 39) effectively adopted in 2018.

放貸業務(分類至投資分部項下)於二零一八年錄得收入及毛利4,500,000港元(二零一七年:零),分別佔本集團收入及毛利的5%及19%(二零一七年:零)。收入為來自一家香港持牌附屬公司開展的提供貸款融資的貸款利息收入。分部盡責分配內部資源及於年內向香港企業借貸人及其實益個人發放一筆年利率10%一年期80,000,000港元以上市股份作為抵押品且有企業借貸人及其實益個人擔保的貸款。

本集團的毛利金額減少與本集團收入減少一致,毛利率百分比上升主要歸因於放貸業務溢利作出的貢獻。

其他收入

於二零一八年,本集團之其他收入主要包括銀行利息收入、中國非銀行金融機構發行的信託產品及高流通性理財投資的利息收入,以及按公平值透過損益列賬之金融資產之股息收入。收入減少8,900,000港元或43%乃主要歸因於缺少政府補助(二零一七年:4,600,000港元)、雜項收入減少及本年度利息收入普遍減少。

其他收益及虧損

於二零一八年,其他收益及虧損約41,500,000港元主要包括上市證券投資之公平值變動及本集團就聯營公司餘下25%股權所授出非上市期權之整體虧損、應收貸款及融資租賃應收款之減值虧損約31,500,000港元,以及出售附屬公司之收益10,200,000港元。虧損增加乃主要由於(i)於香港及中國大陸股市之上市證券投資之公平值變動虧損擴大,此乃因恒生指數及上證綜合指數於二零一八年分別下跌14%及25%及(ii)應收貸款及融資租賃應收款之減值虧損乃因若干不良貸款及於二零一八年有效採納香港財務報告準則第9號項下更具前瞻性(相較於過去採納之香港會計準則第39號)的減值評估模型。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Administrative expenses and other operating expenses

The Group's administrative and other operating expenses for the year mainly included staff costs (including directors' and chief executive's emoluments) of HK\$68.0 million (2017: HK\$45.0 million), legal and professional, depreciation of property, plant and equipment and various administrative expenses. The increase was primarily due to increase in staff cost in particular the management incentive expenses.

Impairment loss on goodwill

During the year under review, the Group recorded a non-cash impairment loss on goodwill of HK\$63.0 million (2017: HK\$31.0 million) which arose from the acquisition of the Finance lease business in January 2016. Given that both finance lease volume and number of new finance lease transactions slumped in the Current Year, the management, amongst others, made downward revisions on revenue and gross profit amount in the latest forecast model to reflect the lingeringly grim financial market condition and slowing economy in the PRC due to, amongst others, the glowing China-and-US trade war tension in the Current Year. According to the value-in use calculation ("VIU") based on the approved 5-year period financial budget of the Finance lease business, a shortfall, obtained by comparing the recoverable amount from the VIU with the carrying amount of the Finance lease business as at 31 December 2018, amounts to HK\$63.0 million which is fully allocated to the goodwill as an impairment loss recognized in the profit or loss in the Current Year.

Share of a joint venture's and an associate's result

Upon completion of the partial disposal of equity interest on Rizhao Lanshan on 31 August 2018, the Group's equity interest in the investment has decreased from 50% to 25% and accordingly classified from a joint venture to an associate under the same equity accounting method thereafter. In other words, the Group shared 50% of the first 8 months of Rizhao Lanshan's result as share of result of a joint venture (i.e. HK\$37.6 million), while 25% of the same for the remaining four months as share of result of an associate (i.e. HK\$10.5 million) during the year. As the share of the joint venture's result of HK\$43.5 million in 2017 accounted for twelve complete months, it led to a decrease by HK\$5.9 million on item-by-item basis.

行政開支及其他經營開支

本年度本集團之行政及其他經營開支主要包括員工成本(包括董事及主要行政人員酬金)68,000,000港元(二零一七年:45,000,000港元)、法律及專業費用、物業、廠房及設備折舊以及各項行政開支。該增加主要由於員工成本增加,特別是管理層激勵開支。

商譽之減值虧損

於回顧年度,本集團於二零一六年一月因收購融資租賃業務錄得商譽之非現金減值虧損63,000,000港元(二零一七年:31,000,000港元)。由於本年度融資租賃投放量及融資租賃新交易之數量均大幅下跌,管理層(其中包括)於最新預測模型中對收入及毛利進行下調,以反映本年度由於(其中包括)中美貿易戰升溫導致的持續嚴峻的金融市況及中國經濟放緩。根據融資租賃業務核准的五年期財務預算的使用價值(「使用價值」),通過比較於二零一八年十二月三十一日使用價值的可收回金額與融資租賃業務的賬面值所得的不足,全數撥至商譽之金額為63,000,000港元,作為本年度於損益確認之減值虧損。

分攤一家合營企業及一家聯營公司之業績

於二零一八年八月三十一日完成部分出售日照嵐山的股權後,本集團於該投資的股權由50%減至25%,因此其後根據同一權益會計方式由一家合營企業分類為一家聯營公司。換言之,年內本集團按照分攤一家合營企業業績分攤日照嵐山前八個月業績的50%(即37,600,000港元),而日照嵐山餘下四個月業績的25%則按照一家聯營公司的業績分攤(即10,500,000港元)。因二零一七年分攤合營企業業績43,500,000港元乃以12個完整月份列賬,致使按逐項基準減少5,900,000港元。

On aggregation of similarity basis, the aggregate share of profit of Rizhao Lanshan in 2018, though diluted its shareholding and then its shared profit, still amounted to HK\$48.1 million, representing an increase of HK\$4.6 million or 10.6% as compared with HK\$43.5 million in 2017. It was mainly due to continuous growth in net profit of Rizhao Lanshan itself as a result of (i) an improvement in gross profit margin through a series of actions to optimize the berth and storage facilities and (ii) reduction in the finance cost as a result of decrease in the overall bank borrowing balance during the Current Year.

Loss on partial disposal of interest in a joint venture and the grant of the call option

On the completion of the disposal, the Group derived a loss on disposal of HK\$218.8 million by deducting the consideration receivable of RMB294.0 million (or equivalent to HK\$337.8 million) from (i) fair value of the Call Option granted by the Group of approximately HK\$32.2 million recognised as financial liability at FVTPL, (ii) net amount of HK\$524.3 million derived by deducting the entire carrying value of 50% equity interest in a joint venture derecognised from the fair value amount of the 25% equity interest in an associate at initial recognition at and (iii) the relevant taxes payable of HK\$0.2 million.

Income taxation

Income tax credit for the year mainly comprised of deferred tax credit of HK\$9.5 million (2017: HK\$0.4 million charge) arising from imputed interest on deposit from customers and undistributed profits of subsidiaries and an associate, net off with current tax payable of HK\$23.0 million mainly derived from withholding tax on capital gain from the partial disposal of JCE (2017: HK\$5.7 million primarily from EIT of the finance lease business). The Group saw a drop in current EIT payable in 2018 since there was no assessable profits incurred by our principal segment – Financial leasing business.

Discontinued operation

No profit or loss items was consolidated in 2018 since the cessation of consolidation of the result of the Polishing Segment in early 2017.

按類似合計基準，儘管日照嵐山二零一八年的股權被攤薄，其分攤溢利總額仍為48,100,000港元，較二零一七年的43,500,000港元增加4,600,000港元或10.6%。此乃主要由於(i)透過一系列行動優化泊位及倉儲設施致使毛利率有所改善；及(ii)本年度整體銀行借款結餘減少導致財務成本減少，從而令日照嵐山本身純利持續增長。

部分出售一家合營企業權益及授出認購期權之虧損

出售完成後，本集團透過自(i)本集團授出的已確認為按公平值計入損益的金融負債的認購期權公平值約32,200,000港元，(ii)通過在初步確認於一家聯營公司25%股權的公平值金額中扣除於一家已取消確認合營企業50%股權的全部賬面值所得淨額524,300,000港元及(iii)相關應付稅項200,000港元扣除應收代價人民幣294,000,000元（相當於337,800,000港元）獲得出售虧損218,800,000港元。

所得稅

本年度所得稅抵免主要包括遞延稅項抵免9,500,000港元（二零一七年：支出400,000港元），主要來自客戶存款估算利息以及附屬公司及一家聯營公司的未分配溢利，扣除應付即期稅項23,000,000港元，主要來自部分出售聯營公司之資本收益之預扣稅（二零一七年：5,700,000港元，主要來自融資租賃業務的企業所得稅）。於二零一八年，由於我們的主要分部融資租賃業務並無應課稅溢利，本集團錄得目前應付企業所得稅下跌。

已終止經營業務

由於二零一七年年年初拋光分部的業績不再綜合入賬，於二零一八年概無損益項目綜合入賬。

FINANCIAL POSITION

The total asset amount of the Group as at 31 December 2018 amounted to HK\$1,878.9 million, representing a decrease of HK\$705.7 million as compared with HK\$2,584.6 million as at 31 December 2017. The decrease was mainly due to a decrease in segment asset of terminal & logistics services upon the completion of its partial disposal and a decrease in finance lease receivables of HK\$231.2 million as a result of the shrinking lease volume of the new finance lease transactions on recourse basis in 2018 whereby the repayment amount of the existing finance lease projects in kind outweighed the additional amount of the new ones. Likewise, due to the business model of the Financial leasing business which mostly relied on the source of funds from the bank or non-bank financial institutions to finance the finance lease with the customers on a back-to-back basis, the decrease in the Group's borrowings was generally in line with the decrease in the finance lease receivables, amounting to HK\$850.2 million as at 31 December 2018 as compared with HK\$1,070.3 million. Accordingly, the Group's total liabilities decreased from HK\$1,230.2 million as at 31 December 2017 to HK\$951.2 million as at 31 December 2018. The gearing ratios (measured as total liabilities over total asset) slightly increased from 47.6% as at 31 December 2017 to 50.6% at 31 December 2018. Following receipt of the proceeds from the consideration for the partial disposal of equity interest in Rizhao Lanshan, the current ratios (measured as total current assets over total current liabilities) improved from 1.6 as at 31 December 2017 to 2.0 as at 31 December 2018.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2018, the Group had cash and cash equivalents, restricted bank deposits, deposits placed with non-bank financial institutions and cash of approximately HK\$364.9 million (of which HK\$19.9 million was pledged to the banks to secure bank borrowings granted to the Group for Financial leasing business (2017: HK\$61.7 million)) as compared to HK\$261.8 million as at 31 December 2017. As at 31 December 2018, the Group had bank and other borrowings amounting to HK\$428.6 million (2017: HK\$472.8 million), HK\$208.5 million (2017: HK\$304.5 million) and HK\$213.2 million (2017: HK\$293.0 million) which are due within one year, one to two years and two to five years respectively.

For the year under review, the Group has financed its operations with facilities provided by banks and other non-bank financial institutions and internally generated cash flows.

財務狀況

本集團於二零一八年十二月三十一日之資產總額為1,878,900,000港元，較二零一七年十二月三十一日的2,584,600,000港元減少705,700,000港元。該減少主要由於碼頭和物流服務之分部資產於完成部分出售後減少，以及於二零一八年因新融資租賃交易量縮減而減少之融資租賃應收款231,200,000港元，據此現有追索的融資租賃項目還款額超過新項目的新增款額。同時，由於融資租賃業務之商業模式多仰賴來自銀行或非銀行金融機構之資金，以按背對背形式為客戶之融資租賃提供資金，與1,070,300,000港元相較，本集團二零一八年十二月三十一日之借款金額為850,200,000港元，與融資租賃應收款減少相同。因此，本集團總負債自二零一七年十二月三十一日之1,230,200,000港元減少至二零一八年十二月三十一日之951,200,000港元。資本負債比率（按負債總額除以資產總額計量）由二零一七年十二月三十一日之47.6%輕微增加至二零一八年十二月三十一日之50.6%。於獲取部分出售日照嵐山股權之所得款項後，流動比率（按流動資產總額除以流動負債總額計量）由二零一七年十二月三十一日之1.6增加至二零一八年十二月三十一日之2.0。

流動資金及財務資源

於二零一八年十二月三十一日，本集團之現金及現金等值物、受限制銀行存款、存放於非銀行金融機構之存款及現金約為364,900,000港元（其中19,900,000港元已質押予銀行作為就融資租賃業務授予本集團之銀行借款之抵押（二零一七年：61,700,000港元）），而二零一七年十二月三十一日為261,800,000港元。於二零一八年十二月三十一日，本集團之銀行及其他借款428,600,000港元（二零一七年：472,800,000港元）、208,500,000港元（二零一七年：304,500,000港元）及213,200,000港元（二零一七年：293,000,000港元）分別於一年內、一至兩年及二至五年內到期。

於回顧年度，本集團以銀行及其他非銀行金融機構提供之融資及內部產生現金流量為其業務營運撥付資金。

FOREIGN EXCHANGE EXPOSURE

During the year ended 31 December 2018 and 2017, the continuing operations of the Group had no material foreign currency exposure as material transactions such as revenue and cost of services were denominated in local currencies in which the relevant entities operated.

CREDIT EXPOSURE

The Group's major credit risk is primarily attributable to finance lease receivables and loan receivables.

Any deterioration in collectability of our finance lease receivables and the underlying quality of leased assets and collaterals could adversely affect our business and financial conditions. In order to minimise the credit risk of the finance lease receivables, the management of the Group has delegated a team responsible for evaluation of credit risk stemming from the financial viability of customers and guarantors (if any) and the prospect of the industries in which the customers operate and critical assessment on adequacy of the value of the leased assets, collaterals and any forms of securities provided by customers at the inception of the lease. Throughout the lease term, the Group closely monitored the recoverability and will consider requesting additional collaterals or any form of security from customers in case of any adverse change in credibility.

Before investing in the loan receivables, the Group also assesses the credit quality of the loan borrowers & guarantors (if any), evaluation of the value & liquidity of the collaterals, and defines the terms of the loans. The Group regularly monitored recoverability to ensure prompt follow up action is taken to recover any overdue debt.

Included in the loan receivables as at 31 December 2018 represented a loan principal amount of HK\$35 million to an individual which, along with its interests, were both overdue. Given that the overdue amounts were fully repaid up to the report date, the credit risk was not impaired and thus no impairment loss was recognised during the year.

CHARGE OF ASSETS

As at 31 December 2018, the restricted bank deposits of HK\$19.9 million (2017: HK\$61.7 million) and the finance lease receivables of HK\$511.2 million (2017: HK\$656.2 million) were pledged to the banks and other non-bank financial institutions for facilities granted to the Group.

外匯風險

於截至二零一八年及二零一七年十二月三十一日止年度，本集團之持續經營業務並無重大外匯風險，由於重大交易如收入及服務成本乃以相關實體營運所在之當地貨幣計值。

信貸風險

本集團的主要信貸風險主要因融資租賃應收款及應收貸款而引致。

任何融資租賃應收款可收回性及租賃資產以及抵押品的相關質素下降均可能對我們的業務及財務狀況產生不利影響。為了盡量減低融資租賃應收款的信貸風險，本集團管理層已委派團隊負責從客戶及其擔保人（如有）的財政可能性及客戶經營行業前景進行信貸風險評估，並在租賃開始時對租賃資產、抵押品及客戶提供的任何形式的擔保的價值的充足性進行嚴格評估。於整個租賃期內，本集團密切監控可收回性，並將考慮要求客戶提供額外的抵押品或任何形式的擔保以防任何信貸不利變動。

在向應收貸款投資前，本集團亦評估貸款借款人及擔保人（如有）的信貸質素、評估抵押品的價值及流動性及界定貸款條款。本集團定期監控可收回性，以確保採取及時跟進措施收回任何逾期債務。

於二零一八年十二月三十一日，應收貸款包括給予個人的本金金額為35,000,000港元的貸款，該貸款連同其利息均已逾期。鑒於逾期金額截至報告日期止均已償還，信貸風險並無減值，因此年內並無確認減值虧損。

資產抵押

於二零一八年十二月三十一日，受限制銀行存款19,900,000港元（二零一七年：61,700,000港元）及融資租賃應收款511,200,000港元（二零一七年：656,200,000港元）已就授予本集團之融資抵押予銀行及其他非銀行金融機構。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 31 December 2018 and 2017.

CAPITAL COMMITMENTS

At 31 December 2018, the Group had capital commitments of HK\$0.6 million (2017: HK\$2.0 million) for the acquisition of property, plant and equipment.

PROSPECT

The economic operation of the developed countries had been divided in 2018. Other than the relative strong economic growth in the United States, the economic recovery of Eurozone, the United Kingdom, and Japan was static. Some vulnerable emerging market economies have come under strain as the US dollar gained value and the level of risk that global financial investors were prepared to accept dropped.

In China, GDP growth averaged 6.6% in the Current Year, which appeared robust but was, in fact the lowest level since 1990. The Shanghai Composite Index tumbled by 25% in 2018, representing the worst performance among the globe stock markets, while it has experienced a recent bounce in early 2019 as a result of various government stimulus measures announced in the recent National People's Congress and the possibility of reaching a fair trade deal between China and the US in March.

The prospect of 2019 might be clouded by the uncertainties of the lingering Sino-US trade tension, exchange rate of Renminbi, the nationwide deleveraging situation, even the slowdown of property market in China will possibly impede economic growth. On the other hand, government-led stimulus laid down in the Congress such as tax cut, other structural changes of the Chinese economy and increasing lending to the small-and-medium sized enterprises may be beneficial to the Group's businesses in the PRC.

或然負債

於二零一八年及二零一七年十二月三十一日，本集團並無重大或然負債。

資本承擔

於二零一八年十二月三十一日，本集團就收購物業、廠房及設備之資本承擔為600,000港元（二零一七年：2,000,000港元）。

前景

發達國家的經濟運行於二零一八年表現分歧。除美國經濟增長相對強勢外，歐元區、英國及日本的經濟復甦仍未見起色。部分脆弱的新興市場經濟體因美元升值備受壓力，全球金融投資者能承受的風險水平降低。

在中國，本年度國內生產總值增長率平均為6.6%，看似強勁增長，但實為自一九九零年來最低的增長率。上海綜合指數於二零一八年大跌25%，是環球股市中表現最差的，惟上海綜合指數於二零一九年年初在近期的全國人民大會上宣佈多項政府經濟刺激措施後，以及中美兩國在三月或有機會達成公平貿易協議而出現反彈。

二零一九年的前景或會佈滿陰霾，中美貿易拉鋸戰、人民幣匯率、全國去槓桿，以至中國物業市場放緩，均將可能影響經濟增長。另一方面，政府在人民大會上提出的刺激方案如減稅、中國經濟的其他結構性變動及提高對中小企業的借貸率，均可能有利本集團於中國的業務發展。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

Opportunities and challenges coexisted in the China's leasing industry in 2019. On one hand, the new supervisory authority – China Banking and Insurance Regulatory Commission has raised more stringent requirements on leasing companies that may inhibit us from carrying out the business in accordance with the existing business model and thus compromise the business volume. The increasing number of financial leasing companies in the PRC may cause vicious competition and weaken our ability to solicit new or retain customers. On the other hand, the completion of change of the supervisory authority has removed the possibility of ambiguity on the policies and thus less political uncertainty. The stringent oversight will possibly stabilise the overall financial market that would be beneficial to the long-term industrial development. The favorable government policies such as tax concession or government subsidy to support the trend of consumption and technology upgrading will create more financing needs and thus business opportunities, while planning of setting up more than ten new free-trade-zones under the successful blueprint of Tinjian Dongjiang free-trade-zones will bolster the industrial development. The financial leasing on some unconventional industries such as car, real estate and social consumption has seen an upbeat note and may provide a room for the industry to grow.

As always, local management team will put more efforts on the development of financing varieties. By adherence to the effective and proven risk management and control policies and leveraging on highly experienced local management team, we will cautiously enhance business model to create innovative business and explore the new unconventional sectors.

The terminal and logistics services business has been faded out of the Group step by step. The disposal of the first 25% equity interest took place on 31 August 2018. The remaining 25% equity interest will be disposed of at the Purchaser's discretion of exercising the Call Option undertaking in the first half of 2020.

The Hong Kong and China's stock markets experienced a downward adjustment in 2018 while they have seen a strong resilience in early 2019. The general market perspective however tends to be cautious about the future performance in amid of a cooling China's economy and the fallout from over the US-China trade conflict and the pace of the interest rate hike. The Group will continue to adopt a conservative investment strategy towards the investment portfolio.

於二零一九年，中國租賃行業的機遇與挑戰並存。一方面，新監管單位－中國銀行保險監督管理委員會對租賃公司的要求更趨嚴格，可能會阻礙我們根據現有業務模式開展業務，進而減少營業額。中國融資租賃公司的數目如雨後春筍，或會導致惡性競爭及削弱我們吸引新客戶或挽留現有客戶的能力。另一方面，監管機構完成變革亦消除了政策的含糊性，因而減少了政治的不確定性。嚴厲的監管環境將能讓整個金融市場趨於穩定，有利於行業的長遠發展。有利的政府政策如迎合消費趨勢的稅收優惠及支持技術升級的政府補貼將創造更多的融資需求及商機，而依照成功的天津東疆自貿區藍圖再計劃設立十個以上的新自貿區將令行業發展更鞏固。在汽車、房地產及社會消費等部分非傳統行業的金融租賃已見增長苗頭，將為行業發展提供空間。

地方管理團隊將一如既往地加大融資品種的開發力度。藉由遵守行之有效及成熟的風險管理及監控政策並憑藉富有經驗的地方管理團隊，我們將審慎提升業務模式以打造創新業務並開發非常規領域。

碼頭及物流服務業務已逐步自本集團式微。首批25%股權的出售於二零一八年八月三十一日進行。餘下25%股權將於二零二零年上半年由買方酌情行使認購期權承諾而落實出售。

香港及中國股市於二零一八年下行調整，而於二零一九年年初則見強勁反彈。然而，由於中國經濟疲軟及中美貿易衝突的不利影響及加息步伐，市場整體對未來表現趨於審慎。本集團將繼續對投資組合採取保守的投資策略。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

The Food additives business experienced certain technical hiccups during the trial run of the first production line of Sorbitol, a nutritive sweetener commonly used in sugar-free chewing gum and diet foods, and thus delayed the normal production to the first half of 2019. Its expected capacity could reach 4,000 ton per annum and aims to sell to the food manufacturers and traders in the PRC. At the same time, the segment has carried out research and development of Advantame, extremely high intensive sweeteners, and EPS, the diagnostic reagent, both of which have attained at the later stage of development. The machineries and equipment of the back end processing of nutrition supplements have been in place and the applications of the necessary production and export licenses are in the process. Management will closely monitor the segment performance and will diligently allocate more resources to expand the product varieties and production capability in due course. With the enhanced research & development capabilities through the completion of acquisition of Quantum Power on 1 March 2019, the segment is expected as an impetus to our future revenue and profit growth of the Group.

Echoed by the Chinese Premier Li's address on the opening day of the Congress this year, the Group must be prepared for a tough struggle with a graver and more complicated environment as well as enormous risks and challenges ahead by further strengthening the risk managements coupled with leveraging the existing resources and capabilities to cautiously look for new potential growth opportunities in a very diligent manner in order to diversify the source of income and attain growth in the long term.

SIGNIFICANT INVESTMENTS AND MATERIAL DISPOSALS

At 31 December 2018, the Group held loan receivables of HK\$167.4 million (2017: HK\$125.0 million), equity investments at FVOCI of HK\$35.2 million (2017: available-for-sale investments of HK\$77.1 million) and financial assets at FVTPL of approximately HK\$58.4 million (2017: held for trading investments of HK\$40.6 million).

食品添加劑業務於山梨糖醇（一種常用於無糖口香糖及減肥食品的營養甜味劑）試產時遭遇若干技術問題，故推遲於二零一九年上半年的正常生產。預期產能可達每年4,000噸，並目標出售予中國的食品製造商及貿易商。同時，該分部已展開愛德萬甜（一種高濃度甜味劑）及EPS（一種消化試劑）之研發，並皆已達到後期發展階段。營養補充劑後端製程的機械及設備已就緒，而所需的生產及出口牌照申請正在進行。管理層將密切監察分部表現並將以謹慎地分配更多資源以適時擴展產品品種及產能。於二零一九年三月一日，透過完成收購勁力而提升研發能力，該分部期望成為推動本集團未來收入及利潤增長的動力。

為響應中國李總理本年度於大會開幕當天的講話，本集團必須憑藉現有資源及能力進一步加強風險管理，為同前方更嚴峻、更複雜的環境以及巨大風險及挑戰的艱苦鬥爭做好十足準備，將審慎物色新的潛在增長機會，以多樣化收入來源並獲得長遠發展。

重大投資及重大出售

於二零一八年十二月三十一日，本集團持有應收貸款167,400,000港元（二零一七年：125,000,000港元）、按公平值透過其他全面收入列賬之股本投資35,200,000港元（二零一七年：可供出售投資77,100,000港元）及按公平值透過損益列賬之金融資產約58,400,000港元（二零一七年：持作買賣投資40,600,000港元）。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

During the year, the Group made a HK\$80 million 1-year 10% per annum loan to the joint borrowers in Hong Kong, further invested in loan receivables through half-to-two years trust products of RMB40.0 million or HK\$45.5 million both issued by financial institutions in the PRC. The Group recorded loan interest income from loan receivables amounting to HK\$9.8 million (2017: HK\$9.7 million) and an impairment loss on loan receivables of HK\$29.8 million (2017: nil). Included in the equity investment at FVOCI represents unlisted equity securities issued by private entities established in the PRC with a carrying amount of RMB30.6 million or HK\$35.2 million with the revaluation surplus of HK\$0.9 million recorded in the other comprehensive income during the year. Included in financial assets at FVTPL of HK\$58.4 million mainly represented the listed equity shares, listed and unlisted equity fund products in the Hong Kong and the Chinese stock exchanges and the resulting fair value loss of HK\$46.3 million in the current year (2017: HK\$26.6 million) was mainly due to the general decline in the stock markets in the both territories.

Since the completion of the partial disposal of the equity interest of Rizhao Lanshan took place on 31 August 2018, the remaining 25% equity interest has been accounted for as interest in an associate under equity method thereafter. Further details of the disposal are set out in the Company's announcement dated 15 May 2018 and the circular dated 25 June 2018.

EMPLOYEE AND REMUNERATION

As at 31 December 2018, the Group had approximately 83 (2017: 39) employees (excluding employees of the Company's joint venture and associate) in Hong Kong and the PRC. The increase was primarily due to the expansion of the food additives business. The employees are remunerated with basic salary, bonus and other benefits in kind with reference to industry practice and their individual performance.

A new share option scheme was adopted on 29 July 2016. As at 31 December 2017, a total outstanding number of share options were granted to the eligible employees, including directors of the Company, amounted to 102,000,000. With 42,333,334 share options lapsed during the year, the outstanding number of share options as at 31 December 2018 amounted to 59,666,666. Details of the share options granted are set out in the announcement of the Company dated 8 December 2016. There was no share option granted during the Current Year.

年內，本集團向一名香港聯名借款人作出一筆年利率10%的一年期貸款80,000,000港元，透過中國金融機構發行之半年至兩年期信託產品人民幣40,000,000元或45,500,000港元進一步投資於應收貸款。本集團錄得來自應收貸款的貸款利息收入9,800,000港元（二零一七年：9,700,000港元）及應收貸款減值虧損29,800,000港元（二零一七年：無）。按公平值透過其他全面收入列賬之股本投資包括於中國成立的私人實體所發行賬面值為人民幣30,600,000元或35,200,000港元之非上市股本證券及於年內錄得之其他全面收入重估盈餘900,000港元。按公平值透過損益列賬之金融資產為58,400,000港元，主要指於香港及中國證券交易所上市股份以及上市及非上市股權基金產品，本年度產生之公平值虧損46,300,000港元（二零一七年：26,600,000港元）乃主要由於兩個區域之股市普遍下跌所致。

部分出售日照嵐山的股權已於二零一八年八月三十一日完成，餘下25%之股權已按權益法入賬為於一家聯營公司之權益。出售事項的進一步詳情載於本公司日期為二零一八年五月十五日之公告及二零一八年六月二十五日之通函。

僱員及酬金

於二零一八年十二月三十一日，本集團於香港及中國約僱用83名（二零一七年：39名）僱員（不包括本公司之合營企業及聯營公司）。該增加主要由於食品添加劑業務之擴張。僱員之薪酬乃按基本薪金、花紅及其他實物利益（參照行業慣例）以及彼等之個人表現釐定。

本公司於二零一六年七月二十九日採納一項新購股權計劃。於二零一七年十二月三十一日，總共102,000,000份餘下購股權已授予合資格僱員（包括本公司董事）。42,333,334份購股權已於年內失效，而於二零一八年十二月三十一日的餘下購股權數目為59,666,666份。已授出購股權詳情載於本公司日期為二零一六年十二月八日之公告。本年度並無授出購股權。

EVENTS AFTER THE REPORTING PERIOD

On 8 January 2019 the Group entered into the share purchase agreement with a connected vendor and its associates, pursuant to which the Group has conditionally agreed to purchase the sale share, which represent the entire issued share capital of the target company as at the date of completion, in the consideration of HK\$90,000,000 from the Vendor. The vendor's guarantor has agreed to guarantee the due and punctual performance of the vendor with its obligations under the share purchase agreement. On 1 March 2019, the completion of the sale share took place, target company has become an indirect wholly-owned subsidiary of the Company. The target company and its subsidiaries (the "Target Group") were carried out in the research and studies and design of industrial biotechnology products, the wholesale of food additives and the provision of technology consultation services but have been inactive in the recent years. The Target Group owns the approximately 6,300 square meters property in Shanghai PRC and facilities and equipment used for research and studies of biotechnology.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

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

報告期後事項

於二零一九年一月八日，本集團與關連賣方及其聯繫人訂立購股協議，據此，本集團已有條件同意向賣方購買銷售股份（相當於完成日期目標公司之全部已發行股本），代價為90,000,000港元。賣方擔保人已同意就賣方妥善及準時履行其於購股協議項下之義務進行擔保。於二零一九年三月一日，銷售股份事項完成，目標公司已成為本公司之間接全資附屬公司。目標公司及其附屬公司（「目標集團」）進行調查研究及設計工業生物科技產品、食品添加劑批發及提供技術顧問服務，惟近年來較不活躍。目標集團於中國上海擁有約6,300平方米之物業及用於研究生物科技之設施和設備。

購買、贖回或出售上市證券

本公司或其任何附屬公司年內概無購買、出售或贖回本公司之任何上市證券。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

OBJECTIVE OF THE REPORT

China Ever Grand Financial Leasing Group Co., Ltd. (the "Company") is pleased to present its Environmental, Social and Governance (hereinafter called "ESG") Report of the Company and its subsidiaries (the "Group") for the year ended 31 December 2018 (the "Year 2018"), with an aim to provide details of the system establishment and performance of the Group in terms of sustainable development to both the internal and external stakeholders.

This report was prepared in accordance with the Environmental, Social and Governance Reporting Guide set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, highlights the environmental and social measures and activities of the Group during the Year 2018. Corporate governance is addressed separately in the Corporate Governance Report.

The Group is principally engaged in the provision of finance lease and related consulting services in the People's Republic of China, the trading of equity securities, investment in property, investment in terminal and logistics services business, food additives business and investment holding. The Group mainly operates in Beijing and Hong Kong. Therefore, the disclosures in this report focus on the policies and performance of offices in Beijing and Hong Kong in the Year 2018 in relation to three environmental aspects and eight social aspects.

本報告的目標

中國恒嘉融資租賃集團有限公司(「本公司」)欣然提呈本公司及其附屬公司(「本集團」)截至二零一八年十二月三十一日止年度(「二零一八年度」)之環境、社會及管治(下稱「環境、社會及管治」)報告,旨在向內部及外部持份者提供本集團於可持續發展方面之制度設立及表現之詳情。

本報告按照香港聯合交易所有限公司證券上市規則附錄二十七所列環境、社會及管治報告指引之規定編製,重點介紹本集團於二零一八年度之環境及社會措施和活動。企業管治於企業管治報告內單獨闡述。

本集團主要業務為在中華人民共和國提供融資租賃及相關諮詢服務、股本證券買賣、物業投資、投資碼頭及物流服務業務、食品添加劑業務以及投資控股。本集團主要在北京及香港營運。因此,本報告著重披露北京及香港辦公室於二零一八年度在三個環境方面及八個社會方面的政策及表現。



STAKEHOLDER ENGAGEMENT

Stakeholder engagement is a key success factor in formulating environmental and social strategy, defining the Group's objectives, assessing materiality, and establishing policies. The Group's key stakeholders include government, shareholders, customers, employees, suppliers or service providers, community and the public. The Group has conducted a survey, discussed or communicated with stakeholders to understand their views and respond to their needs and expectations, evaluated and prioritised their inputs to improve the Group's performance, and finally strived to provide value to the stakeholders.

持份者參與

持份者的參與對制定環境及社會策略、界定本集團的目標、評估重要性及制定政策至關重要。本集團的主要持份者包括政府、股東、客戶、僱員、供應商或服務提供商、社區及公眾。本集團已進行調查、與持份者討論或溝通，以瞭解彼等之見解，回應其需要及期望，評估及排列其對於改善本集團表現之意見的優先次序，並最終致力為持份者創造價值。

Stakeholders 持份者	Expectations and requirements 期望及要求	Communication and response 溝通及回應
Government 政府	<ul style="list-style-type: none"> Operate in compliance with the law 依法經營 Tax payment in accordance with the laws 依法納稅 	<ul style="list-style-type: none"> Law-abiding operations 守法經營 Tax payment on time and in full 準時悉數納稅
Shareholders 股東	<ul style="list-style-type: none"> Implement corporate governance and create value 實行企業管治並創造價值 Information disclosure 信息披露 	<ul style="list-style-type: none"> Optimise internal control and risk management 優化內部控制及風險管理 Release operating data in due course 適時公佈經營數據
Customers 客戶	<ul style="list-style-type: none"> Demand for funds 對資金的需求 Direct Communication 直接溝通 	<ul style="list-style-type: none"> A wide range of financial leasing products 豐富的融資租賃產品 Direct hotline 致電熱線

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Stakeholders 持份者	Expectations and requirements 期望及要求	Communication and response 溝通及回應
Employees 僱員	<ul style="list-style-type: none"> Career development platform 事業發展平台 Remuneration and benefits 薪酬及福利 	<ul style="list-style-type: none"> Occupational health and safety 職業健康及安全 Transparent promotion channel 透明的晉升渠道 Competitive remuneration package 具競爭力的薪酬方案 Implements health and safety management system 實施健康及安全管理系統
Suppliers or service providers 供應商或服務提供商	<ul style="list-style-type: none"> Receive payment on time 及時收取付款 Business ethics and credit standing 商業道德及信譽卓著 	<ul style="list-style-type: none"> Payment schedule 付款計劃 Fulfilment of obligations under any contract in accordance with laws 依法履行任何合約項下的責任
Community and the public 社區及公眾	<ul style="list-style-type: none"> Open up a financing channel for small and medium-sized enterprises 開放中小企業融資渠道 Protect the nature 保護自然 	<ul style="list-style-type: none"> Provide sale and leaseback 提供售後租後 Adhere to green operations 恪守綠色營運

Based on the stakeholder engagement, the Group has identified issues with significant environmental and social impact and issues concerning stakeholders.

基於持份者參與，本集團已識別具有重大環境及社會影響的事項及持份者關注的事項。

MATERIALITY MATRIX

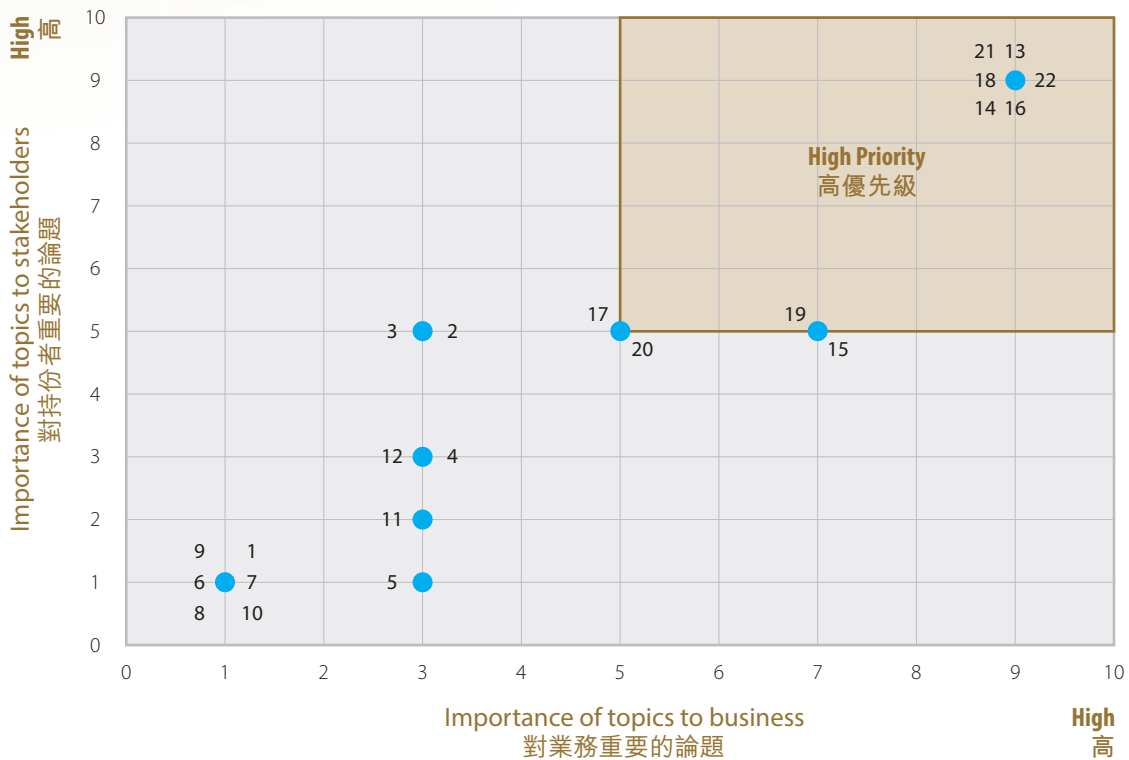
In the Year 2018, the Group carried out materiality assessment on a number of ESG issues in order to identify which issues were crucial to the Group's business and were of the utmost concern to stakeholders. It helps the Group to ensure its business development can meet the expectations and requirements of stakeholders. The Group has identified 22 ESG issues covering environmental, social and operation, and has invited both internal and external stakeholders to assess the materiality of the ESG issues through a scoring tool and interviews. The Group's management has reviewed the ranking of materiality of the ESG issues and then disclosed the results in this report. The results of materiality assessment prioritised stakeholder inputs and made the Group focused on the material aspects for actions, achievements and reporting.

The Group's materiality matrix of ESG issues in the Year 2018:

重要性矩陣

於二零一八年度，本集團對多項環境、社會及管治事宜進行重要性評估，以識別對本集團業務最重要及持份者最關注的事宜。該評估有助本集團確保其業務發展能符合持份者的期望及要求。本集團已識別22項涵蓋環境、社會及營運的環境、社會及管治事宜，並邀請內部及外部持份者透過評分工具及面談，評估環境、社會及管治事宜的重要性。本集團管理層已審閱環境、社會及管治事宜的重要性級別，其後於本報告內披露結果。重要性評估的結果優先考慮持份者的意見並使本集團著重行動、成就及報告的重要方面。

二零一八年度本集團環境、社會及管治事宜的重要性矩陣：



Materiality Matrix of the Year 2018

二零一八年度的重要性矩陣

Environmental issues 環境事宜	Social issues 社會事宜	Operation issues 營運事宜
1. Greenhouse gas emissions 溫室氣體排放	9. Local community engagement 當地社區參與	17. Economic value generated 所產生的經濟價值
2. Energy consumption 能源消耗	10. Community investment 社區投資	18. Corporate governance 企業管治
3. Water consumption 用水	11. Occupational health and safety 職業健康與安全	19. Anti-corruption 反貪污
4. Waste 廢物	12. Labour standards in supply chain 供應鏈內的勞工標準	20. Supply chain management 供應鏈管理
5. Environmental impact of construction 施工對環境的影響	13. Training and development 培訓及發展	21. Customer satisfaction 客戶滿意度
6. Green buildings certification 綠色建築認證	14. Employee welfare 僱員福利	22. Customer privacy 客戶私隱
7. Customer engagement in environmental issues 客戶對環境事宜的參與	15. Inclusion and equal opportunities 包容及平等機會	
8. Use of chemicals 使用化學品	16. Talent attraction and retention 吸納及挽留人才	

EMISSIONS

Emissions refer to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

Combustion of fuels in motor vehicles controlled by the Group is the main sources of nitrogen oxides (NO_x), sulphur oxides (SO_x) and particulate matter (PM) emission. It could likewise generate greenhouse gases (the "GHG") such as carbon dioxide (CO₂), methane and nitrous oxide.

The Group believes that green transportation brings benefits, which include reduction of transportation costs and reduction of energy consumption and pollution. As such, the Group encourages optimising transportation routes, high filling rate or carpooling and proper tire pressure to achieve efficiency.

The Group reminds employees to consider environmental impact in their commuting decisions to reduce air and greenhouse emissions. Employees are encouraged to take public transportation as often as possible and select fuel efficient vehicles. While employees are driving, it is suggested to avoid unnecessary acceleration or deceleration, close windows when the vehicle is travelling at high speed, and only use air-conditioning when it is necessary.

Electricity consumption of the Group is a major part of its greenhouse gas emissions. Various electricity-saving policies have been established to reduce the electricity consumption by the Group. The Group encourages staff members to switch off light during daytime, maintain lamps well to keep clean, use stairs instead of elevators, install energy-efficient lighting, and disable the standby mode for all electrical appliances, including computers, photocopiers and printers when they are not in use. Air conditioning is required to be set no lower than 25 °C in summer. It is also required to ensure the windows and doors are closed while air-conditioning is on, and turn off the air-conditioning after office hours or after the usage of the meeting room.

排放物

排放物指廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物之產生。

本集團控制的汽車燃燒的燃料是氮氧化物(NO_x)、硫氧化物(SO_x)及懸浮粒子(PM)排放物的主要來源。其同樣可能會產生二氧化碳(CO₂)、甲烷及一氧化氮等溫室氣體(「溫室氣體」)。

本集團深信綠色運輸的裨益，包括減省運輸成本、降低能耗及減少污染。因此，本集團鼓勵採用最佳運輸路線、高運量或拼車率及適當胎壓以提高效率。

本集團提醒僱員在通勤時考慮環境影響，減少廢氣及溫室氣體排放，例如鼓勵僱員盡可能利用公共交通系統，並選擇燃料效率高的交通工具。本集團鼓勵僱員駕駛時避免不必要加速或減速、在高速行駛下關窗及僅於必要時方使用空調。

本集團之電力消耗是其溫室氣體排放的主要部分。本集團已制定多項節電政策，以減少用電。本集團鼓勵僱員白天關閉電燈、保養燈具並保持其清潔、使用樓梯而非電梯、安裝能源效益高的照明系統及在所有電器(包括電腦、影印機及打印機)不使用時關閉備用模式。夏季須將空調設定在不低於25°C之溫度。亦須確保空調開啟期間門窗均已關閉，以及下班後或使用會議室後須關閉空調。

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In the Group's Beijing office, energy saving signs remind staff members to turn off the lights and promote energy conservation. In the Hong Kong office, light-emitting diode ("LED") lamps were installed as much as possible, and multi-purpose devices with printing, scanning and photocopying functions were adopted to achieve electrical efficiency.

In order to address indirect emissions relating to paper waste deposited at landfills, the Group encourages employees to apply computer technology such as emails, electronic backup devices and storage devices to reduce paper consumption, print on both sides of a sheet of paper, avoid unnecessary printing or copying on paper, adjust documents and use space efficiency formats to optimise use of paper, and put recycling boxes near the photocopiers to collect single-sided paper for reuse and used double-sided paper for recycling.

In the Group's Beijing office, saving paper signs remind staff members to optimise use of paper and reduce paper waste. The Group constantly reminds employees to consider environmental impact in their commuting decisions to reduce air and greenhouse gas emissions. Employees are encouraged to take public transportation as often as possible and select fuel-efficient vehicles. While employees are driving, it is recommended to avoid unnecessary acceleration or deceleration, keep windows closed when the vehicle is travelling at high speed, and only use air-conditioning when it is necessary.

The Group recognises the severity of indirect greenhouse gas emissions from business travel by employees, and requires employees to utilise teleconference instead of overseas meetings and choose railway rather than airway for short distance travel to reduce the carbon footprint of business travel.

The Group requires that discharges, if any, into waterways and land must comply with relevant laws and regulations.

在本集團北京的辦公室，節能標誌提醒僱員及時關燈和促進節能。在香港辦公室，盡可能多地安裝發光二極管（「LED」）燈，並採用具有打印、掃描及影印功能的多功能設備來實現用電效率。

為了處理與堆填廢紙有關之間接排放，本集團鼓勵僱員使用電郵、電子備份設備及儲存裝置等電腦科技，減少用紙，採用雙面打印，避免不必要打印或複印，並調整文件、使用空間效率高的格式以善用紙張，以及於影印機旁放置回收箱，收集單面紙重用及回收已使用雙面紙張。

在本集團北京的辦公室，節省紙張標誌提醒僱員優化紙張使用並減少紙張浪費。本集團時常提醒僱員在通勤時考慮環境影響，減少廢氣及溫室氣體排放，例如鼓勵僱員盡可能利用公共交通系統，並選擇燃料效率高的交通工具。本集團建議僱員駕駛時避免不必要加速或減速、在高速行駛下關窗及僅於必要時方使用空調。

本集團明白僱員外出公幹產生大量間接溫室氣體排放，並要求僱員使用電話會議而非海外會議，短途行程使用鐵路而非飛機，以減少外出公幹之碳足跡。

本集團要求向水道及土地排放之污染物（如有）必須符合相關法律及法規。



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The Environmental Policy established by the Group encourages employees to handle office waste generated in a proper and environmentally friendly manner.

Hazardous wastes are those defined by national regulations. There was no significant hazardous waste generated in view of the Group's business nature.

The Group promotes waste reduction practices including waste reduction at source, reuse, clean recycling, recover and reduction of disposal at landfills. Employees are encouraged to purchase supplies or equipment with longer life-span, to install recycling bins to collect recyclables, such as waste paper, glass or aluminium bottles, metal, and plastics, and to have recyclers to collect recyclables.

The Group strictly regulates the operation of its business to ensure the compliance with national and local laws and regulations relating to environmental protection and pollutant emissions. In the Year 2018, there was no case of material non-compliance with the Environmental Protection Law of the People's Republic of China (中華人民共和國環境保護法) and other relevant laws and regulations relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste that have a significant impact on environment. In addition, there was no report of significant fines or sanctions as a result of non-compliance with the relevant laws and regulations in the Year 2018.

本集團制定的環保政策鼓勵僱員以適當及環保的方式處理所產生之辦公廢棄物。

有害廢棄物指國家規例所界定者。鑒於本集團之業務性質，並無產生大量有害廢棄物。

本集團提倡減廢常規，包括於源頭減廢、再利用、清潔循環利用、回收及減少填埋處理。本集團鼓勵僱員購買壽命較長之供應品或設備，安裝回收桶收集可循環物料（如廢紙、玻璃瓶或鋁瓶、金屬及塑料），並安排回收商收集可循環物料。

本集團嚴格規管其業務的營運，確保遵守與環保及污染物排放有關的國家及地方法律及法規。於二零一八年度，概無嚴重違反《中華人民共和國環境保護法》及有關廢氣及溫室氣體排放、向水資源及土地排放污物以及產生對環境造成重大影響的有害及無害廢物的其他相關法律及法規的行為。此外，於二零一八年度內，並無因違反相關法律及法規而招致重大罰款或制裁的報告。

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The key environmental performance indicators of the Group's emissions in the Year 2018 are shown in the table below:

於二零一八年度，本集團排放物的關鍵環境績效指標載列於下表：

Environmental indicators	環境指標	Unit 單位	Year 2018 二零一八年度	Year 2017 二零一七年度
Air emissions (Note 1)				
Nitrogen oxides (NOx) emissions	廢氣排放 (附註1) 氮氧化物(NOx)排放物	g 克	5,364	6,693
Sulphur oxides (SOx) emissions	硫氧化物(SOx)排放物	g 克	176	247
Particulate matter (PM) emission	懸浮粒子(PM)排放物	g 克	414	849
GHG emissions				
Total GHG emissions (Note 2)	溫室氣體排放 溫室氣體排放總量 (附註2)	kg CO ₂ e 千克 二氧化碳當量	74,064	95,633
GHG emissions intensity	溫室氣體排放密度	kg CO ₂ e (per employee) 千克 二氧化碳當量 (每名僱員)	3,086	3,085
Direct emissions (Scope 1)	直接排放 (範圍1)	kg CO ₂ e 千克 二氧化碳當量	30,600	40,016
Indirect emissions (Scope 2)	間接排放 (範圍2)	kg CO ₂ e 千克 二氧化碳當量	12,902	20,757
Other indirect emissions (Scope 3)	其他間接排放 (範圍3)	kg CO ₂ e 千克 二氧化碳當量	30,562	34,860
Waste				
Total non-hazardous waste produced	廢物 所產生無害廢棄物總量	tonnes 噸	0.20	0.25
Non-hazardous waste produced intensity	所產生無害廢棄物密度	tonnes (per employee) 噸 (每名僱員)	0.008	0.008
Total hazardous waste produced (Note 3)	所產生有害廢棄物總量 (附註3)	tonnes 噸	N/A不適用	N/A不適用
Hazardous waste produced intensity (Note 3)	所產生有害廢棄物密度 (附註3)	tonnes (per employee) 噸 (每名僱員)	N/A不適用	N/A不適用

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(Note 1): Air emissions include emissions data from gaseous fuel consumption and motor vehicles.

(附註1): 廢氣排放包括來自燃氣消耗及汽車的排放數據。

(Note 2): Greenhouse gas emissions (direct and indirect) and its removal can be divided into the following three separate areas:

(附註2): 溫室氣體排放(直接及間接)及其減除可分為以下三個獨立範圍:

Scope 1: Direct greenhouse gas emissions from operations that are owned or controlled by the Group including greenhouse gas emissions from motor vehicles controlled by the Group.

範圍1: 由本集團所擁有或控制的業務直接產生的溫室氣體排放,包括來自本集團所控制的汽車的溫室氣體排放。

Scope 2: Energy indirect emissions resulting from generation of purchased electricity that is consumed by the Group's controlled equipment or its operations within the physical building boundary including electricity purchased from power companies.

範圍2: 本集團控制的設備或其於實體建築物界限範圍內運營所消耗的購買電力產生的能源間接排放,包括自發電公司購買的電力。

Scope 3: All other indirect greenhouse gas emissions that occurred outside the Group, including both upstream and downstream emissions.

範圍3: 本集團以外發生的所有其他間接溫室氣體排放,包括上游及下游的排放。

(Note 3): No hazardous waste is produced by the Group. Therefore, this disclosure is not applicable to the Group. In the event when any hazardous waste is to be disposed of, the Group would engage professional companies to handle it.

(附註3): 本集團並無產生有害廢物。因此,該披露不適用於本集團。倘若需棄置任何有害廢物,本集團會聘請專業公司處理。

In accordance with policies stated above for the reduction of air and greenhouse gas emissions from vehicles, the Group adopts the following measures: control the numbers of vehicles owned by the Group; control the frequency of employees not to take public transportation for local business commuting; and control the volume of business travel by employees. The Group considers such measures had been achieved for the Year 2018.

根據上述政策,為減少車輛廢氣及溫室氣體排放,本集團採取以下措施:控制本集團擁有的車輛數量;控制僱員不乘坐公共交通工具上班的頻率;及控制僱員的出差量。本集團認為該等措施已於二零一八年度落實。

Non-hazardous wastes are preferred to be recycled, otherwise, they are sent for landfill or incineration. In accordance with policies stated above for the reduction of non-hazardous wastes, the Group adopts the following measures: control the commercial wastes generated by employees; control the waste of papers; control the volume of non-hazardous waste going direct to landfill or incineration without recycling. The Group considers such measures had been achieved for the Year 2018.

無害廢棄物優先回收利用,否則將被送往堆填或焚化。根據上述政策,為減少無害廢棄物,本集團採取以下措施:控制僱員產生的商業廢棄物;控制紙張浪費;控制直接送往堆填或焚燒而不進行回收的無害廢棄物數量。本集團認為該等措施已於二零一八年度落實。

USE OF RESOURCES

The Group recognises that efficient use of resources, including energy, water and other raw materials, in production, storage, transportation, buildings, electronic equipment, etc., is one of the significant aspects to protect environment.

The Group established policies and procedures to reduce energy consumption in the facility, to assess the energy efficiency, to increase the use of clean energy, if possible, to set targets to monitor energy consumption, to ensure power is turned off when electrical appliances are not in use, and to admit natural daylight into workplace during the day.

The Group requires employees to reduce water consumption in the offices. For example, employees are encouraged to fully empty any containers before washing, to turn off water taps promptly, to check faucets and pipes for leaks, and to adopt water saving appliances.

The total units of purchased electricity consumed by the Group's emissions in the Year 2018 are shown in the table below:

Total use of resources	資源使用總量	Unit 單位	Year 2018 二零一八年度	Year 2017 二零一七年度
Non-renewable fuel consumed	不可再生燃料消耗	kWh 千瓦時	107,314	151,635
Electricity purchases for consumption	購電消耗	kWh 千瓦時	19,623	25,299
Total energy consumed	能源總耗量	kWh 千瓦時	126,937	176,938
Electricity consumption intensity	耗電密度	kWh (per employee) 千瓦時 (每名僱員)	5,289	5,708
Amount of water consumption (Note 4)	耗水量 (附註4)	m ³ 立方米	N/A 不適用	N/A 不適用
Water consumption intensity (Note 4)	耗水密度 (附註4)	m ³ (per employee) 立方米 (每名僱員)	N/A 不適用	N/A 不適用
Total packaging material used for finished products (Note 5)	製成品所用包裝材料總量 (附註5)	kg 千克	N/A 不適用	N/A 不適用
Amount of packaging material per unit produced (Note 5)	每件產品的包裝材料數量 (附註5)	kg 千克	N/A 不適用	N/A 不適用

(Note 4): Both Hong Kong and Beijing offices of the Group operate in leased office premises for which both the water supply and discharge are solely controlled by the building management. Therefore, this disclosure is not applicable to the Group.

(Note 5): No use of packaging materials since the Group does not have physical products for sale. Therefore, this disclosure is not applicable to the Group.

資源使用

本集團深知於生產、儲存、運輸、樓宇、電子設備等方面有效使用資源(包括能源、水及其他原材料)對於保護環境至關重要。

本集團已制定政策及程序減少設施能耗, 評估能源效益, 盡可能增加使用清潔能源, 訂立目標監察能源消耗, 確保關閉不再使用中之電器, 並在白天於工作場所採用自然光。

本集團要求僱員在辦公室減少用水。例如, 本集團鼓勵僱員於清潔前清除容器積水, 及時關閉水龍頭, 檢查水龍頭及管道洩漏, 並採用節水設備。

於二零一八年度, 本集團排放物所耗用購買的電力總量載列於下表:

(附註4): 本集團的香港及北京辦公室均在租賃辦公樓宇內經營, 供水和排水均由樓宇管理部門獨立控制, 因此, 該披露不適用於本集團。

(附註5): 由於本集團並無實物產品銷售, 故並不使用包裝材料, 因此, 該披露不適用於本集團。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

The Group's ability to use energy efficiently can be revealed by its intention and measures for the reductions in energy consumption. Energy consumption has a direct effect on the environmental footprint of the Group, its operational costs, and exposure to certain risks (e.g. fluctuations in energy supply and prices). The Group's policies and measures specific to managing energy use have been stated above. The Group considers such policies had been adopted and measures had been achieved for the Year 2018.

The Group's ability to use water efficiently can be revealed by its intention and measures for the reductions in water consumption. Water consumption has a direct effect on the environmental footprint of the Group, its operational costs, and exposure to certain risks (e.g. reliance on sources of water that may be considered sensitive due to their relative size or function; or status as a possibly rare, threatened, or endangered system; or to their possible support of a particular endangered species of plant or animal). The Group's policies and measures specific to water use have been stated above. The Group considers such policies had been adopted and measures had been achieved for the Year 2018.

THE ENVIRONMENT AND NATURAL RESOURCES

The Group is committed to reducing the operation impacts on environment and natural resources. Policies are established to consider the actual impacts on environment and natural resources and to reduce such impacts. The Group encourages environmental education and advocacy among employees to motivate environmentally responsible behaviour which helps fulfil the Group's commitment to minimising its adverse impacts on the environment.

The Group understands that its performance in respect of emissions, waste production and disposal, and use of resources impacts the environment, the Group endeavours to minimise such impacts, and communicate the Group's environmental policies, measures, performance, and achievements to the stakeholders. No significant impacts on the environment and natural resources was caused in view of the Group's business nature. Policies and/or measures adopted specific to managing potential impacts of activities on the environment and natural resources are mentioned above.

本集團有效利用能源的能力可以透過其降低能源消耗的意圖和措施來體現。能源消耗直接影響本集團的環境足跡、運營成本及面臨若干風險（例如能源供應及價格的波動）。本集團針對能源使用管理的政策和措施已在上文闡述。本集團認為於二零一八年度已採納該等政策並已採取措施。

本集團有效利用水的能力可以透過其減少用水量的意圖和措施來體現。耗水量直接影響本集團的環境足跡、運營成本及面臨若干風險（例如，依靠可能因其相對規模或功能而被認為敏感的水源；或者可能為罕見的、受到威脅的或瀕危的系統的狀態；或者其可能支持某一特定瀕危植物或動物）。本集團針對用水的政策和措施已在上文闡述。本集團認為於二零一八年度已採納該等政策並已採取措施。

環境及自然資源

本集團致力減少營運對環境及自然資源之影響，已制定政策考慮對環境及自然資源之實際影響及如何減輕影響。本集團提倡對僱員進行環境教育及宣傳，以鼓勵彼等採取對環境負責之行為，這有助於履行本集團盡量減少其對環境造成的不利影響之承諾。

本集團明白，其在排放、廢物生產和處置以及資源使用方面的表現會對環境造成影響，本集團盡力使這些影響最小化，並向持份者傳達本集團的環境政策、措施、表現及成就。鑒於本集團的業務性質，並無造成對環境及自然資源的重大影響。採取的針對管理活動對環境和自然資源的潛在影響之政策及／或措施已於上文提述。

EMPLOYMENT AND LABOUR PRACTICES

The Group established Staff Handbook covering topics such as: (i) compensation and dismissal; (ii) recruitment and promotion; (iii) working hours; (iv) rest periods; (v) equal opportunity; (vi) diversity; (vii) anti-discrimination; and (viii) other benefits and welfare.

The Group offers competitive remuneration to attract and retain talented staff members. Remuneration packages are reviewed periodically to ensure consistency with employment market. Laws and regulations on minimum wage and statutory social benefits are required to be followed. Dismissal is required to comply with employment laws and regulations, and to follow the internal policies and procedures, including policy on prevention of dismissal purely on employees' gender, marital status, disability, or family status.

The Group attracts talent through fair, flexible and transparent recruitment strategy. Recruitment process includes application for recruitment, description of position, collection of job applications, interview, selection, approval, and job offering. Promotion is required to be based on performance and suitability.

Employees' working hours, rest periods, benefits and welfare, including social security benefits and mandatory provident fund, are required to be in compliance with employment or labour laws and regulations. Selected benefit programs, including medical coverage, are also provided.

The Group is an equal opportunity employer. The Group endeavours to provide a fair workplace for employees and follow the principles of equality and non-discrimination. Recruitment, remuneration, promotion, and benefits are required to be handled based on objective assessment, equal opportunity and non-discrimination regardless of gender, race, or other measures of diversity.

僱傭及勞工常規

本集團已制定員工手冊，涵蓋：(i)薪酬及解僱；(ii)招聘及晉升；(iii)工作時數；(iv)假期；(v)平等機會；(vi)多元化；(vii)反歧視；及(viii)其他待遇及福利等議題。

本集團提供具競爭力之薪酬以吸引及挽留優秀員工，定期檢討薪酬待遇，確保與僱傭市場一致，要求遵守有關最低工資及法定社會福利之法律及法規，並按照僱傭法律及法規以及內部政策及程序解僱員工，包括防止純粹因僱員性別、婚姻狀況、殘疾、或家庭狀況解僱員工之政策。

本集團以公平、靈活及透明之招聘策略吸引人才。招聘程序包括申請招聘、描述職位、收集應徵申請、面試、甄選、批准及聘用。晉升須取決於表現及是否稱職。

僱員之工作時數、假期、待遇及福利（包括社會保障福利、強制性公積金）須符合僱傭或勞工法律及法規。本集團亦提供包括醫療保險在內的選定福利計劃。

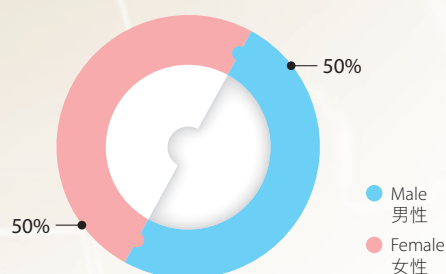
本集團向僱員提供同等的工作機會。本集團努力為僱員提供公平之工作環境，恪守公平及反歧視原則。招聘、薪酬、晉升及福利必須建基於客觀評估、平等機會及不涉歧視，包括性別、種族或其他多元性指標。

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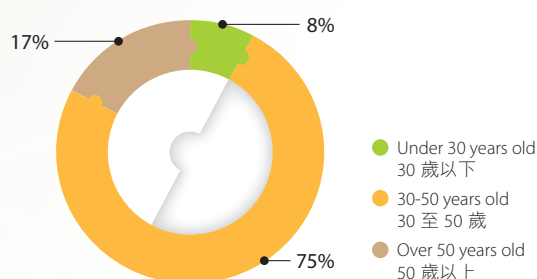
The composition of the Group's workforce by gender and by age as of 31 December 2018 is stated as follows:

截至二零一八年十二月三十一日，本集團按性別及年齡劃分的勞動力構成情況如下：

Total workforce gender
按性別劃分的勞動力總人數



Total workforce by age group
按年齡組別劃分的勞動力總人數



The Group strictly regulates the operation of its business to ensure the compliance with national and local laws and regulations relating to employment during the course of operation. In the Year 2018, there was no case of material non-compliance with the Labour Law of the People's Republic of China (中華人民共和國勞動法), the Labour Contract Law of the People's Republic of China (中華人民共和國勞動合同法), the Employment Ordinance (僱傭條例) and the relevant laws and regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare on the Group. In addition, there was no report of significant fines or sanctions as a result of non-compliance with the relevant laws and regulations in the Year 2018.

本集團嚴格規管其業務的營運，以確保於營運過程中遵守與僱傭相關的國家及地方法律及法規。於二零一八年度，概無嚴重違反《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、《僱傭條例》及與本集團的補償及解僱、招聘及晉升、工作時數、休假、平等機會、多元化、反歧視及其他待遇和福利有關的相關法律及法規的行為。此外，於二零一八年度內，並無因違反相關法律及法規而招致重大罰款或制裁的報告。

HEALTH AND SAFETY

The Group has established Health and Safety Policies covering topics such as: (i) providing safe working environment; (ii) protecting employees from occupational hazards; and (iii) work-life balance. The Group is committed to maintaining a healthy and safe workplace for employees, and to preventing workplace injuries and illnesses.

健康與安全

本集團已制定健康及安全政策，涵蓋：(i)提供安全工作環境；(ii)保障僱員避免職業性危害；及(iii)作息平衡等議題。本集團致力為僱員提供健康及安全的工作環境及保障僱員避免職業性傷害與疾病。

The Group requires entities to establish and document policies and procedures on safety for employees to follow, set targets for the safety of employees, monitor the safety performance against the targets periodically and report any safety incidents to management.

本集團要求各實體制定及列明僱員應遵守之安全政策及程序，訂立僱員安全目標，定期對照安全表現及目標，並向管理層匯報任何安全事故。

One of the key factors for successfully protecting employees from occupational hazards is to train employees to protect themselves from psychological and physical hazards. The Group encourages such training to be delivered to employees.

保障僱員避免職業性危害之其中一項成功要素為訓練僱員保護自己免受心理及身體傷害。本集團鼓勵為僱員提供有關培訓。

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The Group supports employees to enjoy leisure and sports activities outside of workplace.

The Group strictly regulates the operation of its business to ensure the compliance with national and local laws and regulations relating to health and safety during the course of operation. In the Year 2018, there was no case of material non-compliance with the Regulations on Work-Related Injury Insurance of the People's Republic of China (中華人民共和國工傷保險條例), the Occupational Safety and Health Ordinance (職業安全及健康條例) and the relevant laws and regulations relating to providing a safe working environment and protecting employees from occupational hazards that have a significant impact. In addition, there was no report of significant fines or sanctions as a result of non-compliance with the relevant laws and regulations in the Year 2018.

DEVELOPMENT AND TRAINING

The Group has established Development and Training Policies covering topics such as: (i) vocational training; and (ii) training and resources for the directors and senior management. The Group is committed to providing adequate training to the employees to improve their knowledge and skills for discharging duties at work. Training includes vocational training courses provided internally or externally.

The Group requires employees to attend internal and external training courses including employee continuing education to improve employees' knowledge and skills for their job positions.

Training and development courses are offered throughout the Group to upgrade employee skills and knowledge. During the year, all directors participated in continuous professional development activities by reading regulatory updates, and/or attending seminars or workshops relevant to the business or directors' duties.

LABOUR STANDARDS

The Group has established Labour Standards Policies covering topics such as: (i) preventing child and forced labour; and (ii) preventing workplace bullying. The Group is committed to avoiding child and forced labour in the workplace. Besides, all employees are strongly encouraged to report any bullying conduct they experience through the complaint channel provided by the Group.

本集團支持僱員在工餘進行休閒及體育活動。

本集團嚴格規管其業務的營運，以確保於營運過程中遵守與健康及安全相關的國家及地方法律及法規。於二零一八年度，概無嚴重違反《中華人民共和國工傷保險條例》、《職業安全及健康條例》及與提供安全工作環境及保障僱員免受職業危害有關的相關法律及法規並有重大影響的行為。此外，於二零一八年度內，並無因違反相關法律及法規而招致重大罰款或制裁的報告。

發展及培訓

本集團已制定發展及培訓政策，涵蓋：(i)職業培訓；及(ii)董事及高級管理層的培訓及資源等議題。本集團致力為僱員提供足夠培訓，提升僱員履行工作職責的知識及技能。該等培訓包括內外部職業培訓課程。

本集團要求僱員參加內外部培訓課程，包括僱員持續教育，以提升僱員的工作職位知識及技能。

本集團於內部提供培訓及發展課程，以提升僱員之技能及知識。年內，全體董事通過閱讀法規更新資料及／或參加與業務或董事職責相關的研討會或討論會參與持續職業發展活動。

勞工準則

本集團已制定勞工準則政策，涵蓋：(i)防止童工及強制勞工；及(ii)防止職場欺凌等議題。本集團致力於工作場所防止使用童工及強制勞工。同時，大力支持全體僱員通過本集團提供的投訴渠道報告彼等經歷的任何欺凌行為。

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The Group prohibits child labour. It requires human resource department and user departments work together to prevent or identify child labour, and to ensure child labour is not in the workforce. The Group is committed to protecting human rights, to prohibiting forced labours, and to creating a workplace with respect, fairness, and free will for the employees.

The Group strictly regulates the operation of its business to ensure the compliance with national and local laws and regulations relating to labour standards during the course of operation. In the Year 2018, there was no case of material non-compliance with the Labour Law of the People's Republic of China (中華人民共和國勞動法), the Provisions on the Prohibition of Using Child Labour (禁止使用童工規定), the Employment Ordinance (僱傭條例) and the relevant laws and regulations relating to preventing child or forced labour that have a significant impact. In addition, there was no report of significant fines or sanctions as a result of non-compliance with the relevant laws and regulations in the Year 2018.

SUPPLY CHAIN MANAGEMENT

Supply chain management is a key area of the Group's business, which includes managing environmental and social risks of the supply chain. The Group requires suppliers to provide products and services for the Group with up-to-standard quality, health and safety to ensure compliance with environmental laws and regulations, and labour standards. The contracting for procurement of products and services is required to be based solely upon specification, quality, service, price, tendering, and applicable environmental and social considerations.

The Group requires impartial selection of suppliers and service providers, maximisation of competition in tendering process, approval of contract terms, compliance with laws and regulations, prevention and detection of bribery or fraud in the tendering and procurement process, and accomplishment of efficiency and cost saving in procurement.

The Group established Supply Chain Management Policies, including (i) assessment; (ii) selection; (iii) approval; (iv) procurement; and (v) performance evaluation. Performance evaluation is based on quality, service, cost, environmental protection, and social responsibilities.

During the Year 2018, the Group was not aware that any key suppliers had any significant actual and potential negative impact on business ethics, environmental protection, human rights and labour practices, nor any of them had any non-compliance incident in respect of human rights issues.

本集團禁止使用童工。其規定人力資源部及招工部門合作防止或識別童工，並確保工作場所並無童工。本集團致力保障人權，禁止強制勞工，為僱員締造互相尊重、公平與自願的工作環境。

本集團嚴格規管其業務的營運，以確保於營運過程中遵守有關勞工準則的國家及當地法律及法規。於二零一八年度，並無嚴重違反《中華人民共和國勞動法》、《禁止使用童工規定》、《僱傭條例》以及與防止童工或強制勞工相關的有關法律及法規並有重大影響之行為。此外，於二零一八年度，並無發生違反相關法律及法規的行為而招致重大罰款或制裁的報告。

供應鏈管理

供應鏈管理是本集團業務的一個重要範疇，涵蓋管理供應鏈之環境及社會風險。本集團要求供應商向本集團提供產品及服務之最新質量、健康及安全標準，確保符合環境法律及法規及勞工準則。訂約採購產品及服務必須純粹建基於規格、品質、服務、定價、招標及適用的環境和社會考慮因素。

本集團規定挑選供應商及服務提供商時必須公正，最大限度發揮招標程序的競爭性，審批合約條款，遵守法律及法規，防止及檢測招標及採購程序中的賄賂或欺詐行為，同時提升採購效率及減省成本。

本集團已制定供應鏈管理政策，涵蓋：(i)評審；(ii)挑選；(iii)批准；(iv)採購；及(v)表現評估。表現評估建基於品質、服務、成本、環保及社會責任。

於二零一八年度，本集團概不知悉任何主要供應商對商業道德、環保、人權及勞工常規造成任何重大實際及潛在不利影響，亦不知悉任何彼等有任何有關人權事宜的不合規事件。

PRODUCT RESPONSIBILITY

Product responsibility refers to health and safety, advertising, labelling and privacy matters relating to services provided. The Group has established Product Responsibility Policies to study the overall and actual implementation of the Group's sustainable procurement activities and report directly to the director and company secretary.

The Group is fully responsible for its services. The Group ensures health and safety relating to the services provided. In view of the Group's business nature, there were no products produced.

The Group respects its customers' rights and is committed to providing accurate service information for customers in connection with their purchase decision. The Group requires careful review of advertising material to protect customers' interest.

The Group is committed to protecting customer data and privacy information and keeping business information confidential. Training to employees in this regard and proper information system security are required.

Although the Group ensures the quality of its services, at the same time, the Group requires that services with quality, safety, or health issues should be compensated in accordance with terms of service contracts. Compensation is required to be offered to all customers who are affected with consistent treatment and procedures.

The Group is not aware of any material non-compliance with the Personal Data (Privacy) Ordinance (個人資料(私隱)條例) and other applicable laws and regulations that have a significant impact relating to privacy matters in regard to products and services provided by the Group in the Year 2018.

ANTI-CORRUPTION

The Group established Anti-Corruption Policies to prohibit employees from receiving any advantages offered by customers, suppliers, colleagues, or other parties, while they are performing employee duties, and prohibit any activities involving conflicts of interest, bribery, extortion, fraud, and money laundering. Staff Handbook lays out the Group's expectation and certain guiding provisions on code of conduct. The Group encourages employees, customers, suppliers, or other parties to report incidents relating to any conflicts of interest, bribery, extortion, fraud and money laundering.

產品責任

產品責任涉及所提供相關服務的健康與安全、廣告、標籤及私隱事宜。本集團已制定產品責任政策，研究整體及實際實施本集團可持續發展採購活動並直接向董事及公司秘書報告。

本集團對其服務負全責。本集團確保所提供相關服務的健康及安全。鑒於本集團的業務性質，並無生產任何產品。

本集團尊重客戶權利，矢志為客戶提供準確服務資料，供其於購買時參考。本集團要求仔細審查廣告材料，保障客戶權益。

本集團致力保障客戶數據及私隱資料，並對商業機密保密。本集團規定提供此方面之僱員培訓及恰當資訊系統保障。

儘管本集團確保其服務品質，本集團同時要求按照服務合約條款補償存在質量、安全或健康問題的服務。本集團規定以一致的方式及程序向所有受影響客戶進行賠償。

於二零一八年度，本集團概不知悉與本集團所提供產品及服務的私隱事宜有關並構成重大影響的任何嚴重違反《個人資料(私隱)條例》以及其他適用法律及法規的情況。

反貪污

本集團已制定反貪污政策禁止僱員於履行其職務時收受客戶、供應商、同事或其他人士提供的利益，並禁止任何涉及利益衝突、賄賂、勒索、欺詐及洗黑錢的活動。員工手冊列明本集團在行為守則方面的預期及若干指引條文。本集團鼓勵僱員、客戶、供應商或其他人士舉報涉及利益衝突、賄賂、勒索、欺詐及洗黑錢的活動。



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The Group strictly regulates the operation of its business to ensure the compliance with national and local laws and regulations relating to anti-corruption during the course of operation. In the Year 2018, there was no case of any material non-compliance with the Anti-Unfair Competition Law of the People's Republic of China (中華人民共和國反不正當競爭法), the Prevention of Bribery Ordinance (防止賄賂條例) and the relevant laws and regulations relating to bribery, extortion, fraud and money laundering that have a significant impact. In addition, there was no report of significant fines or sanctions as a result of non-compliance with the relevant laws and regulations in the Year 2018.

COMMUNITY INVESTMENT

The Group endeavours to support the communities in which the Group operates including community engagement to understand the needs of communities, and to ensure the Group's activities take into consideration of the communities' interest.

The Group strives to enlarge the business operation so that the Group can hire more workers to utilize communities' available labour resources.

The Group encourages its employees to participate in community activities, such as community health initiatives, sports, cultural activities, volunteer work, and education donation. All employees of the Group are encouraged to participate in environmental protection activities and raise the environmental awareness of people in the communities.

本集團嚴格規管其業務的營運，以確保於營運過程中遵守有關反貪污的國家及當地法律及法規。於二零一八年度，並無嚴重違反《中華人民共和國反不正當競爭法》、《防止賄賂條例》及賄賂、勒索、欺詐和洗黑錢有關的相關法律及法規並有重大影響之行為。此外，於二零一八年度，本集團並無發生違反相關法律及法規的行為而招致重大罰款或制裁的報告。

社區投資

本集團矢志支持本集團經營所在社區，包括社區參與，以瞭解社區需要，確保本集團的活動計及社區利益。

本集團致力擴充業務營運，以便本集團可僱用更多工人，利用社區可用勞工資源。

本集團鼓勵僱員參與社區活動，如社區健康行動、體育、文化活動、志願工作及教育捐助。本集團鼓勵全體僱員參加環保活動，提升社區各界環保意識。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company had complied with all the code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the "CG Code") contained in Appendix 14 of the Listing Rules of the Stock Exchange throughout the year ended 31 December 2018, except the following deviations:-

1. Code Provision A.2.7

During 2018, the Chairman did not hold any formal meeting with independent non-executive directors without the executive directors (as provided under code provision A.2.7 of the CG Code) due to the tight schedule of the Chairman and independent non-executive directors. The Board continues to maintain a culture of openness and constructive relations between executive and non-executive Directors (including independent non-executive directors). In the absence of the Chairman, the CEO is in the position to facilitate the effective contribution of non-executive directors, and ensure their views are communicated and heard by the Board.

2. Code Provision B.1.2

The terms of reference of the Remuneration Committee exclude review of and making recommendations to the Board in relation to senior management remuneration as in the Board's opinion, it was more appropriate for the executive directors to perform these duties.

3. Code Provision E.1.2

Under Code Provision E.1.2 of the CG Code, the Chairman of the Board should attend the annual general meeting. Mr. Wong Lik Ping, Chairman of the Board was unable to attend the annual general meeting of the Company held on 5 June 2018 due to his other important commitment. However, Mr. Lai Ka Fai, executive director chaired the 2018 AGM and answered questions from the shareholders of the Company.

企業管治常規

於截至二零一八年十二月三十一日止年度期間，本公司已一直遵從聯合交易所上市規則附錄十四所載的《企業管治守則》及《企業管治報告》（「企業管治守則」）的所有守則條文，惟下文所概述的若干偏離除外：

1. 守則條文A.2.7

於二零一八年，因為主席及獨立非執行董事日程緊迫，主席並無在執行董事缺席之情況下，與獨立非執行董事舉行任何正式會議（如企業管治守則的守則條文A.2.7所規定）。董事會將繼續在執行董事及非執行董事（包括獨立非執行董事）間維繫開放文化及具建設性之關係。行政總裁在主席缺席時會負責促進非執行董事作出實質貢獻，並確保其見解已向董事會轉達及獲董事會知悉。

2. 守則條文B.1.2

薪酬委員會職權範圍並不包括就高級管理人員之薪酬待遇作出檢討及向董事會提供建議，因董事會認為執行董事更適合執行相關職務。

3. 守則條文E.1.2

根據企業管治守則的守則條文E.1.2，董事會主席應出席股東週年大會。董事會主席王力平先生由於有其他重要事務在身而未能出席本公司於二零一八年六月五日舉行之股東週年大會。然而，二零一八年股東週年大會由執行董事黎嘉輝先生主持並答覆本公司股東的問題。

CORPORATE GOVERNANCE REPORT 企業管治報告

THE BOARD OF DIRECTORS

The Board currently comprises four Executive Directors and three Independent Non-Executive Directors ("INEDs"). The brief biographic details of and the relationship among Board members is set out in the Directors Profiles section on pages 49 to 51. The Board has established three Board Committees, namely Audit Committee, Nomination Committee and Remuneration Committee. Attendance of the Board Meetings, the meetings of the Board Committees and the General Meetings for the year ended 31 December 2018 is given below. The respective responsibilities of the Board and Board Committees are discussed later in this report.

董事會

董事會現由四名執行董事及三名獨立非執行董事（「獨立非執行董事」）組成。董事會成員之簡歷及其關係已載於第49頁至第51頁之董事簡介內。董事會已設立三個董事委員會，即審核委員會、提名委員會及薪酬委員會。截至二零一八年十二月三十一日止年度，各董事出席董事會會議、董事委員會會議及股東大會的次數載列如下。董事會及董事委員會各自的職責將於本報告的稍後篇幅作出說明。

Number of meetings attended/eligible to attend
出席／合資格出席會議的次數

		Board Meeting 董事會會議	Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	General Meeting 股東大會
Executive Directors	執行董事					
Wong Lik Ping	王力平	2/8		0/1	0/2	0/3
Lai Ka Fai	黎嘉輝	8/8				3/3
Tao Ke	陶可	4/8				0/3
Qiao Weibing	喬衛兵	6/8				0/3
Non-executive Director	非執行董事					
Yeung Sau Han Agnes (note 1)	楊秀嫻 (附註1)	1/3				0/2
Independent non-executive Directors	獨立非執行董事					
Goh Choo Hwee	吳慈飛	7/8	3/3	1/1	2/2	2/3
Ho Hin Yip	何衍業	8/8	3/3	1/1	2/2	2/3
U Keng Tin	余擎天	7/8	3/3			2/3

Note:

1. Resigned on 3 August 2018

All Directors are regularly updated on governance and regulatory matters. There is an established procedure for Directors to obtain independent professional advice at the expense of the Company in discharge of their duties.

附註：

1. 於二零一八年八月三日辭任

全體董事均定期獲得有關管治及監管事宜的更新資訊。董事亦可按照既定程序，尋求獨立專業意見以協助履行其責任，有關費用由本公司支付。

The Board held meetings from time to time whenever necessary. Notice of at least 14 days has been given to all Directors for all regular board meetings and the Directors can include matters for discussion in the agenda if necessary. Agenda and accompanying board papers in respect of regular board meetings are sent out in full to all directors within reasonable time before the meeting. Draft minutes of all board meetings are circulated to Directors for comment within a reasonable time prior to confirmation.

Minutes of board meetings and meetings of Board Committees are kept by duly appointed secretaries of the respective meetings and all Directors have access to board papers and related materials, and are provided with adequate information on a timely manner, which enable the Board to make an informed decision on matters placed before it.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Under Code Provision A.2.1 of the CG Code, the roles of chairman and chief executive officer ("CEO") should be separate and should not be performed by the same individual. During 2018, Mr. Wong Lik Ping served as the Chairman whereas Mr. Lai Ka Fai served as the CEO of the Group. The Chairman provides leadership for the Board. The CEO has overall chief executive responsibility for the Group's business development and day-to-day management generally. The segregation ensures a clear distinction between the Chairman's responsibility to manage the Board and the CEO's responsibility to manage the Group's business. With the support of Executive Directors and Company Secretary, the Chairman seeks to ensure that all Directors are properly briefed on issues arising at board meetings and receive adequate and reliable information in a timely manner.

NON-EXECUTIVE DIRECTORS

The Board currently has three INEDs, one of the INEDs hold appropriate professional qualifications, or accounting or related financial management expertise under Rule 3.10 of the Listing Rules. All INEDs of the Company have been appointed for a specific term and are subject to retirement by rotation and re-election in accordance with the Company's Articles of Association.

Each of the INEDs has given the Company an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all INEDs are independent and meet the independence guidelines set out in Rule 3.13 of the Listing Rules.

董事會於有需要時不時舉行會議。就董事會所有定期會議，全體董事均獲給予最少十四天通知，如有需要，董事可將討論事項納入有關議程。董事會定期會議的議程及隨附之董事會文件將於開會前一段合理時間內派發予所有董事。所有董事會會議記錄草稿將於合理時間內交董事傳閱，讓董事在確定會議記錄前提出意見。

董事會及董事委員會會議的會議記錄由各會議經正式委任的秘書保存，全體董事均有權查閱董事會的文件及有關資料，並會及時獲得充分資料，使董事會可就提呈會議的事項作出知情決定。

主席及行政總裁

根據企業管治守則的守則條文A.2.1，主席及行政總裁（「行政總裁」）的角色應分別設立，不應由同一人擔任。於二零一八年，王力平先生出任主席而黎嘉輝先生出任本集團行政總裁。主席為董事會提供領導。行政總裁對本集團的業務發展和日常管理有整體行政責任。此分工確保將主席管理董事會之責任與行政總裁管理本集團業務之責任清楚區分。在執行董事及公司秘書的支持下，主席致力確保所有董事對董事會會議提出的事項得到適當的簡介，並及時收到足夠可靠的信息。

非執行董事

董事會現有兩名獨立非執行董事，其中一名獨立非執行董事具備上市規則第3.10條所列的適當專業資格、會計或相關的財務管理專長。本公司所有獨立非執行董事均有指定任期，並會根據本公司的組織章程細則輪值退選及重選。

各獨立非執行董事已根據上市規則第3.13條之規定提交年度獨立性確認書予本公司。本公司認為，所有獨立非執行董事均屬獨立人士，並符合上市規則第3.13條所載之獨立性指引。

DIRECTORS' CONTINUOUS TRAINING AND DEVELOPMENT

Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution into the Board remains informed and relevant.

The Directors are committed to complying with the code provision A.6.5 on Directors' training. All Directors have participated in continuous professional development activities by reading regulatory updates, and/or attending seminars/workshops relevant to the business/Directors' duties.

A record of training they received for the year ended 31 December 2018 was provided to the Company. The individual training record of each Director received for the year ended 31 December 2018 is set out below:

董事之持續培訓和發展

董事須參與持續專業發展，發展和更新其知識和技能，以確保其繼續在具備全面資訊及切合所需之情況下向董事會作出貢獻。

董事均致力遵守有關董事培訓之守則條文A.6.5。所有董事均透過閱讀監管規定之更新資料，及／或出席與業務／董事職責有關之講座／研討會之方式參與持續專業發展活動。

董事已提供截至二零一八年十二月三十一日止年度曾接受的培訓記錄予本公司。下表載列每名董事截至二零一八年十二月三十一日止年度參與培訓的記錄：

		Reading Regulatory updates 閱讀監管規定之 更新資料	Attending seminars/ workshops relevant to the business/ directors' duties 出席與業務／ 董事職責有關之 講座／研討會
Executive Directors	執行董事		
Wong Lik Ping	王力平	✓	✓
Lai Ka Fai	黎嘉輝	✓	✓
Tao Ke	陶可	✓	✓
Qiao Weibing	喬衛兵	✓	✓
Non-Executive Director	非執行董事		
Yeung Sau Han Agnes (resigned on 3 August 2018)	楊秀嫻 (於二零一八年 八月三日辭任)	✓	✓
Independent non-executive Directors	獨立非執行董事		
Goh Choo Hwee	吳慈飛	✓	✓
Ho Hin Yip	何衍業	✓	✓
U Keng Tin	余擎天	✓	✓

DELEGATION BY THE BOARD

The Board sets the Group's objectives and strategies and monitors its performance. The Board also decides on matters such as annual and interim results, major transactions, director appointments, and dividend and accounting policies and monitors the internal controls of the Group's business operation. The Board has delegated the authority and responsibility of overseeing the Group's day to day operations to management executives.

When the Board delegates aspect of its management and administration functions to management, clear directions would be given as to the power of management, in particular, the circumstances where management should report back to the Board before making decision or entering into any commitments on behalf of the Group.

Principal functions that are specifically delegated by the Board to the management include (i) implementation of corporate strategy and policy initiatives; (ii) provision of management reports to the Board in respect of Group's performance, financial position and prospects; and (iii) day-to-day management of the Group.

BOARD DIVERSITY POLICY

The Board has adopted a Diversity of Board Members Policy (the "Board Diversity Policy") and discussed all measurable objectives set for implementing the policy.

The Company recognises and embraces the benefits of diversity of Board members. It endeavours to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. All Board appointments will be based on merit and the candidates will be considered against measurable objectives, taking into account the Company's business and needs. Selection of candidates will be based on a range of diversity criteria, including but not limited to gender, age, cultural and educational background, knowledge, professional experience and skills. The ultimate decision will be based on merit and the contribution that the selected candidates may bring to the Board.

The Nomination Committee will review the Board Diversity Policy as appropriate from time to time in light of experience, evolving standards of corporate governance and recommend any proposed changes to the Board for approval.

董事會授權

董事會訂立本集團目標及策略並監察其表現。董事會亦會就年度及中期業績、主要交易、董事委任及股息和會計政策等項目作出決定，並會監察本集團營運的內部監控。董事會已將監督本集團日常運作的責任和權力下放給管理人員。

當董事會將其管理及行政職能方面之權力轉授予管理層時，已同時就管理層之權力給予清晰規定，尤其是管理層須向董事會匯報後方可作出決定或代表本集團作出任何承諾之情況。

董事會特定授權予管理層之主要職責包括(i) 實施企業策略及政策措施；(ii) 向董事會提交有關本集團之表現、財務狀況及前景之管理報告；及(iii) 本集團之日常管理。

董事會多元化政策

董事會已採納董事會成員多元化政策（「董事會多元化政策」），並就政策實施討論了所有重要目標。

本公司認同及相信董事會成員多元化所帶來的裨益。其致力確保董事會擁有適合本公司業務所需的技能、經驗及多元化的意見。所有董事會成員的委任將以甄選優秀人才為基準，並根據可計量目標及本公司的業務和需要考慮候選人。甄選候選人將按多方面作考慮，包括但不限於性別、年齡、文化及教育背景、知識、專業經驗及技能。最終決定乃按照獲甄選候選人將會為董事會帶來的價值及貢獻而作出。

提名委員會將根據經驗及企業管治發展標準不時檢討董事會多元化政策（如適用）和向董事會就建議變動作出提議，以便董事會審批。

DIRECTOR NOMINATION POLICY

The Company adopted a director nomination policy (the "Director Nomination Policy") on 14 December 2018 which set out the criteria and process in the appointment and nomination of directors, in order to ensure the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and ensure the Board continuity and appropriate leadership.

According to the Director Nomination Policy, the Nomination Committee will carry out evaluation on candidates by considering their skills, professional qualification, experience, independence (for independent non-executive directors), gender, time commitment and make recommendation to the Board based on the nomination procedure. The Director Nomination Policy will also be reviewed from time to time in order to satisfy the business needs and ensure compliance with the regularity requirements as well as maintain good corporate governance practice.

REMUNERATION COMMITTEE

The Company has set up a Remuneration Committee to ensure that there are formal and transparent procedures for setting policies on the remuneration of Directors. For the year ended 31 December 2018, the Remuneration Committee comprises the Board's Chairman, Mr. Wong Lik Ping, and two INEDs, namely Mr. Goh Choo Hwee and Mr. Ho Hin Yip. The Remuneration Committee is chaired by Mr. Ho Hin Yip.

During the year, two Remuneration Committee meetings were held to review the remuneration packages of the Directors. The Remuneration Committee ensures that no Director is involved in deciding his own remuneration. The terms of reference of the Remuneration Committee, a copy of which is posted on the Company's website, are consistent with the terms set out in the relevant section of the CG Code and Report.

董事提名政策

本公司已於二零一八年十二月十四日採納董事提名政策（「董事提名政策」），其載列任命及提名董事的準則及程序，以確保董事會成員具備切合本公司業務所需的技能、經驗及多元化觀點及確保董事會的持續性及維持其領導角色。

根據董事提名政策，提名委員會將透過考慮候選人的技能、專業資格、經驗、獨立性（就獨立非執行董事而言）、性別、所付出的時間對其進行評估並根據提名程序向董事會作出推薦意見。董事提名政策亦將不時予以檢討以滿足其業務需要、確保遵守監管規定以及維持良好的企業管治常規。

薪酬委員會

本公司已成立薪酬委員會，以確保在製訂董事薪酬之政策上有正式及透明之程序。截至二零一八年十二月三十一日止年度，薪酬委員會成員包括董事會主席王力平先生，及兩名獨立非執行董事吳慈飛先生及何衍業先生。何衍業先生為薪酬委員會之主席。

本年度內曾召開了兩次薪酬委員會會議，就董事之薪酬福利作出檢討。薪酬委員會確保無董事參與釐定其本身的薪酬。薪酬委員會的職權範圍與企業管治守則及報告有關部分所載之條款一致。薪酬委員會的職權範圍已刊登在本公司的網站內。

NOMINATION COMMITTEE

The Company has set up a Nomination Committee to ensure fair and transparent procedures for the appointment, re-election and removal of Directors to the Board. For the year ended 31 December 2018, the Nomination Committee comprises the Board's Chairman, Mr. Wong Lik Ping, and two INEDs, namely Mr. Goh Choo Hwee and Mr. Ho Hin Yip. The Nomination Committee is chaired by Mr. Wong Lik Ping.

During the year, one Nomination Committee meeting was held to discuss appointment and re-election of Directors. In selecting and recommending candidates for directorship, the Committee will consider the experience, qualification and suitability of the candidates as well as the Board Diversity Policy. The Board will approve the recommendations based on the same criteria. The terms of reference of the Nomination Committee, a copy of which is posted on the Company's website, are consistent with the terms set out in the relevant section of the CG Code and Report.

AUDIT COMMITTEE

For the year ended 31 December 2018, the Audit Committee comprises three INEDs, namely Mr. Ho Hin Yip, Mr. Goh Choo Hwee and Mr. U Keng Tin. The Audit Committee is chaired by Mr. Ho Hin Yip.

The principal duties of the Audit Committee are to review and provide supervision over the financial reporting process and internal controls of the Group, and perform the corporate governance duties. During the year, three Audit Committee meetings were held to review the financial reporting matters, risk management and internal control procedures of the Group. The terms of reference of the Audit Committee, a copy of which is posted on the Company's website, are consistent with the terms set out in the relevant section of the CG Code and Report.

提名委員會

本公司已設立提名委員會，以確保在董事會委任、重選及罷免董事之事宜有公平及透明的程序。截至二零一八年十二月三十一日止年度，提名委員會成員包括董事會主席王力平先生，及兩名獨立非執行董事吳慈飛先生及何衍業先生。王力平先生為提名委員會之主席。

本年度內曾召開了一次提名委員會會議，討論董事委任及重選事宜。挑選及推薦董事候選人時，委員會會考慮候選人的經驗、資歷、適合程度及董事會多元化政策。董事會將根據相同準則批准委任。提名委員會的職權範圍與企業管治守則及報告有關部分所載之條款一致。提名委員會的職權範圍已刊登在本公司網站內。

審核委員會

截至二零一八年十二月三十一日止年度，審核委員會由三名獨立非執行董事組成（即何衍業先生、吳慈飛先生及余擎天先生）。何衍業先生為審核委員會之主席。

審核委員會之主要職責包括審閱及監察本集團之財務申報程序及內部監控，以及履行企業管治職責。本年度內共召開了三次審核委員會會議，審閱了本集團的財務申報事宜、風險管理及內部監控程序。審核委員會的職權範圍與企業管治守則及報告有關部分所載之條款一致。審核委員會的職權範圍已刊登在本公司網站內。

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND RELEVANT EMPLOYEES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as its code of conduct for dealings in securities of the Company by the Directors. Having made specific enquiries, all directors confirmed that they have complied with the required standards set out in the Model Code throughout the year ended 31 December 2018.

To comply with the code provision A.6.4 of the CG Code and Report, the Company has also adopted the Model Code as the code of conduct for securities transactions by Relevant Employees to regulate the dealings in the securities of the Company by certain employees of the Group who are considered to be likely in possession of unpublished price sensitive information of the Company.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board is responsible for presenting a balanced, clear and comprehensible assessment of the Group's performance, position and prospects.

Management shall provide sufficient explanation and information to the Board as will enable the Board to make an informed assessment of the financial and other information presented before board meeting for approval.

The Directors acknowledge their responsibility for preparing the Group's consolidated financial statements and ensuring that the preparation of the Group's consolidated financial statements is in accordance with the relevant requirements and applicable standards.

A statement by the auditors about their reporting responsibilities is included in the Independent Auditor's Report on pages 61 to 70 of this annual report.

The Board will present a balanced, clear and understandable assessment to annual and interim reports, other price-sensitive announcements and other financial disclosures required under the Listing Rules, and reports to regulators as well as to information required to be disclosed pursuant to statutory requirements.

董事及有關僱員的證券交易守則

本公司已採納上市規則附錄十所載的上市發行人董事進行證券交易的標準守則（「標準守則」），作為其董事買賣本公司證券的操守守則。經作出特定查詢，全體董事確認彼等於截至二零一八年十二月三十一日止年度一直遵守標準守則之規定標準。

為遵守企業管治守則及報告之守則條文A.6.4，本公司亦已採納標準守則為有關僱員進行證券交易的操守守則，以規管本集團若干被認為可能會擁有本公司未公開之股價敏感資料的僱員買賣本公司之證券。

問責及審核

財務報告

董事會應負責對本集團的表現、狀況及前景呈列平衡、清晰及全面的評估。

管理層將向董事會作出充分解釋並提供充足資料，讓董事會可就呈交董事會會議以供批准的財務及其他資料，作出知情評估。

董事承認彼等負有責任編製本集團綜合財務報表及確保本集團綜合財務報表按有關規定及適用標準編製。

核數師關於其匯報責任的聲明載於本年度報告第61至第70頁之獨立核數師報告。

董事會將呈列平衡、清晰及易明的年度及中期報告評估、其他股價敏感公告及上市規則規定的其他財務披露資料，向監督機構的報告以及根據監管規定須予披露的資料。

Risk Management and Internal Controls

The main features of the risk management and internal control systems of the Group are to provide a clear governance structure, policies and procedures, as well as reporting mechanism to facilitate the Group to manage its risks across business operations. The Group has established a risk management framework, which consists of the Board, the Audit Committee and the functional responsible management of the Group (“Senior Management”).

The Board determines the nature and extent of risks that shall be taken in achieving the Group’s strategic objectives, and has the overall responsibility for monitoring the design, implementation and the overall effectiveness of risk management and internal control systems. The risk management and internal control systems of the Group are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. Its improvement is an ongoing process and the Board maintains a continuing commitment to strengthen the Company’s control environment and processes.

The Board, through the Audit Committee, conducts reviews of the effectiveness of such systems once annually, covering all material controls including financial, operational and compliance controls. The Group has formulated and adopted risk management policy in providing directions in identifying, evaluating and managing significant risks. At least on an annual basis, the Senior Management identifies risks that would adversely affect the achievement of the Group’s objectives, and assesses and prioritizes the identified risks according to a set of standard criteria. Risk mitigation plans and risk owners are then established for those risks considered to be significant. In addition, the Group has engaged Zhonghui Anda Risk Services Limited (“Zhonghui”) to assist the Board and the Audit Committee in ongoing monitoring of risk management and internal control systems of the Group and in performing the internal audit functions for the Group. The annual review plan of the Group covers major activities and material controls including operational, financial and compliance of the Group’s business units. It also covers the changes, since the last annual review, in the nature and extent of significant risks, and the Group’s ability to respond to changes in its business and the external environment.

A report on the result of risk management and internal control review report from Zhonghui was provided to the Audit Committee and the Board in March 2019. The Board, through the Audit Committee, had performed annual review on the effectiveness of the Group’s risk management and internal control systems, including but not limited to (i) the general compliances with the appendix 14 of the Listing Rules and the disclosure requirements of the corporate governance report, (ii) corporate level controls (such as the effectiveness of the functions and compositions over the Board and its committees as well as the effectiveness of the handling and dissemination of inside information), (iii) certain operational level controls, and (iv) financial reporting functions.

風險管理及內部監控

本集團風險管理及內部監控系統的主要特徵是提供清晰的管治架構、政策及程序以及匯報機制以協助本集團管理其各類業務營運的風險。本集團已建立由董事會、審核委員會及本集團的職能責任管理層（「高級管理層」）組成的風險管理框架。

董事會釐定在達致本集團策略目標過程中將承擔的風險性質及程度，並整體負責監察風險管理及內部監控系統的設計、實施及整體有效性。設立本集團的風險管理及內部監控系統旨在管理而非消除未能達致業務目標的風險，且僅可對重大失實陳述或損失提供合理而非絕對保證。其改進乃為持續過程，而董事會將繼續致力於加強本公司的監控環境及程序。

董事會透過審核委員會每年一次檢討有系統的有效性，範圍涵蓋所有重大控制措施，包括財務、營運及合規控制措施。本集團亦已制定及採納風險管理政策，提供識別、評估及管理重大風險的指示。高級管理層至少每年一次識別對實現本集團目標造成不利影響的風險，並根據一套標準準則評估及排列所識別風險的優先次序。屆時對認為屬重大的該等風險制定風險緩解計劃及指定風險負責人。此外，本集團已委聘中匯安達風險管理有限公司（「中匯」）協助董事會及審核委員會持續監督本集團的風險管理及內部監控系統以及為本集團履行內部審計職能。本集團的年度審閱計劃涵蓋了主要業務及重大監控（包括本集團業務單位的營運、財務及合規），其亦涵蓋了自上次年度審閱以來重大風險的性質及程度的變化以及本集團應對其業務和外部環境變化的能力。

中匯於二零一九年三月向審核委員會及董事會提交了有關風險管理及內部監控審閱報告結果的報告。董事會透過審核委員會已就本集團的風險管理及內部監控系統之有效性進行年度審閱，包括但不限於(i)全面遵守上市規則附錄十四及企業管治報告的披露要求，(ii)企業層面監控（如董事會及其轄下委員會之職能的效能及組成，以及處理及發佈內幕消息的效能），(iii)若干營運層面監控及(iv)財務匯報職能。

CORPORATE GOVERNANCE REPORT 企業管治報告

The Board concluded that there are no material irregularities nor areas of concern that would have significant adverse impact on the Group's state of affair, and that the Group's risk management and internal control systems were effective and adequate (including the resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting functions) and have complied with the CG code provisions on risk management and internal control during the year.

The Group has adopted policy and procedure on disclosure of insider information and there was no material breach of procedures and internal controls for the handling and dissemination of inside information during the year. The Company regularly reminds the directors and the relevant staff about due compliance and latest regulatory updates with the insider information and other relevant regulations.

AUDITOR'S REMUNERATION

For the year ended 31 December 2018, the auditors of the Company provided audit and non-audit services to the Company and the Group.

The auditor's remuneration payable to BDO Limited, a new auditor was appointed in October 2018, in relation to audit and non-audit services for the year ended 31 December 2018 amounted to HK\$1,500,000 and Nil respectively.

The auditor's remuneration payable to Deloitte Touche Tohmatsu, the predecessor auditor in relation to audit and non-audit services for the year ended 31 December 2018 amounted to Nil and HK\$900,000 respectively.

The statement of the auditor of the Company regarding their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 61 to 70.

JOINT COMPANY SECRETARIES

All directors have access to the advice and services of the Company Secretary. The Company Secretary is responsible for ensuring the Board policies and procedures are followed and for facilitating information flows and communications among Directors and its committees as well as with shareholders and management, and between management and the non-executive directors.

董事會得出結論認為，並無任何嚴重違規或任何存在疑慮的範疇將對本集團的事務狀況構成重大不利影響，並認為風險管理及內部監控系統於年內屬有效及足夠（包括本公司會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗、培訓課程及預算）並已遵守風險管理及內部監控的企業管治守則條文。

本集團已採納內幕消息披露的政策及程序，年內並無處理及發佈內幕消息程序及內部監控的重大違反。本公司定期提醒董事及相關員工內幕消息及其他相關規定的適當合規性及最新監管更新。

核數師酬金

截至二零一八年十二月三十一日止年度，本公司核數師向本公司及本集團提供核數及非核數服務。

截至二零一八年十二月三十一日止年度，就核數及非核數服務應付香港立信德豪會計師事務所有限公司（於二零一八年十月獲委任的新核數師）之核數師酬金分別為1,500,000港元及零。

截至二零一八年十二月三十一日止年度，就核數及非核數服務應付前核數師德勤•關黃陳方會計師行之核數師酬金分別為零及900,000港元。

本公司核數師就財務報表之申報責任所作聲明載於第61頁至第70頁之獨立核數師報告內。

聯席公司秘書

所有董事均有權獲得公司秘書提供的意見及服務。公司秘書須負責確保遵循董事會的政策及程序以及促進董事及其委員會、股東及管理層之間以及管理層及非執行董事之間的信息流通及溝通。

Mr. Li Chak Hung and Mr. Siu Wai Bun, are the joint company secretaries of the Company. Both of Mr. Li and Mr. Siu report to Mr. Wong Lik Ping, the Chairman of the Board.

Mr. Li Chak Hung was appointed as company secretary of the Company on 13 March 2002. He is a member of the Hong Kong Institute of Certified Public Accountants. He undertook over 15 hours of relevant professional training to update his skills and knowledge during the year.

Mr. Siu Wai Bun was appointed as joint company secretary of the Company on 6 November 2017. Mr. Siu is a member of Hong Kong Institute of Certified Public Accountants. During the year, Mr. Siu undertook more than 15 hours of relevant professional training to update his skills and knowledge.

SHAREHOLDERS' RIGHTS

Convening an extraordinary General Meeting by shareholders

Pursuant to Article 58 of the Company's Articles of Association, any one or more 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 Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Putting Forward Proposals at General Meetings

A shareholder shall make a written requisition to the Board or the company secretary at the Company's office in Hong Kong at Room 2203, 22/F, Kwan Chart Tower, No. 6 Tonnochy Road, Wanchai, Hong Kong, specifying the shareholding information of the shareholder, his/her contact details and the proposal he/she intends to put forward at general meeting regarding any specified transaction/business and its supporting documents.

As regards proposing a person for election as a Director, please refer to the procedures available on the websites of the Company and the Stock Exchange.

李澤雄先生及蕭偉斌先生為本公司的聯席公司秘書。李先生及蕭先生均向董事會主席王力平先生匯報。

李澤雄先生於二零零二年三月十三日獲委任為本公司之公司秘書。彼為香港會計師公會會員。彼於本年度內參與超過15小時之相關專業培訓以更新技能及知識。

蕭偉斌先生於二零一七年十一月六日獲委任為本公司聯席公司秘書。蕭先生為香港會計師公會會員。蕭先生於本年度內參與超過15小時之相關專業培訓以更新技能及知識。

股東權利

由股東召開股東特別大會

根據本公司的組織章程細則第58條，任何一位或以上於遞呈要求日期持有不少於本公司繳足股本（附有於本公司股東大會上投票權）十分之一的股東於任何時候有權透過向本公司董事會或秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中指明的任何事項；且該大會應於遞呈該要求後兩(2)個月內舉行。倘遞呈後二十一(21)日內，董事會未有召開該大會，則遞呈要求人士可自發以同樣方式作出此舉，而遞呈要求人士因董事會未有召開大會而合理產生的所有開支應由本公司向要求人作出償付。

於股東大會上提呈建議

股東須向本公司之董事會或公司秘書提出書面要求，致函本公司香港辦事處，地址為香港灣仔杜老誌道6號群策大廈22樓2203室，當中須列明該股東的股權資料、其詳細聯絡資料，以及擬就任何具體的交易／事宜而於股東大會上提呈的建議及其有關文件。

關於建議任何人士膺選董事之事項，請參閱刊載於本公司及聯交所網站之程序。

CORPORATE GOVERNANCE REPORT 企業管治報告

Making enquiry to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing to the company secretary at the Company's office in Hong Kong at Room 2203, 22/F., Kwan Chart Tower, No. 6 Tonnochy Road, Wanchai, Hong Kong.

DIVIDEND POLICY

The Company adopted a dividend policy for striking a right balance between rewarding its shareholders by sharing a portion of the profits and meeting adequate cash reserves for its working capital requirements and future prospects of the Company. With reasonable but not pre-determined dividend distribution ratio, the proposed amount of dividends will be made at the discretion of the Board and will depend on the Company's operational results, cash flow situation, financial conditions, capital expenditure requirements, general business conditions and strategies, future economic environment, statutory and regulatory restrictions and any other factors that the Board may deem relevant. The policy will be reviewed from time to time so as to keep in line with the change of market conditions and other factors as the Board may deem relevant.

INVESTOR RELATIONS

The Company considers that effective communication with shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company has established a range of communication channels between itself, its shareholders and investors, including answering questions through the annual general meeting, the publications of annual and interim reports, notices, announcements and circulars on the website of the Company at www.egichk.com. During the year, the Board is not aware of any significant changes in the Company's constitutional documents.

On behalf of the Board
Wong Lik Ping
Chairman

Hong Kong, 26 March 2019

向董事會提出查詢

股東可以隨時以書面形式將向董事會提出之查詢及關注之事項郵寄至本公司香港辦事處，地址為香港灣仔杜老誌道6號群策大廈22樓2203室，請註明收件人為公司秘書。

股息政策

本公司採納一項股息政策，透過攤分部分溢利以回報股東，同時保留充足現金儲備以符合其營運資金要求及供本公司未來發展所需，在兩者之間保持平衡。股息率為合理但非預定，故建議股息金額將由董事會酌情決定，並根據本公司經營業績、現金流量情況、財務狀況、資本開支需求、一般業務條件及策略、未來經濟環境、法規及監管限制及其他董事會認為相關的因素釐定。該政策將時不時予以審閱以符合市場情況及其他因素的變化，只要董事會認為可能有其相關性。

投資者關係

本公司認為，與股東之有效溝通對加強投資者關係及加深投資者對本集團業務表現及策略之了解實屬必要。本公司已就其本身與股東及投資者之間的溝通設立多個渠道，當中包括通過股東週年大會回答問題，於本公司網站www.egichk.com刊發年度及中期報告、通告、公佈及通函。於本年度，董事會並不知悉本公司之憲章文件有任何重大變動。

代表董事會
主席
王力平

香港，二零一九年三月二十六日

DIRECTORS PROFILES

董事簡介

EXECUTIVE DIRECTORS

Mr. Wong Lik Ping, aged 58, is the Chairman of the Group. He joined the Group in August 2012 and is responsible for strategic planning, business development and Board issues of the Group. He was (i) an executive director and a vice-chairman of Shougang Fushan Resources Group Limited (stock code: 639) from March 2009 to December 2015 and (ii) an executive director and the chairman of Theme International Holdings Limited (stock code: 990) from November 2009 to January 2016, both companies listed on the Main Board of the Stock Exchange. He is a director and the sole shareholder of Worldkin Development Limited, a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance ("SFO"), Mr. Wong is a member of the National Committee of the Chinese People's Political Consultative Conference. He has extensive experience in trading business, financial industry and investments in a wide range of businesses in the PRC.

Mr. Lai Ka Fai, aged 50, joined the Group in June 2010 and was appointed as an executive director and chief executive officer of the Company in January 2012 and November 2017 respectively. Mr. Lai is responsible for the corporate governance, port operation business and new business development of the Group. He holds a Bachelor degree in Laws from The Manchester Metropolitan University in the United Kingdom, a Postgraduate Certificate in Laws from The University of Hong Kong and a Master degree of Business Administration from the University of Leicester in the United Kingdom. He is a solicitor of the High Court of the Hong Kong Special Administrative Region and has over 15 years of experience in the legal field. He is also a director of an associate of the Company in the PRC.

Mr. Tao Ke, aged 36, was appointed as an executive director of the Company on 6 March 2015. Mr. Tao holds a Master of Social Science degree from University of Glasgow and a Bachelor degree in Economics from Beijing Institute of Technology. Mr. Tao has extensive experience in corporate finance and overseas merger and acquisition. He had been working in international investment banks and responsible for clients' project management, project acquisition and various initial public offerings. Mr. Tao is currently a general manager of a chemical production group in Shandong.

執行董事

王力平先生，58歲，本集團主席。彼於二零一二年八月加入本集團，負責本集團之策略制定、業務發展及董事會事宜。彼分別(i)由二零零九年三月至二零一五年十二月於首鋼福山資源集團有限公司(股份代號：639)擔任執行董事及副主席；及(ii)由二零零九年十一月至二零一六年一月於榮暉國際集團有限公司(股份代號：990)擔任執行董事及主席，該兩家公司均為聯交所主板上市之公司。彼為本公司主要股東(定義符合證券及期貨條例(「證券及期貨條例」)第XV部)世勤發展有限公司之董事及惟一股東。王先生現為中國全國人民政治協商會議之委員。彼於中國不同行業擁有豐富的貿易、金融及投資經驗。

黎嘉輝先生，50歲，於二零一零年六月加入本集團並於二零一二年一月及二零一七年十一月分別獲委任為本公司執行董事及行政總裁。黎先生負責本集團企業管治、碼頭運營業務及新業務開發。彼於英國曼徹斯特都會大學獲得法學學士學位，於香港大學獲得法學專業證書及於英國李斯特大學獲得工商管理碩士學位。彼為香港特別行政區高等法院律師及在法律事務範疇擁有逾十五年經驗。彼亦為本公司於中國之一家聯營公司之董事。

陶可先生，36歲，於二零一五年三月六日獲委任為本公司之執行董事，陶先生持有格拉斯哥大學之社會科學碩士學位以及北京理工大學經濟學學士學位。陶先生在公司融資及海外併購範疇擁有豐富經驗。彼曾在國際投資銀行負責客戶項目管理、項目收購合併，以及多項首次公開招股上市的工作。陶先生現為山東一家化工集團的總經理。

DIRECTORS PROFILES 董事簡介

Mr. Qiao Weibing, aged 52, was appointed as an executive director of the Company on 17 March 2016. Mr. Qiao holds a Bachelor degree from Shanxi University and a Master degree in management engineering from China University of Mining and Technology. Mr. Qiao has over 20 years' working experience in the government regulatory authorities and financial institutions in the PRC. Mr. Qiao is currently the chief investment officer of the Company and the chairman and CEO of Beijing Ever Grand International Finance Lease Co., Ltd., a subsidiary of the Company in the PRC.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Goh Choo Hwee, aged 47, was appointed as an independent non-executive director of the Company in January 2012. He has over 20 years of experience in PRC-related, corporate and securities practice. He is currently a partner at Ma Tang & Co, Solicitors, a law firm in Hong Kong. He graduated from The University of Hong Kong with Postgraduate Certificate in Laws in 1995. He has become a member of The Law Society of Hong Kong and has been a practicing solicitor in Hong Kong since 1997. He is currently an independent non-executive director of each of Tsui Wah Holdings Limited (stock code: 1314) and Huajin International Holdings Limited (stock code: 2738) and was an independent non-executive director of Theme International Holdings Limited (stock code: 990) from September 2013 to November 2015, all of which are companies listed on the Main Board of the Stock Exchange. He was appointed as the company secretary of Xinhua News Media Holdings Limited (stock code: 309), a company listed on the Main Board of the Stock Exchange, from December 2013 to November 2018.

喬衛兵先生，52歲，於二零一六年三月十七日獲委任為本公司執行董事。喬先生持有山西大學學士學位及中國礦業大學管理工程碩士學位。喬先生在中國政府監管部門及金融機構擁有逾二十年的工作經驗。喬先生現為本公司之首席投資官及北京恒嘉國際融資租賃有限公司之主席兼行政總裁，該公司為本公司位於中國的附屬公司。

獨立非執行董事

吳慈飛先生，47歲，於二零一二年一月獲委任為本公司獨立非執行董事。彼擁有逾二十年與中國有關、企業及證券之執業經驗。彼現為馬世欽鄧文政黃和崢吳慈飛律師行（一家香港律師事務所）之合夥人。彼於一九九五年畢業於香港大學，持有法學專業證書。彼自一九九七年起成為香港律師會成員及香港執業律師。彼現為於聯交所主板上市之公司翠華控股有限公司（股份代號：1314）及華津國際控股有限公司（股份代號：2738）之獨立非執行董事，並自二零一三年九月至二零一五年十一月任榮暉國際集團有限公司（股份代號：990）之獨立非執行董事。彼自二零一三年十二月至二零一八年十一月獲聯交所主板上市之公司新華通訊頻媒控股有限公司（股份代號：309）委任為公司秘書。

DIRECTORS PROFILES 董事簡介

Mr. Ho Hin Yip, aged 45, was appointed as an independent non-executive director of the Company in December 2012. He is presently the Financial Controller and Joint Company Secretary of Singapore-listed Dukang Distillers Holdings Limited, where he is responsible for the finance and accounting functions, statutory compliance and corporate governance affairs. He has more than 20 years of financial and auditing experience. He is a fellow member of The Association of Chartered Certified Accountants and a practising member of the Hong Kong Institute of Certified Public Accountants. He also acts as an independent non-executive director of each of Xinhua News Media Holdings Limited (stock code: 309), Jiji Household International Holdings Limited (stock code: 1495) and Royal China International Holdings Limited (stock code: 1683), all of which are companies listed on the Main Board of the Stock Exchange.

Mr. U Keng Tin, aged 69, was appointed as an independent non-executive director of the Company in May 2013. He holds the Bachelor's degree of Arts from York University, Canada and Master's degree of Arts in International Economics from University of San Francisco, USA. He is presently a director of an estate management company, Full Fill Services Co., Limited; a director of a brokerage house, Bloomyeats Limited; a director of a money lending company, Success Finance Limited in Hong Kong and an executive director and acting chairman of a listed company, Chinese Global Investors Group Limited, in Singapore. Mr. U has over 30 years of experience in the securities industry.

何衍業先生，45歲，於二零一二年十二月獲委任為本公司獨立非執行董事。彼現任新加坡上市公司杜康控股有限公司之財務總監及聯席公司秘書，負責該公司之財務及會計、法規及企業管治事務。彼於財務及審計方面擁有逾二十年經驗。彼為英國特許公認會計師公會資深會員及香港會計師公會之執業會員。彼亦為新華通訊頻媒控股有限公司（股份代號：309）、集一家居國際控股有限公司（股份代號：1495）及皇中國際控股有限公司（股份代號：1683）各自之獨立非執行董事，所有該等公司皆於聯交所主板上市。

余擎天先生，69歲，於二零一三年五月獲委任為本公司獨立非執行董事。彼持有加拿大約克大學文學學士學位及美國三藩市大學國際經濟學文學碩士學位。彼現任物業管理公司豐盛服務有限公司之董事、經紀行昌萬年有限公司之董事及香港放貸公司成功財務有限公司之董事，彼亦為新加坡上市之公司華人環球投資集團有限公司之執行董事兼代理主席。余先生於證券業擁有逾30年的經驗。

DIRECTORS' REPORT

董事會報告

The Board is pleased to present this Report and the audited financial statements of the Group for the year ended 31 December 2018.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding.

Details of the activities and other particulars of the Company's principal subsidiaries are set out in note 37 to the consolidated financial statements.

SEGMENT INFORMATION

An analysis of the Group's revenue and segment information for the year ended 31 December 2018 is set out in note 5 and note 6 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2018 are set out in the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income on pages 71 to 73 of this annual report.

The directors do not recommend payment of final dividend for the year ended 31 December 2018.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 231 to 232 of this annual report.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in plant and equipment of the Group during the year are set out in note 13 to the consolidated financial statements.

SHARE CAPITAL

Details of the share capital of the Company are set out in note 26 to the consolidated financial statements.

董事會欣然提呈本報告及本集團截至二零一八年十二月三十一日止年度之經審核財務報表。

主要業務

本公司主要業務為投資控股。

本公司主要附屬公司之業務詳情及其他詳情載列於綜合財務報表附註37。

分部資料

截至二零一八年十二月三十一日止年度，本集團之收益及分部資料之分析載列於綜合財務報表附註5及附註6。

業績及分配

本集團截至二零一八年十二月三十一日止年度之業績載列於本年報第71頁至第73頁之綜合損益表及綜合損益及其他全面收入表。

董事不建議派付截至二零一八年十二月三十一日止年度之末期股息。

財務摘要

本集團過往五個財政年度之業績以及資產與負債之摘要載列於本年報第231頁至第232頁。

物業、廠房及設備

於本年度內，本集團之廠房及設備之變動詳情載列於綜合財務報表附註13。

股本

本公司之股本詳情載列於綜合財務報表附註26。

SHARE PREMIUM AND RESERVES

Under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its Memorandum or Articles of Association and provided that immediately following the distribution of dividend the Company is able to pay its debts as they fall due in the ordinary course of business.

At 31 December 2018, in the opinion of the directors, the Company's share premium and reserves available for distribution to shareholders amounted to HK\$426,138,000.

Movement in the share premium and reserves of the Group during the year are set out on pages 77 to 78 of this annual report.

PRE-EMPTIVE RIGHTS

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

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate revenue attributable to the Group's largest customer and five largest customers taken together accounted for 33% and 79% of the total revenue from the continuing operation for the year respectively.

Due to the nature of our continuing operations, we do not have any significant purchases from supplies during the normal course of our business during the year. However, we relied on interest-bearing borrowing, from various banks and non-bank financial institutions to operate our business.

None of the directors, their associates, or any shareholder (which to the knowledge of the directors owns more than 5% of the Company's share capital has any interest in the Group's five largest suppliers.

股份溢價及儲備

根據開曼群島公司法第22章(一九六一年第3號法例,經綜合及修訂),本公司之股份溢價可用以向股東作出分派或支付股息,惟須遵守組織章程大綱或細則之規定,且於緊隨分派股息後,本公司須有能力償還其日常業務過程中之到期債務。

於二零一八年十二月三十一日,董事認為本公司可分派予股東之股份溢價及儲備金額為426,138,000港元。

本集團於本年度內之股份溢價及儲備變動載列於本年報第77頁至78頁。

優先購買權

本公司之組織章程細則或開曼群島法例並無列明規定本公司須按比例向現有股東發售新股之優先購買權之條文。

購買、贖回或出售本公司上市證券

本公司或其任何附屬公司於本年度內概無購買、出售或贖回任何本公司上市證券。

主要客戶及供應商

本集團之最大客戶及五大客戶合共應佔總收入分別佔本年度持續經營業務總收入的33%及79%。

鑑於我們持續經營業務的性質,本集團於本年度內並無在一般業務過程中獲得來自供應商之重大採購。然而,我們依賴多家銀行及非銀行金融機構的計息借款經營我們的業務。

各董事、彼等之聯繫人或任何就董事所知擁有本公司股本5%以上之股東,概無於本集團五大供應商中擁有任何權益。

DIRECTORS' REPORT 董事會報告

RELATED PARTY TRANSACTIONS

Related party transactions during the year are disclosed in note 36 to the consolidated financial statements.

DIRECTORS

The directors of the Company during the financial year and up to the date of this report were:

Executive directors

Mr. Wong Lik Ping (*Chairman*)
Mr. Lai Ka Fai
Mr. Tao Ke
Mr. Qiao Weibing

Independence non-executive directors

Mr. Goh Choo Hwee
Mr. Ho Hin Yip
Mr. U Keng Tin

In accordance with Article 87(1) of the Company's Articles of Association, Mr. Wong Lik Ping, Mr. Tao Ke and Mr. U Keng Tin shall retire from offices by rotation in the forthcoming annual general meeting, and being eligible, offer themselves for re-election.

The biographic details of the existing directors are set out on pages 49 to 51 of this annual report.

關聯方交易

本年度內之關聯方交易披露於綜合財務報表附註36。

董事

於財政年度內及直至本報告日期，本公司之董事如下：

執行董事

王力平先生 (*主席*)
黎嘉輝先生
陶可先生
喬衛兵先生

獨立非執行董事

吳慈飛先生
何衍業先生
余擎天先生

根據本公司組織章程細則第87(1)條，王力平先生、陶可先生及余擎天先生將於應屆股東週年大會上輪值告退，惟彼等符合資格並願意重選連任。

現任董事之履歷詳情載於本年報第49頁至第51頁。

DIRECTORS' SERVICES CONTRACTS

No director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

MANAGEMENT CONTRACTS

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

SHARE OPTION SCHEME

A new share option scheme was adopted on 29 July 2016. As at 31 December 2016, a total number of 145,500,000 share options were granted to the employees, directors and chief executive of the Company with an exercise price of HK\$0.12 per share. With 42,333,334 share options lapsed during the year, the outstanding number decreased from 102,000,000 share options as at 1 January 2018 to 59,666,666 share options as at 31 December 2018. Details of the share option scheme of the Company are set out in note 28 to the consolidated financial statements. Save as disclosed, there was no options granted under the Scheme during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the directors have any interest in competing business to the Group.

董事之服務合約

被提名於應屆股東週年大會上重選之董事，概無與本公司訂立任何本公司不可於一年內終止而毋須作出賠償（法定賠償除外）之服務合約。

管理合約

本年度內，本公司並無就整體業務或任何重要業務之管理及行政工作訂立或存續任何合約。

購股權計劃

本公司於二零一六年七月二十九日採納一項新購股權計劃。於二零一六年十二月三十一日，總共145,500,000份購股權已按每股0.12港元之行使價授予本公司僱員、董事及主要行政人員。年內，42,333,334份購股權已失效，尚未行使之購股權數目由二零一八年一月一日的102,000,000份減少至於二零一八年十二月三十一日之59,666,666份。有關本公司購股權計劃之詳情載列於綜合財務報表附註28。除已披露者外，年內概無根據計劃授出任何購股權。

董事之競爭業務權益

概無董事於與本集團出現競爭之業務中擁有任何權益。

DIRECTORS' REPORT 董事會報告

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

At 31 December 2018, the following directors and chief executive of the Company have the following interests and short positions in shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO and the Model Code:

Long and short positions in the ordinary shares/underlying shares of the Company:

董事及主要行政人員於股份、相關股份及債權證中之權益及淡倉

於二零一八年十二月三十一日，本公司下列董事及主要行政人員於本公司或任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債權證中，擁有根據證券及期貨條例第352條須登記於該條所述登記冊之權益及淡倉，或根據證券及期貨條例第XV部第7及8分部及標準守則須另行知會本公司及聯交所之權益及淡倉如下：

於本公司普通股／相關股份之好倉及淡倉：

		Number of share/underlying shares held 持有股份／相關股份數目						
Directors/chief executive 董事／主要行政人員	Personal interests 個人權益	Corporate interests 公司權益	Number of underlying shares held under equity derivatives (附註2) 根據股權衍生工具持有相關股份數目		Total interests 總權益	Long(L) or Short(S) 好倉(L)或淡倉(S)	Percentage of interests 權益百分比	
			(Note 2) Number of underlying shares held under equity derivatives (附註2)					
Wong Lik Ping	466,000,000	1,455,000,000 (Note 1) (附註1)			1,921,000,000	S	16.12%	
Yeung Sau Han Agnes (Notes 3)	27,250,000	-			27,250,000	L	0.23%	
Qiao Weibing				6,666,667	6,666,667	L	0.06%	
Lai Ka Fai				2,666,667	2,666,667	L	0.02%	
Tao Ke				2,000,000	2,000,000	L	0.02%	
Goh Choo Hwee				1,333,333	1,333,333	L	0.01%	
Ho Hin Yip				1,333,333	1,333,333	L	0.01%	
U Keng Tin				1,333,333	1,333,333	L	0.01%	

Notes:

1. These interests are held by Worldkin Development Limited ("Worldkin") which is wholly-owned by Mr. Wong Lik Ping. Mr. Wong is therefore deemed to be interested in the shares held by Worldkin. The interests held by Worldkin are disclosed under the section headed "SUBSTANTIAL SHAREHOLDERS" below.
2. These interests represented the interests in underlying shares in respect of the share options granted by the Company to the directors/chief executive. Details of which are set out in note 28 to the consolidated financial statements.
3. Ms. Yeung Sau Han Agnes resigned as non-executive director of the Company on 3 August 2018.

Save as disclosed above, none of the directors, chief executive and their associated had any interests or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations, within the meaning of Part XV of the SFO, as recorded in the register kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO and the Model Code.

DIRECTORS' AND CHIEF EXECUTIVE'S RIGHTS TO ACQUIRE SHARES OR DEBENTURES

The directors and chief executive have been granted unlisted options under the Company's share option scheme, details of which are set out in note 28 to the consolidated financial statements.

Save as disclosed above, as at 31 December 2018, the directors, chief executive of the Company nor their associates had or was deemed to have any long positions or short position in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which has been recorded in the register maintained by the Company pursuant to section 352 of the SFO or which has been notified to the Company and the Stock Exchange pursuant to the Model Code of the Listing Rules.

附註：

1. 該等權益由世勤發展有限公司(「世勤」)持有，而世勤由王力平先生全資擁有。因此王先生被視為於世勤持有之股份中擁有權益。世勤持有之權益於下文「主要股東」一節披露。
2. 該等權益指有關本公司授予董事／主要行政人員的購股權的相關股份權益。其詳情載於綜合財務報表附註28。
3. 楊秀嫻女士於二零一八年八月三日辭任本公司之非執行董事。

除上文所披露者外，概無董事、主要行政人員及彼等之聯繫人於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債權證中，擁有須登記於本公司根據證券及期貨條例第352條須存置之登記冊之任何權益或淡倉，或根據證券及期貨條例第XV部第7及8分部及標準守則須另行知會本公司及聯交所之任何權益或淡倉。

董事及主要行政人員購買股份或債權證之權利

根據本公司購股權計劃，董事及主要行政人員已獲授予非上市購股權，詳情載列於綜合財務報表附註28。

除上文所披露者外，於二零一八年十二月三十一日，概無本公司董事、主要行政人員及彼等之聯繫人於本公司及其相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債權證中擁有或被視作擁有已記錄於本公司根據證券及期貨條例第352條存置之登記冊內之好倉或淡倉，或根據上市規則之標準守則已知會本公司及聯交所之好倉或淡倉。

DIRECTORS' REPORT 董事會報告

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2018, in accordance with the register of the substantial shareholders kept by the Company under Section 336 of the SFO, or to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and the Listing Rules, the following persons were interest (including short positions) in the shares or underlying shares of the Company.

Interest in the ordinary shares/underlying shares of the Company:

主要股東

於二零一八年十二月三十一日，根據本公司遵照證券及期貨條例第336條存置之主要股東登記冊，或根據證券及期貨條例第XV部第2及3分部及上市規則規定須予披露者，以下人士於本公司股份或相關股份中擁有權益（包括淡倉）。

於本公司普通股／相關股份之權益：

Name of Shareholders	股東名稱	Notes 附註	Number of Shares/ underlying Shares held 持有股份/ 相關股份數目	Long(L) or Short(S) positions 好倉(L) 或淡倉(S)	Percentage holding 持股百分比
Worldkin Development Limited	世勤發展有限公司		1,455,000,000	S	12.21%
Mr. Wong Lik Ping	王力平先生	1	1,921,000,000	S	16.12%
Funde Sino Life Insurance Co. Ltd.	富德生命人壽保險股份有限公司		3,574,430,000	L	29.99%
Active Way International Limited	極威國際有限公司	2&3	1,921,000,000	L	16.12%
FDG Kinetic Investment (BVI) Limited	FDG Kinetic Investment (BVI) Limited	3	1,921,000,000	L	16.12%
FDG Kinetic Limited	五龍動力有限公司	3	1,921,000,000	L	16.12%
Sinopoly Strategic Investment Limited	中聚策略投資有限公司	3	1,921,000,000	L	16.12%
FDG Electric Vehicles Limited	五龍電動車（集團）有限公司	3	1,921,000,000	L	16.12%
Mr. Xu Yufeng	許育峰先生		800,000,000	L	6.71%
Mr. Li Bensheng	李本勝先生		600,000,000	L	5.03%

Notes:

1. Mr. Wong Lik Ping holds entire equity interest of Worldkin Development Limited ("Worldkin") and is accordingly deemed to have interest in 1,455,000,000 shares of the Company that Worldkin has interests in. Mr. Wong personally owns 466,000,000 shares of the Company.
2. Active Way International Limited has security interests in 1,921,000,000 shares.
3. Active Way International Limited is a wholly owned subsidiary of FDG Kinetic Investment (BVI) Limited, which in turn is wholly owned by FDG Kinetic Limited, which in turn owned as to 67.19% by Sinopoly Strategic Investment Limited, which in turn is a wholly owned subsidiary of FDG Electric Vehicles Limited. Accordingly, FDG Electric Vehicles Limited is deemed to have interests in 1,921,000,000 shares held by Active Way International Limited.

Save as disclosed above, no other parties were recorded in the register required to be kept under Section 336 of the SFO as having an interest or a short position in the shares or underlying shares of the Company as at 31 December 2018.

CORPORATE GOVERNANCE

The Company is committed to maintain a high standard of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 37 to 48 of this annual report.

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision (as defined in section 467 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) for the benefit of the directors of the Group is currently in force and was in force during the year. The Company has taken out insurance against the liabilities and costs associated with proceedings which may be brought against directors of the Group.

附註：

1. 王力平先生持有世勤發展有限公司(「世勤」)之全部股權。因此，王力平先生被視作於世勤於其中擁有權益之本公司1,455,000,000股股份中擁有權益。王先生個人擁有466,000,000股本公司股份。
2. 極威國際有限公司於1,921,000,000股股份持有擔保權益。
3. 極威國際有限公司為FDG Kinetic Investment (BVI) Limited的全資附屬公司，FDG Kinetic Investment (BVI) Limited由五龍動力有限公司全資擁有，而五龍動力有限公司由中聚策略投資有限公司擁有67.19%的權益，中聚策略投資有限公司為五龍電動車(集團)有限公司的全資附屬公司。因此，五龍電動車(集團)有限公司被視作於極威國際有限公司持有之1,921,000,000股股份中擁有權益。

除上文所披露者外，於二零一八年十二月三十一日，概無任何其他人士於本公司股份或相關股份中擁有根據證券及期貨條例第336條須存置於該條所述登記冊內之權益或淡倉。

企業管治

本公司致力維持高水平之企業管治常規。有關本公司所採納之企業管治常規資料刊載於本年報第37頁至第48頁之企業管治報告內。

獲准許的彌償條文

以本集團董事為受益人的獲准許的彌償條文(定義見香港法例第622章公司條例第467條)目前具效力，且在年內仍具效力。本公司已就本集團董事可能面臨的法律訴訟引致的負債及相關成本採購保險。

DIRECTORS' REPORT 董事會報告

PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the directors, the Company has maintained the amount of public float as approved by the Hong Kong Stock Exchange and as permitted under the Listing Rules as at the date of this report.

CLOSURE OF REGISTER OF MEMBERS

For the purposes of ascertaining shareholders' entitlement to attend and vote at the coming annual general meeting, the register of members of the Company will be closed from 31 May 2019 to 5 June 2019 (both days inclusive), during such period no transfer of shares in the Company will be effected. In order to qualify for entitlement to attend and vote at the forthcoming annual general meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company Hong Kong Branch Share Registrar, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m., 30 May 2019.

AUDITOR

The consolidated financial statements for the years ended 31 December 2016 and 2017 were audited by Messrs. Deloitte Touche Tohmatsu. The consolidated financial statements for the year ended 31 December 2018 were audited by Messrs. BDO Limited ("BDO").

A resolution to re-appoint BDO as auditor of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board

Wong Lik Ping

Chairman

Hong Kong, 26 March 2019

公眾持股量

根據本公司公開可得資料及就董事所知，於本報告日期，本公司一直維持香港聯交所批准及上市規則核准之公眾持股量。

暫停辦理股份過戶登記手續

為確定股東出席應屆股東週年大會並於會上投票之權利，本公司將於二零一九年五月三十一日至二零一九年六月五日（包括首尾兩日）暫停辦理股份過戶登記手續，期間本公司將不會辦理股份過戶登記手續。為符合資格出席即將舉行之股東週年大會並於會上投票之權利，所有過戶文件連同相關股票須於不遲於二零一九年五月三十日下午四時三十分送達本公司之香港股份過戶登記分處卓佳秘書商務有限公司，地址為香港皇后大道東183號合和中心22樓以作登記。

核數師

截至二零一六年及二零一七年十二月三十一日止年度的綜合財務報表已由德勤•關黃陳方會計師行審核。截至二零一八年十二月三十一日止年度的綜合財務報表已由香港立信德豪會計師事務所有限公司（「立信德豪」）審核。

在應屆股東週年大會上將提呈決議案重新委任立信德豪為本公司之核數師。

代表董事會

主席

王力平

香港，二零一九年三月二十六日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



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TO THE MEMBERS OF CHINA EVER GRAND FINANCIAL LEASING GROUP CO., LTD.

(中國恒嘉融資租賃集團有限公司)

(incorporated in the Cayman Islands with limited liability)

致中國恒嘉融資租賃集團有限公司

全體股東

(於開曼群島註冊成立之有限公司)

OPINION

We have audited the consolidated financial statements of China Ever Grand Financial Leasing Group Co., Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 71 to 230, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, 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 ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

意見

本核數師(以下簡稱「我們」)已審計列載於第71頁至第230頁的中國恒嘉融資租賃集團有限公司(「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表,此財務報表包括於二零一八年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合損益及其他全面收入表、綜合權益變動表和綜合現金流量表,以及綜合財務報表附註,包括主要會計政策概要。

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」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而中肯地反映了貴集團於二零一八年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港公司條例的披露要求妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的專業會計師道德守則(「守則」),我們獨立於貴集團,並已履行守則中的其他專業道德責任。我們相信,我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

KEY AUDIT MATTERS

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

Impairment of finance lease receivables

(Refer to Note 18 to the consolidated financial statements)

As at 31 December 2018, the Group had finance lease receivables of approximately HK\$849.5 million, and impairment of approximately HK\$1.5 million has been made over the balance for the year then ended. It represents 45% of total assets of the Group.

Loss allowances for finance lease receivables are based on management's estimate of the lifetime expected credit losses to be incurred, which is estimated by taking into account the credit loss experience, past collection history, subsequent settlement of each finance lease customer, and also relevant deposits received, pledge of leased assets and guarantees and an assessment of both the current and forecast general economic conditions, all of which involve a significant degree of management judgment.

We identified the impairment of finance lease receivables as a key audit matter due to its significance to the consolidated financial statements, and the assessment of the recoverability of finance lease receivables and recognition of loss allowance are inherently subjective and requires significant management judgement, which increases the risk of error or potential management bias.

關鍵審計事項

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

融資租賃應收款減值

(參照綜合財務報表附註18)

於二零一八年十二月三十一日，貴集團擁有融資租賃應收款約849,500,000港元並就截至該日止年度之結餘計提1,500,000港元減值。其佔貴集團資產總額的45%。

融資租賃應收款的虧損撥備乃根據管理層就將產生的年期內預期信貸虧損的估計，其乃經考慮信貸虧損經驗、過往收款記錄及各融資租賃客戶的後續結算及應收相關按金、租賃資產抵押及擔保以及對目前和預測整體經濟狀況的評估而估計，其中各項均涉及重大程度的管理層判斷。

我們將融資租賃應收款減值識別為關鍵審計事項，乃由於其對綜合財務報表的重大性，而對融資租賃應收款可收回性的評估及虧損撥備的確認均在本質上具有主觀性並需要重大管理層判斷，其將增加出現錯誤或潛在管理層偏差的風險。

KEY AUDIT MATTERS (Continued)

Impairment of finance lease receivables (Continued)

Our responses:

- Understanding management's assessment of the credit risk of entering into the finance lease contracts with its customers and how the management evaluates the recoverability of finance lease receivables;
- Reviewing agreements of finance lease receivables, on a sample basis, to understand relevant terms such as settlement terms and the existence of pledged assets and guarantees;
- Assessing the reasonableness of the management's loss allowance estimates by examining the information used by management to form such judgements, including testing the accuracy of the historical default data, evaluating whether the historical rates are appropriately adjusted based on current economic conditions and forward-looking information; and
- Tracing the settlement records and subsequent settlement to bank receipts, on a sample basis.

關鍵審計事項 (續)

融資租賃應收款減值 (續)

我們的回覆：

- 了解管理層對與客戶訂立融資租賃合約的信貸風險的評估及管理層如何評估融資租賃應收款的可收回性；
- 按抽樣基準檢討融資租賃應收款的協議，以了解結算條款等相關條款以及抵押資產的存在及擔保情況；
- 通過檢查管理層作出有關判斷所用的資料評估管理層虧損撥備估計的合理性，包括檢查歷史違約數據的準確性、評估歷史比率是否根據當前的經濟狀況及前瞻性資料作出適當調整；及
- 按抽樣基準查找結算記錄及銀行收據的後續結算。

KEY AUDIT MATTERS (Continued)

Valuation of goodwill

(Refer to Note 14 to the consolidated financial statements)

As at 31 December 2018, the carrying amount of goodwill is HK\$9,373,000. During the year ended 31 December 2018, impairment loss on goodwill of HK\$63,000,000 has been recognised to profit or loss. Where the actual future cash flows are less than expected, or change in facts and circumstances which results in downward revision of future cash flows, further impairment loss may arise.

We identified the valuation of goodwill as a key audit matter due to its complexity and judgement exercised by the management. In determining whether goodwill is impaired requires an estimation of the recoverable amounts of the cash-generating units ("CGUs") to which goodwill has been allocated, the Group engages an independent professional valuer (the "Valuer") to perform such valuation. The valuation is determined based on the cash flow projection for the CGUs discounted to their present values and it requires the use of key assumptions, including the discount rate, terminal growth rate, budgeted sales and gross margin, taking into account the financial budgets approved by the directors based on the management's experience from the financial leasing business, and also the management's expectations for the market development.

Our responses:

- Understanding the Group's estimation of the amounts of the CGUs, including the valuation model adopted, key assumptions used and the involvement of the Valuer appointed by the Group;
- Evaluating the appropriateness of the valuation model adopted and discount rate used;
- Evaluating the reasonableness of the budgeted revenue and gross margin, and terminal growth rate by considering the approved financial budgets and the available industry and market data; and
- Comparing financial budgets used in the calculation of value in use with actual results of the Group for the annual assessment of impairment as at 31 December 2018.

關鍵審計事項 (續)

商譽估值

(參照綜合財務報表附註14)

於二零一八年十二月三十一日，商譽的賬面值為9,373,000港元。於截至二零一八年十二月三十一日止年度，商譽減值虧損63,000,000港元已確認至損益。倘實際未來現金流量較預期為少，或事實及情況有變以致未來現金流量向下調整，則可能產生進一步減值虧損。

我們將商譽估值識別為關鍵審計事項，乃由於其複雜性及管理層行使的判斷。為釐定商譽是否減值需要估計獲分配商譽的現金產生單位（「現金產生單位」）的可收回金額，貴集團委聘獨立專業估值師（「估值師」）進行有關估值。有關估值乃按貼現至其現值的現金產生單位的現金流量預測而釐定，其需要使用重大假設，包括貼現率、終端增長率、預算銷售額及毛利率，並經計入董事按管理層來自融資租賃業務的經驗批准的財務預算以及管理層有關市場發展的預期。

我們的回覆：

- 了解 貴集團對現金產生單位的金額的估計，包括採納的估值模型、所用主要假設及 貴集團所委任估值師的參與情況；
- 評估所採納估值模型及所用貼現率的合適性；
- 通過考慮批准財務預算及可查閱行業及市場數據，評估預算收入及毛利率的合理性；及
- 就二零一八年十二月三十一日的減值的年度評估使用價值計算所用的財務預算與 貴集團實際業績作比較。

KEY AUDIT MATTERS (Continued)

Loss on disposal of partial interest in a joint venture and the grant of the call option

(Refer to Note 35(a) to the consolidated financial statements)

On 15 May 2018, the Group entered into a sales and purchase agreement with the joint venture partner of Rizhao Lanshan Wansheng Harbour Company Limited ("Rizhao Lanshan") (the "Purchaser") to dispose of 25% equity interests in Rizhao Lanshan at a consideration of RMB294 million (equivalent to approximately HK\$338 million). On the same date, the Group also entered into a Call Option Undertaking to grant the Call Option to the Purchaser, pursuant to which the Purchaser is entitled to acquire the remaining 25% equity interest in Rizhao Lanshan at a consideration of RMB294 million (equivalent to approximately HK\$338 million). Pursuant to the Call Option Undertaking, the Call Option is exercisable by the Purchaser at its discretion during the period from 1 January 2020 up to 30 June 2020 (both dates inclusive). The transaction was completed on 31 August 2018 and Rizhao Lanshan ceased to be a joint venture of the Group and then become an associate of the Group.

The Group recorded a loss on disposal of partial interest in a joint venture and the grant of the call option amounting to HK\$219 million in the consolidated statement of profit or loss for the year ended 31 December 2018 and recognised the 25% retained interest in Rizhao Lanshan as interest in an associate and the call option at their fair values in the consolidated financial statements for the year ended 31 December 2018.

We identified this area as a key audit matter due to the financial significance of the loss on disposal of partial interest in the joint venture and the grant of the call option to the consolidated result of the Group for the year ended 31 December 2018 and the disposal that involves management's judgements in determining the fair values of the 25% retained interests in the associate and the call option. The fair values of the 25% retained interest in the associate and the call option are determined based on the business valuation performed by an independent professional valuer (the "Valuer").

關鍵審計事項 (續)

出售一家合營企業的部分權益及授出認購期權的虧損

(參照綜合財務報表附註35(a))

於二零一八年五月十五日，貴集團與合營企業合夥人日照嵐山萬盛港業有限責任公司（「日照嵐山」）（「買方」）訂立買賣協議以出售於日照嵐山25%之股權，代價為人民幣294,000,000元（相當於約338,000,000港元）。於同日，貴集團亦訂立認購期權承諾向買方授出認購期權，據此買方有權收購日照嵐山餘下25%之股權，代價為人民幣294,000,000元（相當於約338,000,000港元）。根據認購期權承諾，認購期權可由買方於二零二零年一月一日起直至二零二零年六月三十日（包括首尾兩日）期間內酌情行使。交易乃於二零一八年八月三十一日完成，而日照嵐山不再為貴集團之合營企業且其後成為貴集團之聯營公司。

貴集團於截至二零一八年十二月三十一日止年度就出售一家合營企業的部分權益及授出認購期權於綜合損益表內錄得虧損219,000,000港元，並於截至二零一八年十二月三十一日止年度將於日照嵐山25%之保留權益於綜合財務報表內按彼等公平值確認為於聯營公司的權益及認購期權。

我們將該範疇識別為關鍵審計事項，乃由於出售一家合營企業的部分權益及授出認購期權對貴集團截至二零一八年十二月三十一日止年度綜合業績的財務重要性，及出售涉及管理層於釐定於聯營公司25%之保留權益以及認購期權的公平值時作出判斷。於聯營公司25%之保留權益以及認購期權的公平值乃根據獨立專業估值師（「估值師」）所進行的業務估值而釐定。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

KEY AUDIT MATTERS (Continued)

Loss on disposal of partial interest in a joint venture and the grant of the call option (Continued)

Our responses:

- Reviewing the terms stated in the sales and purchase agreement and the Call Option Undertaking and evaluating management's accounting treatment over the disposal;
- Assessing the competence, capabilities and objectivity of the Valuer;
- Assessing the appropriateness of the valuation methodology with reference to market practice;
- Assessing the reasonableness of the significant inputs used in the business valuation of Rizhao Lanshan performed by the Valuer; and
- Checking the mathematical accuracy of loss on disposal of partial interest in a joint venture and the grant of the call option.

OTHER INFORMATION

The directors of the Company 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 auditor's report thereon. Prior to the date of this auditor's report, we have obtained Management Discussion and Analysis but have not obtained the remaining other information included in the annual report (the "Remaining Other Information"), which is expected to be made available to us after that date.

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

關鍵審計事項 (續)

出售一家合營企業的部分權益及授出認購期權的虧損 (續)

我們的回覆：

- 檢討買賣協議及認購期權承諾所列的條款並評估管理層對出售的會計處理；
- 評估估值師的競爭力、能力及客觀性；
- 參照市場慣例評估估值方法的適當性；
- 評估估值師對日照嵐山進行業務估值所用的重大輸入數據的合理性；及
- 核查就出售一家合營企業的部分權益及授出認購期權的虧損的數學準確度。

其他訊息

貴公司董事需對其他訊息負責。其他訊息包括刊載於年報內的訊息，但不包括綜合財務報表及我們的核數師報告。於本核數師報告日期前，我們已取得管理層討論及分析但並未取得載於年報的餘下其他訊息（「餘下其他訊息」），預期其將於該日後提供予我們。

我們對綜合財務報表的意見並不涵蓋其他訊息，我們亦不對該等其他訊息發表任何形式的鑒證結論。

OTHER INFORMATION (Continued)

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Remaining Other Information, if we conclude there is a material misstatement therein, we are required to communicate that matter to the directors and take appropriate action considering our legal rights and obligations.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他訊息 (續)

結合我們對綜合財務報表的審計，我們的責任是閱讀其他訊息，在此過程中，考慮其他訊息是否與財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他訊息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

當我們閱讀餘下其他訊息時，倘我們認為該等訊息存在重大錯誤陳述，我們須與董事溝通該事宜及經考慮我們的合法權利及義務後採取適當行動。

董事及治理層就綜合財務報表須承擔的責任

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

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

治理層須負責監督貴集團的財務報告過程。

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. 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.

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並按照我們商定的業務約定條款僅向全體股東出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。我們並不就本報告之內容對任何其他人士承擔任何責任或接受任何義務。合理保證是高水準的保證，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綜合財務報表使用者依賴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。

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程式以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 瞭解與審計相關的內部控制，以設計適當的審計程式，但目的並非對貴集團內部控制的有效性發表意見。

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

核數師就審計綜合財務報表承擔的責任 (續)

- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務訊息獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們負責集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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

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

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

BDO Limited

Certified Public Accountants

Ng Wai Man

Practising Certificate no. P05309

Hong Kong, 26 March 2019

核數師就審計綜合財務報表承擔的責任 (續)

除其他事項外，我們與治理層溝通了計畫的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

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

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

香港立信德豪會計師事務所有限公司

執業會計師

伍惠民

執業證書編號P05309

香港，二零一九年三月二十六日

Consolidated Statement of Profit or Loss

綜合損益表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		NOTES 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Continuing operations	持續經營業務			
Revenue	收入	5	90,523	198,134
Cost of services	服務成本		(66,815)	(166,866)
Gross profit	毛利		23,708	31,268
Other income	其他收入	7	11,850	20,763
Other gains and losses	其他收益及虧損	7	(67,674)	(26,885)
Administrative expenses	行政開支		(91,124)	(66,081)
Impairment loss on goodwill	商譽減值虧損	14	(63,000)	(31,000)
Loss on disposal of partial interest in a joint venture and the grant of the call option	出售一家合營企業部分權益及授出認購期權之虧損	35(a)	(218,793)	-
Share of result of an associate	分攤一家聯營公司業績		10,499	-
Share of result of a joint venture	分攤一家合營企業業績		37,554	43,508
Other expenses	其他開支		(2,646)	(1,203)
Loss before taxation from continuing operations	來自持續經營業務之除稅前虧損		(359,626)	(29,630)
Income tax expense	所得稅支出		(13,468)	(6,059)
Loss for the year from continuing operations	來自持續經營業務之本年度虧損	10	(373,094)	(35,689)
Discontinued operation	已終止經營業務			
Loss for the year from discontinued operation	來自已終止經營業務之本年度虧損		-	(114)
Loss for the year	本年度虧損		(373,094)	(35,803)
Loss for the year attributable to:	本年度下列各項應佔虧損：			
Owners of the Company	本公司擁有人		(372,098)	(42,654)
Non-controlling interests	非控股股東權益		(996)	6,851
			(373,094)	(35,803)

Consolidated Statement of Profit or Loss 綜合損益表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		NOTES 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loss per share (HK cent)	每股虧損 (港仙)	11		
From continuing and discontinued operations	來自持續及已終止經營業務			
Basic	基本		(3.12)	(0.36)
Diluted	攤薄		(3.12)	(0.36)
From continuing operations	來自持續經營業務			
Basic	基本		(3.12)	(0.36)
Diluted	攤薄		(3.12)	(0.36)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收入表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loss for the year	本年度虧損	(373,094)	(35,803)
Other comprehensive (expense) income	其他全面(開支)收入		
Item that will not be reclassified to profit or loss:	不會重新分類至損益之項目:		
Exchange difference arising on translation to presentation currency	換算呈報貨幣所產生之匯兌差額	(55,461)	71,640
Net fair value change on equity investments at fair value through other comprehensive income	按公平值透過其他全面收入列賬之股本投資之公平值變動淨額	852	-
Items that may be subsequently reclassified to profit or loss:	隨後可重新分類至損益之項目:		
Reclassification adjustments relating to disposal of foreign operation during the year	年內有關出售海外業務之重新分類調整	-	114
Net fair value loss on available-for-sale investments during the year	年內可供出售投資之公平值虧損淨額	-	(932)
		-	(818)
Other comprehensive (expense) income for the year, net of income tax	本年度其他全面(開支)收入(扣除所得稅)	(54,609)	70,822
Total comprehensive (expense) income for the year	本年度全面(開支)收入總額	(427,703)	35,019
Total comprehensive (expense) income for the year attributable to:	本年度下列各項應佔全面(開支)收入總額:		
Owners of the Company	本公司擁有人	(419,522)	17,245
Non-controlling interests	非控股股東權益	(8,181)	17,774
		(427,703)	35,019

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2018 於二零一八年十二月三十一日

		NOTES 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	30,338	26,157
Goodwill	商譽	14	9,373	72,373
Interest in a joint venture	於一家合營企業之權益	15	–	831,236
Interest in an associate	於一家聯營公司之權益	16	315,705	–
Available-for-sale investments	可供出售投資	17	–	77,096
Equity investments at fair value through other comprehensive income	按公平值透過其他 全面收入列賬 之股本投資	17	35,174	–
Finance lease receivables	融資租賃應收款	18	422,157	602,643
Loan receivables	應收貸款	19	17,076	24,014
Restricted bank deposits	受限制銀行存款	22	19,865	21,505
Service income receivables and deposits	應收服務收入及按金	20	11,384	12,693
			861,072	1,667,717
Current assets	流動資產			
Inventory	存貨		88	–
Finance lease receivables	融資租賃應收款	18	427,304	478,037
Loan receivables	應收貸款	19	150,365	101,022
Contract assets	合約資產	20	3,320	–
Service income receivables, other receivables, deposits and prepayments	應收服務收入、其他應收款、 按金及預付款項	20	33,278	56,851
Held for trading investments	持作買賣之投資	21	–	40,628
Financial assets at fair value through profit or loss	按公平值透過損益列賬之 金融資產	21	58,434	–
Deposit placed with non-bank financial institutions	存放於非銀行金融機構之 存款	22	82,891	143,288
Restricted bank deposits	受限制銀行存款	22	–	40,167
Cash and cash equivalents	現金及現金等值物	22	262,123	56,879
			1,017,803	916,872

Consolidated Statement of Financial Position 綜合財務狀況表

At 31 December 2018 於二零一八年十二月三十一日

		NOTES 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current liabilities	流動負債			
Service cost payables, other payables and accruals	應付服務成本、其他應付款及應計費用	23	27,232	64,186
Deposits received from customers	已收客戶按金	18	512	35,094
Financial liability at fair value through profit or loss	按公平值透過損益列賬之金融負債	25	27,322	-
Tax payable	應付稅項		13,181	17,055
Borrowings	借款	24	428,570	472,795
			496,817	589,130
Net current assets	流動資產淨值		520,986	327,742
Total assets less current liabilities	總資產減流動負債		1,382,058	1,995,459
Capital and reserves	資本及儲備			
Share capital	股本	26	119,192	119,192
Reserves	儲備		668,745	1,085,255
Equity attributable to owners of the Company	本公司擁有人應佔權益		787,937	1,204,447
Non-controlling interests	非控股股東權益		139,764	149,961
Total equity	總權益		927,701	1,354,408

Consolidated Statement of Financial Position 綜合財務狀況表

At 31 December 2018 於二零一八年十二月三十一日

		NOTES 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current liabilities	非流動負債			
Deposits received from customers	已收客戶按金	18	24,682	25,912
Borrowings	借款	24	421,644	597,466
Deferred tax liabilities	遞延稅項負債	27	8,031	17,673
			454,357	641,051
			1,382,058	1,995,459

Approved by the Board of Directors on 26 March 2019 and are signed on its behalf by:

於二零一九年三月二十六日獲董事會批准，並由以下董事代表簽署：

WONG LIK PING

王力平

Director

董事

LAI KA FAI

黎嘉輝

Director

董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔										
		Share capital	Share premium	Special reserve	Translation reserve	Share options reserve	Investment revaluation reserve	Statutory reserve	Accumulated losses	Subtotal	Non-controlling interests	Total
		股本	股份溢價	特別儲備	匯兌儲備	購股權儲備	投資重估儲備	法定儲備	累計虧損	小計	非控股股東權益	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (Note a) (附註a)	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (Note b) (附註b)	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	119,192	1,520,921	(45,781)	(60,746)	1,982	-	4,811	(353,177)	1,187,202	152,695	1,339,897
Profit for the year	本年度溢利	-	-	-	-	-	-	-	(42,654)	(42,654)	6,851	(35,803)
Other comprehensive (expense) income for the year	本年度其他全面(開支)收入	-	-	-	60,831	-	(932)	-	-	59,899	10,923	70,822
Total comprehensive (expense) income for the year	本年度全面(開支)收入總額	-	-	-	60,831	-	(932)	-	(42,654)	17,245	17,774	35,019
Recognition of equity-settled share-based payments	確認股權結算以股份為基礎之付款	-	-	-	-	(501)	-	-	501	-	-	-
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	-	-	1,586	(1,586)	-	-	-
Disposal of a subsidiary	出售附屬公司	-	-	45,781	-	-	-	-	(45,781)	-	-	-
Transfer to statutory surplus reserve	轉撥至法定盈餘儲備	-	-	-	-	-	-	-	-	-	(20,508)	(20,508)
At 31 December 2017	於二零一七年十二月三十一日	119,192	1,520,921	-	85	1,481	(932)	6,397	(442,697)	1,204,447	149,961	1,354,408
Change in accounting policy (Note 2a)	會計政策變動(附註2a)	-	-	-	-	-	3,944	-	(932)	3,012	2,849	5,861
Total equity at 1 January 2018 (Restated)	於二零一八年一月一日的總權益(重列)	119,192	1,520,921	-	85	1,481	3,012	6,397	(443,629)	1,207,459	152,810	1,360,269
Loss for the year	本年度虧損	-	-	-	-	-	-	-	(372,098)	(372,098)	(996)	(373,094)
Other comprehensive income (expense) for the year	本年度其他全面收入(開支)	-	-	-	(47,862)	-	438	-	-	(47,424)	(7,185)	(54,609)
Total comprehensive income (expense) for the year	本年度全面收入(開支)總額	-	-	-	(47,862)	-	438	-	(372,098)	(419,522)	(8,181)	(427,703)
Share options lapsed	購股權失效	-	-	-	-	(345)	-	-	345	-	-	-
Transfer to accumulated loss upon disposal of partial interest in joint venture	出售合營企業部分權益時轉撥至累計虧損	-	-	-	42,449	-	-	-	(42,449)	-	-	-
Dividend paid to non-controlling shareholder of a subsidiary	向一家附屬公司非控股股東支付股息	-	-	-	-	-	-	-	-	-	(4,865)	(4,865)
At 31 December 2018	於二零一八年十二月三十一日	119,192	1,520,921	-	(5,328)	1,136	3,450	6,397	(857,831)	787,937	139,764	927,701

Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

Notes:

- (a) Special reserve represented the difference between the nominal amount of the share capital issued by PME International (BVI) Company Limited, the then holding company of the Group, and the aggregate of the nominal amount of the issued share capital and other reserves accounts of the subsidiaries which were acquired by PME International (BVI) Company Limited pursuant to the group reorganisation carried out in 1997. As relevant subsidiaries had been disposed of during the year, the amount was transferred to accumulated losses.
- (b) As stipulated by the relevant laws and regulations of the People's Republic of China ("PRC"), before distribution of the net profit each year, the subsidiaries established in the PRC shall set aside 10% of their net profit after taxation to the statutory reserve (except where the reserve has reached 50% of the subsidiaries' registered capital). The reserve fund can only be used, upon approval by the directors of the relevant subsidiaries and by the relevant authority, to offset accumulated losses or increase capital.

附註：

- (a) 特別儲備乃指PME International (BVI) Company Limited (本集團當時之控股公司)之已發行股本面值與PME International (BVI) Company Limited根據一九九七年之集團重組所收購附屬公司之已發行股本面值及其他儲備賬總額兩者間之差額。由於相關附屬公司已於年內出售，金額已轉撥至累計虧損。
- (b) 按照中華人民共和國(「中國」)的相關法律法規規定，在每年分派純利前，在中國成立的附屬公司須撥出除稅後純利的10%至法定儲備(惟儲備已達附屬公司註冊資本50%者除外)。該儲備基金僅可在獲有關附屬公司董事及有關當局批准後方可用作抵銷累計虧損或增加資本。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
OPERATING ACTIVITIES	經營活動		
Loss before taxation	除稅前虧損	(359,626)	(29,744)
Adjustments for:	作出下列調整：		
Finance costs	財務成本	49,494	47,017
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	1,824	1,787
Change in fair value of financial assets at fair value through profit or loss/held for trading investments	按公平值透過損益列賬之金融資產／持作買賣之投資之公平值變動	46,368	26,585
Share of result of a joint venture	分攤一家合營企業業績	(37,554)	(43,508)
Share of result of an associate	分攤一家聯營公司業績	(10,499)	-
Impairment loss on goodwill	商譽減值虧損	63,000	31,000
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	-	132
(Gain) loss on disposal of subsidiaries	出售附屬公司之(收益)虧損	(10,194)	114
Loss on disposal of partial interest in a joint venture and the grant of the call option	出售一家合營企業部分權益及授出認購期權之虧損	218,793	-
Fair value change on financial liability at fair value through profit or loss	按公平值透過損益列賬之金融負債之公平值變動	(4,848)	-
Impairment loss on finance lease receivables	融資租賃應收款減值虧損	1,553	-
Impairment loss on loan receivables	應收貸款減值虧損	29,948	-
Impairment loss on other receivables	其他應收款減值虧損	800	-
Finance lease interest income	融資租賃利息收入	(54,609)	(63,624)
Interest income	利息收入	(14,952)	(12,642)

Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	(80,502)	(42,883)
Increase in inventories	存貨增加	(88)	-
Decrease (increase) in contract assets, service income receivables, other receivables, deposits and prepayments	合約資產、應收服務收入、其他應收款、按金及預付款項 (增加)減少	25,292	(30,942)
Decrease in service cost payables, other payables and accruals	應付服務成本、其他應付款及應計費用減少	(37,123)	(5,464)
Decrease in deposits received from customers	已收客戶按金減少	(35,812)	(39,398)
(Increase) decrease in financial assets at fair value through profit or loss/held for trading investments	按公平值透過損益列賬之金融資產／持作買賣投資 (增加)減少	(13,544)	46,480
Increase in finance lease receivables	融資租賃應收款增加	(372,225)	(830,188)
Decrease (increase) in deposits placed with financial institutions	存放於金融機構的存款減少 (增加)	53,781	(125,525)
Cash used in operations	經營所用之現金	(460,221)	(1,027,920)
Income tax paid	已付所得稅	(16,790)	(17,558)
Finance lease interest income received	已收融資租賃利息收入	54,609	63,136
Interest paid	已付利息	(49,494)	(46,598)
NET CASH USED IN OPERATING ACTIVITIES	經營活動所用之現金淨額	(471,896)	(1,028,940)

Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
INVESTING ACTIVITIES	投資活動			
Disposal of subsidiaries	出售附屬公司		-	7,970
Investment in equity investments at fair value through other comprehensive income/available-for-sale investments	於按公平值透過其他全面收入列賬之股本投資／可供出售投資之投資		(5,692)	(54,014)
Proceeds from the partial disposal of a joint venture and the grant of the call option	部分出售一家合營企業及授出認購期權所得款項	35(a)	337,849	-
Addition of loan receivables	應收貸款增加		(125,327)	(69,722)
Repayment from loan receivables	償還應收貸款		50,027	17,361
Withdrawal of restricted bank deposits	提取受限制銀行存款		38,607	55,443
Placement of restricted bank deposits	存放受限制銀行存款		-	(3,559)
Purchases of property, plant and equipment	購買物業、廠房及設備		(6,088)	(17)
Deposits paid for acquisition of property, plant and equipment	已付收購物業、廠房及設備按金		-	(686)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		63	-
Interest received	已收利息		10,422	10,638
NET CASH GENERATED FROM (USED IN) INVESTING ACTIVITIES	投資活動所得（所用）現金淨額		299,861	(36,586)
FINANCING ACTIVITIES	融資活動			
Proceeds from borrowings	借款之所得款項	33	381,364	1,061,419
Dividend paid to non-controlling shareholder of a subsidiary	已付一家附屬公司非控股股東股息		(4,865)	(20,508)
NET CASH GENERATED FROM FINANCING ACTIVITIES	融資活動所得現金淨額		376,499	1,040,911

Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

	NOTES 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值物 增加(減少)淨額	204,464	(24,615)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初現金及現金等值物	56,879	81,236
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外匯匯率變動之影響	780	258
CASH AND CASH EQUIVALENTS AT END OF THE YEAR,	年終現金及現金等值物，	262,123	56,879
Represented by:	代表：		
Bank balances and cash	銀行結餘及現金	192,388	56,879
Highly-liquid investments	高流通性投資	69,735	-
		262,123	56,879

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

1. GENERAL INFORMATION

China Ever Grand Financial Leasing Group Co., Ltd. (the "Company") is a public limited company incorporated in Cayman Islands as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section to the annual report.

The principal activities of the Company and its subsidiaries (collectively referred to as the "Group") are provision of finance lease and related consulting services in the PRC, the trading of equity securities, investment in property, investment in terminal and logistics services business, investment holding, investment in food additives business and money lending business. The Group was also engaged in the manufacture and trading of polishing materials and equipment which was discontinued in prior year.

The functional currency of the Company is Renminbi ("RMB"). The consolidated financial statements are presented in Hong Kong dollars ("HK\$") as the directors consider that it is a more appropriate presentation for a company listed on the Stock Exchange and for the convenience of the shareholders.

1. 一般資料

中國恒嘉融資租賃集團有限公司（「本公司」）為一家上市公司，於開曼群島註冊成立為受豁免之有限責任公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。本公司之註冊辦事處及主要營業地點之地址於年報公司資料一節披露。

本公司及其附屬公司（統稱「本集團」）之主要活動為在中國提供融資租賃及相關諮詢服務、股本證券買賣、物業投資、投資碼頭及物流服務業務、投資控股、投資食品添加劑業務及放貸業務。本集團亦從事製造及買賣拋光材料及設備，該業務已於過往年度終止。

本公司之功能貨幣為人民幣（「人民幣」）。綜合財務報表乃以港元（「港元」）呈列，因為董事認為，此乃聯交所上市公司更適用之呈列方式，且方便股東。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018

Annual Improvements to HKFRSs 2014-2016 Cycle	Amendments to HKFRS 1, First-time adoption of Hong Kong Financial Reporting Standards
Annual Improvements to HKFRSs 2014-2016 Cycle	Amendments to HKAS 28, Investments in Associates and Joint Ventures
Amendments to HKFRS 2 HKFRS 9	Classification and Measurement of Share-based Payment Transactions Financial Instruments
HKFRS 15	Revenue from Contracts with Customers
Amendments to HKFRS 15	Revenue from Contracts with Customers (Clarifications to HKFRS 15)
Amendments to HKAS 40	Transfers of Investment Property
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration

Other than as explained below regarding the impact of HKFRS 9 and HKFRS 15, the adoption of the above new and revised standards has had no significant financial effect on these financial statements.

2. 採納香港財務報告準則（「香港財務報告準則」）

(a) 採納新訂／經修訂香港財務報告準則—於二零一八年一月一日生效

香港財務報告準則二零一四年至二零一六年週期之年度改進	香港財務報告準則第1號首次採納香港財務報告準則之修訂
香港財務報告準則二零一四年至二零一六年週期之年度改進	香港會計準則第28號於聯營公司和合營企業之投資之修訂
香港財務報告準則第2號之修訂	以股份為基礎之付款交易之分類及計量
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	客戶合約收入
香港財務報告準則第15號之修訂	客戶合約收入（對香港財務報告準則第15號之澄清）
香港會計準則第40號之修訂	投資物業的轉移
香港（國際財務報告詮釋委員會）—詮釋第22號	外幣交易及墊付代價

除下文所述有關香港財務報告準則第9號及香港財務報告準則第15號的影響外，採納上述新訂及經修訂準則並無對屆時的財務報表造成任何重大影響。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments

- (i) Classification and measurement of financial instruments
Finance lease receivables arising from leases are initially measured in accordance with HKAS 17 Leases.

HKFRS 9 replaces HKAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: (1) classification and measurement; (2) impairment and (3) hedge accounting. The adoption of HKFRS 9 from 1 January 2018 has resulted in changes in accounting policies of the Group and change in classification of certain financial assets in the consolidated financial statements.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則－於二零一八年一月一日生效（續）

A 香港財務報告準則第9號－金融工具

- (i) 金融工具之分類及計量
租賃產生之融資租賃應收款首次根據香港會計準則第17號租賃計量。

香港財務報告準則第9號於二零一八年一月一日或之後開始的年度期間取代香港會計準則第39號金融工具：確認及計量，合併金融工具會計處理全部三個方面：(1)分類及計量；(2)減值及(3)對沖會計處理。自二零一八年一月一日起採納香港財務報告準則第9號已導致本集團會計政策出現變動及綜合財務報表內若干金融資產之分類出現變動。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

- (i) Classification and measurement of financial instruments (Continued)
The following tables summarised the impact, net of tax, of transition to HKFRS 9 on the opening balance of reserves, accumulated losses and NCI as of 1 January 2018 as follows (increase/(decrease)):

		HK\$'000 千港元
<i>Accumulated losses</i>	<i>累計虧損</i>	
Accumulated losses as at 31 December 2017	於二零一七年十二月三十一日之 累計虧損	(442,697)
Reclassify investments from available-for-sale at fair value to FVTPL (note 2(a)A(i)(II) below)	重新分類按公平值計量之可供出售 投資至按公平值透過損益列賬 (下文附註2(a)A(i)(II))	(932)
Restated accumulated losses as at 1 January 2018	於二零一八年一月一日之 經重列累計虧損	(443,629)
<i>Non-controlling interests</i>	<i>非控股股東權益</i>	
Non-controlling interests as at 31 December 2017	於二零一七年十二月三十一日之 非控股股東權益	149,961
Reclassify and remeasure investments from available-for-sale at cost to FVOCI (note 2(a)A(i)(I) below)	重新分類按成本計量之可供出售 投資至按公平值透過其他全面 收入列賬並重新計量 (下文附註2(a)A(i)(I))	2,849
Restated non-controlling interests as at 1 January 2018	於二零一八年一月一日之經重列 非控股股東權益	152,810
<i>Investment revaluation reserve</i>	<i>投資重估儲備</i>	
Reserve balance at 31 December 2017	於二零一七年十二月三十一日之 儲備結餘	(932)
Reclassify investments from available-for-sale at fair value to FVTPL (note 2(a)A(i)(II) below)	重新分類按公平值計量之可供出售 投資至按公平值透過損益列賬 (下文附註2(a)A(i)(II))	932
Reclassify and remeasure investments from available-for-sale at cost to FVOCI (note 2(a)A(i)(I) below)	重新分類按成本計量之可供出售投資 至按公平值透過其他全面收入列賬 並重新計量(下文附註2(a)A(i)(I))	3,012
Restated reserve balance as at 1 January 2018	於二零一八年一月一日之 經重列儲備結餘	3,012

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂/經修訂香港財務報告準則—於二零一八年一月一日生效(續)

A 香港財務報告準則第9號—金融工具(續)

- (i) 金融工具之分類及計量(續)

下表概述過渡至香港財務報告準則第9號對截至二零一八年一月一日之年初儲備結餘、累計虧損及非控股股東權益的稅後影響(增加/(減少)):

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(i) Classification and measurement of financial instruments (Continued)

HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities designated at FVTPL, where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities. However, it eliminates the previous HKAS 39 categories for financial assets of held to maturity financial assets, loans and receivables and available-for-sale financial assets. The adoption of HKFRS 9 has no material impact on the Group’s accounting policies related to financial liabilities and derivative financial instruments. The impact of HKFRS 9 on the Group’s classification and measurement of financial assets is set out below.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則－於二零一八年一月一日生效（續）

A 香港財務報告準則第9號－金融工具（續）

(i) 金融工具之分類及計量（續）

香港財務報告準則第9號貫徹香港會計準則第39號有關金融負債確認、分類及計量規定，惟指定為按公平值透過損益列賬之金融負債除外，該負債信貸風險變動應佔公平值變動金額於其他全面收入確認，除非會導致或擴大會計錯配則另作別論。此外，香港財務報告準則第9號保留香港會計準則第39號取消確認金融資產及金融負債的規定。然而，其取消過往香港會計準則第39號中持至到期金融資產、貸款及應收賬款以及可供出售金融資產之金融資產類別。採納香港財務報告準則第9號對本集團有關金融負債及衍生金融工具之會計政策並無重大影響。香港財務報告準則第9號對本集團金融資產之分類及計量之影響載於下文。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(i) Classification and measurement of financial instruments (Continued)

Under HKFRS 9, except for certain trade receivables (that the trade receivables do not contain a significant financing component in accordance with HKFRS 15), an entity shall, at initial recognition, measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (“FVTPL”), transaction costs. A financial asset is classified as: (i) financial assets at amortised cost (“amortised costs”); (ii) financial assets at fair value through other comprehensive income (“FVOCI”); or (iii) FVTPL (as defined in above). The classification of financial assets under HKFRS 9 is generally based on two criteria: (i) the business model under which the financial asset is managed and (ii) its contractual cash flow characteristics (the “solely payments of principal and interest” criterion, also known as “SPPI criterion”). Under HKFRS 9, embedded derivatives is no longer required to be separated from a host financial asset. Instead, the hybrid financial instrument is assessed as a whole for the classification.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則－於二零一八年一月一日生效（續）

A 香港財務報告準則第9號－金融工具（續）

(i) 金融工具之分類及計量（續）

根據香港財務報告準則第9號，除若干應收賬款（應收賬款不包括根據香港財務報告準則第15號的重大融資部分）外，實體於初始確認時須按其公平值加交易成本（倘為並非按公平值透過損益列賬（「按公平值透過損益列賬」）之金融資產）計量金融資產。金融資產分類為：(i)按攤銷成本（「攤銷成本」）計量之金融資產；(ii)按公平值透過其他全面收入列賬（「按公平值透過其他全面收入列賬」）之金融資產；或(iii)按公平值透過損益列賬（定義見上文）之金融資產。根據香港財務報告準則第9號，金融資產之分類一般基於兩項準則：(i)管理金融資產之商業模式及(ii)其合約現金流量特徵（「僅為支付本金及利息」標準，亦稱為「僅為支付本金及利息標準」）。根據香港財務報告準則第9號，嵌入式衍生工具毋須再與主體金融資產分開列示。取而代之，混合式金融工具須整體評估分類。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(i) Classification and measurement of financial instruments (Continued)

A financial asset is measured at amortised cost if it meets both of the following conditions are met and it has not been designated as at FVTPL:

- It is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI criterion.

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment’s fair value in other comprehensive income. This election is made on an investment-by-investment basis. All other financial assets not classified at amortised cost or FVOCI as described above are classified as FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or FVOCI at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則－於二零一八年一月一日生效（續）

A 香港財務報告準則第9號－金融工具（續）

(i) 金融工具之分類及計量（續）

倘金融資產同時符合以下兩項條件，且並無指定為按公平值透過損益列賬，則按攤銷成本計量：

- 該金融資產按目的為持有金融資產以收取合約現金流量之商業模式持有；及
- 該金融資產之合約條款令於特定日期產生之現金流量符合僅為支付本金及利息標準。

於初始確認並非持作買賣之股本投資時，本集團可不可撤回地選擇於其他全面收入中呈列投資公平值之後續變動。該選擇乃按投資逐項作出。所有其他並非如上文所述分類為按攤銷成本計量或按公平值透過其他全面收入列賬之金融資產，均分類為按公平值透過損益列賬。此包括所有衍生金融資產。於初始確認時，本集團可不可撤回地指定於其他方面符合按攤銷成本計量或按公平值透過其他全面收入列賬規定之金融資產按公平值透過損益列賬，前提是有關指定可消除或大幅減少會計錯配發生。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(i) Classification and measurement of financial instruments (Continued)

The following accounting policies would be applied to the Group’s financial assets as follows:

FVTPL	FVTPL is subsequently measured at fair value. Changes in fair value, dividends and interest income are recognised in profit or loss.
Amortised cost	Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.
FVOCI (equity instruments)	Equity investments at fair value through other comprehensive income are measured at fair value. Dividend income is recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則－於二零一八年一月一日生效（續）

A 香港財務報告準則第9號－金融工具（續）

(i) 金融工具之分類及計量（續）

以下會計政策將適用於本集團的金融資產如下：

按公平值 透過損益列賬	按公平值透過損益列賬其後按公平值計量。公平值、股息及利息收入變動均於損益確認。
攤銷成本	按攤銷成本計量的金融資產其後採用實際利率法計量。利息收入、匯兌收益及虧損以及減值於損益確認。取消確認的任何收益於損益確認。
按公平值 透過其他全面 收入列賬 （股本工具）	按公平值透過其他全面收入列賬之股本投資按公平值計量。股息收入於損益確認，除非股息收入明確表示收回部分投資成本。其他收益及虧損淨額於其他全面收入確認且不會重新分類至損益。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

- (i) Classification and measurement of financial instruments (Continued)
- (i) As of 1 January 2018, certain unquoted equity investments of HK\$24,014,000 were reclassified from available-for-sale financial assets at cost to FVOCI. These unquoted equity instrument were stated at cost in prior years. Those investments have been remeasured and stated at fair value amounted to HK\$29,875,000. The Group intends to hold these unquoted equity investment for long term strategic purposes. In addition, the Group has designated such unquoted equity instrument at the date of initial application as measured at FVOCI and a fair value gain of HK\$5,861,000 was recognised, with HK\$3,012,000 and HK\$2,849,000 recognised under the investment revaluation reserve and non-controlling interests respectively.
- (ii) As of 1 January 2018, certain listed and unlisted equity funds of HK\$53,082,000 measured at fair value in prior year were reclassified from available-for-sale investments at fair value to financial assets at FVTPL.
- (iii) As of 1 January 2018, certain listed equity investments of HK\$40,628,000 measured at fair value in prior year were reclassified from held for trading investments to financial assets at FVTPL.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則－於二零一八年一月一日生效（續）

A 香港財務報告準則第9號－金融工具（續）

- (i) 金融工具之分類及計量（續）
- (i) 截至二零一八年一月一日，若干未報價股本投資24,014,000港元由按成本計量的可供出售金融資產重新分類至按公平值透過其他全面收入列賬。該等未報價股本投資於過往年度乃按成本列示。該等投資已予以重新計量並按公平值29,875,000港元列示。本集團擬持有該等未報價股本投資作長期策略目的。此外，本集團於初始應用日期已指定該等未報價股本工具為按公平值透過其他全面收入列賬計量且確認公平值收益5,861,000港元，並分別確認投資重估儲備及非控股股東權益項下的公平值收益3,012,000港元及2,849,000港元。
- (ii) 截至二零一八年一月一日，於過往年度按公平值計量之若干上市及非上市股權基金53,082,000港元由按公平值計量的可供出售投資重新分類至按公平值透過損益列賬之金融資產。
- (iii) 截至二零一八年一月一日，於過往年度按公平值計量之若干上市股本投資40,628,000港元由持作買賣之投資重新分類至按公平值透過損益列賬之金融資產。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(i) Classification and measurement of financial instruments (Continued)

The following table summarises the original measurement categories under HKAS 39 and the new measurement categories under HKFRS 9 for each class of the Group’s financial assets as at 1 January 2018:

Financial assets	Original classification under HKAS 39	New classification under HKFRS 9	Carrying amount as at 1 January 2018 under HKAS 39	Carrying amount as at 1 January 2018 under HKFRS 9 (before adoption of HKFRS 15) at 2018-01-01 according to the carrying amount of the financial assets reported in the financial statements under HKAS 39
金融資產	根據香港會計準則第39號的原有分類	根據香港財務報告準則第9號的新分類	於二零一八年一月一日根據香港會計準則第39號的賬面值 HK\$'000 千港元	於二零一八年一月一日根據香港財務報告準則第9號的賬面值 (採納香港財務報告準則第15號前) HK\$'000 千港元
Listed equity investments 上市股本投資	Held-for-trading (note 2(a)A(i)(III)) 持作買賣 (附註2(a)A(i)(III))	FVTPL 按公平值透過損益列賬	40,628	40,628
Listed equity funds 上市股權基金	Available-for-sale (at fair value) (note 2(a)A(i)(II)) 可供出售 (按公平值) (附註2(a)A(i)(II))	FVTPL 按公平值透過損益列賬	12,024	12,024
Unlisted equity investments 非上市股本投資	Available-for-sale (at cost) (note 2(a)A(i)(I)) 可供出售 (按成本) (附註2(a)A(i)(I))	FVOCI 按公平值透過其他全面收入列賬	24,014	29,875
Unlisted equity funds 非上市股權基金	Available-for-sale (at fair value) (note 2(a)A(i)(II)) 可供出售 (按公平值) (附註2(a)A(i)(II))	FVTPL 按公平值透過損益列賬	41,058	41,058
Loan receivables 應收貸款	Loans and receivables (note 2(a)A(ii)(III)) 貸款及應收賬款 (附註2(a)A(ii)(III))	Amortised cost 攤銷成本	125,036	125,036
Service income receivables (note) 應收服務收入 (附註)	Loans and receivables (note 2(a)A(ii)(IV)) 貸款及應收賬款 (附註2(a)A(ii)(IV))	Amortised cost 攤銷成本	45,786	45,786
Other receivables and deposits 其他應收款及按金	Loans and receivables (note 2(a)A(ii)(III)) 貸款及應收賬款 (附註2(a)A(ii)(III))	Amortised cost 攤銷成本	23,758	23,758
Restricted bank deposits 受限制銀行存款	Loans and receivables (note 2(a)A(ii)(III)) 貸款及應收賬款 (附註2(a)A(ii)(III))	Amortised cost 攤銷成本	61,672	61,672
Cash and cash equivalents 現金及現金等值物	Loans and receivables (note 2(a)A(ii)(III)) 貸款及應收賬款 (附註2(a)A(ii)(III))	Amortised cost 攤銷成本	56,879	56,879
Deposits placed with non-bank financial institutions 存放於非銀行金融機構之存款	Loans and receivables (note 2(a)A(ii)(III)) 貸款及應收賬款 (附註2(a)A(ii)(III))	Amortised cost 攤銷成本	143,288	143,288

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則—於二零一八年一月一日生效(續)

A 香港財務報告準則第9號—金融工具(續)

(i) 金融工具之分類及計量(續)

下表概述本集團於二零一八年一月一日各級金融資產根據香港會計準則第39號的原有計量類別及根據香港財務報告準則第9號的新計量類別：

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(i) Classification and measurement of financial instruments (Continued)

Note: As at 1 January 2018, an amount of HK\$3,304,000 was reclassified from service income receivables to contract assets upon adoption of HKFRS 15. Details set out in note 2(a)B below.

(ii) Impairment of financial assets

The adoption of HKFRS 9 has changed the Group’s impairment model by replacing the HKAS 39 “incurred loss model” to the “expected credit losses (“ECLs”) model”. HKFRS 9 requires the Group to recognise ECL for finance lease receivables, contract assets, service income receivables, other receivables and deposits and other financial assets at amortised cost earlier than HKAS 39. Cash and cash equivalents are subject to ECL model but the impairment is immaterial for the current period.

Under HKFRS 9, the losses allowances are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Measurement of ECLs

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets’ original effective interest rate.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則－於二零一八年一月一日生效（續）

A 香港財務報告準則第9號－金融工具（續）

(i) 金融工具之分類及計量（續）

附註：於二零一八年一月一日，於採納香港財務報告準則第15號後，金額3,304,000港元自應收服務收入重新分類至合約資產。有關詳情載於下文附註2(a)B。

(ii) 金融資產之減值

採納香港財務報告準則第9號已更改本集團之減值模式，由香港會計準則第39號「已產生虧損模式」替換為「預期信貸虧損（「預期信貸虧損」）模式」。香港財務報告準則第9號規定本集團以較香港會計準則第39號為先就融資租賃應收款、合約資產、應收服務收入、其他應收款、按金及按攤銷成本計量的其他金融資產確認預期信貸虧損。現金及現金等值物須受預期信貸虧損模式所限，惟本期間之減值並不重大。

根據香港財務報告準則第9號，虧損撥備按以下其中一項基準計量：(1)12個月預期信貸虧損：其為於報告日期後12個月內發生的潛在違約事件導致的預期信貸虧損；及(2)年期內預期信貸虧損：此乃於金融工具預計年期內所有可能之違約事件產生之預期信貸虧損。

預期信貸虧損之計量

預期信貸虧損乃基於根據合約應付之合約現金流量與本集團預期收取之所有現金流量之間之差額。該差額其後按資產原有實際利率相近之差額貼現。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(ii) Impairment of financial assets (Continued) Measurement of ECLs (Continued)

The Group has elected to measure loss allowances for finance lease receivables, contract assets and service income receivables using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group’s historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For loan receivables and other debt financial assets, including other receivables and deposits, deposits placed with non-bank financial institutions, restricted banks deposits and cash and cash equivalents, the ECLs are based on the 12-months ECLs. The 12-months ECLs is the portion of the lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment and including forward-looking information.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則－於二零一八年一月一日生效（續）

A 香港財務報告準則第9號－金融工具（續）

(ii) 金融資產之減值（續） 預期信貸虧損之計量（續）

本集團已選擇使用香港財務報告準則第9號簡化法計量融資租賃應收款、合約資產及應收服務收入之虧損撥備，並根據年內預期信貸虧損計算預期信貸虧損。本集團已設立根據本集團過往信貸虧損經驗計算之撥備矩陣，並按債務人特定之前瞻性因素及經濟環境作出調整。

就應收貸款及其他債務金融資產（包括其他應收款及按金、存放於非銀行金融機構之存款、受限制銀行存款及現金及現金等值物）而言，預期信貸虧損根據12個月預期信貸虧損釐定。12個月預期信貸虧損為年內預期信貸虧損之一部分，其源自可能在報告日期後之12個月內發生之金融工具違約事件。然而，自開始以來信貸風險顯著增加時，撥備將以年內預期信貸虧損為基準。當釐定金融資產之信貸風險是否自初始確認後大幅增加，並於估計預期信貸虧損時，本集團考慮到相關及無須付出過多成本或努力後即可獲得之合理及可靠資料。此包括根據本集團之過往經驗及已知信貸評估得出定量及定性之資料及分析，並包括前瞻性資料。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(ii) Impairment of financial assets (Continued) Measurement of ECLs (Continued)

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group considers a financial asset to be in default when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due, unless the Group has reasonable and supportable information to demonstrate that a more lagging default criteria is more appropriate.

The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

Presentation of ECLs

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則－於二零一八年一月一日生效（續）

A 香港財務報告準則第9號－金融工具（續）

(ii) 金融資產之減值（續） 預期信貸虧損之計量（續）

本集團假設，倘逾期超過30日，金融資產之信貸風險會大幅增加，除非本集團有合理且可支持之資料證明相反情況。

本集團認為金融資產於以下情況下屬違約：(1)借貨人不大可能在本集團並無追索權（如變現抵押品）（如持有）下向本集團全數支付其信貸義務；或(2)該金融資產逾期超過90日，除非本集團有合理且可支持之資料證明更滯後的違約標準屬更合適。

於估計預期信貸虧損時所考慮之最長期間為本集團面臨信貸風險之最長合約期間。

預期信貸虧損之呈列

按攤銷成本計量之金融資產之虧損撥備從資產之總賬面值中扣除。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(ii) Impairment of financial assets (Continued) Impact of the ECL model

(i) Impairment of finance lease receivables, contract assets, and service income receivables

As mentioned above, the Group applies the HKFRS 9 simplified approach to measure ECLs which recognises lifetime ECLs for all finance lease receivables, contract assets, and service income receivables. Except for those which had been determined as credit impaired under HKAS 39, finance lease receivables have been assessed individually while contract assets and service income receivables have been grouped based on shared credit risk characteristics and the days past due.

At 1 January 2018, all the finance lease receivables, contract assets and service income receivables were not yet past due. Management assessed that the expected credit loss was not significant to the Group. There were no change in credit risk during the year ended 31 December 2018.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則－於二零一八年一月一日生效（續）

A 香港財務報告準則第9號－金融工具（續）

(ii) 金融資產之減值（續） 預期信貸虧損模式之影響

(i) 融資租賃應收款、合約資產及應收服務收入之減值

誠如上文所述，本集團採用香港財務報告準則第9號簡化法計量預期信貸虧損，其就全部融資租賃應收款、合約資產及應收服務收入確認年期內預期信貸虧損。除根據香港會計準則第39號已釐定為信貸減值者外，融資租賃應收款已個別評估，而合約資產及應收服務收入乃按共同信貸風險特徵及逾期天數予以分組。

於二零一八年一月一日，所有融資租賃應收款、合約資產及應收服務收入並未逾期。管理層評估認為，預期信貸虧損對本集團而言並不重大。截至二零一八年十二月三十一日止年度，信貸風險並無變動。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(ii) Impairment of financial assets (Continued) Impact of the ECL model (Continued)

(II) Impairment of loan receivables

The Group's loan receivables are determined based on the 12 months ECLs. At 1 January 2018, one of the loans of HK\$30,000,000 was past due. Management assessed that the loan was not credit-impaired and loss allowance was considered not significant. For other loan receivables, management assessed that there was no significant increase in credit risk on 1 January 2018 since initial recognition.

(III) Impairment of other debt investments (except for other receivables and deposits)

All of the Group's other debt investments at amortised costs are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months ECLs.

(IV) Impairment of other receivables and deposits

Other financial assets at amortised cost of the Group include deposits and other receivables. Applying the ECL model did not result in any recognition of ECL on 1 January 2018 as there was no significant increase in credit risk since initial recognition. A ECL of HK\$800,000 is recognised for the year ended 31 December 2018.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則－於二零一八年一月一日生效（續）

A 香港財務報告準則第9號－金融工具（續）

(ii) 金融資產之減值（續） 預期信貸虧損模式之影響（續）

(II) 應收貸款減值

本集團的應收貸款乃根據12個月預期信貸虧損釐定。於二零一八年一月一日，其中一筆貸款30,000,000港元已逾期。管理層評估認為，貸款並未信貸減值並認為虧損撥備並不重大。就其他應收貸款而言，管理層認為自首次確認後信貸風險於二零一八年一月一日並無大幅增加。

(III) 其他債務投資之減值（其他應收款及按金除外）

按攤銷成本計量之本集團所有其他債務投資被認為具有低信貸風險，於期內確認的虧損撥備故此受限於12個月預期信貸虧損。

(IV) 其他應收款及按金之減值

本集團按攤銷成本計量的其他金融資產包括按金及其他應收款。應用預期信貸虧損模式並未導致於二零一八年一月一日確認任何預期信貸虧損，乃由於自首次確認後信貸風險並無大幅增加。截至二零一八年十二月三十一日止年度確認預期信貸虧損800,000港元。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

- (iii) Hedge accounting
Hedge accounting under HKFRS 9 has no impact on the Group as the Group does not apply hedge accounting in its hedging relationships.
- (iv) Transition
The Group has applied the transitional provision in HKFRS 9 such that HKFRS 9 was generally adopted without restating comparative information. The reclassifications and the adjustments arising from the new ECLs rules are therefore not reflected in the statement of financial position as at 31 December 2017, but are recognised in the statement of financial position on 1 January 2018. This means that differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of HKFRS 9 are recognised in retained earnings and reserves as at 1 January 2018. Accordingly, the information presented for 2017 does not reflect the requirements of HKFRS 9 but rather those of HKAS 39.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則－於二零一八年一月一日生效（續）

A 香港財務報告準則第9號－金融工具（續）

- (iii) 對沖會計處理
香港財務報告準則第9號項下之對沖會計處理對本集團並無影響，原因為本集團並無在其對沖關係中應用對沖會計處理。
- (iv) 過渡
本集團已應用香港財務報告準則第9號之過渡條文，以使香港財務報告準則第9號全面獲採納而毋須重列比較資料。因此，新預期信貸虧損規則產生之重新分類及調整並無於二零一七年十二月三十一日之財務狀況表中反映，惟於二零一八年一月一日之財務狀況表中確認。其指採納香港財務報告準則第9號產生之金融資產與金融負債之賬面值差異於二零一八年一月一日之保留盈利及儲備確認。因此，二零一七年呈列之資料並不反映香港財務報告準則第9號之規定，惟反映香港會計準則第39號之規定。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

A HKFRS 9 – Financial Instruments (Continued)

(iv) Transition (Continued)

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application of HKFRS 9 (the “DIA”):

- The determination of the business model within which a financial asset is held;
- The designation and revocation of previous designations of certain financial assets and financial liabilities as measured at FVTPL; and
- The designation of certain investments in equity investments not held for trading as at FVOCI.

If an investment in a debt investment had low credit risk at the DIA, then the Group has assumed that the credit risk on the asset had not increased significantly since its initial recognition.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則－於二零一八年一月一日生效（續）

A 香港財務報告準則第9號－金融工具（續）

(iv) 過渡（續）

以下評估乃根據香港財務報告準則第9號初始應用日期（「初始應用日期」）存在之事實及情況為基準而作出：

- 釐定持有金融資產之商業模式；
- 指定及撤銷過往指定之若干金融資產及金融負債按公平值透過損益列賬計量；及
- 指定並非持作買賣之股本投資之若干投資按公平值透過其他全面收入列賬。

倘於債務投資之任何投資在初始應用日期具有較低之信貸風險，則本集團假設該資產之信貸風險自其初始確認起並無顯著增加。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

(a) Adoption of new/revised HKFRSs – effective 1 January 2018 (Continued)

B HKFRS 15 Revenue from Contracts with Customers ("HKFRS 15")

HKFRS 15 supersedes HKAS 11 Construction Contracts, HKAS 18 Revenue and related interpretations. HKFRS 15 has established a five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at the amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The Group has adopted HKFRS 15 using the cumulative effect method with practical expedients whereby any cumulative effect of initially applying HKFRS 15 is recognised as an adjustment to the opening balance of retained earnings at the date of initial application (that is, 1 January 2018). As a result, the financial information presented for 2017 has not been restated in this respect. The adoption of HKFRS 15 from 1 January 2018 has resulted in change in accounting policies of the Group. The impact on the adoption of HKFRS 15 to the Group's financial statements as at 1 January 2018 is the reclassification of an amount of HK\$3,304,000 from service income receivables arising from asset management advisory services to contract assets. The impact to the consolidated financial statements of the Group as at 31 December 2018 is increase in contract assets and decrease in service income receivables for an amount of HK\$3,320,000.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則－於二零一八年一月一日生效（續）

B 香港財務報告準則第15號客戶合約收入（「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11號建築合約、香港會計準則第18號收入及相關詮釋。香港財務報告準則第15號建立一個五步模式，以將客戶合約收入列賬。根據香港財務報告準則第15號，收入按能反映實體預期就向客戶轉讓貨品或服務作交換而有權獲得的代價金額確認。

本集團使用具有可行權宜方法的累計影響法採納香港財務報告準則第15號。據此，首次應用香港財務報告準則第15號的任何累計影響於首次採納日期（即二零一八年一月一日）確認為對保留盈利期初結餘的調整。因此，並未就此重列二零一七年的財務資料。自二零一八年一月一日起採納香港財務報告準則第15號導致本集團會計政策的變動。採納香港財務報告準則第15號對本集團於二零一八年一月一日的財務報表的影響為將資產管理諮詢服務產生的應收服務收入3,304,000港元的金額重新分類至合約資產。對本集團於二零一八年十二月三十一日的綜合財務報表的影響為導致合約資產的增加及應收服務收入減少3,320,000港元。

Notes to the Consolidated Financial Statements 綜合財務報表附註

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2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group’s financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group’s current intention is to apply these changes on the date they become effective.

HKFRS 16	Leases ¹
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments ¹
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ¹
Amendments to HKAS 1 and HKAS 8	Definition of Material ²
Amendments to HKFRS 3	Definition of a Business ³
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ¹
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKFRS 3, Business Combinations ¹
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKFRS 11, Joint Arrangements ¹
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKAS 12, Income Taxes ¹
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKAS 23, Borrowing Costs ¹
HKFRS 17	Insurance Contracts ⁴
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁵

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則

以下已頒佈但尚未生效且尚未獲本集團提早採納之新訂／經修訂香港財務報告準則可能與本集團之財務報表有關。本集團現時擬於其生效日期應用該等修訂。

香港財務報告準則第16號	租賃 ¹
香港（國際財務報告詮釋委員會）—詮釋第23號	所得稅處理之不確定性 ¹
香港財務報告準則第9號之修訂	提早還款特性及負補償 ¹
香港會計準則第1號及香港會計準則第8號之修訂	重要性定義 ²
香港財務報告準則第3號之修訂	業務定義 ³
香港會計準則第28號之修訂	聯營公司和合營企業的長期權益 ¹
香港財務報告準則二零一五年至二零一七年週期之年度改進	香港財務報告準則第3號業務合併之修訂 ¹
香港財務報告準則二零一五年至二零一七年週期之年度改進	香港財務報告準則第11號合營安排之修訂 ¹
香港財務報告準則二零一五年至二零一七年週期之年度改進	香港會計準則第12號所得稅之修訂 ¹
香港財務報告準則二零一五年至二零一七年週期之年度改進	香港會計準則第23號借貸成本之修訂 ¹
香港財務報告準則第17號	保險合約 ⁴
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間的資產出售或注資 ⁵

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2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

- 1 Effective for annual periods beginning on or after 1 January 2019
- 2 Effective for annual periods beginning on or after 1 January 2020
- 3 Effective for transactions that occur on or after 1 January 2020
- 4 Effective for annual periods beginning on or after 1 January 2021
- 5 The amendments were originally intended to be effective for periods beginning on or after 1 January 2017. The effective date has now been deferred/removed. Early application of the amendments of the amendments continue to be permitted.

HKFRS 16 – Leases

HKFRS 16, which upon the effective date will supersede HKAS 17 “Leases” and related interpretations, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, HKAS 17.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則（續）

- 1 於二零一九年一月一日或之後開始的年度期間生效
- 2 於二零二零年一月一日或之後開始的年度期間生效
- 3 對二零二零年一月一日或之後發生的交易生效
- 4 於二零二一年一月一日或之後開始的年度期間生效
- 5 該等修訂原擬於二零一七年一月一日或之後開始的期間生效。生效日期現已延遲／移除。該等修訂仍可提早應用。

香港財務報告準則第16號 – 租賃

香港財務報告準則第16號一經生效將取代香港會計準則第17號「租賃」及相關詮釋，引入單一承租人會計模式，並要求承租人就所有租期超過12個月的租賃確認資產及負債，除非相關資產價值偏低。具體而言，根據香港財務報告準則第16號，承租人必須確認使用權資產（即使用相關租賃資產的權利）及租賃負債（即支付租金的責任）。因此，承租人應確認使用權資產的折舊及租賃負債的利息，亦將租賃負債的現金還款分為本金部分及利息部分，並呈列於現金流量表。此外，使用權資產及租賃負債初步按現值基準計量。有關計量包括不可取消的租賃付款，亦包括在承租人合理確定行使選擇權延長租賃，或行使選擇權終止租賃的情況下，須在選擇期間作出的付款。此會計處理方式與前身準則香港會計準則第17號中承租人對分類為經營租賃之租賃的會計處理方式有重大差異。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

HKFRS 16 – Leases (Continued)

In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

As set out in note 29, the Group’s total future minimum lease payments under non-cancelable operating leases as at 31 December 2018 are HK\$431,000 (2017: HK\$145,000). The directors of the Company do not expect the adoption of HKFRS 16 as compared with the current accounting policy would result in a significant impact on the Group’s results but it is expected that certain portion of these lease commitments will be required to be recognised in the consolidated statement of financial position as right-of-use assets and lease liabilities.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則（續）

香港財務報告準則第16號－租賃（續）

就出租人的會計處理而言，香港財務報告準則第16號大致上沿用香港會計準則第17號的出租人會計處理規定。因此，出租人繼續將其租賃分類為經營租賃或融資租賃，並對該等兩類租賃進行不同的會計處理。

如附註29所載，本集團於二零一八年十二月三十一日根據不可撤銷經營租賃之未來最低租賃付款總額為431,000港元（二零一七年：145,000港元）。本公司董事預期與現有會計政策比較，採納香港財務報告準則第16號將不會對本集團業績造成重大影響，但預期這些租約承擔的若干部分將需要於綜合財務狀況表中確認為使用權資產及租賃負債。

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2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

HK(IFRIC)-Int 23 – Uncertainty over Income Tax Treatments

The Interpretation supports the requirements of HKAS 12, Income Taxes, by providing guidance over how to reflect the effects of uncertainty in accounting for income taxes. Under the Interpretation, the entity shall determine whether to consider each uncertain tax treatment separately or together based on which approach better predicts the resolution of the uncertainty. The entity shall also assume the tax authority will examine amounts that it has a right to examine and have full knowledge of all related information when making those examinations. If the entity determines it is probable that the tax authority will accept an uncertain tax treatment, then the entity should measure current and deferred tax in line with its tax filings. If the entity determines it is not probable, then the uncertainty in the determination of tax is reflected using either the “most likely amount” or the “expected value” approach, whichever better predicts the resolution of the uncertainty.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則（續）

香港（國際財務報告詮釋委員會）－詮釋第23號－所得稅處理之不確定性

該詮釋是針對香港會計準則第12號所得稅的規定，就如何反映所得稅會計處理中的不確定性影響提供指引。根據該詮釋，實體須釐定是單獨考慮每項稅務處理的不確定性，還是結合多項稅務處理的不確定性一併考慮，這取決於哪種方法能夠更好地預測不確定性的解決方案。實體亦須假設稅務機關會核查其有權核查的金額並在核查時完全知悉所有相關資料。倘實體釐定稅務機關很可能會接受稅務處理的不確定性，則實體應按與其稅務申報一致的方式計量即期及遞延稅項。否則，釐定稅項所涉的不確定性應採用「最可能金額」或「預期價值」兩種方法中能更好地預測不確定性解決方案的方法來反映。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

Amendments to HKAS 1 and HKAS 8 – Definition of Material

The amendments clarify the definition of material to make it easier for entities to make materiality judgements. The definition of material, an important accounting concept in HKFRS Standards, helps entities decide whether information should be included in their financial statements.

Amendments to HKFRS 3 – Definition of a Business

The amendments improve the definition of a business. The amended definition emphasises that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. In addition to amending the wording of the definition, the Board has provided supplementary guidance.

Distinguishing between a business and a group of assets is important because an acquirer recognises goodwill only when acquiring a business.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則（續）

香港會計準則第1號及香港會計準則第8號之修訂－重要性定義

該等修訂澄清重要性定義，使實體更易於作出重要性判斷。重要性定義為香港財務報告準則之一項重要會計概念，有助於實體決定是否應將資訊納入財務報表。

香港財務報告準則第3號之修訂－業務定義

該等修訂改進業務之定義。經修訂之定義強調業務之輸出為提供貨物及服務予客戶，而先前之定義強調對投資者之股息形式回報、較低成本或其他經濟利益以及其他。除修訂定義之字眼外，董事會已提供補充指引。

由於收購方僅在收購業務時確認商譽，區別業務及一組資產有其重要性。

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2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

Amendments to HKFRS 9 – Prepayment Features with Negative Compensation

The amendments clarify that prepayable financial assets with negative compensation can be measured at amortised cost or at fair value through other comprehensive income if specified conditions are met – instead of at fair value through profit or loss.

Amendments to HKAS 28 – Long-term Interests in Associates and Joint Ventures

The amendment clarifies that HKFRS 9 applies to long-term interests (“LTI”) in associates or joint ventures which form part of the net investment in the associates or joint ventures and stipulates that HKFRS 9 is applied to these LTI before the impairment losses guidance within HKAS 28.

Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKFRS 3, Business Combinations

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 3 which clarifies that when a joint operator of a business obtains control over a joint operation, this is a business combination achieved in stages and the previously held equity interest should therefore be remeasured to its acquisition date fair value.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則（續）

香港財務報告準則第9號之修訂－提早還款特性及負補償

該等修訂澄清在符合特定條件的情況下，附帶負補償的可提早還款金融資產可按攤銷成本或按公平值透過其他全面收入列賬計量，而非按公平值透過損益列賬計量。

香港會計準則第28號之修訂－聯營公司和合營企業的長期權益

該修訂澄清，香港財務報告準則第9號適用於聯營公司或合營企業的長期權益（「長期權益」）（構成聯營公司或合營企業投資淨額之一部分），並載明香港財務報告準則第9號先於香港會計準則第28號項下的減值虧損指引應用於長期權益。

香港財務報告準則二零一五年至二零一七年週期之年度改進－香港財務報告準則第3號業務合併之修訂

根據年度改進過程頒佈之修訂對現時並不清晰之多項準則作出細微、並不急切之修訂，其中包括對香港財務報告準則第3號之修訂，該修訂澄清業務共同經營方取得共同經營業務的控制權時即構成分階段業務合併，先前所持股權因此須重新計量至其收購日期公平值。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKFRS 11, Joint Arrangements

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 11 which clarify that when a party that participates in, but does not have joint control of, a joint operation which is a business and subsequently obtains joint control of the joint operation, the previously held equity interest should not be remeasured to its acquisition date fair value.

Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKAS 12, Income Taxes

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 12 which clarify that all income tax consequences of dividends are recognised consistently with the transactions that generated the distributable profits, either in profit or loss, other comprehensive income or directly in equity.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則（續）

香港財務報告準則二零一五年至二零一七年週期之年度改進－香港財務報告準則第11號合營安排之修訂

根據年度改進過程頒佈之修訂對現時並不清晰之多項準則作出細微、並不急切之修訂，其中包括對香港財務報告準則第11號之修訂，該修訂澄清當參與但未取得共同經營業務共同控制權的一方其後取得對該項共同經營業務的共同控制權時，先前所持股權不得重新計量至其收購日期公平值。

香港財務報告準則二零一五年至二零一七年週期之年度改進－香港會計準則第12號所得稅之修訂

根據年度改進過程頒佈之修訂對現時並不清晰之多項準則作出細微、並不急切之修訂，其中包括對香港會計準則第12號之修訂，該修訂澄清股息之所有所得稅後果與產生可分配溢利之交易（無論於損益、其他全面收入或直接於權益）一致確認。

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2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKAS 23, Borrowing Costs

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 23 which clarifies that a borrowing made specifically to obtain a qualifying asset which remains outstanding after the related qualifying asset is ready for its intended use or sale would become part of the funds an entity borrows generally and therefore included in the general pool.

HKFRS 17 – Insurance Contracts

HKFRS 17 will replace HKFRS 4 as a single principle-based standard for the recognition, measurement, presentation and disclosure of insurance contracts in the financial statements of the issuers of those contracts.

Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments clarify the extent of gains or losses to be recognised when an entity sells or contributes assets to its associate or joint venture. When the transaction involves a business the gain or loss is recognised in full, conversely when the transaction involves assets that do not constitute a business the gain or loss is recognised only to the extent of the unrelated investors' interests in the joint venture or associate.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則（續）

香港財務報告準則二零一五年至二零一七年週期之年度改進－香港會計準則第23號借貸成本之修訂

根據年度改進過程頒佈之修訂對現時並不清晰之多項準則作出細微、並不急切之修訂，其中包括對香港會計準則第23號之修訂，該修訂澄清專門為獲得合資格資產作出的借貸，於有關合資格資產達致其擬定用途或可供出售後仍未償還，將成為實體一般借貸的一部分，因此計入一般借貸池中。

香港財務報告準則第17號－保險合約

香港財務報告準則第17號將取代香港財務報告準則第4號，作為該等合約發行人財務報表中確認、計量、呈列及披露保險合約的單一原則準則。

香港財務報告準則第10號及香港會計準則第28號之修訂－投資者與其聯營公司或合營企業之間的資產出售或注資

該等修訂澄清實體向其聯營公司或合營企業出售或注入資產時，將予確認之收益或虧損程度。當交易涉及一項業務，則須確認全數收益或虧損。反之，當交易涉及不構成一項業務之資產，則僅須就不相關投資者於合營企業或聯營公司之權益確認收益或虧損。

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2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

The Group is not yet in a position to state whether these new pronouncements will result in substantial changes to the Group’s accounting policies and financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) and by the Hong Kong Companies Ordinance.

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 set out below.

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

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則（續）

本集團尚未能確定該等新頒佈是否將對本集團的會計政策及財務報表帶來重大變動。

3. 主要會計政策

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則（「上市規則」）及香港公司條例規定之適用披露。

如下文之會計政策所載，除於各報告期末若干金融工具以公平值計量外，綜合財務報表乃按歷史成本法編製。

歷史成本一般根據貨物及服務交換所得代價之公平值計算。

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3. SIGNIFICANT ACCOUNTING POLICIES (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 "Share-based payment", leasing transactions that are within the scope of HKAS 17 "Leases", and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 "Inventories" or value in use in HKAS 36 "Impairment of assets".

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

3. 主要會計政策 (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之價格，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。估計資產或負債之公平值時，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「以股份為基礎之付款」範圍內之股份以為基礎付款交易、香港會計準則第17號「租賃」範圍內之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「存貨」中的可變現淨值或香港會計準則第36號「資產減值」中的使用價值）除外。

非金融資產的公平值計量乃經計及一名市場參與者透過使用其資產的最高及最佳用途或透過將資產出售予將使用其最高及最佳用途的另一名市場參與者而能夠產生的經濟利益的能力。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

The principal accounting policies are set out below.

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

3. 主要會計政策 (續)

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：

- 第一級輸入數據是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）；
- 第二級輸入數據是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
- 第三級輸入數據是資產或負債的不可觀察輸入數據。

主要會計政策載列如下。

綜合基準

綜合財務報表包括本公司及受本公司控制的實體及其附屬公司之財務報表。當本公司符合下列條件時，本公司即擁有控制權：

- 對被投資者擁有權力；
- 承擔或擁有自其參與被投資者產生之可變回報之風險或權利；及
- 有能力透過行使權力以影響其回報。

倘有事實及情況顯示上述三項控制因素之一項或多項出現變化，則本集團將重新評估其是否控制被投資者。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

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 the consolidated statement of 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 item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group's accounting policies.

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

Changes in the Group's ownership interests in existing subsidiaries

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and 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 carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. 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 specified/permitted by applicable HKFRSs).

3. 主要會計政策 (續)

綜合基準 (續)

附屬公司於本集團取得該附屬公司的控制權時綜合入賬，並於本集團失去對該附屬公司的控制權時終止綜合入賬。具體而言，自本集團取得控制權當日起直至本集團不再控制附屬公司當日，於年內收購或出售的附屬公司的收入及開支計入綜合損益表。

損益及其他全面收入各項目歸屬於本公司擁有人及非控股股東權益。附屬公司之全面收入總額歸屬於本公司擁有人及非控股股東權益，即使此舉會導致非控股股東權益產生虧絀結餘。

如有需要，本集團會對附屬公司之財務報表作出調整，使其會計政策與本集團其他成員公司使用的會計政策保持一致。

所有集團內部與本集團成員公司間交易相關的資產及負債、股本、收入、開支及現金流量已於綜合賬目時全數對銷。

本集團於現有附屬公司的擁有權權益變動

當本集團失去附屬公司的控制權時，該附屬公司的資產及負債以及非控股權益（如有）應予以終止確認。收益或虧損將於損益內確認，並按(i)已收代價之公平值及任何保留權益之公平值總額與(ii)本公司擁有人應佔附屬公司之資產（包括任何商譽）及負債之賬面值之差額計算。所有先前於其他全面收入確認之有關該附屬公司之款項，將按猶如本集團已直接出售該附屬公司之相關資產或負債入賬（即按適用香港財務報告準則之規定／許可條文重新分類至損益或轉撥至另一類權益）。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

Any contingent consideration to be transferred by the acquirer is recognised at acquisition-date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 “Income taxes” and HKAS 19 “Employee benefits” respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 “Share-based payment” at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 “Non-current assets held for sale and discontinued operations” are measured in accordance with that standard.

3. 主要會計政策 (續)

業務合併

收購業務採用收購法入賬。業務合併所轉撥之代價按公平值計量，而計算方法為本集團所轉讓之資產、本集團向被收購方原股東產生之負債及本集團於交換被收購方之控制權發行之權益於收購日之公平值之總額。有關收購之成本通常於產生時確認於損益中。

收購方將予轉讓之任何或然代價按收購日期公平值確認。倘其後對代價作出調整，僅於調整乃由於計量期間（最長為收購日期起計12個月）內所取得有關收購日期公平值的新資料而產生時，方通過商譽確認。對分類為資產或負債的或然代價作出的所有其他其後調整於損益中確認。

於收購日期，所收購可識別資產及所承擔負債按其收購日期之公平值確認，惟下列項目除外：

- 遞延稅項資產或負債及與僱員福利安排有關的資產或負債分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；
- 與被收購方以股份為基礎之付款安排或本集團以所訂立之以股份為基礎之付款安排取代被收購方以股份為基礎之付款安排有關的負債或股本工具，於收購日期根據香港財務報告準則第2號「以股份為基礎之付款」計量（參閱下文會計政策）；及
- 根據香港財務報告準則第5號「持作出售的非流動資產及已終止經營業務」分類為持作出售的資產（或出售組別）根據該項準則計量。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value. The choice of measurement basis is made on a transaction-by-transaction basis.

Acquisition of a subsidiary not constituting a business

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to the financial assets and financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

3. 主要會計政策 (續)

業務合併 (續)

商譽乃以所轉讓的代價、任何非控股權益於被收購方中所佔金額及收購方以往持有的被收購方股權公平值(倘有)的總和超出所收購可識別資產及所承擔負債於收購日期的淨值的部分計量。倘經過重新評估後，所收購可識別資產及所承擔負債的淨值超出所轉讓代價、任何非控股權益於被收購方中所佔金額及收購方以往持有的被收購方股權公平值(倘有)的總和，則超出部分即時於損益賬內確認為議價收購收益。

現時所有權權益且於清盤時讓持有人有權按比例分佔有關附屬公司資產淨值的非控股權益，可初步按公平值或非控股權益應佔被收購方可識別資產淨值的已確認金額比例或按公平值計量。計量基準視乎每項交易而作出選擇。

收購並不構成業務的附屬公司

當本集團收購並不構成業務的一組資產及負債時，本集團透過首先按各自公平值將購買價在金融資產及金融負債之間分配，然後購買價的其他結餘在其他個別可識別資產及負債間按購買日期彼等相對公平值進行分配而識別及確認所收購的個別可識別資產及承擔的負債。該項交易並不產生商譽或議價收購收益。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in 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 the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

De-facto control exists in situations where the Company has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the Company considers all relevant facts and circumstances, including:

The size of the Company's voting rights relative to both the size and dispersion of other parties who hold voting rights;

Substantive potential voting rights held by the Company and other parties who hold voting rights;

Other contractual arrangements; and

Historic patterns in voting attendance.

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 received and receivable.

3. 主要會計政策 (續)

於附屬公司之投資

附屬公司為本公司可對其行使控制權的被投資者。倘以下三個因素全部滿足，則本公司控制該被投資者：擁有對被投資者的權力；承擔或享有來自被投資者的可變回報的風險或權利；及可利用其權力影響該等可變回報。當有事實及情況顯示任何該等控制權因素可能出現變動時，控制權需被重新評估。

倘本公司擁有實際能力引導投資對象相關活動，而毋須持有大多數投票權，則存在實際控制權。釐定實際控制權是否存在時，本公司考慮所有相關事實及情況，包括：

相對其他持有投票權人士的數量及分散情況，本公司投票權的數量；

本公司及其他持有投票權人士所持有的實際潛在投票權；

其他合約安排；及

參與投票的歷史模式。

於本公司財務狀況表中，於附屬公司之投資按成本減減值虧損（如有）列賬。附屬公司業績由本公司以已收及應收股息為基準入賬。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal (or any of the cash-generating unit within group of cash-generating units in which the Group monitors goodwill).

The Group's policy for goodwill arising on the acquisition of a joint venture is described below.

3. 主要會計政策 (續)

商譽

收購業務所產生之商譽以收購業務當日成本減去累計減值虧損(如有)計量(參閱上述會計政策)。

就減值測試而言,商譽乃獲分配至預期從合併之協同效應中受益之本集團各現金產生單位,或現金產生單位組別,即為內部管理目的監察商譽的最低等級及並不比經營分部大。

已獲分配商譽之現金產生單位(或現金產生單位組別)每年或凡單位有可能出現減值跡象時進行減值測試。對於報告期間因一項收購產生之商譽,已獲分配商譽之現金產生單位(或現金產生單位組別)於該報告期末前進行減值測試。倘可收回金額少於其賬面值,則減值虧損會首先獲分配以削減任何商譽之賬面值,然後再根據單位(或現金產生單位組別)內每項資產之賬面值按比例分配至其他資產。

出售相關現金產生單位時,於釐定出售之損益金額中計入應佔商譽金額(或本集團監察商譽的現金產生單位組別內的任何現金產生單位)。

本集團有關收購一家合營企業所產生商譽之政策載述如下。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is or the portion so classified is accounted for in accordance with HKFRS 5 “Non-current assets held for sale and discontinued operations”. Any retained portion of an investment in a joint venture that has not been classified as held for sale shall be accounted for using the equity method. The financial statements of joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group’s share of the profit or loss and other comprehensive income of the joint venture. Changes in net assets of the joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group’s share of losses of joint venture exceeds the Group’s interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group’s net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

3. 主要會計政策 (續)

於合營企業之投資

合營公司為合營安排，對安排擁有共同控制權之訂約方據此對合營安排之資產淨值擁有權利。共同控制乃指按照合約約定對安排所共有的控制，僅當相關活動要求享有控制權的各方作出一致同意之決定時存在。

合營企業的業績、資產及負債以權益會計法綜合計入該等綜合財務報表，惟當投資或其部分投資分類為持作出售除外，在此情況下，投資或持作出售部分乃按照香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」入賬。未被分類為持作出售之於合營企業的投資的任何保留部分應採用權益法入賬。合營企業用於權益會計法之財務報表乃按與本集團於同類情況下就同類交易及事件所遵循者一致之會計政策編製。根據權益法，於一家合營企業之投資初步按成本值於綜合財務狀況表中列賬，其後作出調整以確認本集團應佔一家合營企業之損益及其他全面收入。於合營企業的資產淨值變動（損益及其他全面收入除外）並未入賬，除非該等變動導致本集團持有的擁有權出現變動。倘本集團攤分一家合營企業的虧損超過所佔合營企業的權益（包括任何實際上構成本集團於合營企業投資淨值其中部分之長遠權益），則本集團會終止確認其攤分的進一步虧損。額外應佔虧損惟僅以本集團已產生法定或推定責任或代表該合營企業支付的款項為限。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in joint ventures (Continued)

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 "Impairment of assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with a joint venture of the Group, profits and losses resulting from the transactions with the joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the joint venture that are not related to the Group.

3. 主要會計政策 (續)

於合營企業之投資 (續)

於一家合營企業的投資自被投資者轉變為一家合營企業當日起按權益法入賬。於收購一家合營企業的投資時，倘投資成本超出本集團應佔被投資者之可識別資產及負債之公平值淨額，則有關差額確認為商譽。商譽乃計入投資之賬面值。倘於重估後本集團應佔之可識別資產及負債之公平值淨額超出投資成本，則有關差額即時於收購投資期間之損益確認。

香港會計準則第39號的規定適用於釐定有否必要確認本集團於一家合營企業投資之減值虧損，如必要，則將投資的全部賬面值（包括商譽）根據香港會計準則第36號「資產減值」作為單一資產透過比較其可收回金額（使用價值與公平值減銷售成本之較高者）與其賬面值進行減值測試。任何已確認減值虧損屬投資賬面值的一部分。倘其後投資的可收回金額增加，則根據香港會計準則第36號確認該減值虧損撥回。

倘一個集團實體與本集團一家合營企業交易，與該合營企業交易所產生之損益僅會在有關合營企業之權益與本集團無關的情況下，方會在本集團綜合財務報表確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Associates are accounted for using the equity method whereby they are initially recognised at cost and thereafter, their carrying amount are adjusted for the Group's share of the post-acquisition change in the associates' net assets except that losses in excess of the Group's interest in the associate are not recognised unless there is an obligation to make good those losses.

Profits and losses arising on transactions between the Group and its associates are recognised only to the extent of unrelated investors' interests in the associate. The investor's share in the associate's profits and losses resulting from these transactions is eliminated against the carrying value of the associate. Where unrealised losses provide evidence of impairment of the asset transferred, they are recognised immediately in profit or loss.

Any premium paid for an associate above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the associate. Where there is objective evidence that the investment in an associate has been impaired, the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

In the Company's statement of financial position, investments in associates are carried at cost less impairment losses, if any. The results of associates are accounted for by the Company on the basis of dividends received and receivable during the year.

3. 主要會計政策 (續)

於聯營公司之投資

聯營公司指本集團對其擁有重大影響力的實體，且其既非附屬公司亦非合營安排。重大影響力指有權參與被投資方的財務及營運政策決定的權利而非對該等政策擁有控制權或共同控制權。

聯營公司乃採用權益法入賬，初步按成本確認，其後就本集團收購後應佔聯營公司資產淨值的變動調整其賬面值，惟超過本集團於聯營公司的權益的虧損不會確認，除非有責任須彌補該等虧損。

本集團與其聯營公司之間的交易產生的損益僅於不相關投資者於聯營公司擁有權益時方才確認。該等交易產生的投資者分攤聯營公司溢利及虧損與聯營公司的賬面值對銷。倘未變現虧損證明轉移資產的減值，則即時於損益賬中確認。

就一家聯營公司支付的任何溢價超過本集團分攤所收購的可識別資產、負債及或然負債的公平值已資本化並已計入聯營公司的賬面值。倘客觀證據顯示於一家聯營公司的投資已減值，則投資的賬面值按其非金融資產的相同方式進行減值測試。

本公司財務狀況表中，投資聯營公司按成本減減值虧損（如有）列賬。聯營公司的業績由本公司基於年內已收及應收股息基準入賬。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interests in its former subsidiary after the sale.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Directors that make strategic decisions.

Revenue recognition (accounting policies applied from 1 January 2018)

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

3. 主要會計政策 (續)

持作出售非流動資產

倘賬面值將主要透過出售交易而非透過持續使用而可收回時，非流動資產及出售組別分類為持作出售。僅當（或出售組別）在現時條件下可供即時出售時視為符合該項條件，僅須受限於出售該資產（或出售組別）乃屬日常及常見及出售的概率極高的條款規限。管理層必須致力於出售，並應預期在分類日期起計一年內合資格確認為一項完整出售。

當本集團致力於涉及失去對附屬公司的控制權的出售計劃時，當符合上述條件時，該附屬公司所有的資產及負債分類為持作出售，而不考慮是否本集團將會於出售後保留前附屬公司的非控股權。

分類為持作出售的非流動資產及出售組別按彼等以前的賬面值與公平值減出售成本兩者之較低者計量。

分部報告

經營分部乃以與向主要經營決策者提交內部報告一致的方式呈報。主要經營決策者負責分配資源及評估經營分部的表現，已被確認為作出策略決定的執行董事。

收入確認（自二零一八年一月一日起應用之會計政策）

客戶合約收入在貨品或服務的控制權按反映本集團預期有權就提供該等貨品或服務獲取的代價金額轉讓予客戶時確認，不包括代表第三方收取的該等款項。收入不包括增值稅或其他銷售稅，並經扣除任何貿易折扣。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (accounting policies applied from 1 January 2018) (Continued)

Depending on the terms of the contract and the laws that apply to the contract, control of the goods or service may be transferred over time or at a point in time. Control of the goods or service is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- 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.

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or service.

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amounts receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. For contracts where the period between the payment and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

3. 主要會計政策 (續)

收入確認 (自二零一八年一月一日起應用之會計政策) (續)

視乎合約條款及適用於合約的法律，貨品或服務的控制權可隨時間或於某一時點轉移。倘本集團在履約過程中滿足下列條件，貨品或服務的控制權將隨時間轉移：

- 提供客戶同時收取及消耗的所有利益；
- 本集團履約時創建或提升客戶所控制的資產；或
- 並無創建對本集團而言具有可替代用途的資產，而本集團可強制執行其權利收回累計至今已完履約部分的款項。

倘貨品或服務的控制權隨時間轉移，收入將於整個合約期間參考已完成履約義務的進度確認。否則，收入於客戶獲得貨品或服務控制權的某一時點確認。

倘合約中包含融資部分，而該融資部分為客戶提供有關向客戶轉讓貨品或服務超過一年的重大融資利益，則收入按應收賬款的現值計量，並使用本集團與客戶於合約簽訂時進行的單獨融資交易中可能反映的貼現率貼現。倘合約中包含為本集團提供重大融資利益的融資部分，則根據該合約確認的收入包括按實際利息法計算的合約負債所產生的利息開支。就付款至承諾貨品或服務轉讓期間為一年或以下的合約而言，並無利用香港財務報告準則第15號的實際權宜方法就重大融資部分的影響調整交易價。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (accounting policies applied from 1 January 2018) (Continued)

- (i) Revenue for the provision of advisory services is recognised at a point in time when the services related to the underlying transaction are completed under the terms of the contract. Invoices for these service income are issued on completion of services. The service fee has been fixed at the signing of contract. HKFRS 15 did not result in significant impact on the Group's accounting policies.
- (ii) Revenue for the provision of asset management advisory services is recognised over time on time apportionment basis as those services are provided throughout the contract period at fixed consideration. Invoices are issued according to the agreed payment schedule and are usually payable within 0-5 days. HKFRS 15 did not result in significant impact on the Group's accounting policies.
- (iii) For revenue from sales of goods provided by the Group, customers obtain control of the goods when the goods are delivered to and have been accepted. Revenue is thus recognised upon when the customers accepted the products. There is generally only one performance obligation. Invoices are usually payable within 30 days. In the comparative period, revenue from sales of goods is recognised on transfer of risks and rewards of ownership, which was taken as at the time of delivery and the title is passed to customer.

3. 主要會計政策 (續)

收入確認 (自二零一八年一月一日起應用之會計政策) (續)

- (i) 提供顧問服務的收入於根據合約條款完成相關交易有關的服務時確認。該等服務收入的發票於完成服務時開具。服務費收入於簽訂合約時釐定。香港財務報告準則第15號對本集團的會計政策並未產生重大影響。
- (ii) 提供資產管理諮詢服務的收入按時間分攤基準隨時間確認，乃由於該等服務於整個合約期間內按固定代價予以提供。發票根據協定償還時間表出具，且通常應於0至5日內結付。香港財務報告準則第15號對本集團的會計政策並未造成重大影響。
- (iii) 就銷售本集團提供的貨品所產生的收入而言，客戶於貨品予以交付及已獲接納時取得貨品的控制權。因此，收入於客戶接納產品時確認。一般而言，此僅為一項履約義務。發票通常應於30日內結付。於可資比較期間，貨品銷售收入於擁有權的風險及回報轉移時（於交付及所有權移交予客戶時發生）確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (accounting policies applied from 1 January 2018) (Continued)

(iv) For revenue from the provision of iron ore terminals and logistic service, the joint venture rendered a bundle of services to the customers, including unloading, packaging, storage and reloading of goods, and recognised revenue when the reloading of goods completed. Revenue is thus recognised at point in time. Invoices are usually payable within 30 days. HKFRS 15 did not result in significant impact on the Group's accounting policies.

(v) Other income

Rental income from property leasing is recognised on a straight-line basis over the relevant lease terms.

Dividend income from investments is recognised when the Group's rights to receive payment have been established.

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

3. 主要會計政策 (續)

收入確認 (自二零一八年一月一日起應用之會計政策) (續)

(iv) 就提供鐵礦石碼頭和物流服務所產生的收入而言，合營企業向客戶提供一組服務，包括卸載、包裝、存儲及重新裝載貨品，而收益於完成重新裝載貨品時確認。收益因此於某一時間點確認。發票通常於30日內結付。香港財務報告準則第15號不會對本集團之會計政策產生重大影響。

(v) 其他收入

物業租賃的租金收入以直線法於有關租約年期確認。

股息收入乃於本集團收取款項之權利確立時確認。

利息收入（包括融資租賃利息收入、貸款利息收入及銀行利息收入）乃按時間分攤基準，參考未償還本金及適用之實際利率計算，該利率為確實地將金融資產於預計可用年期內之估計未來現金收入貼現至該資產於初始確認時之賬面淨值之貼現率。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (accounting policies applied until 31 December 2017)

Revenue is measured at the fair value of the consideration received or receivable.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed.

Finance lease interest income including handling fees (if any) represents interest income from financial leasing business, is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Income from provision of iron ore terminals and logistic services are recognised when the respective services are rendered.

Service fee income is recognised when the services are provided.

Rental income from property leasing is recognised on a straight-line basis over the relevant lease terms.

Dividend income from investments is recognised when the Group's rights to receive payment have been established.

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

Contract assets and liabilities (accounting policies applied from 1 January 2018)

A contract asset represents the Group's right to consideration in exchange for services that the Group has transferred to a customer that is not yet unconditional. 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 (續)

收入確認 (應用至二零一七年十二月三十一日之會計政策)

收入乃按已收或應收代價之公平值計量。

收入在收入金額能可靠計量時及經濟利益可能流入本集團時，就本集團每項業務滿足特定標準（如下文所述）時及予以確認。

貨品銷售收入在交付貨品及轉移所有權之後予以確認。

融資租賃利息收入（包括手續費，如有）指融資租賃業務的利息收入，會在會計期間作出分配，從而反映有關租約未償付的本集團投資淨額的固定定期回報率。

提供鐵礦石碼頭及物流服務所產生的收入於提供各自服務時確認。

服務費收入於提供服務時確認。

物業租賃的租金收入以直線法於有關租約年期確認。

股息收入乃於本集團收取款項之權利確立時確認。

利息收入乃按時間分攤基準，參考未償還本金及適用之實際利率計算，該利率為確實地將金融資產於預計可用年期內之估計未來現金收入貼現至該資產於初始確認時之賬面淨值之貼現率。

合約資產及負債（自二零一八年一月一日起應用之會計政策）

合約資產指本集團就向客戶換取本集團已轉讓的服務收取代價的權利（尚未成為無條件）。相反，應收賬款指本集團收取代價的無條件權利，即代價付款到期前僅需時間推移。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contract assets and liabilities (accounting policies applied from 1 January 2018) (Continued)

A contract liability represents the Group's obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the 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 on 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 the consolidated financial statements, the assets and liabilities of the Group's entities are translated into the presentation currency of the Group (i.e. HK\$) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the year. Exchange differences arising, if any are recognised in other comprehensive income and accumulated in equity under the heading of the translation reserve (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group are reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets and liabilities acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

3. 主要會計政策 (續)

合約資產及負債 (自二零一八年一月一日起應用之會計政策) (續)

合約負債指本集團因已自客戶收取代價 (或已可自客戶收取代價) 而須轉讓服務予客戶的義務。

外幣

於編製各個別集團實體之財務報表時，以該實體之功能貨幣以外之貨幣 (外幣) 進行之交易乃按交易日期之通行匯率入賬。於報告期末，以外幣定值之貨幣項目乃按該日之匯率重新換算。按公平值以外幣入賬之非貨幣項目則按釐定公平值當日之匯率重新換算。按歷史成本以外幣入賬之非貨幣項目不予重新換算。

結算及重新換算貨幣項目所產生之匯兌差額均於彼等產生期間內在損益中確認。

就綜合財務報表之呈列而言，本集團實體之資產與負債乃按各報告期末之匯率換算為本集團之呈報貨幣 (即港元)，而其收入及支出項目乃按該年度之平均匯率換算。所產生之匯兌差額 (如有) 乃於其他全面收入內確認，並於權益內之匯兌儲備項下累積 (歸屬於非控股股東權益 (如適用))。

出售海外業務時 (即出售本集團於海外業務之全部權益)，本集團擁有人就該業務應佔於股權累計之所有匯兌差額乃重新分類至損益。

因收購海外業務時所收購的可識別資產及負債的商譽及公平值調整視為該海外業務的資產及負債及按各報告期末現行匯率換算。所產生的匯兌差額於其他全面收入內確認。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Borrowing costs

Borrowing costs which are not eligible for capitalisation to qualifying assets are recognised in profit or loss in the period in which they are incurred.

Government grants

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.

Retirement benefit costs

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term and other long-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

3. 主要會計政策 (續)

借貸成本

不符合撥充合資格資產的借貸成本於產生期間在損益內確認。

政府補助

倘可合理保證將收取政府補助並遵守所有附帶條件，則政府補助才會被確認。

政府補助作為開支或已發生虧損的補償時或就向本集團給予即時財政支持的目的而言而成為應收賬款時，在其成為應收賬款期間於損益內並不確認日後相關成本。

退休福利成本

定額供款退休福利計劃之付款於僱員提供服務使其有權取得供款時確認為開支。

短期及其他長期僱員福利

短期僱員福利乃按預期於僱員提供服務時支付之未貼現福利金額確認。所有短期僱員福利獲確認為開支，惟另一項香港財務報告準則要求或許可將該福利計入資產成本除外。

於扣除任何已付金額後，就僱員之累計福利（如工資及薪金、年假及病假）確認負債。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation

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

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

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, 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 and interests 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 the 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.

3. 主要會計政策 (續)

稅項

所得稅支出指現時應付稅項及遞延稅項之和。

現時應付稅項按本年度應課稅溢利計算。應課稅溢利與損益表所報溢利不同，此乃由於其不包括在其他年度應課稅或可扣減之收入或支出項目，亦不包括永不課稅或可扣減之項目。本集團之即期稅項負債乃按報告期末已生效或實際上已生效之稅率計算。

遞延稅項乃按綜合財務報表內資產及負債賬面值與用於計算應課稅溢利之相應稅基兩者間之暫時差額確認。遞延稅項負債通常會就所有應課稅暫時差額確認，而遞延稅項資產通常就所有可扣減暫時差額確認，惟以有應課稅溢利可用以抵銷該等可扣減暫時差額為限。若暫時差額因商譽或由於一項既不影響應課稅溢利亦不影響會計溢利之交易（業務合併除外）中初步確認其他資產及負債而引致，則不會確認該等資產及負債。

除非本集團可控制暫時差額撥回及暫時差額不大可能於可見將來撥回，否則會就有關於附屬公司的投資的應課稅暫時差額確認遞延稅項負債。僅當很可能取得足夠的應納稅利潤以抵扣此類投資及利益相關的可扣減暫時差額，並且暫時差額在可預見的未來將轉回時，才確認該可抵扣暫時差額所產生的遞延稅項資產。

遞延稅項資產之賬面值於報告期末審閱，並於不大可能有足夠應課稅溢利恢復全部或部分資產價值時予以削減。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

Deferred tax assets and liabilities are measured 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 rate (and tax laws) 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 is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset.

3. 主要會計政策 (續)

稅項 (續)

遞延稅項資產及負債乃按預期於償還負債或變現資產期間適用之稅率計算。所根據的稅率(及稅法)乃於報告期末已生效或已實際生效者。

遞延稅項負債及資產的計量反映集團於報告期末，預期收回或償還其資產及負債賬面值的方式可能帶來的稅務後果。

即期及遞延稅項於損益內確認，惟與其他全面收入或直接於權益內確認之項目除外，在此情況下，即期及遞延稅項亦於其他全面收入或直接於權益內確認。

租約

如租約條款轉讓所有權之絕大部分風險及回報予承租人，有關租約乃列作融資租約。所有其他租約則列作經營租賃。

本集團作為出租人

應收承租人融資租約款項按本集團於租約中的淨投資金額確認為應收賬款。融資租約收入在會計期間分配，以便反映本集團就租約的未償付淨投資的固定定期收益率。

經營租賃之租金收入乃按相關租約年期以直線法確認。磋商及安排經營租賃中產生的初步直接成本加入至已租賃資產的賬面值。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing (Continued)

The Group as lessee

Operating lease payments, including the cost of acquiring land held under operating leases, are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Property, plant and equipment

Property, plant and equipment including buildings, leasehold land (classified as finance leases) and freehold land held for use in the production or supply of goods or services, or for administrative purposes are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment less their residual values over their estimated 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.

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 sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. 主要會計政策 (續)

租約 (續)

本集團作為承租人

經營租賃付款(包括根據經營租賃收購土地之成本)於有關租約期間按直線法確認為開支。

倘收取租約激勵以訂立經營租賃,有關激勵確認為負債。激勵的總收益以直線法確認為租金開支的扣減。

物業、廠房及設備

物業、廠房及設備包括用於生產或提供貨品或服務,或出於行政目的使用之建築及租賃土地(分類為融資租賃)以及自由保有土地,乃按成本減隨後之累計折舊及累計減值虧損於綜合財務狀況表列賬。

按估計使用年期以直線法撇銷物業、廠房及設備項目的成本確認折舊。於每個報告期末審閱估計使用年期、殘值及折舊法,按預期基準入賬估計變動的影響。

物業、廠房及設備項目於出售時或當預期持續使用該資產不會帶來未來經濟利益時終止確認。出售或報廢物業、廠房及設備項目的盈虧乃按銷售所得款項與相關資產賬面值之差額釐定並於損益賬確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasehold land and building

When the Group makes payments for a property interest which includes both leasehold land and building elements, the Group assesses the classification of each element 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 property is accounted as an operating lease. Specifically, the entire consideration (including any lump-sum upfront payments) are allocated between the leasehold land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element at initial recognition.

When the payments cannot be allocated reliably between the leasehold land and building elements, the entire property is generally classified as if the leasehold land is under finance lease.

Impairment losses on assets (other than financial assets)

At the end of the reporting period, the Group reviews the carrying amounts of the following to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment; and
- investments in subsidiaries, associates and joint ventures.

When it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units 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 (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

3. 主要會計政策 (續)

租賃土地及樓宇

當本集團就物業權益(包括租賃土地及樓宇部分)付款時,本集團單獨評估各部分的分類,根據評估各部分所有權附帶的絕大部分風險及回報是否已轉讓至本集團而將其分類,除非肯定兩個部分均屬經營租賃,於此情況下,整項物業則分類為經營租賃。特別是,全部代價(包括任何一次性預付款項)於初步確認時按土地部分及樓宇部分中租賃權益相對公平值比例在土地與樓宇部分之間分配。

當付款無法在土地部分與樓宇部分之間可靠分配時,整項物業通常分類為融資租賃(猶如租賃土地乃根據融資租賃持有)。

資產(金融資產除外)之減值虧損

本集團於報告期末審閱下列各項之賬面值,藉以決定是否有任何跡象顯示該等資產出現減值虧損或過往已確認之減值虧損不再存在或可能已減少:

- 物業、廠房及設備;及
- 於附屬公司、聯營公司及合營企業之投資。

當無法單獨估計一項資產的可收回金額時,本集團會估計該資產所屬現金產生單位的可收回金額。當可識別合理一致的分配基準時,公司資產亦會分配至個別現金產生單位或分配至可識別合理一致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及使用價值的較高者。評估使用價值時,採用除稅前貼現率將估計未來現金流量貼現至其現值,而該貼現率反映當時市場對貨幣時間價值的評估及與未經調整未來現金流量估計的資產(或現金產生單位)有關的特定風險。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment losses on assets (other than financial assets)

(Continued)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) 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 cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Financial instruments (accounting policies applied from 1 January 2018)

Financial assets

A financial asset (unless it is a service income receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A service income receivable without a significant financing component is initially measured at the transaction price.

3. 主要會計政策 (續)

資產 (金融資產除外) 之減值虧損 (續)

倘若一項資產 (或現金產生單位) 之可收回金額預計低於其賬面值, 則該資產 (或現金產生單位) 之賬面值將減至其可收回金額。於分配減值虧損時, 首先分配減值虧損以減低任何商譽的賬面值 (如有), 其後按該單位內各資產賬面值之比例分配至其他資產。資產的賬面值不得減少至低於其公平值減出售成本 (如可計量)、其使用價值 (如可釐定) 及零 (以最高者為準)。分配至資產的減值虧損金額按單位的其他資產比例分配。減值虧損即時於損益中確認。

倘其後撥回減值虧損時, 資產 (或現金產生單位) 之賬面值可調高至重新估計之可收回金額, 惟因此而增加之賬面值不可高於該資產 (或現金產生單位) 於過往年度未確認減值虧損前之賬面值。撥回之減值虧損即時確認為損益。

存貨

存貨乃按成本或可變現淨值兩者中之較低者列賬。成本按先進先出法計算。可變現淨值則按存貨估計售價減完成及作出出售時所必需的估計成本計算。

金融工具 (自二零一八年一月一日起應用之會計政策)

金融資產

金融資產 (無重大融資部分的應收服務收入除外) 初步按公平值加上 (就並非按公平值透過損益列賬「按公平值透過損益列賬」的項目而言) 與其收購或發行直接相關的交易成本計量。無重大融資部分的應收服務收入初步按交易價格計量。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (accounting policies applied from 1 January 2018) (Continued)

Financial assets (Continued)

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

3. 主要會計政策 (續)

金融工具 (自二零一八年一月一日起應用之會計政策) (續)

金融資產 (續)

所有一般金融資產買賣均於交易日確認，即本集團承諾購買或出售該資產之日。一般金融資產買賣指須於通常根據市場規則或慣例設定的期間內交付的金融資產購買或出售。

具嵌入式衍生工具之金融資產於釐定其現金流量是否僅為支付本金及利息時以整體作出考慮。

債務工具

其後計量債務工具的計量方式取決於本集團管理資產的商業模式及資產的現金流量特徵。本集團有三種分類其債務工具的計量類別：

攤銷成本：持作收取合約現金流量之資產按攤銷成本計量，其中有關現金流量純粹指本金及利息付款。按攤銷成本計量的金融資產其後採用實際利率法計量。利息收入、匯兌收益及虧損以及減值於損益確認。取消確認的任何收益於損益確認。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (accounting policies applied from 1 January 2018) (Continued)

Financial assets (Continued)

Fair value through profit or loss ("FVTPL"): Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Equity investments at fair value through other comprehensive income are measured at fair value. Dividend income are recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss. All other equity instruments are classified as FVTPL, whereby changes in fair value, dividends and interest income are recognised in profit or loss.

3. 主要會計政策 (續)

金融工具 (自二零一八年一月一日起應用之會計政策) (續)

金融資產 (續)

按公平值透過損益列賬 (「按公平值透過損益列賬」): 按公平值透過損益列賬的金融資產包括持作買賣的金融資產, 於初始確認時指定按公平值透過損益列賬的金融資產, 或強制要求按公平值計量的金融資產。倘為於不久將來出售或購回為目的而收購金融資產, 則該等金融資產分類為持作買賣。衍生工具 (包括獨立嵌入式衍生工具) 亦分類為持作買賣, 惟該等衍生工具被指定為有效對沖工具則除外。現金流量並非純粹支付本金及利息的金融資產, 不論其商業模式如何, 均按公平值透過損益列賬分類及計量。儘管如上文所述債務工具可按攤銷成本或按公平值透過其他全面收入列賬分類, 但於初始確認時, 倘能夠消除或大幅降低會計錯配, 則債務工具可指定為按公平值透過損益列賬。

股本工具

於初始確認並非持作買賣之股本投資時, 本集團可不可撤回地選擇於其他全面收入中呈列投資公平值之後續變動。該選擇乃按投資逐項作出。按公平值透過其他全面收入列賬之股本投資按公平值計量。股息收入於損益確認, 除非股息收入明確表示收回部分投資成本。其他收益及虧損淨額於其他全面收入確認且不會重新分類至損益。所有其他的股本工具分類為按公平值透過損益列賬, 因此公平值、股息及利息收入變動均於損益確認。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (accounting policies applied from 1 January 2018) (Continued)

Impairment loss on financial assets

The Group recognises loss allowances for expected credit loss ("ECL") on finance lease receivables, service income receivables, loan receivables, contract assets and financial assets measured at amortised cost. The ECLs are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group has elected to measure loss allowances for finance lease receivables, contract assets and service income receivables using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For loan receivables and other debt financial assets, the ECLs are based on the 12-months ECLs. The 12-months ECLs is the portion of the lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

3. 主要會計政策 (續)

金融工具 (自二零一八年一月一日起應用之會計政策) (續)

金融資產減值虧損

本集團就融資租賃應收款、應收服務收入及應收貸款、合約資產及按攤銷成本計量的金融資產之預期信貸虧損(「預期信貸虧損」)確認虧損撥備。預期信貸虧損按以下其中一項基準計量：(1)12個月預期信貸虧損：其為於報告日期後12個月內發生的潛在違約事件導致的預期信貸虧損；及(2)年期內預期信貸虧損：此乃於金融工具預計年期內所有可能之違約事件產生之預期信貸虧損。於估計預期信貸虧損時考慮的最長期限為本集團面臨的信貸風險的最長合約期限。

預期信貸虧損為信貸虧損的概率加權估計。信貸虧損乃基於根據合約應付本集團的所有合約現金流量與本集團預期收取之所有現金流量之間之差額計量。該差額其後按資產原有實際利率相近之差額貼現。

本集團已選擇使用香港財務報告準則第9號簡化法計量融資租賃應收款、合約資產及應收服務收入之虧損撥備，並根據年期內預期信貸虧損計算預期信貸虧損。本集團已設立根據本集團過往信貸虧損經驗計算之撥備矩陣，並按債務人特定之前瞻性因素及經濟環境作出調整。

就應收貸款及其他債務金融資產而言，預期信貸虧損根據12個月預期信貸虧損釐定。12個月預期信貸虧損為年期內預期信貸虧損之一部分，其源自可能在報告日期後之12個月內發生之金融工具違約事件。然而，自開始以來信貸風險顯著增加時，撥備將以年期內預期信貸虧損為基準。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (accounting policies applied from 1 January 2018) (Continued)

Impairment loss on financial assets (Continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be credit-impaired when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non credit-impaired financial assets interest income is calculated based on the gross carrying amount.

Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at fair value through profit or loss are initially measured at fair value and financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

3. 主要會計政策 (續)

金融工具 (自二零一八年一月一日起應用之會計政策) (續)

金融資產減值虧損 (續)

當釐定金融資產之信貸風險是否自初始確認後大幅增加，並於估計預期信貸虧損時，本集團考慮到相關及無須付出過多成本或努力後即可獲得之合理及可靠資料。此包括根據本集團之過往經驗及已知信貸評估得出定量及定性之資料分析，並包括前瞻性資料。

本集團假設，倘逾期超過30日，金融資產之信貸風險會大幅增加。

本集團認為金融資產於以下情況下屬信貸減值：(1) 借款人不大可能在本集團並無追索權（如變現抵押品（如持有））下向本集團全數支付其信貸義務；或(2) 該金融資產逾期超過90日。

信貸減值金融資產的利息收入乃基於攤銷成本（即賬面總值減虧損撥備）計算。非信貸減值金融資產的利息收入乃基於賬面總值計算。

金融負債

本集團根據負債產生的原因分類其金融負債。按公平值透過損益列賬的金融負債初步按公平值計量及按攤銷成本計量的金融負債初步按公平值計量，扣除產生的直接應佔成本。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (accounting policies applied from 1 January 2018) (Continued)

Financial liabilities (Continued)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading.

Financial liabilities are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial liability at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise, except for the gains and losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

3. 主要會計政策 (續)

金融工具 (自二零一八年一月一日起應用之會計政策) (續)

金融負債 (續)

按公平值透過損益列賬的金融負債
按公平值透過損益列賬的金融負債包括持作買賣的金融負債。

倘以於不久將來出售為目的而收購金融負債，則該等金融負債分類為持作買賣。衍生工具（包括獨立嵌入式衍生工具）亦分類為持作買賣，惟該等衍生工具被指定為有效對沖工具則除外。持作買賣負債的收益或虧損於損益內確認。

倘一項合約包括一種或以上嵌入式衍生工具，則整份混合合約可指定為按公平值透過損益列賬的金融負債，除非該嵌入式衍生工具不會對現金流量產生重大改變，或明確禁止將嵌入式衍生工具分開列賬。

在初步確認後，按公平值透過損益列賬的金融負債乃按公平值計量，公平值變動於彼等產生的期間內於損益確認，惟本集團擁有的於其他全面收入內呈列且其後不會重新分類至損益表的信貸風險產生的收益及虧損除外。於損益表內確認的公平值收益或虧損淨額並不包括就該等金融負債收取的任何利息。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (accounting policies applied from 1 January 2018) (Continued)

Financial liabilities (Continued)

Financial liabilities at amortised cost

Financial liabilities at amortised cost including service cost payables, other payables and accruals and borrowings are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

Equity instruments

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

3. 主要會計政策 (續)

金融工具 (自二零一八年一月一日起應用之會計政策) (續)

金融負債 (續)

按攤銷成本計量的金融負債

按攤銷成本計量的金融負債 (包括應付服務成本、其他應付款及應計費用以及借款) 其後採用實際利率法按攤銷成本計量。有關利息開支於損益內確認。

取消確認負債及於攤銷過程中產生的收益或虧損於損益內確認。

實際利率法

實際利率法為計算金融資產或金融負債的攤銷成本以及在有關期間內分配利息收入或利息開支的方法。實際利率為於金融資產或負債的預計年期或 (倘適用) 更短期間準確折現估計未來現金收入或付款的利率。

股本工具

本公司所發行的股本工具乃按已收款項 (扣除直接發行成本) 列賬。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (accounting policies applied from 1 January 2018) (Continued)

Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

Where the Group issues its own equity instruments to a creditor to settle a financial liability in whole or in part as a result of renegotiating the terms of that liability, the equity instruments issued are the consideration paid and are recognised initially and measured at their fair value on the date the financial liability or part thereof is extinguished. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments are measured to reflect the fair value of the financial liability extinguished. The difference between the carrying amount of the financial liability or part thereof extinguished and the consideration paid is recognised in profit or loss for the year.

Financial instruments (accounting policies applied until 31 December 2017)

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) 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 or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3. 主要會計政策 (續)

金融工具 (自二零一八年一月一日起應用之會計政策) (續)

取消確認

本集團僅於就金融資產收取未來現金流量的合約權利屆滿時，或金融資產經已轉讓，而轉讓符合香港財務報告準則第9號規定的取消確認準則時取消確認金融資產。

僅於有關合約中指定之責任解除、取消或到期時，本集團方會取消確認金融負債。

倘本集團因重新磋商負債條款而向債權人發行本身之股本工具以清償全部或部分金融負債，所發行之股本工具即所付代價，乃初步按有關金融負債（或當中部分）註銷當日之公平值確認及計量。倘已發行股本工具之公平值無法可靠計量，則計量股本工具以反映已註銷金融負債之公平值。已註銷金融負債（或當中部分）之賬面值與所付代價間之差額乃於年內在損益內確認。

金融工具 (應用至二零一七年十二月三十一日之會計政策)

當集團實體成為工具合約條文訂約方時，確認金融資產及金融負債。

金融資產及金融負債初步按公平值計量。因收購或發行金融資產及金融負債（按公平值透過損益列賬之金融資產及金融負債除外）而直接應佔之交易成本於初步確認時加入金融資產之公平值或自金融負債之公平值扣除（以適用為準）。收購按公平值透過損益列賬之金融資產或金融負債時，直接產生之交易成本即時於損益確認。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (accounting policies applied until 31 December 2017) (Continued)

Financial assets

The Group's financial assets are classified into available-for-sale financial assets, financial assets at fair value through profit or loss ("FVTPL") 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.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (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, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is (i) held for trading or (ii) it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or

3. 主要會計政策 (續)

金融工具 (應用至二零一七年十二月三十一日之會計政策) (續)

金融資產

本集團的金融資產包括可供出售金融資產、按公平值透過損益列賬(「按公平值透過損益列賬」)之金融資產及貸款及應收賬款三類。金融資產之分類乃於初步確認時按金融資產之性質及目的釐定。所有一般金融資產買賣均於交易日確認及取消確認。一般金融資產買賣指須於根據市場規則或慣例設定的時限內交付的金融資產購買或出售。

實際利率法

實際利率法乃計算債務工具的攤銷成本及按相關期間攤分利息收入的方法。實際利率為可透過相關金融資產的預計年期(或較短的年期,倘適用)準確折算其預計未來現金收入(包括所有已付出或收取,構成實際利率、交易成本及其他溢價或折讓組成部分的費用及貼息)至初步確認時的賬面淨值的利率。

就債務工具而言,利息收入按實際利息基準確認。

按公平值透過損益列賬之金融資產按公平值透過損益列賬之金融資產可細分為兩個類別, (i)持作買賣的金融資產或(ii)指定為按公平值透過損益列賬之金融資產。

在下列情況下,金融資產會分類為持作交易用途:

- 其主要以在不久將來出售為目的而收購;或

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (accounting policies applied until 31 December 2017) (Continued)

Financial assets (Continued)

Financial assets at FVTPL (Continued)

- 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.

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. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets and is included in the 'other income, gains and losses' line item.

3. 主要會計政策 (續)

金融工具 (應用至二零一七年十二月三十一日之會計政策) (續)

金融資產 (續)

按公平值透過損益列賬之金融資產 (續)

- 於初步確認後，其為本集團統一管理的可識別金融工具組合的一部分及擁有賺取短期利潤的近期實際模式；或
- 其為非指定及具有有效對沖作用的衍生工具。

金融資產 (持作交易用途的金融資產除外) 在下列情況下可於初步確認時指定為按公平值透過損益列賬：

- 所作指定會消除或大幅降低在其他情況下可能出現的計量或確認不一致現象；或
- 金融資產根據本集團之書面風險管理策略或投資策略管理，並構成一組金融資產或金融負債或二者兼具，同時按公平值評估其業績，亦按該基準向公司內部提供相關組別資料；或
- 其構成載有一種或以上嵌入式衍生工具的合約之一部分，而香港會計準則第39號允許所有經合併合約 (資產或負債) 指定為按公平值透過損益列賬。

按公平值透過損益列賬之金融資產乃按公平值計量，重新計量過程中的任何收益或虧損於損益內確認。於損益內確認的收益或虧損淨額並不包含金融資產所賺取的任何股息或利息，及計入其他收入、收益及虧損項下。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (accounting policies applied until 31 December 2017) (Continued)

Financial assets (Continued)

Available-for-sale financial assets

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

Equity and debt securities held by the Group that are classified as available-for-sale financial assets are measured at fair value at the end of each reporting period except for unquoted equity investments whose fair value cannot be reliably measured. Changes in the carrying amount of available-for-sale debt instruments relating to interest income calculated using the effective interest method, and changes in foreign exchange rates, if applicable are recognised in profit or loss. Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established. Other changes in the carrying amount of available-for-sale financial assets are recognised in other comprehensive income and accumulated under the heading of investment revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

Available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost less any identified impairment losses at the end of each reporting period (see the accounting policy in respect of impairment loss on financial assets below).

3. 主要會計政策 (續)

金融工具 (應用至二零一七年十二月三十一日之會計政策) (續)

金融資產 (續)

可供出售金融資產

可供出售金融資產為非衍生項目，無論是否指定為可供出售或劃分為(a)貸款及應收賬款；(b)持至到期投資或(c)按公平值透過損益列賬之金融資產。

本集團所持有分類為可供出售金融資產之權益及債務證券按於各報告期末之公平值計量 (除公平值未能可靠計量的無報價股本投資外)。與按實際利率法計算利息收入相關的可供出售債務工具之賬面值變動，及外幣匯率變動 (如適用) 於損益中確認。可供出售權益工具的股息於本集團收取股息的權利成立時於損益內確認。可供出售金融資產賬面值的其他變動於其他全面收入確認及累計計入投資重估儲備項下。倘投資被出售或釐定為已減值，則過往於投資重估儲備累計的累計收益或虧損重新分類至損益。

並無活躍市場報價及其公平值不能可靠計量之可供出售股本投資乃於各報告期末按成本減任何已識別減值虧損計量 (見下文有關金融資產減值虧損之會計政策)。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (accounting policies applied until 31 December 2017) (Continued)

Financial assets (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including loan receivables, restricted bank deposits, finance lease receivables, service income receivables, other receivables and deposits, deposits placed with non-bank financial institutions and cash and cash equivalents) are measured at amortised cost using the effective interest method, less any impairment (see accounting policy on impairment loss on financial assets below).

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

Impairment loss on financial assets

Financial assets of the Group, other than those at FVTPL, are assessed for indicators of impairment at the end of the 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 financial assets 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 default or delinquency in interest and principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

3. 主要會計政策 (續)

金融工具 (應用至二零一七年十二月三十一日之會計政策) (續)

金融資產 (續)

貸款及應收賬款

貸款及應收賬款為並非於活躍市場報價而具有固定或可釐定款項之非衍生金融資產。於初步確認後，貸款及應收賬款（包括應收貸款、受限制銀行存款、融資租賃應收賬款、應收服務收入、其他應收款及存款、於非銀行金融機構之存款以及現金及現金等值物）乃利用實際利息方法按攤銷成本扣除任何減值列賬（見下文有關金融資產之減值虧損之會計政策）。

利息收入按實際利率確認，惟短期應收賬款（其確認的利息將不重大）除外。

金融資產減值虧損

本集團金融資產（按公平值透過損益列賬之金融資產除外）於報告期末作減值跡象評估。倘有客觀證據證明由於一個或多個於初步確認金融資產後發生之事件，金融資產的估計未來現金流受到影響，則金融資產被視為存在減值。

對於所有其他金融資產，減值的客觀證據可能包括：

- 發行人或者對手方的重大財務困難；或
- 違反合約，例如違約或拖欠支付利息或本金；或
- 借款人可能進入破產或財務重組。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (accounting policies applied until 31 December 2017) (Continued)

Impairment loss on financial assets (Continued)

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, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets 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 the estimated future cash flows discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's 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 finance lease receivables, trade receivables and loan 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 finance lease receivable, trade receivable or loan 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.

3. 主要會計政策 (續)

金融工具 (應用至二零一七年十二月三十一日之會計政策) (續)

金融資產減值虧損 (續)

應收賬款組合出現減值之客觀證據包括本集團過往收款記錄、組合內超過平均信貸期之延後還款數目上升、以及國家或地區經濟狀況出現明顯變動導致應收賬款未能償還。

對於按攤銷成本計價的金融資產，其減值虧損金額為資產賬面值與估計未來現金流在該金融資產原先實際利率折讓下的現值間的差額。

以成本列賬的金融資產而言，減值虧損金額按資產賬面值與相若金融資產的現時退貨率折現的估計未來現金流量的現值兩者之間的差額計量，該等減值虧損於其後期間將不會撥回。

除融資租賃應收款、應收賬款及應收貸款的賬面值減少是通過計提壞賬準備外，所有金融資產的賬面值減少是直接經由減值損失導致。壞賬準備賬面值變動乃於損益內確認。當融資租賃應收款、應收賬款或應收貸款被認為不可收回，即從壞賬準備中撇銷。隨後追回以前撇銷的款項，計入損益。

對於以攤銷成本計量的金融資產，倘於隨後期間，減值虧損金額減少且此減少客觀上可關乎一件發生在減值損失確認後的事件上，之前確認的減值虧損通過損益撥回，直至減值撥回日的資產賬面值不超過減值不曾被確認情況下的攤銷成本。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (accounting policies applied until 31 December 2017) (Continued)

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity instruments in accordance with the substance of the contractual arrangements entered into 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 the Group after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash 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 liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Financial liabilities

Financial liabilities (including service cost payables, other payables and accruals, borrowings and deposits received from customers) are initially measured at fair values and subsequently measured at amortised cost using the effective interest method.

Derecognition

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 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.

3. 主要會計政策 (續)

金融工具 (應用至二零一七年十二月三十一日之會計政策) (續)

金融負債及股權工具

由集團實體發行的債務及股權工具乃按所訂立的合約安排性質，以及金融負債及股權工具的定義而分類為金融負債或股權。

股權工具

股權工具為證明本集團經扣除所有負債之後資產的剩餘權益的任何合約。本集團所發行的股權工具乃按已收款項 (扣除直接發行成本) 確認。

實際利率法

實際利率法為計算金融負債的攤銷成本以及在有關期間內分配利息開支的方法。實際利率是將估計未來現金付款 (包括已支付或收取構成實際利率組成部分之所有費用和貼息、交易費以及其他溢價或折價) 透過金融負債的預計年期或 (倘適用) 更短期間準確折現至初步確認時的賬面淨值的利率。

利息開支按實際利息基準確認。

金融負債

金融負債 (包括應付服務成本、其他應付款及應計費用、借款及已收客戶按金) 初步按公平值計量及其後採用實際利息法按攤銷成本計量。

取消確認

本集團僅於資產收取現金流量的合約權利屆滿時，或向另一實體轉讓金融資產及資產擁有權絕大部分風險及回報時取消確認金融資產。倘本集團保留已轉讓金融資產擁有權絕大部分風險及回報，本集團繼續確認金融資產，亦就已收取之所得款項確認有抵押借貸。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (accounting policies applied until 31 December 2017) (Continued)

Derecognition (Continued)

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the consideration received and receivable is recognised in profit or loss.

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

Equity-settled share-based payment transactions

Share options granted to employees

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share options reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options reserve.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to accumulated losses.

3. 主要會計政策 (續)

金融工具 (應用至二零一七年十二月三十一日之會計政策) (續)

取消確認 (續)

取消確認整個金融資產時，資產賬面值與已收及應收代價之間的差額於損益確認。

僅於有關合約中指定之責任解除、取消或到期時，本集團方會取消確認金融負債。已取消確認的金融負債賬面值與已付及應付代價間的差額於損益中確認。

股權結算以股份為基礎之付款交易

授予僱員的購股權

授予僱員之股權結算以股份為基礎之付款乃參考於授出日期股權工具之公平值而釐定。

按授出日期 (並無考慮非市場性質的歸屬條件) 之公平值來釐定的股權結算以股份為基礎之付款，按集團估計權益工具將會最終歸屬的期間以直線法支銷，並於權益中 (購股權儲備) 作相應增加。本集團會根據所有相關非市場性質的歸屬條件的評估，修訂對預期最終歸屬的股權工具數目所作的估計。於歸屬期間，修訂初始估計的影響 (如有) 在損益中確認，以使累計開支反應經修訂之估計，並相應調整購股權儲備。

行使購股權時，早前已於購股權儲備中確認之數額將轉入股份溢價。倘購股權於歸屬日期後被沒收或於屆滿日期仍未獲行使，早前已於購股權儲備中確認之數額將轉入累積損益。

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 following 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.

Impairment of finance lease receivables, contract assets and service income receivables

Before the adoption of HKFRS 9, for impairment of finance lease receivables, contract assets and service income receivables, the Group considers to make allowance for impairment based on the evaluation of recoverability by the management's judgement. A considerable amount of judgement is required by the management in assessing the recoverability of these receivables. Management has closely monitored the recoverability and ensured adequate collaterals are received from these customers. In determining the impairment for these receivables, the management considers the creditworthiness, past collection history and subsequent settlement of each customer, and also relevant deposits received, pledge of leased assets and guarantees.

4. 估計不確定性之主要來源

在應用本集團會計政策（詳情見附註3）的過程中，本公司董事須對無其他資料來源的資產及負債的賬面值作出判斷、估計及假設。估計及相關假設乃根據過往經驗及多項被視為與之有關的其他因素而作出。實際結果可能有別於此等估算。

本集團持續審閱該等估計及相關假設。對會計估計進行修訂時，倘修訂僅影響修訂估計的期間，則修訂會於該期間內確認；或倘修訂同時影響當期及未來期間，則會於修訂期間及未來期間確認。

以下為有關日後之主要假設及於報告期末之其他估計不確定性之主要來源，該等估計及假設可能會造成須對下一個財政年度內資產及負債賬面值作出重大調整之重大風險。

融資租賃應收款、合約資產及應收服務收入減值

於採納香港財務報告準則第9號前，就融資租賃應收款、合約資產及應收服務收入減值而言，本集團考慮根據管理層判斷的可收回性評估作出減值撥備。管理層評估該等應收款的可收回性時需作出大量的判斷。管理層已緊密監控可收回性及確保向該等客戶收取充足抵押品。於釐定該等應收款減值時，管理層考慮各客戶的信譽、過往收款記錄及後續結算，以及已收相關按金、租賃資產抵押及擔保。

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Impairment of finance lease receivables, contract assets and service income receivables (Continued)

Since the adoption of HKFRS 9 on 1 January 2018, the Group uses a provision of matrix to calculate ECLs for finance lease receivables, contract assets and service income receivables. The provision rates are based on days past due for groupings of various debtors that have similar loss patterns. The provision matrix is based on management's estimate of the lifetime expected credit losses to be incurred, which is estimated by taking into account the credit loss experience, ageing of overdue receivables, customers' repayment history and customers' financial position and an assessment of both the current and forecast general economic conditions, all of which involve a significant degree of management judgement.

The provision of ECLs is sensitive to changes in circumstances and of forecast general economic conditions. The information about the ECLs and the Group's finance lease receivables, contract assets and service income receivables are disclosed in notes 18 and 20 respectively. If the financial condition of the customers or the forecast economic conditions were to deteriorate, actual loss allowance would be higher than estimated.

4. 估計不確定性之主要來源 (續)

融資租賃應收款、合約資產及應收服務收入減值 (續)

自於二零一八年一月一日採納香港財務報告準則第9號後，本集團運用矩陣撥備來計算融資租賃應收款、合約資產及應收服務收入的預期信貸虧損。撥備率按具有類似虧損型態的不同債務人組別之逾期日數計算。撥備矩陣乃基於將產生的年內預期信貸虧損之管理層估算，其藉考量信貸虧損經驗、逾期應收款賬齡、客戶還款記錄和客戶財務狀況及對目前和預測大圍經濟局勢的評估來估量，當中各項均涉及重大程度的管理層判斷。

預期信貸虧損撥備對各種情況及預測大圍經濟局勢變動敏感。有關預期信貸虧損的資料和本集團融資租賃應收款、合約資產及應收服務收入分別於附註18及20披露。倘客戶的財務狀況或預測經濟狀況行將惡化，則實際虧損撥備會高於估計額。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Valuation of goodwill

During the year ended 31 December 2016, the Group acquired China Ever Grand Capital Group Limited ("Ever Grand Capital") and identified a goodwill in the acquisition. The value in use is determined based on the cash flow projection for the cash generating units ("CGUs"), discounted to their present values and requires the use of key assumptions, including the discount rate, terminal growth rate, budgeted sales and gross margin, taking into account the financial budget approved by the directors based on the management's experience from the financial leasing business and also management's expectations for the market development. During the year ended 31 December 2018, impairment loss on goodwill of HK\$63,000,000 (2017: HK\$31,000,000) has been recognised to profit or loss. Where the actual future cash flows are less than expected, or change in facts and circumstances which results in downward revision of future cash, further impairment loss may arise. As at 31 December 2018, the carrying amount of goodwill was HK\$9,373,000 (2017: HK\$72,373,000). Details of the recoverable amount calculation are disclosed in note 14.

Collectability of loan receivables

The Group makes provision for impairment of loan receivables based on assumptions about risk of default and expected credit loss. The amount of the impairment loss is measured as the difference between the loan receivables carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). During the year, impairment loss on loan receivables of HK\$29,948,000 (2017: Nil) has been recognised to profit or loss. Where the future cash flows are less than expected, a material impairment loss may arise. The aggregate carrying value of loan receivables at 31 December 2018 was HK\$167,441,000 (2017: HK\$125,036,000).

4. 估計不確定性之主要來源 (續)

商譽估值

截至二零一六年十二月三十一日止年度，本集團收購中國恆嘉資本集團有限公司（「恆嘉資本」）及於收購時識別商譽。使用價值基於現金產生單位（「現金產生單位」）之現金流預測貼現至其現值釐定，並須使用關鍵假設，包括貼現率、終端增長率、預算銷售及毛利率、考慮董事基於管理層在融資租賃行業的經驗及管理層對市場發展的預期批核的財務預算。截至二零一八年十二月三十一日止年度，於損益確認商譽減值虧損為63,000,000港元（二零一七年：31,000,000港元）。倘實際未來現金流量低於預期，或引致下調未來現金的事實及情況變動，則可能產生進一步減值虧損。於二零一八年十二月三十一日，商譽之賬面值為9,373,000港元（二零一七年：72,373,000港元）。可收回金額計算之詳情在附註14內披露。

應收貸款之可收回性

本集團基於有關違約風險及預期信貸虧損的假設對應收貸款之減值計提撥備。減值虧損金額為按應收貸款賬面值與估計未來現金流量以該金融資產原先實際利率折讓（即實際利率於初步確認時計算）的現值之間的差額計量。年內，應收貸款的減值虧損29,948,000港元（二零一七年：無）已確認至損益。倘未來現金流量低於預期，則可能產生重大減值虧損。於二零一八年十二月三十一日，應收貸款賬面總值為167,441,000港元（二零一七年：125,036,000港元）。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

5. REVENUE

Revenue represents finance lease interest income generated from financial leasing, service fee income provided to outsiders and loan interest income from provision of loan facilities.

5. 收入

收入指融資租賃產生的融資租賃利息收入、向外界所提供的服務費收入以及提供貸款融資產生的貸款利息收入。

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Continuing operations	持續經營業務		
Service fee income	服務費收入	31,384	134,510
Finance lease interest income	融資租賃利息收入	54,609	63,624
Loan interest income	貸款利息收入	4,530	-
		90,523	198,134

With the adoption of HKFRS 15 from 1 January 2018, the disaggregation of the Group's revenue from contracts with customers, including service fee income and asset management advisory service fee income, are as follows:

自二零一八年一月一日採納香港財務報告準則第15號後，本集團客戶合約收入包括服務費收入及資產管理諮詢服務費收入，分類如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Type of services	服務類型		
Advisory service fee income – at a point in time	諮詢服務費收入 – 於某一時點	25,800	134,510
Asset management advisory service fee income – over time	資產管理諮詢服務費收入 – 於一段時間內	5,584	-
Total revenue recognised from contracts with customers	就客戶合約所確認之總收入	31,384	134,510

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

6. SEGMENT INFORMATION

Information reported to the executive directors, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performance focuses on the nature of the operations of the Group.

Specifically, the Group's reportable and operating segments under HKFRS 8 Operating segments are as follows:

Financial leasing	- provision of finance lease consulting services and financing services in the PRC ("Financial Leasing Segment")
Terminal and logistics services	- loading and discharging services, storage services and leasing of terminal facilities and equipment through investment in a joint venture (Note)
Investment	- investments in securities, investment property and money lending business in Hong Kong
Others	- research and development, manufacturing and sales of food additives, new food ingredients and nutritional enhancers in the PRC ("Food Additives Business")

Note: The segment result in 2018 represented share of result of the joint venture from 1 January 2018 to 31 August 2018 (i.e. the date of the disposal), while share of result of an associate in the remaining period was separately shown in the unallocated profit or loss items.

6. 分部資料

就資源分配及分部業績評估而向執行董事(即主要營運決策者(「主要營運決策者」))所呈報之資料乃著眼於本集團營運之性質。

具體而言,本集團根據香港財務報告準則第8號經營分部劃分的可呈報及經營分部如下:

融資租賃	- 於中國提供融資租賃諮詢服務及融資服務(「融資租賃分部」)
碼頭及物流服務	- 透過於一家合營企業之投資裝卸服務、貯存服務及出租碼頭設施和設備(附註)
投資	- 於香港投資證券、投資物業及放貸業務之投資
其他	- 中國食品添加劑、新食品原料及營養強化劑的研發、生產及銷售(「食品添加劑業務」)

附註: 於二零一八年的分部業績指於二零一八年一月一日至二零一八年八月三十一日(即出售日期)分攤合營企業業績,而於餘下期間分攤一家聯營公司業績另外於未分配的損益項目中呈列。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

6. SEGMENT INFORMATION (Continued)

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segment:

For the year ended 31 December 2018

6. 分部資料 (續)

分部收入及業績

以下為本集團按可呈報及經營分部之收入及業績的分析：

截至二零一八年十二月三十一日止年度

		Continuing operations 持續經營業務				
		Financial leasing 融資租賃 HK\$'000 千港元	Terminal and logistics services 碼頭及 物流服務 HK\$'000 千港元	Investment 投資 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue	收入					
External sales	對外銷售	85,993	-	4,530	-	90,523
Segment (loss)/profit	分部(虧損)/溢利	(65,441)	37,554	(59,116)	(4,234)	(91,237)
Other income, gains and losses	其他收入、收益及虧損					4,081
Corporate expenses	企業支出					(72,846)
Other expenses	其他開支					(1,524)
Loss on disposal of partial interest in a joint venture and the grant of the call option	出售一家合營企業 部分權益及授出 認購期權之虧損					(218,793)
Gain on derecognition of subsidiaries	取消確認附屬公司之 收益					10,194
Share of result of an associate	分攤一家聯營公司 業績					10,499
Loss before taxation	除稅前虧損					(359,626)

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

6. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

For the year ended 31 December 2017

6. 分部資料 (續)

分部收入及業績 (續)

截至二零一七年十二月三十一日止年度

		Continuing operations 持續經營業務				
		Financial leasing 融資租賃 HK\$'000 千港元	Terminal and logistics services 碼頭及 物流服務 HK\$'000 千港元	Investment 投資 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue	收入					
External sales	對外銷售	198,134	-	-	-	198,134
Segment (loss) profit	分部(虧損)溢利	(10,932)	43,508	(24,298)	(367)	7,911
Other income, gains and losses	其他收入、收益及 虧損					1,642
Corporate expenses	企業支出					(38,643)
Other expenses	其他開支					(540)
Loss before taxation	除稅前虧損					(29,630)

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

6. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

The accounting policies of the reportable and operating segments are the same as the Group's accounting policies described in note 3. Segment results represent the profit earned or loss incurred by each segment without allocation of certain other income, certain other gains and losses, loss on disposal of partial interest in a joint venture and the grant of the call option, gain on disposal of subsidiaries, share result of an associate and corporate expenses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

At 31 December 2018

		Continuing operations 持續經營業務				
		Financial leasing 融資租賃 HK\$'000 千港元	Terminal and logistics services 碼頭及 物流服務 HK\$'000 千港元	Investment 投資 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment assets	分部資產	1,184,885	-	139,668	8,556	1,333,109
Interest in an associate	於一家聯營公司之權益					315,706
Unallocated corporate assets	未分配之企業資產					230,060
Consolidated assets	綜合資產					1,878,875
Segment liabilities	分部負債	885,127	-	296	396	885,819
Unallocated corporate liabilities	未分配之企業負債					65,355
Consolidated liabilities	綜合負債					951,174

6. 分部資料 (續)

分部收入及業績 (續)

可呈報及經營分部的會計政策與附註3所述之本集團會計政策一致。分部業績乃各分部賺取之溢利或產生之虧損，不包括若干其他收入、若干其他收益及虧損、出售一家合營企業部分權益及授出認購期權之虧損、出售附屬公司之收益、分攤一家聯營公司之業績及企業支出之分配。這是向主要營運決策者所報告作為資源分配及表現評估的基準。

分部資產及負債

以下為本集團按可呈報及經營分部劃分之資產及負債分析：

於二零一八年十二月三十一日

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

6. SEGMENT INFORMATION (Continued)

Segment assets and liabilities (Continued)

At 31 December 2017

6. 分部資料 (續)

分部資產及負債 (續)

於二零一七年十二月三十一日

		Continuing operations 持續經營業務				
		Financial leasing 融資租賃 HK\$'000 千港元	Terminal and logistics services 碼頭及 物流服務 HK\$'000 千港元	Investment 投資 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment assets	分部資產	1,563,881	831,256	105,177	4,090	2,504,404
Unallocated corporate assets	未分配之企業資產					80,185
Consolidated assets	綜合資產					2,584,589
Segment liabilities	分部負債	1,179,659	-	14,804	-	1,194,463
Unallocated corporate liabilities	未分配之企業負債					35,718
Consolidated liabilities	綜合負債					1,230,181

For the purposes of monitoring segment performances and allocating resources among segments:

- all assets are allocated to reportable and operating segments other than an office premise for administrative purpose, certain other receivables, certain deposits placed in non-bank financial institutions and certain cash and cash equivalents; and
- all liabilities are allocated to reportable and operating segments other than certain other payables, certain tax payables, financial liability at FVTPL and deferred tax liabilities.

為監控分部表現及在分部之間分配資源：

- 除一處用於行政目的的辦公室物業、若干其他應收款、若干存放於非銀行金融機構之存款以及若干現金及現金等值物外，所有資產均分配至可呈報及經營分部；及
- 除若干其他應付款、若干應付稅項、按公平值計入損益的金融負債及遞延稅項負債外，所有負債均分配至可呈報及經營分部。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

6. SEGMENT INFORMATION (Continued)

Other segment information

For the year ended 31 December 2018

6. 分部資料 (續)

其他分部資料

截至二零一八年十二月三十一日止年度

		Continuing operations 持續經營業務				
		Financial leasing 融資租賃 HK\$'000 千港元	Terminal and logistics services 碼頭及 物流服務 HK\$'000 千港元	Investment 投資 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Amounts charged (credited) in the measure of segment profit or loss or segment assets:	於計量分部損益或分部資產扣除(計入)的款項:					
Additions of property, plant and equipment	添置物業、廠房及設備	9	-	-	5,759	5,768
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	337	-	-	-	337
Change in fair value of equity investments at fair value through profit or loss	按公平值透過損益列賬之股本投資之公平值變動	8,824	-	37,544	-	46,368
Interest income from loan receivables	應收貸款之利息收入	(5,243)	-	(4,530)	-	(9,773)
Finance lease interest income	融資租賃利息收入	(54,609)	-	-	-	(54,609)
Interest expenses (included in cost of services)	利息開支(計入服務成本)	49,494	-	-	-	49,494
Impairment loss on goodwill	商譽減值虧損	63,000	-	-	-	63,000
Impairment loss on finance lease receivables	融資租賃應收款減值虧損	1,553	-	-	-	1,553
Impairment loss on loan receivables	應收貸款減值虧損	4,439	-	25,509	-	29,948
Share of result of a joint venture	分攤一家合營企業業績	-	(37,554)	-	-	(37,554)
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss:	定期向主要營運決策者提供但未包含於計量分部損益的款項:					
Income tax credit	所得稅抵免	(391)	-	(22)	-	(413)

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

6. SEGMENT INFORMATION (Continued)

Other segment information (Continued)

For the year ended 31 December 2017

6. 分部資料 (續)

其他分部資料 (續)

截至二零一七年十二月三十一日止年度

	Continuing operations 持續經營業務				Consolidated 綜合
	Financial leasing 融資租賃 HK\$'000 千港元	Terminal and logistics services 碼頭及 物流服務 HK\$'000 千港元	Investment 投資 HK\$'000 千港元	Others 其他 HK\$'000 千港元	
Amounts charged (credited) in the measure of segment profit or loss or segment assets:	於計量分部損益或分部資產扣除(計入)的款項:				
Addition to non-current assets (Note)	-	-	-	686	686
Additions of property, plant and equipment	17	-	-	-	17
Depreciation of property, plant and equipment	695	-	-	-	695
Change in fair value of held for trading investments	601	-	25,984	-	26,585
Interest income from loan receivables	(7,395)	-	(2,252)	-	(9,647)
Finance lease interest income	(63,624)	-	-	-	(63,624)
Interest expenses (included in cost of services)	47,017	-	-	-	47,017
Impairment loss on goodwill	31,000	-	-	-	31,000
Interest in a joint venture	-	831,236	-	-	831,236
Share of result of a joint venture	-	(43,508)	-	-	(43,508)
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss:	定期向主要營運決策者提供但未包含於計量分部損益的款項:				
Income tax expense	5,974	-	85	-	6,059

Note: Non-current assets excluded property, plant and equipment, finance lease receivables and other financial instruments.

附註: 非流動資產不包括物業、廠房及設備、融資租賃應收款及其他金融工具。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

6. SEGMENT INFORMATION (Continued)

Information about major customers

Revenue from customers of the financial leasing segment of corresponding years contributing over 10% of total sales of the Group are as follows:

		Continuing operations 持續經營業務	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Customer A	客戶甲	29,650	36,222
Customer B	客戶乙	18,678	N/A不適用 ¹
Customer C	客戶丙	9,304	N/A不適用 ¹
Customer D	客戶丁	N/A不適用 ¹	51,782
Customer E	客戶戊	N/A不適用 ¹	27,297

¹ The corresponding revenue did not contribute over 10% of the total revenue of the Group.

Geographical information

The Group's financial leasing, terminal and logistics services divisions and Food Additives Business are located in the PRC. Investment division is located in Hong Kong. Locations are determined according to principal place of operating the businesses. Except for a revenue amount of HK\$4,530,000 was generated in Hong Kong during the current year (2017: nil), the remaining amount of HK\$85,993,000 (2017: HK\$198,134,000) was generated in the PRC.

The following is an analysis of the carrying amount of non-current assets (Note) analysed by the geographical location and in which the assets are located:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
PRC	中國	331,112	904,295
Hong Kong	香港	24,304	25,471
		355,416	929,766

Note: Non-current assets excluded finance lease receivables and other financial instruments.

6. 分部資料 (續)

有關主要客戶資料

相關年度來自融資租賃分部貢獻本集團總銷售額逾10%之客戶之收入如下：

		Continuing operations 持續經營業務	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Customer A	客戶甲	29,650	36,222
Customer B	客戶乙	18,678	N/A不適用 ¹
Customer C	客戶丙	9,304	N/A不適用 ¹
Customer D	客戶丁	N/A不適用 ¹	51,782
Customer E	客戶戊	N/A不適用 ¹	27,297

¹ 相應收入並無貢獻本集團總收入逾10%。

地域資料

本集團之融資租賃、碼頭及物流服務分部以及食品添加劑業務均位於中國。投資分部則位於香港。地點乃按主要營業地點釐定。除於本年度在香港產生之金額為4,530,000港元之收入(二零一七年：無)外，餘下金額85,993,000港元(二零一七年：198,134,000港元)乃於中國產生。

以下為按資產所在地域位置分析之非流動資產(附註)賬面值的分析：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
PRC	中國	331,112	904,295
Hong Kong	香港	24,304	25,471
		355,416	929,766

附註：非流動資產不包括融資租賃應收款及其他金融工具。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

7. OTHER INCOME, GAINS AND LOSSES Continuing operations

7. 其他收入、收益及虧損 持續經營業務

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Other income	其他收入		
Interest income from loan receivables	應收貸款之利息收入	5,179	9,647
Interest income from banks and non-bank financial institutions	來自銀行及非銀行金融機構之利息收入	5,243	2,995
Dividend income from financial assets at fair value through profit or loss	來自按公平值透過損益列賬之金融資產之股息收入	1,212	-
Rental income	租金收入	-	155
Government grants (Note)	政府補助(附註)	-	4,552
Sundry income	雜項收入	216	3,414
		11,850	20,763

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

7. OTHER INCOME, GAINS AND LOSSES (Continued) Continuing operations (Continued)

7. 其他收入、收益及虧損 (續) 持續經營業務 (續)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Other gains and losses	其他收益及虧損		
Change in fair value of held for trading investments	持作買賣投資之公平值變動	-	(26,585)
Change in fair value in financial assets at fair value through profit or loss	按公平值透過損益列賬之金融資產之公平值變動	(46,368)	-
Change in fair value in financial liability at fair value through profit or loss	按公平值透過損益列賬之金融負債之公平值變動	4,848	-
Impairment loss on loan receivables	應收貸款減值虧損	(29,948)	-
Impairment loss on finance lease receivables	融資租賃應收款之減值虧損	(1,553)	-
Impairment loss on other receivables	其他應收款減值虧損	(800)	-
Net foreign exchange losses	匯兌虧損淨額	(1,047)	(168)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	-	(132)
Gain on derecognition of subsidiaries	取消確認附屬公司之收益	10,194	-
Others	其他	(3,000)	-
		(67,674)	(26,885)

Note: The amount represents government subsidies from local finance bureau which are calculated by reference to the amount of tax paid and based on fulfilment of certain conditions in accordance with the rules and regulations issued by the local government.

附註：該款項指來自地方財政局之政府補貼，乃參照已付稅款及按照地方政府所頒佈規則及法規之若干條件達成情況計算。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

8. DIRECTORS, CHIEF EXECUTIVE AND EMPLOYEES EMOLUMENTS

Directors and chief executive emoluments

The emolument paid or payable to each of the directors and chief executives were as follows:

8. 董事、主要行政人員及僱員薪酬

董事及主要行政人員薪酬

已付或應付各董事及主要行政人員之薪酬如下：

		For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度					
		Fees	Salaries and other benefits	Discretionary bonus	Share-based payments	Retirement benefits contributions	Total
		袍金	薪金及其他福利	酌情花紅	以股份為基礎之支付	退休福利計劃供款	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (Note 4) (附註4)	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Executive Directors	執行董事						
Mr. Wong Lik Ping	王力平先生	-	5,220	31,305	-	18	36,543
Mr. Lai Ka Fai (Note 1)	黎嘉輝先生(附註1)	-	1,885	460	-	18	2,363
Mr. Tao Ke	陶可先生	-	1,200	300	-	18	1,518
Mr. Qiao Weibing	喬衛兵先生	-	1,766	150	-	18	1,934
Sub-total	小計	-	10,071	32,215	-	72	42,358
Non-executive Director	非執行董事						
Ms. Yeung Sau Han Agnes (Note 3)	楊秀嫻女士(附註3)	-	154	-	-	-	154
Sub-total	小計	-	154	-	-	-	154
Independent non-executive Directors	獨立非執行董事						
Mr. Goh Choo Hwee	吳慈飛先生	180	-	100	-	-	280
Mr. U Keng Tin	余擎天先生	180	-	100	-	-	280
Mr. Ho Hin Yip	何衍業先生	180	-	100	-	-	280
Sub-total	小計	540	-	300	-	-	840
Total	總計	540	10,225	32,515	-	72	43,352

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

8. DIRECTORS, CHIEF EXECUTIVE AND EMPLOYEES EMOLUMENTS (Continued)

Directors and chief executive emoluments (Continued)

8. 董事、主要行政人員及僱員薪酬 (續)

董事及主要行政人員薪酬 (續)

For the year ended 31 December 2017
截至二零一七年十二月三十一日止年度

		Fees	Salaries and other benefits	Discretionary bonus	Share-based payments	Retirement benefits contributions	Total
		袍金	薪金及其他福利	酌情花紅	以股份為基礎之付款	退休福利計劃供款	總計
		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
				(Note 4)			
				(附註4)			
Executive Directors	執行董事						
Mr. Wong Lik Ping	王力平先生	-	5,610	2,584	-	18	8,212
Mr. Lai Ka Fai (Note 1)	黎嘉輝先生 (附註1)	-	1,475	452	-	18	1,945
Mr. Tao Ke	陶可先生	-	1,200	150	-	18	1,368
Mr. Qiao Weibing	喬衛兵先生	-	1,896	75	-	18	1,989
Sub-total	小計	-	10,181	3,261	-	72	13,514
Chief executive	行政總裁						
Mr. Liu Bing (Note 1)	劉冰先生 (附註1)	-	2,454	-	-	17	2,471
Non-executive Directors	非執行董事						
Mr. Cheng Kwok Woo (Note 2)	鄭國和先生 (附註2)	-	-	-	-	-	-
Ms. Yeung Sau Han Agnes (Note 3)	楊秀嫻女士 (附註3)	-	260	-	-	-	260
Sub-total	小計	-	260	-	-	-	260
Independent non-executive Directors	獨立非執行董事						
Mr. Goh Choo Hwee	吳慈飛先生	180	-	23	-	-	203
Mr. U Keng Tin	余擎天先生	180	-	23	-	-	203
Mr. Ho Hin Yip	何衍業先生	180	-	23	-	-	203
Sub-total	小計	540	-	69	-	-	609
Total	總計	540	12,895	3,330	-	89	16,854

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

8. DIRECTORS, CHIEF EXECUTIVE AND EMPLOYEES EMOLUMENTS (Continued)

Directors and chief executive emoluments (Continued)

Notes:

- (1) Mr. Lai Ka Fai, the existing executive director of the Company, has taken up the position of chief executive officer in place of Mr. Liu Bing with effect from 6 November 2017.
- (2) Mr. Cheng Kwok Woo resigned as a non-executive director of the Company with effect from 1 June 2017.
- (3) Ms. Yeung Sau Han Agnes resigned as a non-executive director of the Company with effect from 3 August 2018.
- (4) The discretionary bonus is based on operating appraisal results and basic salary of each director with reference to the contribution to the Group for the annual operating results and the individual performance.

Employee emoluments

The five highest paid employees of the Group during the year included four directors (2017: three directors and one chief executive), details of whose remuneration are set out above. Details of the remuneration for the year of the remaining one (2017: one) highest paid employee who is neither a director nor chief executive of the Company is as follow:

8. 董事、主要行政人員及僱員薪酬 (續)

董事及主要行政人員薪酬 (續)

附註：

- (1) 本公司現任執行董事黎嘉輝先生已取代劉冰先生出任行政總裁職位，自二零一七年十一月六日起生效。
- (2) 鄭國和先生辭任本公司非執行董事，自二零一七年六月一日起生效。
- (3) 楊秀嫻女士辭任本公司非執行董事，自二零一八年八月三日起生效。
- (4) 酌情花紅乃根據經營評價結果及各董事之基本薪金，參照本集團之年度經營業績之貢獻及個人表現釐定。

僱員薪酬

年內，本集團5名最高薪僱員包括4名董事（二零一七年：3名董事及1名主要行政人員），彼等薪酬詳情載於上文。餘下1名（二零一七年：1名）並非本公司董事或主要行政人員的最高薪僱員年內薪酬詳情如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	1,300	518
Discretionary bonus	酌情花紅	-	972
Retirement benefits scheme contributions	退休福利計劃供款	18	28
		1,318	1,518

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

8. DIRECTORS, CHIEF EXECUTIVE AND EMPLOYEES EMOLUMENTS (Continued)

Employee emoluments (Continued)

The number of the highest paid employees who are not the directors and chief executive of the Company whose remuneration fell within the following bands is as follow:

		2018 二零一八年 No. of employee 僱員人數	2017 二零一七年 No. of employee 僱員人數
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	-
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	-	1

During the year, no emoluments were paid by the Group to any of the directors or chief executive as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors waived any emoluments for both years.

9. TAXATION

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 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	-	-
PRC Enterprise Income Tax ("EIT")	中國企業所得稅 (「企業所得稅」)	-	4,612
PRC withholding tax	中國預扣稅	23,035	1,084
		23,035	5,696
Overprovision in prior year:	過往年度過度撥備：		
Hong Kong Profits Tax	香港利得稅	(22)	(16)
Deferred tax (credit)/expense for current year	本年度遞延稅項(抵免)/開支	(9,545)	379
Taxation for the year	本年度稅項	13,468	6,059

8. 董事、主要行政人員及僱員薪酬 (續)

僱員薪酬 (續)

並非本公司董事及主要行政人員、其酬金屬於下列範圍內的最高薪僱員人數如下：

年內，本集團概無向任何董事或主要行政人員支付任何薪酬作為其加入或加入本集團後之獎勵或作為離職補償。概無董事放棄兩個年度內之任何酬金。

9. 稅項

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

9. TAXATION (Continued)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit.

EIT is calculated at 25% of the estimated assessable profits of subsidiaries operating in the PRC.

PRC withholding tax represents withholding tax on the estimated capital gain tax arising from the disposal of partial interest in a joint venture as well as the dividend received from a PRC subsidiary.

The taxation for the year can be reconciled to the loss before taxation per the consolidated statement of profit or loss as follow:

9. 稅項 (續)

香港利得稅按估計應課稅溢利之16.5%計算。

企業所得稅按於中國經營之附屬公司之估計應課稅溢利之25%計算。

中國預扣稅指出售一家合營企業部分權益產生之估計資本增值稅以及已收一家中國附屬公司股息之預扣稅。

綜合損益表之本年度稅項與除稅前虧損對賬如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loss before tax for the year from continuing operations	來自持續經營業務之本年度除稅前虧損	(359,626)	(29,630)
Tax at the domestic income tax rate (note)	按國內所得稅稅率計算之稅項(附註)	(62,197)	(3,214)
Tax effect of expenses not deductible for tax purpose	就稅務而言不可扣減支出之稅務影響	51,161	12,477
Tax effect of income not taxable for tax purpose	就稅務而言毋須課稅收入之稅務影響	(2,773)	(2,397)
Tax effect on share of result of a joint venture	分佔一家合營企業業績之稅務影響	(6,196)	(7,179)
Tax effect on share of result of an associate	分攤一家聯營公司之稅務影響	(1,732)	-
Tax effect of withholding tax at 5% on the distributable profits of the Group's associate	對本集團聯營公司之可分配溢利按5%計繳預扣稅之稅務影響	(8,897)	-
Withholding tax on capital gain on share transfer of partial interest in a joint venture	一家合營企業部分權益之股份轉讓產生資本增值之預扣稅	22,778	-
Overprovision in prior year	過往年度超額撥備	(22)	(16)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	21,346	6,388
Taxation for the year	本年度稅項	13,468	6,059

Note: The domestic tax rate applicable to profits in the tax jurisdictions concerned is used.

附註：採用有關稅務管轄區的溢利適用國內稅率。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

10. LOSS FOR THE YEAR

10. 本年度虧損

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loss for the year from continuing operations is arrived at after charging:	來自持續經營業務之本年度虧損 乃經扣除下列各項後達致：		
Auditor's remuneration	核數師酬金	1,500	1,100
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	1,824	1,787
Interest expenses (included in cost of services)	利息開支(計入服務成本)	49,494	47,017
Minimum lease payment in respect of rental premises	租賃物業之最低租賃付款	4,861	4,039
Staff costs:	員工成本：		
Directors' and chief executive's emoluments	董事及主要行政人員酬金	43,352	16,854
Other staff costs	其他員工成本		
– Salaries and other benefits	– 薪金及其他福利	23,018	25,940
– Retirement benefits scheme contributions	– 退休福利計劃供款	1,635	2,159
		68,005	44,953

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

11. LOSS PER SHARE

For continuing operations

The calculation of the basic and diluted loss per share from continuing operations attributable to the owners of the Company is based on the following data:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loss	虧損		
Loss for the year attributable to the owners of the Company	本公司擁有人應佔之本年度虧損	(372,098)	(42,654)
Less: Loss for the year from discontinued operation	減：來自已終止經營業務之本年度虧損	-	114
Loss for the purpose of basic and diluted loss per share from continuing operations	藉以計算來自持續經營業務之每股基本及攤薄虧損之虧損	(372,098)	(42,540)

		2018 二零一八年 '000 千股	2017 二零一七年 '000 千股
Number of shares	股份數目		
Number of ordinary shares for the purpose of basic loss per share	藉以計算每股基本虧損之普通股數目	11,919,198	11,919,198
Number of ordinary shares for the purpose of diluted loss per share	藉以計算每股攤薄虧損之普通股數目	11,919,198	11,919,198

The computation of diluted loss per share for the years ended 31 December 2018 and 2017 does not assume the exercise of share options granted by the Company as the exercise price of those options was higher than the average market price for shares.

11. 每股虧損

持續經營業務

本公司擁有人應佔來自持續經營業務之每股基本及攤薄虧損乃根據以下數據計算：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loss	虧損		
Loss for the year attributable to the owners of the Company	本公司擁有人應佔之本年度虧損	(372,098)	(42,654)
Less: Loss for the year from discontinued operation	減：來自已終止經營業務之本年度虧損	-	114
Loss for the purpose of basic and diluted loss per share from continuing operations	藉以計算來自持續經營業務之每股基本及攤薄虧損之虧損	(372,098)	(42,540)

		2018 二零一八年 '000 千股	2017 二零一七年 '000 千股
Number of shares	股份數目		
Number of ordinary shares for the purpose of basic loss per share	藉以計算每股基本虧損之普通股數目	11,919,198	11,919,198
Number of ordinary shares for the purpose of diluted loss per share	藉以計算每股攤薄虧損之普通股數目	11,919,198	11,919,198

計算截至二零一八年及二零一七年十二月三十一日止年度之每股攤薄虧損時並未假設本公司所授出購股權被行使的因素，乃由於該等購股權的行使價高於股份的平均市價。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

11. LOSS PER SHARE (Continued)

For continuing and discontinued operations

The calculation of the basic and diluted loss per share from continuing and discontinued operations attributable to the owners of the Company is based on the following data:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loss	虧損		
Loss for the purpose of basic and diluted loss per share (loss for the year attributable to owners of the Company)	藉以計算每股基本及攤薄虧損之虧損(本公司擁有人應佔之本年度虧損)	(372,098)	(42,654)

The denominators used are the same as those detailed above.

For discontinued operation

Basic and diluted loss per share for the discontinued operation is HK\$Nil cent per share (2017: basic loss per share is HK\$0.001 cent per share), based on the loss for the year from the discontinued operation of HK\$Nil (2017: HK\$114,000) and the denominators detailed above.

12. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the year ended 31 December 2018, nor had any dividend been proposed since the end of the reporting period (2017: Nil).

11. 每股虧損 (續)

持續及已終止經營業務

本公司擁有人應佔來自持續及已終止經營業務之每股基本及攤薄虧損乃基於下列數據計算：

已終止經營業務

已終止經營業務之每股基本及攤薄虧損為每股零港仙(二零一七年：每股基本虧損為每股0.001港仙)，根據來自已終止經營業務之本年度虧損零港元(二零一七年：114,000港元)及上文詳述之分母計算得出。

12. 股息

本公司於截至二零一八年十二月三十一日止年度概無向本公司普通股股東派付或擬派任何股息，於報告期末後亦無建議派付任何股息(二零一七年：無)。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

		Leasehold improvement, land and buildings	Leasehold improvement, furniture and fixtures	Plant, machinery and equipment	Motor vehicles	Total
	租賃 土地及樓宇	租賃物業 裝修、傢具 及裝置	廠房、機器 及設備	汽車	總計	
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
COST	成本					
At 1 January 2017	於二零一七年一月一日	-	58	495	3,206	3,759
Exchange differences	匯兌差額	-	-	80	1,360	1,440
Additions	添置	-	-	17	-	17
Disposals	出售	-	-	(69)	(3,090)	(3,159)
Transfer from investment properties	轉撥自投資物業	26,200	-	-	-	26,200
At 31 December 2017	於二零一七年十二月 三十一日	26,200	58	523	1,476	28,257
Exchange differences	匯兌差額	-	-	(44)	(3)	(47)
Additions	添置	-	6	5,762	320	6,088
Disposals	出售	-	-	(22)	(243)	(265)
At 31 December 2018	於二零一八年 十二月三十一日	26,200	64	6,219	1,550	34,033

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

13. PROPERTY, PLANT AND EQUIPMENT (Continued)

13. 物業、廠房及設備 (續)

		Leasehold land and buildings	Leasehold improvement, furniture and fixtures 租賃物業 裝修、傢具 及裝置	Plant, machinery and equipment 廠房、機器 及設備	Motor vehicles 汽車	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
DEPRECIATION AND IMPAIRMENT 折舊及減值						
At 1 January 2017	於二零一七年一月一日	-	45	214	1,844	2,103
Exchange differences	匯兌差額	-	-	(38)	1,275	1,237
Charge for the year	本年度支出	873	8	110	796	1,787
Eliminated on disposal	出售時撇銷	-	-	(19)	(3,008)	(3,027)
At 31 December 2017	於二零一七年 十二月三十一日	873	53	267	907	2,100
Exchange differences	匯兌差額	-	-	19	(46)	(27)
Charge for the year	本年度支出	1,310	-	92	422	1,824
Eliminated on disposal	出售時撇銷	-	-	(21)	(181)	(202)
At 31 December 2018	於二零一八年 十二月三十一日	2,183	53	357	1,102	3,695
CARRYING AMOUNTS 賬面值						
At 31 December 2018	於二零一八年 十二月三十一日	24,017	11	5,862	448	30,338
At 31 December 2017	於二零一七年 十二月三十一日	25,327	5	256	569	26,157

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

13. PROPERTY, PLANT AND EQUIPMENT (Continued)

Property, plant and equipment are depreciated on their costs less their residual values on a straight-line basis over their estimated useful lives as follows:

Leasehold land and buildings	20 years
Leasehold improvements, furniture and fixtures	3 to 5 years or over lease term, whichever is shorter
Plant, machinery and equipment	5 to 10 years
Motor vehicles	3 to 8 years

The leasehold land and buildings are held under medium term leases and are situated in Hong Kong.

14. GOODWILL

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cost	成本		
At 1 January and 31 December	於一月一日及十二月三十一日	103,373	103,373
Accumulated impairment losses	累計減值虧損		
At 1 January	於一月一日	(31,000)	-
Impairment losses recognised in the year	年內所確認的減值虧損	(63,000)	(31,000)
At 31 December	於十二月三十一日	(94,000)	(31,000)
Carrying value as at 31 December	於十二月三十一日的賬面值	9,373	72,373

For the purposes of impairment testing, goodwill has been allocated to certain cash generating units ("CGUs"), comprising all subsidiaries in the Financial Leasing Segment.

13. 物業、廠房及設備 (續)

物業、廠房及設備以其成本減去剩餘價值後按直線法於其估計可使用年期限內折舊如下：

租賃土地及樓宇	20年
租賃物業裝修、傢具及裝置	3至5年或於租期內(以較短者為準)
廠房、機器及設備	5至10年
汽車	3至8年

租賃土地及樓宇根據中期租約持有並位於香港。

14. 商譽

為作減值測試，商譽已分配至若干現金產生單位（「現金產生單位」），包括融資租賃分部之所有附屬公司。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

14. GOODWILL (Continued)

During the year ended 31 December 2018, the Group recognised an impairment loss of HK\$63,000,000 (2017: HK\$31,000,000) in relation to the goodwill due to an unfavorable change in the market conditions in the PRC which lowered the management's expectation in respect to the expected lease volume and overall profitability in the future.

The basis of the recoverable amount of the CGUs of Financial Leasing Segment and its major underlying assumptions are summarised below:

As at 31 December 2018, the recoverable amount of the Financial Leasing Segment was HK\$9,373,000 (2017: HK\$72,373,000), which has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a 5-year period (2017: 4-year period), and pre-tax discount rate of 14.32% (2017: 13.57%). The Financial Leasing Segment's cash flows beyond the 5-year period (2017: 4-year period) are extrapolated using a steady 3% (2017: 2.5%) growth rate. This growth rate is based on the relevant industry growth forecasts and does not exceed the average long-term growth rate for the relevant industry. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted revenue and gross profit, such estimation is based on the unit's past performance and management's expectations for the market development. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of the Financial Leasing Segment to exceed the aggregate recoverable amount of the Financial Leasing Segment.

14. 商譽 (續)

截至二零一八年十二月三十一日止年度，本集團已確認有關商譽之減值虧損為63,000,000港元（二零一七年：31,000,000港元），乃由於中國市場環境的不利變動致使管理層對預期租賃數量及未來整體盈利能力之預期均有所降低。

融資租賃分部的現金產生單位之可收回金額之計算基準及其主要相關假設概述如下：

於二零一八年十二月三十一日，融資租賃分部之可收回金額為9,373,000港元（二零一七年：72,373,000港元），已根據使用價值之計算而釐定。該計算使用根據經管理層批准之五年期（二零一七年：四年期）財政預算編製之現金流量預測及稅前貼現率14.32%（二零一七年：13.57%）。超過五年期（二零一七年：四年期）之融資租賃分部之現金流量採用3%（二零一七年：2.5%）之穩定增長率進行推算。此增長率乃根據有關行業增長預測釐定，且不超過有關行業之長期平均增長率。使用價值計算採用之其他主要假設與現金流入／流出（包括收入預算及毛利）估計相關，現金流入／流出估計乃根據單位之過往表現及管理層對市場發展之預期。管理層相信，任何該等假設之任何合理潛在變動都不會造成融資租賃分部賬面總值超過該分部可收回之總額。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

15. INTEREST IN A JOINT VENTURE

Details of the Group's investment in a joint venture are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cost of investment in a joint venture, unlisted	於一家合營企業之投資成本，非上市	-	594,056
Share of post-acquisition profits, net of dividends received	分佔收購後溢利（扣除已收股息）	-	237,180
		-	831,236

Details of the Group's joint venture at the end of the reporting period are as follow:

Name of entity 實體名稱	Nominal value of registered capital 註冊資本之面值	Form of business structure and country of registration and operation 業務結構形式以及註冊及經營國家	Proportion of nominal value of registered capital held by the Group 本集團所持註冊資本之面值比例		Proportion of voting rights held by the Group 本集團所持投票權比例		Principal activities 主要業務
			2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年	
Rizhao Lanshan Wansheng Harbour Company Limited ("Rizhao Lanshan") (Note a)	RMB430,000,000	Sino-foreign joint venture company, PRC	-	50%	-	50%	50% Loading and discharging services, storage services and leasing of terminal facilities and equipment
日照嵐山萬盛港業有限公司(「日照嵐山」)(附註a)	人民幣430,000,000元	中外合營企業，中國					裝卸服務、貯存服務及出租碼頭設施和設備

Notes:

- (a) The Group indirectly owned 50% of the equity interests in Rizhao Lanshan. Rizhao Lanshan is a Sino-foreign joint venture company established in the PRC and engaged in provision of terminal and logistics services including loading and discharging, storage and transfer of iron ore, steel products, timber and other goods and leasing of terminal facilities and equipment in Lanshan Harbour, Rizhao Port, Shandong Province of the PRC.

15. 於一家合營企業之權益

本集團於一家合營企業之投資詳情如下：

本集團的合營企業於報告期末詳情如下：

附註：

- (a) 本集團間接擁有日照嵐山50%之股權。日照嵐山乃一家於中國成立之中外合營企業，從事為中國山東省日照港嵐山港提供碼頭和物流服務，包括裝卸及轉存鐵礦石、鋼製產品、木材及其他物品，以及出租碼頭設施和設備。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

15. INTEREST IN A JOINT VENTURE (Continued)

Summarised financial information of the joint venture

Summarised financial information in respect of the Group's joint venture is set out below.

The joint venture is accounted for using the equity method in these consolidated financial statements.

Rizhao Lanshan

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current assets	流動資產	-	263,523
Non-current assets	非流動資產	-	1,791,782
Current liabilities	流動負債	-	(223,484)
Non-current liabilities	非流動負債	-	(249,247)

The above amounts of assets and liabilities include the following:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cash and cash equivalents	現金及現金等值物	-	56,557
Current financial liabilities (excluding trade and other payables and provisions)	流動金融負債(不包括應付 賬款及其他應付款及撥備)	-	(222,404)
Non-current financial liabilities (excluding trade and other payables and provisions)	非流動金融負債(不包括應付 賬款及其他應付款及撥備)	-	(195,714)

15. 於一家合營企業之權益 (續) 合營企業之財務資料概要

有關本集團合營企業之財務資料概要載於下文。

合營企業於該等綜合財務報表內乃以權益法入賬。

日照嵐山

上述資產及負債金額包括以下各項：

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

15. INTEREST IN A JOINT VENTURE (Continued)

Summarised financial information of the joint venture

(Continued)

Rizhao Lanshan (Continued)

		2018 二零一八年 HK\$'000 千港元 (Note) (附註)	2017 二零一七年 HK\$'000 千港元
Revenue	收入	316,097	456,969
Profit for the year and total comprehensive income for the year	本年度溢利及本年度全面收益總額	76,763	87,016
Dividends received from the joint venture during the year	本年度已收合營企業之股息	-	-

The above profit for the year includes the following:

上述本年度溢利包括以下各項：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Depreciation and amortisation	折舊及攤銷	(32,899)	(76,056)
Interest income	利息收入	92	54
Interest expense	利息開支	(10,226)	(20,531)
Income tax expense	所得稅開支	(26,544)	(24,946)

Note: The financial information in 2018 represents the result of a joint venture for the period from 1 January 2018 to 31 August 2018 (completion date of disposal).

附註：二零一八年財務資料指於自二零一八年一月一日起至二零一八年八月三十一日（完成出售日期）止期間分攤一家合營企業之業績。

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15. INTEREST IN A JOINT VENTURE (Continued)

Summarised financial information of the joint venture

(Continued)

Rizhao Lanshan (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Rizhao Lanshan recognised in the consolidated financial statements is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Net assets	資產淨值	-	1,582,574
Proportion of the Group's ownership interest in Rizhao Lanshan	本集團於日照嵐山之擁有權權益之比例	-	50%
Goodwill	商譽	-	791,287 39,949
Carrying amount of the Group's interest in Rizhao Lanshan	本集團於日照嵐山之權益之賬面值	-	831,236

15. 於一家合營企業之權益 (續)

合營企業之財務資料概要

(續)

日照嵐山 (續)

上述財務資料概要與綜合財務報表內所確認於日照嵐山之權益之賬面值對賬如下：

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16. INTEREST IN AN ASSOCIATE

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Unlisted investment at cost (note 35a)	按成本計量之非上市投資 (附註35a)	305,607	-
Share of post-acquisition profit	分攤收購後溢利	10,499	-
Exchange difference	匯兌差額	(401)	-
		315,705	-

As at 31 December 2018, particulars of the associate are as follows:

於二零一八年十二月三十一日，聯營公司的詳情如下：

Name of associate 聯營公司名稱	Place of incorporation/ registration and operations and kind of legal entity 註冊成立／註冊及 營業地點及法律實體種類	Nominal value of registered Capital 註冊資本之 面值	Interest held indirectly 間接持有之 權益	Principal activities 主要業務
Rizhao Lanshan 日照嵐山	Sino-foreign enterprise, PRC 中外合營企業，中國	RMB430,000,000 人民幣 430,000,000元	25%	Loading and discharging services, storage services and leasing of terminal facilities and equipment 裝卸服務、貯存服務 及出租碼頭設施和 設備

The Group indirectly owns 25% of the equity interests in Rizhao Lanshan after the partial disposal as disclosed in note 35(a). Rizhao Lanshan is a Sino-foreign enterprise established in the PRC and engaged in provision of terminal and logistics services including loading and discharging, storage and transfer of iron ore, steel products, timber and other goods and leasing of terminal facilities and equipment in Lanshan Harbour, Rizhao Port, Shandong Province of the PRC.

誠如附註35(a)所披露部分出售後，本集團間接擁有日照嵐山25%之股權。日照嵐山乃一家於中國成立之中外合營企業，從事為中國山東省日照港嵐山港提供碼頭和物流服務，包括裝卸及轉存鐵礦石、鋼製產品、木材及其他物品，以及出租碼頭設施和設備。

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16. INTEREST IN AN ASSOCIATE (Continued)

Summarised financial information of associate

Summarised financial information in respect of the Group's associate is set out below.

The associate is accounted for using the equity method in these consolidated financial statements.

Rizhao Lanshan

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current assets	流動資產	211,930	-
Non-current assets	非流動資產	1,474,034	-
Current liabilities	流動負債	(83,480)	-
Non-current liabilities	非流動負債	(119,532)	-

The above amounts of assets and liabilities include the following:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cash and cash equivalents	現金及現金等值物	64,663	-
Current financial liabilities (excluding trade and other payables and provisions)	流動金融負債(不包括應付 賬款及其他應付款及撥備)	(72,885)	-
Non-current financial liabilities (excluding trade and other payables and provisions)	非流動金融負債(不包括應付 賬款及其他應付款及撥備)	(119,532)	-

16. 於一家聯營公司之權益 (續) 聯營公司之財務資料概要

有關本集團聯營公司之財務資料概要載於下文。

聯營公司於該等綜合財務報表內乃以權益法入賬。

日照嵐山

上述資產及負債金額包括以下各項：

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16. INTEREST IN AN ASSOCIATE (Continued)

Summarised financial information of the associate (Continued)

Rizhao Lanshan (Continued)

		2018 二零一八年 HK\$'000 千港元 (Note) (附註)	2017 二零一七年 HK\$'000 千港元
Revenue	收入	139,609	-
Profit for the year and total comprehensive income for the year	本年度溢利及本年度全面收益總額	40,342	-
Dividends received from the associate during the year	本年度已收聯營公司之股息	-	-

The above profit for the year includes the following:

上述本年度溢利包括以下各項：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Depreciation and amortisation	折舊及攤銷	(15,341)	-
Interest income	利息收入	92	-
Interest expense	利息開支	(3,730)	-
Income tax expense	所得稅開支	(7,928)	-

Note: The financial information in 2018 represents the result in an associate for the period from 1 September 2018 to 31 December 2018.

附註：二零一八年財務資料指於自二零一八年九月一日起至二零一八年十二月三十一日止期間分攤一家聯營公司之業績。

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17. EQUITY INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME/AVAILABLE-FOR-SALE INVESTMENTS

17. 按公平值透過其他全面收入列賬之股本投資／可供出售投資

		NOTE 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Unlisted investments	非上市投資			
– Equity securities (measured at cost less impairment)	– 股本證券（按成本減去減值計量）	(i)	–	24,014
– Equity securities (measured at fair value)	– 股本證券（按公平值計量）	(i)	35,174	–
– Wealth management products (measured at fair value)	– 理財產品（按公平值計量）	(ii)	–	53,082
			35,174	77,096
Equity investments at fair value through other comprehensive income	按公平值透過其他全面收入列賬之股本投資		35,174	–
Available-for-sale investments	可供出售投資		–	77,096

Notes:

- (i) The above unlisted equity investments represent investments in unlisted equity securities issued by private entities established in the PRC. They were designated as equity investments at fair value through other comprehensive income as the investments are held for long term strategic purposes. They were measured at fair value in the manner described in note 32.
- (ii) The above unlisted wealth management products represented wealth management products launched by financial institutions. They were measured at fair value in the manner described in note 32.

In the opinion of the directors of the Company, the above investments are not expected to be realised within one year from the end of the year.

附註：

- (i) 上述非上市股本投資指投資於中國成立之私營實體所發行之非上市股本證券。由於投資持作長期戰略目的，該等非上市股本投資則指定為按公平值透過其他全面收入列賬之股本投資。該等投資按附註32所述方式以公平值計量。
- (ii) 上述非上市理財產品指金融機構發放的理財產品。該等理財產品按附註32中所述方法按公平值釐定。

本公司董事認為，上述投資預計自年底起一年內無法變現。

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18. FINANCE LEASE RECEIVABLES/DEPOSITS RECEIVED FROM CUSTOMERS

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Finance lease receivables	融資租賃應收款	850,954	1,080,680
Less: Provision for impairment losses	減：減值虧損撥備	(1,493)	-
		849,461	1,080,680

Leasing arrangements

Certain of the Group's machinery and equipment are leased out under finance leases. All leases are denominated in RMB. The average term of finance leases entered into is 4 years (2017: 3.5 years).

租賃安排

本集團之若干機器及設備乃根據融資租賃租出。所有租賃均以人民幣計值。訂立融資租賃之平均期限為4年（二零一七年：3.5年）。

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current finance lease receivables	非即期融資租賃應收款	422,157	602,643
Current finance lease receivables	即期融資租賃應收款	427,304	478,037
		849,461	1,080,680

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18. FINANCE LEASE RECEIVABLES/DEPOSITS RECEIVED FROM CUSTOMERS (Continued)

Amounts receivable under finance leases

		Minimum lease payments 最低租賃付款		Present value of lease payments 租賃付款之現值	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Not later than one year	不超過一年	459,423	518,710	427,304	478,037
Later than one year and not later than two years	超過一年但不超過兩年	225,942	333,528	208,707	309,093
Later than two years and not later than five years	超過兩年但不超過五年	241,410	305,398	213,450	293,550
Less: unearned finance income	減：未賺取融資收入	926,775 (77,314)	1,157,636 (76,956)	849,461 -	1,080,680 N/A 不適用
Present value of minimum lease payments receivable	應收最低租賃付款之現值	849,461	1,080,680	849,461	1,080,680

The Group's finance lease receivables are denominated in RMB. The effective interest rates of the finance leases as at 31 December 2018 range from 4.28% to 8.00% (2017: 4.28% to 6.30%) per annum.

As at 31 December 2018, finance lease receivables amounting to HK\$701,931,000 (2017: HK\$866,925,000) were guaranteed by related parties of customers and secured by the leased assets and/or customers' deposits.

There was no unguaranteed residual value in connection with finance lease arrangements or contingent lease arrangements that needed to be recorded as at the end of the reporting period.

As at 31 December 2018, the finance lease receivables with carrying amounts of HK\$511,249,000 (2017: HK\$656,169,000) were pledged as security for the Group's borrowings (Note 24).

18. 融資租賃應收款／已收客戶按金 (續)

融資租賃項下應收款

本集團之融資租賃應收款以人民幣計值。於二零一八年十二月三十一日，融資租賃之實際年利率介乎4.28%至8.00%（二零一七年：4.28%至6.30%）。

於二零一八年十二月三十一日，融資租賃應收款701,931,000港元（二零一七年：866,925,000港元）由客戶之關聯方擔保並以租賃資產及／或客戶之存款作抵押。

於報告期末，並無有關融資租賃安排或或然租賃安排之未擔保剩餘價值需予入賬。

於二零一八年十二月三十一日，賬面值為511,249,000港元（二零一七年：656,169,000港元）之融資租賃應收款已被質押作為本集團借款之抵押（附註24）。

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18. FINANCE LEASE RECEIVABLES/DEPOSITS RECEIVED FROM CUSTOMERS (Continued)

Amounts receivable under finance leases (Continued)

Estimates of fair value of collateral are made during the credit approval process. These estimates of valuations are made at the inception of finance lease, and generally not updated except when the receivable is individually impaired. When a finance lease receivable is identified as impaired, the corresponding fair value of collateral of that receivable is updated by reference to market value such as recent transaction price of the assets.

At the end of the reporting period, with the consent from the relevant lessees, certain of these assets have been repledged to secure borrowings of the Group.

Except for the impairment of the finance lease receivables of HK\$1,493,000, the remaining amounts at the end of the reporting period are neither past due nor impaired. Movements in the provision for impairment loss are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Balance at beginning of year	年初結餘	-	-
Impairment loss recognised for the year	年內已確認減值虧損	1,553	-
Exchange difference	匯兌差額	(60)	-
Balance at end of year	年末結餘	1,493	-

18. 融資租賃應收款／已收客戶按金 (續)

融資租賃項下應收款 (續)

於信貸審批過程中，對抵押品之公平值作出估計。該等估值之估計乃於設立融資租賃時作出，並通常不作更新，除非應收賬款出現個別減值則作別論。當融資租賃應收款被辨別為減值時，該應收款的抵押品的相應公平值將參考市場價值（如資產近期交易價格）更新。

於報告期末，經相關承租人同意，若干該等資產已被重新質押作為本集團借款之抵押。

除融資租賃應收款之減值1,493,000港元外，餘下金額於報告期末既無逾期亦無減值。減值虧損撥備的變動如下：

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18. FINANCE LEASE RECEIVABLES/DEPOSITS RECEIVED FROM CUSTOMERS (Continued)

Amounts receivable under finance leases (Continued)

Security deposits received from customers at the end of the reporting period represent finance lease deposits received from customers which are repayable by end of the lease period of the respective finance leases.

Deposits of HK\$25,194,000 (2017: HK\$61,006,000) have been received by the Group to secure certain finance lease receivables and classified into current or non-current liabilities based on the final lease instalment due date stipulated in the finance lease agreements. The deposits are non-interest bearing, carried effective interest rate at 4.75% (2017: 4.75%) per annum. In addition, the finance lease receivables are secured over the leased assets, mainly plant and machinery leased, at the end of the reporting period. The Group is not permitted to sell, or repledge the collateral of the finance lease receivables without consent from the lessee in the absence of default by the lessee.

19. LOAN RECEIVABLES

18. 融資租賃應收款／已收客戶按金 (續)

融資租賃項下應收款 (續)

於報告期末，已收客戶保證按金乃指已收客戶融資租賃按金，須於各融資租賃租期結束時償還。

本集團已收按金25,194,000港元(二零一七年: 61,006,000港元)作為若干融資租賃應收款之抵押，並根據融資租賃協議中所訂明之最終租賃分期付款到期日分類為流動或非流動負債。該等按金為不計息，及按4.75%(二零一七年: 4.75%)的實際年利率計息。此外，於報告期末，融資租賃應收款以租賃資產作抵押，主要為所租賃之廠房及機器。在承租人並無違約的情況下，未經承租人同意，本集團不得出售或再次質押融資租賃應收款之抵押品。

19. 應收貸款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Carrying amount receivable based on maturity set out in the loan agreements	根據貸款協議載明之到期日 應收之賬面值		
Within one year	一年內	180,143	101,022
More than one year but less than two years	一年以上但少於兩年	17,076	24,014
		197,219	125,036
Less: Provision for impairment losses	減: 減值虧損撥備	(29,778)	-
		167,441	125,036

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19. LOAN RECEIVABLES (Continued)

The Group's loan receivables included 3 major loans as follows.

- (a) During the year ended 31 December 2016, the Group entered into a loan agreement with an individual borrower (the "Borrower") who is an independent third party. The loan of HK\$30,000,000 is unsecured, interest bearing at a fixed interest rate of 10% per annum, repayable on 3 February 2017 and guaranteed by another individual guarantor (the "Guarantor"). The Borrower and the Guarantor are the directors and substantial shareholders of a listed company in Hong Kong. On 7 February 2017, the Group entered into a loan extension agreement with the Borrower and the Guarantor, pursuant to which half of the loan receivable was repayable on 5 July 2017 and the other half was repayable on 29 December 2017. As at 31 December 2017, the total principal of the loan of HK\$30,000,000, together with any accrued interest, have been past due but not impaired. In March and July 2018, the Borrower made two partial repayments totaling HK\$4,491,000 of the overdue amount. Since then, no repayment received from the Borrower. The directors assessed that the loan receivable has been past due and credit-impaired based on the default history and so impairment loss based on lifetime ECL of HK\$25,509,000 was recognised to profit or loss.
- (b) During the year ended 31 December 2017, the Group entered into a loan agreement with another individual borrower who is an independent third party. The loan of HK\$35,000,000 is unsecured, interest bearing at a fixed interest rate of 10% per annum and repayable on 5 June 2018. During the year, the borrower has repaid the latest half-year interest and exercised an option to extend the repayment term by half-year to 5 December 2018. As at 31 December 2018, the loan principal and interest were overdue. The directors assessed that the loan balance and interests were past due but not credit-impaired as at 31 December 2018. Based on 12-month ECL, the directors assessed that the loss allowance was insignificant.

19. 應收貸款 (續)

本集團應收貸款包括以下三項主要貸款。

- (a) 於截至二零一六年十二月三十一日止年度，本集團與一名屬獨立第三方之個人借款人（「借款人」）訂立貸款協議。該筆30,000,000港元之貸款為無抵押，按固定年利率10%計息，須於二零一七年二月三日償還，並由另一名個人擔保人（「擔保人」）擔保。借款人及擔保人各自為香港一家上市公司之董事及主要股東。於二零一七年二月七日，本集團與借款人及擔保人訂立貸款展期協議，據此，半數應收貸款須於二零一七年七月五日償還，另一半貸款則須於二零一七年十二月二十九日償還。於二零一七年十二月三十一日，本金總額30,000,000港元之貸款連同任何應計利息已逾期但未減值。於二零一八年三月及七月，借款人作出兩次部分償還逾期款項總計4,491,000港元。自此，概無自借款人收到還款。董事評估，應收貸款已逾期，而基於違約記錄的信貸減值及基於年內預期信貸虧損的減值虧損25,509,000港元已於損益內確認。
- (b) 於截至二零一七年十二月三十一日止年度，本集團與另一名屬獨立第三方之個人借款人訂立貸款協議。該筆35,000,000港元之貸款為無抵押，按固定年利率10%計息，並須於二零一八年六月五日償還。年內，貸款人已償還最近期半年利息並行使選擇權延長還款期限半年至二零一八年十二月五日。於二零一八年十二月三十一日，貸款本金及利息均逾期。董事評估，貸款結餘及利息已逾期，但於二零一八年十二月三十一日並無信貸減值。根據12個月預期信貸虧損，董事評估認為虧損撥備並不重大。

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19. LOAN RECEIVABLES (Continued)

- (c) During the year ended 31 December 2018, the Group entered into a loan agreement with an individual and his beneficial company, which are independent third parties. The loan of HK\$80,000,000 is secured by certain Hong Kong listed securities, guaranteed, interest-bearing at fixed rate of 10% per annum and fully repayable on 8 November 2019. So, this loan receivable was not past due at 31 December 2018.

As at 31 December 2018, the Group's subsidiary, 北京恒嘉國際融資租賃有限公司 (Beijing Ever Grand International Finance Lease Co., Ltd., "BJ Ever Grand"), invested in loan receivables with total principal amount of RMB50,000,000 (equivalent to approximately HK\$56,920,000) (2017: RMB50,000,000, equivalent to approximately HK\$60,035,000) through trust products issued by financial institutions in the PRC. Such loan receivables carried fixed interest rate ranging from 7.0% to 8.5% (2017: 7.0% to 7.4%) per annum with maturities in August 2018 to May 2020 (2017: August 2018 to September 2019). Included was a trust loan at principal amount of RMB5,000,000 (approximately HK\$5,692,000) has been overdue since August 2018. The directors assessed that the overdue loan has been past due and its credit risk has been significantly increased. Accordingly, a lifetime impairment loss of HK\$4,439,000 has been recognised to profit or loss for the year.

During the year ended 31 December 2018, the Group received interest income of HK\$9,773,000 (2017: HK\$9,647,000) of which HK\$5,243,000 and HK\$4,530,000 were recognised as other income and revenue respectively.

19. 應收貸款 (續)

- (c) 截至二零一八年十二月三十一日止年度，本集團與均為獨立第三方的個人及其實益公司訂立貸款協議。貸款80,000,000港元由若干香港上市證券抵押、有擔保、按固定年利率10%計息並於二零一九年十一月八日悉數償還。因此，該應收貸款並未於二零一八年十二月三十一日逾期。

於二零一八年十二月三十一日，本集團附屬公司北京恒嘉國際融資租賃有限公司（「北京恒嘉」）透過中國金融機構發行之信託產品投資於本金總額為人民幣50,000,000元（相當於約56,920,000港元）的應收貸款（二零一七年：人民幣50,000,000元，相當於約60,035,000港元）。該類應收貸款附有介乎7.0%至8.5%（二零一七年：7.0%至7.4%）之固定年利率，並於二零一八年八月至二零二零年五月（二零一七年：二零一八年八月至二零一九年九月）內到期。其中本金金額為人民幣5,000,000元（約5,692,000港元）之信託貸款已自二零一八年八月逾期。董事評估認為，有關貸款已逾期且其信貸風險大幅增加。因此，年內減值虧損4,439,000港元已於年內於損益內確認。

於截至二零一八年十二月三十一日止年度，本集團已收利息收入9,773,000港元（二零一七年：9,647,000港元），其中5,243,000港元及4,530,000港元分別確認為其他收入及收入。

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19. LOAN RECEIVABLES (Continued)

Movements in the provision for impairment loss under stage 3 are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Balance at beginning of year	年初結餘	-	-
Impairment loss recognised for the year	年內已確認減值虧損	29,948	-
Exchange difference	匯兌差額	(170)	-
Balance at end of year	年末結餘	29,778	-

Management applied a three-stage impairment model to assess the credit quality of the loan receivables. The loan receivables are categorised into the following stages by the Group:

Stage 1

Loan receivables have not experienced a significant increase in credit risk since origination and impairment recognised on the basis of 12 months ECL (12-month ECLs).

Stage 2

Loan receivables to customers have experienced a significant increase in credit risk since origination and impairment is recognised on the basis of lifetime ECL (Lifetime ECLs non credit-impaired).

Stage 3

Loan receivables that are in default and considered credit impaired (Lifetime ECLs credit impaired).

19. 應收貸款 (續)

第三階段下的減值虧損撥備的變動如下:

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Balance at beginning of year	-	-
Impairment loss recognised for the year	29,948	-
Exchange difference	(170)	-
Balance at end of year	29,778	-

管理層應用三個階段減值模式評估應收貸款的信貨質量。本集團將應收貸款分為以下三個階段:

第一階段

應收貸款之信貸風險自產生以來並無大幅上升並按12個月預期信貸虧損(12個月預期信貸虧損)基準確認減值。

第二階段

應收客戶貸款之信貸風險自產生以來發生大幅上升且減值乃按年期內預期信貸虧損(無信貸減值之年期內預期信貸虧損)確認。

第三階段

發生違約的應收貸款被視為信貸減值(發生信貸減值之年期內預期信貸虧損)。

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20. CONTRACT ASSETS, SERVICE INCOME RECEIVABLES, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

The normal credit period given on service income is 0 – 5 days. The credit period relating to service income receivables provided to customers can be longer based on a number of factors including the customer's credit profile and relationship with the customers.

The following is an aged analysis of contract assets and service income receivables, net of allowance for bad and doubtful debts, presented based on the date of recognition of revenue for service income at the end of the reporting period, which approximated the revenue recognition dates:

20. 合約資產、應收服務收入、其他應收款、按金及預付款項

就服務收入提供之一般信貸期為0-5日。就應收服務收入提供予客戶之信貸期可根據客戶信用狀況及與客戶之關係等大量因素予以延長。

於報告期末按服務收入之收入確認日期（與收入確認日期相若）呈列之合約資產及應收服務收入（扣除呆壞賬撥備）之賬齡分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Contract assets, aged at 0 – 30 days, under current assets	流動資產項下賬齡為0-30日之合約資產	3,320	-
Service income receivables under current assets	流動資產項下之應收服務收入		
0-30 days	0-30日	-	33,520
Over 365 days	365日以上	-	12,266
Other receivables, deposits and prepayments	其他應收款、按金及預付款項	-	45,786
		44,662	23,758
Less: Amount not receivable within one year shown under non-current assets	減：於非流動資產列示之一年內不可收回款項	44,662	69,544
		(11,384)	(12,693)
		33,278	56,851

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20. CONTRACT ASSETS, SERVICE INCOME RECEIVABLES, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

(Continued)

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed regularly. The Group has policy for allowance of bad and doubtful debts which is based on using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Contract assets of HK\$3,304,000 has been reclassified from service income receivables arising from asset management advisory services on the adoption of HKFRS 15 at 1 January 2018. As at 31 December 2018, contract assets amounted to HK\$3,320,000 (2017: Nil).

At the end of the reporting period, the Group's contract assets and service income receivables are neither past due nor impaired. The Group did not hold any collateral over these balances.

Included in other receivables, deposits and prepayments was a deposit paid of HK\$20,000,000 to a connected vendor for the acquisition of the entire issued share capital of Quantum Power Limited as disclosed in the Company's announcements dated 2 November 2018 and 8 January 2019 and the Company's circular dated 31 January 2019. Upon the completion of the acquisition, the amount has been utilised to offset the consideration.

20. 合約資產、應收服務收入、其他應收款、按金及預付款項 (續)

於接受任何新客戶前，本集團評估潛在客戶之信貸質素並為客戶界定信貸限額。給予客戶之限額均定期檢討。本集團之呆壞賬撥備政策乃基於使用香港財務報告準則第9號簡化法並已基於年內預期信貸虧損計算預期信貸虧損。本集團已設立根據本集團過往信貸虧損經驗計算之撥備矩陣，並按債務人特定之前瞻性因素及經濟環境作出調整。

於二零一八年一月一日採納香港財務報告準則第15號後，合約資產3,304,000港元已自資產管理諮詢服務產生的應收服務收入獲重新分類。於二零一八年十二月三十一日，合約資產為3,320,000港元（二零一七年：無）。

於報告期末，本集團合約資產及應收服務收入既未逾期亦未減值。本集團並無就該等結餘持有任何抵押品。

誠如本公司日期為二零一八年十一月二日及二零一九年一月八日之公告以及本公司日期為二零一九年一月三十一日之通函所披露，其他應收款、按金及預付款項包括已就收購勁力有限公司全部已發行股本而支付予關連賣方之按金20,000,000港元。於完成收購後，有關金額已用於抵銷代價。

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20. CONTRACT ASSETS, SERVICE INCOME RECEIVABLES, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

(Continued)

The following is the breakdown of other receivables, deposits and prepayments:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Prepayments	預付款項	1,563	1,553
Deposits	按金	32,465	13,339
Deposits for property, plant and equipment	物業、廠房及設備按金	288	686
Other receivables	其他應收款	10,346	8,180
		44,662	23,758

Other receivables are unsecured, interest-free and will be settled within twelve months after the end of reporting period. Deposits mainly represented an amount of approximately HK\$11,384,000 (2017: HK\$12,007,000) paid to a non-bank financial institution which was backed by a deposit of the same amount received from a customer for the underlying finance lease arrangements pursuant to the requirement from the non-bank financial institution. Such deposit has been classified as a non-current asset as the underlying finance lease has a term of over 1 year from the end of the reporting period. The remaining amounts of deposits represented deposits paid to third parties in the ordinary course of business.

20. 合約資產、應收服務收入、其他應收款、按金及預付款項 (續)

以下為其他應收款、按金及預付款項之明細：

其他應收款為無抵押、免息及將於報告期末後十二個月內結算。按金主要指支付予一家非銀行金融機構之金額約11,384,000港元（二零一七年：12,007,000港元），根據該非銀行金融機構之規定，其金額獲得客戶就相關融資租賃安排所收取的相同金額之按金支持。該等按金因相關融資租賃期限自報告期末起超過一年，已被分類為一項非流動資產。餘下按金額指於日常業務過程中支付予第三方之按金。

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20. CONTRACT ASSETS, SERVICE INCOME RECEIVABLES, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

(Continued)

Movement in the allowance of contract assets, service income receivables, other receivables and deposits for bad and doubtful debts

20. 合約資產、應收服務收入、其他應收款、按金及預付款項 (續)

有關呆壞賬的合約資產、應收服務收入、其他應收款及按金撥備變動

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Balance at beginning of the year	年初之結餘	-	-
Impairment loss for the year	年內減值虧損	800	-
Balance at end of the year	年末之結餘	800	-

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS/HELD FOR TRADING INVESTMENTS

21. 按公平值透過損益列賬之金融資產／持作買賣投資

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Listed equity securities:	上市股本證券：		
- in Hong Kong	- 於香港	21,278	37,979
- in PRC	- 於中國	32,608	2,649
Unlisted fund investment:	非上市基金投資：		
- in PRC	- 於中國	4,548	-
		58,434	40,628
Financial assets at fair values through profit or loss	按公平值透過損益列賬之金融資產	58,434	-
Held for trading investments	持作買賣投資	-	40,628

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22. DEPOSITS PLACED WITH NON-BANK FINANCIAL INSTITUTIONS, RESTRICTED BANK DEPOSITS AND CASH AND CASH EQUIVALENTS

22. 存放於非銀行金融機構之存款、受限制銀行存款以及現金及現金等值物

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Deposits placed with non-bank financial institutions	存放於非銀行金融機構之存款	82,891	143,288
Restricted bank deposits	受限制銀行存款		
– current portion	– 即期部分	–	40,167
– non-current portion	– 非即期部分	19,865	21,505
Cash and cash equivalents	現金及現金等值物	262,123	56,879

Deposits placed with non-bank financial institutions are for trading in securities and interest bearing at prevailing market rates ranging from 0% to 0.35% (2017: 0.01% to 0.35%) per annum.

存放於非銀行金融機構之存款用作證券買賣並按介乎0%至0.35% (二零一七年: 0.01%至0.35%) 的現行市場年利率計息。

Restricted bank deposits were pledged to banks to secure bank borrowings granted to the Group as set out in note 24 and interest bearing at a prevailing market rates ranging from 0.35% to 2.80% (2017: 2.75% to 4.22%) per annum.

受限制銀行存款已抵押予銀行，以取得本集團獲授之銀行借款 (載於附註24)，並按現行市場利率計息，年利率介乎0.35%至2.80% (二零一七年: 2.75%至4.22%)。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

22. DEPOSITS PLACED WITH NON-BANK FINANCIAL INSTITUTIONS, RESTRICTED BANK DEPOSITS AND CASH AND CASH EQUIVALENTS (Continued)

Cash and cash equivalents included (i) bank balances and cash; and (ii) certain highly liquid investments.

Bank balances carry interest at prevailing market rates which is 0.01% to 2.5% (2017: 0.01% to 1.30%) per annum.

Highly liquid investments are wealth management products issued by PRC financial institutions with rate of return ranged from 1.6% per annum to 4.5% per annum and repayable for 14 days to 28 days.

Included in deposits placed with non-bank financial institutions, restricted bank deposits and cash and cash equivalents are the following amounts denominated in currencies other than the functional currency of the relevant group entity to which they relate:

22. 存放於非銀行金融機構之存款、受限制銀行存款以及現金及現金等值物 (續)

現金及現金等值物包括(i)銀行結餘及現金；及(ii)若干高流通性投資。

銀行結餘按現行市場利率計息，年利率為0.01%至2.5%（二零一七年：0.01%至1.30%）。

高流通性投資為中國金融機構發行的理財產品，回報率介乎每年1.6%至每年4.5%並於14日至28日償還。

存放於非銀行金融機構之存款、受限制銀行存款及現金及現金等值物包括以有關集團實體功能貨幣以外之貨幣計值之款項如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
RMB	人民幣	7	3
United States Dollars ("US\$")	美元（「美元」）	-	-

23. SERVICE COST PAYABLES, OTHER PAYABLES AND ACCRUALS

23. 應付服務成本、其他應付款及應計費用

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current liabilities	流動負債		
Service cost payables	應付服務成本	7,563	42,351
Accruals	應計費用	13,807	13,180
Value-added tax payables	應付增值稅	336	3,377
Other payables	其他應付款	5,526	5,278
		27,232	64,186

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

23. SERVICE COST PAYABLES, OTHER PAYABLES AND ACCRUALS (Continued)

Service cost payables, other payables and accruals principally comprise amounts outstanding for service costs and ongoing costs.

The normal credit period of service cost is 0 – 5 days.

An aged analysis of the Group's service cost payables at the end of the reporting period presented based on the invoice dates is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
0–30 days	0–30日	3,320	32,440
91–180 days	91–180日	–	450
Over 365 days	365日以上	4,243	9,461
		7,563	42,351

24. BORROWINGS

23. 應付服務成本、其他應付款及應計費用 (續)

應付服務成本、其他應付款及應計費用主要包括服務成本之尚未償還之款項及持續成本。

就服務成本提供之一般信貸期為0-5日。

於報告期末按發票日期呈列之本集團應付服務成本之賬齡分析如下：

24. 借款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Secured:	有抵押：		
Bank borrowings (Note)	銀行借款 (附註)	417,622	207,992
Other borrowings (Note)	其他借款 (附註)	432,592	862,269
		850,214	1,070,261

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24. BORROWINGS (Continued)

The borrowings are repayable as follows:*

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	428,570	472,795
Within a period of more than one year but not exceeding two years	一年以上但不超過兩年之 期間內	208,479	304,457
Within a period of more than two years but not exceeding five years	兩年以上但不超過五年之 期間內	213,165	293,009
		850,214	1,070,261
Less: Amounts due within one year shown under current liabilities	減：於流動負債列示之一年內 到期之款項	(428,570)	(472,795)
Amounts shown under non-current liabilities	於非流動負債列示之款項	421,644	597,466

* The amounts due are based on scheduled repayment dates set out in the loan agreements.

Note:

The bank and other borrowings at 31 December 2018 are interest bearing at floating rates ranged from 4.28% to 8.00% (2017: 4.28% to 5.50%) per annum, secured by the machinery and equipment leased to customers under finance lease, restricted bank deposits and/or finance lease receivables of the Group. Approximately HK\$474,542,000 (2017: HK\$856,507,000) of the borrowings were also guaranteed by a finance lease customer or shareholders of certain finance lease customers.

24. 借款 (續)

借款須於以下期限償還：*

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	428,570	472,795
Within a period of more than one year but not exceeding two years	一年以上但不超過兩年之 期間內	208,479	304,457
Within a period of more than two years but not exceeding five years	兩年以上但不超過五年之 期間內	213,165	293,009
		850,214	1,070,261
Less: Amounts due within one year shown under current liabilities	減：於流動負債列示之一年內 到期之款項	(428,570)	(472,795)
Amounts shown under non-current liabilities	於非流動負債列示之款項	421,644	597,466

* 到期金額乃以貸款協議載明之排期還款日為依據。

附註：

於二零一八年十二月三十一日，銀行及其他借款乃按浮息利率計息，年利率介乎4.28%至8.00%（二零一七年：4.28%至5.50%），以本集團透過融資租賃租予客戶之機器及設備、受限制銀行存款及／或融資租賃應收款作抵押。約474,542,000港元（二零一七年：856,507,000港元）之借款亦由一位融資租賃客戶或若干融資租賃客戶之股東作擔保。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

25. FINANCIAL LIABILITY AT FAIR VALUE THROUGH PROFIT OR LOSS

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At beginning of year	於年初	-	-
Grant of a call option	授出認購期權	32,170	-
Change in fair value recognised in profit or loss	於損益內確認之公平值變動	(4,848)	-
At end of year	於年末	27,322	-

As disclosed in note 35(a), the Group entered into a Call Option Undertaking to grant the Call option to the purchaser of joint venture of the Group. The fair value of the call option at the date of disposal of joint venture, i.e. 31 August 2018 has been determined in accordance with a valuation report issued by Ravia Global Appraisals Advisory Limited, an independent valuer, using the Binomial Option Pricing Model. A loss on fair value change of approximately HK\$4,848,000 was recognised in consolidated statement of profit or loss during the year ended 31 December 2018.

誠如附註35(a)所披露，本集團訂立認購期權承諾以向本集團合營企業的買方授出認購期權。於出售合營企業日期（即二零一八年八月三十一日），認購期權的公平值乃根據獨立估值師瑞豐環球評估諮詢有限公司出具的估值報告使用二項式期權定價模型釐定。於截至二零一八年十二月三十一日止年度，公平值變動虧損約4,848,000港元已於綜合損益表內確認。

26. SHARE CAPITAL

		Number of shares 股份數目 '000 千股	Share capital 股本 HK\$'000 千港元
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股		
Authorised:	法定：		
At 1 January 2017, 31 December 2017 and 31 December 2018	於二零一七年一月一日、二零一七年十二月三十一日及二零一八年十二月三十一日	40,000,000	400,000
Issued and fully paid:	已發行及繳足：		
At 1 January 2017, 31 December 2017 and 31 December 2018	於二零一七年一月一日、二零一七年十二月三十一日及二零一八年十二月三十一日	11,919,198	119,192

25. 按公平值透過損益列賬之金融資產

26. 股本

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27. DEFERRED TAX

The following are the major deferred tax liabilities recognised by the Group and the movement thereon, during the current and prior years.

27. 遞延稅項

以下為本集團於本年度及過往年度確認之主要遞延稅項負債及其變動。

		Imputed interest on deposits received from customers 已收客戶按金 之估算利息 HK\$'000 千港元	Undistributed profits of subsidiaries, a joint venture and an associate 附屬公司、 一家合營企業 及一家聯營 公司之 未分配溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	584	16,610	17,194
Exchange differences	匯兌差額	100	-	100
Charge (credit) to profit or loss (note 9)	於損益扣除(計入)(附註9)	1,463	(1,084)	379
At 31 December 2017	於二零一七年十二月三十一日	2,147	15,526	17,673
Credit to profit or loss (note 9)	於損益計入(附註9)	(391)	(9,154)	(9,545)
Exchange differences	匯兌差額	(97)	-	(97)
At 31 December 2018	於二零一八年十二月三十一日	1,659	6,372	8,031

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

27. DEFERRED TAX (Continued)

At 31 December 2018, other than the deferred tax liabilities mentioned above, subsidiaries of the Group had unused tax losses of approximately HK\$203,533,000 (2017: HK\$74,640,000) available for offset against future profit. No deferred tax asset has been recognised due to the unpredictability of future profit streams of those subsidiaries. Except for an amount of HK\$924,000 carried forward for 5 years, the remaining unused tax losses may be carried forward indefinitely.

As at 31 December 2018, the Group had deductible temporary differences of approximately HK\$5,532,000 (2017: HK\$5,532,000). No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible differences can be utilised.

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by the PRC group entities from 1 January 2008 onwards. Withholding tax has been fully provided at 5% (2017: 5%) on the distributable profits, if any, of the Group's PRC group entities and included in deferred taxation.

27. 遞延稅項 (續)

於二零一八年十二月三十一日，除上述遞延稅項負債外，本集團附屬公司有未動用稅項虧損約203,533,000港元（二零一七年：74,640,000港元）可用於抵銷未來溢利。由於該等附屬公司之未來溢利流難以預測，故並無確認遞延稅項資產。除924,000港元之金額可結轉五年外，餘下未動用稅項虧損可無限期結轉。

於二零一八年十二月三十一日，本集團有可扣減臨時差額約5,532,000港元（二零一七年：5,532,000港元）。由於不大可能有應課稅溢利抵銷可扣減差額，故並無就有關可扣減臨時差額確認遞延稅項資產。

根據中國企業所得稅法，自二零零八年一月一日起，就中國集團公司所賺取溢利宣派之股息須繳交預扣稅。預扣稅已按本集團中國集團公司可分配溢利（如有）之5%（二零一七年：5%）作出全額撥備，並計入遞延稅項。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

28. SHARE-BASED PAYMENT TRANSACTIONS

The Company's new share option scheme (the "Scheme"), was adopted pursuant to a resolution passed on 29 July 2016 for the primary purpose of providing incentives to directors and eligible employees (the "Grantees"). Under the Scheme, the directors of the Company may grant options to eligible employees, including directors of the Company, to subscribe for shares in the Company.

At 31 December 2018, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 59,666,666 (2017: 102,000,000), representing 0.50% (2017: 0.86%) of the shares of the Company in issue at that date. The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders.

Options granted must be taken up within 28 days of the date of grant, upon payment of HK\$1 per option. Options are divided into 3 tranches, namely Tranch 1, Tranch 2 and Tranch 3, and are exercisable, subject to the fulfilment of vesting conditions which, among others, includes the achieving of specific annual financial performance target of a subsidiary of the Company for each of the year ended 31 December 2016, 2017 and 2018 for Tranch 1, Tranch 2 and Tranch 3 respectively, that whether achieved or not would be confirmed around the time in the first quarter of the following year then vest, to the fifth anniversary of the date of grant. The exercise price is determined by the directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

28. 以股份為基礎之付款交易

本公司根據二零一六年七月二十九日通過之一項決議案採納新購股權計劃（「計劃」），主要目的是向董事及合資格僱員（「承授人」）給予激勵。根據計劃，本公司董事可向合資格僱員（包括本公司董事）授出購股權以認購本公司股份。

於二零一八年十二月三十一日，根據計劃已授出且尚未行使之購股權涉及之股份數目為59,666,666股（二零一七年：102,000,000股），佔該日本公司已發行股份之0.50%（二零一七年：0.86%）。未經本公司股東事先批准，根據計劃可能授出之購股權涉及之股份總數不得超過本公司不時已發行股份之10%。未經本公司股東事先批准，任何一年內已授出及可能授出予任何個人之購股權所涉及之已發行及將予發行之股份數目不得超過本公司不時已發行股份之1%。

授出之購股權須在支付每份購股權1港元之後於授出日期起28日內接納。購股權分為3批，即第一批、第二批及第三批，可予以行使，惟須滿足歸屬條件，其中包括達到本公司附屬公司為第一批、第二批及第三批分別設定之截至二零一六年、二零一七年及二零一八年十二月三十一日止各年度特定財務表現年度目標（是否達成或將於當時歸屬年度首個季度確認），直至於授出日期起第五個週年。行使價由本公司董事釐定，且將不低於以下較高者：(i)本公司股份於授出日期之收市價；(ii)於緊接授出日期前五個營業日，股份之平均收市價；及(iii)本公司股份面值。

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28. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

The following table discloses the movements of the Company's share options during the year ended 31 December 2018:

28. 以股份為基礎之付款交易 (續)

下表披露本公司於截至二零一八年十二月三十一日止年度內之購股權變動情況：

Name of participant 參與者姓名	Date of grant 授出日期	Exercisable period 行使期	Exercise price 行使價	Number of share options outstanding at 1 January 2018 於二零一八年一月一日尚未行使之購股權數目				Lapsed during the year 於年內已失效				Number of share options outstanding at 31 December 2018 於二零一八年十二月三十一日尚未行使之購股權數目			
				Tranch 1 第一批	Tranch 2 第二批	Tranch 3 第三批	Total 總計	Tranch 1 第一批	Tranch 2 第二批	Tranch 3 第三批	Total 總計	Tranch 1 第一批	Tranch 2 第二批	Tranch 3 第三批	Total 總計
Executive Directors 執行董事															
Qiao Weibing 喬衛兵	8.12.2016 二零一六年十二月八日	Upon vesting of options to 28.7.2021 購股權歸屬之後至二零二一年七月二十八日	0.12	3,333,333	3,333,333	3,333,334	10,000,000	-	(3,333,333)	-	(3,333,333)	3,333,333	-	3,333,334	6,666,667
Lai Ka Fai 黎嘉輝	8.12.2016 二零一六年十二月八日	Upon vesting of options to 28.7.2021 購股權歸屬之後至二零二一年七月二十八日	0.12	1,333,333	1,333,333	1,333,334	4,000,000	-	(1,333,333)	-	(1,333,333)	1,333,333	-	1,333,334	2,666,667
Tao Ke 陶可	8.12.2016 二零一六年十二月八日	Upon vesting of options to 28.7.2021 購股權歸屬之後至二零二一年七月二十八日	0.12	1,000,000	1,000,000	1,000,000	3,000,000	-	(1,000,000)	-	(1,000,000)	1,000,000	-	1,000,000	2,000,000
Independent non-executive Directors 獨立非執行董事															
Goh Choo Hwee 吳慈飛	8.12.2016 二零一六年十二月八日	Upon vesting of options to 28.7.2021 購股權歸屬之後至二零二一年七月二十八日	0.12	666,667	666,667	666,666	2,000,000	-	(666,667)	-	(666,667)	666,667	-	666,666	1,333,333
Ho Hin Yip 何衍業	8.12.2016 二零一六年十二月八日	Upon vesting of options to 28.7.2021 購股權歸屬之後至二零二一年七月二十八日	0.12	666,667	666,667	666,666	2,000,000	-	(666,667)	-	(666,667)	666,667	-	666,666	1,333,333
U Keng Tin 余肇天	8.12.2016 二零一六年十二月八日	Upon vesting of options to 28.7.2021 購股權歸屬之後至二零二一年七月二十八日	0.12	666,667	666,667	666,666	2,000,000	-	(666,667)	-	(666,667)	666,667	-	666,666	1,333,333

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28. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

28. 以股份為基礎之付款交易 (續)

Name of participant 參與者姓名	Date of grant 授出日期	Exercisable period 行使期	Exercise price 行使價	Number of share options outstanding at 1 January 2018 於二零一八年一月一日尚未行使之購股權數目				Lapsed during the year 於年內已失效				Number of share options outstanding at 31 December 2018 於二零一八年十二月三十一日尚未行使之購股權數目			
				Tranch 1 第一批	Tranch 2 第二批	Tranch 3 第三批	Total 總計	Tranch 1 第一批	Tranch 2 第二批	Tranch 3 第三批	Total 總計	Tranch 1 第一批	Tranch 2 第二批	Tranch 3 第三批	Total 總計
Employees 僱員															
Wang Liang 王亮	8.12.2016 二零一六年十二月八日	Upon vesting of options to 28.7.2021 購股權歸屬之後至二零二一年七月二十八日	0.12	3,333,333	3,333,333	3,333,334	10,000,000	-	(3,333,333)	-	(3,333,333)	3,333,333	-	3,333,334	6,666,667
Other participants 其他參與者	8.12.2016 二零一六年十二月八日	Upon vesting of options to 28.7.2021 購股權歸屬之後至二零二一年七月二十八日	0.12	22,999,999	22,999,999	23,000,002	69,000,000	(4,166,667)	(22,999,999)	(4,166,668)	(31,333,334)	18,833,332	-	18,833,334	37,666,666
				33,999,999	33,999,999	34,000,002	102,000,000	(4,166,667)	(33,999,999)	(4,166,668)	(42,333,334)	29,833,332	-	29,833,334	59,666,666
Exercisable at the end of the reporting period 於報告期末可予行使											29,833,332		29,833,332		

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28. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

The following table discloses the movements of the Company's share options granted during the year ended 31 December 2017:

Name of participant 參與者姓名	Date of grant 授出日期	Exercisable period 行使期	Exercise price 行使價	Number of share options outstanding at 1 January 2017 於二零一七年一月一日 尚未行使之購股權數目				Lapsed during the year 年內已失效				Number of share options outstanding at 31 December 2017 於二零一七年十二月三十一日 尚未行使之購股權數目			
				Tranch 1 第一批	Tranch 2 第二批	Tranch 3 第三批	Total 總計	Tranch 1 第一批	Tranch 2 第二批	Tranch 3 第三批	Total 總計	Tranch 1 第一批	Tranch 2 第二批	Tranch 3 第三批	Total 總計
Executive Directors 執行董事															
Qiao Weibing 喬衛兵	8.12.2016 二零一六年十二月八日	Upon vesting of options to 28.7.2021 購股權歸屬之後至二零一七年七月二十八日	0.12	3,333,333	3,333,333	3,333,334	10,000,000	-	-	-	-	3,333,333	3,333,333	3,333,334	10,000,000
Lai kai Fai ² 黎嘉輝 ²	8.12.2016 二零一六年十二月八日	Upon vesting of options to 28.7.2021 購股權歸屬之後至二零一七年七月二十八日	0.12	1,333,333	1,333,333	1,333,334	4,000,000	-	-	-	-	1,333,333	1,333,333	1,333,334	4,000,000
Tao Ke 陶可	8.12.2016 二零一六年十二月八日	Upon vesting of options to 28.7.2021 購股權歸屬之後至二零一七年七月二十八日	0.12	1,000,000	1,000,000	1,000,000	3,000,000	-	-	-	-	1,000,000	1,000,000	1,000,000	3,000,000
Independent non-executive Directors 獨立非執行董事															
Goh Choo Hwee 吳慈飛	8.12.2016 二零一六年十二月八日	Upon vesting of options to 28.7.2021 購股權歸屬之後至二零一七年七月二十八日	0.12	666,667	666,667	666,666	2,000,000	-	-	-	-	666,667	666,667	666,666	2,000,000
Ho Hin Yip 何衍業	8.12.2016 二零一六年十二月八日	Upon vesting of options to 28.7.2021 購股權歸屬之後至二零一七年七月二十八日	0.12	666,667	666,667	666,666	2,000,000	-	-	-	-	666,667	666,667	666,666	2,000,000
U Keng Tin 余肇天	8.12.2016 二零一六年十二月八日	Upon vesting of options to 28.7.2021 購股權歸屬之後至二零一七年七月二十八日	0.12	666,667	666,667	666,666	2,000,000	-	-	-	-	666,667	666,667	666,666	2,000,000

28. 以股份為基礎之付款交易 (續)

下表披露截至二零一七年十二月三十一日止年度內本公司授出之購股權之變動詳情：

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28. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

28. 以股份為基礎之付款交易 (續)

Name of participant 參與者姓名	Date of grant 授出日期	Exercisable period 行使期	Exercise price 行使價	Number of share options outstanding at 1 January 2017 於二零一七年一月一日 尚未行使之購股權數目			Total 總計	Lapsed during the year 年內已失效			Total 總計	Number of share options outstanding at 31 December 2017 於二零一七年十二月三十一日 尚未行使之購股權數目			Total 總計
				Tranch 1 第一批	Tranch 2 第二批	Tranch 3 第三批		Tranch 1 第一批	Tranch 2 第二批	Tranch 3 第三批		Tranch 1 第一批	Tranch 2 第二批	Tranch 3 第三批	
Chief executive 行政總裁															
Liu Bing ¹ 劉冰 ¹	8.12.2016 二零一六年 十二月八日	Upon vesting of options to 28.7.2021 購股權歸屬之後至 二零一七年七月 二十八日	0.12	3,333,333	3,333,333	3,333,334	10,000,000	(3,333,333)	(3,333,333)	(3,333,334)	(10,000,000)	-	-	-	-
Employees 僱員															
Wang Liang 王亮	8.12.2016 二零一六年 十二月八日	Upon vesting of options to 28.7.2021 購股權歸屬之後至 二零一七年七月 二十八日	0.12	3,333,333	3,333,333	3,333,334	10,000,000	-	-	-	-	3,333,333	3,333,333	3,333,334	10,000,000
Other participants 其他參與者	8.12.2016 二零一六年 十二月八日	Upon vesting of options to 28.7.2021 購股權歸屬之後至 二零一七年七月 二十八日	0.12	34,166,667	34,166,667	34,166,666	102,500,000	(11,166,668)	(11,166,668)	(11,166,664)	(33,500,000)	22,999,999	22,999,999	23,000,002	69,000,000
				48,500,000	48,500,000	48,500,000	145,500,000	(14,500,001)	(14,500,001)	(14,499,998)	(43,500,000)	33,999,999	33,999,999	34,000,002	102,000,000
Exercisable at the end of the reporting period 於報告期末可予行使											33,999,999	-	-	33,999,999	

¹ Mr. Liu Bing ceased to be a chief executive officer with effect on 6 November 2017 and resigned as an employee with effect on 10 November 2017.

² Mr. Lai Ka Fai has been appointed as chief executive officer with effect on 6 November 2017.

¹ 劉冰先生終止擔任行政總裁，自二零一七年十一月六日起生效，並辭任僱員，自二零一七年十一月十日起生效。

² 黎嘉輝先生獲委任為行政總裁，自二零一七年十一月六日起生效。

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28. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

These fair values were calculated using the Binomial model. The inputs into the model were as follows:

Share price on	
8 December 2016	0.10
Exercise price	0.12
Expected volatility	63.64%
Expected life	4.6 years
Risk-free rate	1.18%
Expected dividend yield	0.00%

Expected volatility was determined by using the historical volatility of the Company's share price over the previous 5 years. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The Binomial model had been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options were based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

28. 以股份為基礎之付款交易 (續)

該等公平值採用二項式模式計算。該模式之輸入值如下：

於二零一六年	
十二月八日之股價	0.10
行使價	0.12
預計波幅	63.64%
預計年限	4.6年
無風險利率	1.18%
預計股息率	0.00%

預計波幅採用本公司股價過往五年之歷史波幅釐定。該模式採用之預計年限已依據管理層之最佳估計就不可轉讓性、行使限制及行為因素之影響作出調整。

二項式模式用於估計購股權之公平值。計算購股權公平值所用變量及假設乃依據董事之最佳估計。購股權價值隨若干不同之主觀假設變數而變動。

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29. OPERATING LEASE ARRANGEMENT

The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of office premises which fall due as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	431	145

Leases are negotiated for an average term of two years and rentals are fixed for an average of two years.

29. 經營租賃安排

本集團作為承租人

於報告期末，本集團根據有關辦公室物業之不可撤銷經營租賃之未來最低租賃付款之到期日如下：

租期經協商平均為兩年，於平均兩年之租期內租金乃固定不變。

30. CAPITAL COMMITMENTS

Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	已訂約惟未於綜合財務報表撥備之物業、廠房及設備增購之資本開支
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30. 資本承擔

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		643	2,016

31. RETIREMENT BENEFITS SCHEMES

The operating subsidiaries in Hong Kong joined the mandatory provident fund scheme ("MPF Scheme") for all employees in Hong Kong. The MPF Scheme is registered with the Mandatory Provident Fund Scheme Authority under the Mandatory Provident Scheme Ordinance. The assets of the scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions at 5% of the relevant payroll of the employees to the MPF Scheme, capped at HK\$1,500 per employee per month. The obligation of the Group with respect of MPF Scheme is to make the required contribution under the MPF Scheme. The retirement benefits cost charged to the consolidated statement of profit or loss represent contributions paid and payable to the MPF Scheme by the Group.

The PRC employees of the subsidiary in the PRC are members of the pension scheme operated by the PRC local government. The subsidiary is required to contribute 19% – 20% (2017: 19% – 20%) of the relevant payroll of these employees to the pension scheme to fund the benefits. The only obligation for the Group with respect to the pension scheme is the required contributions under the pension scheme.

During the year, the Group made retirement benefits scheme contributions of approximately HK\$1,707,000 (2017: HK\$2,248,000).

31. 退休福利計劃

本集團於香港經營之附屬公司為所有香港僱員參與強制性公積金計劃（「強積金計劃」）。強積金計劃乃根據強制性公積金計劃條例於強制性公積金計劃管理局登記。強積金計劃之資產由獨立受託人以基金形式管理，並與本集團之資產分開持有。根據強積金計劃之條例，僱主及僱員均須按僱員有關薪酬之5%向強積金計劃作出供款，每名僱員每月最高為1,500港元。本集團根據強積金計劃所承擔之責任為根據強積金計劃作出所需供款。於綜合損益表中所列之退休福利成本指本集團就強積金計劃已付或應付之供款。

中國附屬公司之中國僱員已參與由中國當地政府設立之退休金計劃。該附屬公司須按該等僱員有關薪酬之19%至20%（二零一七年：19%-20%）向退休金計劃供款以為福利融資。本集團於該退休金計劃下所負之唯一責任為作出退休金計劃規定之供款。

本集團於本年度作出退休福利計劃供款約1,707,000港元（二零一七年：2,248,000港元）。

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32. FINANCIAL INSTRUMENTS

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debts, which include the bank and other borrowings and equity attributable to owners of the Company, comprising issued share capital, reserves and accumulated losses. The management reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. In view of this, the Group will balance its overall capital structure through new share issues as well as the issue of new debt or the redemption of existing debt. The Group's overall strategy remains unchanged throughout the year.

Categories of financial instruments

32. 金融工具

資本風險管理

本集團管理其資本，以確保本集團之實體將可持續經營，並透過優化債務及權益結餘為股東帶來最大回報。本集團之資本結構包含債務（包括銀行及其他借款）及本公司擁有人分攤權益（包括已發行股本、儲備及累計溢利）。管理層透過考慮資本成本及與各類別資本相關之風險而審閱資本結構。有鑑於此，本集團將透過發行新股及新增債務或贖回現有債務而平衡其整體資本結構。於整個年度，本集團之整體策略維持不變。

金融工具之類別

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Financial assets	金融資產		
Loans and receivables (including cash and cash equivalents)	貸款及應收賬款 (包括現金及現金等值物)	-	1,535,546
Financial assets at amortised cost	按攤銷成本計量之金融資產	1,406,831	-
Available-for-sale investments	可供出售投資	-	77,096
Equity investments at fair value through other comprehensive income	按公平值透過其他全面收入列賬之股本投資	35,174	-
Held for trading investments	持作買賣投資	-	40,628
Financial assets at fair value through profit or loss	按公平值透過損益列賬之金融資產	58,434	-
Financial liabilities	金融負債		
Amortised cost	攤銷成本	902,304	1,192,076
Fair value through profit or loss	按公平值透過損益列賬	27,322	-

32. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

The Group's major financial instruments include equity investments at FVOCI/available-for-sale investments, financial assets at FVTPL/held for trading investments, financial assets at amortised cost/loans and receivable (including service income receivables, other receivables and deposits, finance lease receivables, restricted bank deposits, cash and cash equivalents, deposits placed with non-bank financial institutions), service cost payables, other payables and accruals, borrowings and deposits received from customers. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Interest rate risk

As at 31 December 2018 and 2017, the Group's fair value interest rate risk relates primarily to its loan receivables.

As at 31 December 2018 and 2017, the Group is exposed to cash flow interest rate risk in relation to variable-rate borrowings, finance lease receivables, all deposits and balances with non-bank financial institutions and banks.

The Group currently does not have a cash flow interest rate hedging policy. However, the management closely monitors its exposure to future cash flow risk as a result of change on market interest rate and will consider hedging changes in market interest rates should the need arise. A 100 basis points (2017: 100 basis points) change represents management's assessment of the reasonably possible change in interest rates.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of People's Bank of China Rate arising from the Group's variable interest rate bank borrowings and finance lease receivables.

32. 金融工具 (續)

財務風險管理目標及政策

本集團之主要金融工具包括按公平值透過其他全面收入列賬之股本投資／可供出售投資、按公平值透過損益列賬之金融資產／持作買賣投資、按攤銷成本計量之金融資產／貸款及應收賬款(包括應收服務收入、其他應收款及按金、融資租賃應收款、受限制銀行存款、現金及現金等值物、存放於非銀行金融機構的存款)、應付服務成本及其他應付款以及應計費用、借款及已收客戶按金。該等金融工具之詳情披露於其各自之附註。與該等金融工具相關之風險及降低該等風險之政策載於下文。管理層管理及監控該等風險，確保能按時及有效採取適當措施。

利率風險

於二零一八年及二零一七年十二月三十一日，本集團公平值利率風險主要與其應收貸款有關。

於二零一八年及二零一七年十二月三十一日，本集團浮息借款、融資租賃應收款、於非銀行金融機構及銀行存放的所有存款及結餘令本集團承受現金流量利率風險。

本集團目前並無流量利率對沖政策。然而，管理層密切監察因市場利率變動而引致的未來現金流量風險及將在必要時考慮對沖市場利率風險。100個基點(二零一七年：100個基點)變動乃管理層對利率可能出現變動之合理評估；

本集團的現金流量利率主要為因本集團浮息銀行借款及融資租賃應收款而產生，集中於中國人民銀行利率波動。

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32. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Interest rate risk (Continued)

Sensitivity analysis

The management considers that the Group's exposure to future cash flow risk on certain variable-rate deposits and balances with non-bank financial institutions and banks as a result of the change of market interest rate is insignificant and thus those variable-rate deposits and balances with non-bank financial institutions and banks are not included in the sensitivity analysis.

The sensitivity analysis is prepared assuming the relevant financial instruments outstanding at the end of the reporting period were outstanding for the whole year. If the interest rate of borrowings and finance lease receivables had been 100 basis points (2017: 100 basis points) higher/lower and all other variables were held constant, the Group's post-tax loss for the year ended 31 December 2018 would have decreased/increased by HK\$616,000 (2017: post-tax loss would have decreased /increased by HK\$1,166,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate borrowings and finance lease receivables.

Currency risk

As at 31 December 2018 and 2017, there were no significant foreign currency denominated monetary assets and liabilities. Therefore the management considers that the Group was not exposed to significant currency risk.

Other price risk

The Group is exposed to price risk through its investments in listed equity securities, unlisted wealth management products and unlisted fund investments. The management manages this exposure by maintaining a portfolio of investments with different risks. The Group's price risk is mainly concentrated on equity instruments listed in The Stock Exchange of Hong Kong Limited, the Shanghai Stock Exchange and Shenzhen Stock Exchange. In addition, the Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

32. 金融工具 (續)

財務風險管理目標及政策 (續)

利率風險 (續)

敏感度分析

管理層認為，本集團承受於非銀行金融機構的若干浮息存款及結餘的未來現金流量風險，因市場利率變動幅度不大，因而於非銀行金融機構及銀行的該等浮息存款及結餘並未計入敏感度分析。

編製敏感度分析乃假定於報告期末，相關未清償的金融工具在全年內一直未清償，倘借款及融資租賃應收款之利率上升／下降100個基點（二零一七年：100個基點）且所有其他變數維持不變，則本集團截至二零一八年十二月三十一日止年度之除稅後虧損應將減少／增加616,000港元（二零一七年：除稅後虧損應將減少／增加1,166,000港元）。此乃由於本集團承受浮息借款及融資租賃應收款之利率風險。

貨幣風險

於二零一八年及二零一七年十二月三十一日，概無重大以外幣計值的貨幣資產及負債。因此，管理層認為，本集團並無面對重大貨幣風險。

其他價格風險

本集團透過其上市股本證券、非上市理財產品及非上市基金投資承受其他價格風險。管理層透過維持不同風險的投資組合管理其風險。本集團股本價格風險主要集中於在香港聯合交易所有限公司、上海證券交易所及深圳證券交易所上市的股本工具。此外，本集團委任一個特別小組監察價格風險並在必要時考慮對沖風險。

32. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Other price risk (Continued)

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risk at the reporting date. If the prices of the listed equity instruments, unlisted wealth management products and unlisted fund investments had been 30% (2017: 30%) higher/lower with all other variables held constant, post-tax loss for the year ended 31 December 2018 would have decreased/increased by HK\$14,713,000 (2017: post-tax loss would have decreased/increased by HK\$10,108,000); and other comprehensive income for the year ended 31 December 2018 would have increased/decreased by HK\$Nil (2017: HK\$11,944,000).

Credit risk

The Group's credit risk is primarily attributable to contract assets, service income receivables, other receivables and deposits, finance lease receivables, deposits placed with non-bank financial institutions, loan receivables, restricted bank deposits, and cash and cash equivalents.

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at 31 December 2018 and 2017 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. For finance lease receivables, the Group has closely monitored the recoverability and ensured adequate collaterals are received from these customers. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

32. 金融工具 (續)

財務風險管理目標及政策 (續)

其他價格風險 (續)

敏感度分析

以下敏感度分析乃根據報告日期股本價格風險而釐定。倘所有其他變量維持不變，上市股本工具、非上市理財產品及非上市基金投資的價格上升／下降30% (二零一七年：30%)，截至二零一八年十二月三十一日止年度的除稅後虧損應將減少／增加14,713,000港元 (二零一七年：除稅後虧損應將減少／增加10,108,000港元)，以及截至二零一八年十二月三十一日止年度內其他全面收入將增加／減少零港元 (二零一七年：11,944,000港元)。

信貸風險

本集團信貸風險主要因合約資產、應收服務收入、其他應收款及按金、融資租賃應收款、存放於非銀行金融機構的存款、應收貸款、受限制銀行存款及現金及現金等值物而引致。

倘有關之對手方於二零一八年及二零一七年十二月三十一日不予履行其義務，則本集團就有關各類已確認金融資產要承受之最大信貸風險為綜合財務狀況表所列該等資產之賬面值。

為了盡量減低信貸風險，本集團管理層已授權一個小組負責信貸額之釐定、信貸批核及其他監察程序，以確保採取跟進措施收回逾期之賬款。此外，本集團於各報告期末檢討各項應收賬款之可收回數額，以確保就無法收回之數額作出足夠之減值虧損撥備。就融資租賃應收款而言，本集團密切監察可收回程度，確保自該等客戶獲取充足抵押品。有鑑於此，本公司董事認為本集團之信貸風險已顯著地減低。

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32. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

As at 31 December 2018, the Group invested in certain loan receivables. Before investing in these loan receivables, the Group assesses the credit quality of the loan borrowers and defines the terms of the loans. As at 31 December 2018, a loan principal of HK\$35,000,000 was past due but not credit-impaired at the end of the reporting period given that the Borrower has repaid the entire principal amount.

The Group's bank balances and deposits are deposited with banks and non-bank financial institutions in Hong Kong and the PRC and the Group has limited the exposure to any single financial institution. The credit risk on liquid funds is limited because the counterparties are banks with good credit-rating.

As at 31 December 2018, the Group had certain concentration of credit risk as 34% and 100% (2017: 52% and 99%) of the aggregate amount of finance lease receivables and service income receivables are due from the Group's largest and the five largest customers respectively, which are mainly state owned enterprises or sizeable private owned enterprises in the PRC. The management exercises due care in granting credit and checking the background of these counterparties on a regular basis and closely monitors the subsequent settlement of the customers. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit quality of finance lease receivables, loan receivables, contract assets and service income receivables have been disclosed in notes 18, 19 and 20.

32. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險 (續)

於二零一八年十二月三十一日，本集團投資於若干應收貸款。在向該等應收貸款投資前，本集團評估貸款借款人的信貸質素及界定貸款條款。於二零一八年十二月三十一日，本金金額為35,000,000港元之貸款於報告期末逾期但未信貸減值，乃因借款人已償還全部本金。

本集團的銀行結餘及存款存放於香港及中國的銀行及非銀行金融機構及本集團承受任何單一金融機構的風險有限。流動資金的信貸風險有限，乃由於對手方為具有良好信貸評級的銀行。

於二零一八年十二月三十一日，由於融資租賃應收款及應收服務收入總額之34%及100%（二零一七年：52%及99%）分別來自本集團最大及五大客戶（主要為中國國有企業或具規模的民營企業），本集團因此承受若干信貸集中風險。管理層審慎授出信貸，定期核查此等對手方的背景，並密切監控客戶的後續結算。就此而言，本公司董事認為本集團的信貸風險已顯著地減低。

有關融資租賃應收款、應收貸款、合約資產及應收服務收入的信貸質素已披露於附註18、19及20。

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32. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

The Group measured loss allowances for finance lease receivables, contract assets and service income receivables at an amount equal to lifetime ECLs. Finance lease receivables have been assessed individually while contract assets and service income receivables have been grouped based on shared credit risk characteristics and the days past due.

The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of borrowings and ensures compliance with loan covenants.

The management considers that liquidity risk is limited after considering the future cash flows of the Group in the foreseeable future, including the repayment schedule of bank borrowings as discussed above and the short-term liabilities which are required to be repaid within three months from the end of the reporting period. The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

32. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險 (續)

本集團按相當於年期內預期信貸虧損的金額來計量融資租賃應收款、合約資產及應收服務收入的虧損撥備。融資租賃應收款已個別評估，而合約資產及應收服務收入乃按共同信貸風險特徵及逾期天數予以分組。

本集團已設立根據本集團過往信貸虧損經驗計算之撥備矩陣，並按債務人特定之前瞻性因素及經濟環境作出調整。

流動資金風險

在管理流動資金風險中，本集團監控及維持管理層視為充足的一定水平的現金及現金等值物，以撥資本集團營運及減緩現金流量波動的影響。管理層監察借貸的利用及確保遵守貸款契諾。

在考慮到本集團於可預見未來的未來現金流量，包括銀行借貸的償還時間表（如上文所述）及須自報告期末起三個月內償還的短期負債後，管理層認為流動資金風險有限。本集團透過持續監察預測及實際現金流量及金融資產及負債到期情況配對維持充足之儲備而管理流動資金風險。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

32. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

		Weighted average effective interest rate 加權平均 實際利率 %	Within 1 year 1年內 HK\$'000 千港元	1-2 years 1至2年 HK\$'000 千港元	3-5 years 3至5年 HK\$'000 千港元	Over 5 years 超過5年 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
As at 31 December 2018	於二零一八年 十二月三十一日							
Other payables and accruals	其他應付款及應計費用	-	19,333	-	-	-	19,333	19,333
Service cost payables	應付服務成本	-	7,563	-	-	-	7,563	7,563
Borrowings	借款	5.76	460,661	225,695	227,447	-	913,803	850,214
Deposits received from customers	已收客戶按金	4.75	529	-	14,230	17,076	31,835	25,194
			488,086	225,695	241,677	17,076	972,534	902,304
As at 31 December 2017	於二零一七年 十二月三十一日							
Other payables and accruals	其他應付款及應計費用	-	18,458	-	-	-	18,458	18,458
Service cost payables	應付服務成本	-	42,351	-	-	-	42,351	42,351
Borrowings	借款	4.85	512,663	328,859	304,985	-	1,146,507	1,070,261
Deposits received from customers	已收客戶按金	4.75	36,021	557	33,019	-	69,597	61,006
			609,493	329,416	338,004	-	1,276,913	1,192,076

32. 金融工具 (續)

財務風險管理目標及政策 (續)

流動資金風險 (續)

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

32. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments

This note provides information about how the Group determines fair values of various financial assets.

Fair value of the Group's financial assets and liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and liabilities are determined (in particular, the valuation techniques and inputs used).

Financial assets 金融資產	NOTE 附註	Fair value as at 公平值		Fair value hierarchy 公平值級別	Valuation techniques and key inputs 估值技術及主要輸入數據	Significant unobservable input(s) 重大不可 觀察輸入數據	Relationship of unobservable input to fair value 不可觀察輸入數據與 公平值之關係
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元				
1. Financial assets at fair value through profit or loss/ Held for trading investment 按公平值透過其他全面收入列賬之 金融資產/持作買賣投資							
- Trade on stock exchanges 股份交易所交易	21	53,886	40,628	Level 1 第一級	Quoted bid prices in active market 活躍市場的買入報價	N/A 不適用	N/A 不適用
- Unlisted fund investment 非上市基金投資	21	4,548	-	Level 3 第三級	Based on the net asset values of the fund investment determined with reference to third party valuation of underlying investment portfolio and adjustments of related expenses 基於基金投資的資產淨值，根據相 關投資組合的第三方估值及有關 開支調整釐定	Third party valuation of underlying investment portfolio 相關投資組合的第三 方估值	The higher the third party valuation, the higher the fair value 第三方估值越高則公 平值越高

32. 金融工具 (續)

金融工具的公平值計量

此附註提供本集團如何釐定各項金融資產之公平值之資料。

按經常性基準以公平值計量之本集團金融資產及負債之公平值

本集團部分金融資產及負債於各報告期末按公平值計量。下表提供如何釐定金融資產及負債之公平值之資料(特別是所使用之估值技術及輸入數據)。

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32. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments

Fair value of the Group's financial assets and liabilities that are measured at fair value on a recurring basis (Continued)

Financial assets 金融資產	NOTE 附註	Fair value as at 公平值		Fair value hierarchy 公平值級別	Valuation techniques and key inputs 估值技術及主要輸入數據	Significant unobservable input(s) 重大不可 觀察輸入數據	Relationship of unobservable input to fair value 不可觀察輸入數據與 公平值之關係
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元				
2. Equity investments at fair value through other comprehensive income/ Available-for-sale investments at fair value 按公平值透過其他全面收入列賬之 股本投資 / 按公平值計量之可供出售 投資							
- Unlisted equity investment which principally invests in shopping malls in the PRC 主要投資中國商場的非上市股本 投資	17	29,482	-	Level 3 第三級	Based on the valuation of shopping malls determined by market approach 基於商場的估值，由市場法釐定	Discount for quality of properties (eg. size and location) 物業品質（如面積 及地點）的貼現	The higher discount rate, the lower fair value 貼現率越高則公平值 越低
- Unlisted equity investment which principally invests in a private entity with operations of natural gas supply in the PRC 主要投資在中國進行天然氣供應業 務的私人實體的非上市股本投資	17	5,692	-	Level 3 第三級	Based on the investee's financial performance and the multiples of comparable companies and using market approach 基於被投資者財務表現及可資比較 公司倍數及所使用的市場法	Price to earnings ratio: 19.47 市盈率：19.47 Discount for lack of marketability: 30% 缺乏市場流通性 貼現：30%	The higher ratio, the higher fair value 比率越高則公平值 越高 The higher discount rate, the lower fair value 貼現率越高則公平值 越低
- Wealth management products 理財產品	17	-	53,082	Level 3 第三級	Based on the net asset values of the wealth management products, determined with reference to third party valuation of underlying investment portfolio and adjustments of related expense 基於理財產品的資產淨值，根據 相關投資組合的第三方估值及 有關開支調整釐定	Third party valuation of underlying investment portfolio 相關投資組合的 第三方估值	The higher the third party valuation, the higher the fair value 第三方估值越高則 公平值越高
3. Financial liability at fair value through profit or loss 按公平值透過損益列賬之金融負債	25	27,322	-	Level 3 第三級	Based on business valuation of the underlying business determined by market approach as key input and using Binomial option pricing model. 基於相關業務的業務估值，由市場 法作為主要輸入數據及使用二項 式期權定價模型釐定	Expected volatility: 24% 預計波幅：24% Discount for lack of marketability: 16.11% 缺乏市場流通性 貼現：16.11%	The higher volatility, the higher fair value 波幅越大則公平值 越高 The higher discount rate, the lower fair value 貼現率越高則公平值 越低

There were no transfers among Level 1, 2 and 3 during both years.

第一級、第二級及第三級之間於兩個年
度內概無互相轉移。

32. 金融工具 (續)

金融工具的公平值計量

按經常性基準以公平值計量 之本集團金融資產及負債之 公平值 (續)

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

32. FINANCIAL INSTRUMENTS (Continued)

Reconciliation of Level 3 fair value measurements

(a)

		Equity investments at fair value through other comprehensive income/ available-for-sale investments 按公平值透過 其他全面收入列賬 之股本投資/ 可供出售投資 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	–
Purchases	購買	54,014
Loss in other comprehensive expense	其他全面開支之虧損	(932)
At 31 December 2017	於二零一七年十二月三十一日	53,082
At 1 January 2018	於二零一八年一月一日	53,082
Impact on initial application of HKFRS 9	初始應用香港財務報告準則第9號的影響	29,875
Adjusted balance at 1 January 2018	於二零一八年一月一日的經調整結餘	82,957
Purchases	購買	5,692
Reclassified to financial assets at fair value through profit or loss and disposed	重新分類至按公平值透過損益列賬之金融資產及已出售	(47,137)
Gain recognised in other comprehensive income	於其他全面收入內確認的收益	852
Change in fair value recognised in profit or loss	於損益內確認之公平值變動	(1,131)
Exchange difference	匯兌差額	(1,511)
At 31 December 2018	於二零一八年十二月三十一日	39,722

Included in other comprehensive income is an amount of HK\$852,000 relating to the unlisted equity investment held at the end of the current reporting period and is reported as changes of "investment revaluation reserve". The amount of HK\$932,000 recognised in the prior reporting period was related to the wealth management products held at the end of the prior reporting period.

與於本報告期末持有之非上市股本投資有關的金額852,000港元計入其他全面收入並列作「投資重估儲備」之變動。於上個報告期確認之932,000港元與於上個報告期末所持有之理財產品有關。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

32. FINANCIAL INSTRUMENTS (Continued)

Reconciliation of Level 3 fair value measurements (Continued)

(b)

At 1 January 2017 and 2018	於二零一七年及二零一八年一月一日	-
Grant of call option (note 25)	授出認購期權 (附註25)	32,170
Change in fair value recognised in profit or loss	於損益內確認之公平值變動	(4,848)
At 31 December 2018	於二零一八年十二月三十一日	27,322

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The management of the Group estimates the fair value of its financial assets and financial liabilities measured at amortised cost using the discounted cash flows analysis.

The management of the Group considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated statement of financial position approximate their fair values.

32. 金融工具 (續)

第3級公平值測量法之對賬 (續)

(b)

Financial liability at fair value through profit or loss
按公平值透過損益列賬之金融負債
HK\$'000
千港元

並非按經常性基準以公平值計量之本集團金融資產及金融負債之公平值

本集團管理層使用折現現金流量分析估計按攤銷成本計量的金融資產及金融負債的公平值。

本集團管理層認為，在綜合財務狀況表內按攤銷成本入賬的金融資產及金融負債的賬面值與其公平值相若。

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33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details change 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 flow will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

33. 有關融資活動所產生負債之對賬

下表詳述本集團融資活動所產生負債之變動，包括現金及非現金變動。融資活動產生之負債為現金流或未來現金流，該等現金流量或未來現金流量於本集團綜合現金流量表中分類為融資活動所產生之現金流量。

		Borrowings 借款 (note 24) (附註24) HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	277,869
Financing cash flows	融資現金流量	1,061,419
Repayment of borrowings by lessees (note 34)	承租人償還借款 (附註34)	(289,617)
Foreign exchange translation	外幣換算	20,590
At 31 December 2017	於二零一七年十二月三十一日	1,070,261
Financing cash flows	融資現金流量	381,364
Repayment of borrowings by lessees (note 34)	承租人償還借款 (附註34)	(545,879)
Foreign exchange translation	外幣換算	(55,532)
At 31 December 2018	於二零一八年十二月三十一日	850,214

34. TRANSFERS OF FINANCIAL ASSETS

Transferred financial assets that are not derecognised in their entirety

At 31 December 2018, the Group entered into finance lease receivables transfer agreements (the "Agreements") and transferred certain finance lease receivables (the "Transferred Lease Receivables") to banks and other financial institutions for financing. Under the Agreements, the banks and other financial institutions have recourse right and the Group has the obligation to reimburse the banks and other financial institutions for loss of rental if any lessees have late and default payment. As the Group has not transferred the significant risks relating to these finance lease receivables, it continues to recognise in full the carrying amount of the finance lease receivables and has recognised the cash received on the transfer as secured borrowings. The original carrying value of the finance lease receivables transferred under the Agreements that have not been settled as at 31 December 2018 amounted to HK\$850,214,000 (2017: HK\$1,070,261,000). Accordingly, the carrying amount of the assets that the Group continued to recognise as at 31 December 2018 amounted to HK\$850,214,000 (2017: HK\$1,070,261,000) and that of the associated liabilities as at 31 December 2018 amounted to HK\$850,214,000 (2017: HK\$1,070,261,000) was recorded as borrowings under note 24.

34. 轉讓金融資產

轉讓未整個終止確認之金融資產

於二零一八年十二月三十一日，本集團簽訂融資租賃應收款轉讓協議（「協議」），轉讓若干融資租賃應收款（「已轉讓租賃應收款」）予銀行及其他金融機構以供融資。根據協議，銀行及其他金融機構擁有追索權，倘若任何承租人滯後付款，本集團有責任償付銀行及其他金融機構之租金損失。由於本集團並無就此等融資租賃應收款轉移主要風險，因此會持續確認為融資租賃應收款的全部賬面值，並會確認轉移所收取的現金為有抵押借款。於二零一八年十二月三十一日，根據協議所轉讓之融資租賃應收款尚未清償之原有賬面值金額為850,214,000港元（二零一七年：1,070,261,000港元）。據此，本集團於二零一八年十二月三十一日繼續確認該等資產賬面值金額為850,214,000港元（二零一七年：1,070,261,000港元），而二零一八年十二月三十一日的相關負債金額為850,214,000港元（二零一七年：1,070,261,000港元），並入賬列作附註24項下之借款。

34. TRANSFERS OF FINANCIAL ASSETS (Continued)

Transferred financial assets that are derecognised in their entirety

At 31 December 2018, the Group entered into certain other finance lease receivables transfer agreements (the "Non-recourse Agreements") and transferred certain finance lease receivables with interests (the "Non-recourse Transferred Lease Receivables") to banks and other financial institutions for financing without recourse with an aggregate amount of HK\$8,254,630,000 (2017: HK\$15,928,448,000). Under the Non-recourse Agreements, the banks and other financial institutions do not have recourse right and the Group does not have the obligation to reimburse the banks and other financial institutions for loss of rental if any lessees have late and default payment. In the opinion of the directors of the Company, the Group has transferred substantially all risks and rewards relating to these Non-recourse Transferred Lease Receivables. Accordingly, it has derecognised the full carrying amounts of the Non-recourse Transferred Lease Receivables and the associated liabilities. During the year ended 31 December 2018 and 2017, the Group has not recognised any loss in relation to the continuing involvement, both during the period or cumulatively.

34. 轉讓金融資產 (續)

轉讓整個終止確認之金融資產

於二零一八年十二月三十一日，本集團簽訂若干其他融資租賃應收款轉讓協議（「無追索權協議」），轉讓若干計息融資租賃應收款（「無追索權已轉讓租賃應收款」）予銀行及其他金融機構以融資合共8,254,630,000港元（無追索權）（二零一七年：15,928,448,000港元）。根據無追索權協議，銀行及其他金融機構並無追索權，而倘任何承租人滯後付款或違約，本集團並無責任償付銀行及其他金融機構之租金損失。本公司董事認為，本集團已就此等無追索權已轉讓租賃應收款轉移主要風險及回報。因此，已終止確認無追索權已轉讓租賃應收款及相關負債的全部賬面值。於截至二零一八年及二零一七年十二月三十一日止年度，本集團並無就期間或累計期間持續參與確認任何虧損。

35. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Loss on disposal of partial interest in a joint venture and the grant of the call option

On 15 May 2018, the Group entered into a sale and purchase agreement with the joint venture partner (the "Purchaser"), pursuant to which the Group disposed of 25% out of its 50% equity interest of Rizhao Lanshan, a joint venture ("JCE") of the Group, for a consideration of RMB294 million (equivalent to approximately HK\$338 million). On the same date, the Group has also entered into a Call Option Undertaking to grant the Call Option to the Purchaser, pursuant to which the Purchaser is entitled to acquire the remaining 25% equity interest in Rizhao Lanshan at a consideration of RMB294 million (equivalent to approximately HK\$338 million). Pursuant to the Call Option Undertaking, the Call Option is exercisable by the Purchaser at its discretion during the period from 1 January 2020 up to 30 June 2020 (both dates inclusive). Upon the Completion on 31 August 2018, Rizhao Lanshan ceased to be a JCE of the Group and then become an associate of the Group.

35. 綜合現金流量表附註

(a) 出售一家合營企業部分權益及授出認購期權之虧損

於二零一八年五月十五日，本集團與合營夥伴（「買方」）訂立買賣協議，據此本集團出售本集團合營企業（「合營企業」）日照嵐山50%股權中的25%，代價為人民幣294,000,000元（相當於約338,000,000港元）。於同日，本集團亦訂立認購期權承諾以向買方授出認購期權，據此，買方有權收購日照嵐山餘下25%之股權，代價為人民幣294,000,000元（相當於約338,000,000港元）。根據認購期權承諾，認購期權可由買方於二零二零年一月一日起直至二零二零年六月三十日（包括首尾兩日）期間內酌情行使。於二零一八年八月三十一日完成後，日照嵐山不再為本集團的合營企業且自此成為本集團的一家聯營公司。

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35. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(a) Loss on disposal of partial interest in a joint venture and the grant of the call option (Continued)

The loss on partial disposal of JCE and the grant of the call option as at its disposal date was as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Consideration from joint venture partners	來自合營夥伴的代價	337,849	-
Fair value of the Call Option as at 31 August 2018	於二零一八年八月三十一日的認購期權的公平值	(32,170)	-
		305,679	-
Carrying value of 50% equity interest in JCE derecognised	已終止確認合營企業50%股權之賬面值	(829,911)	-
Fair value of 25% equity interest in an associate at initial recognition (note 16)	於初步確認時於一家聯營公司25%股權之公平值(附註16)	305,607	-
Stamp duty	印花稅	(168)	-
		(218,793)	-
Loss on partial disposal of JCE and the grant of the call option	部分出售合營企業及授出認購期權之虧損	(218,793)	-

(b) During the year ended 31 December 2018, repayment of borrowings of HK\$545,879,000 (2017: HK\$289,617,000) in respect of the Transferred Lease Receivables as set out in note 34 was made by relevant lessees directly to banks and other non-bank financial institutions.

35. 綜合現金流量表附註(續)

(a) 出售一家合營企業部分權益及授出認購期權之虧損(續)

於出售日期，出售一家合營企業部分權益及授出認購期權之虧損詳情如下：

(b) 於截至二零一八年十二月三十一日止年度，承租人就附註34所載的已轉讓租賃應收款向銀行及其他非銀行金融機構直接作出借款還款545,879,000港元(二零一七年：289,617,000港元)。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

36. RELATED PARTY TRANSACTIONS

Same as disclosed elsewhere in the consolidated financial statements, during the year the Group had the following transactions with related parties.

(a) **The Group had the following transactions with the partner of its associate or joint venture during the year:**

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Fellow subsidiaries of the partner of the Group's associate or joint venture		
Service charges paid	131,440	111,974
Leasing income	162,237	134,517

(b) The remuneration of key management personnel of the Group, represented directors and chief executive, during the year are set out in Note 8. The remuneration of directors and chief executive is determined by the remuneration committee having regard to the performance of individuals and market trend.

36. 關聯方交易

誠如綜合財務報表其他部分所披露者，本集團年內與關聯方進行以下交易：

(a) 本集團年內與其聯營公司或合營企業之合夥人進行以下交易：

(b) 年內本集團主要管理人員（指董事及主要行政人員）之酬金載列於附註8。董事及主要行政人員之酬金乃由薪酬委員會根據個別人士之表現及市場趨勢釐定。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

37. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Particulars of the subsidiaries of the Company at 31 December 2018 and 2017 are as follows:

37. 主要附屬公司之詳情

於二零一八年及二零一七年十二月三十一日，本公司附屬公司之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 註冊成立/ 註冊地點	Issued and fully paid share capital (note a) 已發行及繳足股本 (附註a)	Proportion of nominal value of issued share capital held by the Company 本公司所持已發行股本之 面值比例		Principal activities 主要業務
			2018 二零一八年	2017 二零一七年	
Indirectly held by the Company 本公司間接持有					
Able Winner International Limited 興勝國際有限公司	Hong Kong 香港	Ordinary shares HK\$1 普通股1港元	100%	100%	Investment holding 投資控股
One Express Group Limited	BVI 英屬處女群島	Ordinary shares US\$1,000 普通股1,000美元	-	100%	Investment holding 投資控股
Upmove International Limited 晉瑞國際有限公司	Hong Kong 香港	Ordinary share HK\$1 普通股1港元	100%	100%	Investment holding 投資控股
Elegant Basic Investments Limited 精基投資有限公司	BVI 英屬處女群島	Ordinary shares US\$100 普通股100美元	100%	100%	Investment 投資
TF Advances Limited	Hong Kong 香港	Ordinary shares HK\$1 普通股1港元	100%	100%	Treasury investment activities including money lending 資金投資業務包括放貸
Multi Kingdom Investment Limited	BVI 英屬處女群島	Ordinary shares US\$100 普通股100美元	100%	100%	Property investment 物業投資
Amaze Global Limited	BVI 英屬處女群島	Ordinary shares US\$1,000 普通股1,000美元	100%	100%	Office management 辦公室管理
BJ Ever Grand ^a 北京恒嘉	PRC 中國	US\$36,000,000 36,000,000美元	51.39%	51.39%	Provision of finance lease and related consulting services in the PRC 在中國提供融資租賃及 相關諮詢服務

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

37. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

37. 主要附屬公司之詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 註冊成立/ 註冊地點	Issued and fully paid share capital (note a) 已發行及繳足股本 (附註a)	Proportion of nominal value of issued share capital held by the Company 本公司所持已發行股本之 面值比例		Principal activities 主要業務
			2018 二零一八年	2017 二零一七年	
Ever Grand (Tianjin) Finance Lease Co., Ltd. ("TJ Ever Grand")*	PRC	RMB200,000,000	51.39%	51.39%	Provision of finance lease and related consulting services in the PRC
恒嘉(天津)融資租賃有限公司 (「天津恒嘉」)	中國	人民幣200,000,000元	51.39%	51.39%	在中國提供融資租賃及相關諮詢服務
Qikang Biological Technology Limited ("Qikang")*	PRC	HK\$12,800,000	100%	100%	Research & development, manufacturing and sales of food additives and health beverage products in the PRC
遼寧啟康生物科技有限公司 (「啟康」)	中國	12,800,000港元	100%	100%	中國食品添加劑及健康飲品的研發、生產及銷售
Zhujian Biotechnology (Shanghai) Company Limited ("Zhujian")*	PRC	RMB1,000,000	100%		- Research & development of bioengineering technology and sales of food additives and health beverage products in the PRC
竹間生物科技(上海)有限公司 (「竹間」)	中國	人民幣1,000,000元	100%		- 中國生物工程技術的研發及食品添加劑及健康飲品的銷售

* English name for reference only

^ The subsidiary is a sino-foreign equity joint venture

Notes:

(a) All principal subsidiaries operate principally in Hong Kong except BJ Ever Grand, TJ Ever Grand, Qikang and Zhujian.

(b) The 5% non-voting deferred shares are not held by the Group and practically carrying no right to dividend or to receive notice of or to attend or vote at any annual general meeting of the companies.

The above table lists the subsidiaries of the Group which, in the opinion of the directors, principally affected the results of the year or formed a substantial portion of the assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

None of the subsidiaries had any debt securities subsisting at 31 December 2018 and 2017 or at anytime during the years.

^ 該附屬公司為中外合資企業

附註：

(a) 所有主要附屬公司均主要在香港經營，惟北京恒嘉、天津恒嘉、啟康及竹間除外。

(b) 5%之無投票權遞延股份並非由本集團持有，且實際上並無附帶獲派利息、接收公司任何股東大會通知、出席大會或於會上投票之權利。

董事認為上表列出主要影響本年度業績或構成本集團資產之主要部分之本集團之附屬公司。董事認為，呈列其他附屬公司之詳情將導致其詳情過於冗長。

於二零一八年及二零一七年十二月三十一日或於本年度任何時間，附屬公司概無持有任何債務證券。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

37. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

Details of non-wholly owned subsidiaries that have material non-controlling interests

The table below shows details of non-wholly-owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary 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 interests and voting rights held by non-controlling interests 非控股權益所持擁有權益及投票權比例		(Loss)/profit allocated to non-controlling interests 分配予非控股權益之(虧損)/溢利		Accumulated non-controlling interests 累計非控股權益	
		2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
BJ Ever Grand 北京恒嘉	PRC 中國	48.61%	48.61%	(996)	6,851	139,764	149,961

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

37. 主要附屬公司之詳情 (續)

擁有重大非控股權益之非全資附屬公司詳情

下表列示本集團中擁有重大非控股權益之非全資附屬公司詳情：

有關本集團擁有重大非控股權益之各附屬公司之財務資料概要載於下文。以下財務資料概要呈列集團內各公司間對銷前之金額。

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

37. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

BJ Ever Grand and its wholly owned subsidiary

37. 主要附屬公司之詳情 (續)

北京恒嘉及其全資附屬公司

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current assets	流動資產	669,582	753,557
Non-current assets	非流動資產	505,931	737,951
Current liabilities	流動負債	(438,800)	(559,632)
Non-current liabilities	非流動負債	(449,191)	(623,378)
Equity attributable to owners of the Company	本公司擁有人應佔權益	147,757	158,537
Non-controlling interests	非控股權益	139,764	149,961
Revenue	收入	85,993	198,134
Expenses	開支	(81,369)	(200,009)
(Loss) profit for the year	年內(虧損)溢利	(2,048)	14,094
(Loss) profit attributable to owners of the Company	本公司擁有人應佔(虧損)溢利	(1,052)	7,243
(Loss) profit attributable to the non-controlling interests	非控股權益應佔(虧損)溢利	(996)	6,851
(Loss) profit for the year	年內(虧損)溢利	(2,048)	14,094

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

37. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

BJ Ever Grand and its wholly owned subsidiary (Continued)

37. 主要附屬公司之詳情 (續)

北京恒嘉及其全資附屬公司 (續)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Other comprehensive (expense) income attributable to owners of the Company	本公司擁有人應佔其他全面(開支)收入	(7,595)	11,546
Other comprehensive (expense) income attributable to the non-controlling interests	非控股權益應佔其他全面(開支)收入	(7,185)	10,923
Other comprehensive (expense) income for the year	年內其他全面(開支)收入	(14,780)	22,469
Total comprehensive (expense) income attributable to owners of the Company	本公司擁有人應佔全面(開支)收入總額	(8,647)	18,789
Total comprehensive (expense) income attributable to the non-controlling interests	非控股權益應佔全面(開支)收入總額	(8,181)	17,774
Total comprehensive (expense) income for the year/period	年/期內全面(開支)收入總額	(16,828)	36,563
Dividends paid to non-controlling interests	支付非控股權益股息	4,865	20,508
Net cash outflow from operating activities	經營活動產生之現金流出淨額	(358,053)	(1,013,227)
Net cash inflow (outflow) from investing activities	投資活動產生之現金流入(流出)淨額	43,537	(14,617)
Net cash inflow from financing activities	融資活動產生之現金流入淨額	371,357	1,019,229
Net cash inflow (outflow)	現金流入(流出)淨額	56,841	(8,615)

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

38. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY 38. 本公司之財務狀況表及儲備

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current assets	非流動資產		
Investment in subsidiaries	於附屬公司之投資	11	11
Amounts due from subsidiaries	應收附屬公司款項	539,546	578,251
		539,557	578,262
Current assets	流動資產		
Other receivables, deposits and prepayments	其他應收款、按金及預付款	1,880	1,148
Amounts due from subsidiaries	應收附屬公司款項	17,000	19,000
Bank balances and cash	銀行結餘及現金	154	163
		19,034	20,311
Current liabilities	流動負債		
Amounts due to subsidiaries	應付附屬公司款項	323	3,822
Other payables and accruals	其他應付款及應計費用	12,938	15,716
		13,261	19,538
Net current Asset	流動資產淨值	5,773	773
Total assets less current liabilities	總資產減流動負債	545,330	579,035
Capital and reserves	股本及儲備		
Share capital	股本	119,192	119,192
Reserves	儲備	426,138	459,843
Total equity	總權益	545,330	579,035

Approved by the Board of Directors on 26 March 2019 and are signed on its behalf by:

已於二零一九年三月二十六日獲董事會批准，並由以下董事代表簽署：

WONG LIK PING
王力平
Director
董事

LAI KA FAI
黎嘉輝
Director
董事

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

38. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (Continued)

Movement in the Company's reserves

38. 本公司之財務狀況表及儲備(續)

本公司之儲備變動

		Share premium 股份溢價 HK\$'000 千港元	Share options reserve 購股權儲備 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	於二零一七年一月一日	1,520,921	1,982	(1,114,149)	408,754
Profit and total comprehensive income for the year	本年度溢利及全面收入總額	-	-	51,089	51,089
Share options lapsed	購股權失效	-	(501)	501	-
At 31 December 2017	於二零一七年十二月三十一日	1,520,921	1,481	(1,062,559)	459,843
Loss and total comprehensive expense for the year	本年度虧損及全面開支總額	-	-	(33,705)	(33,705)
Share options lapsed	購股權失效	-	(345)	345	-
At 31 December 2018	於二零一八年十二月三十一日	1,520,921	1,136	(1,095,919)	426,138

Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

39. EVENTS AFTER THE REPORTING PERIOD

On 8 January 2019 the Group entered into the share purchase agreement with a connected vendor and its associates, pursuant to which the Group has conditionally agreed to purchase the sale share, which represent the entire issued share capital of Quantum Power Limited (the "Target Company") as at the date of completion, in the consideration of HK\$90,000,000 from the Vendor. The vendor's guarantor has agreed to guarantee the due and punctual performance of the vendor with its obligations under the share purchase agreement. On 1 March 2019, the completion of the sale share took place, the Target Company has become an indirect wholly-owned subsidiary of the Company. The Target Company and its subsidiaries (the "Target Group") were carried out in the research and studies and design of industrial biotechnology products, the wholesale of food additives and the provision of technology consultation services but have been inactive in the recent years. The Target Group owns the approximately 6,300 square meters property in Shanghai PRC and facilities and equipment used for research and studies of biotechnology.

40. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current year's presentation.

39. 報告期後事項

於二零一九年一月八日，本集團與關連賣方及其聯繫人訂立購股協議，據此，本集團已有條件同意向賣方購買銷售股份（相當於完成日期勁力有限公司（「目標公司」）之全部已發行股本），代價為90,000,000港元。賣方擔保人已同意就賣方妥善及準時履行其於購股協議項下之義務進行擔保。於二零一九年三月一日，銷售股份事項完成，目標公司已成為本公司之間接全資附屬公司。目標公司及其附屬公司（「目標集團」）進行調查研究及設計工業生物科技產品、食品添加劑批發及提供技術顧問服務，惟近年來較不活躍。目標集團於中國上海擁有約6,300平方米之物業及用於研究生物科技之設施和設備。

40. 比較數字

若干比較數字已重新分類，以符合本年度呈列方式。

Financial Summary

財務摘要

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

RESULTS

業績

		Year ended 31 December 截至十二月三十一日止年度				2018 二零一八年
		2014 二零一四年	2015 二零一五年	2016 二零一六年	2017 二零一七年	HK\$'000 千港元
		HK\$'000 千港元 (Restated) (重列)	HK\$'000 千港元 (Restated) (重列)	HK\$'000 千港元 (Restated) (重列)	HK\$'000 千港元	HK\$'000 千港元
Continuing operations	持續經營業務					
Revenue	收入	-	-	221,212	198,134	90,523
Profit (loss) before taxation	除稅前溢利(虧損)	55,065	6,383	96,844	(29,630)	(359,626)
Income tax (expense) credit	所得稅(支出)抵免	(22,918)	3,568	(17,651)	(6,059)	(13,468)
Profit (loss) for the year from continuing operations	本年度來自持續經營業務之溢利(虧損)	32,147	9,951	79,193	(35,689)	(373,094)
Discontinued operation	已終止經營業務					
Loss for the year from discontinued operation	本年度來自已終止經營業務之虧損	(4,540)	(6,503)	(27,365)	(114)	-
Profit (loss) for the year	本年度溢利(虧損)	27,607	3,448	51,828	(35,803)	(373,094)
Profit (loss) for the year attributable to:	下列各項應佔本年度溢利(虧損):					
- Owners of the Company	- 本公司擁有人	27,607	3,448	29,813	(42,654)	(372,098)
- Non-controlling interests	- 非控股股東權益	-	-	22,015	6,851	(996)
		27,607	3,448	51,828	(35,803)	(373,094)

Financial Summary 財務摘要

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

ASSETS AND LIABILITIES

資產及負債

As at 31 December

於十二月三十一日

		2014 二零一四年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Total assets	總資產	1,403,565	1,336,047	1,833,875	2,584,589	1,878,875
Total liabilities	總負債	(149,550)	(127,659)	(493,978)	(1,230,181)	(951,174)
		1,254,015	1,208,388	1,339,897	1,354,408	927,701
Equity attributable to owners of the Company	本公司擁有人應佔權益	1,253,170	1,207,543	1,187,202	1,204,447	787,937
Non-controlling interests	非控股股東權益	845	845	152,695	149,961	139,764
		1,254,015	1,208,388	1,339,897	1,354,408	927,701

