



CITYCHAMP
WATCH & JEWELLERY GROUP LIMITED
冠城鐘錶珠寶集團有限公司

ANNUAL REPORT 2018 年報



TOGETHER WE RISE
共進新時代

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近十五年的里程碑



EBOHR
依波表

2004

韓國龍先生收購本公司(前稱中國光大科技有限公司)之部分股權,當中包括依波精品(深圳)有限公司之全部股權及其國內鐘錶品牌「依波表」。

本公司名稱更改為中國海澱集團有限公司。



ROSSINI
羅西尼

2008

收購珠海羅西尼錶業有限公司之91%股權及其國內鐘錶品牌「羅西尼」。



ETERNA
SINCE 1856

2011

收購 Eterna AG Uhrenfabrik 之全部股權及其瑞士鐘錶品牌「綺年華」。



2012

珠海羅西尼錶業有限公司搬遷至廣東省珠海國家高新技術產業開發區。羅西尼鐘錶工業園及羅西尼鐘錶博物館開幕。



CORUM
LA CHAUX-DE-FONDS · SUISSE

2013

收購 Montres Corum Sàrl 之全部股權及其著名瑞士鐘錶品牌「崑崙」。



2014

收購 The Dreyfuss Group Limited 之全部股權及其瑞士鐘錶品牌「勞特萊」、「帝福時」及「J&T Windmills」。



2014

本公司名稱更改為冠城鐘錶珠寶集團有限公司。

Citychamp Watch and Jewellery SwissCo AG 於瑞士發行 1 億瑞士法郎的債券，該等債券於瑞士證券交易所上市及買賣。



2016

收購富帝銀行（列支敦士登）股份有限公司（現稱為富地銀行股份有限公司）之 83.22% 股權。



2017

位於珠海市的羅西尼鐘錶文化產業園第二期開幕。

收購信亨証券有限公司及香港水杉資產管理有限公司。

依波精品（深圳）有限公司位於深圳之新廠房依波大廈全面投入運作。



2018



富地銀行股份有限公司於香港開設首間代表辦事處。

2018



收購依波路控股有限公司（股份代號：1856）之 82.50% 股權及其瑞士鐘錶品牌「依波路」。



匯萃非凡 享譽國際

我們的品牌以美觀的設計和卓越的技術見稱，
並以能夠將由來已久的價值理念發揚光大而感到自豪。


ROSSINI
羅西尼


EBOHR
依波表


CORUM
CRAFT YOUR DREAMS


ETERNA
SINCE 1856

ROTARY



ERNEST
BOREL
1856





精益求精 進無止境

富地銀行股份有限公司成立於一九九八年，是總部位於
列支敦士登公國、擁有全類型牌照的銀行。

我們為財富家族和成功企業提供精益求精、
量身定制的專業金融服務，
除了資產管理和投資諮詢服務外，
同時亦支援證券發行及投資基金服務。

公司資料

董事會

執行董事

韓國龍銅紫荊星章(主席)

商建光(行政總裁)

石濤

林代文

畢波

薛黎曦

韓孝煌

Teguh HALIM¹

獨立非執行董事

馮子華

鄭俊偉

張斌

Rudolf Heinrich ESCHER

審核委員會

馮子華(委員會主席)

鄭俊偉

張斌

Rudolf Heinrich ESCHER

薪酬委員會

馮子華(委員會主席)

鄭俊偉

張斌

韓國龍

商建光

Rudolf Heinrich ESCHER

提名委員會

韓國龍(委員會主席)

商建光

馮子華

鄭俊偉

張斌

Rudolf Heinrich ESCHER

風險管理委員會

薛黎曦(委員會主席)

石濤

林代文

畢波

合資格會計師及公司秘書

方志華

核數師

香港立信德豪會計師事務所有限公司

主要往來銀行

中國銀行(香港)有限公司

招商銀行股份有限公司

香港上海滙豐銀行有限公司

恒生銀行有限公司

瑞士銀行

中信銀行(國際)有限公司

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

註冊辦事處

P.O. Box 309

Ugland House

South Church Street

Grand Cayman

Cayman Islands

主要辦事處

香港

九龍柯士甸道西1號

環球貿易廣場

19樓1902-04室

網站

www.irasia.com/listco/hk/citychamp

www.citychampwj.com

¹ 委任自二零一八年一月二十三日起生效

二零一八年公司大事記要

三月

於二零一八年三月十八日，本公司執行董事兼行政總裁商建光先生當選為珠海市電子商務協會會長。

八月

於二零一八年八月二十九日，依波精品獲世界品牌實驗室頒授「二零一八年亞洲品牌500強」美譽，依波精品已連續第四年獲得此項殊榮。

十一月

於二零一八年十一月九日，富地銀行（「富地銀行」）在香港設立首個代表辦事處。



六月

於二零一八年六月二十一日，珠海羅西尼錶業有限公司（「羅西尼錶業」）及依波精品（深圳）有限公司（「依波精品」）獲中國輕工業聯合會及中國鐘錶協會評為「中國輕工業鐘錶行業十強企業」。羅西尼錶業亦在中國輕工業鐘錶行業十強企業年度評價中榮獲綜合排名第一的殊榮。

九月

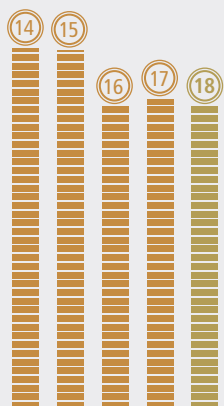
於二零一八年九月十二日，本公司附屬公司國際名牌有限公司訂立兩份協議，收購香港上市公司依波路控股有限公司（「依波路」）（股份代號：1856）58.22%股權，其具有瑞士手錶品牌「依波路」。協議於二零一八年九月十八日完成，依波路並成為本集團的附屬公司。



財務摘要

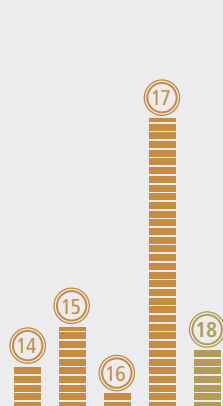


收入
千港元



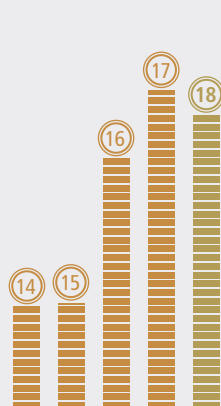
2014	3,488,553
2015	3,476,354
2016	2,939,955
2017	2,982,701
2018	2,937,849

除稅後溢利
千港元



2014	163,032
2015	340,159
2016	63,840
2017	1,211,198
2018	241,448

總資產
千港元



2014	6,732,878
2015	6,838,556
2016	17,255,820
2017	21,855,671
2018	20,258,229

擁有人權益
千港元



2014	3,846,524
2015	4,043,253
2016	3,632,881
2017	4,804,881
2018	4,439,791

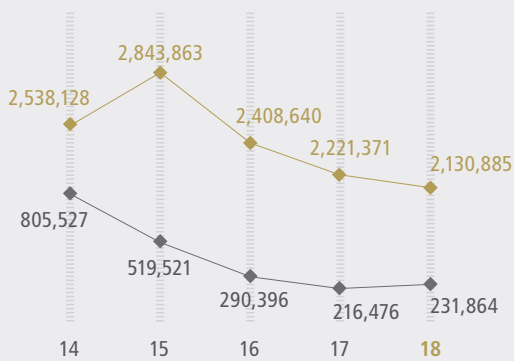


2,937,849,000 港元
收入



241,448,000 港元
除稅後溢利

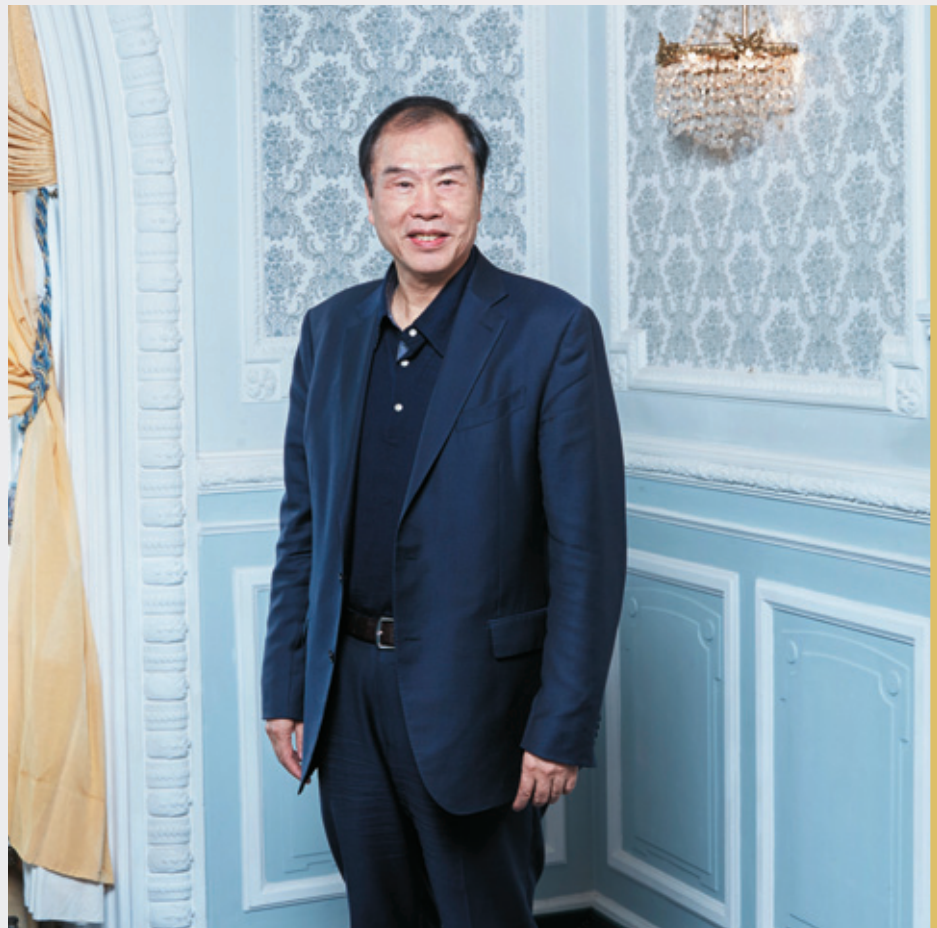
按自有品牌及
非自有品牌劃分之
收入
千港元



- ◆ 自有品牌
- ◆ 非自有品牌

主席報告

二零一八年為充滿不確定因素及意外之一年。全球金融市場動盪不定，並受政治及經濟不確定因素所困擾。市場憂慮中國內地經濟因中美貿易戰而有所放緩，同時美國加息帶動利率上升，種種因素影響下導致消費者及客戶態度變得謹慎，並為本集團之宏觀經濟及市場環境帶來挑戰。



我們繼續致力保持我們之策略優勢、提升競爭力及締造協同效應。

儘管中國內地及海外之鐘錶業務仍然面對挑戰，我們之私人銀行業務已朝策略目標邁進，並為本集團二零一八年之業績表現作出重大貢獻。

業績概況

二零一八年之收入由二零一七年之29.8億港元減少1.5%至29.4億港元。本公司擁有人應佔溢利於二零一八年減少至2億港元，較二零一七年之11.7億港元減少9.7億港元或82.8%。溢利減少主要來於二零一七年出售森帝木業(深圳)有限公司之一次性收益。每股基本盈利為4.63港仙。平均股本回報率及平均資產回報率分別為4.85%及1.15%。

董事會經審慎考慮後議決不建議就截至二零一八年十二月三十一日止年度派付末期股息，以保留充足資金滿足本集團之財務需要。

策略發展

我們從長遠角度制定策略，此可於我們投資的類型上得以體現。我們為自身之高瞻遠矚及創新精神深感自豪。我們將資金及人員投放於充滿機遇之領域，以創造超逾資金成本之回報。我們投資現有及新增業務，並專注於我們具競爭優勢且資金及團隊可創造長遠價值之領域。

富地銀行之管理資產保持穩定、盈利能力提升、流動性水平提高及員工人數增加，顯示自身業務成功發展。該銀行於二零一八年十一月在香港設立代表辦事處，為其發展豎立里程碑。

於二零一八年九月，本集團以代價約3.74億港元收購依波路控股有限公司(股份代號：01856，「依波路」)58.22%股權。該收購事項其後觸發無條件強制性現金要約。由於提呈要約，本集團於二零一八年十二月三十一日合共持有依波路82.50%股權。依波路以自有品牌從事設計、

生產、營銷及銷售機械及石英名貴手錶業務。依波路自一八五六年在瑞士成立，擁有160多年歷史。該收購事項有助加強我們之瑞士品牌組合及中國內地分銷渠道。

業務及市場發展

儘管我們擁有30多年經營鐘錶業務之往績經驗，但仍須面臨嚴峻市場環境所帶來之挑戰。市況欠佳使我們不得不採取措施以提高效益、盡可能降低成本及專注於核心業務。當市況有所改善，上述措施將加強我們之實力，並推動我們之長遠發展。

銀行業務表現相當鼓舞人心。我們將調撥更多資源於營銷、合規及風險管理，而此舉對我們在本本地及國際保持競爭力及達致長遠增長而言至關重要。

個別公司及分部於二零一八年之發展情況詳情載於本年報管理層討論及分析。

企業管治

為提升企業管治水平及透明度，本公司於二零一八年制定多項企業管治政策，包括股息政策、董事會提名政策及董事會成員多元化政策。

環境、社會及管治表現

良好環境、社會及管治實踐一直為本集團業務策略及管理措施中不可缺少之一部分。作為良好企業公民，本集團向我們經營業務所在社區(尤其是中國內地)作出貢獻。

風險管理

我們對本集團所面臨之風險及不確定因素均有進行監控，並就每項主要風險及不確定因素制定及採取適當之風險管理措施。鑒於我們不斷投入發展私人銀行業務、基金管理及證券買賣業務，風險管理對本集團而言將持續是至關重要之一環。

主席報告

前景

於短期內，中國內地之本地自有鐘錶品牌業務將繼續緩慢增長，就長遠而言，預期當鐘錶需求在中國內地呈溫和增長時，市況將會有所改善。

整體而言，國外自有鐘錶品牌業務仍舊充滿挑戰。然而，部分國家之業績正重返升軌，對收入及盈利能力產生正面影響。預期增長將於數年內實現。

銀行及金融業務繼續發展，而銀行業務將為未來數年收入及盈利能力之主要動力。

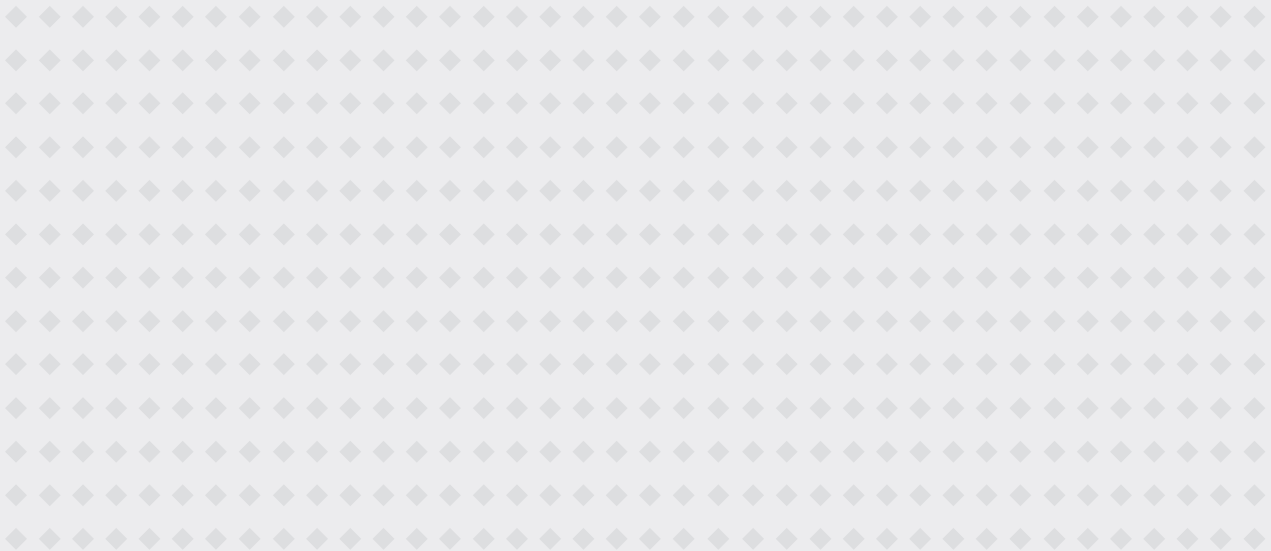
我們擬繼續成為一間擁有多元業務、具備實現可持續長遠價值增長能力之綜合性企業。最重要的是，我們具備實力，能夠適應我們業務上瞬息萬變之產品、市場及經濟環境。

致謝

本人謹此感謝董事會以及附屬公司及聯營公司之董事，於過去一年在履行職責上作出明智決策及付出努力。本人亦由衷感謝各業務夥伴，並期待於來年能進一步合作。此外，本人謹此感謝管理團隊及員工之全力投入及傑出表現。最後，本人謹代表團隊全人向各股東及客戶對本集團長期以來之信任及信心表示謝意。

主席
韓國龍

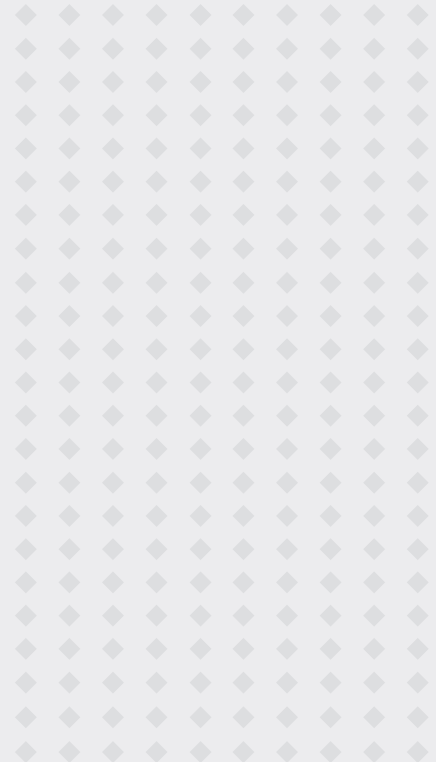
香港，二零一九年三月二十九日



管理層討論及分析

	截至十二月三十一日止年度		變動 %
	二零一八年 千港元	二零一七年 千港元	
總收入	2,937,849	2,982,701	-1.5
經營開支	1,587,536	1,574,934	0.8
非銀行及金融業務產生之毛利	1,431,382	1,373,937	4.2
銀行及金融業務產生之毛利	483,899	382,270	26.6
稅息折舊及攤銷前利潤(EBITDA)	541,853	1,624,014	-66.6
除稅前溢利	347,112	1,432,764	-75.8
除稅後純利	241,448	1,211,198	-80.1
本公司擁有人應佔每股盈利			
— 基本	4.63	26.91	-82.8
— 攤薄	4.63	26.87	-82.8

	於十二月三十一日		變動 %
	二零一八年 千港元	二零一七年 千港元	
總資產	20,258,229	21,855,671	-7.3
總負債	15,448,738	16,707,545	-7.5
權益總額	4,809,491	5,148,126	-6.6



管理層討論及分析

經營業績

截至二零一八年十二月三十一日止年度，本集團錄得總收入約2,937,849,000港元(二零一七年十二月三十一日：2,982,701,000港元)，較二零一七年減少44,852,000港元或1.5%。

截至二零一八年十二月三十一日止年度，經營開支(包括銷售及分銷費用以及行政費用)約為1,587,536,000港元(二零一七年十二月三十一日：1,574,934,000港元)，較二零一七年增加12,602,000港元或0.8%。

截至二零一八年十二月三十一日止年度，非銀行及金融業務產生之毛利約為1,431,382,000港元(二零一七年十二月三十一日：1,373,937,000港元)，較二零一七年增加57,445,000港元或4.2%。

截至二零一八年十二月三十一日止年度，銀行及金融業務產生之毛利約為483,899,000港元(二零一七年十二月三十一日：382,270,000港元)，較二零一七年增加101,629,000港元或26.6%。

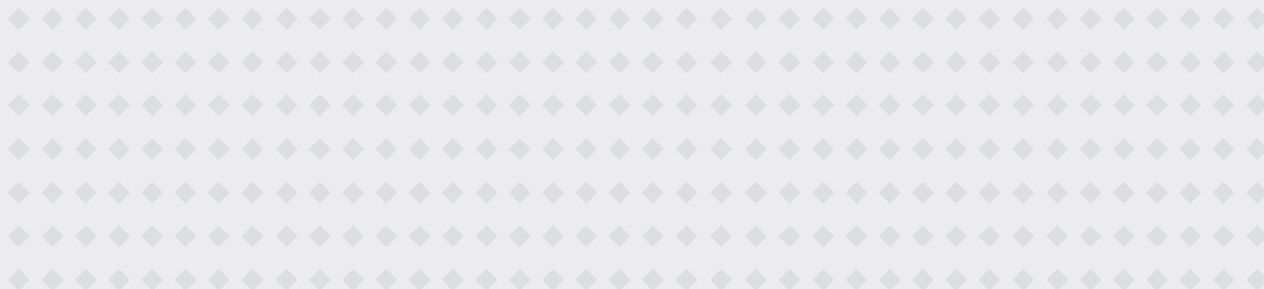
截至二零一八年十二月三十一日止年度，稅息折舊及攤銷前利潤(EBITDA)約為541,853,000港元(二零一七年十二月三十一日：1,624,014,000港元)，較二零一七年減少1,082,161,000港元或66.6%。

截至二零一八年十二月三十一日止年度，除稅後純利約為241,448,000港元(二零一七年十二月三十一日：1,211,198,000港元)，較去年減少969,750,000港元或80.1%。截至二零一七年十二月三十一日止年度，本集團就出售森帝木業(深圳)有限公司之全部股權錄得收益約13.5億港元。撇除二零一七年所有一次性出售收益及資產減值虧損，本集團較二零一七年實際增加948%。

策略發展

富地銀行股份有限公司(「富地銀行」)之管理資產保持穩定、盈利能力提升及員工人數增加，顯示自身業務成功發展。該銀行最近於二零一八年十一月在香港設立首間海外代表辦事處，足證業務持續發展。

於二零一八年九月，本集團收購依波路控股有限公司(股份代號：1856)(「依波路」)58.22%股權，代價約為3.74億港元，其後收購根據強制性全面要約以代價約1.56億港元額外收購了依波路24.28%股權。於二零一八年十二月三十一日及截至本年報日期，本集團分別持有依波路82.50%及64.08%股權。依波路(連同其附屬公司統稱「依波路集團」)從事設計、生產、營銷及銷售機械及石英名貴手錶業務。收購事項與本集團之市場多元化策略一致，並可使本集團與依波路集團相輔相成。



於二零一八年七月二十日，本公司（作為有限合夥人）以3,000萬美元初始資本承擔認購基金 Corum Sino-Swiss Fund, LP（「崑崙基金」）之合夥權益。中國建設銀行股份有限公司之全資附屬公司 Chance Talent Management Limited（「Chance Talent」，作為有限合夥人）亦以7,000萬美元資本承擔認購崑崙基金之合夥權益。崑崙基金之目標為投資於奢侈品行業之公司或資產或與金融相關之公司。於五年基金期限屆滿時，倘崑崙基金之現金不足以向 Chance Talent 分配相當於其100%出資總額及保證回報（每年金額相等於其8%出資額）之總和，則本公司承諾支付差額。Corum Sino-Swiss Investment Partners Limited（由 Corum Capital Partners Limited 擁有81%權益及由 Chance Talent 擁有19%權益）擔任崑崙基金之普通合夥人。本公司擁有 Corum Capital Partners Limited 之40%權益。本公司尚未作出任何資本承擔。

業績表現

儘管環境存在挑戰，我們仍朝策略目標取得長足發展。本集團由三個主要分部組成：鐘錶及時計產品業務、銀行及金融業務以及各類投資業務。以下進一步審視該等分部之詳情。



I. 鐘錶及時計產品業務

- I.A — 本地自有品牌
- I.B — 國外自有品牌
- I.C — 非自有品牌



II. 銀行及金融業務

- II.A — 富地銀行股份有限公司
- II.B — 信亨金融控股（香港）有限公司



III. 各類投資業務

- III.A — 上市股本投資
- III.B — 物業投資
- III.C — 其他可流通證券

管理層討論及分析



電子商務、工業旅遊及團購之總收入比例

二零一六年

72%

實體店之收入比例 28%

二零一七年

66%

實體店之收入比例 34%

二零一八年

55%

實體店之收入比例 45%



羅西尼分銷點數目

二零一六年

3,585

二零一七年

3,857

二零一八年

3,765



I.A 鐘錶及時計產品業務—本地自有品牌

珠海羅西尼錶業有限公司

截至二零一八年十二月三十一日止年度，本集團擁有 91% 權益之附屬公司珠海羅西尼錶業有限公司（「羅西尼」）錄得收入 1,060,274,000 港元，較二零一七年之 1,020,301,000 港元增加 39,973,000 港元或 3.9%。截至二零一八年十二月三十一日止年度，本公司擁有人應佔除稅後純利為 274,419,000 港元，較二零一七年之 283,536,000 港元減少 9,117,000 港元或 3.2%。

於二零一八年，羅西尼之電子商務、工業旅遊及團購銷售增長明顯，而實體店銷售則略有下降。於過去幾年，電子商務、工業旅遊及團購之總收入比例呈上升趨勢。

截至二零一八年十二月三十一日止年度，電子商務銷售收入為 353,778,000 港元，較去年之 280,421,000 港元增加 73,357,000 港元或 26.2%。有見及中國內地電子商務之發展趨勢，預期電子商務將能於未來數年保持穩定增長率。

羅西尼之工業旅遊於遊客數目及收入方面均創下新高。於二零一八年，鐘錶博物館接待超過 600,000 名遊客，產

生收入約 89,342,000 港元。羅西尼現正籌備鐘錶博物館全新升級工作，並加入現代聲、光和多媒體等科技元素於展示之中。

於二零一八年，羅西尼獲中國質量協會和全國用戶委員會授予「用戶滿意標杆企業（AAA 等級）」稱號。羅西尼同期亦榮膺「改革開放 40 周年廣東省優秀企業」之稱號。



羅西尼電子商務銷售收入

二零一六年

219,175,000 港元
佔其總收入比例 22.1%

二零一七年

280,421,000 港元
佔其總收入比例 27.5%

二零一八年

353,778,000 港元
佔其總收入比例 33.4%

依波精品集團

依波精品集團包括依波系列品牌有限公司、依波精品(深圳)有限公司(「依波精品」)、深圳市依波精品在線電子商務有限公司、深圳市帕瑪精品製造有限公司及於二零一八年註冊成立之深圳市依波帕瑪銷售有限公司。

截至二零一八年十二月三十一日止年度，依波精品集團之收入為**596,579,000**港元，較二零一七年之**685,406,000**港元減少**88,827,000**港元或**13%**。截至二零一八年十二月三十一日止年度，除稅後純利為**60,353,000**港元，較二零一七年之**70,144,000**港元減少**9,791,000**港元或**14%**。收入減少歸因於多項因素。首先，實體店銷售之下降趨勢持續，新開業之實體店表現亦未如理想。其次，截至二零一八年十二月三十一日止年度之電子商務銷售較去年有所下跌。其三，新銷售渠道之發展有待改善。

依波精品新總部自二零一八年年初起投入運作。由於生產及新產品開發尚未恢復至正常水平，導致產品供應短缺，繼而影響二零一八年之收入及盈利能力。

由於依波精品總部由市中心遷至新開發地區，依波精品部分年輕的電子商務專業人才流失，對依波精品於二零一八年之電子商務業績表現產生不利影響。於二零一八年，電子商務收入由二零一七年之**185,508,000**港元減少**20,225,000**港元或**10.9%**至**165,283,000**港元。

中國內地是我們的家園，且仍然是我們業務的支柱。羅西尼及依波精品集團仍為主要收入來源，佔本集團非銀行及金融業務之總收入逾**68%**(二零一七年十二月三十一日：**66%**)；該兩個品牌亦為本集團主要純利貢獻者。

數碼經濟快速增長，不斷改變消費者行為，因此羅西尼及依波精品正積極推行策略加強電子商務。相信今後電子商務銷售佔兩間公司之收入及溢利比重將穩定增加。



依波精品分銷點數目

二零一六年

3,174

二零一七年

3,155

二零一八年

3,082



依波精品電子商務銷售收入

二零一六年

163,515,000 港元
佔其總收入比例 **21.8%**

二零一七年

185,508,000 港元
佔其總收入比例 **27.1%**

二零一八年

165,283,000 港元
佔其總收入比例 **27.7%**



管理層討論及分析

I.B 國外自有品牌

依波路控股有限公司

於二零一八年十二月三十一日，本集團持有依波路之**82.50%**股權。依波路集團以自有品牌「依波路」從事設計、生產、營銷及銷售機械及石英名貴手錶業務。自一八五六年在瑞士開業，依波路擁有逾**160年**之輝煌歷史。一直以來，依波路集團秉承「瑞士製造」之高度精密及嚴謹品質控制的宗旨。

自收購日期起至二零一八年十二月三十一日止，依波路集團分別錄得收入及本公司擁有人應佔除稅後虧損淨額**41,501,000**港元及**25,773,000**港元。

中國內地仍然是依波路集團之核心市場。自收購日期起至二零一八年十二月三十一日止，中國內地之收入約為**35,666,000**港元，佔總收入約**85.9%**。

依波路集團之廣泛分銷網絡覆蓋中國內地、香港、澳門及東南亞國家之零售市場。於二零一八年十二月三十一日，依波路集團擁有超過**770**個銷售點，包括約**620**個銷售點位於中國內地以及約**130**個銷售點位於香港、澳門及東南亞國家。

本集團已出售依波路約**18.42%**股權，以回復依波路之公眾持股量。截至本年報日期，本集團持有依波路約**64.08%**股權。

利用我們之競爭優勢及對客戶需求之深入了解，我們將重新部署資源以實現高效化及提升協同效應，並立基於已取得之成果創造長遠價值。

其他國外自有品牌

整體而言，截至二零一八年十二月三十一日止年度，崑崙、綺年華及The Dreyfuss Group Limited (「帝福時集團」) 合共產生之收入及除稅後虧損淨額分別為**474,032,000**港元(二零一七年十二月三十一日：**515,664,000**港元)及**113,963,000**港元(二零一七年十二月三十一日：**340,068,000**港元)。

國外 自有品牌



於二零一八年，亞洲、歐洲及美國仍然是崑崙之最大市場。其中，亞洲是最大市場，佔崑崙總銷售約60%，較二零一七年之銷售增長約7%。二零一八年宣佈著名中國演員及模特兒胡兵先生成為崑崙之新全球品牌大使，以於此最大市場獲取更多知名度。於二零一八年，全球經濟增長緩慢、恐怖襲擊及歐洲種種不明朗因素為崑崙於歐洲及美國之銷售帶來重大挑戰。兩個市場之銷售額較二零一七年下降約8%。

綺年華之營運及管理併入崑崙。於二零一八年五月，設立新的業務分析部門，旨在重組流程及架構，以提高其盈利能力及效益。該部門主要職責為對各部門進行分析，並透過實施改善手段或項目重組為已識別之問題提供解決方案。此外，該部門亦負責向部門經理提供監督其部門表現之所有必要指標。該部門目前的首要任務為快速提升公司的生產力及盈利能力。

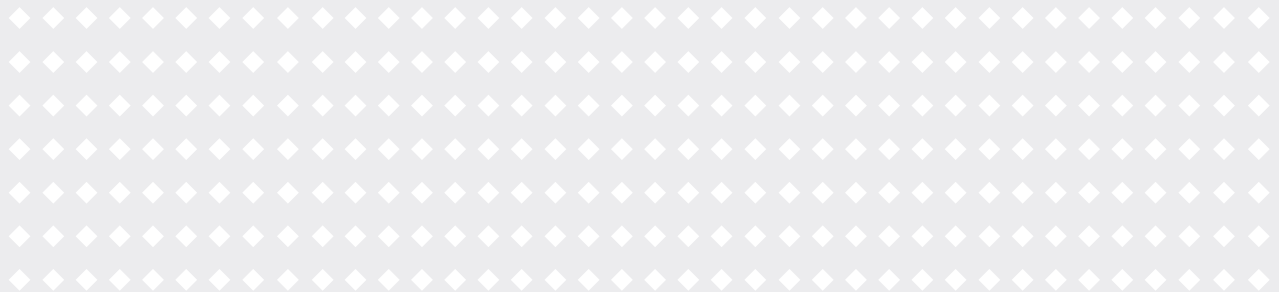
一個對客戶服務、後勤辦公室及發票部門進行整合之系統管理項目正在籌備中。此項目一旦出台，將可使工作流程更加順暢，從而大大節省成本。此外，綺年華正進行銷售部及營銷部之間的重組及合併。重組將有助這兩個密不可分部門互相締造協同效應，以進一步貼近市場需求。

除向本集團旗下品牌供應機械機芯外，綺年華機芯公司將繼續專注於歐洲及亞洲市場，透過加強營銷活動不斷吸納新客戶。

英國是帝福時集團之單一最大市場，佔截至二零一八年十二月三十一日止年度總收入之88%，惟其表現仍備受英國脫歐所產生之經濟因素所影響。該等因素影響整個英國市場，尤其是消費者對非必要消費抱持謹慎態度。英國市場之關鍵策略是透過以極具吸引力之價格提供理想之鐘錶從而達致目標盈利，以提高與主要客戶交易之盈利能力。於二零一八年，英國銷售團隊與客戶群緊密合作，透過定期會議建立穩固關係，以檢討產品系列及銷售點之機遇。另一方面，二零一八年國際銷售有所增長，是其專注於有盈利之銷售渠道及於中國內地積極建立新銷售業務後所反映出的結果。新附屬公司於中國內地成立，以盡量擴展勞特萊手錶於此市場之機遇，佔帝福時集團於二零一八年總收入之5%。

I.C 鐘錶及時計產品業務—非自有品牌

現時，本集團持有四間分銷公司。整體而言，截至二零一八年十二月三十一日止年度，分銷公司分別錄得收入及除稅後純利231,864,000港元(二零一七年十二月三十一日：216,476,000港元)及6,663,000港元(二零一七年十二月三十一日：除稅後虧損淨額895,000港元)。



管理層討論及分析



II.A 富地銀行股份有限公司

富地銀行旨在陪伴客戶走過每一世代，並創造長遠財富及保障。私人銀行服務範圍廣泛，集中(其中包括)下列範疇：

- (1) 資產管理及就投資提供意見；及
- (2) 證券發行及投資基金。

有賴我們卓越的資產管理及投資意見服務，即使受市場走勢波動而略受影響，截至二零一八年十二月三十一日，受託管理資產為35億瑞士法郎(二零一七年十二月三十一日：36億瑞士法郎)。

儘管市場環境充滿挑戰，富地銀行仍然成功貫徹過去幾年之發展方向，並延續過去幾年之良好業績。截至二零一八年十二月三十一日止年度，收入為480,364,000港元，較二零一七年之372,835,000港元增加107,529,000港元或28.8%。截至二零一八年十二月三十一日止年度，本公司擁有人應佔除稅後純利為154,065,000港元，較二零一七年之106,967,000港元增加47,098,000港元或44%。

純利增加之首要原因為近期美元息率高企，同業間美元存款帶來額外利息收入，其次為客戶借貸量增加。

其中，利息收入增加乃由於美元銀行同業投資和外匯掉期收入增加所致。利息及股息之收入淨額較二零一七年大幅增加約85,839,000港元或90.4%。佣金及服

務費收入淨額亦較二零一七年增加9.8%至2,950萬瑞士法郎。儘管股票市場環境動盪，經紀費收入低於去年之水平，但資產管理及諮詢委託的積極發展對託管及管理費產生正面影響。交易收入約為790萬瑞士法郎，與二零一七年相比顯然穩定。

二零一八年之經營開支為3,150萬瑞士法郎，與二零一七年相比顯著增加。一方面，此乃由於經營投入致使成本增加。另一方面，與二零一七年相比，一般及行政開支增加190萬瑞士法郎或24%。

有賴於成本管理，該銀行成本／收入比率達48.5%。流動性保持於高水平。於二零一八年十二月三十一日，該銀行持有大量流動資產，使其流動資金覆蓋比率達197%，遠高於監管下限。於二零一八年產生之純利進一步鞏固其資本基礎及資本比率。

富地銀行繼續推動改善基本系統及程序，並分配大量資源於合規、風險管理、監控及申報系統上，使其繼續成為穩定及安全之機構。銀行業正迅速向全面透明化邁進。為符合監管規定，客戶進行首次付款交易時須應往來銀行之要求披露全部財務背景，包括實益擁有人身分、代行人士的資料及交易文件。有關資料就確保交易對象遵守地方性監管規定並於協助打擊逃稅、洗錢及恐怖份子籌資而言為必需，以維持市場透明及保持金融體系穩定。此外，列支敦士登與多個第三國之間的信息自動交換已成為標準化程序。於二零一八年十二月三十一日，列支敦士登與98個國家訂立協議。儘管有關法規日益嚴格，富地銀行的管理資產仍逐步增加。

富地銀行避免與可疑的企業合作，不會對武器製造、武器交易、成人娛樂或線上投注服務作出任何支持。富地銀行尤其不會與加密貨幣相關之公司合作，此乃由於我們無法控制加密貨幣的資金來源所致。富地銀行並無為其股東或彼等之家庭成員或關連人士提供賬戶，以避免利益衝突並同時強調獨立性。

富地銀行已加強培訓，以建立一支更靈活及高效率之員工隊伍。我們高質素之僱員具備多種語言能力(德語、英語、意大利語、土耳其語、俄語、波蘭語、捷克語、斯洛伐克語、塞爾維亞語、克羅地亞語、斯洛文尼亞語、匈牙利語及普通話)。彼等之文化認識有助我們以高效方式進軍國際市場。按語言區域劃分業務分部使該銀行有能力以高效方式進軍市場，乃主要成功因素。

富地銀行繼續投放資源於普通話團隊，以拓展華人客戶市場。該銀行已在香港開設代表辦事處，乃我們近期銀行策略之其中一項卓越成就。該銀行各部門之員工將到訪香港汲取市場經驗。

富地銀行正致力擴建於 **Bendern** 之寫字樓。根據前任及現任建築師之建議，現有寫字樓擴建與中央大樓相連。該空間能容納 **150** 多名員工並改善設施。建築工程已經開始，預期於二零二一年秋季末竣工。

富地銀行之目標為透過提供優質服務，專注賺取佣金及服務費收入。該銀行繼續向特選客戶提供有抵押貸款，同時亦維持高度多元化。

富地銀行對長遠前景抱持樂觀態度。富地銀行完全致力為我們之客戶提供服務，並實現我們之願景，成為滿足客戶需求之銀行。我們相信此承諾加上我們過去數十年建立的獨特資源，將推動本集團在銀行及金融業務方面之發展，有助為股東帶來穩定回報。

II.B 信亨金融控股(香港)有限公司

目前，本集團透過信亨金融控股(香港)有限公司(前稱環球富盛有限公司)(「信亨金融控股」，由本集團擁有 **60%** 權益)進行證券及資產管理業務。該公司包括信亨証券有限公司及香港水杉資產管理有限公司。

截至二零一八年十二月三十一日止年度，信亨金融控股分別產生收入及本公司擁有人應佔除稅後虧損淨額 **3,535,000** 港元(二零一七年十二月三十一日：**9,945,000** 港元^{附註})及 **6,350,000** 港元(二零一七年十二月三十一日純利：**694,000** 港元^{附註})。

信亨証券有限公司(「信亨証券」)

信亨証券持有證券及期貨條例(「證券及期貨條例」)許可之從事第 **1** 類(證券交易)受規管活動之牌照，主要從事證券經紀及孖展業務。

除傳統經紀業務外，信亨証券繼續發展海外中資債券承銷業務。於二零一八年，信亨証券完成其第 **4** 個債券承銷項目，規模為 **8,000** 萬美元。

為切合拓展業務需要並吸引新個人及機構投資者，信亨証券已升級其在線交易系統，提升安全度及用戶體驗。

香港水杉資產管理有限公司(「水杉資產」)

水杉資產持有證券及期貨條例許可之從事第 **4** 類(就證券提供意見)及第 **9** 類(提供資產管理)受規管活動之牌照，主要從事資產管理業務。

^{附註}：截至二零一七年十二月三十一日止年度之收入及除稅後純利涵蓋自收購日期二零一七年二月起至二零一七年十二月三十一日止之期間

管理層討論及分析

水杉資產已推出其首項證券基金—環球機會基金 (Global Opportunities Fund)，基金初始規模為8,000萬港元，主要投資於香港及美國證券市場。於二零一八年十二月三十一日，水杉資產之管理資產約為1,000萬美元。此外，水杉資產已獲中國人民銀行批准全國銀行間債券市場準入資格，以設立更多債券型基金。

由於冠城大通之股價由二零一八年一月一日之人民幣6.52元 (相當於7.83港元) 下跌至二零一八年十二月三十一日之人民幣3.72元 (相當於4.236港元)，故本集團截至二零一八年十二月三十一日止年度於冠城大通之投資產生計入其他全面收入之公平值變動虧損淨額109,229,000港元。截至二零一八年十二月三十一日止年度，本集團確認應收冠城大通股息為3,577,000港元。



冠城大通—市值

於二零一八年
十二月三十一日

128,730 港元
概約千港元

於二零一七年
十二月三十一日

237,959 港元
概約千港元



閩信—市值

於二零一八年
十二月三十一日

492,759 港元
概約千港元

於二零一七年
十二月三十一日

506,863 港元
概約千港元



III.A 上市股本投資

(1) 冠城大通股份有限公司

於二零一八年十二月三十一日，本集團按公平值計入其他全面收入之金融資產為627,200,000港元。128,730,000港元與於冠城大通股份有限公司 (「冠城大通」) 權益股份之上市股本投資有關。冠城大通為一間於上海證券交易所上市之公司 (股份代號：600067)，其從事房地產、漆包線、銀行及新能源業務。於二零一八年十二月三十一日，本集團擁有30,389,058股冠城大通股份，市價為每股人民幣3.72元 (相當於每股4.236港元)，而公平值則約為128,730,000港元。於二零一八年十二月三十一日，本集團所持股份佔冠城大通全部已發行股本2.04%。該公平值佔本集團總資產0.6%。

鑒於其股息率及股價長遠表現與潛力，本集團對此進行長期投資。冠城大通之土地儲備龐大，有利於若干業務分部之發展及盈利能力，故我們對冠城大通之未來前景抱持樂觀態度。

(2) 閩信集團有限公司

於閩信集團有限公司 (「閩信」) (股份代號：222) 之投資由交易組合投資重新分類至按公平值計入其他全面收入之金融資產，乃由於本公司擬長期持有該投資。

閩信為一間從事金融服務、證券買賣、房地產開發、收費公路及生產業務之公司。於二零一八年十二月三十一日，於閩信之投資約為492,759,000港元，即88,150,000股於二零一八年十二月三十一日之市價為每股5.59港元之股份。該投資的公平值佔本集團總資產2.4%。於二零一八年十二月

三十一日，本公司所持股份佔閩信全部已發行股本 14.76%。

由於閩信之股價由二零一八年一月一日之 5.75 港元下跌至二零一八年十二月三十一日之 5.59 港元，故本公司截至二零一八年十二月三十一日止年度於閩信之投資產生計入其他全面收入之公平值變動虧損淨額 14,104,000 港元(二零一七年十二月三十一日：19,632,000 港元)。截至二零一八年十二月三十一日止年度，本公司應收閩信股息為 6,997,000 港元。

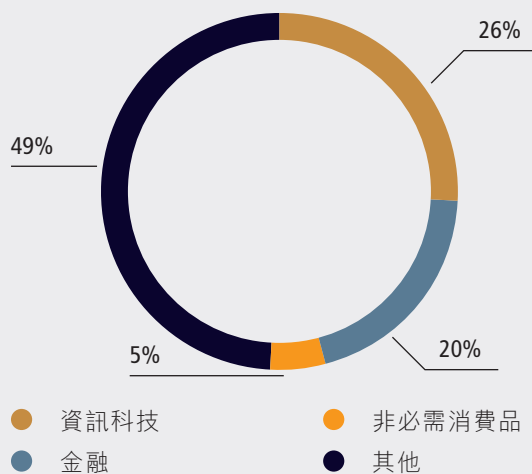
III.B 物業投資

本集團所擁有位於中國內地及香港之物業均已全部租出，於回顧年內為本集團帶來穩定租金回報。年內，該等投資物業產生之租金收入為 9,586,000 港元(二零一七年十二月三十一日：16,936,000 港元)。租金收入減少主要因為二零一七年出售森帝木業集團，導致投資物業組合減少。

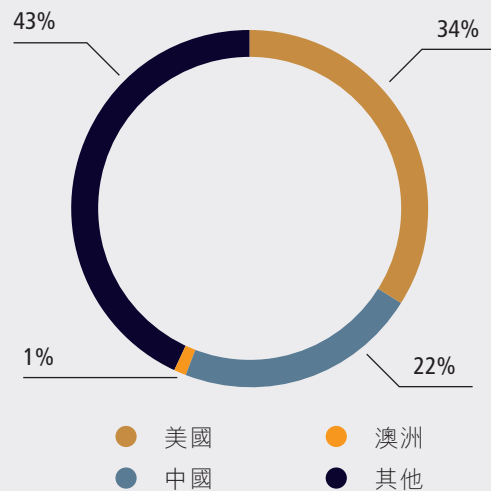
III.C 其他可流通證券

本集團自二零一七年八月十五日起作為創辦投資者，投資 512 萬美元於「Metasequoia Investment Fund SPC – Global Opportunities Fund SP」(「該基金」)，以促進基金管理業務之建立。該基金初始資本為 1,024 萬美元，而基金其餘部分則獲其他投資者以 512 萬美元資本認購。於二零一八年十二月三十一日，該基金總資產淨值為 1,042 萬美元(包括本集團之 532 萬美元及其他投資者之 510 萬美元)。該基金於資訊科技行業、金融業及非必需消費品行業之投資分別約為 26%、20% 及 5%，其餘 49% 則投資於其他行業。按地域分類，該基金於美國、中國內地及澳洲公司之投資分別約為 34%、22% 及 1%，其餘 43% 則投資於其他國家公司。截至二零一八年十二月三十一日止年度，投資公平值未變現虧損約為 796,740 美元。

行業分佈



地域分佈



管理層討論及分析

財務狀況

(1) 流動資金、財政資源及資本架構

於二零一八年十二月三十一日，本集團之無抵押現金及銀行結餘約為7,701,743,000港元(二零一七年十二月三十一日：7,420,678,000港元)。按照借貸1,047,189,000港元(二零一七年十二月三十一日：583,269,000港元)、公司債券約760,244,000港元(二零一七年十二月三十一日：732,978,000港元)、應付一名股東之款項73,000,000港元(二零一七年十二月三十一日：無)及股東權益4,439,791,000港元(二零一七年十二月三十一日：4,804,881,000港元)計算，本集團之資產負債比率(即借貸加公司債券除以股東權益)為42%(二零一七年十二月三十一日：27%)。

於二零一八年十二月三十一日，本集團須於一年內償還之借貸金額為825,086,000港元(二零一七年十二月三十一日：567,178,000港元)，佔所有借貸之79%(二零一七年十二月三十一日：97%)。

鑒於全球經濟環境充滿挑戰，本集團擬對貸款採取審慎態度。

按貨幣、利率性質及期限劃分之借貸列表

貨幣	利率性質	期限於1年內 千港元	期限超過1年 千港元
瑞士法郎	固定／浮動	48,468	15,758
英鎊	浮動	51,041	—
港元	浮動	542,002	206,345
人民幣	浮動	181,982	—
美元	浮動	1,593	—
		825,086	222,103

(2) 資產抵押

於二零一八年十二月三十一日，本公司之銀行融資以本集團應收賬款14,639,000港元及位於瑞士賬面淨值為120,711,000港元之土地及樓宇作抵押，合共135,350,000港元(二零一七年十二月三十一日：138,595,000港元)。

(3) 資本承擔

於二零一八年十二月三十一日，於聯營公司的投資—冠城聯合國際有限公司的資本承擔合共約為270,000,000港元(二零一七年十二月三十一日：275,265,000港元)。

除上述者外，於二零一八年十二月三十一日，本集團概無其他重大資本承擔。

財務回顧

(1) 總資產

總資產於二零一八年十二月三十一日為20,258,229,000港元，較二零一七年十二月三十一日之21,855,671,000港元有所減少，主要歸因於應收銀行款項有所減少。

現金及存款

	二零一八年 十二月三十一日 千港元	二零一七年 十二月三十一日 千港元	增加／(減少) 金額 千港元	%
現金及銀行結餘	395,444	560,329	(164,885)	-29.4
代客戶持有之現金	46,932	47,251	(319)	-0.7
中央銀行之活期存款	7,259,367	6,813,098	446,269	6.6

應收銀行款項

	二零一八年 十二月三十一日 千港元	二零一七年 十二月三十一日 千港元	增加／(減少) 金額 千港元	%
應收銀行日常款項	3,205,104	5,808,499	(2,603,395)	-44.8
應收銀行其他申索	185,557	113,571	71,986	63.4
估值調整	(2,825)	(192)	(2,633)	-1,371.4

(2) 投資

於二零一八年十二月三十一日的投資包括(a)交易組合投資123,606,000港元；(b)衍生金融資產7,694,000港元；(c)按攤銷成本列賬之其他金融資產1,034,773,000港元；及(d)按公平值計入其他全面收入之金融資產627,200,000港元(「投資」)。

(a) 交易組合投資 123,606,000 港元

	二零一八年 十二月三十一日 千港元	二零一七年 十二月三十一日 千港元
股本工具		
按市值於香港上市之股本工具	42,793	556,634
按市值於香港境外上市之股本工具	35,429	42,579
股本工具總額	78,222	599,213
債務工具		
於香港境外上市之金融機構債務工具	603	33,878
金融機構之非上市債務工具	12,890	2,733
債務工具總額	13,493	36,611
投資基金單位		
於香港境外上市之投資基金單位	793	3,228
非上市投資基金單位	7,851	1,979
投資基金單位總額	8,644	5,207
其他金融產品投資	23,247	-
交易組合投資總額	123,606	641,031

管理層討論及分析

本集團目標為以交易組合投資形式維持一定流動資金水平以應付突如其來的資本開支。流動資金通常用於上市股票以產生短期回報。

於二零一八年十二月三十一日，本集團投資**42,793,000**港元於香港各類上市股票及投資**35,429,000**港元於中國內地及海外市場。

債務工具**13,493,000**港元包括**2,106,000**港元為富地銀行於歐洲市場的投資及**11,387,000**港元為中國公司於中國內地市場的投資。

富地銀行合共投資**10,749,000**港元於上市債務工具(**2,106,000**港元，如上文所示)及投資基金(**8,644,000**港元)。上市債務工具投資組合由四項上市債務工具組成，該等工具之到期日、地理位置、分部及貨幣均有所不同，因而確保投資組合多元化。所有上市債務工具均被視為中上等級工具，信貸風險較低。持續價值增長之基本先決條件為廣泛分散投資。這正是富地銀行同時投資於多項選定基金之原因。富地銀行之投資政策亦包括嚴格執行投資程序，而有關政策經投資委員會定期審閱。

其他金融產品投資包括永恆品牌及依波路投資的金融產品投資**23,247,000**港元。

於二零一七年十二月三十一日，交易組合投資**641,031,000**港元包括於閩信之投資**506,863,000**港元，即**88,150,000**股於二零一七年十二月三十一日之市價為每股**5.75**港元之股份。於二零一七年十二月三十一日，該投資的公平值佔本集團總資產**2.3%**。

於二零一七年一月一日，本公司擁有**24,312,000**股閩信股份。於二零一七年年內，本公司收購**63,838,000**股股份，並收取股息**120**萬港元。由於閩信之股價由二零一七年一月一日之**7.65**港元下跌至二零一七年十二月三十一日之**5.75**港元，故本公司截至二零一七年十二月三十一日止年度於閩信之投資產生公平值變動虧損淨額**1,960**萬港元。

於二零一八年一月一日或之後開始之年度期間，香港財務報告準則第**9**號取代香港會計準則第**39**號金融工具：確認及計量，若干上市股本投資從交易組合投資重新分類至按公平值計入其他全面收入(「按公平值計入其他全面收入」)之金融資產。本集團擬長期策略性持有閩信之投資。因此，公平值為**506,863,000**港元之該等金融資產從交易組合投資重新分類至按公平值計入其他全面收入之金融資產，自二零一八年一月一日起生效。

(b) 衍生金融資產 7,694,000 港元

	二零一八年 十二月三十一日 千港元	二零一七年 十二月三十一日 千港元
衍生金融資產		
可換股債券投資		
— 換股權部分	—	71
遠期及期權合約	7,694	4,609
	7,694	4,680

衍生金融資產 7,694,000 港元包括由富地銀行進行之遠期及期權合約。

富地銀行為其客戶提供貨幣遠期及掉期等衍生工具產品。該等衍生工具持倉乃透過與外部人士訂立背對背交易進行管理以確保餘下風險處於可接受風險水平內。在交易業務中，交易對手普遍為最高評級銀行。富地銀行之目標並非透過進行遠期及期權合約但不投資於相關資產進行價差投機而獲利。

於二零一八年十二月三十一日，遠期及期權合約為 7,694,000 港元，其中約 7,480,000 港元與富地銀行所訂立之外匯掉期有關。基於風險／回報考慮，客戶之部分外幣存款不再投資於銀行間市場，但會透過貨幣掉期兌換成瑞士法郎並存入瑞士國家銀行。貨幣掉期利息部分之收入超出瑞士國家銀行之負利息及銀行降低利息水平之開支。

於二零一七年十二月三十一日，衍生金融資產 4,680,000 港元包括由富地銀行進行之遠期及期權合約 4,609,000 港元。

(c) 按攤銷成本列賬之其他金融資產 1,034,773,000 港元

	二零一八年 十二月三十一日 千港元
上市債務工具，按攤銷成本列賬	
由以下人士發行：	
政府及公營部門	7,822
金融機構	716,747
企業	310,204
	1,034,773

管理層討論及分析

富地銀行投資於由政府及公營部門、金融機構以及企業發行之上市債務工具之金額為1,034,773,000港元。該投資組合由57項上市債務工具組成，該等工具之到期日、地理位置、分部及貨幣均有所不同，因而確保投資組合多元化。絕大部分上市債務工具均被視為中上等級工具，信貸風險較低。持至到期投資的平均剩餘年期為1.8年。單筆最大投資為由國際復興開發銀行發行之債券(2,000萬瑞士法郎)，其次是由歐洲投資銀行發行之債券(1,200萬瑞士法郎)。兩者均為獲授AAA評級之發行人。本公司每月分析風險集中度並向高級管理層呈報。

於二零一八年十二月三十一日，相對主要之上市債務工具載列如下：

發行人	利率性質	行業	到期日	價值 (千瑞士法郎)
億滋國際	固定	企業	二零二零年三月三十日	5,000
德意志銀行	浮動	金融機構	二零二二年五月十六日	7,869
加拿大豐業銀行	浮動	金融機構	二零二二年十月五日	8,566
荷蘭銀行	浮動	金融機構	二零二二年七月十九日	7,863
中國工商銀行倫敦分行	浮動	金融機構	二零二二年十二月十四日	4,914
歐洲投資銀行	浮動	金融機構	二零二一年三月二十四日	11,825
國際復興開發銀行	浮動	金融機構	二零二零年三月十八日	19,658
				65,695

整體而言，按攤銷成本列賬之上市債務工具佔本集團總資產5.1%。

於二零一七年十二月三十一日，富地銀行投資於由政府及公營部門、金融機構以及企業發行之上市債務工具之金額為1,138,704,000港元。該投資組合由65項上市債務工具組成，該等工具之到期日、地理位置、分部及貨幣均有所不同，因而確保投資組合多元化。絕大部分上市債務工具均被視為中上等級工具，信貸風險較低。該等工具之到期日介乎6個月至48個月，平均剩餘年期為27個月。本公司每月分析風險集中度並向高級管理層呈報。

發行人	利率性質	行業	到期日	價值 (千瑞士法郎)
億滋國際	固定	企業	二零二零年三月三十日	5,000
Daimler Intl Finance B.V.	浮動	企業	二零二二年五月十一日	4,686
德意志銀行	浮動	金融機構	二零二二年五月十六日	8,164
加拿大豐業銀行	浮動	金融機構	二零二二年十月五日	8,925
荷蘭銀行	浮動	金融機構	二零二二年七月十九日	7,795
中國工商銀行倫敦分行	浮動	金融機構	二零二二年十二月十四日	4,872
美國短期國庫券	零	政府及 公營部門	二零一八年十月十一日	44,253
				83,695

於二零一七年，富地銀行之持至到期投資產生利息收入5,551,000港元。此外，並無作出任何減值。

於二零一八年一月一日或之後開始之年度期間，香港財務報告準則第9號取代香港會計準則第39號金融工具：確認及計量，若干上市債務工具從持至到期投資重新分類至按攤銷成本列賬之其他金融資產。因此，自二零一八年一月一日起，1,138,704,000港元之按攤銷成本列賬之其他金融資產從持至到期投資重新分類至按攤銷成本列賬之其他金融資產。

(d) 按公平值計入其他全面收入之其他金融資產 627,200,000 港元

	二零一八年 十二月三十一日 千港元
於香港上市之股本工具	492,759
於香港境外上市之股本工具	128,730
非上市股本投資	5,711
	627,200

上市股本工具 128,730,000 港元源自於冠城大通之投資及 492,759,000 港元源自於聞信之投資。

(3) 總負債

總負債於二零一八年十二月三十一日為 15,448,738,000 港元，較二零一七年十二月三十一日之 16,707,545,000 港元有所減少，主要歸因於富地銀行之應付客戶款項有所減少。

應付客戶款項

	二零一八年 十二月三十一日 千港元	二零一七年 十二月三十一日 千港元	增加／(減少) 金額 千港元	%
應付客戶貴金屬款項	73,950	45,865	28,085	61.2
其他應付客戶款項(主要為銀行存款)	12,430,641	14,224,224	(1,793,583)	-12.6

管理層討論及分析

(4) 非銀行及金融業務之毛利

非銀行及金融業務之毛利為1,431,382,000港元，增加57,445,000港元或4.2%。

(5) 稅息折舊及攤銷前利潤(EBITDA)

稅息折舊及攤銷前利潤(EBITDA)為541,853,000港元，減少1,082,161,000港元或66.6%。

(6) 銷售及分銷費用

銷售及分銷費用總額為849,551,000港元，增加48,628,000港元或6.1%。

(7) 行政費用

行政費用總額為737,985,000港元，減少36,026,000港元或4.7%。

(8) 應佔聯營公司溢利

應佔本集團擁有25%權益之聯營公司俊光實業有限公司(「俊光」)之溢利為8,387,000港元，減少12,324,000港元或59.5%。俊光為中國內地領先OEM石英錶製造商之一。

(9) 非銀行業務之財務費用

非銀行業務之財務費用為65,828,000港元，減少2,625,000港元或3.8%，已包括公司債券之利息開支以及銀行借貸及銀行透支的利息開支。

(10) 本公司擁有人應佔純利

本公司擁有人應佔純利為201,372,000港元，減少969,112,000港元或82.8%。

(11) 存貨

存貨為2,314,545,000港元，較二零一七年十二月三十一日之2,027,191,000港元增加14.2%。

前景

由於過去二十年國內投資活躍及消費者需求不斷變化促使經濟穩定增長，因此中國內地可一直依賴強勁的外部出口需求及急速的內部增長。現時市場憂慮中美貿易爭端會令消費市場需求放緩。此不僅對出口業之產量、投資及就業機會造成負面影響，整體經濟活動降溫亦會對消費者信心及零售消費產生負面的連鎖效應。隨著連鎖效應席捲整個經濟，國內需求受壓。有見及此，中央政府推出一系列有效政策，以防止危機加劇，並盡量減低對中國內地經濟增長之影響。

然而，預期中國內地之本地自有鐘錶品牌業務於二零一九年仍舊充滿挑戰。所幸的是，實體店減少之銷售收入大部分被電子商務增加之銷售溢利所抵銷。長遠而言，中美貿易爭端有望得以解決，預期當消費者信心回升，市況亦會有所改善，因而帶動中國內地之鐘錶需求溫和增長。

由於全球經濟增長預期疲弱，國外自有鐘錶品牌業務仍舊充滿挑戰。然而，部分產品及市場之業績正重返升軌，對收入及盈利能力產生正面影響。在充滿挑戰的全球經濟環境中，我們對國外自有鐘錶品牌之未來前景感到樂觀。

本集團相信銀行及金融業務將會是未來數年收入及盈利能力新的主要動力，故正探尋有關該分部之潛在收購對象。

我們擬繼續成為一間擁有多元業務、具備實現可持續長遠發展能力之綜合性企業。我們將繼續從發展潛力有限之業務中退出，並將變現的資金重新部署於現有及新業務。

僱員及薪酬政策

我們之持續成功有賴於僱員高度專業之知識水平及彼等敬業樂業之專業精神。

於二零一八年十二月三十一日，本集團在香港及中國內地僱用約4,700名全職員工，而在歐洲則僱用近300名員工。僱員之薪酬待遇乃參考市況及個人表現後經公平磋商釐定及檢討。本集團亦為僱員提供其他福利，包括年終雙糧、醫療保險及退休福利，並視乎本集團經營業績及僱員個人表現向彼等發放獎金花紅。本集團全體香港僱員均已參加公積金計劃。本集團之中國內地附屬公司僱員亦已參加由地方機關管理及運作之社保計劃，並根據當地法例及法規作出有關供款。

致意

本集團之財務表現及策略舉措充分反映董事會及管理層為達成躋身中國內地鐘錶業領先行列此目標所作出之共同努力。倘無董事會及管理團隊之領導，本集團之銷售及溢利增長不可能實現。本人謹藉此機會對本集團之僱員、客戶、供應商、往來銀行、專業顧問、業務夥伴及股東之鼎力支持致以衷心感謝。

執行董事兼行政總裁

商建光

香港，二零一九年三月二十九日

董事及高層管理人員

執行董事



韓國龍，銅紫荆星章

主席

韓國龍先生，六十四歲，於二零零四年四月加入董事會。彼為本公司提名委員會主席及薪酬委員會成員。韓先生於二零零一年十一月至二零一七年一月期間擔任冠城大通股份有限公司（「冠城大通」，其股份於中國內地上海證券交易所上市，股份代號：600067）之董事長。韓先生仍為冠城大通之實際控制人。冠城大通主要於中國內地從事物業開發以及漆包銅線製造及銷售業務。韓先生於中國內地、香港及歐洲商界累積豐富經驗。韓先生為中華全國歸國華僑聯合會委員會常務委員及中國僑商聯合會常務副會長。韓先生亦獲委任為本公司多間附屬公司（包括富地銀行股份有限公司）之董事。韓先生為韓孝煌先生之父親、薛黎曦女士之家翁、Teguh Halim 先生之岳父及林代文先生之姐夫。



商建光

行政總裁

商建光先生，六十七歲，於二零零四年十一月加入董事會。彼為本公司薪酬委員會及提名委員會成員。商先生已獲委任為本公司附屬公司依波路控股有限公司（股份代號：1856，「依波路」）之主席，自二零一八年十月十二日起生效。商先生亦獲委任為本公司多間附屬公司（包括富地銀行股份有限公司）之董事，並獲委任為珠海羅西尼錶業有限公司之總經理。商先生畢業於福州大學，主修化學，為中國內地合資格高級工程師。於加入本集團前，彼曾於多間大型公司出任高級職位，並曾擔任閩信集團有限公司（股份代號：222）之總經理及董事。彼亦擔任冠城大通（其股份於上海證券交易所上市）之董事。彼於企業及投資管理方面擁有廣泛知識及豐富經驗。

石濤

石濤先生，五十五歲，於二零零四年四月加入董事會。石先生持有清華大學工學學士學位及武漢理工大學（前稱武漢工業大學）工程碩士學位。石先生於中國內地商界累積多年經驗。彼曾擔任新資本國際投資有限公司（「新資本」，一間於聯交所主板上市之公司）之執行董事。石先生為本公司風險管理委員會成員及本集團多間附屬公司之董事。





林代文

林代文先生，六十一歲，於二零零四年四月加入董事會。林先生於中國內地物業開發方面擁有多年經驗。林先生曾擔任浙江華順房地產投資有限公司之總經理以及杭州元華商城建設有限公司之執行董事及總經理。林先生為韓國龍先生之妻舅、韓孝煌先生之舅父、薛黎曦女士之舅公及 Teguh Halim 先生之舅岳父。林先生為本公司風險管理委員會成員及本集團多間附屬公司之董事。



畢波

畢波先生，三十九歲，於二零一零年八月加入董事會。畢先生於二零零六年五月取得約翰霍普金斯大學金融理學碩士學位。於加入本集團前，他曾擔任 Carefirst Bluecross Blueshield 之高級精算助理(主管)，負責保險公司之精算估值及風險管理工作。彼於二零零九年取得北美精算學會準精算師資格。彼亦擁有多年併購交易經驗。畢先生亦為本公司風險管理委員會成員及本集團多間附屬公司之董事。

薛黎曦

薛黎曦女士，四十一歲，於二零零四年十一月加入董事會。彼於二零零四年十一月獲委任為本公司非執行董事，並於二零一二年三月二十六日獲調任為本公司執行董事。薛女士畢業於福州大學，主修市場營銷，並為中國內地合資格助理工程師。薛女士亦為冠城大通(其股份於上海證券交易所上市)之董事及福建豐榕投資有限公司之法定代表人兼董事。薛女士為韓國龍先生之兒媳婦、林代文先生之甥媳婦、韓孝煌先生之兄嫂及 Teguh Halim 先生之舅嫂。薛女士亦為本公司風險管理委員會主席及本集團多間附屬公司之董事。



董事及高層管理人員



韓孝煌

韓孝煌先生，四十一歲，於二零一四年八月加入董事會。韓先生畢業於同濟大學，並持有工程管理學士學位。彼自二零零六年八月起擔任冠城大通（其股份於上海證券交易所上市）之副董事長，並自二零一七年一月起獲選任為冠城大通之董事長。彼於中國內地房地產行業擁有豐富經驗。彼現時為中國人民政治協商會議福建省委員會委員及中國人民政治協商會議北京市海澱區委員會常委。韓孝煌先生為韓國龍先生之兒子、林代文先生之外甥、薛黎曦女士之小叔及 Teguh Halim 先生之妻舅。

Teguh HALIM

Teguh Halim 先生，三十七歲，於二零零八年十月加入本集團，並自二零一八年一月二十三日起獲委任為本公司執行董事。於獲委任為本公司執行董事前，彼為本公司副總裁。Halim 先生亦為本集團歐洲執行委員會主席及本公司多間從事鐘錶業務之附屬公司之董事。Halim 先生亦已獲委任為依波路之副主席，自二零一八年十月十二日起生效。彼於鐘錶製造及分銷行業以及工商管理方面擁有多年經驗。Halim 先生畢業於俄亥俄州立大學並取得工商管理學士學位（主修會計）。Halim 先生為韓國龍先生之女婿、林代文先生之甥女婿、薛黎曦女士之姑夫及韓孝煌先生之妹夫。



獨立非執行董事

馮子華

馮子華先生，六十二歲，於二零零四年四月加入董事會。彼為本公司審核委員會及薪酬委員會主席以及提名委員會成員。馮先生為執業會計師及香港一間會計師事務所之董事。馮先生於香港核數、稅務及公司秘書實務方面擁有多年經驗。彼於二零零零年取得香港理工大學專業會計碩士學位。彼為香港會計師公會（「香港會計師公會」）、特許公認會計師公會、香港稅務學會及香港華人會計師公會之會員。彼分別自二零一二年十月及二零一七年一月起獲委任為帝國集團環球控股有限公司（股份代號：776，前稱捷豐家居用品有限公司）及民眾金融科技控股有限公司（股份代號：279）之獨立非執行董事。上述公司之股份均於聯交所上市。



鄭俊偉

鄭俊偉博士，五十四歲，於二零零四年四月加入董事會，為本公司審核委員會、薪酬委員會及提名委員會成員。鄭博士為國際專業管理學會資深會員、香港市務學會會員，並為專攻市場推廣及工商管理領域之業務策略師。鄭博士於一九八七年取得英國諾定咸大學哲學榮譽文學士學位，並於二零零一年取得美國 Newport University 工商管理博士學位。

董事及高層管理人員



張斌

張斌先生，五十四歲，於二零一四年十一月加入董事會，為本公司審核委員會、薪酬委員會及提名委員會成員。張先生現時為北京市浩天信和律師事務所（「浩天信和」）之合夥人。彼於一九八六年取得上海復旦大學法學學士學位，並於一九八八年取得中國律師資格，畢業後曾於一間大型國有企業擔任法律顧問多年。於二零零八年加入浩天信和前，彼曾於北京、倫敦及香港之律師事務所工作。張先生執業領域廣泛，於金融投資、房地產及知識產權之法律事務方面擁有豐富經驗。

Rudolf Heinrich ESCHER

Rudolf Heinrich Escher先生，六十二歲，於二零一七年一月加入董事會，並獲委任為本公司審核委員會、薪酬委員會及提名委員會成員。Escher先生於一九八二年畢業於蘇黎世應用科學大學並取得工商管理學位。彼亦於二零零一年參加法國楓丹白露歐洲工商管理學院歐洲政治學院 (Institute of European Political Studies) 之國際行政人員計劃。於加入本公司前，彼曾於瑞信工作近37年，直至二零一六年十二月三十一日退休。彼於瑞信之最後職位為亞太地區之亞太區私人銀行部副主席，專責超高淨值人士業務。於瑞信任職期間，Escher先生曾於不同國家擔任多項職務，並於銀行及金融業累積豐富經驗。



高層管理人員

方志華

方志華先生，五十六歲，為本公司之財務總監兼公司秘書。方先生亦為本公司多間附屬公司(包括富地銀行股份有限公司)之董事。方先生為香港會計師公會資深會員、澳洲會計師公會資深會員、特許金融分析師、澳洲註冊管理會計師公會會員及香港董事學會資深會員。方先生於中國內地及香港金融界直接投資、項目及結構融資以及資本市場等不同領域擁有逾25年豐富經驗。方先生曾為霸菱投資(中國)基金管理有限公司之董事，並曾於ING Bank擔任多個管理職位。彼於二零零四年九月加入本公司。



呂軍

呂軍先生，五十五歲，自二零一四年十月起獲委任為本公司副總裁。彼現時擔任本公司附屬公司廣州五羊表業有限公司之總經理兼董事及Eterna Movement AG之行政總裁。呂先生持有天津財經大學之高級管理人員工商管理碩士學位。於加入本公司前，彼自一九八三年起於天津手表廠(現稱天津海鷗表業集團有限公司，「天津海鷗」)任職，並曾擔任天津海鷗之總經理近四年。呂先生於國內及海外鐘錶業打拼逾30年，並於工商管理及國際貿易方面擁有豐富經驗。



企業管治報告

企業管治常規守則

本公司致力維持與市場慣例一致之企業管治準則。

截至二零一八年十二月三十一日止年度，本公司已採納香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四所載企業管治常規守則(「企業管治守則」)之原則及遵守所有適用守則條文，惟以下披露詳情除外：

(i) 企業管治守則第E.1.2條

企業管治守則第E.1.2條規定董事會(「董事會」)主席應出席本公司之股東週年大會。董事會主席因其他公務而無法出席本公司於二零一八年五月二十八日舉行之股東週年大會(「二零一八年股東週年大會」)。

(ii) 企業管治守則第A.6.7條

企業管治守則第A.6.7條規定獨立非執行董事應出席股東大會。三名獨立非執行董事因離港公幹而無法出席二零一八年股東週年大會。

除遇上阻礙彼等出席大會之突發或特殊情況外，董事會主席及獨立非執行董事將盡力出席本公司未來所有股東大會。董事會將不斷檢討及改進本公司之企業管治常規及準則，確保業務活動及決策流程受到妥善規管。

以下概述本公司之主要企業管治常規。

董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易之標準守則(「標準守則」)作為本公司董事進行證券買賣之操守準則。本公司向全體董事會成員作出具體查詢後，所有董事已確認於截至二零一八年十二月三十一日止整個年度一直遵守標準守則所載之規定準則。

董事會

董事會主要負責制定本集團之整體策略發展及方向。董事會亦監管本集團業務營運之財務表現及內部監控。此外，董事會負責執行企業管治職務。董事會已清晰劃分董事會與管理層之職務及職責，以釐定董事會作出之決策類別及管理層獲指派之工作。董事會將定期檢討該等職務及職責之分工。由於主席於董事會內推動董事間彼此討論，全體董事為董事會帶來廣泛且寶貴之業務經驗、知識及專業技術，務求有效率及有效地履行董事會之職能。

董事會之規模、組成及多元化

董事會現由八名執行董事及四名獨立非執行董事組成，詳情如下：

董事姓名	職位	首次獲委任 加入董事會之日期	上一次獲重選 為董事之日期
韓國龍	主席／執行董事	二零零四年四月八日	二零一六年五月二十五日
商建光	行政總裁／執行董事	二零零四年十一月十八日	二零一七年五月二十六日
石濤	執行董事	二零零四年四月八日	二零一六年五月二十五日
林代文	執行董事	二零零四年四月八日	二零一六年五月二十五日
畢波	執行董事	二零一零年八月二十四日	二零一七年五月二十六日
薛黎曦	執行董事	二零零四年十一月十八日	二零一八年五月二十八日
韓孝煌	執行董事	二零一四年八月二十九日	二零一七年五月二十六日
Teguh HALIM	執行董事	二零一八年一月二十三日	二零一八年五月二十八日
馮子華	獨立非執行董事	二零零四年四月八日	二零一八年五月二十八日
鄭俊偉	獨立非執行董事	二零零四年四月八日	二零一八年五月二十八日
張斌	獨立非執行董事	二零一四年十一月二十六日	二零一八年五月二十八日
Rudolf Heinrich ESCHER	獨立非執行董事	二零一七年一月二十日	二零一七年五月二十六日

陶立先生辭任本公司執行董事，自二零一八年一月二十三日起生效。

除下文所述者外，董事會成員間並無任何關係：

- (i) 韓國龍先生為韓孝煌先生之父親、薛黎曦女士之家翁、Teguh Halim先生之岳父以及林代文先生之姐夫。
- (ii) 林代文先生為韓國龍先生之妻舅、韓孝煌先生之舅父、薛黎曦女士之舅公及Teguh Halim先生之舅岳父。
- (iii) 薛黎曦女士為韓國龍先生之兒媳婦，亦為林代文先生之甥媳婦、韓孝煌先生之兄嫂及Teguh Halim先生之舅嫂。
- (iv) 韓孝煌先生為韓國龍先生之兒子，亦為林代文先生之外甥、薛黎曦女士之小叔及Teguh Halim先生之妻舅。
- (v) Teguh Halim先生為韓國龍先生之女婿、林代文先生之甥女婿、薛黎曦女士之姐夫及韓孝煌先生之妹夫。

各董事之履歷載於本年報第124至128頁。

董事會成員多元化政策

本公司明白並深信董事會成員多元化對提升其表現質素裨益良多。本公司堅信，表現卓越之董事會乃由具備不同才能與多元觀點且符合本公司策略及目標所需之董事組成，最適宜處理本公司所面對之主要問題。

本公司於二零一八年十二月三十一日批准及採納一項董事會成員多元化政策（「董事會成員多元化政策」），以載列董事會為達致成員多元化而採取之方針。

企業管治報告

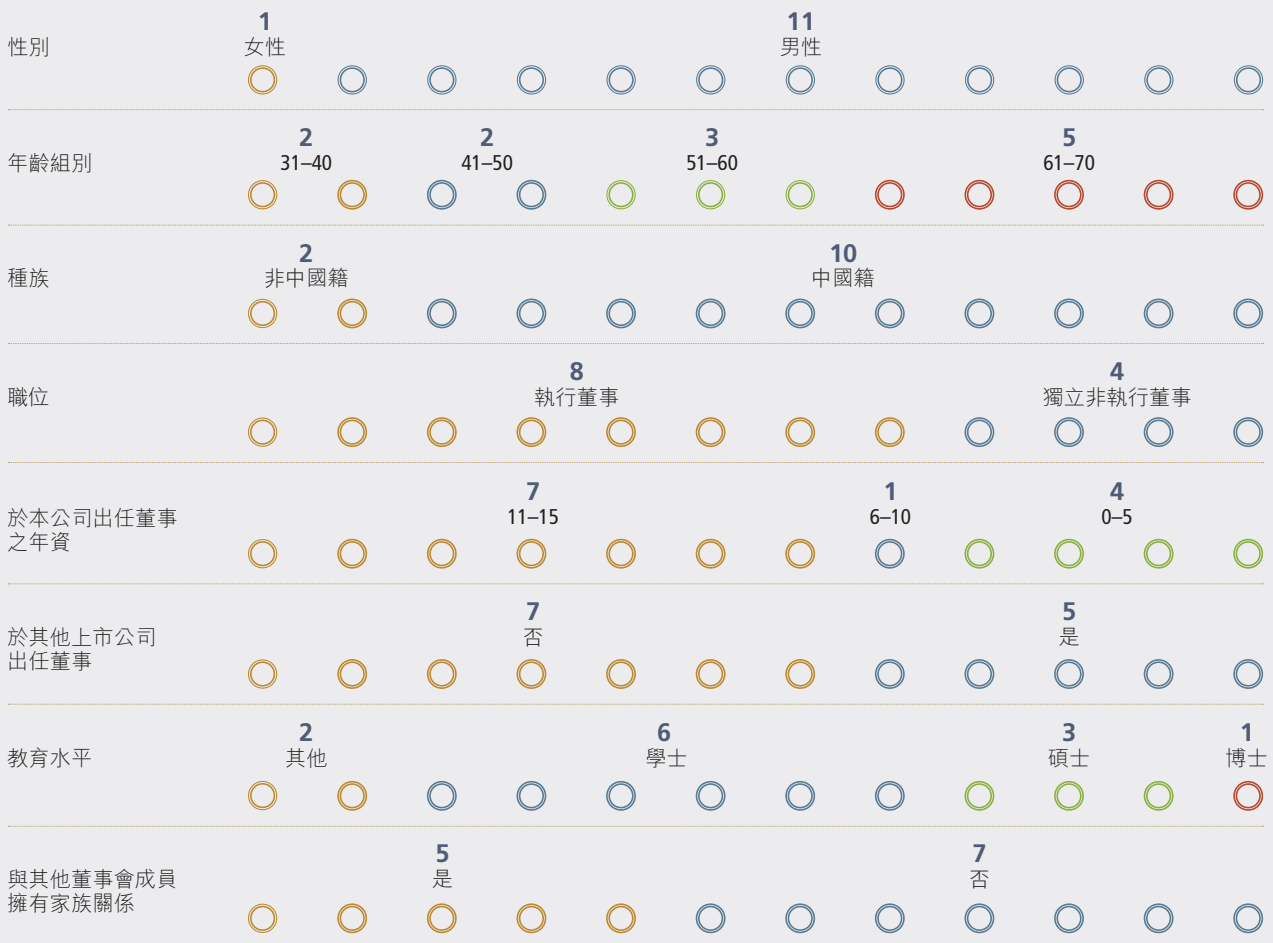
為達致可持續之均衡發展，本公司視董事會層面成員日益多元化為支持其達成策略目標及可持續發展之關鍵元素。所有董事會成員之委任將以任人唯賢為原則，惟本公司將確保董事會擁有均衡且切合本公司業務所需之技能、經驗及多元觀點。本公司將按一系列多元化範疇甄選候選人，包括(但不限於)性別、年齡、文化及教育背景、是否獨立於董事會其他成員或與彼等之關係、經驗(專業或其他方面)、技能、知識以及服務年期。最終決定將基於所選定候選人可為董事會帶來之裨益及貢獻而作出。

本公司提名委員會(「提名委員會」)將於適當時候檢討董事會成員多元化政策，以確保該政策行之有效，並討論任何或需作出之修訂及向董事會建議任何有關修訂供其審議及批准。

現時董事會組成之多元化分析載列於下表：

董事會之多元化

(成員數目)



提名董事會成員及提名政策

本公司於二零一八年十二月三十一日批准及採納一項提名政策（「提名政策」），旨在確保董事會擁有均衡且切合本公司業務所需之技能、經驗及多元觀點。提名政策載列（其中包括）本公司於評核、甄選及推薦董事候選人加入董事會時將適當考慮之因素以及提名程序，有關詳情載於本年報第161至164頁。

獨立非執行董事

其中一名獨立非執行董事擁有適當專業會計資格及財務管理知識。

獨立非執行董事憑藉廣博專業知識及各方技能，透過參與董事會會議及委員會事務，就策略、政策、表現、問責、資源、重要委聘及操守準則等各項事宜作出獨立判斷。

獨立非執行董事之意見於董事會決策過程中舉足輕重。董事會認為，各獨立非執行董事均為獨立人士並可作出獨立判斷，而彼等均符合上市規則所規定之指定獨立標準。獨立非執行董事之獨立性評估乃於其獲委任及根據上市規則第3.13條就其獨立性作出年度確認時，及任何其他時候出現需要特別考慮的情況時進行。

主席及行政總裁

主席及行政總裁各自獨立並擔任不同角色。兩個職責之分離確保主席及行政總裁之分工清晰。主席韓國龍先生主要負責制定業務發展之方向及戰略，並領導和管理董事會。行政總裁商建光先生就本集團之日常營運及業務擔當監督管理角色。

股東週年大會、董事會會議及董事會常規

董事會於年內定期開會檢討整體策略、討論業務商機及監察本集團營運及財務表現。在公司秘書協助下，主席及行政總裁主要負責在諮詢全體董事後草擬及批准各董事會會議之議程。董事會就所有董事會例會向全體董事發出最少十四日通知，而董事可於需要時在議程內納入討論課題。有關董事會例會之議程及隨附董事會文件均於確認前在合理時間內全部寄交各董事。

董事會會議及董事委員會會議之會議記錄均由公司秘書保管。所有董事均可查閱董事會文件及相關資料，並即時獲提供充足資料，確保董事會就有待處理事宜作出知情決定。

企業管治報告

截至二零一八年十二月三十一日止年度，曾舉行五次董事會會議及一次股東大會，個別董事之出席率載列如下：

成員姓名	出席／舉行會議次數	
	董事會會議	二零一八年股東週年大會
執行董事：		
韓國龍	4/5	0/1
商建光	5/5	1/1
石濤	5/5	0/1
林代文	5/5	1/1
畢波	5/5	1/1
薛黎曦	4/5	1/1
韓孝煌	4/5	1/1
Teguh HALIM (委任於二零一八年一月二十三日生效)	5/5	1/1
獨立非執行董事：		
馮子華	4/5	0/1
鄭俊偉	4/5	1/1
張斌	5/5	0/1
Rudolf Heinrich ESCHER	5/5	0/1

重選董事

各董事均按指定任期獲委任。本公司所有獨立非執行董事指定任期均為兩年，並須根據本公司組織章程細則相關規定辭職並退任。

根據本公司組織章程細則第99條，任何獲委任作為董事會新增成員之董事將僅履行職務至本公司應屆股東大會，並符合資格在該大會上重選連任。此外，根據組織章程細則第116條，當時三分之一之董事，或倘有關人數並非三之倍數則最接近但不少於三分之一之董事須輪值退任。每一位董事須至少每三年輪值退任一次。

持續專業發展

全體董事應參與持續專業發展以增進及更新彼等之知識及技能，確保彼等在具備全面資訊及切合所需的情況下為董事會作出貢獻。

為方便董事履行其職責，董事獲提供每月報告及參考資料供其閱讀，包括上市規則、企業管治常規及其他監管制度的最新變動及發展、業務及市場變化、本集團策略發展，以及董事培訓課程的資訊。本公司亦鼓勵董事參加外界舉辦之講座及研討會，藉此豐富其知識及技能以履行其職責。

董事參與持續專業發展

董事	出席由本集團 舉辦之培訓	出席外部 培訓／講座	閱讀每月報告 及參考資料
執行董事			
韓國龍			✓
商建光	✓	✓	✓
石濤	✓		✓
林代文	✓		✓
畢波	✓		✓
薛黎曦	✓	✓	✓
韓孝煌			✓
Teguh HALIM (委任於二零一八年一月二十三日生效)	✓	✓	✓
獨立非執行董事			
馮子華	✓	✓	✓
鄭俊偉			✓
張斌	✓		✓
Rudolf Heinrich Escher	✓	✓	✓

Teguh Halim 先生自二零一八年一月二十三日起獲委任為本公司執行董事，於委任後參加外聘法律顧問提供之董事責任培訓。

任何董事可要求本公司提供獨立專業建議以履行董事職務及職責，費用由本公司承擔。

新獲委任之董事可獲提供配合其個人需要之資料，其中包括與其他董事及本公司高層管理人員以及外聘核數師會面，使其更深入瞭解本集團之業務及策略以及重要風險及問題。藉著此等資訊，董事可在知情的情況下履行職責。一名執行董事於二零一八年一月獲委任，並接受由外聘法律顧問提供的董事責任培訓。

根據企業管治守則，所有董事均須向本公司提供其各自之培訓記錄。

年內，我們為董事舉辦由外部顧問進行有關更新版上市規則之培訓課程以便董事及時了解上市規則的最新修訂以及推行及強化本公司之企業管治文化。本公司已向全體董事提供聯交所於二零一八年七月頒佈之《董事會及董事指引》。

企業管治報告

與董事之溝通

本公司深明向董事會全體成員及時提供充分準確資訊攸關重要，使彼等有效地履行職責。所有董事均有權查閱董事會文件及相關資料。於董事會或董事委員會會議前，會議議程、董事會文件及相關資料均會適時寄發予全體董事，以便董事會就會議上提呈之事宜作出知情決定。所有董事獲提供本集團之每月綜合賬目及最新財務資料，就本集團財務表現、狀況及前景作出公正及易於理解之評估。列載本集團財務及營運概況的董事會簡報於有必要及適當時向全體董事會成員發出及傳閱。全體董事亦不時獲提供上市規則、企業管治常規及其他監管制度之最新變動及發展情況。倘董事在某些事宜需要詳盡闡述，管理層將提供額外資料及解釋。

獨立非執行董事獲提供機會在執行董事不在場情況下與主席討論本集團事宜。此外，彼等亦獲提供機會在執行董事不在場情況下與管理層討論本集團事宜。獨立非執行董事亦為審核委員會成員，定期視察本公司主要附屬公司並會見該等附屬公司的管理層。視察期間，獨立非執行董事聽取附屬公司管理層彙報有關附屬公司之最新發展，並審閱及評價其內部監控及風險管理制度。

董事及高級行政人員保險

本公司已為其董事及高級行政人員安排董事及高級行政人員責任保險（「董事及高級行政人員保險」）。本公司每年檢討本公司董事及高級行政人員保單之保額、候選保險公司之聲譽及財務實力以及保單條款，確保為董事及本公司高級行政人員提供足夠保額及保障。

董事之股權

董事於二零一八年十二月三十一日於本公司證券之權益於本年報第147頁披露。

董事委員會

董事會已向根據特定職權範圍成立並履行職務之四個董事會委員會授權若干權力。該等委員會獲提供足夠資源及尋求獨立專業意見之機會以履行其職務，費用由本公司承擔。



審核委員會

本公司審核委員會及其於截至二零一八年十二月三十一日止年度所履行工作之詳情載於本年報第151至153頁。

風險管理委員會

本公司風險管理委員會及其於截至二零一八年十二月三十一日止年度所履行工作之詳情載於本年報第154至159頁。

薪酬委員會

本公司於二零零五年八月二十三日成立薪酬委員會(「薪酬委員會」)以遵守上市規則，其職權範圍經本公司董事會採納，並符合企業管治守則規定。薪酬委員會目前由以下成員組成：

獨立非執行董事

馮子華(委員會主席)

鄭俊偉

張斌

Rudolf Heinrich Escher

執行董事

韓國龍

商建光

薪酬委員會就本公司所有董事及高層管理人員薪酬之整體政策及結構，以及就制定薪酬政策確立正規而具透明度之程序，向董事會提出建議。薪酬委員會亦就個別執行董事及高層管理人員之薪酬組合向董事會提出建議。薪酬委員會須確保董事或其任何聯繫人士均不得參與釐定其自身薪酬。

薪酬委員會之職權範圍於聯交所網站及本公司網站可供參閱。

薪酬委員會亦檢討本公司董事及高層管理人員薪酬政策之主要內容，並審閱及批准全體董事及高層管理人員之具體薪酬組合。

年內曾舉行一次會議，個別成員之出席率載列如下：

成員	出席／舉行 會議次數
馮子華(委員會主席)	1/1
鄭俊偉	1/1
張斌	1/1
Rudolf Heinrich Escher	1/1
韓國龍	0/1
商建光	1/1

提名委員會

本公司提名委員會之詳情及其於截至二零一八年十二月三十一日止年度進行之工作載於本年報第160至164頁。

企業管治報告

公司秘書

方志華先生為本公司之財務總監兼公司秘書。公司秘書協助主席提倡企業管治之最高標準及推動董事會及其委員會有效運作。所有董事均可直接聯繫公司秘書以取得其意見及服務。公司秘書向主席匯報董事會管治事宜，並負責確保董事會程序獲得遵守及董事之間的資訊交流適時且適當。公司秘書亦為與投資者、監管者及其他持份者進行溝通之重要橋樑。公司秘書及助理公司秘書參加由專業會計及公司秘書協會舉辦之各種培訓。此外，公司秘書事務主任亦正在修讀企業管治碩士課程。於二零一八年，公司秘書及助理公司秘書分別接受超過二十小時相關專業培訓以更新彼等之技能及知識。

公司秘書之履歷載列於本年報第129頁高層管理人員一節。

內部審核

本集團內部審核部為獨立部門，其直接向本公司審核委員會匯報，而有關行政方面事宜則向本公司行政總裁匯報。該部門應用風險評估方法，就本集團業務營運中已開展之風險管理活動及監控以及其有效性提供獨立保證。審核委員會至少每年審閱內部審核報告及活動，並檢討內部審核職能是否充分有效。

本集團內部審核部就本集團及其附屬公司之內部監控、財務及會計事宜、合規、業務及財務風險管理政策及程序進行評估，並確保有充足內部監控符合本集團之要求，從而協助審核委員會及董事會。本集團內部審核部應用國際內部稽核協會所訂立之內部稽核執業準則。

董事會指出，內部監控及風險管理系統可合理但並不絕對保證本集團於其竭力達成其業務目標時不會因可合理預見之任何事件而受到影響。

外聘核數師

本集團截至二零一八年十二月三十一日止年度之外聘核數師為香港立信德豪會計師事務所有限公司（「立信德豪」）。審核委員會審閱及監察外聘核數師之獨立性，確保審核程序符合適用標準有效及財務報表客觀。立信德豪已向審核委員會作出書面聲明，彼等獨立於本公司且並不知悉有任何事宜可能合理被認為會影響其獨立性。下表顯示本集團於過去兩年就審核及非審核服務已付／應付立信德豪之費用：

	二零一八年	二零一七年
審核服務	4,600,000 港元	4,300,000 港元
非審核服務	300,000 港元	300,000 港元
總計	4,900,000 港元	4,600,000 港元

非審核服務主要包括有關中期財務資料之專業服務。

董事責任聲明

董事會確認其編製截至二零一八年十二月三十一日止年度之財務報表之責任，該等賬目須真實公平反映本集團於該期間之事務、業績及現金流量。編製截至二零一八年十二月三十一日止年度財務報表時，董事會：

- (a) 選用及貫徹應用適當會計政策；
- (b) 採納適當香港財務報告準則；
- (c) 作出多項審慎合理之調整及估計；及
- (d) 確保財務報表按持續經營基準編製。

董事會亦有責任妥當存管會計記錄，隨時以合理之準確度披露本公司之財務狀況。

董事會致力就本集團之表現、狀況及前景呈報持平、清晰及全面之評估。

股息政策

本公司視為股東帶來穩定可持續回報為目標。倘宣派及分派股息不會影響本集團之正常營運，本公司可能會向股東宣派及分派股息。

本公司於二零一八年十二月三十一日批准及採納一項股息政策（「股息政策」），旨在為本公司股東帶來回報，同時為本集團保留充足儲備作未來發展用途。

根據股息政策，於決定是否建議派付股息及釐定股息金額時，董事會將考慮下列因素：

- (a) 本集團之保留盈利及可供分派儲備；
- (b) 本集團之未來盈利；
- (c) 本集團之資本需求；
- (d) 本集團之營運資金需求；
- (e) 本集團之整體財務狀況；
- (f) 本集團之業務發展策略及未來擴展計劃；
- (g) 派付股息之合約限制；
- (h) 整體經濟及行業狀況；及
- (i) 董事會認為適當之任何其他因素。

企業管治報告

本公司宣派及派付股息將由董事會全權酌情釐定，並須受開曼群島公司法及本公司組織章程細則之任何限制所規限。本公司將持續不時檢討股息政策，惟不保證會於任何指定期間建議派付或宣派任何特定金額之股息。

股東權利

根據本公司組織章程細則第72條，股東特別大會須按本公司任何兩名股東或本公司任何一名或以上股東（彼／彼等合共持有不少於本公司股東大會上十分之一投票權之股份）之書面要求而召開，而該書面要求須向本公司註冊辦事處呈交並指明會議目的，且由發出書面要求之人士簽署。

倘董事於呈交書面要求日期後二十一日內未能適時召開會議，發出書面要求之人士可按由董事召開會議之同一方式儘快召開股東大會，董事未能召開會議而令發出書面要求之人士產生之所有合理開支須由本公司償付。

股東及其他利益相關者可透過本公司公司秘書向董事會傳遞彼等之查詢及關注。公司秘書會按行政總裁或董事委員會主席或本公司高層管理人員之職責範圍適當地向彼等轉達該等查詢及關注。

本集團歡迎股東就本集團之營運、策略及／或管理提出建議，以供股東大會討論。建議書須以書面要求之方式向董事會或公司秘書寄發。根據本公司組織章程細則，有意提呈建議書之股東須按上文所載程序召開股東特別大會。

與股東之溝通及投資者關係

本公司致力維持高透明度，務求與股東及投資界聯繫溝通。為確保與股東及投資者維持有效、清晰及準確之溝通渠道，所有公司通訊均根據本公司之既定慣例及程序，由執行董事及指定高層行政人員安排及處理。本公司適時並於上市規則所載時限內於年報、中期報告、通函及公佈內提供最新及廣泛信息，確保所有股東能夠準確瞭解本集團業務表現及財務狀況並作出知情投資決定。

本公司視股東週年大會為董事會與股東會面及當面溝通之主要討論場合。董事會主席、所有執行董事、董事會委員會主席及外聘核數師盡量出席股東週年大會向股東匯報本集團業務及運作、回答詢問，藉以持平瞭解股東觀點。

最近期召開之股東大會為二零一八年股東週年大會，該大會於二零一八年五月二十八日在香港九龍彌敦道二十號香港喜來登酒店三樓唐廳一舉行。於二零一八年股東週年大會上，個別重要事項(包括重選個別董事)各以獨立決議案提呈。要求以投票方式表決之程序已於連同二零一七年年報一併寄發致股東之通函內闡述。於二零一八年股東週年大會上討論之主要事項為：

- 省覽及採納截至二零一七年十二月三十一日止年度之經審核綜合財務報表以及董事會報告與獨立核數師報告；
- 宣派末期股息；
- 重選董事；
- 續聘核數師並授權董事會釐定其酬金；
- 批准授權董事回購股份之一般授權；及
- 批准授權董事配發及發行股份之一般授權。

投票表決結果已於二零一八年股東週年大會結束後同日於本公司網站(www.irasia.com/listco/hk/citychamp)及聯交所網站登載。

本公司繼續致力加強與投資界之溝通及關係。執行董事及指定高層管理人員與股東、機構投資者、基金經理、分析員及媒體保持開放積極對話。管理層樂意就已提供予公眾之信息在會議、採訪及路演期間回應彼等所提出之查詢，協助彼等更深入瞭解本公司。

二零一八年股東大事載列如下。

事項	日期
有關執行董事變動之公佈	二零一八年一月二十三日
有關截至二零一七年十二月三十一日止年度之全年業績公佈	二零一八年三月二十八日
刊發及派發二零一七年年報	二零一八年四月二十四日
二零一八年股東週年大會	二零一八年五月二十八日
就須予披露交易－認購基金之權益作出之公佈	二零一八年七月二十日
派付二零一七年末期股息	二零一八年八月二十八日
就截至二零一八年六月三十日止六個月之未經審核中期業績作出之公佈	二零一八年八月三十日
就有關收購依波路控股有限公司(「依波路」)之58.22%股份及潛在無條件強制性現金要約之須予披露交易作出之聯合公佈	二零一八年九月十六日
公佈及寄發二零一八年中報報告	二零一八年九月二十一日
採納經修訂提名委員會職權範圍	二零一八年十二月三十一日

企業管治報告

二零一九年與股東相關之重要日期載列如下：

事項	日期
二零一九年股東週年大會	二零一九年五月三十日

於截至二零一八年十二月三十一日止年度，本公司組織章程大綱及細則並無變動。

本公司網站 (www.irasia.com/listco/hk/citychamp) 供股東、投資者及大眾適時瀏覽本公司資料。本公司財務資料及所有公司通訊均刊載於本公司網站，並會定期更新。

股東如對董事會有任何疑問，可致函公司秘書，地址為香港九龍柯士甸道西1號環球貿易廣場19樓1902-04室。

財政年度結束後之變動

本公司或本集團於報告期後概無進行任何重大事項。

董事會報告

本公司董事會欣然提呈董事會報告以及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經審核財務報表。

主要業務

本公司之主要業務為投資控股，而其附屬公司從事鐘錶及時計產品製造及分銷、物業投資以及銀行及金融業務。主要附屬公司之主要業務詳情載於綜合財務報表附註57。本集團之主要業務於年內並無其他重大變動。

財務報表

本集團截至二零一八年十二月三十一日止年度之財務表現以及本集團於當日之財務狀況載於綜合財務報表第186至353頁。

末期股息

董事會議決不建議分派截至二零一八年十二月三十一日止年度之末期股息(截至二零一七年十二月三十一日止年度：每股6港仙)。

業務審視

根據香港法例第622章公司條例(「公司條例」)之規定，公司須於董事會報告一節編撰「業務審視」，下文載列本年報中相關部分之摘要，以供參考：

所需作出之披露	相關章節
對本集團截至二零一八年十二月三十一日止年度業務之中肯審視	主席報告(第102至104頁) 管理層討論及分析(第105至123頁)
對本集團所面對之主要風險及不確定因素之描述	風險管理委員會報告(第154至159頁)
自截至二零一八年十二月三十一日止財政年度結束以來所發生影響本集團之重大事件詳情(如有)	財政年度結束後之變動(第142頁)
本集團業務相當可能有之未來發展之揭示	前景(第104及122頁)
運用財務關鍵表現指標進行之分析	管理層討論及分析(第105至123頁)
對(i)本集團之環境政策及表現；及(ii)本集團遵守對本集團有重大影響之有關法律及規例之情況之探討	環境、社會及管治報告(第165至180頁)
本集團與對本集團有重大影響且本集團之興盛繫於其身之持份者之重要關係之說明	環境、社會及管治報告(第165至180頁)

董事會報告

財務資料概要

本集團過去五個財政年度已刊發業績、資產、負債與非控股權益概要載於第354至355頁，乃摘錄自經審核綜合財務報表。該概要並不構成經審核綜合財務報表其中部分。

物業、廠房及設備以及投資物業

本公司及本集團物業、廠房及設備以及投資物業於年內之變動詳情，分別載於綜合財務報表附註29及30內。本集團主要投資物業之進一步詳情載於本年報第356頁。

股本

本公司股本變動詳情載於綜合財務報表附註44。

優先購買權

本公司之公司組織章程細則或開曼群島法律並無有關優先購買權之條文，規定本公司須按比例向現有股東發售新股份。

獲准許之彌償條文

於二零一八年，惠及董事之獲准許之彌償條文已生效。本公司已為本集團董事及高級行政人員就其可能因履行職務而產生之潛在損失或責任安排適合之董事及高級行政人員責任保險。

附屬公司

本公司於二零一八年十二月三十一日之主要附屬公司詳情載於綜合財務報表附註57。

購回、贖回或銷售本公司上市證券

截至二零一八年十二月三十一日止年度，本公司概無購回任何本公司上市股份（不論是否於聯交所）。

儲備

本公司及本集團儲備於年內之變動詳情分別載於綜合財務報表附註46及綜合權益變動表內。

可供分派儲備

除本公司之保留溢利外，本公司之股份溢價賬亦可向股東分派，惟於緊隨建議進行上述分派當日之後，本公司必須仍有能力償還在日常業務中到期支付之欠款。

於二零一八年十二月三十一日，本公司可供作現金及／或實物分派之儲備，即保留溢利及股份溢價賬之總額，為682,027,000港元。

主要客戶與供應商

於回顧年內，本集團主要客戶與供應商應佔之銷售及採購分別載列如下。

	總銷售／採購百分比	
	銷售	採購
五大客戶	17%	–
五大供應商	–	23%
最大客戶	6%	–
最大供應商	–	9%

董事

以下為本公司於本報告日期在任之董事：

執行董事：

韓國龍先生，主席

商建光先生，行政總裁

石濤先生

林代文先生

畢波先生

薛黎曦女士

韓孝煌先生

Teguh Halim 先生(委任於二零一八年一月二十三日生效)

獨立非執行董事：

馮子華先生

鄭俊偉博士

張斌先生

Rudolf Heinrich Escher 先生

於截至二零一八年十二月三十一日止年度及直至本年報日期止期間，以下董事會成員組合變動已生效：

- (1) 陶立先生已辭任本公司執行董事，自二零一八年一月二十三日起生效；及
- (2) Teguh Halim 先生已獲委任為本公司執行董事，自二零一八年一月二十三日起生效。

董事會報告

根據本公司組織章程細則第116條，當時三分之一董事須輪值告退，惟每名董事須按上市規則規定最少每三年輪值退任一次。因此，韓國龍先生、石濤先生、林代文先生及畢波先生將在應屆股東週年大會上輪值告退，並符合資格及願意重選連任。

本公司已獲取四名現任獨立非執行董事各自發出之年度獨立確認書，表示彼等已符合上市規則第3.13條有關彼等獨立身分之所有因素，以及並無其他可能會影響彼等獨立身分之因素。董事會認為，所有獨立非執行董事均為獨立人士。

董事及高層管理人員之履歷

於本報告日期，本公司董事及高層管理人員之履歷詳情載於年報第124至129頁。

董事於合約中之權益

概無董事於本公司或其任何附屬公司於截至二零一八年十二月三十一日止年度所訂立對本集團業務而言屬重大之合約中直接或間接擁有重大權益。

董事服務合約

執行董事兼行政總裁商建光先生與本公司訂有服務合約，任期由二零一一年十一月十八日起為期三年，惟任何一方可發出不少於三個月書面通知予以終止，合約可於各方同意下重續。本公司其他執行董事各自與本公司訂有服務合約，由委任日起初步為期兩年，除非任何一方發出不少於兩個月書面通知終止，否則服務合約將自動續期。本公司獨立非執行董事各自與本公司訂有服務合約，由委任日起初步為期兩年，除非任何一方發出不少於一個月書面通知終止，否則服務合約將自動續期。

概無擬於應屆股東週年大會重選連任之董事與本公司訂有任何本公司或其任何附屬公司不可在一年內毋須支付賠償（法定賠償除外）而終止之服務合約。

董事酬金

董事袍金可由本公司董事釐定，惟須獲股東於股東大會批准。其他酬金由董事會參考董事之職務、責任及表現以及本集團業績釐定。

董事、主要行政人員及高級管理人員於股份及相關股份之權益及淡倉

於二零一八年十二月三十一日，按本公司根據香港法例第571章證券及期貨條例(「證券及期貨條例」)第352條規定須存置之登記冊所記錄，董事及主要行政人員於本公司或其相聯法團(定義見證券及期貨條例第XV部)之股本及相關股份中擁有之權益或淡倉，或已根據上市規則附錄十所載上市發行人董事進行證券交易之標準守則(「標準守則」)另行知會本公司及香港聯合交易所有限公司(「聯交所」)之權益或淡倉如下：

董事及主要行政人員於本公司股份之好倉

董事姓名	所持股份數目				總權益	持股百分比
	實益擁有人	公司權益	家族權益			
韓國龍	3,500,000	3,017,389,515 ⁽¹⁾	1,374,000 ⁽²⁾		3,022,263,515	69.45%
商建光(執行董事及行政總裁)	5,300,000	—	—		5,300,000	0.12%
石濤	5,000,000	—	—		5,000,000	0.11%
林代文	2,400,000	—	—		2,400,000	0.06%
薛黎曦	—	200,000,000 ⁽³⁾	—		200,000,000	4.60%
韓孝煌	1,750,000	—	200,000,000 ⁽⁴⁾		201,750,000	4.64%
Teguh Halim	3,000,000	—	3,000,000 ⁽⁵⁾		6,000,000	0.14%
馮子華	1,400,000	—	—		1,400,000	0.03%

附註：

- (1) 3,017,389,515股股份中1,640,128,000股股份由朝豐有限公司(由韓國龍先生全資擁有，「朝豐」)持有，而1,377,261,515股股份由信景國際有限公司(由韓國龍先生及彼之妻子分別擁有80%權益及20%權益，「信景」)持有。
- (2) 1,374,000股股份由韓國龍先生之妻子林淑英女士持有。
- (3) 200,000,000股股份由強大有限公司持有，該公司為豐榕投資(香港)有限公司(「香港豐榕」)之全資附屬公司。香港豐榕由福建豐榕投資有限公司(「福建豐榕」)全資擁有，而福建豐榕由薛黎曦女士擁有約68.5%權益。
- (4) 韓孝煌先生被視為於強大有限公司持有之200,000,000股股份中擁有權益，該公司為香港豐榕一家全資附屬公司。香港豐榕由福建豐榕全資擁有，而福建豐榕由陸曉珺女士擁有約31.5%權益，陸曉珺女士為韓孝煌先生之妻子。

董事及主要行政人員於本公司相聯法團股份之好倉

董事姓名	相聯法團名稱	權益性質	持股百分比
薛黎曦	珠海羅西尼錶業有限公司 ⁽¹⁾	公司 ⁽²⁾	9%
韓孝煌	珠海羅西尼錶業有限公司 ⁽¹⁾	家族權益 ⁽²⁾	9%

董事會報告

附註：

- (1) 珠海羅西尼錶業有限公司(「羅西尼」)分別由本公司間接擁有**91%**及福建豐榕擁有**9%**權益。羅西尼為本公司之相聯法團(定義見證券及期貨條例第XV部)。
- (2) 羅西尼之權益由福建豐榕持有，而福建豐榕分別由薛黎曦女士(本公司執行董事)及陸曉珺女士擁有約**68.5%**及**31.5%**權益。薛黎曦女士及陸曉珺女士均為本公司執行董事韓國龍先生之兒媳婦。本公司執行董事韓孝煌先生為陸曉珺女士之丈夫，被視為擁有福建豐榕**31.5%**權益。

高級管理人員於本公司股份之好倉

除上文披露者外，於二零一八年十二月三十一日，概無其他人士於本公司或其任何相聯法團之股份及相關股份中登記擁有須根據證券及期貨條例第352條記錄之任何權益或淡倉，或須根據標準守則另行知會本公司及聯交所之任何權益或淡倉。

董事購買股份或債券之權利

除下文所披露的購股權計劃外，於年內任何時間，概無任何本公司董事或彼等各自之配偶或未成年子女獲授或行使可藉購買本公司股份或債券獲益之權利，而本公司或其任何附屬公司亦無參與任何安排，致使董事可於任何其他法團獲取該等權利。

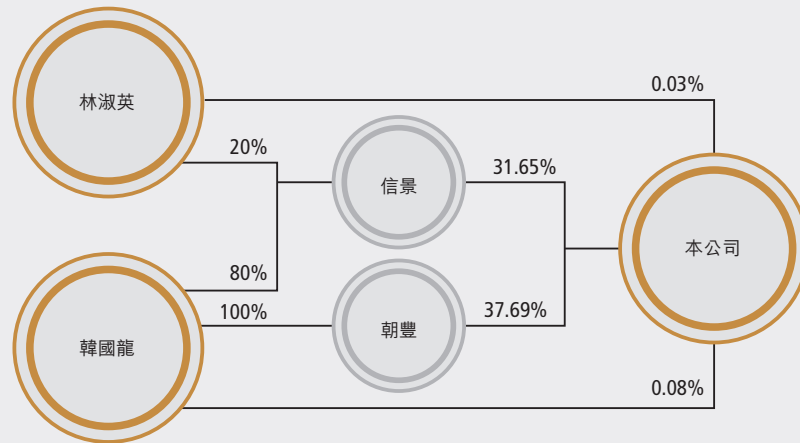
主要股東於股份及相關股份之權益

於二零一八年十二月三十一日，按照本公司根據證券及期貨條例第336條存置之權益登記冊所記錄，下列各方持有本公司已發行股本**5%**或以上權益：

	權益性質	股份數目	佔現有已發行股本之百分比
信景國際有限公司	實益擁有人	1,377,261,515	31.65%
朝豐有限公司	實益擁有人	1,640,128,000	37.69%
韓國龍(附註)	公司權益、實益擁有人及家族權益	3,022,263,515	69.45%
林淑英(附註)	實益擁有人及家族權益	3,022,263,515	69.45%

附註：

韓國龍先生及林淑英女士被視為於同一批**3,022,263,515**股股份中擁有權益，當中**1,377,261,515**股股份由信景持有、**1,640,128,000**股股份由朝豐持有、**3,500,000**股股份由韓國龍先生持有，另**1,374,000**股股份由林淑英女士持有。股權結構於下圖概述：



除上文披露者外，於二零一八年十二月三十一日，除其權益載於上文「董事、主要行政人員及高級管理人員於股份及相關股份之權益及淡倉」一節之本公司董事及主要行政人員外，概無任何人士於本公司股份及相關股份中登記擁有根據證券及期貨條例第336條須予記錄之權益或淡倉。

關連交易

於回顧年內根據上市規則本集團概無重大關連交易。

認購股份權計劃

本公司認購股份權計劃詳情載於綜合財務報表附註45。

截至二零一八年十二月止，認購股份權計劃項下之全部認購股份權已獲行使或失效。下表披露本公司於二零零八年採納之本公司認購股份權於截至二零一八年十二月三十一日止年度之變動：

參與者姓名或類別	認購股份權數目			於二零一八年 十二月三十一日
	於二零一八年 一月一日	於年內行使	於年內失效	
其他合資格僱員				
合計	1,575,000	(1,575,000)	–	–
其他合資格人士				
合計	5,480,000	–	(5,480,000)	–
總計	7,055,000	(1,575,000)	(5,480,000)	–

董事會報告

董事於競爭業務之權益

於回顧年內，除董事因代表本公司及／或本集團利益而獲委聘為董事之該等業務外，根據上市規則，概無董事被視為在與本集團業務直接或間接構成競爭或可能構成競爭之業務中擁有權益。

足夠公眾持股量

按本公司可公開獲取之資料及據董事所知悉，公眾人士所持本公司股份數目佔本公司於本報告日期之全部已發行股本約25.46%，符合上市規則之規定。

企業管治

本公司企業管治常規報告載列於本年報第130至142頁。

證券交易之標準守則

董事會已採納標準守則作為董事買賣本公司證券之本公司操守準則。經向本公司全體董事作出具體查詢後，本公司確定所有董事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所載之規定準則。

核數師

截至二零一八年十二月三十一日止年度之財務報表已由香港立信德豪會計師事務所有限公司審計。

本公司將於應屆股東週年大會提呈有關續聘香港立信德豪會計師事務所有限公司為本公司核數師之決議案。

代表董事會

主席
韓國龍

香港，二零一九年三月二十九日

審核委員會報告

本公司之審核委員會（「審核委員會」）目前由以下成員組成：

獨立非執行董事

馮子華（委員會主席）

鄭俊偉

張斌

Rudolf Heinrich Escher

審核委員會之組成及成員均符合上市規則第3.21條之規定。

權力和職責

在董事會授權下，審核委員會履行以下職責：

與本公司核數師的關係	審核委員會報告
<ul style="list-style-type: none"> — 主要負責就外聘核數師的委任、重新委任及罷免向董事會提供建議、批准外聘核數師的酬金及聘用條款，及處理任何有關其辭任或辭退之問題 — 按適用標準檢討及監察外聘核數師是否獨立客觀及審計過程是否有效。委員會應於審計開始前先與核數師討論審計性質及範疇以及申報責任 — 就委聘外聘核數師提供非審計服務制定及執行政策。委員會應就任何需要採取行動或改善之事項向董事會報告，並提出建議 — 擔任監察本公司與外聘核數師之關係的主要代表機構 	<ul style="list-style-type: none"> — 監察本公司財務報表、年報及賬目以及中期報告之完整性，並審閱其中所載重大財務報告判斷； — 於向董事會遞交前審閱該等報告，尤其注意： <ul style="list-style-type: none"> (i) 會計政策及慣例之任何變動 (ii) 涉及重要判斷之地方 (iii) 審核所引致之重大調整 (iv) 持續經營假設及任何保留意見 (v) 遵守會計準則之情況 (vi) 就有關財務匯報遵守上市規則及法律規定之情況 — 考慮於報告及賬目中需反映或可能需反映之任何重大或不尋常項目，並審慎考慮本公司負責會計及財務匯報職能之員工、監察主任或核數師提出之任何事宜

審核委員會報告

監督財務報告系統及內部監控程序	僱員所關注之事宜
<ul style="list-style-type: none"> — 檢討本公司財務監控及內部監控系統 — 與管理層討論內部監控系統，以確保管理層已履行職責建立有效之內部監控系統。該討論應包括本公司在會計及財務匯報職能之資源、員工資歷及經驗，以及培訓項目及預算是否充足 — 應董事會委派或主動就內部監控事宜的重大調查結果及管理層對該等調查結果之回應進行研究 — 倘設有內部審核職能，須確保內部及外聘核數師之間之協調；亦須確保內部審核職能在本公司內部獲得足夠資源，並有適當之地位，以及檢討及監察其成效 — 檢討本集團之財務及會計政策及慣例 — 檢討外聘核數師致管理層之函件、核數師就會計記錄、財務賬目或監控系統而向管理層提出之任何重大疑問以及管理層之回應 — 確保董事會將就外聘核數師致管理層之函件所提問之事宜適時提供答覆 — 向董事會報告有關上市規則之事宜 	<ul style="list-style-type: none"> — 檢討本公司設定之以下安排：僱員可私下就財務匯報、內部監控或其他方面可能發生之不正當行為表示關注。委員會應確保有適當安排以對該等事宜進行公平獨立之調查並採取適當之跟進行動

於二零一八年已完成之工作

於二零一八年內曾舉行兩次會議，個別成員之出席率載列如下：

成員	出席／舉行 會議次數
馮子華(委員會主席)	2/2
鄭俊偉	2/2
張斌	2/2
Rudolf Heinrich Escher	2/2

本公司財務部之主要成員及外聘核數師之代表出席所有會議，以就其工作作出匯報及回答提問。

於回顧年內，審核委員會曾與本公司外聘核數師、董事會及高層管理人員會面。審核委員會審閱財務報告(包括中期及年度業績)及須向股東提供之其他資料、會計制度、內部監控制度、外聘核數師之獨立性、核數程序之成效與客觀性以及履行職權範圍所載其他職務。彼等亦已檢討本公司及主要附屬公司之資源是否充足、從事會計及財務匯報職能之員工資歷、經驗及培訓。審核委員會亦與管理層已審閱本集團採納之會計準則及慣例，並討論內部監控及財務報告事宜，包括審閱截至二零一八年六月三十日止六個月及截至二零一八年十二月三十一日止年度之財務報表。

委員會已獲取及審閱本集團內部審核部就若干附屬公司編製之內部審核報告，並已就所有報告涉及之事項作詳細討論。

於二零一八年，審核委員會已視察信亨金融控股(香港)有限公司，並就會計及財務匯報制表制度、內部監控及風險管理以及其核心職能主管制度之監管規定之相關事項與管理層作出討論。

風險管理委員會報告

本公司之風險管理委員會(「風險管理委員會」)目前由以下成員組成：

執行董事

薛黎曦(委員會主席)

石濤

林代文

畢波

職權範圍

風險管理委員會在董事會之授權下，監督本集團之風險管理系統，並定期對該系統進行審視，以減低可能產生之潛在風險，最終確保達致良好之企業管治實踐。根據本集團的發展策略，我們已設立一套涵蓋所有業務分部之風險管理系統，以評估及管理本集團業務活動之各種風險。

- 協助董事會評估及釐定本集團就達致戰略目標所願承擔之風險之性質及程度
- 確保本集團建立及維持適當且有效之風險管理系統；監督管理層設計、執行及監察本集團風險管理系統
- 確保管理層就該等系統之成效向董事會作出確認
- 持續監督本集團風險管理系統，並確保每年至少一次檢討本集團風險管理系統之成效，檢討範圍須涵蓋所有重大監控(包括財政、營運及合規監控)
- 識別及考慮本集團面對之重大風險以及制定計劃及措施減輕有關重大風險
- 不時檢討重大風險性質及程度之轉變，及本集團應對其業務、外在環境及新風險轉變之能力
- 向董事會報告任何與本集團風險管理有關之重大不利發現，並提出改善建議

於二零一八年已完成之工作

於二零一八年，風險管理委員會舉行兩次會議，個別成員之出席率載列如下：

成員	出席／舉行 會議次數
薛黎曦(委員會主席)	2/2
石濤	2/2
林代文	2/2
畢波	2/2

風險評估

風險評估為辨識和評估風險及決定如何管理該等風險的過程。本集團各層面存在可能妨礙實現既定目標的內部及外部風險。理想情況是，管理層應設法防止該等風險。然而，我們有時未能防止風險發生。在該等情況下，我們須決定是否接受風險、減低風險至可接受水平或避免風險。為合理保障本集團實現其目標，我們確保對各種風險進行適當評估及處理。

主要風險及不明朗因素

本集團面對以下主要風險及不明朗因素，董事會將密切監察有關情況，並採納任何必要之風險減緩措施。

經濟風險

就鐘錶及時計產品分部而言，收入能否持續增長乃視乎鐘錶方面之消費開支有否增加。國內或全球任何持續經濟放緩均可能導致鐘錶消費減少，繼而可能對本集團之業務及經營業績造成重大不利影響。目前，不論宏觀經濟前景，抑或國內或全球市況均備受挑戰。本集團將重新調整策略組合，以應對不斷改變之經濟情況，並密切監察未來經濟趨勢帶來之影響。

行業風險

鐘錶行業深受快速轉變之市場趨勢及國內或國際同業者間之競爭所影響。鐘錶行業市場競爭激烈，而我們之鐘錶價格及需求均受我們所面對之競爭之劇烈程度影響。競爭對手在財務狀況、技術、設計及客戶關係方面或會擁有強大競爭優勢。為保持競爭力，我們必須在整體上不斷全面強化產品、分銷及營銷。

金融行業競爭激烈。憑藉出色之語言及文化專長，富地銀行在私人銀行中穩佔獨特之地位。為應對沉重之規管壓力，富地銀行大額投資於監控及報告系統，以使其可繼續成為穩健及安全之機構。

電子商務風險

就鐘錶及時計產品分部而言，電子商務日趨普及並正在重塑傳統分銷模式。鑒於電子商務已經成為我們銷售中相當重要的一部分，我們正面對來自三方面的挑戰，包括：競爭水平加劇、費用水平上升和毛利水平下降。本集團有預見性的投放資源以保障在所有電子商務平台的競爭力。在可預見的未來，本集團將持續投資於電子商務以及社交媒體及流動營銷等新營銷方式。於二零一七年及二零一八年，電子商務分別佔本集團之鐘錶及時計產品業務收入約18.0%及31.3%。

風險管理委員會報告

利率風險

利率風險源自金融工具之公平值或現金流量受市場利率變動而產生之波動。本集團承受市場利率變動之風險主要與其應收客戶款項結餘、債務責任及浮息銀行存款有關。於二零一七年及二零一八年十二月三十一日，計息貸款分別為583,269,000港元及1,047,189,000港元。本集團將繼續監察全球資本市場之利率走勢，並且相應調整定息計息貸款之組合。

就銀行業務而言，我們考量市況後對利率風險進行管理並控制於合理水平。富地銀行透過採納審慎之風險胃納及主要處理重新定價風險，繼續優化存款之期限結構並積極管理利率敏感性缺口，以達致利息收入淨額及經濟價值於可接受之利率風險水平內穩定增長之整體目標。

匯率風險

就鐘錶及時計產品分部而言，我們大部分銷售以人民幣計值，部分採購則以瑞士法郎等其他貨幣進行。因此，我們須承受外匯匯率風險，而倘瑞士法郎等其他外幣兌人民幣升值，則我們之溢利將可能受到不利影響。

我們之申報貨幣為港元。當我們編製綜合財務報表時，以外幣計值之銷售及採購均已按相關財政期間之平均匯率換算為港元，而外幣資產負債表則按結算日之匯率換算為港元。因此，倘港元兌有關貨幣之匯率出現任何上升，則自外幣產生之溢利將有所下降。

外匯匯率波動亦可能影響我們客戶之購買力及其購買鐘錶之意慾。我們之業務及財務狀況可能因匯率波動而受到不利影響，尤其當波動持續發生時。

匯率亦影響金融工具未來現金流量之公平值。本集團面對之匯率風險亦主要來自若干金融工具，包括以美元、歐元、瑞士法郎、英鎊及人民幣計值之不同資產負債表項目。本集團目前並無外匯對沖政策，惟管理層持續監察外匯風險。

法律風險

由於我們在全球開展業務，故我們須遵守經營業務所在司法權區之不同法律及法規。未有遵守此等法律及法規可能導致我們之銷售遭施加條件或暫停，或遭查封產品，或面對巨額罰款或索償。倘我們業務經營所在國家收緊該等法律及法規，我們之營運成本或會增加，但未必能將此等額外成本轉嫁客戶。此外，倘我們業務經營所在司法權區就開設新銷售點施加任何新法律、法規、限制或其他準入門檻，則我們擴充業務之能力或會受到限制，增長及發展亦可能遭受不利影響。

我們透過內部監控程序及指引管理法律風險，並委聘外部法律顧問以降低法律風險。

品牌風險

品牌為我們競爭優勢中不可或缺之一環。本集團繼續提供優質產品，透過優質渠道分銷產品及持續進行有效之銷售及營銷活動，務求保持品牌聲譽超卓。

知識產權風險

製錶技術、設計及品牌中蘊含之知識產權亦為我們競爭優勢中重要一環。我們之經營取決於知識產權(包括商標、專利及技術專業知識)是否得到足夠保障。我們透過於業務經營所在不同司法權區之多個政府機關妥善進行註冊以保障知識產權。然而，某些司法權區未必能給予充分保障。我們致力與全球各地之專業人士合作以保護知識產權。

經營風險

我們將經營風險界定為因外在事件及／或內部程序、人力及制度上不足而造成之潛在損失。由於經營風險來自本集團內進行之所有活動，故大型複雜之國際機構內潛在發生之經營風險事件為恆常面對之挑戰。為應對此挑戰，我們矢志使所有行動程序及標準達到「行業實力」，並在實踐過程中以同業、其他行業及監管規定作為參照基準。我們透過內部監控程序及指引管理經營風險。

信貸風險

就非銀行及金融業務而言，本集團與大多數客戶主要以信貸方式進行貿易。一般而言，主要客戶之信貸期為一至六個月。為盡量減輕信貸風險，本集團僅與受認可及信譽良好之客戶進行交易。

應收賬款受本集團業務經營所在地區之整體經濟狀況影響。於二零一七年及二零一八年十二月三十一日，我們之應收賬款總額(扣除虧損撥備)分別約為5.06億港元及5.71億港元。本集團對所有交易對手風險及信貸風險設定限額。本集團亦根據既定之內部系統跟進逾期應收賬款。

就銀行業務而言，富地銀行之同業存放獲外界評級為A級或以上之銀行所擔保或存放於該等銀行。特殊情況每月進行獨立評估，於有需要時須經詳細評估後方可批審。

為配合本集團之放貸政策，富地銀行一般僅授出有抵押貸款。貸款須由該銀行之相關經理、信貸委員會及最終由董事會批准及監管。富地銀行實施一套框架以全面審視信貸風險，並根據關鍵準則評估信貸風險。該銀行亦借助經濟風險資本之概念監管信貸風險，並應用標準化流程以監督風險規定之合規情況。

風險管理委員會報告

流動資金風險

流動資金風險指我們並無足夠財政資源償還到期債務，又或須以過高成本方能取得財務資源之風險。我們之政策為不論何時何地均就全部貨幣維持足夠流動資金，以便履行所有到期債務。我們同時按短期及結構性基準管理流動資金風險。短期而言，我們專注確保長達三十日之時間內能夠於必要時滿足現金流需求。中期而言，我們著重確保資產負債表維持穩健結構並且能配合我們之策略。監管規定要求之流動資產及流動資金覆蓋比率每月分析並向董事會及高級管理層呈報。

富地銀行向客戶授予貸款通常為證券業務之一部分。富地銀行授出貸款之過程謹慎，並大部分附設獨家抵押。大部分貸款提供予歐洲客戶，因此相關國家風險有限。就銀行間交易而言，富地銀行僅與最高評級之對手進行交易，並會設置限額。

富地銀行之流動資金受法定銀行監管條例監察及監控。該銀行之流動資金水平時刻高於銀行監管法規之最低要求。

買賣及使用衍生工具之風險

富地銀行之衍生金融工具專門用於客戶交易或作為對沖交易。在交易業務中，對手普遍為最高評級銀行。

股本價格風險

股本價格風險與金融工具公平值或未來現金流量因市場價格變動而波動之風險有關，惟因策略部署而持有及於報告期末按市場報價估值之非上市股本投資除外。本集團在香港投資若干股本工具，確認為持作買賣之交易組合投資，並於上市股本工具之市價下跌時面臨股本價格風險。我們透過密切監察上市股本工具之價格波動及建立適當之退市策略管理股本價格風險。

存貨風險

我們鐘錶產品之需求很大程度上取決於客戶喜好及市場趨勢，而此並非我們所能控制。倘本集團產品未能迎合客戶不斷轉變之喜好及市場趨勢，滯銷存貨將會增加。倘我們未能管理存貨以採購或生產合適產品去迎合客戶喜好及未來市場趨勢，過時及滯銷存貨數量或會增加，而我們需要按較低價格清理該等存貨或撇銷該等存貨，因而可能對業績表現造成重大不利影響。本集團已採取措施在分銷點層面提高銷售效益，以加快分銷點、區域銷售辦事處及總部間資訊交流，從而改善整體存貨管理，同時不斷加大力度清理存貨。

減值風險

減值風險定義為我們個別業務現金產生單位中資產賬面金額超出其可收回金額所產生之撇賬風險。根據二零一七年及二零一八年十二月三十一日之賬目所示，商譽及無形資產之總金額分別為919,172,000港元及1,124,862,000港元。倘相關附屬公司之未來表現未能符合其預期表現，則該等資產可能會減值。本集團將不斷監察相關附屬公司之業務表現，並盡量降低減值(如有)程度。

集中風險

富地銀行之債券組合由不同到期日、地區、分類及貨幣之債券組成，因此可確保分散風險。銀行對資產及負債之風險集中度進行每月分析並向董事會及高級管理層呈報。

有關可能違反資本充足比率之風險

富地銀行一直致力維持穩固資本基礎，以支持其業務發展及符合監管資本及槓桿規定。

基本目標是為股東投入之資本帶來就風險調整後可達成及適當之回報。為實現此目標，我們於管理資本時力求確定有利之風險回報比率。在此方面，本集團避免出現可能危害風險承受能力並繼而影響業務健全及存續之極端風險，以及在風險預算範圍內管理所有風險。於管理資本時，本集團評估所需資本（按監管規定處理各項風險之最低資本金額）及可用合資格資本（根據監管機構準則計算之可動用資本），並評估該等資本之發展情況，作為其資本規劃一部分。

資本需求以及第一級及第二級資本按國際財務報告準則綜合財務報表制定，但採用更嚴格之核心資本定義。有關總資本比率、現金儲備比率及槓桿比率之計算結果會每月向高級管理層及董事會呈報。鑒於其資本充足比率，我們認為富地銀行的資本實力雄厚。

提名委員會報告

提名委員會目前由以下成員組成：

執行董事

韓國龍(委員會主席)
商建光

獨立非執行董事

馮子華
鄺俊偉
張斌
Rudolf Heinrich Escher

提名委員會之組成及成員均符合企業管治守則第A.5.1條之規定。

權力和職責

在董事會授權下，提名委員會履行以下職責：

- 至少每年檢討董事會之架構、人數、組成及董事會成員多元化(包括(但不限於)性別、年齡、文化及教育背景、是否獨立於董事會其他成員或與彼等之關係、經驗(專業或其他方面)、技能、知識及服務年期)，並就任何為配合本公司之公司策略而擬對董事會作出之變動提出建議；
- 物色具備合適資格可擔任董事會成員之人士，並挑選提名有關人士出任董事或就此向董事會提供意見。於物色具備合適資格之候選人時，委員會應從候選人所具備之才能及其他客觀標準進行考慮，並考慮其是否有利於促進董事會成員之多元化；
- 評核獨立非執行董事之獨立性；
- 因應本公司之公司策略及日後董事會需要之技能、知識、經驗及多元化組合，就董事委任或重新委任以及董事(尤其是主席及行政總裁)繼任計劃向董事會提出建議；
- 檢討董事會成員多元化政策、為執行董事會成員多元化政策制定可計量目標並進行檢討、監督有關可計量目標之達標進度及於本公司之企業管治報告中披露董事會成員多元化政策或其概要；及
- 為本公司提名董事事宜制定並確立提名政策，當中包括提名程序及委員會為挑選和推薦年內董事候選人時所採納之流程和標準；及定期檢討有關政策並於本公司之企業管治報告中就提名政策作出披露。

提名委員會之職權範圍已於二零一二年三月二十六日採納，並已於二零一八年十二月三十一日作出修訂。職權範圍之最新完整版本於聯交所網站及本公司網站內刊登。

於二零一八年已完成之工作

於二零一八年內曾舉行一次會議，個別成員之出席率載列如下：

成員	出席／舉行會議次數
韓國龍(委員會主席)	0/1
商建光	0/1
馮子華	1/1
鄭俊偉	1/1
張斌	1/1
Rudolf Heinrich Escher	1/1

於回顧年內，提名委員會：

- 一 批准及向董事會建議採納本公司之提名政策(「提名政策」)。

董事會於二零一八年十二月三十一日批准及採納提名政策，以載列指引提名委員會於年內挑選和推薦董事候選人之方針。

提名政策	
目的	提名政策旨在確保董事會擁有適當技能、經驗和多樣性觀點以切合本公司之業務需求。
提名標準	<ul style="list-style-type: none"> – 在評估、挑選和推薦董事候選人時，提名委員將適當考慮以下因素，包括但不限於(統稱為「因素」)： <ul style="list-style-type: none"> (a) 品格和誠信聲譽； (b) 於本公司業務所涉及相關行業之成就及經驗以及其他專業資格； (c) 候選人於上市公司擔任董事職位數目、可投入之時間和對相關範疇之關注； (d) 各方面之多樣性，包括但不限於性別、年齡、文化和教育背景、經驗(專業或其他方面)、技能、知識和服務年期； (e) 候選人可能為董事會帶來之貢獻； (f) 是否同時擔任多間公司董事或因參與其他公司或機構而與其他董事有重大聯繫，及 (g) 為董事會有序繼任而制訂計劃。

提名委員會報告

提名政策

提名標準

以上因素僅供參考，並非無遺漏及決定性因素。提名委員會可酌情提名其認為適當之任何人士。

- 退任董事（已在任連續九年之獨立非執行董事除外）均有資格獲董事會提名在股東大會上重選連任。倘獨立非執行董事服務超過九年，其是否獲續任應以獨立決議案形式由本公司股東審議批准。隨附該決議案向股東寄發之通函中，應載有董事會相信該名人士仍屬獨立人士及應獲重選之理由。為免生疑，(a)用以釐定獨立非執行董事是否合資格獲董事會提名於股東大會上競選之九年任期將由其初次獲委任為獨立非執行董事之日開始計算，直至應屆股東週年大會日期其當前任期將於該大會結束時屆滿為止；及(b)為董事會服務連續九年或以上之獨立非執行董事可繼續任職至其當前任期屆滿為止。
- 除以上因素外，提名委員會將適當考慮多項因素（包括但不限於上市規則（經不時修訂）第3.10(2)及3.13條所列因素），從而評估、挑選和推薦本公司獨立非執行董事職位候選人。

提名程序

- 董事會可不時及在任何時間委任任何人士為董事或本公司可藉普通決議案推選任何人士為董事，以填補董事會臨時空缺或出任現時董事會新增之董事席位。
- 提名委員會將根據以下程序和過程向董事會推薦董事候選人：
 - (a) 提名委員會於物色或挑選合適候選人時可諮詢其認為適當之任何來源（例如透過現任董事轉介、廣告、第三方中介公司建議及本公司股東建議）並經適當因素考慮；
 - (b) 提名委員會可採納其認為適當之任何程序評估候選人是否合適，例如面試、背景調查、陳述及第三方參考檢查；
 - (c) 建議候選人將被要求提交所需個人資料供提名委員會考慮。如有需要，提名委員會可要求候選人提供額外資料及文件；

提名政策

提名程序

- (d) 在考慮適合擔任董事職位的候選人後，提名委員會將舉行會議及／或以書面決議案方式(如認為合適)批准向董事會提交委任建議；
 - (e) 提名委員會將向薪酬委員會提供選定候選人之相關資料，以供考慮該選定候選人之薪酬待遇；
 - (f) 其後，提名委員會將就建議委任向董事會提出建議，而在考慮非執行董事之情況下，薪酬委員會將就建議薪酬待遇向董事會提出建議；
 - (g) 董事會可安排選定候選人由非提名委員會成員之董事會成員進行面試；
 - (h) 其後，董事會將審議及決定委任，或刊發股東通函並發送予本公司股東以提供獲董事會提名於股東大會上競選之候選人資料及邀請股東提名(視乎情況而定)；
 - (i) 除股東通函所載之候選人外，股東可在提交期內向本公司發出通知，表明其有意提呈決議案推選某名人士為董事，而毋需董事會之推薦或提名委員會之考慮及提名。如此提名之候選人資料將透過補充通函發送予全體股東；及
 - (j) 所有董事委任將透過向香港公司註冊處提交相關董事擔任董事同意書(或要求相關董事確認或接受董事委任之任何其他類似文件，視乎情況而定)作存檔及更新本公司董事登記冊予以確認。董事應同意於相關網站上任何文件或公佈內就其董事委任公開披露其個人資訊。
- 董事會應就與委任董事有關之所有事宜及於任何股東大會上競選之候選人建議擁有最終決定權。

檢討

提名委員會將於適當時候檢討本政策，以確保本政策行之有效。提名委員會將討論任何或需作出之修訂，並向董事會提出任何有關修訂建議供其審議及批准。

提名委員會報告

- 一 批准及向董事會建議採納本公司之董事會成員多元化政策(「董事會成員多元化政策」)。

董事會於二零一八年十二月三十一日批准及採納董事會成員多元化政策，以載列本公司董事會為達致成員多元化而採取之方針。

提名政策

願景

本公司明白並深信董事會成員多元化對提升其表現質素裨益良多。本公司堅信，表現卓越之董事會具備符合本公司策略及目標所需之人才，擁有不同才能及多樣性觀點與角度，最適宜處理本公司所面對之主要問題。

政策聲明

為達致可持續之均衡發展，本公司視董事會層面成員日益多元化為支持其達成策略目標及可持續發展之關鍵元素。本公司於制定董事會成員組合時，會從多方面考慮董事會成員多元化，包括(但不限於)性別、年齡、文化及教育背景、是否獨立於董事會其他成員或與彼等之關係、經驗(專業或其他方面)、技能、知識以及服務年期。所有董事會成員之委任將以任人唯賢為原則，惟本公司將確保董事會擁有適當技能、經驗及多樣性觀點，以切合本公司之業務需求。

可計量目標

本公司將按一系列多元化範疇甄選候選人，當中包括(但不限於)性別、年齡、文化及教育背景、是否獨立於董事會其他成員或與彼等之關係、經驗(專業或其他方面)、技能、知識以及服務年期。最終決定將基於選定候選人將為董事會帶來之裨益及貢獻而作出。董事會成員組成(包括性別、種族、年齡、服務年期)將每年於企業管治報告內披露。

檢討

提名委員會將於適當時候檢討本政策，以確保本政策行之有效。提名委員會將討論任何或需作出之修訂，並向董事會提出任何有關修訂建議供其審議及批准。

環境、社會及管治報告

本集團作為負責任及關懷社會之企業公民，不但專注達成經營目標及財務目標，亦致力向不同持份者作出貢獻，為僱員及其家庭、社區及社會整體謀求福祉，同時推動環保及有效善用資源。本集團視奉行良好商規及盡企業社會責任為持續成功不可或缺之理念。

報告期及報告範圍

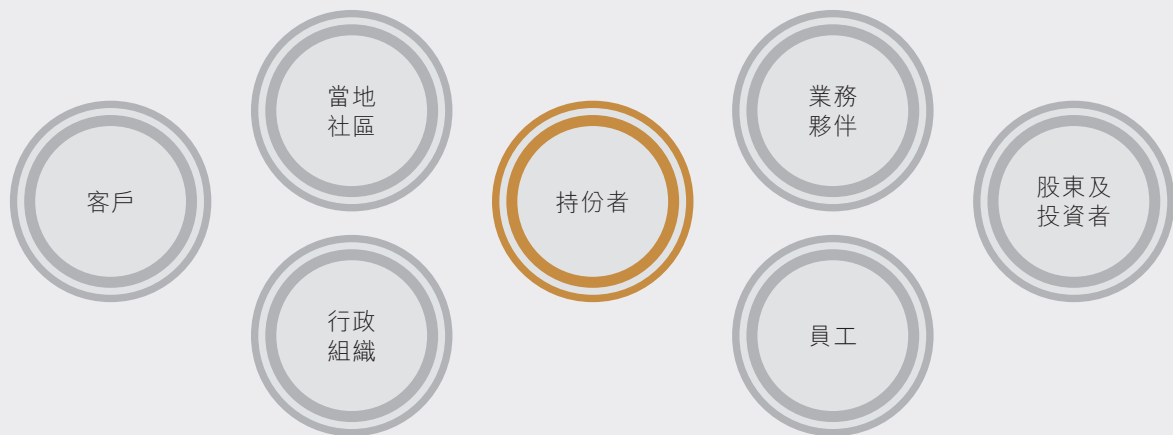
本報告根據聯交所發佈的《環境、社會及管治報告指引》闡述本集團於二零一八年一月一日至二零一八年十二月三十一日期間在環保、社會及管治方面實施的政策、履行的義務及表現。本報告聚焦本集團從事鐘錶及時計業務的主要營運機構，即位於珠海的羅西尼和位於深圳的依波精品（下稱「報告機構」）。

	羅西尼	依波	合計
報告機構面積	48,000 平方米	44,427 平方米	92,427 平方米

往後，本集團將擴大披露範圍至其它業務及更多營運機構，及披露更多關鍵績效指標，以持續提高信息的豐富性及透明度。

持份者之參與及重要性

本集團非常重視與持份者的對話，包括股東及投資者、業務夥伴、員工、客戶、行政組織和當地社區。我們深明與持份者保持良好溝通，對業務營運及企業發展是非常重要的。



過去多年來我們積極主動開展各種活動，爭取機會與持份者溝通。未來我們將繼續與持份者建立良好關係，與他們保持緊密聯繫和對話，瞭解和回應他們不同的關注，致力於發展一個繁榮並以溝通為導向的社會。

環境、社會及管治報告

<p>股東及投資者</p> <ul style="list-style-type: none"> • 股東大會 • 年報與中期報告、業績公佈 • 公告及通函 • 公司網頁發佈消息 	<p>業務夥伴</p> <ul style="list-style-type: none"> • 供應商定期評估 • 實地考察 • 安全問卷調查 • 合作會議 • 供應商管理制度 	<p>員工</p> <ul style="list-style-type: none"> • 員工聚會 • 興趣協會 • 意見分享會 • 內部通告 • 培訓課程 • 志願活動
<p>客戶</p> <ul style="list-style-type: none"> • 日常營運交流 • 鐘錶展覽 • 客戶服務熱線 • 服務／產品意見回饋機制 • 會員制度 	<p>行政組織</p> <ul style="list-style-type: none"> • 有關合規經營、環境保護之會議 • 公文往來 • 實地視察 • 評選及認證 	<p>社區</p> <ul style="list-style-type: none"> • 社區活動 • 協辦捐款、慈善項目 • 贊助及捐獻 • 辦學培育人才

A. 環境

作為負責任之企業，我們恪守環保原則及嚴格遵守相關的法律法規，包括《中華人民共和國環境保護法》、《中華人民共和國環境影響評價法》、《建設項目環境保護管理條例》、《中華人民共和國固體廢物污染環境防治法》及《廣東省固體廢物污染環境防治條例》等。

A1. 排放物

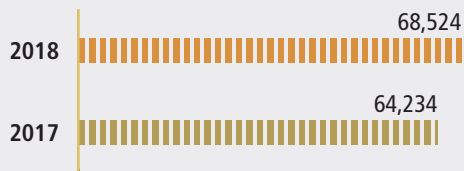
報告機構主要從事生產及分銷鐘錶及時計產品，營運時未有產生大量空氣污染物（例如氮氧化物(NO_x)和二氧化硫(SO₂)）及溫室氣體，產生的主要排放物種類如下：

排放物種類	污染物	處理方式
工業廢水	拋光清洗廢水、CODcr、BOD ₅	通過廠內自建污水處理淨化站進行處理，採用凝聚沉澱法處理工藝，處理達標後排入污水處理廠
工業廢氣	顆粒物、車間油霧	經水浴水霧除塵設備處理后高空排放
食堂油煙	油煙	經水霧處理及高壓靜電除塵后高空排放
固體廢棄物	廢礦物油、廢乳化液、廢抹布、廢燈管及廢墨盒等	均獨立儲存，經具備資質的回收商定期統一回收處理

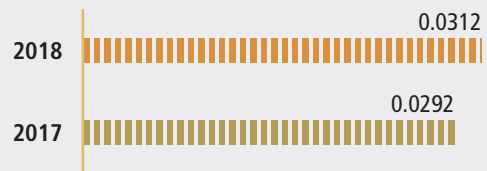
A2. 資源使用

總耗水量及密度

總耗水量 (噸)

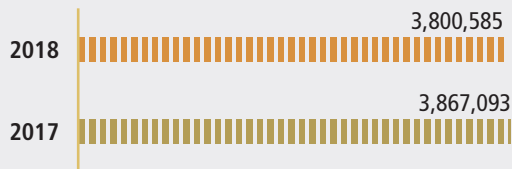


每產量耗水量 (噸/隻)

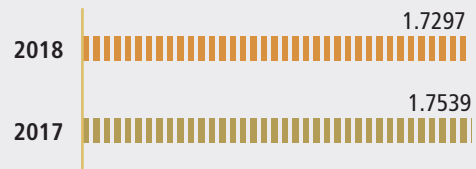


總耗電量及密度

總耗電量 (千瓦時)



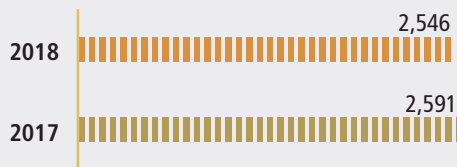
每產量耗電量 (千瓦時/隻)



我們旨在透過提升資源善用及採納綠色技術盡量提升生產過程中之節能程度。變頻驅動空調及無功率補償系統已安裝於各廠房以助節省電力。

二氧化碳總排放量及每生產單位排放量

二氧化碳總排放量 (噸)



每產量二氧化碳排放量 (千克)

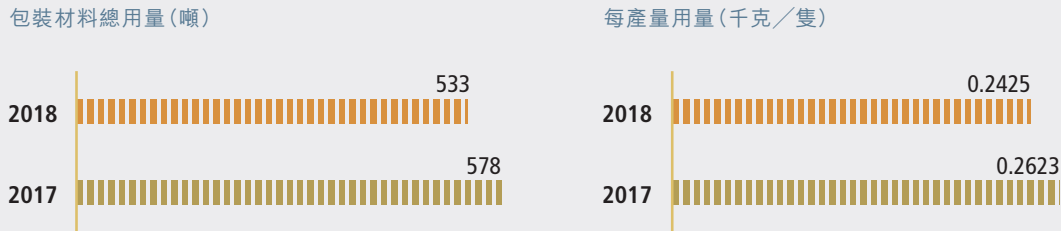


我們專注改進減碳目標，並透過一系列節能及減碳措施以積極監控及減低對環境之影響。我們主要的環保目標是在整個營運過程中更有效率地運用能源及資源。隨著環保法規的規管範圍及嚴格性日益上升，我們在合規的同時，亦盡可能在此之上做得更多。為此，我們採用環境管理監督措施以助我們訂立及檢討目標，並跟進表現以求持續進步。

環境、社會及管治報告

包裝材料總量及每生產單位佔量

包裝材料主要包括手錶盒、手提袋、紙箱、泡沫袋及靜電膜等。



我們從源頭上開始系統性減少廢物產生、減少資源消耗，對各種廢棄物分類回收再利用，實現多種資源的綜合利用。

我們設立了安全生產管理委員會，建立《能源管理制度》、《安全環境因素識別與評價流程》、《職業健康安全/環境日常監控流程》，對公司環境進行識別評價，形成《重要環境因素清單》，根據《重要環境因素清單》的內容召開管理評審會議，制定《環境、職業健康安全目標、指標與管理方案》，以達到節能減污的目的。

根據環境相關法律的要求，我們制定了《化學危險品控制程序》、《危險廢棄物管理流程》、《廢棄物分類基準表》等相關程序和制度，發動全員開展節能、降耗、減污、增效等活動。

A3. 環境及天然資源

報告機構一向極其關注環境之可持續性發展，並將其融入每項營運範疇。位於珠海之羅西尼生產廠房自二零零九年已獲得ISO14001環境管理體系認證，體現其有效及高效之環保生產過程。除本報告另有所述外，已採取的減低對環境及天然資源造成影響的行動包括但不限於：

- 於設計及建造廠房時採用環保材料及節能概念；
- 遵守相關環境保護法律及法規，正當處理廢氣及工業污染物之排放；
- 參照食品及餐飲業所規定之嚴格標準，建造防塵潔淨之生產設施；
- 透過林格爾曼煙濃度圖控制及減少發電機排放濃煙之密度；
- 監察及減少發電機產生之噪音量；及
- 每年實施環保檢驗及審閱全部設施之檢驗結果。

環保及節能將繼續為本集團於整個生產過程中奉行的可持續發展原則之一。我們將持續通過有效的培訓及教育，提高僱員環保及善用資源的意識。

我們位於香港的總部亦推行環保辦公室的管理措施，重視具效率的資源運用，節省能源及營運成本。已實施之環保辦公室管理如下：

節省用紙

我們鼓勵僱員在可行情況下使用雙面列印及以電郵方式進行通訊。利用回收紙作起草及內部用途，使用過的公文袋及信封作內部傳遞用途，辦公室的公共空間設置回收箱以分開收集廢紙循環再造，之後由大廈管理處收集。

自二零一六年開始，我們建議本公司股東以電子方式收取本公司之公司通訊，以取代收取印刷本，籍此希望減少印刷量，減少耗紙之成效。於本年度，本公司向股東派發的公司通訊印刷品（即中期報告及年報）約357千克（二零一七年：224千克），對應之二氧化碳當量排放量約為1,715千克（二零一七年：1,076千克）。

節約用電

辦公室選用節能電器，如使用慳電膽、T5型光管或LED燈等照明設備，電腦、打印機、影印機等設備都設定為省電模式。辦公時段之後或工作場所未被使用時所有照明及空調均須關閉，並在合適區域設置通告以提醒員工關閉能源。於夏季，將辦公室的平均室內溫度維持在攝氏24至25度之間，減少空調的耗電量。

綠色茶水間

我們不設即棄餐具及紙杯，鼓勵僱員自攜午餐飯盒，減少購買外賣時產生的發泡膠飯盒及即棄餐具，並提供舒適環境給僱員中午用膳。

重用物料及節省使用文具

鼓勵僱員重用文具，我們儲存打印機舊墨粉盒，並安排供應商定期回收墨盒，以減少廢物。

組合式辦公傢俱

我們使用組合式辦公傢俱，減少使用定製辦公傢俱，即使搬遷也能重用。行政部門定期對我們的辦公傢俱進行檢查，將首先探討對發現的任何缺陷進行翻新或修理的可能性，只有在不可能翻新的情況下才會丟棄傢俱，保養得宜的辦公傢俱一般能用上十年以上。

減少碳排放

我們鼓勵僱員外出辦事時使用大型公共交通工具。多使用視頻設備開會減少差旅從而減少碳排放。

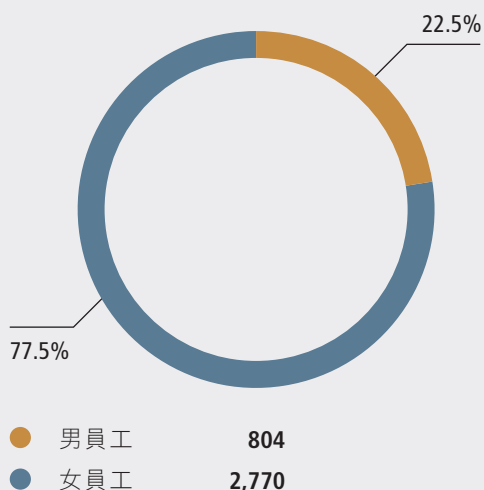
環境、社會及管治報告

B. 社會

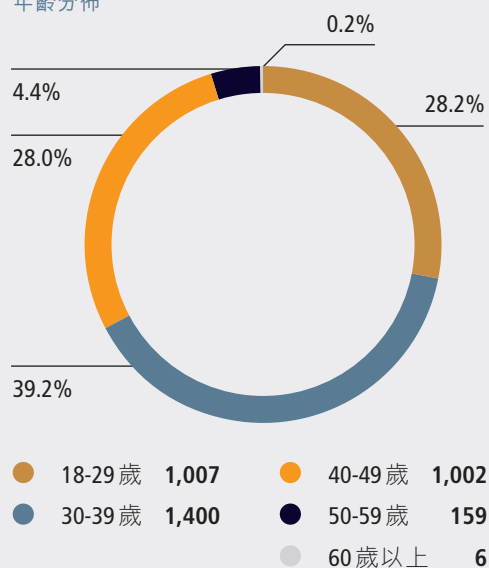
B1. 僱傭

我們相信，一支積極進取且比例均衡之員工團隊，對發展可持續經營模式及實現長遠回報攸關重要。於二零一八年十二月三十一日，報告機構於中國內地聘用合共3,574名全職員工（二零一七年十二月三十一日：3,735名）。本集團之員工團隊來自不同性別及年齡層，均能帶來具創造性之觀點及具備不同層面之能力。

性別比例



年齡分佈



	性別比例			
	二零一八年		二零一七年	
	員工數目	百分比	員工數目	百分比
男員工	804	22.5%	782	20.9%
女員工	2,770	77.5%	2,953	79.1%
合共	3,574	100%	3,735	100%

	年齡分佈			
	二零一八年		二零一七年	
	員工數目	百分比	員工數目	百分比
18-29歲	1,007	28.2%	961	25.7%
30-39歲	1,400	39.2%	1,542	41.3%
40-49歲	1,002	28.0%	1,069	28.6%
50-59歲	159	4.4%	156	4.2%
60歲以上	6	0.2%	7	0.2%
合共	3,574	100%	3,735	100%

公正及公平之工作環境

我們承諾遵守有關準則及法規，以提供公正及公平之工作環境。我們在僱傭過程各個環節均奉行提供平等機會之理念，且絕不容忍任何形式之歧視或騷擾。我們對業務過程中接觸之每一位人士均以禮相待，尊敬有加。我們期望所有有關各方與同事、外判商、供應商、客戶及任何其他持份者互動時，均能應用同等準則。我們嚴厲禁止種族或道德上之貶損行為、不受歡迎的性要求及類似行為。

工作與生活平衡之理念

我們重視員工，並希望彼等能與本集團一同成長。

我們藉著鼓勵員工廣泛參與運動及工餘活動，以提倡工作與生活平衡之理念。

珠海羅西尼及依波已於二零一七年投入使用新廠房並設有多用途康樂中心及多用途運動場。珠海羅西尼成立樂團，並購置多種樂器。我們已成立康樂社，定期為僱員組織及主辦工餘活動，如派對、年度節慶、週年晚宴及團體旅遊，費用概由本集團承擔。我們成立多個興趣協會，包括籃球、足球、羽毛球、乒乓球、桌球、單車、攝影、中國象棋、釣魚、烹飪、軍樂隊、舞龍隊、醒獅隊、古箏隊等36個興趣協會及藝術團隊，作為員工保持良好體格及健康的平台，於工作後舒緩壓力。興趣協會定期安排的文藝表演、體育比賽及其他休閒活動，毫無疑問可促進員工之間的溝通、加強凝聚力，並提高團隊合作精神及工作積極性。為將照顧擴展至員工家屬，本集團亦舉辦歡迎員工家屬一同參加的活動。



環境、社會及管治報告

員工利益及福利

我們為所有員工設計薪酬待遇方案，以獎勵員工對本集團的成功所付出的工作及貢獻。薪酬待遇方案包括各種福利，視乎個別附屬公司的個別情況而定，例如醫療保險、外遊、午餐補貼、免費身體檢查、產假、婚假、喪假及其他資助。依波精品搬遷至新廠房後，為員工提供免費穿梭巴士服務及交通、住宿津貼。



「互相幫助」一直為本集團所強調的企業文化。為進一步在僱員之間推廣此文化，羅西尼設立了應急基金，以幫助有需要的僱員。截至二零一八年底，應急基金的累計總額約為人民幣3,600,000元。管理該應急基金的委員會委員確保該應急基金乃在公正及高度透明度的情況下管理。該應急基金不單惠及僱員，僱員的家屬亦在受保障。

B2. 健康及安全

我們致力確保員工健康及安全，其中包括為員工提供及維持健康及安全的工作場所，尤其是我們的生產廠房。我們已設立嚴格的管理制度及政策，確保工作環境符合職業健康及安全的標準。對該等制度及政策持續進行審查，確保有關標準在多種不同情況下均得以維持。一般而言，我們的目標是建立安全警惕意識，以持續辨識危害、評估風險及實施必要的控制措施。

珠海羅西尼已獲得職業健康安全管理體系(OHSAS) 18001的認證。各項措施已獲實施，包括進行定期職業健康安全評估、每年及於就職後為員工提供免費身體檢查、設置報警裝置及閉路電視系統以監察及盡量減少辦公室及生產廠房的危害性元素，並聘請第三方定期檢查及審查該職業健康安全系統。

在消防方面，羅西尼設有安委會專責處理有關事宜。安委會會做好周期性排查安全生產隱患及管控部署，定期進行例行檢查。2018年羅西尼義務消防隊開展消防培訓及演練，符合國內應急預案消防演練要求。並且建立微型消防站及購置小型消防車，以至擁有完善的消防安全設施。

於二零一八年，無發生因工作關係而死亡的事故，因工傷損失工作日數為0(二零一七年：0日)。

我們亦於廠房地區栽種大量樹木及綠色植物，以為員工建立舒適清潔的綠色工作環境。



環境、社會及管治報告

B3. 發展及培訓

我們將僱員之個人發展及福祉視為重中之重。為此，我們致力建立一個可激勵員工的良好社區及環境，務求促進員工的發展，留住人才。

我們致力以清晰之職業前景激勵員工，藉此為員工提供晉升及提高專業知識、資歷和技能之機會。為此，我們提供各式各樣專門設計之培訓課程以提升員工之專業水平，課程涵蓋新員工入職培訓、安全培訓、技能培訓及行政管理類別課程。我們通過培訓需求調查、分析評估、確定需求，制定出培訓計劃及內容。該等培訓課程具有戰略意義並將持續進行，培養出眾、有能力及專業的人力資源以配合現時的需求及業務發展。

我們為各階層及各類工作崗位的僱員提供內部或透過外界機構舉辦之培訓課程，不論僱員背景、種族、性別、宗教、年齡或階級。年內，報告機構組織多個不同之培訓課程，內容涵蓋專業及技術培訓至個人技能發展。培訓形式包括由內部培訓師主持之講座及工作坊，亦有由外聘專家講授之研討會。

僱員接受培訓之摘要如下：

- 新員工於獲聘請後即參與企業迎新及入職介紹活動，以協助其儘快適應新工作環境，並令其熟悉工作職責，以及本集團之業務、營運及企業文化；
- 向現有員工提供有關企業文化及道德方面之培訓；
- 銷售員工獲安排參與有關客戶服務及產品知識之密集式培訓課程；
- 鐘錶工匠及技術人員參加持續開辦之有組織及規範化技術培訓，以確保在產品創新及質量方面均可達到卓越水平，其中包括派遣旗下中國品牌的鐘錶工匠及技術人員遠赴瑞士，研習最精湛的工藝及先進的技術與設計；及
- 管理層人員獲邀修讀管理課程，以不斷更新其商業管理專業知識，以及與個別公司營運所在之市場及行業有關之最新動態及發展趨勢；密集式領袖發展項目及輪崗計劃，旨在鼓勵及協助中層經理過渡至全新或更高層之領導角色。



為提高本集團整體的財務管理水平及報表質素，2018年5月本集團於珠海羅西尼鐘錶文化產業園舉辦了財務培訓及研討會。財務培訓及工作研討會邀請了本公司多名董事、獨立非執行董事、高級管理人員及審計師出席指導及作出分享。來自集團公司相關董事及各子公司的財務人員合共40餘人參加。研討內容涵蓋以下範疇：

會計及財務知識

- 對集團子公司提出本集團於財務報表規格上的要求，以及闡述財務工作的重要性。
- 就香港財務報告新準則第9號-金融工具，第15號-客戶合同收入及第16號-租賃之披露及會計處理方法進行詳細闡釋。

香港上市公司的企業管治

詳細講解香港上市公司的企業管治守則要求，以及分享相關監管機構之執法個案。

法律知識

合同法及實際應用上的相關知識。



二零一八年累計培訓時數6,371小時，培訓人次達8,721人次（二零一七年：培訓時數6,651小時，培訓人次9,299人次）。

按不同僱員類別劃分的培訓人次：

	培訓人次			
	二零一八年		二零一七年	
	員工數目	百分比	員工數目	百分比
行政管理人員	1,187	13.6%	1,537	16.5%
專業技術人員	1,616	18.5%	1,720	18.5%
生產技工	2,749	31.5%	2,716	29.2%
銷售人員	3,169	36.4%	3,326	35.8%

我們亦鼓勵員工自我增值。倘員工參加獲本集團認可之相關課程及培訓，可獲考試假期及福利。本集團持續安排並提供密集式培訓，使員工具備相關資格及技能，鼓勵彼等成為有凝聚力的團隊，以提供持續優質的產品及服務。

環境、社會及管治報告

B4. 勞工準則

報告機構嚴格遵守《中華人民共和國勞動法》，並且制定勞動用工控制程序，嚴禁聘用童工或強制勞工。

B5. 供應鏈管理

建立《供應商供應鏈管理安全程式》，在開發選擇供應商時通過實地考察和供應商安全調查問卷等形式確認供應商的安全狀況、合作時要求供應商簽訂《供應鏈安全協定》和《安全協定聲明》，合作後也每年一度對供應商進行安全考核。

按地區劃分的供應商數目

地區	二零一八年 數量	二零一七年 數量
廣東	89	97
上海	—	—
香港	—	4
日本	2	4
瑞士	1	1
其它	8	5

B6. 產品責任

設立市場管理部負責產品的銷售及服務、企劃部負責廣告策劃及品牌推進工作。公司已售或在送產品並無發生因質量問題導致人身傷害的事故或因安全與健康理由回收的情況。售後服務部為顧客提供售後服務及問題產品解決跟進。

品質安全、公共衛生控制過程與指標

類別	影響項目	相關風險	內控指標	測量方法	控制過程及方法
安全生產	物體打擊、機械傷害、觸電、火災、中毒等	人員傷亡、財產損失、影響社會穩定	人身傷亡事故為零、火災發生次數為零、觸電傷亡次數為零、食物中毒發生次數為零	安全性評價、定期檢查	1. 按職業健康安全管理体系管理； 2. 執行安全評價。
品質安全	有害物質、放射性元素	健康影響	產品品質導致的人身傷害	定期監測	產品品質管制、供應商管理
公共衛生	粉塵、雜訊等	職業病	職業病發病率、員工體檢率	定期監測	按職業健康安全體系管理

公司落實質量安全政策與法規，明確「質量是企業的生命」。建立並完善質量安全主體責任落實體系；建立重大質量事故報告和產品傷害監測制度；每年在公司官網發布質量信用報告，供消費者查閱監督；建立完善風險管理體系，實施產品質量安全風險管理，通過「一表一碼」手錶身份識別系統，實現產品質量全過程追溯。

履行「三包政策」，包括1)對所售商品提供退貨服務，2)商品更換服務及3)維修服務，以保障消費者權益。電子商務支持七天無理由退換，在全國設立特約售後服務網點103個，為全國消費者提供優質的售後服務；建立工廠式維修車間，維修標準等同於工廠標準，立足於專業化、規模化和技術化，在培養專業技師的基礎上，提供高效、優質的售後維修、保養服務，創新售後服務新模式，更進一步提升顧客滿意度指數。2018年獲中國質量協會和全國用戶委員會授予的最高等級「用戶滿意3A級標杆企業」(全國七家)榮譽。

B7. 反貪污

管理層率先垂範「和諧發展」的價值觀，積極宣導「誠信為本」和「誠信興企」，恪守商業道德。我們健全信用管理機制，明確責任、監督方式，從強化誠信文化建設入手，通過建立信用評估機制、建立信用檔案，與重要供應商和合作夥伴一起共同建立誠信共贏的合作模式。

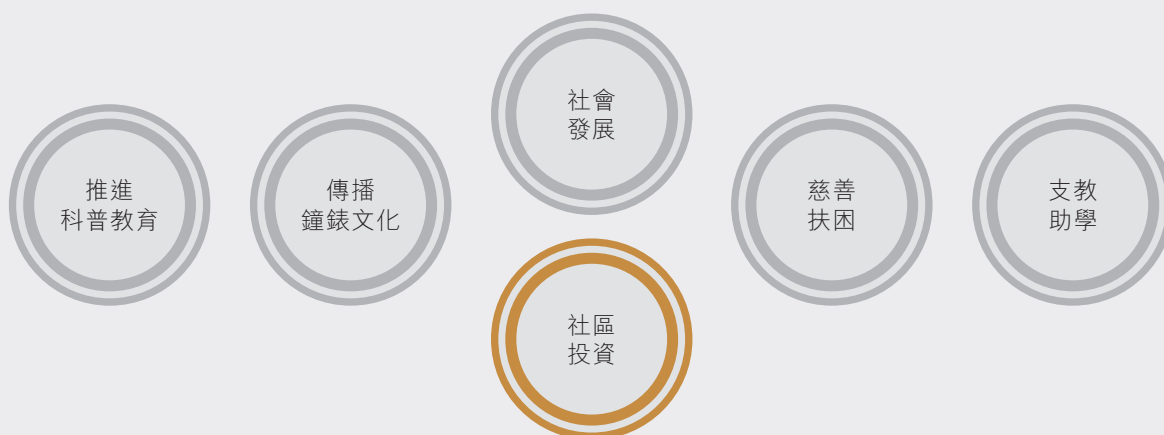
管理層奉行誠信守法是企業的立身之本，要求員工在企業經營中做到重合同、守信用、講道德、守法紀，並制定了相關規定要求約束員工行為：

- 基於企業使命、願景和價值觀，制定員工手冊等一系列管理制度，從制度上規範全員道德行為。
- 外部審計師每年進行審計，並由財務部加強對市場行銷、採購、在建專案、財務等關鍵環節的監察，對各種合同進行審核，確保守法經營。
- 建立了嚴格的財務管理制度、市場人員管理制度，通過公開招標、比價採購、資質認證等方法，公開公平選擇合作夥伴。
- 對新員工從思想上加強道德操守教育，在所有員工的入職培訓中，加入企業文化和道德操守、員工行為規範教育。
- 通過內／外部審核、員工監督舉報、安保人員的監督和社會監督等多種方式收集資訊，及時處理問題。

環境、社會及管治報告

B8. 社區投資

本集團積極參與各類社會公益慈善活動、支救助學、科普教育及文化傳播，推動社會進步及發展。



社會責任

於二零一八年，羅西尼獲廣東省企業聯合會及廣東省企業家協會聯合授予**2018年廣東省最具社會責任感企業**，以表揚羅西尼在廣東省內推動經濟發展及對社會作出的貢獻。



慈善扶困

「一諾十八年」

依波一項長期慈善項目名為「一諾十八年」，與中華全國婦女聯合會旗下中國婦女發展基金會合作發起資助汶川地震後成為孤兒的兒童之撫養費用，直至他們滿十八歲。自二零零八年發生汶川地震以來已連續舉行九年，累計共援助約**160**名兒童。此外，依波將持續資助考入大學的受助兒童，直至他們大學畢業。除捐款外，依波的愛心團隊亦每年攜帶大量物資前往四川探訪。至二零一八年已持續**10**年赴川探訪**12**次。截至二零一八年底，依波已為「一諾十八年」項目捐款約人民幣**220**萬元。

我們鼓勵員工向汶川地震、雅安地震及西南乾旱等自然災難的災民作出個人捐款，或以任何方式參與義工活動，幫助受天災影響的災民渡過難關。我們十分高興收獲員工反饋，通過參與慈善及義工活動實現作為社會一員的真正價值，與社會建立更深的聯繫。



支教助學

- 1997年興建「珠海羅西尼希望小學」，2013年制定「2014-2018珠海羅西尼希望小學助學興教五年計劃」，捐資人民幣50萬元用於改善學校硬件設備，學生獎學金及教師學習深造
- 1995年與政府合資創辦石岩公學，並於2003年被評為廣東省一級民辦名校



環境、社會及管治報告

社區捐贈

- 2018年羅西尼發動員工捐獻衣物1000餘公斤，獲中宣部，民政部，團中央和中國慈善總會倡導協辦的「一張紙一件衣愛心行動」捐贈牌匾



推進科普教育

- 與珠海市技師學院聯辦「羅西尼」手錶維修專業班
- 先後與北京理工大學珠海學院、北京師範大學珠海學院、吉林大學珠海學院、廣東省科學職業技術學院等開展產學研合作項目
- 獲中國科學技術協會評為「全國科普教育基地」

傳播鐘錶文化

羅西尼打造鐘錶博物館和鐘錶工業文化旅遊以傳播鐘錶文化，工業旅遊區總面積達11,280.60平方米，博物館館藏展品約1,600件。鐘錶博物館獲評為國家AAAA級景區、廣東省文化遺產保護突出貢獻團體。此外，位於依波精品新建成大樓的鐘錶文化博物館亦已於二零一八年對外開放。



INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



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TO THE MEMBERS OF CITYCHAMP WATCH & JEWELLERY GROUP LIMITED
(incorporated in Cayman Islands with limited liability)

致冠城鐘錶珠寶集團有限公司股東
(於開曼群島註冊成立之有限公司)

OPINION

We have audited the consolidated financial statements of Citychamp Watch & Jewellery Group Limited (the "Company") and its subsidiaries (together "the Group") set out on pages 186 to 353, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

意見

本核數師(以下簡稱「我們」)已審計載於第186至353頁冠城鐘錶珠寶集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表,此等綜合財務報表包括於二零一八年十二月三十一日之綜合財務狀況表,以及截至該日止年度之綜合全面收入表、綜合權益變動表及綜合現金流量表以及綜合財務報表附註(包括主要會計政策概要)。

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

我們認為,該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則真實而公平地反映 貴集團於二零一八年十二月三十一日之綜合財務狀況以及 貴集團截至該日止年度之綜合財務表現及綜合現金流量,並已遵守香港公司條例之披露規定妥為編製。

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.

意見基礎

我們已根據香港會計師公會頒佈之香港核數準則(「香港核數準則」)進行審計。我們就該等準則承擔之責任在本報告「核數師就審計綜合財務報表須承擔之責任」部分進一步闡述。根據香港會計師公會之「專業會計師道德守則」(「守則」),我們獨立於 貴集團,並已根據該守則履行其他道德責任。我們相信,我們所獲審計憑證能充足及適當地為我們之意見提供基礎。

KEY AUDIT MATTERS

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

關鍵審計事項

關鍵審計事項乃根據我們專業判斷,認為對我們審計本期綜合財務報表最為重要之事項。我們於審計整體綜合財務報表及就其作出意見時處理該等事項,但不會就該等事項提供單獨意見。

Impairment assessment on goodwill and intangible assets

Refer to notes 33 and 32 to the consolidated financial statements and the significant accounting policies in notes 4.6 and 4.12 to the consolidated financial statements

As at 31 December 2018, the Group had goodwill and intangible assets with carrying amounts of HK\$1,071,552,000 and HK\$53,310,000 respectively arising from the acquisitions of bank, financial and watch businesses.

Management will perform impairment assessment on the amount of goodwill and intangible assets with indefinite useful lives annually, and will perform impairment assessment when there is an indication that an intangible asset with definite useful lives may be impaired. For the purpose of assessing impairment, management assessed the recoverable amount of these assets based on higher of its fair value less costs of disposal and value-in-use. These assets were allocated to cash generating units ("CGU"), and the recoverable amount of each CGU was determined by management based on either value-in-use calculations using cash flow projections or fair value less cost of disposal.

The impairment test involves significant judgements and assumptions by the management under the value-in-use calculation and the determination of fair value less cost of disposal.

Management concluded that, based on the impairment assessment, no impairment losses would be recognised for the year.

How the matter was addressed in our audit

Our procedures on the management's impairment assessment on goodwill and intangible assets included:

- (i) Assessing the reasonableness of market data, discount rates and growth rates applied in determining the recoverable amount;
- (ii) Reviewing the reasonableness of other key assumption based on our knowledge of the business and industry; and
- (iii) Checking input data to supporting evidence, such as approved budgets and considering the reasonableness of these budgets.

Revenue recognition relating to sales of goods

Refer to note 7 to the consolidated financial statements and the significant accounting policies in note 4.19 to the consolidated financial statements

A substantial portion of the Group's revenue was derived from sales of watches and timepieces.

For sales of watches and timepieces, the amount of revenue recognised during the year is dependent on a point in time the control of the goods transfers from the Group to the customers.

We identified the recognition of revenue relating to sales of goods as key audit matter because revenue is one of the key performance indicators of the Group and there is a significant inherent risk over the recognition of revenue by the management to meet specific targets or expectations.

商譽及無形資產之減值評估

參照綜合財務報表附註33及32以及綜合財務報表附註4.6及4.12之主要會計政策

於二零一八年十二月三十一日，貴集團擁有賬面值分別為1,071,552,000港元及53,310,000港元之商譽及無形資產，乃由於收購銀行、金融及鐘錶業務所致。

管理層將每年就商譽及無限可使用年期之無形資產之金額進行減值評估，並將於有跡象顯示具有有限可使用年期之無形資產可能減值時進行減值評估。就評估減值而言，管理層按其較高公平值減少出售成本及使用價值評估該等資產之可收回金額。該等資產獲分配至現金產生單位（「現金產生單位」），而各個現金產生單位之可收回金額由管理層根據現金流量預測按使用價值或按公平值減出售成本計算。

減值測試需要管理層利用使用價值計算及釐定公平值減出售成本作出重大判斷及假設。

管理層總結，根據減值評估，於本年度並無確認減值虧損。

在審計中之處理方法

我們關於管理層就商譽及無形資產之減值評估程序如包括以下方面：

- (i) 評估應用於釐定可收回金額之市場數據、貼現率及增長率之合理性；
- (ii) 根據我們對業務及行業之認知審閱其他重要假設之合理性；及
- (iii) 檢查附加證據之輸入數據，如核准預算及考慮該等預算之合理性。

有關銷售貨品之收入確認

參照綜合財務報表附註7及綜合財務報表附註4.19之主要會計政策

貴集團大部分收入來自銷售鐘錶及時計產品。

就銷售鐘錶及時計產品而言，年內確認之收入金額視乎貴集團向客戶轉讓貨品控制權之時間點而定。

我們已識別有關銷售貨品之收入確認作為主要審計事項，此乃由於收入為貴集團其中一項主要業績表現指標，管理層就達到特定目標或預期確認收入時存在重大固有風險。

How the matter was addressed in our audit

Our procedures on the revenue recognition relating to sales of goods included:

- (i) Assessing, on a sample basis, whether sales transactions recorded during the financial year had been recognised properly by inspecting the transactions selected with relevant underlying documentations;
- (ii) assessing, on a sample basis, whether sales transactions before and after the financial year end had been recognised in the appropriate period by comparing the transactions selected with relevant underlying documentations; and
- (iii) reviewing if there are any significant adjustments to revenue during the reporting period, understanding the reasons for such adjustments and comparing the details of the adjustments with relevant underlying documentations.

OTHER INFORMATION IN THE ANNUAL REPORT

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards 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 of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibilities in the regard.

在審計中之處理方法

我們關於銷售貨品之收入確認之審計程序包括：

- (i) 透過檢查附有相關支持文件之所選交易以抽樣方式評估於財務年度記錄之銷售交易是否已妥善確認；
- (ii) 透過比較附有相關支持文件之所選交易，抽樣評估財政年結日前後之銷售交易是否於適當期間獲確認；及
- (iii) 審閱於報告期間收入是否有任何重大調整，瞭解有關調整之原因及比較附有相關支持文件之調整詳情。

年報之其他資料

董事須對其他資料負責。其他資料包括已納入貴公司年報之資料，但並不包括綜合財務報表及我們之核數師報告。

我們對綜合財務報表之意見並不涵蓋其他資料，我們亦不對其他資料發表任何形式之鑒證結論。

於我們審計綜合財務報表而言，我們之責任是閱覽其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審計過程中所瞭解之情況有重大抵觸，或者似有重大錯誤陳述。基於已執行之工作，倘我們認為此其他資料有重大錯誤陳述，則須報告該事實。我們概無有關此方面之任何報告。

董事就綜合財務報表須承擔之責任

董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定編製真實公平之綜合財務報表，以及落實董事認為必要之內部控制，以確保編製綜合財務報表時不存在由於欺詐或錯誤而導致之重大錯誤陳述。

於編製綜合財務報表時，貴公司董事負責評估貴集團持續經營之能力，並在適用情況下披露與持續經營有關之事項，以及使用持續經營會計基礎，除非董事有意將貴集團清盤或停業，或別無其他現實之替代方案。

董事負責監督貴集團財務報告過程，並在審核委員會協助下履行彼等之責任。

AUDITOR'S RESPONSIBILITY 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. This report is made solely to you, as a body, in accordance with the terms of our 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 judgement and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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之責任

我們之目標為就綜合財務報表整體是否不存在由於欺詐或錯誤而導致之重大錯誤陳述取得合理保證，並發出包括我們意見之核數師報告。我們僅根據委聘條款向全體股東作出報告，除此之外，本報告並無其他用途。我們不會就本報告之內容向任何其他人士負責或承擔任何責任。

合理保證屬高度保證，但並非關於根據香港核數準則進行之審計總能發現某一存在之重大錯誤陳述之擔保。錯誤陳述可由欺詐或錯誤引起，倘個別或整體合理預期情況下可影響使用者根據該等綜合財務報表作出之經濟決定，則有關錯誤陳述可被視作重大。

作為根據香港核數準則進行之審計工作之一部分，我們於整個審計過程中行使專業判斷並抱持專業懷疑態度。我們亦：

- 識別及評估綜合財務報表由於欺詐或錯誤而導致之重大錯誤陳述風險，設計及執行審計程序以應對該等風險，以及獲取充分及適當審計憑證為我們之意見提供基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或僭越內部控制，故因未能發現欺詐而導致之重大錯誤陳述風險高於因未能發現錯誤而導致之重大錯誤陳述風險。
- 瞭解有關審計之內部控制，以設計在各類情況下適當之審計程序，但並非旨在對 貴集團內部控制之成效發表意見。
- 評估董事所用會計政策之恰當性及作出會計估計及相關披露之合理性。
- 總結董事採用持續經營會計基礎是否恰當，並根據已獲得之審計憑證，總結是否存重大不明朗因素涉及可能令 貴集團之持續經營能力嚴重成疑之事件或情況。倘我們得出結論認為存在重大不明朗因素，我們須於核數師報告中提請使用者注意綜合財務報表內之相關披露，或倘相關披露不足，則修訂我們之意見。我們之結論以截至核數師報告日期所獲得之審計憑證為基礎。然而，未來事件或情況可能導致 貴集團不再持續經營。
- 評估綜合財務報表(包括披露)之整體列報、架構及內容，以及綜合財務報表是否已中肯反映相關交易及事件。
- 就 貴集團內實體或業務活動之財務資料獲得充足及適當之審計憑證，以就綜合財務報表發表意見。我們負責指導、監督及執行集團審計。我們為我們之審計意見承擔全部責任。

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

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

From the matters communicated with the directors, 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.

我們與審核委員會溝通(其中包括)審計工作之計劃範圍、時間及重大審計發現,該等發現包括我們於審計期間識別出內部控制之任何重大缺陷。

我們亦向審核委員會提交聲明,說明我們已遵守有關獨立性之相關道德要求,並與彼等溝通可能被合理認為會影響我們獨立性之所有關係及其他事宜以及(倘適用)相關保障措施。

從與董事溝通之事項中,我們決定該等事項對本期綜合財務報表之審計最為重要,因而構成關鍵審計事項。我們在核數師報告中描述該等事項,除非法律或法規不允許公開披露該事項,或於極端罕見情況下,倘合理預期在報告中溝通某事項造成之負面後果超過其產生之公眾利益,則我們決定不應在報告中溝通該事項。

BDO Limited
Certified Public Accountants

Lui Chi Kin
Practising Certificate Number P06162
Hong Kong, 29 March 2019

香港立信德豪會計師事務所有限公司
執業會計師

呂智健
執業證書號碼 P06162
香港,二零一九年三月二十九日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收入表

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

	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
Interest income from banking business	銀行業務之利息收入	221,648	120,604
Interest expenses from banking business	銀行業務之利息開支	(40,817)	(25,612)
Net interest income from banking business	銀行業務之利息收入淨額	180,831	94,992
Service fees and commission income from banking business	銀行業務之服務費及佣金收入	325,614	307,041
Service fees and commission expenses from banking business	銀行業務之服務費及佣金開支	(89,253)	(94,425)
Net service fees and commission income from banking business	銀行業務之服務費及佣金收入淨額	236,361	212,616
Trading income from banking business	銀行業務之交易收入	63,172	65,227
Service fees and commission income from financial business	金融業務之服務費及佣金收入	3,342	9,307
Interest income from financial business	金融業務之利息收入	193	128
Sales of goods from non-banking and financial businesses	非銀行及金融業務之貨品銷售收入	2,444,364	2,583,495
Rental income from non-banking and financial businesses	非銀行及金融業務之租金收入	9,586	16,936
Total revenue	總收入	2,937,849	2,982,701
Cost of sales from non-banking and financial businesses	非銀行及金融業務之銷售成本	(1,022,568)	(1,226,494)
Other income and other net gains or losses	其他收入及其他收益或虧損淨額	79,486	1,300,392
Selling and distribution expenses	銷售及分銷費用	(849,551)	(800,923)
Administrative expenses	行政費用	(737,985)	(774,011)
Share of loss of joint ventures	應佔合營企業虧損	(2,678)	(1,159)
Share of profit of associates	應佔聯營公司溢利	8,387	20,711
Finance costs from non-banking business	非銀行業務之財務費用	(65,828)	(68,453)
Profit before income tax	除所得稅前溢利	347,112	1,432,764
Income tax expense	所得稅開支	(105,664)	(221,566)
Profit for the year	本年度溢利	241,448	1,211,198
Other comprehensive income	其他全面收入		
Items that will not be subsequently reclassified to profit or loss	不會於日後重新分類至溢利或虧損之項目		
– Remeasurement of net defined benefit obligations	– 重新計量定額福利責任淨額	33,025	15,186
– Change in fair value of financial assets at fair value through other comprehensive income	– 按公平值計入其他全面收入之金融資產公平值變動	(123,352)	–
– Revaluation gain upon transfer of owner occupied land and buildings to investment properties	– 將自用土地及樓宇轉撥至投資物業時之重估收益	57,128	–
– Deferred tax arising from transfer of owner occupied land and buildings to investment properties	– 將自用土地及樓宇轉撥至投資物業產生之遞延稅項	(22,212)	–
		(55,411)	15,186
Items that may be subsequently reclassified to profit or loss	可能於日後重新分類至溢利或虧損之項目		
– Exchange differences on translation to presentation currency	– 換算呈列貨幣之匯兌差額	(162,086)	233,906
– Release of exchange reserve to profit or loss upon disposal of subsidiaries	– 於出售附屬公司後解除外匯儲備至溢利或虧損	–	(2,809)
– Share of exchange differences on translation of associates	– 應佔聯營公司匯兌差額	(117)	96
– Changes in fair value of available-for-sale financial assets	– 可供出售金融資產公平值變動	–	(5,041)
		(162,203)	226,152
Other comprehensive income for the year	本年度其他全面收入	(217,614)	241,338
Total comprehensive income for the year	本年度全面收入總額	23,834	1,452,536

		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
Profit for the year attributable to:	以下人士應佔本年度溢利：			
Owners of the Company	本公司擁有人		201,372	1,170,484
Non-controlling interests	非控股權益		40,076	40,714
			241,448	1,211,198
Total comprehensive income for the year attributable to:	以下人士應佔本年度全面收入總額：			
Owners of the Company	本公司擁有人		(9,083)	1,395,850
Non-controlling interests	非控股權益		32,917	56,686
			23,834	1,452,536
Earnings per share attributable to owners of the Company	本公司擁有人應佔每股盈利			
– Basic	– 基本	14	HK4.63 cents 港仙	HK26.91 cents 港仙
– Diluted	– 攤薄		HK4.63 cents 港仙	HK26.87 cents 港仙

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2018 於二零一八年十二月三十一日

			2018	2017
		Notes	二零一八年	二零一七年
		附註	HK\$'000	HK\$'000
			千港元	千港元
Assets	資產			
Cash and deposits	現金及存款	17	7,701,743	7,420,678
Due from clients	應收客戶款項	18	1,575,438	1,011,516
Due from banks	應收銀行款項	18	3,387,836	5,921,878
Trading portfolio investments	交易組合投資	19	123,606	641,031
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收入之金融資產	20	627,200	–
Derivative financial assets	衍生金融資產	21	7,694	4,680
Trade receivables	應收賬款	22	571,424	506,287
Other financial assets at amortised cost	按攤銷成本列賬之其他金融資產	23	1,034,773	–
Available-for-sale financial assets	可供出售金融資產	24	–	488,368
Held-to-maturity investments	持至到期投資	25	–	1,138,704
Inventories	存貨	26	2,314,545	2,027,191
Income tax recoverable	可收回所得稅		13,269	10,133
Interests in joint ventures	所佔合營企業權益	27	2,439	5,117
Interests in associates	所佔聯營公司權益	28	102,919	99,648
Property, plant and equipment	物業、廠房及設備	29	1,036,736	1,027,303
Investment properties	投資物業	30	179,133	125,384
Prepaid land lease payments	預付土地租賃款項	31	47,605	51,083
Intangible assets	無形資產	32	53,310	13,136
Goodwill	商譽	33	1,071,552	906,036
Deferred tax assets	遞延稅項資產	42	9,437	6,900
Other assets	其他資產	34	397,570	450,598
Total assets	總資產		20,258,229	21,855,671
Liabilities	負債			
Due to banks	應付銀行款項		4,181	3,042
Due to clients	應付客戶款項	35	12,504,591	14,270,089
Derivative financial liabilities	衍生金融負債	21	20,866	35,656
Trade payables	應付賬款	36	324,106	305,798
Contract liabilities	合約負債	37	30,918	–
Corporate bonds	公司債券	38	760,244	732,978
Income tax payables	應付所得稅		73,867	101,985
Borrowings	借貸	39	1,047,189	583,269
Provisions	撥備	40	476	721
Subordinated debt	次級債務	41	–	95,674
Deferred tax liabilities	遞延稅項負債	42	60,369	8,188
Due to a shareholder	應付一名股東之款項	50	73,000	–
Other liabilities	其他負債	43	548,931	570,145
Total liabilities	總負債		15,448,738	16,707,545

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Equity	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	44	435,189	435,032
Reserves	儲備	46	4,004,602	4,369,849
			4,439,791	4,804,881
Non-controlling interests	非控股權益		369,700	343,245
Total equity	權益總額		4,809,491	5,148,126
Total liabilities and equity	負債及權益總額		20,258,229	21,855,671

The consolidated financial statements on pages 186 to 353 were approved and authorised for issue by the board of directors on 29 March 2019 and are signed on its behalf by:

第186至353頁之綜合財務報表於二零一九年三月二十九日獲董事會批准及授權刊發，並由以下董事代表簽署：

Hon Kwok Lung
韓國龍
Director
董事

Shang Jianguang
商建光
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

		Equity attributable to owners of the Company 本公司擁有人應佔權益											
		Share capital	Share premium account*	Share option reserve*	Other reserve*	Goodwill arising on consolidation*	Statutory reserve*	Exchange reserve*	Investment revaluation reserve*	Retained profits*	Total	Non-controlling interests	Total equity
		股本	溢價賬*	儲備*	其他儲備*	產生之商譽*	法定儲備*	外匯儲備*	儲備*	保留溢利*	總計	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(note 44)	(note 46)	(note 46)	(note 46)	(note 46)	(note 46)	(note 46)	(note 46)	(note 46)	(note 46)	(note 46)	(note 46)
		(附註 44)	(附註 46)	(附註 46)	(附註 46)	(附註 46)	(附註 46)	(附註 46)	(附註 46)	(附註 46)	(附註 46)	(附註 46)	(附註 46)
Balance at 1 January 2017	於二零一七年一月一日之結餘	434,682	773,749	1,601	22,692	(15,300)	60,148	(247,187)	122,573	2,479,923	3,632,881	219,809	3,852,690
Transactions with owners	與擁有人交易												
Proceeds from shares issued under share option scheme	根據認購股份權計劃發行股份所得款項	350	788	-	-	-	-	-	-	-	1,138	-	1,138
Exercise of share options	行使認購股份權	-	531	(531)	-	-	-	-	-	-	-	-	-
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	-	-	-	-	-	22,145	22,145
Partial deemed disposal of interest in subsidiaries without loss of control	部分視為出售附屬公司權益而不失去控制權	-	-	-	(2,935)	-	-	-	-	-	(2,935)	33,743	30,808
Acquisition of non-controlling interests	收購非控股權益	-	-	-	(4,537)	-	-	-	-	-	(4,537)	(11,556)	(16,093)
2016 special dividend (note 13.1)	二零一六年特別股息(附註13.1)	-	(3,866)	-	-	-	-	-	-	(213,650)	(217,516)	-	(217,516)
Dividends paid to non-controlling interests	向非控股權益派付股息	-	-	-	-	-	-	-	-	-	-	(17,630)	(17,630)
Capital injection from non-controlling interests	非控股權益注資	-	-	-	-	-	-	-	-	-	-	40,048	40,048
Total transactions with owners	與擁有人交易總額	350	(2,547)	(531)	(7,472)	-	-	-	-	(213,650)	(223,850)	66,750	(157,100)
Comprehensive income	全面收入												
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	1,170,484	1,170,484	40,714	1,211,198
Other comprehensive income	其他全面收入												
Remeasurement of defined benefit obligations	重新計量定額福利責任	-	-	-	-	-	-	-	-	16,162	16,162	(976)	15,186
Exchange differences on translation to presentation currency	換算呈列貨幣產生之匯兌差額	-	-	-	-	-	-	216,965	-	-	216,965	16,941	233,906
Release of exchange reserve to profit or loss upon disposal of subsidiaries	於出售附屬公司後解除外匯儲備至溢利或虧損	-	-	-	-	-	-	(2,809)	-	-	(2,809)	-	(2,809)
Share of exchange differences on translation of associates	應佔聯營公司匯兌差額	-	-	-	-	-	-	96	-	-	96	-	96
Change in fair value of available-for-sale financial assets	可供出售金融資產公平值變動	-	-	-	-	-	-	-	(5,048)	-	(5,048)	7	(5,041)
Total comprehensive income for the year	本年度全面收入總額	-	-	-	-	-	-	214,252	(5,048)	1,186,646	1,395,850	56,686	1,452,536
Appropriation to statutory reserve	轉撥至法定儲備	-	-	-	-	-	31,045	-	-	(31,045)	-	-	-
Release of statutory reserve upon disposal of subsidiaries	出售附屬公司時解除法定儲備	-	-	-	-	-	(115)	-	-	115	-	-	-
Balance at 31 December 2017	於二零一七年十二月三十一日之結餘	435,032	771,202	1,070	15,220	(15,300)	91,078	(32,935)	117,525	3,421,989	4,804,881	343,245	5,148,126

		Equity attributable to owners of the Company 本公司擁有人應佔權益													
		Share capital	Share premium account*	Share option reserve*	Other reserve*	Goodwill arising on consolidation*	Statutory reserve*	Exchange reserve*	Investment revaluation reserve*	Fair value through other comprehensive income reserve** 按公平值計入其他全面收入	Revaluation reserve for property, plant and equipment 物業、廠房及設備	Retained profits*	Total	Non-controlling interests	Total equity
		股本	溢價賬*	認購股份儲備*	其他儲備*	綜合賬目產生之商譽*	法定儲備*	外匯儲備*	投資重估儲備*	儲備**	重估儲備	保留溢利*	總計	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(note 44)	(note 46)	(note 46)	(note 46)	(note 46)	(note 46)	(note 46)	(note 46)	(note 46)	(note 46)	(note 46)	(note 46)	(note 46)	(note 46)
		(附註44)	(附註46)	(附註46)	(附註46)	(附註46)	(附註46)	(附註46)	(附註46)	(附註46)	(附註46)	(附註46)	(附註46)	(附註46)	(附註46)
Balance at 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日之結餘	435,032	771,202	1,070	15,220	(15,300)	91,078	(32,935)	117,525	-	-	3,421,989	4,804,881	343,245	5,148,126
Impact on initial application of HKFRS 9 (note 24(i))	首次應用香港財務報告準則第9號之影響(附註24(i))	-	-	-	-	-	-	-	(117,525)	250,536	-	(141,491)	(8,480)	(758)	(9,238)
At 1 January 2018, as restated	於二零一八年一月一日，經重列	435,032	771,202	1,070	15,220	(15,300)	91,078	(32,935)	-	250,536	-	3,280,498	4,796,401	342,487	5,138,888
Transactions with owners	與擁有人交易														
Proceeds from shares issued under share option scheme	根據認購股份儲備計劃發行股份所得款項	157	354	-	-	-	-	-	-	-	-	-	511	-	511
Exercise of share options	行使認購股份儲備	-	239	(239)	-	-	-	-	-	-	-	-	-	-	-
Lapse of share option	認購股份儲備失效	-	-	(831)	-	-	-	-	-	-	-	831	-	-	-
Arising from acquisition of subsidiaries (note 51.1)	產生自收購附屬公司(附註51.1)	-	-	-	-	-	-	-	-	-	-	-	-	123,973	123,973
Early redemption of convertible bonds	提早贖回可換股債券	-	-	-	808	-	-	-	-	-	-	-	808	-	808
Deemed acquisition of interest in subsidiaries (note 52(a))	視為收購附屬公司權益(附註52(a))	-	-	-	(87,202)	-	-	-	-	-	-	-	(87,202)	(68,875)	(156,077)
Acquisition of non-controlling interests (note 52(b))	收購非控股權益(附註52(b))	-	-	-	(531)	-	-	-	-	-	-	-	(531)	(2,225)	(2,756)
2017 final dividend (note 13.2)	二零一七年末期股息(附註13.2)	-	(89,767)	-	-	-	-	-	-	-	-	(171,346)	(261,113)	-	(261,113)
Dividends paid to non-controlling interests	向非控股權益派付股息	-	-	-	-	-	-	-	-	-	-	-	-	(56,536)	(56,536)
Net investment by non-controlling interests	來自非控股權益之投資淨額	-	-	-	-	-	-	-	-	-	-	-	-	(2,041)	(2,041)
Total transactions with owners	與擁有人交易總額	157	(89,174)	(1,070)	(86,925)	-	-	-	-	-	-	(170,515)	(347,527)	(5,704)	(353,231)
Comprehensive income	全面收入														
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	-	-	201,372	201,372	40,076	241,448
Other comprehensive income	其他全面收入														
Remeasurement of defined benefit obligations	重新計量定額福利責任	-	-	-	-	-	-	-	-	-	-	31,278	31,278	1,747	33,025
Change in fair value of financial assets at fair value through other comprehensive income	按公平值計入其他全面收入之金融資產公平值變動	-	-	-	-	-	-	-	-	(123,352)	-	-	(123,352)	-	(123,352)
Revaluation gain upon transfer of owner occupied land and buildings to investment properties	將自用土地及樓宇轉撥至投資物業時之重估收益	-	-	-	-	-	-	-	-	-	57,128	-	57,128	-	57,128
Deferred tax arising from transfer of owner occupied land and buildings to investment properties	將自用土地及樓宇轉撥至投資物業產生之遞延稅項	-	-	-	-	-	-	-	-	-	(22,212)	-	(22,212)	-	(22,212)
Exchange differences on translation to presentation currency	換算呈列貨幣產生之匯兌差額	-	-	-	-	-	-	(153,180)	-	-	-	-	(153,180)	(8,906)	(162,086)
Share of exchange differences on translation of associates	應佔聯營公司匯兌差額	-	-	-	-	-	-	(117)	-	-	-	-	(117)	-	(117)
Total comprehensive income for the year	本年度全面收入總額	-	-	-	-	-	-	(153,297)	-	(123,352)	34,916	232,650	(9,083)	32,917	23,834
Appropriation to statutory reserve	轉撥至法定儲備	-	-	-	-	-	12,184	-	-	-	-	(12,184)	-	-	-
Balance at 31 December 2018	於二零一八年十二月三十一日之結餘	435,189	682,028	-	(71,705)	(15,300)	103,262	(186,232)	-	127,184	34,916	3,330,449	4,439,791	369,700	4,809,491

* These reserve accounts comprise the consolidated reserves of HK\$4,004,602,000 (2017: HK\$4,369,849,000) in the consolidated statement of financial position.

* 該等儲備賬包括綜合財務狀況表內之綜合儲備4,004,602,000港元(二零一七年: 4,369,849,000港元)。

The entire balance of fair value through other comprehensive income reserve belongs to non-recycling portion.

按公平值計入其他全面收入儲備之全部結餘均屬非結轉部分。

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
Cash flows from operating activities	經營活動產生之現金流量		
Profit before income tax	除所得稅前溢利	347,112	1,432,764
Adjustments for:	經調整：		
Depreciation and amortisation	折舊及攤銷	10 128,913	122,797
Provision and impairment losses	撥備及減值虧損	21,729	198,933
Net deficit/(surplus) on revaluation of investment properties	投資物業重估之虧絀／(盈餘)淨額	30 4,066	(17,605)
Share of profit of associates	應佔聯營公司溢利	28 (8,387)	(20,711)
Share of loss of joint ventures	應佔合營企業虧損	2,678	1,159
Interest income from non-banking business	非銀行業務之利息收入	8 (5,648)	(9,723)
Finance costs	財務費用	9 65,828	68,453
Loss/(gain) on disposal of property, plant and equipment	出售物業、廠房及設備之虧損／(收益)	8 1,589	(1,711)
Fair value loss on early redemption of convertible bonds	提早贖回可換股債券之公平值虧損	8 978	–
Gain on disposal of a subsidiaries	出售附屬公司之收益	12 –	(1,382,042)
Dividend income	股息收入	(12,413)	(4,842)
Operating profit before working capital changes	營運資金變動前之經營溢利	546,445	387,472
(Decrease)/increase in due to clients	應付客戶款項(減少)／增加	(1,692,930)	3,294,092
Increase in due from clients	應收客戶款項增加	(585,396)	(346,798)
Increase/(decrease) in due to banks	應付銀行款項增加／(減少)	1,165	(122)
Decrease/(increase) in due from banks	應收銀行款項減少／(增加)	2,519,173	(344,243)
Increase in trade receivables	應收賬款增加	(35,718)	(35,523)
Decrease in inventories	存貨減少	25,031	10,592
Decrease/(increase) in other assets	其他資產減少／(增加)	44,088	(211,580)
Increase in derivative financial assets	衍生金融資產增加	(3,134)	(2,199)
(Decrease)/increase in derivative financial liabilities	衍生金融負債(減少)／增加	(14,680)	33,606
Increase/(decrease) in trade payables	應付賬款增加／(減少)	21,334	(39,539)
Increase in contract liabilities	合約負債增加	32,335	–
Decrease/(increase) in trading portfolio investments	交易組合投資減少／(增加)	102,370	(443,429)
(Decrease)/increase in other liabilities	其他負債(減少)／增加	(41,566)	50,025
Cash generated from operations	經營業務產生之現金	918,517	2,352,354
Income tax paid	已付所得稅	(131,585)	(87,327)
Net cash generated from operating activities	經營業務產生之現金淨額	786,932	2,265,027
Cash flows from investing activities	投資活動產生之現金流量		
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	–	12,177
Net cash inflow from disposal of subsidiaries	出售附屬公司現金流入淨額	12 –	1,560,381
Dividends received	已收股息	12,413	24,842
Increase in held-to-maturity Investments	持至到期投資增加	–	(773,608)
Decrease in other financial assets at amortised cost	按攤銷成本列賬之其他金融資產減少	274,866	–
Purchase of property, plant and equipment	購買物業、廠房及設備	29 (113,030)	(202,252)
Capital injection for joint ventures	向合營企業注資	27 –	(6,276)
Interest received from non-banking business	非銀行業務之已收利息	5,648	9,723
Decrease in short-term investments	短期投資減少	–	112,969
Net cash (outflow)/inflow from acquisition of subsidiaries	收購附屬公司現金(流出)／流入淨額	51 (348,495)	71,295
Increase in available-for-sales financial assets	可供出售金融資產增加	–	(133,817)
Net cash (used in)/generated from investing activities	投資活動(所用)／產生之現金淨額	(168,598)	675,434

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cash flows from financing activities	融資活動產生之現金流量			
Proceeds from shares issued under share option scheme	根據認購股份權計劃發行股份所得款項		511	1,138
Proceeds from disposal of interest in subsidiaries to non-controlling interest	出售附屬公司權益予非控股權益之所得款項		–	30,808
Proceeds from sales of repurchased corporate bonds	銷售購回公司債券之所得款項		27,566	392
Acquisition of non-controlling interests	收購非控股權益		(158,833)	(16,093)
Interest paid	已付利息		(63,990)	(68,282)
Proceeds from borrowings	借貸所得款項		710,999	136,573
Repayment of borrowings	償還借貸		(188,285)	(703,737)
Dividends paid to the owners of the Company	向本公司擁有人派付股息	13	(261,113)	(217,516)
Dividends paid to the non-controlling interests	向非控股權益派付股息		(56,536)	(17,630)
Capital injection from non-controlling interests	非控股權益注資		(2,041)	40,048
(Decrease)/increase in subordinate debt	次級債務(減少)/增加		(95,767)	16,627
Repayment of convertible bond	償還可換股債券		(100,000)	–
Repayment of notes payable	償還應付票據		(100,000)	–
Advance from a shareholder	來自一名股東之墊款		73,000	–
Net cash used in financing activities	融資活動所用之現金淨額		(214,489)	(797,672)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額		403,845	2,142,789
Cash and cash equivalents at 1 January	於一月一日之現金及現金等價物		7,366,212	4,949,188
Effect of foreign exchange rate changes, net	匯率變動影響淨額		(83,136)	274,235
Cash and cash equivalents at 31 December	於十二月三十一日之現金及現金等價物		7,686,921	7,366,212
Analysis of balances of cash and cash equivalents	現金及現金等價物結餘分析			
Cash and deposits	現金及存款	17	7,654,811	7,373,427
Cash held on behalf of client	代客戶持有之現金	17	46,932	47,251
Bank overdraft	銀行透支	39	(14,822)	(54,466)
			7,686,921	7,366,212

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

Citychamp Watch & Jewellery Group Limited (the "Company") is a limited liability company incorporated in Cayman Islands. Its registered office address is P.O. Box 309, Ugland House, South Church Street, Grand Cayman, Cayman Islands and its principal place of business is Units 1902-04, Level 19, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong. The Company's shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

During the year, the principal activities of the Company and its subsidiaries (together referred to as the "Group") include:

- Manufacturing and distribution of watches and timepieces;
- Property investments; and
- Banking and financial businesses.

In September 2018, the Group has completed the acquisition of 58.22% of the issued share capital of Ernest Borel Holdings Limited and its subsidiaries (together the "Ernest Borel"), which is listed on the Stock Exchange with stock code 1856 at HK\$1.85 per share with the total consideration of HK\$374,209,000. Since then, Ernest Borel becomes a subsidiary of the Group. In October 2018, the Group has further acquired an additional 24.28% of the issued share capital of Ernest Borel at HK\$1.85 per share with the total consideration of HK\$156,077,000.

Other than the aforementioned transactions, there was no other significant change in the Group's operations during the year.

The Group's principal places of the business are in Hong Kong, Switzerland, United Kingdom, Liechtenstein and the People's Republic of China (the "PRC").

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

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

In the current year, the Group has applied for the first time the following new or revised standards, amendments and interpretations (the "new or revised HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are relevant to and effective for the Group's consolidated financial statements for the annual period beginning on 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 HKAS 40	Transfers of Investment Property
HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers
Amendments to HKFRS 15	Revenue from Contracts with Customers (Clarification to HKFRS 15)
HK(IFRIC)-Interpretation 22	Foreign Currency Transactions and Advance Considerations

1. 一般資料

冠城鐘錶珠寶集團有限公司(「本公司」)為於開曼群島註冊成立之有限公司，其註冊辦事處地址為P.O. Box 309, Ugland House, South Church Street, Grand Cayman, Cayman Islands，主要辦事處位於香港九龍柯士甸道西1號環球貿易廣場19樓1902-04室。本公司股份於香港聯合交易所有限公司(「聯交所」)上市。

年內，本公司及其附屬公司(統稱「本集團」)之主要業務包括：

- 鐘錶及時計產品製造及分銷；
- 物業投資；及
- 銀行及金融業務。

於二零一八年九月，本集團以每股1.85港元完成收購依波路控股有限公司及其附屬公司(統稱「依波路」)，於聯交所上市，股份代號：1856)已發行股本58.22%，總代價為374,209,000港元。自此，依波路成為本集團之附屬公司。於二零一八年十月，本集團進一步以每股1.85港元額外收購依波路已發行股本24.28%，總代價為156,077,000港元。

除上述交易外，本集團經營之業務於本年度並無其他重大變動。

本集團之主要營業地點位於香港、瑞士、英國、列支敦士登及中華人民共和國(「中國」)。

2. 採納香港財務報告準則(「香港財務報告準則」)

(a) 採納新訂或經修訂香港財務報告準則—於二零一八年一月一日生效

於本年度，本集團首次應用以下由香港會計師公會(「香港會計師公會」)頒佈之新訂或經修訂之準則、修訂及詮釋(「新訂或經修訂香港財務報告準則」)，該等準則與本集團於二零一八年一月一日開始之年度期間綜合財務報表相關及有效：

香港財務報告準則二零一四年至二零一六年度之年度改進	香港財務報告準則第1號之修訂，首次採納香港財務報告準則
香港財務報告準則二零一四年至二零一六年度之年度改進	香港會計準則第28號之修訂，於聯營公司及合營企業之投資
香港會計準則第40號之修訂	轉撥投資物業
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	與客戶訂立合約之收入
香港財務報告準則第15號之修訂	與客戶訂立合約之收入(對香港財務報告準則第15號之澄清)
香港(國際財務報告詮釋委員會)—詮釋第22號	外匯交易及預付代價

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

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

Changes in accounting policies

This is the first set of the Group’s financial statements in which HKFRS 9 and HKFRS 15 have been adopted. The impact of the adoption of HKFRS 9 Financial Instruments (see note (A) below) and HKFRS 15 Revenue from Contracts with Customers (see note (B) below) have been summarised below. The other new or amended HKFRSs that are effective from 1 January 2018 did not have any material impact on the Group’s accounting policies.

(A) HKFRS 9 Financial Instruments (“HKFRS 9”)

- (i) Classification and measurement of financial instruments
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 the amounts recognised 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) 採納新訂或經修訂香港財務報告準則—於二零一八年一月一日起生效(續) 會計政策變動

此乃本集團首份採納香港財務報告準則第9號及香港財務報告準則第15號之財務報表。採納香港財務報告準則第9號金融工具(見下文附註(A))及香港財務報告準則第15號與客戶訂立合約之收入(見下文附註(B))之影響已於下文概述。其他新訂或經修訂香港財務報告準則自二零一八年一月一日起生效，對本集團會計政策並無任何重大影響。

(A) 香港財務報告準則第9號金融工具(「香港財務報告準則第9號」)

- (i) 金融工具之分類及計量
於二零一八年一月一日或之後開始之年度期間，香港財務報告準則第9號取代香港會計準則第39號金融工具：確認及計量。該準則合併金融工具會計之所有三個方面：(1) 分類及計量；(2) 減值；及(3) 對沖會計。自二零一八年一月一日起採納香港財務報告準則第9號導致本集團會計政策及綜合財務報表之確認金額出現變動。

	HK\$'000 千港元
Retained profits	保留溢利
Retained profits as at 31 December 2017	於二零一七年十二月三十一日之 保留溢利 3,421,989
Increase in expected credit losses (“ECL”) (note (A)(ii) below)	預期信貸虧損(「預期信貸虧損」) 增加(下文附註(A)(ii)) (12,280)
Reclassification of trading portfolio investments to financial assets at fair value through other comprehensive income (“FVOCI”) (note (A)(i)(a) below)	重新分類交易組合投資至按公平值 計入其他全面收入(「按公平值 計入其他全面收入」)之金融資產 (下文附註(A)(i)(a)) (131,974)
Reclassification of the entire convertible bond investment to trading portfolio investments (note (A)(i)(f) below)	重新分類全部可換股債券投資至 交易組合投資(下文附註(A)(i)(f)) 1,621
Reclassification of available-for-sale financial assets to other financial assets at amortised cost (note (A)(i)(c) below)	重新分類可供出售金融資產至 按攤銷成本列賬之其他金融 資產(下文附註(A)(i)(c)) (134)
Reclassification of available-for-sale financial assets to trading portfolio investments (note (A)(i)(e) below)	重新分類可供出售金融資產至 交易組合投資(下文附註(A)(i)(e)) (903)
Recognition of deferred tax assets arising from the recognition of ECL	確認由確認預期信貸虧損所產生之 遞延稅項資產 2,179
Restated retained profits as at 1 January 2018	於二零一八年一月一日之經重列 保留溢利 3,280,498
Non-controlling interests	非控股權益
Non-controlling interests as at 31 December 2017	於二零一七年十二月三十一日之 非控股權益 343,245
Increase in ECL (note (A)(ii) below)	預期信貸虧損增加(下文附註(A)(ii)) (868)
Recognition of deferred tax assets arising from the recognition of ECL	確認由確認預期信貸虧損所產生之 遞延稅項資產 110
Restated non-controlling interests as at 1 January 2018	於二零一八年一月一日之經重列 非控股權益 342,487

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

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

Changes in accounting policies (Continued)

(A) HKFRS 9 Financial Instruments (“HKFRS 9”) (Continued)

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

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂或經修訂香港財務報告準則—於二零一八年一月一日生效（續）

會計政策變動（續）

(A) 香港財務報告準則第9號金融工具（「香港財務報告準則第9號」）（續）

(i) 金融工具之分類及計量（續）

		HK\$'000 千港元
Investment revaluation reserve	投資重估儲備	
Investment revaluation reserve at 31 December 2017	於二零一七年十二月三十一日之投資重估儲備	117,525
Reclassification of available-for-sale financial assets to financial assets at FVOCI (note (A)(i)(b) below)	重新分類可供出售金融資產至按公平值計入其他全面收入之金融資產（下文附註(A)(i)(b)）	(118,562)
Reclassification of available-for-sale financial assets to other financial assets at amortised cost (note (A)(i)(c) below)	重新分類可供出售金融資產至按攤銷成本列賬之其他金融資產（下文附註(A)(i)(c)）	134
Reclassification of available-for-sale financial assets to trading portfolio investments (note (A)(i)(e) below)	重新分類可供出售金融資產至交易組合投資（下文附註(A)(i)(e)）	903
Restated investment revaluation reserve as at 1 January 2018	於二零一八年一月一日之經重列投資重估儲備	–
FVOCI reserve	按公平值計入其他全面收入儲備	
FVOCI reserve as at 31 December 2017	於二零一七年十二月三十一日之按公平值計入其他全面收入儲備	–
Reclassification of trading portfolio investments to financial assets at FVOCI (note (A)(i)(a) below)	重新分類交易組合投資至按公平值計入其他全面收入之金融資產（下文附註(A)(i)(a)）	131,974
Reclassification of available-for-sales financial assets to financial assets at FVOCI (note (A)(i)(b) below)	重新分類可供出售金融資產至按公平值計入其他全面收入之金融資產（下文附註(A)(i)(b)）	118,562
Restated FVOCI reserve as at 1 January 2018	於二零一八年一月一日之經重列按公平值計入其他全面收入儲備	250,536

HKFRS 9 basically retains the existing requirements in HKAS 39 for the classification and measurements of 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 except for the embedded derivatives. The impact of HKFRS 9 on the Group's classification and measurement of financial assets is set out below.

香港財務報告準則第9號基本上保留香港會計準則第39號有關金融負債之分類及計量之現有規定。然而，該準則取消先前香港會計準則第39號之金融資產類別，包括持至到期金融資產、貸款及應收款以及可供出售金融資產。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，惟嵌入式衍生工具除外。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列如下。

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

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

Changes in accounting policies (Continued)

(A) HKFRS 9 Financial Instruments (“HKFRS 9”) (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 (“FVPL”), transaction costs. A financial asset is classified as: (i) financial assets at amortised cost; (ii) financial assets at FVOCI; or (iii) financial assets at FVPL. 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.

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

- 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.

A debt investment is measured at FVOCI if both of the following conditions are met and it has not been designated as at FVPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI criterion.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂或經修訂香港財務報告準則—於二零一八年一月一日起生效（續）

會計政策變動（續）

(A) 香港財務報告準則第9號金融工具（「香港財務報告準則第9號」）（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（應收賬款並不包含根據香港財務報告準則第15號之重大融資組成部分）外，實體於初步確認時須按公平值（倘屬並非按公平值計入溢利或虧損）之金融資產，則加上交易成本）計量金融資產。金融資產分類為：(i) 按攤銷成本列賬之金融資產；(ii) 按公平值計入其他全面收入之金融資產；或(iii) 按公平值計入溢利或虧損之金融資產。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個標準：(i) 管理金融資產之業務模式及(ii) 其合約現金流量特徵（「僅用於支付本金及利息」標準，亦稱為「僅用於支付本金及利息標準」）。根據香港財務報告準則第9號，嵌入式衍生工具不再需要與主體金融資產分開列示，而混合金融工具會就分類獲整體評估。

本集團僅於金融資產同時符合以下條件且並無指定為按公平值計入溢利或虧損時方會將其按攤銷成本計量：

- 資產以目的為持有金融資產以收取合約現金流量之業務模式持有；及
- 金融資產之合約條款於指定日期產生符合僅用於支付本金及利息標準之現金流量。

本集團僅於債務投資同時符合以下條件且並無指定為按公平值計入溢利或虧損時方會將其按公平值計入其他全面收入：

- 投資以透過收取合約現金流量及出售金融資產達成目的之業務模式持有；及
- 金融資產之合約條款於指定日期產生符合僅用於支付本金及利息標準之現金流量。

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

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

Changes in accounting policies (Continued)

(A) HKFRS 9 Financial Instruments (“HKFRS 9”) (Continued)

- (i) Classification and measurement of financial instruments (Continued)
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 FVPL. 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 or FVPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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

Financial assets at FVPL	Financial assets at FVPL are subsequently measured at fair value. Changes in fair value, dividends and interest income are recognised in profit or loss.
Financial assets at amortised costs	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.
Financial assets at FVOCI (debt investments)	Debt investments at fair value through other comprehensive income are subsequently measured at fair value. Interest income calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.
Financial assets at FVOCI (equity investments)	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.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂或經修訂香港財務報告準則—於二零一八年一月一日生效（續）

會計政策變動（續）

(A) 香港財務報告準則第9號金融工具（「香港財務報告準則第9號」）（續）

- (i) 金融工具之分類及計量（續）
於初步確認並非持作買賣之股本投資時，本集團可不可撤銷地選擇於其他全面收入呈列投資公平值之其後變動。該選擇乃按逐項投資進行。並無如上文所述分類為按攤銷成本列賬或按公平值計入其他全面收入之所有其他金融資產分類為按公平值計入溢利或虧損。此包括所有衍生金融資產。於初步確認時，本集團可不可撤銷地指定符合規定之金融資產按攤銷成本或按公平值計入其他全面收入或按公平值計入溢利或虧損計量，前提為此舉能消除或大大減低可能會產生之會計錯配。

以下會計政策將適用於本集團下列金融資產：

按公平值計入溢利或虧損之金融資產	按公平值計入溢利或虧損之金融資產其後按公平值計量。公平值變動、股息及利息收入均於溢利或虧損確認。
按攤銷成本列賬之金融資產	按攤銷成本列賬之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均於溢利或虧損確認。終止確認之任何收益均於溢利或虧損確認。
按公平值計入其他全面收入之金融資產（債務投資）	按公平值計入其他全面收入之債務投資其後按公平值計量。採用實際利率法計算之利息收入、匯兌收益及虧損以及減值均於溢利或虧損確認。其他收益及虧損淨額於其他全面收入確認。於終止確認時，於其他全面收入累計之收益及虧損重新分類至溢利或虧損。
按公平值計入其他全面收入之金融資產（股本投資）	按公平值計入其他全面收入之股本投資按公平值計量。股息收入於溢利或虧損確認，除非股息收入明確指收回部分投資成本。其他收益及虧損淨額於其他全面收入確認，且並無重新分類至溢利或虧損。

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

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

Changes in accounting policies (Continued)

(A) HKFRS 9 Financial Instruments (“HKFRS 9”) (Continued)

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

(a) As at 1 January 2018, certain listed equity investments were reclassified from trading portfolio investments to financial assets at FVOCI. The Group intends to hold these equity investments for long term strategic purposes. Under HKFRS 9, the Group has designated these equity investments at the date of initial application as financial assets at FVOCI. As a result, financial assets with a fair value of HK\$506,863,000 were reclassified from trading portfolio investments to financial assets at FVOCI and accumulated fair value gains of HK\$131,974,000 were reclassified from retained profits to FVOCI reserve on 1 January 2018. The fair value of these listed equity investments at 31 December 2018 is HK\$492,759,000 and a fair value loss of HK\$14,104,000 would be recognised in profit or loss for the year as if no reclassification was made upon the adoption of HKFRS 9.

(b) In addition to (a) above, certain listed equity investments were reclassified from available-for-sale financial assets to financial assets at FVOCI. The Group intends to hold these equity investments for long term strategic purposes. As a result, the carrying amount of these listed equity investments of HK\$237,959,000 were reclassified from available-for-sale financial assets to financial assets at FVOCI and accumulated fair value surplus of HK\$118,562,000 were reclassified from investment revaluation reserve to FVOCI reserve on 1 January 2018.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂或經修訂香港財務報告準則—於二零一八年一月一日生效（續）

會計政策變動（續）

(A) 香港財務報告準則第9號金融工具（「香港財務報告準則第9號」）（續）

(i) 金融工具之分類及計量（續）

(a) 於二零一八年一月一日，若干上市股本投資從交易組合投資重新分類至按公平值計入其他全面收入之金融資產。本集團擬因長期策略部署而持有該等股本投資。根據香港財務報告準則第9號，本集團已於首次應用日期指定該等股本投資為按公平值計入其他全面收入之金融資產。因此，於二零一八年一月一日，公平值為506,863,000港元之金融資產從交易組合投資重新分類至按公平值計入其他全面收入之金融資產，而累計公平值收益131,974,000港元則從保留溢利重新分類至按公平值計入其他全面收入儲備。於二零一八年十二月三十一日，該等上市股本投資的公平值為492,759,000港元，而公平值虧損14,104,000港元將於年內於溢利或虧損內確認，猶如於採納香港財務報告準則第9號時並無重新分類。

(b) 除上述(a)外，若干上市股本投資從可供出售金融資產重新分類至按公平值計入其他全面收入之金融資產。本集團擬因長期策略部署而持有該等股本投資。因此，於二零一八年一月一日，該等賬面值為237,959,000港元之上市股本投資從可供出售金融資產重新分類至按公平值計入其他全面收入之金融資產，而累計公平值盈餘118,562,000港元則從投資重估儲備重新分類至按公平值計入其他全面收入儲備。

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

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

Changes in accounting policies (Continued)

(A) HKFRS 9 Financial Instruments (“HKFRS 9”) (Continued)

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

- (c) As at 1 January 2018, listed debt instruments were reclassified from available-for-sale financial assets to other financial assets at amortised cost as the Group’s business model is hold-to-collect contractual cash. These listed debt instruments meet the SPPI criterion. As such, listed debt instruments with a carrying amount of HK\$178,747,000 were reclassified from available-for-sale financial assets to other financial assets at amortised cost and accumulated fair value deficits of HK\$134,000 were reclassified from investment revaluation reserve to retained profits on 1 January 2018. The fair value of these listed debt instruments as at 31 December 2018 is HK\$147,573,000; the carrying amount of HK\$27,162,000 would be mature for the year; and a fair value gain of HK\$1,091,000 would be recognised in other comprehensive income for the year as if no reclassification was made upon the adoption of HKFRS 9.

- (d) As at 1 January 2018, certain equity investments were reclassified from available-for-sale financial assets to financial assets at FVOCI. These equity investments were previously stated at cost as they do not have quoted price in an active market. The Group intends to hold these equity investments for long term strategic purposes. Therefore, the Group has now designated these equity investments at the date of initial application as financial assets at FVOCI. As at 1 January 2018, the previous carrying amount of these equity investments of HK\$6,023,000 was assessed as approximate to the fair value.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂或經修訂香港財務報告準則－於二零一八年一月一日生效（續）

會計政策變動（續）

(A) 香港財務報告準則第9號金融工具（「香港財務報告準則第9號」）（續）

(i) 金融工具之分類及計量（續）

- (c) 於二零一八年一月一日，上市債務工具從可供出售金融資產重新分類至按攤銷成本列賬之其他金融資產，原因為本集團之業務模式為持有以收取合約現金。該等上市債務工具符合僅用於支付本金及利息標準。因此，於二零一八年一月一日，賬面值為178,747,000港元之上市債務工具從可供出售金融資產重新分類至按攤銷成本列賬之其他金融資產，而累計公平值虧絀134,000港元則從投資重估儲備重新分類至保留溢利。於二零一八年十二月三十一日，該等上市債務工具的公平值為147,573,000港元；賬面值27,162,000港元將於年內到期；而公平值收益1,091,000港元將於年內於其他全面收入內確認，猶如於採納香港財務報告準則第9號時並無重新分類。

- (d) 於二零一八年一月一日，若干股本投資從可供出售金融資產重新分類至按公平值計入其他全面收入之金融資產。由於該等股本投資於活躍市場並無報價，故先前乃按成本列賬。本集團擬因長期策略部署而持有該等股本投資。因此，本集團現已於首次應用日期指定該等股本投資為按公平值計入其他全面收入之金融資產。於二零一八年一月一日，該等股本投資先前賬面值6,023,000港元被評估為與公平值相若。

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

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

Changes in accounting policies (Continued)

(A) HKFRS 9 Financial Instruments (“HKFRS 9”) (Continued)

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

(e) As at 1 January 2018, certain investments in other financial products stated at fair value were reclassified from available-for-sale financial assets to trading portfolio investments as these unlisted investments failed to meet the SPPI criterion. As such, these investments at fair value of HK\$65,639,000 were reclassified from available-for-sale investments to trading portfolio investments and the fair value deficits of HK\$903,000 were reclassified from investment revaluation reserve to retained profits on 1 January 2018.

(f) As at 1 January 2018, the entire of debt component and conversion option component of the convertible bond investment were combined and reclassified to trading portfolio investments. The conversion option component causes the financial assets to fail to meet the SPPI criterion. This is because the embedded feature cannot be separated under HKFRS 9 and the contractual terms of that convertible bond receivable as a whole do not give rise solely to payments of principal and interest on the principal amount outstanding of the convertible bond investment. As a result, that convertible bond investment as a whole is classified as trading portfolio investments. As at 1 January 2018, the difference between the previous carrying amount and the fair value of HK\$1,621,000 has been adjusted in the opening retained profits.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂或經修訂香港財務報告準則—於二零一八年一月一日生效（續）

會計政策變動（續）

(A) 香港財務報告準則第9號金融工具（「香港財務報告準則第9號」）（續）

(i) 金融工具之分類及計量（續）

(e) 於二零一八年一月一日，於按公平值列賬之其他金融產品之若干投資從可供出售金融資產重新分類至交易組合投資，原因為該等非上市投資並不符合僅用於支付本金及利息標準。因此，於二零一八年一月一日，該等按公平值列賬之投資65,639,000港元從可供出售投資重新分類至交易組合投資，而公平值虧絀903,000港元則從投資重估儲備重新分類至保留溢利。

(f) 於二零一八年一月一日，可換股債券投資的全部債務部分及換股權部分合併並重新分類至交易組合投資。該換股權部分導致金融資產並不符合僅用於支付本金及利息標準，原因為於香港財務報告準則第9號中嵌入式部分無法分開列示，而該應收可換股債券整體之合約條款並無產生僅用於支付可換股債券投資本金及未償還本金利息。因此，整體可換股債券投資分類為交易組合投資。於二零一八年一月一日，先前賬面值與公平值之間的差額1,621,000港元已於期初保留溢利內調整。

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

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

Changes in accounting policies (Continued)

(A) HKFRS 9 Financial Instruments (“HKFRS 9”) (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:

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂或經修訂香港財務報告準則—於二零一八年一月一日生效（續）

會計政策變動（續）

(A) 香港財務報告準則第9號金融工具（「香港財務報告準則第9號」）（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類金融資產根據香港會計準則第39號之原有計量類別及根據香港財務報告準則第9號之新計量類別：

Financial assets	Original classification under HKAS 39	New classification under HKFRS 9	Carrying amount as at 1 January 2018 under HKAS 39 根據香港會計準則第39號 於二零一八年一月一日 之賬面值 HK\$'000 千港元	Effect of adoption of HKFRS 9 採納香港財務報告準則第9號 之影響 HK\$'000 千港元	Carrying amount as at 1 January 2018 under HKFRS 9 根據香港財務報告準則第9號 於二零一八年一月一日 之賬面值 HK\$'000 千港元
金融資產	根據香港會計準則第39號之原有類別	根據香港財務報告準則第9號之新類別			
Cash and deposits 現金及存款	Loans and receivable 貸款及應收款	Amortised cost 按攤銷成本列賬	7,420,678	–	7,420,678
Due from clients 應收客戶款項	Loans and receivable 貸款及應收款	Amortised cost 按攤銷成本列賬	1,011,516	(3,335)	1,008,181
Due from banks except for precious metal 應收銀行款項（貴金屬除外）	Loans and receivable 貸款及應收款	Amortised cost 按攤銷成本列賬	5,875,901	(2,179)	5,873,722
Due from banks – Precious metal 應收銀行款項—貴金屬	Financial assets at FVPL 按公平值計入溢利或虧損 之金融資產	FVPL 按公平值計入溢利 或虧損	45,977	–	45,977
Trading portfolio investments 交易組合投資	Financial assets at FVPL 按公平值計入溢利或虧損 之金融資產	FVPL 按公平值計入溢利 或虧損	134,168	–	134,168
Trading portfolio investments 交易組合投資	Financial assets at FVPL (note (A)(i)(a)) 按公平值計入溢利或虧損 之金融資產（附註(A)(i)(a)）	FVOCI 按公平值計入其他 全面收入	506,863	–	506,863
Derivative financial assets except for conversion option component 衍生金融資產（換股權部分除外）	Financial assets at FVPL 按公平值計入溢利或虧損 之金融資產	FVPL 按公平值計入溢利 或虧損	4,609	–	4,609
Trade receivables 應收賬款	Loans and receivable 貸款及應收款	Amortised cost 按攤銷成本列賬	506,287	(1,793)	504,494
Available-for-sales financial assets 可供出售金融資產	Available-for-sale (at fair value) (note (A)(i)(b)) 可供出售（按公平值列賬） （附註(A)(i)(b)）	FVOCI 按公平值計入其他 全面收入	237,959	–	237,959
Available-for-sales financial assets 可供出售金融資產	Available-for-sale (at fair value) (note (A)(i)(c)) 可供出售（按公平值列賬） （附註(A)(i)(c)）	Amortised cost 按攤銷成本列賬	178,747	(28)	178,719
Available-for-sales financial assets 可供出售金融資產	Available-for-sale (at fair value) (note (A)(i)(e)) 可供出售（按公平值列賬） （附註(A)(i)(e)）	FVPL 按公平值計入溢利 或虧損	65,639	–	65,639

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

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

Changes in accounting policies (Continued)

(A) HKFRS 9 Financial Instruments (“HKFRS 9”) (Continued)

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

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂或經修訂香港財務報告準則—於二零一八年一月一日生效(續)

會計政策變動(續)

(A) 香港財務報告準則第9號金融工具(「香港財務報告準則第9號」)(續)

(i) 金融工具之分類及計量(續)

Financial assets	Original classification under HKAS 39	New classification under HKFRS 9	Carrying amount as at 1 January 2018 under HKAS 39 根據香港會計準則第39號 於二零一八年一月一日之賬面值 HK\$'000 千港元	Effect of adoption of HKFRS 9	Carrying amount as at 1 January 2018 under HKFRS 9 根據香港財務報告準則第9號 於二零一八年一月一日之賬面值 HK\$'000 千港元
金融資產	根據香港會計準則第39號之原有類別	根據香港財務報告準則第9號之新類別		採納香港財務報告準則第9號之影響 HK\$'000 千港元	
Available-for-sales financial assets	Available-for-sale (at fair value) (note (A)(i)(d))	FVOCI	6,023	–	6,023
可供出售金融資產	可供出售(按公平值列賬)(附註(A)(i)(d))	按公平值計入其他全面收入			
Held-to-maturity investments	Loans and receivable	Amortised cost	1,138,704	(500)	1,138,204
持至到期投資	貸款及應收款	按攤銷成本列賬			
Other assets except for debt component	Loans and receivable	Amortised cost	442,177	(5,313)	436,864
其他資產(債務部分除外)	貸款及應收款	按攤銷成本列賬			
Convertible bond investment	Conversion option component: Financial assets at FVPL	As a whole: FVPL	8,492	1,621	10,113
可換股債券投資	Debt component: Loans and receivables (note (A)(i)(f)) 換股權部分: 按公平值計入溢利或虧損之金融資產 債務部分: 貸款及應收款(附註(A)(i)(f))	整體: 按公平值計入溢利或虧損			

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

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

Changes in accounting policies (Continued)

(A) HKFRS 9 Financial Instruments (“HKFRS 9”) (Continued)

- (i) Classification and measurement of financial instruments (Continued)
At the date of initial application of HKFRS 9, the Company’s management has assessed which business models apply to the financial assets held by the Group and has classified its financial assets into the appropriate HKFRS 9 categories.

The following tables summarised the impact, net of tax, of transition to HKFRS 9 on the opening balance of reserves, retained profits and non-controlling interests as of 1 January 2018 as follows (increase/ (decrease)):

As at 1 January 2018	於二零一八年一月一日	Trading portfolio investments 交易組合投資 HK\$’000 千港元	Financial asset at FVOCI 按公平值計入其他全面收入之金融資產 HK\$’000 千港元	Derivative financial assets 衍生金融資產 HK\$’000 千港元	Other financial assets at amortised cost 按攤銷成本列賬之其他金融資產 HK\$’000 千港元	Available-for-sale financial assets 可供出售金融資產 HK\$’000 千港元	Held-to-maturity investments 持至到期投資 HK\$’000 千港元	Other assets 其他資產 HK\$’000 千港元
Opening balance – HKAS 39	年初結餘 – 香港會計準則第39號	641,031	-	4,680	-	488,368	1,138,704	450,598
Reclassification of trading portfolio investments to financial assets FVOCI	重新分類交易組合投資至按公平值計入其他全面收入之金融資產	(506,863)	506,863	-	-	-	-	-
Reclassification of available-for-sale financial assets to other financial assets at amortised cost	重新分類可供出售金融資產至按攤銷成本列賬之其他金融資產	-	-	-	178,747	(178,747)	-	-
Reclassification of available-for-sale financial assets to trading portfolio investments	重新分類可供出售金融資產至交易組合投資	65,639	-	-	-	(65,639)	-	-
Reclassification of available-for-sale financial assets to financial assets at FVOCI	重新分類可供出售金融資產至按公平值計入其他全面收入之金融資產	-	243,982	-	-	(243,982)	-	-
Reclassification of held-to-maturity investments to other financial assets at amortised cost	重新分類持至到期投資至按攤銷成本列賬之其他金融資產	-	-	-	1,138,704	-	(1,138,704)	-
Reclassification of entire convertible bond investment to trading portfolio investments	重新分類全部可換股債券投資至交易組合投資	8,492	-	(71)	-	-	-	(8,421)
Effect of initial adoption of HKFRS 9	首次採納香港財務報告準則第9號之影響	1,621	-	-	-	-	-	-
Recognition of additional expected credit losses	確認額外預期信貸虧損	-	-	-	(528)	-	-	(5,313)
Opening balance – HKFRS 9	年初結餘 – 香港財務報告準則第9號	209,920	750,845	4,609	1,316,923	-	-	436,864

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂或經修訂香港財務報告準則 – 於二零一八年一月一日生效(續)

會計政策變動(續)

(A) 香港財務報告準則第9號金融工具(「香港財務報告準則第9號」)(續)

- (i) 金融工具之分類及計量(續)
於香港財務報告準則第9號之首次應用日期，本公司管理層已評估哪項業務模式適用於本集團持有之金融資產，並已將其金融資產分類至適當之香港財務報告準則第9號類別。

下表概列於二零一八年一月一日過渡至香港財務報告準則第9號對儲備、保留溢利及非控股權益年初結餘之影響(扣除稅項)如下(增加/ (減少)):

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

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

Changes in accounting policies (Continued)

(A) HKFRS 9 Financial Instruments (“HKFRS 9”) (Continued)

(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 (“ECL”) model”. HKFRS 9 requires the Group to recognise ECL for due from clients, due from banks, trade receivables and other financial assets at amortised costs and other assets earlier than HKAS 39. Cash and cash equivalents are subject to ECL model but the impairment is assessed to be immaterial.

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

Measurement of ECL

ECL 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.

The Group has elected to measure loss allowances for trade receivables using HKFRS 9 simplified approach and has calculated ECL based on lifetime ECL. 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.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂或經修訂香港財務報告準則—於二零一八年一月一日起生效（續）

會計政策變動（續）

(A) 香港財務報告準則第9號金融工具（「香港財務報告準則第9號」）（續）

(ii) 金融資產之減值

採納香港財務報告準則第9號改變本集團之減值模式，以「預期信貸虧損（「預期信貸虧損」）模式」取代香港會計準則第39號「已發生虧損模式」。香港財務報告準則第9號規定本集團在早於香港會計準則第39號所規定時間就應收客戶款項、應收銀行款項、應收賬款及按攤銷成本列賬之其他金融資產以及其他資產確認預期信貸虧損。現金及現金等價物須受預期信貸虧損模式所限，惟減值被評估為並不重大。

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：為於報告日後12個月內之可能違約事件產生之預期信貸虧損；及(2) 全期預期信貸虧損：為於金融工具預期年期內所有可能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合約現金流量與本集團預期收到之所有現金流量之間的差額。該差額其後按接近資產原實際利率貼現。

本集團選擇採用香港財務報告準則第9號之簡化方法計量應收賬款虧損撥備，並已根據全期預期信貸虧損計算預期信貸虧損。本集團已基於本集團歷史信貸虧損經驗制定撥備矩陣，並就債務人之特定前瞻性因素及經濟環境作出調整。

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

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

Changes in accounting policies (Continued)

(A) HKFRS 9 Financial Instruments (“HKFRS 9”) (Continued)

(ii) Impairment of financial assets (Continued)

Measurement of ECL (Continued)

For other debt financial assets, the ECL are based on the 12-months ECL. The 12-months ECL is the portion of the lifetime ECL 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 ECL. 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. The Group’s debt investment at FVOCI are considered to have low credit risk since the issuers’ credit rating are high.

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 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.

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

Presentation of ECL

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt investment at FVOCI, the loss allowance is recognised in OCI, instead of reducing the 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) 採納新訂或經修訂香港財務報告準則—於二零一八年一月一日起生效（續）

會計政策變動（續）

(A) 香港財務報告準則第9號金融工具（「香港財務報告準則第9號」）（續）

(ii) 金融資產之減值（續）

預期信貸虧損之計量（續）

就其他債務金融資產而言，預期信貸虧損乃基於12個月預期信貸虧損。12個月預期信貸虧損為金融工具於報告日後12個月內之可能違約事件產生之全期預期信貸虧損部分。然而，於自發放貸款起信貸風險大幅增加時，撥備將基於全期預期信貸虧損。於釐定金融資產之信貸風險是否自初步確認起大幅增加時，以及於估計預期信貸虧損時，本集團考慮相關且無需不必要成本或工作即可獲得之合理有據資料。此包括根據本集團歷史經驗及知情信貸評估之定量及定性資料及分析，包括前瞻性資料。由於發行人之信貸評級較高，本集團按公平值計入其他全面收入之債務投資被視為具有低信貸風險。

本集團假設金融資產之信貸風險於逾期超過30日時大幅增加。

本集團於以下情況下認為金融資產出現違約情況：(1) 借款人大可能向本集團全數支付其信貸責任，而本集團並無追索權進行變現抵押品（倘持有）等行動；或(2) 金融資產逾期超過90日。

估計預期信貸虧損時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減值撥備於資產賬面總值內扣減。就按公平值計入其他全面收入之債務投資而言，虧損撥備於其他全面收入確認，而非扣減資產賬面值。

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

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

Changes in accounting policies (Continued)

(A) HKFRS 9 Financial Instruments (“HKFRS 9”) (Continued)

(ii) Impairment of financial assets (Continued)

Impact of the ECL model

(a) Impairment of trade receivables

As mentioned above, the Group applies the HKFRS 9 simplified approach to measure ECL which adopts a life time ECL for all trade receivables. To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

(b) Impairment of debt investments

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

(c) Impairment of due from clients and due from banks

The Group's due from clients and due from banks except for precious metal are measured at amortised costs. ECL is determined by reference to the estimation of the exposure at default (“EAD”), probability of default (“PD”) as well as a loss given default (“LGD”). At the initial recognition, 12 months ECL (stage 1) would be considered resulting from the possible default event within next 12 months. Lifetime ECL (stage 2) would be considered resulting from the significant increase in credit risk on the balances. Lifetime ECL (stage 3) would be considered resulting from the occurrence of credit impaired on the balances.

(d) Impairment of other assets

Other assets at amortised cost of the Group includes dividend receivable from an associate, amounts due from an associate and related companies, other interest receivables and other receivables.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂或經修訂香港財務報告準則—於二零一八年一月一日起生效（續）

會計政策變動（續）

(A) 香港財務報告準則第9號金融工具（「香港財務報告準則第9號」）（續）

(ii) 金融資產之減值（續）

預期信貸虧損模式之影響

(a) 應收賬款之減值

誠如上文所述，本集團應用香港財務報告準則第9號之簡化方法計量預期信貸虧損，而其就所有應收賬款採用全期預期信貸虧損。為計量預期信貸虧損，應收賬款已根據共同信貸風險特徵及逾期日數進行分組。

(b) 債務投資的減值

本集團債務投資按攤銷成本計量，並被視為具有低信貸風險。因此，於期內確認之虧損撥備限於12個月預期信貸虧損。

(c) 應收客戶款項及應收銀行款項之減值

本集團應收客戶款項及應收銀行款項（貴金屬除外）按攤銷成本計量。預期信貸虧損乃經參考估計違約風險承擔（「違約風險承擔」）、違約或然率（「違約或然率」）及違約損失率（「違約損失率」）後釐定。在初步確認時，12個月預期信貸虧損（第1階段）將被視為在未來12個月內可能發生違約事件所致。全期預期信貸虧損（第2階段）將被視為因結餘信貸風險顯著增加所致。全期預期信貸虧損（第3階段）將被視為因結餘發生信貸減值所致。

(d) 其他資產之減值

本集團按攤銷成本列賬之其他資產包括應收一間聯營公司股息、應收一間聯營公司款項及應收關連公司款項、其他應收利息及其他應收款。

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

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

Changes in accounting policies (Continued)

(A) HKFRS 9 Financial Instruments (“HKFRS 9”) (Continued)

(ii) Impairment of financial assets (Continued)

Impact of the ECL model (Continued)

As a result of the above change, the following table summarises the impact of the new HKFRS 9 impairment model results in additional expected credit losses as at 1 January 2018 as follows:

		HK\$'000 千港元
Loss allowance at 31 December 2017 under HKAS 39	根據香港會計準則第39號 於二零一七年十二月三十一日之虧損撥備	56,279
Recognition of additional expected credit losses on:	就以下項目確認額外預期信貸虧損：	
– Due from clients	– 應收客戶款項	3,335
– Due from banks	– 應收銀行款項	2,179
– Trade receivables	– 應收賬款	1,793
– Other financial assets at amortised cost	– 按攤銷成本列賬之其他金融資產	528
– Other assets	– 其他資產	5,313
Loss allowance at 1 January 2018 under HKFRS 9	根據香港財務報告準則第9號 於二零一八年一月一日之虧損撥備	69,427

(iii) 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 ECL rules are therefore not reflected in the consolidated statement of financial position as at 31 December 2017, but are recognised in the consolidated 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 profits 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) 採納新訂或經修訂香港財務報告準則－於二零一八年一月一日生效（續）

會計政策變動（續）

(A) 香港財務報告準則第9號金融工具（「香港財務報告準則第9號」）（續）

(ii) 金融資產之減值（續）

預期信貸虧損模式之影響（續）

由於上述變動，下表概述新香港財務報告準則第9號減值模式之影響導致於二零一八年一月一日產生額外預期信貸虧損如下：

(iii) 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號獲一般採納而毋須重列比較資料。因此，新預期信貸虧損規則所引起之重新分類及調整並未於二零一七年十二月三十一日之綜合財務狀況表反映，惟已於二零一八年一月一日之綜合財務狀況表確認，意指採納香港財務報告準則第9號所導致金融資產與金融負債賬面值之差額於二零一八年一月一日之保留溢利及儲備確認。因此，二零一七年呈列的資料並不反映香港財務報告準則第9號之規定，而反映香港會計準則第39號之規定。

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

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

Changes in accounting policies (Continued)

(A) HKFRS 9 Financial Instruments (“HKFRS 9”) (Continued)

(iii) 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 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 FVPL; 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 date of initial application of HKFRS 9, then the Group has assumed that the credit risk on the asset had not increased significantly since its initial recognition.

(B) HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 supersedes HKAS 11 Construction Contracts, HKAS 18 Revenue and related interpretations. HKFRS 15 has established a five-steps 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 transition method. The Group has recognised the cumulative effect of initially applying HKFRS 15 as an adjustment to the opening balance of retained profits at the date of initial application (that is, 1 January 2018) if any. As a result, the financial information presented for 2017 has not been restated.

HKFRS 15 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The management of the Group has assessed the impacts of adopting HKFRS 15 on its consolidated financial statements and considered there is no significant impact on the Group’s revenue recognition policy.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂或經修訂香港財務報告準則—於二零一八年一月一日生效（續）

會計政策變動（續）

(A) 香港財務報告準則第9號金融工具（「香港財務報告準則第9號」）（續）

(iii) 過渡（續）

以下評估乃根據香港財務報告準則第9號之首次應用日期存在之事實及情況作出：

- 釐定持有金融資產之業務模式；
- 指定及撤銷過往指定若干金融資產及金融負債為按公平值計入溢利或虧損；及
- 指定若干並非持作買賣之於股本投資的投資為按公平值計入其他全面收入。

倘於債務投資的投資於首次應用香港財務報告準則第9號日期時具有低信貸風險，則本集團已假設資產之信貸風險自其初步確認起並無大幅增加。

(B) 香港財務報告準則第15號與客戶訂立合約之收入

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號已建立五步模式將與客戶訂立合約之收入入賬。根據香港財務報告準則第15號，收入按反映實體預期有權獲取向客戶轉讓貨品或服務所收取之代價金額確認。

本集團於採納香港財務報告準則第15號時採用累計影響過渡法。本集團已確認首次應用香港財務報告準則第15號之累計影響為對於首次應用日期（即二零一八年一月一日）之期初保留溢利結餘（如有）之調整。因此，二零一七年呈列的資料並無重列。

香港財務報告準則第15號規定實體於應用模式各步驟於與客戶訂立合約時經考慮所有相關事實及情況後作出判斷。本集團管理層已評估採納香港財務報告準則第15號對其綜合財務報表之影響，且認為對本集團收入確認政策並無造成重大影響。

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

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

Changes in accounting policies (Continued)

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

Revenue from sales of goods is recognised at a point in time as when the control of the goods has been transferred to the customers and there is no unfulfilling performance obligation after the acceptance of the goods. Service fees and commission income are recognised at a point in time basis when the relevant services provided to the customers and there is no unfulfilling performance obligation after the services rendering. Revenue from custody account service and asset management service is recognised over time so as to depict the pattern of delivery of services.

Upon the adoption of HKFRS 15, if there is any satisfied performance obligation but where the Group does not have an unconditional right to consideration, the Group should recognised a contract asset. No contract asset is recognised upon transition. If the Group does not satisfied any performance obligation but the Group has an unconditional right to consideration, the Group should recognised contract liabilities. No contract liabilities is recognised upon transition.

Amendments HKFRS 15 – Revenue from Contracts with Customers (Clarifications to HKFRS 15)

The amendments to HKFRS 15 included clarifications on identification of performance obligations; application of principal versus agent; licenses of intellectual property; and transition requirements.

The adoption of these amendments has no significant impact on these consolidated financial statements as the Group had not previously adopted HKFRS 15 and took up the clarifications in this, its first, year.

Amendments to HKAS 40, Investment Property – Transfers of Investment Property

The amendments clarify that to transfer to or from investment properties there must be a change in use and provides guidance on making this determination. The clarification states that a change of use will occur when a property meets, or ceases to meet, the definition of investment property and there is supporting evidence that a change has occurred.

The amendments also re-characterise the list of evidence in the standard as a non-exhaustive list, thereby allowing for other forms of evidence to support a transfer.

The adoption of these amendments has no impact on these consolidated financial statements as the clarified treatment is consistent with the manner in which the Group has previously assessed transfers.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂或經修訂香港財務報告準則—於二零一八年一月一日生效（續）

會計政策變動（續）

(B) 香港財務報告準則第15號與客戶訂立合約之收入（續）

貨品銷售收入於貨品控制權已轉移至客戶且於貨品獲接受後並無尚未履行履約責任之某一時間點確認。服務費及佣金收入於向客戶提供相關服務且於提供服務後並無尚未履行履約責任之某一時間點確認。託管賬戶服務及資產管理服務收入隨時間確認，以描述提供服務之模式。

於採納香港財務報告準則第15號後，倘本集團完成任何履約責任但並無收取代價之無條件權利，則本集團應確認合約資產。於過渡時概無確認合約資產。倘本集團並無完成任何履約責任但本集團擁有收取代價之無條件權利，則本集團應確認合約負債。於過渡時概無確認合約負債。

香港財務報告準則第15號之修訂—與客戶訂立合約之收入（對香港財務報告準則第15號之澄清）

香港財務報告準則第15號之修訂包括澄清對履行責任之識別；應用委託人或代理人；知識產權許可；及過渡規定。

由於本集團先前並無採納香港財務報告準則第15號並首次於本年度採納該等澄清，故採納該等修訂對該等綜合財務報表並無重大影響。

香港會計準則第40號之修訂，投資物業—轉撥投資物業

該修訂澄清投資物業轉入及轉出均必須存在用途改變，並就釐定用途有否改變提供指引。該澄清述明，倘物業符合或不再符合投資物業之定義及有憑證證明用途改變，則出現用途改變。

該修訂亦將該準則中之憑證清單重新定性為非詳盡清單，因此，其他形式之憑證亦可證明轉撥。

由於澄清後的處理與本集團先前評估轉撥的方式一致，故採納該等修訂對該等綜合財務報表並無影響。

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

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

Changes in accounting policies (Continued)

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

HK(IFRIC)-Int 22 – Foreign Currency Transactions and Advance Consideration

The interpretation provides guidance on determining the date of the transaction for determining an exchange rate to use for transactions that involve advance consideration paid or received in a foreign currency and the recognition of a non-monetary asset or non-monetary liability. The interpretation specifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part thereof) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

The adoption of this interpretation has no impact on the consolidated financial statements as the Group has not paid or received advance consideration in a foreign currency.

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

The following new or revised HKFRSs, potentially relevant to the Group’s consolidated financial statements, have been issued but are not yet effective and have not been early adopted by the Group.

HKFRS 16	Leases ¹
Amendments to HKAS 1 and HKAS 8	Definition of Material ²
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments ¹
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ¹
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
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³

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 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.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂或經修訂香港財務報告準則—於二零一八年一月一日生效（續）

會計政策變動（續）

(B) 香港財務報告準則第15號與客戶訂立合約之收入（續）

香港（國際財務報告詮釋委員會）—詮釋第22號—外匯交易及預付代價

該詮釋就如何為釐定用於涉及以外幣支付或收取預付代價之交易之匯率而釐定交易日期，以及如何確認非貨幣資產或非貨幣負債提供指引。該詮釋明確指出，釐定首次確認相關資產、開支或收入（或當中部分）所用匯率之交易日期為實體首次確認支付或收取預付代價所產生非貨幣資產或非貨幣負債之日。

由於本集團並無以外幣支付或收取墊款代價，故採納此詮釋對綜合財務報表並無影響。

(b) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則

下列可能與本集團綜合財務報表有關之新訂或經修訂香港財務報告準則已頒佈但尚未生效，亦未獲本集團提早採納。

香港財務報告準則第16號	租賃 ¹
香港會計準則第1號及香港會計準則第8號之修訂	重大之定義 ²
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因素 ¹
香港財務報告準則第9號之修訂	具有負補償之預付特性 ¹
香港會計準則第28號之修訂	於聯營公司及合營企業之長期權益 ¹
香港財務報告準則二零一五年至二零一七年期之年度改進	香港財務報告準則第3號之修訂，業務合併 ¹
香港財務報告準則二零一五年至二零一七年期之年度改進	香港財務報告準則第11號之修訂，合營安排 ¹
香港財務報告準則二零一五年至二零一七年期之年度改進	香港會計準則第12號之修訂，所得稅 ¹
香港財務報告準則二零一五年至二零一七年期之年度改進	香港會計準則第23號修訂本，借貸成本 ¹
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之資產出售或注資 ³

¹ 於二零一九年一月一日或之後開始之年度期間生效

² 於二零二零年一月一日或之後開始之年度期間生效

³ 該等修訂原訂於二零一七年一月一日或之後開始之期間生效。生效日期現已延遲／刪除。有關修訂繼續獲允許提前應用。

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

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

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 not 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.

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.

A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group may be required to recognise a right-of-use assets and corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new requirement may result in change in measurement, presentation and disclosure as indicated above. The Group is currently assessing its potential impact. It is not practicable to provide a reasonable estimate of the financial effect until the Group completes the review.

As at 31 December 2018, the Group has non-cancellable operating lease commitments of HK\$112,456,000. HKAS17 does not require the recognition of any right-of-use assets and liabilities for future payments for these leases; instead, certain information is disclosed as operating lease commitments. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS16, and hence the Group may be required to recognise a right-of-use assets and corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS16.

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或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

香港財務報告準則第16號由生效當日起將取代香港會計準則第17號「租賃」及相關詮釋，其引入單一承租人會計處理模式，並規定承租人就為期超過12個月之所有租賃確認資產及負債，除非相關資產為低價值資產則作別論。具體而言，根據香港財務報告準則第16號，承租人須確認使用權資產（表示其有權使用相關租賃資產）及租賃負債（表示其有責任支付租賃付款）。因此，承租人應確認使用權資產折舊及租賃負債利息，並將租賃負債之現金還款分類為本金部分及利息部分，以於現金流量表內呈列。此外，使用權資產及租賃負債初步按現值基準計量。計量包括不可撤銷租賃付款，亦包括承租人合理地肯定將行使選擇權延續租賃或並無行使選擇權終止租賃之情況下，將於選擇權期間內作出之付款。此會計處理方法與承租人會計處理顯著不同，後者適用於根據舊準則香港會計準則第17號分類為經營租賃之租賃。

就出租人會計處理而言，香港財務報告準則第16號大致繼承香港會計準則第17號之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，並對兩類租賃進行不同之會計處理。

初步評估顯示該等安排將符合根據香港財務報告準則第16號項下租賃之定義，因此，一經採納香港財務報告準則第16號，除非該等租賃僅構成低價值或短期租賃外，本集團或須確認有關此等租賃之資產使用權及相關負債。此外，應用新要求或會更改上述計量、呈列及披露。本集團現時正評估其潛在影響。直至本集團完成審閱前，就財務影響提供合理估計並不實際。

於二零一八年十二月三十一日，本集團擁有不可撤銷經營租賃承擔112,456,000港元。香港會計準則第17號並無規定確認該等租賃的未來付款的任何使用權資產及負債，反之，若干資料披露作經營租賃承擔。初步評估顯示該等安排將符合香港財務報告準則第16號項下租賃之定義，故此本集團可能被要求就所有該等租賃確認使用權資產及相關負債，除非應用香港財務報告準則第16號後符合資格為低價值或短期租賃。

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

(b) New or 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 that materiality will depend on the nature or magnitude of information. An entity will need to assess whether the information, either individually or in combination with other information, is material in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.

The amendments clarify that, in assessing whether an information could reasonably be expected to influence decisions of the primary users, an entity must consider the characteristics of those users as well as its own circumstances.

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.

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.

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或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－重大之定義

該等修訂澄清，重大與否將視乎資料之性質或數量而定。實體需要評估有關資料（不論屬於獨立或與其他資料合併）就財務報表而言是否重大。倘錯誤陳述資料可合理地預期會對主要使用者作出之決策造成影響，則有關資料屬於重大。

該等修訂澄清，於評估資料是否合理地預期會對主要使用者作出之決策造成影響時，實體必須考慮有關使用者之特質及其自身狀況。

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因素

該詮釋透過就如何反映所得稅會計處理涉及之不確定性因素之影響提供指引，為香港會計準則第12號所得稅之規定提供支持。

根據該詮釋，實體須釐定分開或集中考慮各項不確定稅項處理，以更準確預測不確定性因素之解決方法。實體亦須假設稅務機關將會查驗其有權查驗之金額，並在作出上述查驗時全面知悉所有相關資料。如實體釐定稅務機關可能會接受一項不確定稅項處理，則實體應按與其稅務申報相同方式計量即期及遞延稅項。倘實體釐定稅務機關不可能會接受一項不確定稅項處理，則採用「最可能金額」或「預期值」兩個方法中能更準確預測不確定性因素解決方式之方法，以反映釐定稅項涉及之不確定性因素。

香港財務報告準則第9號之修訂－具有負補償之預付特性

該等修訂澄清，如符合特定條件，附帶負補償之可預付金融資產可按攤銷成本或按公平值計入其他全面收入之方式計量，而非按公平值計入溢利或虧損之方式計量。

香港會計準則第28號之修訂－於聯營公司及合營企業之長期權益

該修訂澄清香港財務報告準則第9號應用於構成於聯營公司或合營企業之投資淨額一部分的於聯營公司或合營企業之長期權益（「長期權益」），並規定香港財務報告準則第9號先於香港會計準則第28號減值虧損指引應用於該等長期權益。

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

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

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.

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.

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.

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或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3號之修訂，業務合併

根據年度改進過程頒佈之該等修訂對現時並不明確之多項準則作出微細及非急切修改。其中包括對香港財務報告準則第3號之修訂，釐清當於業務的一名聯合經營者取得聯合經營的控制權時，則該業務合併已初步達成，故此先前持有之股權應重新計量為其收購日期之公平值。

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－香港財務報告準則第11號之修訂，合營安排

根據年度改進過程頒佈之該等修訂對現時並不明確之多項準則作出微細及非急切修改。其中包括對香港財務報告準則第11號之修訂，釐清於參與（但並非擁有共同控制權）為一項業務的聯合經營的一方隨後取得聯合經營之共同控制權時，先前持有之股權不得重新計量至其收購日期之公平值。

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號之修訂，所得稅

根據年度改進過程頒佈之該等修訂對現時並不明確之多項準則作出微細及非急切修改。其中包括對香港會計準則第12號之修訂，釐清股息之所有所得稅後果與產生可分派溢利之交易採取一致的方式於溢利或虧損、其他全面收入或直接於權益內確認。

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號之修訂，借貸成本

根據年度改進過程頒佈之該等修訂對現時並不明確之多項準則作出微細及非急切修改。其中包括對香港會計準則第23號之修訂，釐清為取得合資格資產而專門作出之借貸，於相關合資格資產可用於其擬定用途或進行銷售時仍未償還，則該借貸將成為該實體一般所借資金的一部分並因此計入一般資產池內。

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

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

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.

The Group is in the progress of making assessments of the potential impact of these new or revised HKFRSs upon initial application.

3. BASIS OF PREPARATION

3.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with all applicable individual HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations (hereinafter collectively referred to as the “HKFRS”) issued by the HKICPA. The consolidated financial statements also included the disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

3.2 Basis of measurement

The consolidated financial statements have been prepared under historical cost basis except for investment properties and certain financial instruments, which are measured at fair value. The adoption of new or revised HKFRSs and the impacts on the Group’s consolidated financial statements, if any, are disclosed in note 2.

It should be noted that accounting estimates and assumptions are used in preparing these consolidated financial statements. Although these estimates are based on management’s best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates.

The Company’s financial statements have been prepared on a going concern basis though the Company was in a net current liability position of HK\$696,822,000 as at 31 December 2018. The directors are of the opinion, after considering the distribution of profits available from its subsidiaries when necessary, that the Company will have sufficient cash resources to satisfy its future working capital and other financial requirements and the Company can be operated as a going concern for the next twelve months.

3.3 Functional and presentation currency

The consolidated financial statements are presented in Hong Kong Dollars (“HK\$”), which is also the functional currency of the Company and all values are rounded to the nearest thousand (“HK\$’000”) unless otherwise stated.

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或經修訂香港財務報告準則（續）

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之資產出售或注資

該等修訂釐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，當交易不涉及構成一項業務資產，則僅須就無關投資者於合營企業或聯營公司之權益確認收益或虧損。

本集團正在評估於初步採納該等新訂或經修訂香港財務報告準則之潛在影響。

3. 編製基準

3.1 合規聲明

綜合財務報表乃根據香港會計師公會頒佈之所有適用個別香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋（以下統稱「香港財務報告準則」）編製。綜合財務報表亦包括香港公司條例及香港聯合交易所有限公司證券上市規則（「上市規則」）之披露規定。

3.2 計量基準

綜合財務報表乃根據歷史成本法編製，惟投資物業及若干金融工具則按公平值計量。採納新訂或經修訂香港財務報告準則及其對本集團綜合財務報表之影響（如有）於附註2披露。

務請注意，在編製該等綜合財務報表時會採用會計估計及假設。儘管管理層就當時之事項及行動之最佳認知及判斷作出此等估計，惟實際結果最終或會與該等估計存有差異。

儘管本公司於二零一八年十二月三十一日的流動負債淨額為696,822,000港元，惟本公司的財務報表乃按持續經營基準編製。經考慮於必要時自本公司附屬公司獲取可供分派溢利後，董事認為，本公司將擁有足夠的現金資源應付其未來的營運資金及其他財務需求，而本公司可於未來十二個月按持續經營基準經營。

3.3 功能及呈列貨幣

綜合財務報表以本公司功能貨幣港元（「港元」）呈列，除另有指明外，所有金額均已約整至最接近千位數（「千港元」）。

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Business combination and basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective dates of acquisition or up to the effective dates of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

Acquisition of subsidiaries or businesses is accounted for using acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition-date fair value of assets transferred, liabilities incurred and equity interests issued by the Group, as the acquirer. The identifiable assets acquired and liabilities assumed are principally measured at acquisition-date fair value. The Group's previously held equity interest in the acquiree is re-measured at acquisition-date fair value and the resulting gains or losses are recognised in profit or loss. The Group may elect, on a transaction-by-transaction basis, to measure non-controlling interest that represent present ownership interests in the subsidiary either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other non-controlling interests are measured at fair value unless another measurement basis is required by HKFRSs. Acquisition-related costs incurred are expensed unless they are incurred in issuing equity instruments in which case the costs are deducted from equity.

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.

Contingent consideration balances arising from business combinations whose acquisition dates preceded 1 January 2010 (i.e. the date the Group first applied HKFRS 3 (2008)) have been accounted for in accordance with the transition requirements in the standard. Such balances are not adjusted upon first application of the standard. Subsequent revisions to estimates of such consideration are treated as adjustments to the cost of these business combinations and are recognised as part of goodwill.

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

4. 主要會計政策

4.1 業務合併及綜合基準

綜合財務報表包括本公司及其附屬公司之財務報表。集團內公司間交易及結餘連同未變現溢利於編製綜合財務報表時全數對銷。未變現虧損亦可對銷，惟有關交易可證明所轉讓資產出現減值除外，於該情況下，虧損於溢利或虧損確認。

年內所收購或出售附屬公司之業績自收購生效日期起或直至出售生效日期為止（視適用情況而定）計入綜合全面收入表。倘有必要，將對附屬公司之財務報表作出調整，以令其會計政策與本集團其他成員公司所採用者一致。

收購附屬公司或業務採用收購法列賬。一項收購之成本乃按所轉讓資產、所產生負債及本集團（作為收購方）發行之股權於收購當日之公平值總額計量。所收購可識別資產及所承擔負債則主要按收購當日公平值計量。本集團先前所持被收購方之股權以收購當日公平值重新計量，而所產生之收益或虧損則於溢利或虧損內確認。本集團可按逐筆交易基準選擇以被收購方之可識別資產淨值公平值或應佔比例計算代表於該附屬公司現有擁有權益之非控股權益。除香港財務報告準則規定須使用另一計量基準外，所有其他非控股權益均按公平值計量。所產生之收購相關成本列作開支，惟於發行股本工具時產生之成本除外，在此情況下，成本於權益中扣除。

收購方將予轉讓之任何或然代價均按收購日期之公平值確認。倘其後代價調整僅於計量期間（最長為自收購日期起計12個月）內取得有關收購日期公平值新資料時產生，則於商譽確認。分類為資產或負債之或然代價所有其他其後調整均於溢利或虧損中確認。

收購日期為二零一零年一月一日（即本集團首次應用香港財務報告準則第3號（二零零八年）之日）前之業務合併所產生之或然代價結餘，已根據該準則之過渡規定入賬。有關結餘於首次應用該準則時並未作出調整。其後對有關代價估計之修訂被視為對該等業務合併成本之調整，並確認為商譽之一部分。

本集團於附屬公司之權益變動（並無導致失去控制權）列作權益交易入賬。本集團之權益與非控股權益之賬面值均予以調整，以反映其於附屬公司之相對權益變動。非控股權益之調整金額與已支付或收取代價公平值之間之任何差額，均直接於權益中確認，並歸屬於本公司擁有人。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.1 Business combination and basis of consolidation (Continued)

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

Subsequent to acquisition, the carrying amount of non-controlling interests that represent present ownership interests is the amount of those interests at initial recognition plus such non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to such non-controlling interests even if this results in the non-controlling interests having a deficit balance.

4.2 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.

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.

4.3 Structured entities

The collective investment instruments of the Group are structured entities as defined under HKFRS 12. If the Group operates such an investment instrument acting as an agent primarily in the interests of investors, this structured entity is not consolidated. Investments in such investment instruments held by the Group are recognised as financial instruments. If the Group acts as principal primarily in its own interests, the investment instrument is consolidated.

4.4 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.

4. 主要會計政策 (續)

4.1 業務合併及綜合基準 (續)

倘本集團失去附屬公司之控制權，出售溢利或虧損乃按下列兩者之差額計算：(i) 所收取代價之公平值與任何保留權益之公平值總額，與(ii) 該附屬公司之資產（包括商譽）及負債與任何非控股權益過往之賬面值。先前就該附屬公司於其他全面收入確認之款額按出售相關資產或負債時所規定之相同方式列賬。

收購後，代表現有擁有權益之非控股權益賬面值為該等權益於初步確認時之款額另加有關非控股權益應佔權益其後變動之部分。即使會導致非控股權益出現虧絀結餘，全面收入總額仍歸屬於有關非控股權益。

4.2 附屬公司

附屬公司指本公司可對其行使控制權之被投資方。倘下列三項因素全部存在，則本公司控制被投資方：對被投資方擁有權力、就被投資方可變回報承受風險或享有權利及能夠運用其權力影響該等可變回報。當事實及情況顯示任何該等控制權因素可能發生變動，則會重新評估控制權。

於本公司之財務狀況表中，於附屬公司之投資按成本減任何減值虧損（如有）列賬。本公司按已收或應收股息將附屬公司業績入賬。

4.3 結構實體

本集團集體投資工具為香港財務報告準則第12號所界定之結構實體。倘本集團主要為投資者之利益充當代理人經營該投資工具，則本結構實體不予綜合入賬。本集團持有於該投資工具之投資確認為金融工具。倘本集團主要為其自身利益作為當事人行事，則投資工具綜合入賬。

4.4 聯營公司

聯營公司為本集團可對其行使重大影響力，且並非附屬公司或共同安排之實體。重大影響力指參與被投資方之財務及經營政策決定，但並非對該等政策實施控制或共同控制之權力。

本集團以權益會計法將聯營公司入賬，初步按成本確認，其後按本集團應佔聯營公司之資產淨值於收購後之變動調整其賬面值。惟數額超出本集團於聯營公司權益之虧損不予確認，除非本集團有責任彌補該等虧損。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.4 Associates (Continued)

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. Accounting policies on impairment of interests in associates are described in note 4.7 below.

4.5 Joint arrangements

The group is a party to a joint arrangement where there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the group and at least one other party. Joint control is assessed under the same principles as control over subsidiaries.

The group classifies its interests in joint arrangements as either:

- Joint ventures: where the group has rights to only the net assets of the joint arrangement; or
- Joint operations: where the group has both the rights to assets and obligations for the liabilities of the joint arrangement.

In assessing the classification of interests in joint arrangements, the Group considers:

- The structure of the joint arrangement;
- The legal form of joint arrangements structured through a separate vehicle;
- The contractual terms of the joint arrangement agreement; and
- Any other facts and circumstances (including any other contractual arrangements).

Any premium paid for an investment in a joint venture 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 investment in joint venture. Where there is objective evidence that the investment in a joint venture has been impaired the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

4. 主要會計政策(續)

4.4 聯營公司(續)

本集團與其聯營公司之間進行交易產生之溢利或虧損僅以聯營公司之無關投資者權益確認。投資者因進行該等交易而分佔聯營公司之溢利及虧損與聯營公司賬面值對銷。當未變現虧損有證據顯示已轉讓資產減值，則即時於溢利或虧損確認。

任何就聯營公司支付之溢價高於本集團應佔所收購可識別資產、負債及或然負債公平值之差額會撥充資本，並於聯營公司賬面值入賬。倘有客觀證據表明於聯營公司之投資已減值，則有關投資賬面值按與其他非金融資產相同之方式測試減值。有關於聯營公司權益減值之會計政策載於下文附註4.7。

4.5 合營安排

倘合約安排賦予本集團及至少一名其他訂約方對安排之相關活動之共同控制權時，則本集團為合營安排之訂約方。共同控制權乃根據與附屬公司控制權之相同原則予以評估。

本集團將其於合營安排之權益分類為：

- 合營企業：本集團僅對合營安排之資產淨值擁有權利；或
- 合營業務：本集團對合營安排之資產擁有權利並有責任承擔合營安排之負債。

評估於合營安排之權益之分類時，本集團會考慮：

- 合營安排之結構；
- 透過獨立工具組織之合營安排之法律形式；
- 合營安排協議之合約條款；及
- 任何其他事實及情況(包括任何其他合約安排)。

任何就合營企業投資支付之溢價高於本集團應佔所收購可識別資產、負債及或然負債公平值之差額會撥充資本，並於合營企業投資賬面值入賬。倘有客觀證據表明於合營企業之投資已減值，則有關投資賬面值按與其他非金融資產相同之方式測試減值。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.6 Goodwill

Goodwill is initially recognised at cost being the excess of the aggregate of consideration transferred and the amount recognised for non-controlling interests over the fair value of identifiable assets, liabilities and contingent liabilities acquired. The consideration transferred is measured at the aggregate of fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group.

Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the amount of any non-controlling interests in the acquiree and the acquisition date fair value of the acquirer's previously held equity interest in the acquiree, the excess is recognised in profit or loss on the acquisition date, after re-assessment.

Goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash generating units that are expected to benefit from the synergies of the acquisition. A cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. A cash generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired.

For goodwill arising on an acquisition in a financial year, the cash generating unit ("CGU") to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro-rata on the basis of the carrying amount to each asset in the unit. However, the loss allocated to each asset will not reduce the individual asset's carrying amount to below its fair value less cost of disposal (if measurable) or its value-in-use (if determinable), whichever is the higher. Any impairment loss for goodwill is recognised in profit or loss and is not reversed in subsequent periods.

4.7 Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of the following assets 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;
- prepaid land lease payments;
- intangible assets; and
- interests in subsidiaries, associates and joint ventures.

4. 主要會計政策 (續)

4.6 商譽

商譽初始按成本確認，即所轉讓代價與就非控制權益確認之款項總額超出所收購可識別資產、負債及或然負債公平值之部分。轉讓代價按本集團於交換日期所給予資產、所招致或所承擔負債及所發行股本工具之合計公平值計量。

倘可識別資產、負債及或然負債之公平值高於所付代價之公平值，收購中任何非控股權益之金額及收購方先前持有之收購股權於收購當日之公平值，則超出部分於重估後在收購日期之溢利或虧損中確認。

商譽按成本扣除累計減值虧損計量。就減值測試而言，收購產生之商譽分配至預期會受惠於收購協同效益之各相關現金產生單位。現金產生單位為資產之最小可識別組別，該組別產生之現金流入在很大程度上獨立於其他資產或資產組別之現金流入。獲分配商譽之現金產生單位會每年及於有跡象顯示該單位可能出現減值時進行減值測試。

於某個財政年度之收購所產生之商譽而言，獲分配商譽之現金產生單位（「現金產生單位」）於該財政年度完結前進行減值測試。當現金產生單位之可收回金額少於該單位之賬面值，則會先分配減值虧損以減少該單位獲分配之任何商譽賬面值，其後則按該單位內各項資產賬面值之比例分配至該單位之其他資產。然而，分配至各資產之虧損不會將個人資產賬面值減至低於其公平值減出售成本（如可計量）或其使用價值（如可釐定），以較高者為準。商譽之任何減值虧損於溢利或虧損內確認，於往後期間不予撥回。

4.7 非金融資產減值

於各報告期末，本集團審閱下列資產之賬面值以釐定是否有任何跡象顯示該等資產出現減值虧損或過往確認之減值虧損不再出現或可能已有所減少：

- 物業、廠房及設備；
- 預付土地租賃款項；
- 無形資產；及
- 於附屬公司、聯營公司及合營企業之權益。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.7 Impairment of non-financial assets (Continued)

If the recoverable amount (i.e. the higher of the fair value less costs of disposal and value-in-use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at a revalued amount under another HKFRS, in which case the impairment loss is treated as a revaluation decrease under that HKFRS.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount to the extent 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 in prior years. A reversal of an impairment loss is recognised in profit or loss immediately.

Value in use is based on the estimated future cash flows expected to be derived from the asset or cash generating unit (note 4.6), 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 cash generating unit.

4.8 Related parties

(a) A person or a close member of that person's family is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of key management personnel of the Group or the Company's parent.

(b) An entity is related to the Group if any of the following conditions apply:

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).

4. 主要會計政策 (續)

4.7 非金融資產減值 (續)

倘預計資產之可收回金額(即公平值減出售成本與使用價值之較高者)低於其賬面值,則該資產之賬面值將減至其可收回金額。減值虧損即時於溢利或虧損中確認,除非相關資產根據另一香港財務報告準則以重估金額計值,在此情況下,減值虧損則根據該香港財務報告準則被視為重估減少。

當減值虧損於其後撥回,該資產之賬面值乃增加至其可收回金額修訂後之估計數額,惟增加之賬面值不可超出於過往年度未就該資產確認減值虧損原應釐定之賬面值。減值虧損撥回即時於溢利或虧損中確認。

使用價值乃基於預期從該資產或現金產生單位(附註4.6)產生之估計未來現金流量,採用反映貨幣時間價值及該資產或現金產生單位特定風險之當前市場評估之稅前貼現率而貼現至現值。

4.8 關連人士

(a) 倘屬以下人士,即該人士或該人士之近親與本集團有關連:

- (i) 控制或共同控制本集團;
- (ii) 對本集團有重大影響力;或
- (iii) 為本集團或本公司母公司之主要管理層成員。

(b) 倘符合下列任何條件,即實體與本集團有關連:

- (i) 實體與本集團屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關連)。
- (ii) 一間實體為另一實體之聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)。
- (iii) 兩間實體均為同一第三方之合營企業。
- (iv) 一間實體為第三方實體之合營企業,而另一實體為該第三方實體之聯營公司。
- (v) 實體為本集團或與本集團有關連之實體就僱員福利設立之離職福利計劃。
- (vi) 實體受(a)項所識別人士控制或共同控制。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.8 Related parties (Continued) (b) (Continued)

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

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

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

4.9 Property, plant and equipment

Buildings held for own use which are situated on leasehold land, where the fair value of the buildings could be measured separately from the fair value of the leasehold land at the inception of the lease, and other items of plant and equipment, other than construction in progress ("CIP"), are stated at acquisition cost less accumulated depreciation and any identified impairment.

The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to the working condition and location for its intended use.

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

Depreciation is provided to write off the cost less their estimated residual values over their estimated useful lives, using straight-line method, at the following rates per annum:

Land and buildings	Over the terms of the leases or estimated useful lives, ranging between 10 years and 50 years, whichever is shorter
Leasehold improvements	Over the terms of the leases, or estimated useful life of 5 years, whichever is shorter
Plant and machinery	6% to 20%
Furniture, fixtures and office equipment	6% to 50%
Motor vehicles	9% to 30%

4. 主要會計政策 (續)

4.8 關連人士 (續) (b) (續)

(vii) 於(a)(i)項所識別人士對實體有重大影響力或屬該實體(或該實體之母公司)主要管理層成員。

(viii) 實體或其所屬集團之任何成員公司向本集團或本集團母公司提供主要管理人員服務。

某一人士之近親指預期可影響該人士與實體進行買賣或於買賣時受該人士影響之有關家屬成員，並包括：

- (i) 該名人士之子女及配偶或家庭夥伴；
- (ii) 該名人士之配偶或家庭夥伴之子女；及
- (iii) 該名人士或該名人士之配偶或家庭夥伴之受養人。

4.9 物業、廠房及設備

於租賃土地上持作自用之樓宇，倘其公平值可與租約開始時租賃土地之公平值分開計算，則連同其他廠房及設備項目(在建工程(「在建工程」)除外)按收購成本減累計折舊及任何可識別減值後列賬。

資產成本包括其購買價及任何使其投入擬定用途之運作狀況及地點之直接應佔成本。

其後成本僅在項目相關之未來經濟利益可能流入本集團及能夠可靠計量項目成本時，在適當情況下入賬資產賬面值或確認為獨立資產。重置部分之賬面值取消確認。所有其他維修及保養成本，均於產生年度於溢利或虧損確認為開支。

折舊按估計可使用年期以直線法撇銷成本減估計剩餘價值計算，年率如下：

土地及樓宇	租賃年期或估計可使用年期(一般介乎10年至50年間)，以較短者為準
租賃物業裝修	租賃年期或估計可使用年期5年，以較短者為準
廠房及機器	6%至20%
傢具、裝置及辦公室設備	6%至50%
汽車	9%至30%

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.9 Property, plant and equipment (Continued)

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

CIP, which mainly represents renovation work on buildings and installation of machinery, is stated at cost less any impairment losses. Cost comprises direct costs incurred during the periods of construction, installation and testing. CIP is reclassified to the appropriate class of property, plant and equipment when substantially all the activities necessary to prepare the assets for their intended use are completed. No depreciation is provided for in respect of CIP until it is completed and ready for its intended use.

The gain or loss arising on retirement or disposal is determined as the difference between the net sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

4.10 Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest to earn rental income and/or for capital appreciation.

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease.

On initial recognition, investment property is measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment property is stated at fair value. Fair value is determined by external professional valuers, with sufficient experience with respect to both the location and the nature of the investment property. The carrying amounts recognised in the consolidated statement of financial position reflect the prevailing market conditions at the reporting date.

Gains or losses arising from either change in the fair value or the sale of an investment property are included in profit or loss in the period in which they arise.

4.11 Leases

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) The Group as lessee

Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases. Where the Group has the right to use of assets held under operating leases, payments made under the leases are charged to profit or loss using straight-line method over the lease terms except where an alternative basis is more representative of the time pattern of benefits to be derived from the leased assets. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rental are charged to profit or loss in the year in which they are incurred.

4. 主要會計政策 (續)

4.9 物業、廠房及設備 (續)

資產估計可使用年期、估計剩餘價值及折舊方法於各報告期末檢討及視適當情況調整。

在建工程主要指樓宇翻新工程以及機器安裝，按成本減任何減值虧損列賬。成本包括於建造、安裝及測試期間產生之直接成本。當使資產投入擬定用途所必須之絕大部分準備工作完成時，在建工程會重新分類至物業、廠房及設備之適當組別。在建工程於完成及準備作擬定用途前，毋須計提折舊撥備。

廢棄或出售時所產生之收益或虧損按銷售所得款項淨額與資產賬面值之差額釐定，並於溢利或虧損確認。

4.10 投資物業

投資物業指就賺取租金收入及／或資本增值而擁有或以租賃權益持有之土地及／或樓宇。

倘本集團以經營租約持有物業權益以賺取租金收入及／或為了資本增值，有關權益會以每項物業為基準分類及入賬為投資物業。任何分類為投資物業之有關物業權益會按以融資租賃持有者入賬。

於初步確認時，投資物業按成本計量，包括任何直接應佔開支。於初步確認後，投資物業按公平值列賬。公平值由具足夠資歷之外聘專業估值師就投資物業之所在地及性質釐定。於綜合財務狀況表確認之賬面值反映於報告日之當時市況。

投資物業公平值變動或銷售產生之收益或虧損於產生期間計入溢利或虧損。

4.11 租約

倘本集團釐定有關安排於協定期限內將特定資產使用權出讓以換取一筆或一連串付款，則包含一項交易或連串交易之安排則屬於或包括一項租約。該項釐定乃基於安排內容之評估而作出，而不論該項安排是否採取租約之法律形式。

(i) 本集團作為承租人

擁有權絕大部分風險及回報並無轉移至本集團之租約分類為經營租約。倘若本集團以經營租約持有資產使用權，根據租約作出之付款將於租期內採用直線法自溢利或虧損扣除，惟倘有另一種更能反映租賃資產衍生利益之時間模式之基準除外。所獲租賃減免在溢利或虧損確認為已付淨租金總額一部分。或然租金將於其產生之年度自溢利或虧損扣除。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.11 Leases (Continued)

(i) *The Group as lessee (Continued)*

Where the Group acquires the use of assets under finance lease, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets is included in fixed assets and the corresponding liabilities, net of finance charges, are recorded as obligations under finance lease. Subsequent accounting for assets under finance lease agreements corresponds to those applied to comparable acquired assets. The corresponding finance lease liability is reduced by lease payments less finance charges.

Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals charged to profit or loss in the accounting period in which they are incurred.

(ii) *The Group as lessor*

Assets leased out under operating leases are measured and presented according to the nature of the assets. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as rental income.

Rental income receivable from operating leases is recognised in profit or loss on the straight-line method over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

(iii) *Prepaid land lease payments*

Prepaid land lease payments are up-front payments to acquire the long-term interests in usage of land on which the buildings are situated. These payments are stated at cost less accumulated amortisation and any impairment loss. Amortisation is calculated using straight-line method over the respective lease terms.

4.12 Intangible assets

(i) *Acquired intangible assets*

Intangible assets acquired separately are initially recognised at cost. The cost of intangible assets acquired in a business combination is fair value at the date of acquisition. Subsequently, intangible assets with definite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is provided on a straight-line basis over their useful lives as follows. Intangible assets with indefinite useful lives are carried at cost less any accumulated impairment losses. The amortisation expense is recognised in profit or loss.

Supplier and distribution networks	10 years
Brand names	10 years
Patents	10 years

Intangible assets with indefinite useful lives shall not be amortised.

4. 主要會計政策 (續)

4.11 租約 (續)

(i) *本集團作為承租人 (續)*

本集團以融資租賃收購資產之使用權，則代表租賃資產公平值款額或(如為較低者)該資產最低租賃付款之現值計入固定資產，而相關負債(扣除融資費用)入賬列作融資租賃承擔。根據融資租賃協議持有之資產後續會計處理與類似購入資產所應用者相一致。相應融資租賃負債會按租賃付款減融資費用扣除。

租賃付款內含之融資費用在租賃期扣自溢利或虧損，使各會計期間之融資費用佔承擔餘額比率大致相同。或然租金將於其產生之會計期間自溢利或虧損扣除。

(ii) *本集團作為出租人*

經營租約項下之出租資產根據資產之性質計量及呈列。於協商及安排經營租約時所產生之初步直接成本計入租賃資產之賬面值，並於租期內以與租金收入相同之基準確認為開支。

來自經營租約之應收租金收入於租賃期間按直線法於溢利或虧損確認，除非有其他基準更能反映來自使用租賃資產利益之模式。所獲租賃減免在溢利或虧損確認為應收淨租金總額之一部分。或然租金在其賺取之會計期間確認為收入。

(iii) *預付土地租賃款項*

預付土地租賃款項為收購樓宇所在土地使用長期權益支付之首筆付款。該等付款按成本減累計攤銷及任何減值虧損列賬。攤銷採用直線法於相關租賃期內計算。

4.12 無形資產

(i) *已收購無形資產*

獨立收購之無形資產初步以成本確認。於業務合併中收購之無形資產成本為收購日期之公平值。其後，可使用年期有限之無形資產以成本減累計攤銷及累計減值虧損列賬。

攤銷按直線法於以下可使用年期作出撥備。具無限可使用年期之無形資產按成本減任何累計減值虧損列賬。攤銷費用於溢利或虧損確認。

供應商及分銷網絡	10年
品牌名稱	10年
專利權	10年

具無限可使用年期之無形資產毋須作攤銷。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.12 Intangible assets (Continued)

(ii) Internally generated intangible assets (research and development costs)

Expenditure on internally developed products is capitalised if it can be demonstrated that:

- it is technically feasible to develop the product for it to be sold;
- adequate resources are available to complete the development;
- there is an intention to complete and sell the product;
- the Group is able to sell the product;
- sale of the product will generate future economic benefits; and
- expenditure on the project can be measured reliably.

Capitalised development costs are amortised over the periods the Group expects to benefit from selling the products developed. The amortisation expense is recognised in profit or loss.

Development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects are recognised in profit or loss as incurred.

(iii) Impairment

Intangible assets with definite useful lives are tested for impairment when there is an indication that an asset may be impaired. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, irrespective of whether there is any indication that they may be impaired. Intangible assets are tested for impairment by comparing their carrying amounts with their recoverable amounts (note 4.7).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

An impairment loss is recognised as an expense immediately.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount; however, the carrying amount should not be increased above the lower of its recoverable amount and the carrying amount that would have resulted had no impairment loss been recognised for the asset in prior years. All reversals are recognised in the profit or loss immediately.

4. 主要會計政策(續)

4.12 無形資產(續)

(ii) 內部產生之無形資產(研發成本)

內部開發產品之支出如能夠證實以下各項，則可撥充資本：

- 開發產品以供出售在技術上可行；
- 具備足夠資源以完成開發；
- 有意完成及銷售該產品；
- 本集團有能力銷售該產品；
- 銷售該產品將帶來未來經濟利益；及
- 有關項目之開支能夠可靠計量。

已撥充資本之開發成本於本集團預期將取得銷售所開發產品之利益期間攤銷。攤銷費用於溢利或虧損中確認。

不符合上述標準之開發支出及內部項目在研究階段之支出於產生時在溢利或虧損中確認。

(iii) 減值

當有跡象顯示資產可能減值時，具有限可使用年期之無形資產將作減值測試。具無限可使用年期之無形資產及尚未可使用之無形資產會每年進行減值測試，不論是否有跡象顯示該等資產可能減值。無形資產透過比較其賬面值與其可收回金額進行減值測試(附註4.7)。

當資產之估計可收回金額少於賬面值時，該資產之賬面值將調低至其可收回金額。

減值虧損會即時確認為開支。

倘其後撥回減值虧損，則資產之賬面值會增至其修訂後之估計可收回金額；然而，賬面值不得增至超過其可收回金額與假設該資產於過往年度並無確認減值虧損而可能產生之賬面值兩者中之較低者。所有撥回即時於溢利或虧損確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.13A Financial instruments (accounting policies applied from 1 January 2018)

(i) Financial assets

A financial asset (unless it is a trade 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 trade receivable without a significant financing component is initially measured at the transaction price.

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.

Fair value through other comprehensive income ("FVOCI"): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through OCI. Debt investments at fair value through other comprehensive income are subsequently measured at fair value. Interest income calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

4. 主要會計政策 (續)

4.13A 金融工具 (自二零一八年一月一日起應用之會計政策)

(i) 金融資產

金融資產 (並無重大融資部分的應收賬款除外) 初步按公平值加上 (倘項目並非按公平值計入溢利或虧損 (「按公平值計入溢利或虧損」)) 其收購或發行直接應佔交易成本計量。並無重大融資部分的應收賬款初步按交易價格計量。

所有按常規方式買賣的金融資產均於交易日 (即本集團承諾購買或出售該資產的日期) 確認。常規方式買賣指按一般市場規例或規定須於指定期間內交付資產的金融資產買賣。

於確定其現金流量是否僅為本金及利息付款時會全面考慮附帶嵌入式衍生工具的金融資產。

債務工具

債務工具的后續計量取決於本集團管理資產的業務模式及資產的現金流量特徵。本集團將其債務工具分類為三種計量類別：

攤銷成本：倘為收取合約現金流量而持有的資產的現金流量僅為本金及利息付款，則該等資產按攤銷成本計量。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、外匯收益及虧損以及減值於溢利或虧損確認。終止確認的任何收益於溢利或虧損確認。

按公平值計入其他全面收入 (「按公平值計入其他全面收入」)：倘為收取合約現金流量及出售金融資產而持有的資產的現金流量僅為本金及利息付款，則該等資產按公平值計入其他全面收入計量。按公平值計入其他全面收入的債務投資其後按公平值計量。採用實際利率法計算的利息收入、外匯收益及虧損以及減值於溢利或虧損確認。其他收益及虧損淨額於其他全面收入確認。於其他全面收入累計的收益及虧損在終止確認時重新分類至溢利或虧損。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.13A Financial instruments (accounting policies applied from 1 January 2018) (Continued)

(i) Financial assets (Continued)

Debt instruments (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 on derecognition. All other equity instruments are classified as FVTPL, whereby changes in fair value, dividends and interest income are recognised in profit or loss.

(ii) Impairment loss on financial assets

The Group recognises loss allowances for expected credit loss ("ECL") on trade receivables, contract assets, financial assets measured at amortised cost and debt investments measured at FVOCI. 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.

4. 主要會計政策 (續)

4.13A 金融工具 (自二零一八年一月一日起應用之會計政策) (續)

(i) 金融資產 (續)

債務工具 (續)

按公平值計入溢利或虧損 (「按公平值計入溢利或虧損」): 按公平值計入溢利或虧損的金融資產包括持作買賣的金融資產、於初步確認時指定按公平值計入溢利或虧損的金融資產或強制要求按公平值計量的金融資產。倘為於近期出售或購回而收購金融資產, 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, 不論其業務模式如何, 均按公平值計入溢利或虧損分類及計量。儘管如上文所述債務工具可按攤銷成本或按公平值計入其他全面收入分類, 但於初始確認時, 倘能夠消除或顯著減少會計錯配, 則債務工具可指定為按公平值計入溢利或虧損。

股本工具

於初步確認並非持作買賣之股本投資時, 本集團可不可撤銷地選擇於其他全面收入呈列投資公平值之其後變動。該選擇乃按逐項投資進行。按公平值計入其他全面收入的股本投資按公平值計量。股息收入於溢利或虧損確認, 除非股息收入明確表示收回部分投資成本。終止確認時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溢利或虧損。所有其他股本工具分類為按公平值計入溢利或虧損, 而因此產生的公平值、股息及利息收入變動於溢利或虧損確認。

(ii) 金融資產減值虧損

本集團就應收賬款、合約資產、按攤銷成本計量的金融資產及按公平值計入其他全面收入計量的債務投資的預期信貸虧損 (「預期信貸虧損」) 確認虧損撥備。預期信貸虧損將採用以下基準計量: (1) 12個月預期信貸虧損: 指報告日期後12個月內可能發生的違約事件而導致的預期信貸虧損; 及 (2) 全期預期信貸虧損: 指金融工具的預期年內所有可能發生的違約事件導致的預期信貸虧損。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。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.13A Financial instruments (accounting policies applied from 1 January 2018) (Continued)

(ii) Impairment loss on financial assets (Continued)

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 trade 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 other debt financial assets at amortised cost or at FVOCI, the ECLs are based on the 12-months ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

For the due from clients and due from banks, except for precious metal, ECL is determined by reference to the estimation of the exposure at default ("EAD"), probability of default ("PD") as well as a loss given default ("LGD"). The 12-months and lifetime PDs represent the probability of default occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the reporting date to the default event together with any expected drawdowns of committed facilities. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

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.

4. 主要會計政策 (續)

4.13A 金融工具 (自二零一八年一月一日起應用之會計政策) (續)

(ii) 金融資產減值虧損 (續)

預期信貸虧損為信貸虧損的概率加權估計。信貸虧損乃按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的所有現金流量之間的差額計量。該差額其後按資產原有實際利率相近的差額貼現。

本集團已選用香港財務報告準則第9號簡化法將應收賬款之虧損撥備進行計量，並已根據全期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的撥備矩陣，並按債務人特定的前瞻性因素及經濟環境作出調整。

就其他按攤銷成本或按公平值計入其他全面收入計量之債務金融資產而言，預期信貸虧損乃基於12個月預期信貸虧損。然而，當信貸風險自發放貸款起大幅增加，撥備將以全期預期信貸虧損為基準。

就應收客戶款項及應收銀行款項（貴金屬除外），預期信貸虧損乃參考違約風險承擔（「違約風險承擔」）、違約或然率（「違約或然率」）以及違約損失率（「違約損失率」）。12個月及全期違約或然率分別代表未來12個月內違約發生的概率以及該工具的剩餘期限。違約風險承擔指預期違約結餘，經計及自結算日起至違約事件連同任何預期根據承諾取用融資的本金及利息還款。違約損失率指因違約事件而產生的違約風險承擔預期虧損，乃經計及（其中包括）預期將會變現時抵押品價值的緩減作用及金錢的時間價值。

於釐定金融資產之信貸風險是否自首次確認起已大幅增加，並於估計預期信貸虧損時，本集團會考慮相關及毋須付出過多成本或努力即可獲得之合理及可靠資料。此包括根據本集團過往經驗及已知信貸評估之定量及定性資料及分析以及包括前瞻性資料。

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。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.13A Financial instruments (accounting policies applied from 1 January 2018) (Continued)

(ii) Impairment loss on financial assets (Continued)

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.

(iii) 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.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

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.

Financial liabilities may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the liabilities or recognising gains or losses on them on a different basis; (ii) the liabilities are part of a group of financial liabilities which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial liability contains an embedded derivative that would need to be separately recorded.

4. 主要會計政策(續)

4.13A 金融工具(自二零一八年一月一日起應用之會計政策)(續)

(ii) 金融資產減值虧損(續)

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採取行動(如變現抵押品)(如持有)的情況下向本集團悉數支付其信貸義務；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(即總賬面值減虧損撥備)計算。非信貸減值金融資產的利息收入乃基於總賬面值計算。

(iii) 金融負債

本集團根據負債產生的原因分類其金融負債。按公平值計入溢利或虧損的金融負債初始按公平值計量及按攤銷成本計量的金融負債初始按公平值計量，扣除產生的直接應佔成本。

按公平值計入溢利或虧損的金融負債

按公平值計入溢利或虧損的金融負債包括持作買賣的金融負債及於初始確認時指定按公平值計入溢利或虧損的金融負債。

倘收購金融負債的目的為於短期內出售，則彼等分類為持作買賣。衍生工具(包括獨立嵌入式衍生工具)亦分類持作買賣，除彼等指定為有效對沖工具除外。持作買賣負債的收益或虧損於溢利或虧損內確認。

倘一項合約包括一項或多項嵌入式衍生工具，則整份混合合約可指定為按公平值計入溢利或虧損的金融負債，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。

倘符合下列條件，金融負債或會於初始確認時被指定為按公平值計入溢利或虧損的負債：(i) 該項指定撇銷或大幅減低因按不同基準而計量負債或確認有關負債的收益或虧損而另行引起的不一致處理方法；(ii) 負債乃一組金融負債的一部分，而該等金融負債乃根據已明文規定的風險管理策略管理及按公平值評定表現；或(iii) 該金融負債包括嵌入式衍生工具須獨立記錄。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.13A Financial instruments (accounting policies applied from 1 January 2018) (Continued)

(iii) Financial liabilities (Continued)

Financial liabilities at fair value through profit or loss (Continued)

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.

Financial liabilities at amortised cost

Financial liabilities at amortised cost including trade payables, borrowings, corporate bonds, subordinate debt and other financial liabilities issued by the Group 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.

(iv) 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.

(v) Equity instruments

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

(vi) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. A financial guarantee contract issued by the Group and not designated as at fair value through profit or loss is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the loss allowance, being the ECL provision measured in accordance with principles of the accounting policy set out in 4.13(ii); and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the principles of HKFRS 15.

4. 主要會計政策 (續)

4.13A 金融工具 (自二零一八年一月一日起應用之會計政策) (續)

(iii) 金融負債 (續)

按公平值計入溢利或虧損的金融負債 (續)

於初始確認後，按公平值計入溢利或虧損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溢利或虧損確認，惟本集團擁有的於其他全面收入內呈報且其後不會重新分類至溢利或虧損表的信貸風險產生的收益及虧損除外。於溢利或虧損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。

按攤銷成本列賬的金融負債

按攤銷成本列賬的金融負債 (包括應付賬款、借貸、公司債券、次級債務及本集團發行的其他金融負債) 隨後使用實際利率法按攤銷成本計量。有關利息開支於溢利或虧損內確認。

終止確認負債及於攤銷過程中產生的收益或虧損於溢利或虧損內確認。

(iv) 實際利率法

實際利率法是計算金融資產或金融負債的攤銷成本以及於有關期間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適用的較短期間內準確貼現估計未來現金收入或付款的利率。

(v) 股本工具

本公司發行的股本工具按所得款項扣除直接發行成本記賬。

(vi) 財務擔保合約

財務擔保合約乃規定發出人向持有人支付指定金額，以補償持有人由於指定欠債人未能根據債務工具原訂或經修訂條款於到期時付款而蒙受的損失。由本集團發出的並非指定為按公平值計入溢利或虧損的財務擔保合約初步按公平值減發出財務擔保合約直接產生的交易成本予以確認。初步確認後，本集團按以下各項較高者計量財務擔保合約：(i) 虧損撥備金額，即根據 4.13(ii) 所載會計政策原則計量的預期信貸虧損撥備；及 (ii) 初步確認金額減 (如適當) 根據香港財務報告準則第 15 號的原則確認的累計攤銷。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.13A Financial instruments (accounting policies applied from 1 January 2018) (Continued) (vii) 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.

4.13B Financial Instruments (accounting policies applied until 31 December 2017)

(i) Financial assets

The Group's financial assets are classified as trading portfolio investments, loans and receivables, available-for-sale financial assets, held-to-maturity investments and derivative financial assets. Management determines the classification of its financial assets at initial recognition depending on the purpose for which the financial assets were acquired and where allowed and appropriate, re-evaluates this designation at the end of each reporting period.

All financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade date, that is, the date that the Group commits to purchase or sell the asset. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

De-recognition of financial assets occurs when the rights to receive cash inflows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

At the end of each reporting period, financial assets are reviewed to assess whether there is objective evidence of impairment. If any such evidence exists, impairment loss is determined and recognised based on the classification of the financial asset.

4. 主要會計政策 (續)

4.13A 金融工具 (自二零一八年一月一日起應用之會計政策) (續) (vii) 終止確認

凡收取金融資產所帶來的未來現金流量的合約權利屆滿，或金融資產經已轉讓，而轉讓符合香港財務報告準則第9號規定的終止確認準則，則本集團終止確認該金融資產。

當有關合約中訂明的責任獲解除、註銷或屆滿時，則會終止確認金融負債。

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償付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，則股本工具按已註銷金融負債之公平值計量。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溢利或虧損確認。

4.13B 金融工具 (二零一七年十二月三十一日前應用之會計政策)

(i) 金融資產

本集團金融資產分類為交易組合投資、貸款及應收款、可供出售金融資產、持至到期投資及衍生金融資產。管理層視乎收購金融資產之目的，於初步確認時釐定其金融資產之分類，並於許可及適當情況下，於各報告期末重新評估其分類。

所有金融資產僅在本集團訂立工具合約條款時確認，日常方式買賣之金融資產於交易日期確認，即本集團承諾買賣資產之日期。金融資產初步確認時按公平值計量，如屬並非按公平值計入溢利或虧損之投資，則加上直接應佔之交易成本計量。

倘自投資收取現金流入之權利屆滿或被轉讓且絕大部分擁有權之風險及回報均已轉讓，則取消確認金融資產。

於各報告期末，金融資產將予進行檢討，以評估有否客觀證據顯示減值。倘出現任何該等證據，則會按該金融資產之分類釐定及確認減值虧損。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.13B Financial Instruments (accounting policies applied until 31 December 2017) (Continued)

(i) Financial assets (Continued)

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

Financial assets at fair value through profit or loss mainly represent trading portfolio investments, which are mainly financial assets held for trading and they may be designated upon initial recognition as at fair value through profit or loss. They are classified as held for trading if they are acquired for the purpose of selling in the near term, or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent pattern of short-term profit-taking.

Financial assets may be designated at initial recognition as at fair value through profit or loss if the following criteria are met:

- the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or recognising gains or losses on them on a different basis; or
- the assets are part of a group of financial assets which are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management strategy and information about the group of financial assets is provided internally on that basis to the key management personnel; or
- the financial asset contains an embedded derivative that would need to be separately recorded.

Subsequent to initial recognition, the financial assets included in this category are measured at fair value with changes in fair value recognised in profit or loss. Fair value is determined by reference to active market transactions or using a valuation technique where no active market exists. Fair value gain or loss does not include any dividend or interest earned on these financial assets. Dividend and interest income is recognised in accordance with the Group's accounting policies in note 4.19.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are subsequently measured at amortised cost using the effective interest method, less any impairment losses. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees and costs that are an integral part of the effective interest rate and transaction cost.

4. 主要會計政策(續)

4.13B 金融工具(二零一七年十二月三十一日前應用之會計政策)(續)

(i) 金融資產(續)

(a) 按公平值計入溢利或虧損之金融資產

按公平值計入溢利或虧損之金融資產主要指交易組合投資，主要為持作買賣及初步確認時可能指定為按公平值計入溢利或虧損之金融資產。倘收購該等金融資產之目的為為了於短期內銷售，或該等金融資產屬共同管理且有證據顯示其近期模式屬短期獲利之已識別金融工具組合之其中一部分，則該等金融資產分類為持作買賣。

倘符合以下準則，金融資產則可於初步確認時指定作按公平值計入溢利或虧損：

- 有關指定能消除或大大減低因按照不同基準計量有關資產或確認其收益或虧損而出現之不一致處理情況；或
- 根據列明之風險管理策略，該等資產為一組受管理而其表現按公平值基準評估之金融資產之其中一部分，有關該組金融資產之資料按該基準提供予內部主要管理人員；或
- 有關金融資產包含需要分開記賬之嵌入式衍生工具。

初步確認後，計入此類別之金融資產按公平值計量，而公平值變動在溢利或虧損確認。公平值乃參考活躍市場交易釐定，倘無活躍市場則運用估值方法釐定。公平值收益或虧損並不包括就此等金融資產賺取之任何股息或利息。股息及利息收入根據附註4.19之本集團會計政策確認。

(b) 貸款及應收款

貸款及應收款為具固定或有待釐定付款金額而並無在活躍市場報價之非衍生金融資產。該等資產其後以實際利率法按攤銷成本減任何減值虧損計量。攤銷成本之計算經計及任何收購時產生之折讓或溢價，包括構成實際利率及交易成本之費用及成本。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.13B Financial Instruments (accounting policies applied until 31 December 2017) (Continued)

(i) Financial assets (Continued)

(b) Loans and receivables (Continued)

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.

(c) Available-for-sale financial assets

These include non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets.

All financial assets within this category are subsequently measured at fair value. Gain or loss arising from a change in the fair value excluding any dividend and interest income is recognised in other comprehensive income and accumulated separately in the investment revaluation reserve in equity, except for impairment losses (see the policy below) and foreign exchange gains and losses on monetary assets, until the financial asset is derecognised, at which time the cumulative gain or loss previously recognised in equity would be recycled to profit or loss. Interest calculated using the effective interest method is recognised in profit or loss. Upon disposal, the cumulative gain or loss previously recognised in equity is transferred to profit or loss.

For available-for-sale investment in equity securities that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment losses at the end of each reporting period subsequent to initial recognition.

(d) Investments in convertible bonds

The component parts of the convertible instruments are classified separately as debt component and conversion option derivative.

At the date of acquisition of investments in convertible bonds, the initial value of the debt component is the residual value after separating out the initial fair value of conversion option component. In subsequent periods, the debt component of the convertible instruments is carried at amortised cost using the effective interest method. The conversion option derivative is measured at fair value with changes in fair value recognised in profit or loss.

Transaction costs that relate to the acquisition of the convertible investments are allocated to debt and derivative components in proportion to their relative fair values. Transaction costs relating to the derivative components are charged to profit loss immediately. Transaction costs relating to the debt component are included in the carrying amount of the debt portion and amortised over the period of the convertible instruments using the effective interest method.

4. 主要會計政策 (續)

4.13B 金融工具 (二零一七年十二月三十一日前應用之會計政策) (續)

(i) 金融資產 (續)

(b) 貸款及應收款 (續)

實際利率法是指計算金融資產或金融負債以及於相關期間分配利息收入或利息支出攤銷成本之方法。實際利率是將估計未來現金收入或付款透過金融資產或負債之預期年期或 (倘適用) 較短期間準確貼現之利率。

(c) 可供出售金融資產

當中包括並不符合資格歸類為任何其他金融資產類別之非衍生金融資產。

本類別內之所有金融資產其後以公平值計量。除減值虧損 (見下文政策) 及貨幣資產外匯收益及虧損外，公平值變動產生之收益或虧損 (不包括任何股息及利息收入) 於其他全面收入確認，並於權益之投資重估儲備獨立累計，直至有關金融資產取消確認為止，屆時以往於權益確認之累計收益或虧損將重新撥至溢利或虧損。使用實際利率法計算之利息於溢利或虧損確認。出售有關資產時，過往於權益確認之累計收益或虧損轉撥至溢利或虧損。

就並無在活躍市場報價且公平值不能可靠計量之可供出售股本證券投資以及與無報價股本工具掛鉤及必須透過支付該等工具結清之衍生工具而言，於初步確認後各報告期末，按成本減任何已識別減值虧損計量。

(d) 可換股債券投資

可換股工具之組成部分可獨立分類為債務部分及換股權衍生工具。

於收購可換股債券投資之日，債務部分之初步價值為剔除換股權部分之初步公平值後之剩餘價值。期後，可換股工具之債務部分乃使用實際利率法按攤銷成本列賬。換股權衍生工具乃按公平值計量，而公平值變動於溢利或虧損中確認。

有關收購可換股投資之交易成本乃按相關公平值分配至債務部分及衍生部分。有關衍生部分之交易成本會即時於溢利或虧損中支銷，而有關債務部分之交易成本則計入債務部分之賬面值，並使用實際利率法於可換股工具期內攤銷。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.13B Financial Instruments (accounting policies applied until 31 December 2017) (Continued)

(i) Financial assets (Continued)

(e) Due from banks and clients

Balances due from banks and clients include non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than:

- Those that the Group intends to sell immediately or in the near term and those that the Group, upon initial recognition, designates as at FVTPL;
- Those that the Group, upon initial recognition, designates as available-for-sale; or
- Those for which the Group may not recover substantially all of its initial investment, other than because of credit deterioration.

After initial measurement, amounts due from banks and clients are subsequently measured at amortised cost using the effective interest method, less allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the effective interest rate. Therefore, the Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of the loan, hence, recognising the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (prepayments, penalty interest and charges). If expectations are revised the adjustment is booked a positive or negative adjustment to the carrying amount in the consolidated statement of financial position with an increase or reduction in interest income. The adjustment is subsequently amortised through interest and similar income in the profit or loss.

(f) Securities borrowing and lending transactions

Securities borrowing and lending transactions are backed by collateral. In such transactions, the Group lends or borrows securities against securities or cash deposits as collateral. The Group also borrows securities from the securities portfolios of individual clients. Shares and debt instruments are used for securities borrowing and lending operations. Securities received or delivered within the scope of securities borrowing or lending transactions are recognised or derecognised in the consolidated statement of financial position only if control over the contractual rights connected with the securities is transferred.

In securities lending operations, the cash deposit received is recognised under "cash and deposits" in the consolidated statement of financial position and a corresponding liability is recognised under "cash deposits for loaned securities".

In securities borrowing transactions, the cash deposit made is eliminated from the consolidated statement of financial position and a corresponding receivable is recognised.

4. 主要會計政策(續)

4.13B 金融工具(二零一七年十二月三十一日前應用之會計政策)(續)

(i) 金融資產(續)

(e) 應收銀行及客戶款項

應收銀行及客戶結餘包括於活躍市場並無報價之固定或可予釐定付款之非衍生金融資產，但不包括：

- 本集團擬立即或近期出售者及初步確認後，本集團指定為按公平值計入溢利或虧損者；
- 初步確認後，本集團指定為可供出售者；或
- 本集團可能無法收回其絕大部分初步投資者(因信貸情況惡化而無法收回者除外)。

初步計量後，應收銀行及客戶金額其後以實際利息法按攤銷成本減減值撥備計量。攤銷成本之計算經計及任何收購時產生之任何折讓或溢價以及構成實際利率不可或缺部分之費用及成本。因此，本集團按回報率確認利息收入，回報率指對預期貸款行為壽命之穩定回報率之最佳估計，因此確認不同利率於不同階段變動之潛在影響及產品生命週期之其他特徵(預付款項、罰金利息及費用)。倘修改預期，則利息收入增加或減少之調整於綜合財務狀況表之賬面值按正調整或負調整入賬。調整於其後透過利息及類似收入在溢利或虧損中攤銷。

(f) 證券借入及借出交易

證券借入及借出交易由抵押品作擔保。於該等交易中，本集團借出或借入證券，以證券或保證金作抵押品。本集團亦從個別客戶之證券組合中借入證券。股份及債務工具用於證券借入及借出業務。僅於已轉移證券相關合約權利之控制權時，證券借入或借出交易範圍內已收取或交付之證券方會於綜合財務狀況表確認或取消確認。

於證券借出業務中，已收保證金於綜合財務狀況表之「現金及存款」項下確認，而相應負債則於「借出證券之保證金」項下確認。

於證券借入交易中，已抵押之保證金從綜合財務狀況表撤銷，而相應應收款則獲確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.138 Financial Instruments (accounting policies applied until 31 December 2017) (Continued)

(i) Financial assets (Continued)

(g) Financial assets held/sold under resale/repurchase agreements

Financial assets held under resale agreements are transactions that the Group acquires financial assets which will be resold at a predetermined price in the future date under resale agreements. Financial assets sold under repurchase agreements are transactions that the Group sells financial assets which will be repurchased at a predetermined price in the future date under repurchase agreements.

The cash advanced or received is recognised as amounts held under the resale and repurchase agreements in the consolidated statement of financial position. Assets held under resale agreements are recorded in memorandum accounts as off-balance sheet items. Assets sold under repurchase agreements continue to be recognised in the consolidated statement of financial position.

The difference between the sale and repurchase consideration, and that between the purchase and resale consideration, are amortised over the period of the respective transaction using the effective interest method and are included in interest income and interest expense respectively.

(h) Held to maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity for which the Group has the positive intention and ability to hold to maturity, other than (a) those that the Group, upon initial recognition, designates as at fair value through profit or loss or as available-for-sale; and (b) those that meet the definition of loans and receivables.

Held-to-maturity investments are carried at amortised cost using the effective interest method less any impairment losses.

If, as a result of a change in intention or ability, it is no longer appropriate to classify an investment as held-to-maturity, it shall be reclassified as available-for-sale and remeasured at fair value.

4. 主要會計政策 (續)

4.138 金融工具 (二零一七年十二月三十一日前應用之會計政策) (續)

(i) 金融資產 (續)

(g) 返售/購回協議項下所持有/所出售之金融資產

返售協議項下所持有之金融資產為本集團根據轉售協議先買入再於未來日期按事先釐定之價格返售之金融資產交易。購回協議項下所出售之金融資產為本集團根據購回協議先賣出再於未來日期按事先釐定之價格購回之金融資產交易。

提前墊付或所收之現金於綜合財務狀況表按返售及購回協議項下所持有之金額確認。返售協議項下所持有之資產於表外作備查入賬。購回協議項下所出售之資產將持續於綜合財務狀況表內確認。

出售代價與購回代價之間之差額，及購買代價與返售代價之間之差額於各自交易期間以實際利率法攤銷並分別入賬為利息收入及利息開支。

(h) 持至到期投資

持至到期投資為具有固定或可釐定付款及固定到期日、且本集團具有持有至到期之明確計劃及能力之非衍生金融資產，但不包括(a)初步確認後，本集團指定為按公平值計入溢利或虧損者或可供出售者；及(b)符合貸款及應收款定義者。

持至到期投資以實際利率法按攤銷成本減任何減值虧損列賬。

倘由於計劃或能力變動，投資分類為持有至到期不再適當，則須重新分類為可供出售並重新計量公平值。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.13B Financial Instruments (accounting policies applied until 31 December 2017) (Continued)

(i) Financial assets (Continued)

(ii) Impairment of financial assets

At the end of each reporting period, financial assets other than at fair value through profit or loss are reviewed to determine whether there is any objective evidence of impairment. If any such evidence exists, impairment loss is determined and recognised based on the classification of the financial asset. Objective evidence of impairment of individual financial assets includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- granting concession to a debtor because of debtor's financial difficulty; and
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation.

Loss events in respect of a group of financial assets include observable data indicating that there is a measurable decrease in the estimated future cash flows from the group of financial assets. Such observable data includes but not limited to adverse changes in the payment status of debtors in the group and, national or local economic conditions that correlate with defaults on the assets in the group.

If any such evidence exists, the impairment loss is measured and recognised as follows:

- Due from banks and clients
At each reporting date, a credit assessment is made to see if there are objective indications that the contractually owed amount may not be recovered in full. If there are such indications, specific value adjustments for credit risks are made on these impaired loans. Specific value adjustments for credit risks are recognised in the consolidated statement of financial position as write-downs of the carrying amount of the loan in question. The value adjustment is measured on the basis of the difference between the carrying amount of the receivable and the prospective recoverable amount, discounted at the effective interest rate determined in the initial recognition in consideration of the net proceeds from the realisation of any collateral. Loans with variable interest rates are discounted at the effective interest rate. If there are changes with regard to the amount and the timing of expected future cash flows compared to previous estimates, the value adjustment for credit risks is adjusted and recognised in profit or loss.

4. 主要會計政策(續)

4.13B 金融工具(二零一七年十二月三十一日前應用之會計政策)(續)

(i) 金融資產(續)

(ii) 金融資產減值

於各報告期末，檢討按公平值計入溢利或虧損以外之金融資產，以釐定是否出現任何減值客觀證據。倘存在任何該等證據，則減值虧損按金融資產分類釐定及確認。個別金融資產之客觀減值證據包括引致本集團對下列一項或多項虧損事件關注之可觀察數據：

- 債務人陷入重大財務困難；
- 違反合約，例如拖欠或延遲償還利息或本金；
- 因債務人財政困難而授予寬免；及
- 債務人可能破產或進行其他財務重整。

有關某一組金融資產之虧損事件包括顯示該組金融資產之估計未來現金流量出現可計量跌幅之可觀察數據。該等可觀察數據包括但不限於組別內債務人之付款狀況，以及與組別內資產拖欠情況有關之國家或當地經濟狀況出現逆轉。

倘存在任何該等證據，則減值虧損按以下方式計量及確認：

- 應收銀行及客戶款項
於各報告日將進行信貸評估，以觀察是否有客觀跡象顯示未必能悉數收回合約欠款。倘存在有關跡象，則就該等已減值貸款進行信貸風險特定價值調整。信貸風險特定價值調整於綜合財務狀況表確認為有關貸款賬面值撇減。價值調整按應收款賬面值與有可能收回金額間之差額計量，按計及變現任何抵押品所得款項淨額後初步確認時釐定之實際利率貼現。浮息貸款按實際利率貼現。倘預期未來現金流量之金額及時間與先前估計相比有所變動，則調整信貸風險價值調整，並於溢利或虧損確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.138 Financial Instruments (accounting policies applied until 31 December 2017) (Continued)

(i) Financial assets (Continued)

(ii) Impairment of financial assets (Continued)

– Due from banks and clients (Continued)

Non-performing loans are receivables for which the contractually agreed capital and/or payments are overdue by more than 90 days and where there are no clear indications that they may be recovered by later payments or the sale of collateral. Interest more than 90 days overdue is subject to value adjustment, and is only recorded in the profit or loss when it is paid. Loans are fixed without interest when their collectability is so doubtful that an accrual can no longer be considered reasonable. Non-performing loans that are classified as completely or partially unrecoverable are eliminated and charged to a specific value adjustment if one exists.

Impaired loans are reclassified at full value if the outstanding capital and interest is once again paid on time according to contractual agreements and if further credit risk requirements are fulfilled. The recovery of loans that had previously been written off and taken off the books is recorded in profit or loss. The existing procedures for the determination and calculation of specific value adjustments results in a comprehensive assessment of loans; accordingly, portfolio value adjustments are generally unnecessary. Realised income from loans that are sold before their maturity or repaid early are recorded in profit or loss.

– Financial assets carried at amortised cost, other than due from banks and clients

A provision for impairment of loans and receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The amount of the loss is recognised in profit or loss of the year in which the impairment occurs.

If, in 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 to the extent that it does not result in a carrying amount of the financial asset exceeding what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss of the year in which the reversal occurs.

4. 主要會計政策 (續)

4.138 金融工具 (二零一七年十二月三十一日前應用之會計政策) (續)

(i) 金融資產 (續)

(ii) 金融資產減值 (續)

– 應收銀行及客戶款項 (續)

不良貸款為合約協定資本及／或款項逾期超過90日且無明確跡象顯示可透過其後付款或出售抵押品收回之應收款。逾期超過90日之利息須進行價值調整，並於支付後方會在溢利或虧損入賬。當貸款之可收回性存疑以致應計費用不再被視為合理時，貸款定為免息。出現分類為完全或部分不可收回之不良貸款時，則進行撇銷，並自特定價值調整扣除。

倘未償還資本及利息根據合約協議再次準時支付且符合其他信貸風險規定，則已減值貸款按總值重新分類。收回先前已撇銷及取消賬面之貸款於溢利或虧損入賬。釐定及計算特定價值調整之現有程序會導致進行全面貸款評估；因此，一般不需要進行組合價值調整。到期前已售出或提早償還貸款之已變現收入於溢利或虧損入賬。

– 按攤銷成本列賬之金融資產 (應收銀行及客戶款項除外)

當有客觀證據顯示本集團將無法根據應收款之原訂條款收回所有應收款額時，則就貸款及應收款作出減值撥備。減值虧損金額按資產賬面值與按金融資產原來之實際利率 (即於初步確認時計算所得實際利率) 貼現之估計未來現金流量之現值兩者間之差額計算。虧損金額於減值出現之年度於溢利或虧損確認。

倘於往後期間，減值虧損金額減少，而減幅與確認減值後發生之某一事項有客觀關連，則過往確認之減值虧損可予撥回，惟不得導致該項金融資產於撥回減值日期之賬面值超過如無確認減值之原本攤銷成本。撥回金額於作出撥回年度於溢利或虧損確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.13B Financial Instruments (accounting policies applied until 31 December 2017) (Continued)

(i) Financial assets (Continued)

(i) Impairment of financial assets (Continued)

- Available-for-sale financial assets
When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the asset is impaired, an amount is removed from equity and recognised in profit or loss as an impairment loss. That amount is measured as the difference between the asset's acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in profit or loss.

Reversals of impairment for investment in equity instruments classified as available-for-sale are not recognised in profit or loss. The subsequent increase in fair value is recognised in other comprehensive income.

(ii) Financial liabilities

The Group's financial liabilities are classified as financial liabilities at fair value through profit or loss and financial liabilities at amortised cost. Management determines the classification of its financial liabilities at initial recognition depending on the purpose for which the financial liabilities were incurred.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. 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.

A financial liability is de-recognised when the obligations specified in the relevant contract are discharged, cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in profit or loss.

4. 主要會計政策 (續)

4.13B 金融工具 (二零一七年十二月三十一日前應用之會計政策) (續)

(i) 金融資產 (續)

(i) 金融資產減值 (續)

- 可供出售金融資產
倘可供出售金融資產之公平價值減幅已在權益直接確認，且已存在客觀證據證明資產已出現減值，則從權益中扣除某一金額並於溢利或虧損確認減值虧損。該金額根據資產之收購成本 (扣除任何本金還款及攤銷後) 與現時公平價值之差額，減該項資產過往已在溢利或虧損確認之減值虧損計量。

有關分類為可供出售之股本工具投資之減值撥回不會在溢利或虧損確認。其後之公平價值增加於其他全面收入確認。

(ii) 金融負債

本集團金融負債分類為按公平值計入溢利或虧損之金融負債及按攤銷成本入賬之金融負債。管理層視乎產生金融負債之目的，於初步確認時將其金融負債分類。

金融負債在本集團訂立工具合約條文時確認。按公平值計入溢利或虧損之金融負債初步按公平值計量，而按攤銷成本入賬之金融負債則初步按公平值扣除直接產生之應佔成本計量。

倘有關合約訂明之責任已履行、註銷或屆滿，則取消確認金融負債。

倘一項現有金融負債被相同貸款人按條款基本迥異之另一項債項取代，或現有負債條款被重大修改，該取代或修改會被視作取消確認原有負債及確認一項新負債處理，且各賬面值間之差額會於溢利或虧損確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.13B Financial Instruments (accounting policies applied until 31 December 2017) (Continued)

(ii) Financial liabilities (Continued)

(a) Borrowings, corporate bonds and subordinated debt

Borrowings, corporate bonds and subordinated debt are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings, corporate bonds and subordinated debt is recognised over the terms of the borrowings, corporate bonds and subordinated debt. All interest related charges are recognised in accordance with the Group's accounting policy for borrowing costs as set out in note 4.22.

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

(b) Other financial liabilities

Subsequent to initial recognition, other financial liabilities are measured at amortised cost less settlement payments, using the effective interest method.

(iii) Derivative financial instruments

Derivative financial instruments, in individual contracts or separated from hybrid financial instruments, are initially recognised at fair value on the date when the derivative contract is entered into. At the end of each reporting period, the fair value is re-measured. Gain or loss arising from changes in fair value is charged immediately to profit or loss for the year, except where the derivatives qualify for cash flow hedge accounting or hedge the net investment in a foreign operation, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged.

(iv) Financial guarantees issued

A financial guarantee contract is a contract that requires the issuer (or guarantor) to make specified payments to reimburse the holder (or the beneficiary of the guarantee) for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee, the fair value of the guarantee is initially recognised as deferred income within other liabilities. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantee issued. In addition, provisions are recognised in accordance with note 4.17 if and when it becomes probable that the holder of the guarantee will call upon the Group under the guarantee and the amount of that claim on the Group is expected to exceed the current carrying amount, i.e. the amount initially recognised less accumulated amortisation, where appropriate.

4. 主要會計政策(續)

4.13B 金融工具(二零一七年十二月三十一日前應用之會計政策)(續)

(ii) 金融負債(續)

(a) 借貸、公司債券及次級債務

借貸、公司債券及次級債務以實際利率法其後按攤銷成本列賬。倘扣除交易成本後所得款項與償還或贖回借貸、公司債券及次級債務之間出現任何差額，則於借貸、公司債券及次級債務年期內確認。所有與利息相關之開支按載於附註4.22有關本集團借貸成本之會計政策確認。

除非本集團有權無條件將債務結付日期遞延至報告日後至少12個月，否則借貸將分類至流動負債項下。

(b) 其他金融負債

於初步確認後，其他金融負債按攤銷成本減結算款項以實際利率法計量。

(iii) 衍生金融工具

衍生金融工具以個別合約或與混合金融工具分開於訂立衍生工具合約日期初步按公平值確認。公平值會於各報告期末重新計量。公平值變動產生之收益或虧損即時入賬該年度之溢利或虧損，惟符合現金流量對沖會計處理或對沖海外業務投資淨額之衍生工具除外，在此情況下，確認任何因此產生之收益或虧損須視乎所對沖項目之性質而定。

(iv) 所發出財務擔保

財務擔保合約乃規定發行人(或擔保人)在當某債務人未能按照某債務工具之條款在到期時付款而出現虧損時向持有人(或擔保受益人)作出具體償付之合約。

當本集團發出財務擔保時，擔保公平值首次於其他負債認為遞延收入。如就發出擔保收取或應收代價，則該代價將根據適用於該項資產類別之本集團政策確認列賬。倘並無收取或應收代價，則即時支出會於首次確認任何遞延收入時於溢利或虧損確認入賬。

首次確認為遞延收入之擔保金額會於擔保期內在溢利或虧損攤銷，列作已發出財務擔保之收入。此外，當擔保持有人有可能要求本集團履行擔保責任，而其向本集團索取之金額預期將超過當時賬面值(即首次確認之金額減累計攤銷，如適用)，則會根據附註4.17確認撥備。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.14 Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost is determined using weighted average basis, and in the case of work-in-progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expense and the estimated costs necessary to make the sale.

4.15 Cash and cash equivalents

Cash and cash equivalents include cash and bank balances, demand deposits with banks, and short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in values.

4.16 Government grants

Government grants are recognised when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as revenue in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deferred and recognised in profit or loss over the useful life of the asset.

4.17 Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

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

Contingent liabilities are recognised in the course of the allocation of purchase price to the assets and liabilities acquired in a business combination. They are initially measured at fair value at the date of acquisition and subsequently measured at the higher of the amount that would be recognised in a comparable provision as described above and the amount initially recognised less any accumulated amortisation, if appropriate.

4. 主要會計政策(續)

4.14 存貨

存貨初步按成本確認，其後按成本及可變現淨值兩者之較低者列賬。成本按加權平均基準釐定，在製品及製成品之成本包括直接材料、直接勞工及按適當比例計算之生產成本。可變現淨值乃按照日常業務過程中之估計售價減任何適當銷售開支及完成銷售之估計成本計算。

4.15 現金及現金等價物

現金及現金等價物包括之現金及銀行結餘、活期銀行存款及原到期日為三個月或以下之短期高度流通投資，均可隨時轉換為已知數額現金且價值變動風險不大。

4.16 政府補貼

政府補貼於合理確定將可收取及本集團將遵照所附有關條件時予以確認。就所產生開支向本集團補償之撥款，於開支產生之同期有系統地於溢利或虧損中確認為收入。用於抵銷本集團資產成本之補貼則予以遞延並按資產之可使用年期於溢利或虧損中確認。

4.17 撥備及或然負債

當本集團現時因過往事件而須承擔法定或推定責任，而結算債務可能要求流出經濟利益，於能可靠地作出估計時，撥備予以確認。倘貨幣時間價值之影響屬重大，則有關撥備將按預計結算該責任所需費用之現值列賬。

所有撥備均於各報告日進行檢討，並作出調整以反映當前最佳估計。

當流出經濟利益之可能性不大，或未能可靠估計數額，則有關責任會披露為或然負債，除非流出經濟利益之可能性甚微。純粹視乎日後有否出現一項或多項並非完全在本集團控制內之不確定事件而可能產生之責任，亦會披露為或然負債，除非流出經濟利益之可能性甚微。

或然負債於分配收購價至業務合併所購入資產及負債之過程中確認，初步按收購日期公平值計量，其後按上文所述原應於可資比較撥備確認之款額與初步確認款額減任何累計攤銷(如適用)之較高者計量。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.18 Income tax

Income tax comprises current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period.

An exception to the general requirement on determining the appropriate tax rate used in measuring deferred tax amount is when an investment property is carried at fair value under HKAS 40 "Investment Property". Unless the presumption is rebutted, the deferred tax amounts on these investment properties are measured using the tax rates that would apply on sale of these investment properties at their carrying amounts at the reporting date. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all the economic benefits embodied in the property over time, rather than through sale.

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

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income or when they relate to items recognised directly in equity in which case the taxes are also recognised directly in equity.

4. 主要會計政策 (續)

4.18 所得稅

所得稅包括即期稅項及遞延稅項。

即期稅項乃根據日常業務之溢利或虧損，就所得稅而言毋須課稅或不可扣稅之項目作出調整，並按報告期末已制定或大致上制定之稅率計算。

遞延稅項乃就財務報告而言之資產與負債之賬面值與就稅務而言之相關數額之暫時差額而確認。除商譽及不影響會計或應課稅溢利之已確認資產與負債外，就所有應課稅暫時差額確認遞延稅項負債。於有可能出現可運用可扣稅之暫時差額抵銷之應課稅溢利時，遞延稅項資產方會確認。遞延稅項乃按預期適用於有關資產變現或有關負債結算之方式及於報告期末已制定或大致上制定之稅率計量。

倘投資物業根據香港會計準則第40號「投資物業」按公平值列賬，則可豁免遵守釐定用於計量遞延稅項金額之適用稅率之一般規定。除非推定被駁回，否則該等投資物業之遞延稅項金額按於報告日賬面值出售該等投資物業所適用之稅率計量。倘投資物業可予折舊，且持有該物業之業務模式目標為隨時間消耗該物業絕大部分經濟利益（而非透過銷售），則此假設可予駁回。

除非本集團可以控制暫時差額之撥回，且該撥回在可預見未來不大可能發生者外；於附屬公司及聯營公司之投資所產生有關應課稅暫時差額確認為遞延稅項負債。

所得稅於溢利或虧損確認，惟倘所得稅與於其他全面收入確認之項目有關則除外，在此情況下，所得稅亦於其他全面收入確認，或倘所得稅與直接於權益確認之項目有關，則所得稅亦直接於權益確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.18 Income tax (Continued)

Current tax assets and current tax liabilities are presented in net if, and only if,

- (a) the Group has the legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Group presents deferred tax assets and deferred tax liabilities in net if, and only if,

- (a) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
 - (i) the same taxable entity; or
 - (ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

4.19 Revenue recognition (accounting policies applied from 1 January 2018)

i) Revenue from contract with customers

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.

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.

4. 主要會計政策 (續)

4.18 所得稅 (續)

即期稅項資產及即期稅項負債僅於以下情況按淨額呈列：

- (a) 本集團具有可合法執行權利抵銷已確認款額；及
- (b) 計劃以淨額基準結清或同時變現資產及結清負債。

本集團僅於以下情況按淨額呈列遞延稅項資產及遞延稅項負債：

- (a) 本集團具有可合法執行權利以即期稅項資產抵銷即期稅項負債；及
- (b) 遞延稅項資產及遞延稅項負債與相同稅務機關於以下情況徵收之所得稅有關：
 - (i) 相同應課稅實體；或
 - (ii) 於預期遞延稅項負債或資產重大款額結清或收回之日後每個期間，不同應課稅實體擬按淨額基準結清即期稅項負債及資產或同時變現資產及結清負債。

4.19 收入確認 (自二零一八年一月一日起應用之會計政策)

i) 與客戶訂立合約之收入

與客戶訂立合約之收入於貨品或服務的控制權轉讓予客戶時確認，有關金額反映本集團預期就交換該等貨品或服務有權收取的代價，不包括代表第三方收取的有關金額。收益不包括增值稅或其他銷售稅並扣除任何交易折讓。

視乎合約的條款及合約適用的法律，貨品或服務的控制權可在一段時間或某一時間點轉移。倘本集團在履約過程中符合下列條件，貨品或服務之控制權可在一段時間轉移：

- 提供客戶收到且同時消耗之所有利益；
- 本集團履約時創造及提升客戶所控制之資產；或
- 並無創造對本集團而言有其他用途之資產，而本集團有強制執行權利收取至今已完成履約部分的款項。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.19 Revenue recognition (accounting policies applied from 1 January 2018) (Continued)

i) Revenue from contract with customers (Continued)

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.

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.

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.

(a) Service fees and commission income

Service fees and commission income is generally recognised when the corresponding service is provided.

Service fees and commission income are recognised at a point in time when the relevant services such as broking services, provided to the customers and there is no unfulfilling performance obligation after services rendering. Custody account services and asset management service is recognised over time so as to depict the pattern of delivery of services.

Origination or commitment fees received/paid by the Group which result in the creation or acquisition of a financial asset are deferred and recognised as an adjustment to the effective interest rate. When a loan commitment is not expected to result in the draw-down of a loan, loan commitment fees are recognised.

4. 主要會計政策 (續)

4.19 收入確認 (自二零一八年一月一日起應用之會計政策) (續)

i) 與客戶訂立合約之收入 (續)

倘貨品或服務之控制權可在一段時間轉移，則收入乃於整個合約期間經參考完成履行履約責任之進度確認。否則，收入於客戶獲得貨品或服務控制權之某一時點確認。

於合約載有於一年以上時間向客戶轉移貨品或服務會為客戶帶來重大融資利益的融資成分時，則收益按應收款項的現值計量，使用本集團與客戶在合約訂立時於個別融資交易內反映的貼現率貼現。倘合約載有為本集團帶來重大融資利益的融資成分，收益乃根據有關合約確認，包括實際利率法項下合約負債附有的利息開支。就付款與轉移承諾貨品或服務之間的期間為一年以內的合約而言，交易價格不會就重大融資成分的影響作出調整，使用香港財務報告準則第15號中實用的權宜之策。

合約資產指本集團就換取本集團已向客戶轉讓服務收取代價之權利 (尚未成為無條件)。相反，應收款項指本集團收取代價之無條件權利，即只需待時間過去代價即到期應付。

合約負債指本集團因其已自客戶收取代價 (或到期應收之代價) 而須向客戶轉讓服務之責任。

(a) 服務費及佣金收入

服務費及佣金收入於提供相關服務時確認。

服務費及佣金收入於向客戶提供經紀服務等相關服務後並無尚未履行履約責任之某一時間點確認。託管賬戶服務及資產管理服務乃隨時間確認，以描述提供服務之模式。

本集團因設立或收購金融資產已收/已付之融資或承諾費用予以遞延並確認為實際利率之調整。預期貸款承諾不會導致提取貸款時，確認貸款承諾費用。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.19 Revenue recognition (accounting policies applied from 1 January 2018) (Continued)

i) Revenue from contract with customers (Continued)

(b) Sales of goods

Revenue from sales of goods is recognised at a point in time as when the control of the goods has been transferred to the customer and there is no unfulfilling performance obligation after the acceptance of the goods.

Revenue recognition (accounting policies applied until 31 December 2017)

Sales of goods are recognised upon transfer of significant risks and rewards of ownership to the customer. This is usually taken as the time when the goods are delivered and the customer has accepted the goods. Revenue excludes any value-added tax, rebates and discounts.

ii) Revenue from other sources

(a) Interest income

Interest income arising from the use of entity assets by others is recognised in profit or loss based on the duration and the effective interest rate. Interest income includes the amortisation of any discount or premium or other differences between the initial carrying amount of an interest bearing instrument and its amount at maturity calculated on an effective interest rate basis.

The effective interest method is a method of calculating the amortised cost of financial assets and liabilities and of allocating the interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial instrument. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument (for example, call and similar options) but does not consider future credit losses. The calculation includes all fees and interests paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Interest on the impaired financial assets is recognised using the rate of interest used to discount future cash flows ("unwinding of discount") for the purpose of measuring the related impairment loss.

4. 主要會計政策 (續)

4.19 收入確認 (自二零一八年一月一日起應用之會計政策) (續)

i) 與客戶訂立合約之收入 (續)

(b) 貨品銷售

貨品銷售收入於貨品控制權已轉移至客戶且於貨品獲接受後並無尚未履行履約責任之某一時間點確認。

收入確認 (二零一七年十二月三十一日前應用之會計政策)

貨品銷售於擁有權之大部分風險及回報轉嫁予客戶時確認，一般於貨品交付及客戶接納貨品時確認。收入不包括任何增值稅、回扣及折扣。

ii) 其他途徑之收入

(a) 利息收入

其他人士使用實體資產所產生之利息收入按時間及實際利率於溢利或虧損中確認。利息收入包括任何折扣或溢價之攤銷或計息工具原賬面值與其按實際利率基準計算之到期金額間之其他差額之攤銷。

實際利率法為計算金融資產及負債之攤銷成本及於相關期間分配利息收入及利息開支之方法。實際利率為於金融工具預期年期或(倘適用)較短期間將估計未來現金付款或收入準確貼現至金融工具之賬面淨額之比率。計算實際利率時，本集團計及所有金融工具之合約條款(如認購期權及類似期權)估計現金流量，惟並無考慮未來信貸虧損。計算項目包括構成實際利率組成部分之訂約方之間所有已付或已收費用及利息、交易成本及所有其他溢價或折扣。

已減值金融資產之利息按就計量相關減值損失而對未來現金流量進行貼現(「折算貼現」)之利率確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.19 Revenue recognition (accounting policies applied from 1 January 2018) (Continued)

ii) Revenue from other sources (Continued)

(b) Rental income

Rental income under operating leases is recognised on straight-line method over the term of the relevant lease.

(c) Dividend income

Dividend is recognised when the right to receive the dividend is established.

4.20 Retirement benefits

Retirement benefits to employees are provided through defined contribution plans and defined benefit pension plans.

(i) Defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions after payment of the fixed contribution.

The contributions recognised in respect of defined contribution plans are expensed as they fall due. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets as they are normally of a short-term nature.

The Group also operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees in Hong Kong who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiaries which operate in the PRC are required to participate in a central pension scheme operated by the local municipal government (the "Scheme"). These subsidiaries are required to contribute certain percentage of its payroll costs to the central pension scheme. The Scheme is responsible for the entire pension obligations payable to the retired employees and the Group has no further obligations for the actual pension payments or other post-retirement benefits beyond the employer contributions. Contributions under the Scheme are charged to profit or loss as they become payable in accordance with the rules of the PRC.

Defined benefit pension plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

4. 主要會計政策 (續)

4.19 收入確認 (自二零一八年一月一日起應用之會計政策) (續)

ii) 其他途徑之收入 (續)

(b) 租金收入

經營租賃之租金收入於有關租賃期間按直線法確認。

(c) 股息收入

股息於確立收取股息權利時確認。

4.20 退休福利

僱員退休福利透過定額供款計劃及定額退休金福利計劃撥備。

(i) 定額供款計劃

定額供款計劃是一項退休金計劃，本集團根據該計劃向一個獨立實體支付定額供款。於支付定額供款後，本集團並無法定或推定責任支付進一步供款。

就定額供款計劃確認之供款於其到期時列作開支。倘產生繳付不足或預繳即可能就此確認該負債及資產，並因其通常屬短期性質而計入流動負債或流動資產。

本集團亦為合資格參與強制性公積金退休福利計劃（「強積金計劃」）而香港僱員根據強制性公積金計劃條例設有定額供款強積金計劃。供款按僱員基本薪金一定百分比作出，於根據強積金計劃規則應付時在溢利或虧損扣除。強積金計劃資產與本集團資產分開，由獨立管理基金持有。本集團之僱主供款於向強積金計劃作出時全數歸僱員所有。

本集團於中國經營業務之附屬公司之僱員須參與有關地方政府管理之中央退休金計劃（「該計劃」）。該等附屬公司規定須按工資成本若干百分比向中央退休金計劃供款。該計劃負責向已退休僱員支付全部退休金之責任，除僱主供款外，本集團就實際退休款項或其他退休後福利並無進一步責任。該計劃供款於根據中國規則應付時在溢利或虧損內扣除。

定額退休金福利計劃界定僱員於退休時將領取之退休金福利數額，數額通常視乎年齡、服務年資及薪酬等一項或多項因素而定。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.20 Retirement benefits (Continued)

(i) *Defined contribution plans (Continued)*

The liability recognised in the consolidated statement of financial position in respect of defined pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflow using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past service costs are recognised immediately in profit or loss.

(ii) *Short-term employee benefits*

Short term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. Short term employee benefits are recognised in the year when the employees render the related services.

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

4.21 Share-based employee compensation

The Group operates equity-settled share-based compensation plans for remuneration of its employees.

All employee services received in exchange for the grant of any share-based compensation are measured at their fair values. These are indirectly determined by reference to the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions.

Upon exercise of share options, the amount previously recognised in share option reserve and the proceeds received net of any directly attributable transaction costs up to the nominal value of the share issued are reallocated to share capital with any excess being recorded as share premium. When the share options are lapsed, forfeited or still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained profits.

4. 主要會計政策 (續)

4.20 退休福利 (續)

(i) *定額供款計劃 (續)*

於綜合財務狀況表內就定額退休金計劃確認之負債，為於報告期末之定額福利責任現值減計劃資產之公平值。定額福利責任每年由獨立精算師使用預計單位貸記法計算。定額福利責任現值按以支付福利之同一貨幣計值、且到期日與相關退休福利責任相若之優質公司債券利率貼現估計未來現金流出而釐定。在有關係券並無成熟市場之國家，則使用政府債券之市場利率。

因過往調整及精算假設變動所產生之精算收益及虧損乃於產生期間在權益之其他全面收入扣除或計入。

過往服務成本即時於溢利或虧損確認。

(ii) *短期僱員福利*

短期僱員福利是指預計在僱員提供相關服務之年度報告期間結算日後十二個月前將全數結付之僱員福利（離職福利除外）。短期僱員福利於僱員提供相關服務之年度內確認。

病假及產假等非累積有薪假期於提取假期時方予確認。

4.21 僱員股份補償

本集團為其僱員設立股本結算以股份為基礎之補償計劃。

就所有僱員提供服務而授出之任何股份補償按其公平值計算。該等補償乃參考獲授出認購股份權間接釐定。其價值於授出日評估，並不包括任何非市場歸屬條件之影響。

於認購股份權獲行使後，過往於認購股份權儲備確認之款額及所收取之所得款項扣除任何直接應佔交易成本（但不超過已發行股份之面值）將獲重新分配至股本，任何超出部分將記錄為股份溢價。倘認購股份權於到期日失效、被沒收或仍未行使，過往於認購股份權儲備確認之款額將轉撥至保留溢利。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.22 Borrowing costs

Borrowing costs attributable directly to the acquisition, construction or production of qualifying assets which require a substantial period of time to be ready for their intended use or sale, are capitalised as part of the cost of those assets. Income earned on temporary investments of specific borrowings pending their expenditure on those assets is deducted from borrowing costs capitalised. Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4.23 Foreign currency

Transactions entered into by group entities in currencies other than the currency of the primary economic environment in which they operate (the "functional currency") are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of reporting period. 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 translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income, in which case, the exchange differences are also recognised in other comprehensive income.

On consolidation, income and expense items of foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the rates approximating to those ruling when the transactions took place are used. All assets and liabilities of foreign operations are translated at the rate ruling at the end of reporting period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as exchange reserve (attributed to non-controlling interests as appropriate). Exchange differences recognised in profit or loss of group entities' separate financial statements on the translation of long-term monetary items forming part of the Group's net investment in the foreign operation concerned are reclassified to other comprehensive income and accumulated in equity as exchange reserve.

On disposal of a foreign operation, the cumulative exchange differences recognised in the exchange reserve relating to that operation up to the date of disposal are reclassified to profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of reporting period. Exchange differences arising are recognised in the exchange reserve.

4. 主要會計政策 (續)

4.22 借貸成本

收購、建設或生產需要長時間籌備作擬定用途或銷售之合資格資產之直接應佔借貸成本，予以資本化作為該等資產成本之一部分。將有待用於該等資產之特定借貸作短期投資所賺取之收入會於已資本化之借貸成本扣除。倘將合資格資產預備作擬定用途或銷售之絕大部分活動完成時，資本化借貸成本將停止。所有其他借貸成本於產生期間於溢利或虧損確認。

4.23 外幣

集團實體以彼等營運所在主要經濟環境之貨幣(「功能貨幣」)以外貨幣訂立之交易乃按於交易日期之匯率記錄。外幣貨幣資產及負債乃按報告期間結算日之匯率換算。以外幣計值按公平值列賬之非貨幣項目乃按釐定公平值日期之當前匯率重新換算。按外幣過往成本計量之非貨幣項目毋須重新換算。

結算貨幣項目及換算貨幣項目所產生之匯兌差額於產生期間內於溢利或虧損中確認。重新換算按公平值列賬之非貨幣項目所產生之匯兌差額計入期內溢利或虧損，惟重新換算有關收益及虧損於其他全面收入確認之非貨幣項目所產生之匯兌差額除外，在此情況下，匯兌差額亦於其他全面收入確認。

綜合賬目時，海外業務之收支項目以年內平均匯率換算為本集團之呈列貨幣(即港元)，除非期內匯率大幅波動，在此情況下，則按進行該等交易時之相若匯率換算。所有海外業務之資產及負債均以報告期間結算日之匯率換算。所產生匯兌差額(如有)於其他全面收入確認，並於權益內累計入賬為外匯儲備(非控股權益應佔外匯儲備(如適用))。於換算構成本集團於所涉海外業務部分投資淨額之長期貨幣項目時，在集團實體獨立財務報表之溢利或虧損內確認之匯兌差額則重新分類至其他全面收入，並於權益內累計入賬為外匯儲備。

出售海外業務時，與截至出售當日該業務有關之外匯儲備確認之累計匯兌差額，重新分類至溢利或虧損作為出售收益或虧損一部分。

於二零零五年一月一日或之後收購海外業務產生之所收購可識別資產之商譽及公平值調整已當作該海外業務之資產及負債，並於報告期間結算日按當前匯率進行換算。所產生之匯兌差額於外匯儲備確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

4.24 Share capital and share premium

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued.

Share premium includes any premiums received on the issuance of share over the par value. Any transaction costs associated with the issuing of shares are deducted from the share premium (net of any related income tax benefit) to the extent that they are incremental costs directly attributable to the equity transaction.

Where any group company purchases the Company's equity share capital, the consideration paid, including any directly attributable incremental costs (net of taxes) is deducted from equity attributable to owners of the Company until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued any consideration received net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to owners of the Company.

4.25 Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's major lines of business.

The Group has identified the following reportable segments: (a) manufacturing and distribution of watches and timepieces; (b) property investments and (c) banking and financial businesses.

Each of these operating segments is managed separately as each of the product and service lines requires different resources as well as marketing approaches. All inter-segment transfers, if any, are carried out at arm's length prices.

The measurement policies the Group uses for reporting segment results under HKFRS 8 are the same as those used in its financial statements prepared under HKFRSs.

Segment assets include all assets but interests in associates, interests in joint ventures, certain available-for-sale financial assets, certain trading portfolio investments and short-term investments. In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment, which primarily applies to the Group's headquarter.

Segment liabilities exclude corporate liabilities which are not directly attributable to the business activities of any operating segment and are not allocated to a segment. These include corporate bonds, borrowings and due to related parties.

No asymmetrical allocations have been applied to reportable segments.

4. 主要會計政策(續)

4.24 股本及股份溢價

普通股分類為權益。股本採用已發行股份之面值釐定。

股份溢價包括發行股本所收任何溢價減面值。任何有關發行股份之交易成本於股份溢價(扣除任何相關所得稅溢利)內扣減,惟以該權益交易直接應佔遞增成本為限。

倘任何集團公司購買本公司之權益股本,包括任何直接應佔遞增成本(扣除稅項)之已付代價於本公司擁有人應佔權益內扣除,直至股份獲註銷或重新發行為止。倘此等普通股其後重新發行,則任何已收代價(減去任何直接應佔遞增交易成本及相關所得稅影響)計入本公司擁有人應佔權益中。

4.25 分類報告

本集團根據定期向執行董事呈報之內部財務資料(乃供彼等決定分配資源至本集團各業務環節及檢討該等業務環節之表現)確定其經營分類及編製分類資料。向執行董事所報告內部財務資料中之業務環節按本集團主要業務類別決定。

本集團已確定以下報告分類:(a)鐘錶及時計產品製造及分銷;(b)物業投資及(c)銀行及金融業務。

由於各產品及服務類別所需資源以及市場方針不同,各經營分類獨立管理。所有分類間轉讓(如有)乃按公平價格計算。

本集團根據香港財務報告準則第8號就報告分類業績所用計量政策與根據香港財務報告準則編製財務報表所用者相同。

分類資產包括所有資產,但不包括於聯營公司之權益、於合營企業之權益、若干可供出售金融資產、若干交易組合投資及短期投資。此外,並非直接計入任何經營分類業務活動之公司資產不會分配至分類,主要應用於本集團總部。

分類負債不包括並非直接計入任何經營分類業務活動之公司負債,且不會分配至分類,當中包括公司債券、借貸及應付關連公司欠款。

並無就可報告分類作出不均分配。

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are 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 Group makes estimates and assumptions concerning the future. Such estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Estimated impairment of goodwill

The Group tests on an annual basis whether goodwill has suffered any impairment in accordance with the accounting policy stated in note 4.6. The recoverable amounts of the CGUs have been determined based on value-in-use calculations or FVLCD. These calculations require the use of judgement and estimates of the future cash flows expected to arise from the CGUs, the timeframe for the cash flows forecast and the suitable discount rates in order to calculate the present value. In the process of estimating expected future cash flows management makes assumptions about future revenues and profits. These assumptions relate to future events and circumstances. The actual results may vary and may cause a material adjustment to the carrying amount of goodwill within the next financial year. Determining the appropriate discount rate involves estimating the appropriate adjustment for market risk and for asset specific risk factors. Details in impairment assessment are set out in note 33 to the consolidated financial statements. Calculation of FVLCD involves the selection of valuation model, adoption of key assumption, and input data, which are subject to management judgement.

Provision for inventories

In determining the amount of allowance required for obsolete and slow-moving inventories, the Group would evaluate ageing analysis of inventories and compare the carrying value of inventories to their respective estimated net realisable value. The assessment of the provision involves management judgement and estimates. Where the actual outcome or expectation in future is different from the original estimate, such differences will impact the carrying value of inventories and provision charge/write-back in the period in which such estimate has been changed.

Depreciation and amortisation

The Group depreciates and amortises its property, plant and equipment and intangible assets with definite useful lives using straight-line method over their respective estimated useful lives, starting from the date on which the assets are put into productive use, in accordance with accounting policy stated in notes 4.9 and 4.12. The estimated useful lives reflect the directors' estimate of the period that the Group intends to derive future economic benefits from the use of these assets.

5. 關鍵會計判斷及估計不確定因素之主要來源

在應用本集團之會計政策時，董事須對無法依循其他途徑即時得知的資產及負債賬面值作出判斷、估計及假設。

估計及相關假設會持續檢討。倘會計估計修訂僅影響修訂估計期間，則有關修訂於該期間確認；或倘有關修訂影響目前及未來期間，則有關修訂於修訂期間及未來期間確認。

本集團對未來作出估計及假設。該等估計及相關假設按過往經驗及其他視為相關之因素作出。顧名思義，因此而作出之會計估計甚少與有關實際結果相符。下文論述可導致下一個財政期間之資產及負債賬面值須作重大調整之主要風險估計及假設：

商譽估計減值

本集團每年根據附註4.6所述會計政策就商譽有否減值進行測試。現金產生單位之可收回金額按所計算之使用價值或公平值減出售成本釐定。該等計算須採用預期現金產生單位所產生未來現金流量之判斷及估計、現金流量預測時間表以及適合貼現率，以計算現值。於估計預期未來現金流量過程中，管理層就未來收入及溢利作出假設。該等假設與未來事件及情況有關。實際結果或會有所不同，並可能導致下個財政年度之商譽賬面值須作重大調整。釐定合適之貼現率涉及估計市場風險及資產特定風險因素之適當調整。減值評估詳情載於綜合財務報表附註33。計算公平值減出售成本涉及選擇估值模型、採納主要假設及輸入數據，而以上項目均需管理層作出判斷。

存貨撥備

於釐定陳舊及滯銷存貨之撥備金額時，本集團須評估存貨之賬齡分析並將存貨之賬面值與其各自之估計可變現淨值作比較。評估撥備涉及管理層判斷及估計。倘日後實際結果或預期有別於原定估計，則有關差別將影響存貨賬面值，而撥備會於估計有變期間扣除／撥回。

折舊及攤銷

本集團根據附註4.9及4.12所述會計政策，採用直線法按估計可用年期為物業、廠房及設備以及可用年期有限之無形資產計算折舊及攤銷，自資產投入生產用途日期起計算。估計可用年期反映董事估計本集團擬自使用該等資產衍生未來經濟利益之期間。

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Estimated impairment of trade and other receivables

The Group's management determines the provision for impairment of trade and other receivables on a forward-looking basis. The provision matrix is determined based on the Group's historical observed default rates over the expected life of the trade and other receivables with similar credit risk characteristics and is adjusted for forward-looking estimates. Other receivables is considered 12-months expected credit losses. In making the judgement, management considers available reasonable and supportive forward-looking information such as actual or expected significant changes in the operating results of customers, actual or expected significant adverse changes in business and customers' financial position. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed by the Group's management.

Estimated impairment of non-financial assets

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. The recoverable amount is determined based on value-in-use calculation or fair value less costs of disposal ("FVLCD"). The calculations of value in use require the use of judgement and estimates of the future cash flows expected to arise from the CGUs, the timeframe for the cash flows forecast and the suitable discount rates in order to calculate the present value. In the process of estimating expected future cash flows management makes assumptions about future revenues and profits. These assumptions relate to future events and circumstances. The actual results may vary and may cause a material adjustment to the carrying amount of goodwill within the next financial year. Determining the appropriate discount rate involves estimating the appropriate adjustment for market risk and for asset specific risk factors. Calculation of FVLCD involves the selection of valuation model, adoption of key assumption, and input data, which are subject to management judgement.

Income taxes

The Group is subject to income taxes in Hong Kong, Switzerland, United Kingdom, Liechtenstein and the PRC. Significant judgement is required in determining the amount of the provision for income taxes and the timing of the payments of related taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Assessment of identifiable assets and liabilities on acquisition of subsidiaries

Upon completion of acquisition of subsidiaries or businesses, the directors have assessed the acquisition-date fair value of the identifiable assets acquired and liabilities assumed from the acquisition. The directors use their judgement in selecting an appropriate valuation technique for the Group's intangible assets obtained upon the acquisition of subsidiaries during the year. The fair values of the intangible assets are estimated by an independent professional valuer. Where fair value of the identifiable assets acquired and liabilities assumed from the acquisition exceed the fair value of consideration paid for the acquisition, the excess is recognised in profit or loss on the acquisition date, after re-assessment.

5. 關鍵會計判斷及估計不確定因素之主要來源(續)

應收賬款及其他應收款之估計減值

本集團管理層以前瞻性方式釐定應收賬款及其他應收款減值撥備。撥備矩陣乃根據本集團於具有類似信貸風險特徵之應收賬款及其他應收款之預期年期內之歷史觀察違約率釐定，並就前瞻性估計作出調整。其他應收款被視為12個月預期信貸虧損。在作出判斷時，管理層會考慮可得之合理有據前瞻性資料，如客戶經營業績之實際或預期重大變動、業務及客戶財務狀況之實際或預期重大不利變動。於各報告日，本集團管理層會更新歷史觀察違約率，並分析前瞻性估計變動。

非金融資產估計減值

本集團透過評價或導致資產減值之本集團獨有情況，於各報告日評估減值。倘存在觸發減值之情況，則釐定資產可收回款額。可收回金額乃按使用價值計算或公平值減出售成本（「公平值減出售成本」）釐定。使用價值計算須採用預期現金產生單位所產生未來現金流量之判斷及估計、現金流量預測時間表以及適合貼現率，以計算現值。於估計預期未來現金流量過程中，管理層就未來收入及溢利作出假設。該等假設與未來事件及情況有關。實際結果或會有所不同，並可能導致下個財政年度之商譽賬面值須作重大調整。釐定合適之貼現率涉及估計市場風險及資產特定風險因素之適當調整。計算公平值減出售成本涉及選擇估值模型、採納主要假設及輸入數據，而以上項目均需管理層作出判斷。

所得稅

本集團須繳納香港、瑞士、英國、列支敦士登及中國之所得稅。於決定就所得稅撥備之金額及就有關稅項付款之時間時，須作出重大判斷。於日常業務過程中，有許多交易及計算均難以明確作出最終之稅務釐定。就預計稅項確認負債時，本集團按有否額外稅項即將到期應付而估計。倘此等事項之最後稅項結果與初步記錄金額不同，該等差額將影響作出該項決定期間之所得稅及遞延稅項撥備。

評估收購附屬公司所得之可識別資產及負債

完成附屬公司或業務收購後，董事已評估收購所得之可識別資產及所承擔負債於收購日期之公平值。董事運用彼等之判斷選擇適合估值方法評估年內本集團收購附屬公司所得之無形資產。無形資產之公平值由獨立專業估值師估計。倘收購所得可識別資產及所承擔負債之公平值超過收購所支付代價之公平值，超出部分經重新評估後於收購日期在溢利或虧損內確認。

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Warranty provision

Warranty provision is made for expenditure associated with future variable services and repair cost related to warranty claims. The management makes an assessment of the future costs related to this work by using the proportion of actual tasks related to warranty work as the basis for the calculation. The assessment of provision involves management judgement and estimates. When the actual outcome or expectation in future is different from the original estimate, such differences will impact the carrying value of warranty provision and provision charge/write-back in the period in which such estimate has been changed.

Estimation of defined benefit obligations

The Group operates three defined benefit plans. Pension costs for defined benefit plans are assessed using the projected unit credit method in accordance with HKAS 19 (2011), Employee Benefits. Under this method, the cost of providing pensions is charged to the profit or loss in accordance with the advice of the actuaries who carry out a full valuation of the plans. The pension obligation is measured at the present value of the estimated future cash outflows using interest rates determined by reference to market yields at the end of the reporting period based on government agency or high quality corporate bonds with currency and term similar to the estimated term of benefit obligations. All actuarial gains and losses are recognised in full, in the year in which they occur, in other comprehensive income.

Management appointed actuaries to carry out a full valuation of these pension plans to determine the pension obligations that are required to be disclosed and accounted for in the accounts in accordance with the requirements of HKFRSs.

The actuaries use assumptions and estimates in determining the fair value of the defined benefit plans and evaluate and update these assumptions on an annual basis. Judgement is required to determine the principal actuarial assumptions to determine the present value of defined benefit obligations and service costs. Changes to the principal actuarial assumptions can significantly affect the present value of plan obligations and service costs in future periods.

Valuation adjustments on credit positions

Various factors can influence the expected credit loss allowances for credit positions. Management considers factors such as external rating and days past due to determine the HKFRS 9 staging allocation. Management further estimates the EAD, PD as well as LGD to calculate the expected credit losses allowance.

Provisions

The Group recognises provisions for imminent threats if in the opinion of the responsible experts the probability that losses will occur is greater than the probability that they will not occur and if their amount can be reliably estimated. In judging whether the creation of a provision and its amount are reasonable, the best-possible estimates and assumptions as at the end of reporting periods are applied. If necessary, these will be adjusted to reflect new knowledge and circumstances at a later date. New knowledge may have a significant effect to profit or loss.

5. 關鍵會計判斷及估計不確定因素之主要來源(續)

保修撥備

本集團就日後各種服務及與保修索賠有關之維修成本相關開支作出保修撥備。管理層採用有關保修工作實際任務比例作為計算基準，以評估有關此工作之未來成本。評估撥備涉及管理層判斷及估計。當日後之實際結果或預期情況與原先估計存在差異，則有關差異將影響該等估計有變期間之保修撥備以及扣除／撥回撥備賬面值。

定額福利責任估計

本集團營辦三項定額福利計劃。定額福利計劃之退休金成本根據香港會計準則第19號(二零一一年)僱員福利之規定，使用預期單位記賬法進行評估。根據此方法，提供退休金之成本按對計劃作出全面估值之精算師意見於溢利或虧損內扣除。退休金責任為估計未來現金流出數額之現值，該現值參照於報告期間結算日與福利責任估計年期之條款及貨幣相若之政府機構或高質素公司債券之市場孳息率釐定之利率計算所得。所有精算收益及虧損於發生年度內在全面收入全數確認。

管理層委任精算師對該等退休金計劃進行全面估值，以釐定根據香港財務報告準則規定，須於賬目內披露及入賬之退休金責任。

精算師在釐定定額福利計劃之公平值時使用假設及估計，並每年評估及更新該等假設。在釐定主要精算假設時須運用判斷，以釐定定額福利責任之現值與服務成本。改變所採用之主要精算假設可對未來期間之計劃責任現值與服務成本造成重大影響。

信貸狀況之估值調整

多項因素可影響信貸狀況之預期信貸虧損撥備。管理層會考慮外部評級及逾期日數等因素，以釐定香港財務報告準則第9號之階段分配。管理層進一步估計違約風險承擔、違約或然率及違約損失率計算預期信貸虧損撥備。

撥備

倘相關專家認為發生虧損之可能性高於不會發生之可能性並能可靠估計虧損金額時，則本集團就當前威脅確認撥備。於判斷計提撥備及撥備金額有否合理時，應用報告期間結算日之最佳可能估計及假設。如有必要，日後可調整此最佳可能估計及假設以反映新認知及情況。新認知或會對溢利或虧損有重大影響。

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Research and development costs

In accordance with the accounting policy set out in note 4.12, costs associated with research activities are expensed in profit or loss as they are incurred, while costs that are directly attributable to development activities are recognised as intangible assets provided they meet all the requirements as set out in note 4.12. This requires the management to make judgements to distinguish the research phase and development phase of the projects being undertaken. Research is original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding. Development is the application of research, findings or other knowledge to a plan or design for the production of new or substantially improved materials devices, products, processes, systems or services before the start of commercial production or use. Determining the amounts to be expensed in profit or loss or to be capitalised required management to make judgement, and assumptions regarding the expected progress and outcome of the research and development activities the future expected cash generation of the assets, discount rates to be applied, and also the expected period of, probable future economic benefits. Because of the nature of the Group's research and development activities the criteria for the recognition of such costs as an asset are generally not met until late in the development stage of the projects. Hence research costs are generally recognised as expenses in the period in which they are incurred.

Fair value measurement

A number of assets and liabilities included in the Group's financial statements require measurement at, and/or disclosure of, fair value. The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the "fair value hierarchy"):

- Level 1: unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: observable inputs other than quoted prices included within Level 1; and
- Level 3: unobservable inputs are inputs for which market data are not available.

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Group measures the following items at fair value:

- Due from banks – precious metal (note 18)
- Trading portfolio investments (note 19)
- Financial assets at fair value through other comprehensive income (note 20)
- Derivative financial assets (note 21)
- Derivative financial liabilities (note 21)
- Investment properties (note 30)

For more detailed information in relation to the fair value measurement of the items above, please refer to the respective notes.

5. 關鍵會計判斷及估計不確定因素之主要來源(續)

研發成本

根據附註4.12載列之會計政策，研究活動相關之開支於產生時於溢利或虧損列作開支，而倘直接歸屬於開發活動之開支符合附註4.12載列之所有規定，則其將確認為無形資產。此要求管理層作出判斷以將所承接項目之研究階段及開發階段予以區分。研究乃所進行之原創及受規劃之調查，旨在獲得新科學或技術知識及瞭解。開發乃於開始作商業生產或使用前應用研究、結果或其他知識，以規劃或設計生產全新或重大改良物料器具、產品、工序、系統或服務。釐定於溢利或虧損列作開支或予以資本化之金額時，管理層須作出判斷及有關研發活動之預期進度及結果、資產之未來預期現金產生、將應用之貼現率，及可能未來經濟效益之預期期間之假設。基於本集團之研究及開發活動性質，確認該等成本為資產之條件一般直至達到項目之開發階段後期時方會達成。因此，研究成本一般於產生期間內確認為開支。

公平值計量

多項載列於本集團財務報表的資產及負債須作出公平值計量及／或披露。本集團金融及非金融資產及負債之公平值計量乃於可行範圍內盡量使用市場可觀察輸入數值及數據。於釐定公平值計量時使用之輸入數值乃根據所運用之估值技術中使用之輸入數值之可觀察程度而分類為不同層級(「公平值層級」)：

- 第一級：相同資產或負債於活躍市場之未經調整報價；
- 第二級：第一級所包括報價以外之可觀察輸入數值；及
- 第三級：不可觀察輸入數值為無法取得市場數據之輸入數值。

項目所歸入之上述層級乃依據該項目公平值計量具有重大影響之最低級輸入數值。不同層級之間之項目轉移於發生期間確認。

本集團計算以下項目之公平值：

- 應收銀行款項—貴金屬(附註18)
- 交易組合投資(附註19)
- 按公平值計入其他全面收入之金融資產(附註20)
- 衍生金融資產(附註21)
- 衍生金融負債(附註21)
- 投資物業(附註30)

有關上列項目公平值計量之更多詳盡資料，請參閱相關附註。

6. SEGMENT INFORMATION

The chief operating decision-maker, being the Company's executive directors, have re-organised the Group's product and service lines as operating segments as follows:

- (a) manufacturing and distribution of watches and timepieces;
- (b) property investments; and
- (c) banking and financial businesses.

These operating segments are monitored and strategic decisions are made on the basis of adjusted segment operating results.

2018

6. 分類資料

主要營運決策者(即本公司執行董事)已重組本集團產品及服務類別為以下多個經營分類：

- (a) 鐘錶及時計產品製造及分銷；
- (b) 物業投資；及
- (c) 銀行及金融業務。

此等經營分類之監控及策略決定按經調整分類經營業績作出。

二零一八年

		Watches and timepieces 鐘錶及時計產品 HK\$'000 千港元	Property investments 物業投資 HK\$'000 千港元	Banking and financial businesses 銀行及金融業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue:	分類收入：					
Net interest income from banking business	銀行業務之利息收入淨額	-	-	180,831	-	180,831
Net service fees and commission income from banking business	銀行業務之服務費及佣金收入淨額	-	-	236,361	-	236,361
Trading income from banking business	銀行業務之交易收入	-	-	63,172	-	63,172
Service fees and commission income from financial business	金融業務之服務費及佣金收入	-	-	3,342	-	3,342
Interest income from financial business	金融業務之利息收入	-	-	193	-	193
Sales of goods from non-banking and financial businesses	非銀行及金融業務之貨品銷售收入	2,444,364	-	-	-	2,444,364
Rental income from non-banking and financial businesses	非銀行及金融業務之租金收入	-	9,586	-	-	9,586
Total revenue	總收入	2,444,364	9,586	483,899	-	2,937,849
Segment results	分類業績	258,131	3,314	164,657	-	426,102
Unallocated corporate income and expenses, net	未分配公司收入及支出淨額	-	-	-	(18,871)	(18,871)
Share of loss of joint ventures	應佔合營企業虧損	-	-	-	(2,678)	(2,678)
Share of profit of associates	應佔聯營公司溢利	-	-	-	8,387	8,387
Finance costs	財務費用	(14,786)	-	(131)	(50,911)	(65,828)
Profit before income tax	除所得稅前溢利	243,345	3,314	164,526	(64,073)	347,112
Income tax expense	所得稅開支	(77,728)	(414)	(27,868)	346	(105,664)
Profit for the year	本年度溢利	165,617	2,900	136,658	(63,727)	241,448

6. SEGMENT INFORMATION (Continued)
2018 (Continued)

6. 分類資料(續)
二零一八年(續)

		Watches and timepieces 鐘錶及 時計產品 HK\$'000 千港元	Property investments 物業投資 HK\$'000 千港元	Banking and financial businesses 銀行及 金融業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment assets	分類資產	5,191,326	179,523	13,957,275	–	19,328,124
Unallocated corporate assets:	未分配公司資產：					
– Interests in associates	– 所佔聯營公司權益	–	–	–	102,919	102,919
– Interests in joint ventures	– 所佔合營企業權益	–	–	–	2,439	2,439
– Financial assets at fair value through other comprehensive income	– 按公平值計入其他 全面收入之金融 資產	–	–	–	621,489	621,489
– Trading portfolio investments	– 交易組合投資	–	–	–	48,945	48,945
– Cash and deposits	– 現金及存款	–	–	–	48,286	48,286
– Other unallocated corporate assets	– 其他未分配公司資產	–	–	–	106,027	106,027
Consolidated total assets	綜合總資產	5,191,326	179,523	13,957,275	930,105	20,258,229
Segment liabilities	分類負債	1,078,126	25,343	12,723,651	–	13,827,120
Unallocated corporate liabilities:	未分配公司負債：					
– Corporate bonds	– 公司債券	–	–	–	760,244	760,244
– Borrowings	– 借貸	–	–	–	738,299	738,299
– Due to a shareholder	– 應付一名股東之款項	–	–	–	73,000	73,000
– Other unallocated corporate liabilities	– 其他未分配公司負債	–	–	–	50,075	50,075
Consolidated total liabilities	綜合總負債	1,078,126	25,343	12,723,651	1,621,618	15,448,738
Other segment information	其他分類資料					
Interest income and other interest income	利息收入及其他利息 收入	3,910	2	231	1,505	5,648
Expected credit losses on trade receivables	應收賬款預期信貸虧損	4,381	–	–	–	4,381
Expected credit losses on due from banks and customers	應收銀行及客戶款項 預期信貸虧損	–	–	3,256	–	3,256
Reversal of provision for litigation risks	撥回訴訟風險撥備	–	–	320	–	320
Provision for inventories	存貨撥備	11,050	–	–	–	11,050
Reversal of provision for inventories	撥回存貨撥備	7,301	–	–	–	7,301
Depreciation and amortisation	折舊及攤銷	111,521	–	15,597	1,795	128,913
Additions to non-current assets	添置非流動資產	150,480	–	43,566	100	194,146
Net deficit on revaluation of investment properties	投資物業重估之虧絀 淨額	–	4,066	–	–	4,066

6. SEGMENT INFORMATION (Continued)
2017

6. 分類資料(續)
二零一七年

		Watches and timepieces 鐘錶及 時計產品 HK\$'000 千港元	Property investments 物業投資 HK\$'000 千港元	Banking and financial businesses 銀行及 金融業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue:	分類收入：					
Net interest income from banking business	銀行業務之利息收入淨額	-	-	94,992	-	94,992
Net service fees and commission income from banking business	銀行業務之服務費及佣金收入淨額	-	-	212,616	-	212,616
Trading income from banking business	銀行業務之交易收入	-	-	65,227	-	65,227
Service fees and commission income from financial business	金融業務之服務費及佣金收入	-	-	9,307	-	9,307
Interest income from financial business	金融業務之利息收入	-	-	128	-	128
Sales of goods from non-banking and financial businesses	非銀行及金融業務之貨品銷售收入	2,583,495	-	-	-	2,583,495
Rental income from non-banking and financial businesses	非銀行及金融業務之租金收入	-	16,936	-	-	16,936
Total revenue	總收入	2,583,495	16,936	382,270	-	2,982,701
Segment results	分類業績	70,732	24,420	156,527	-	251,679
Unallocated corporate income and expenses, net	未分配公司收入及支出淨額	-	-	-	(152,179)	(152,179)
Gain on disposal of subsidiaries	出售附屬公司之收益	28,247	1,353,795	-	-	1,382,042
Share of loss of joint ventures	應佔合營企業虧損	-	-	-	(1,159)	(1,159)
Share of profit of associates	應佔聯營公司溢利	-	-	-	20,711	20,711
Finance costs	財務費用	(14,180)	-	(200)	(53,950)	(68,330)
Profit before income tax	除所得稅前溢利	84,799	1,378,215	156,327	(186,577)	1,432,764
Income tax expense	所得稅開支	(70,628)	(132,738)	(18,675)	475	(221,566)
Profit for the year	本年度溢利	14,171	1,245,477	137,652	(186,102)	1,211,198

6. SEGMENT INFORMATION (Continued)
2017 (Continued)

6. 分類資料(續)
二零一七年(續)

		Watches and timepieces 鐘錶及 時計產品 HK\$'000 千港元	Property investments 物業投資 HK\$'000 千港元	Banking and financial businesses 銀行及 金融業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment assets	分類資產	4,609,858	125,817	15,880,189	–	20,615,864
Unallocated corporate assets:	未分配公司資產：					
– Interests in associates	– 所佔聯營公司權益	–	–	–	99,648	99,648
– Interests in joint ventures	– 所佔合營企業權益	–	–	–	5,117	5,117
– Available-for-sale financial assets	– 可供出售金融資產	–	–	–	249,796	249,796
– Trading portfolio investments	– 交易組合投資	–	–	–	495,751	495,751
– Cash and deposits	– 現金及存款	–	–	–	247,488	247,488
– Other unallocated corporate assets	– 其他未分配公司資產	–	–	–	142,007	142,007
Consolidated total assets	綜合總資產	4,609,858	125,817	15,880,189	1,239,807	21,855,671
Segment liabilities	分類負債	661,219	26,739	14,574,259	–	15,262,217
Unallocated corporate liabilities:	未分配公司負債：					
– Corporate bonds	– 公司債券	–	–	–	732,978	732,978
– Borrowings	– 借貸	–	–	–	583,269	583,269
– Other unallocated corporate liabilities	– 其他未分配公司負債	–	–	–	129,081	129,081
Consolidated total liabilities	綜合總負債	661,219	26,739	14,574,259	1,445,328	16,707,545
Other segment information	其他分類資料					
Interest income and other interest income	利息收入及其他利息收入	5,571	172	16	3,964	9,723
Impairment losses on trade receivables	應收賬款減值虧損	8,110	–	–	–	8,110
Reversal of impairment due from banks and customers credit risks	撥回應收銀行及客戶信貸風險減值	–	–	96	–	96
Provision for litigation risks	訴訟風險撥備	–	–	158	–	158
Provision for inventories	存貨撥備	43,258	–	–	5,125	48,383
Depreciation and amortisation	折舊及攤銷	104,655	2,231	10,401	5,510	122,797
Additions to non-current assets	添置非流動資產	162,322	–	9,109	38,067	209,498
Net surplus on revaluation of investment properties	投資物業重估盈餘淨額	–	17,605	–	–	17,605

6. SEGMENT INFORMATION (Continued)

Unallocated corporate income and expenses mainly comprised dividend income from trading portfolio investment and financial assets at fair value through other comprehensive income, gain or loss on fair value changes in trading portfolio investments, gain or loss on fair value changes in the derivative financial assets, impairment of yacht and other corporate income and expenses of the Group's headquarter which are not directly attributable to the business activities of any operating segment. Other corporate expenses mainly included employee costs, directors' remuneration and office rental expenses for administrative purpose.

The Group's revenues from external customers and its non-current assets (other than financial assets and deferred tax assets) are divided into the following geographical areas:

		Revenue from external customers		Non-current assets	
		來自外界客戶收入		非流動資產	
		2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Hong Kong	香港	142,281	129,046	177,912	157,023
PRC	中國	1,818,464	2,070,853	1,397,045	1,423,641
Switzerland	瑞士	22,942	21,201	460,505	204,097
United Kingdom	英國	103,060	101,265	7,928	12,102
Liechtenstein	列支敦士登	480,364	372,835	448,423	444,970
Others	其他	370,738	287,501	2,492	2,214
		2,937,849	2,982,701	2,494,305	2,244,047

The geographical location of revenue is based on the location of customers. For goodwill and intangible assets, the geographical location is based on the areas of operation of CGUs. The geographical location of other non-current assets is based on the physical location of the assets.

The Group has a large number of customers and there is no significant revenue that is more than 10% of the Group's revenue derived from specific external customers for the years ended 31 December 2018 and 2017.

7. REVENUE

The Group is principally engaging in manufacturing and distribution of watches and timepieces, property investments and banking and financial businesses.

For banking and financial businesses, revenue mainly comprises net interest income, net service fees and commission income and net trading income (notes 7(a), 7(b), 7(c) and 7(d)). For non-banking and financial businesses, revenue mainly represents the net invoiced value of goods sold and rental income received and receivables (note 7(e)).

6. 分類資料 (續)

未分配公司收入及支出主要包括來自交易組合投資及按公平值計入其他全面收入之金融資產之股息收入、交易組合投資公平值變動之收益或虧損、衍生金融資產公平值變動之收益或虧損、遊艇減值及概不直接歸屬於任何經營分類業務活動之本集團總部其他公司收入及支出。其他公司支出主要包括僱員成本、董事薪酬及用作行政用途之辦公室租賃支出。

本集團來自外界客戶之收入及非流動資產(金融資產及遞延稅項資產除外)按以下地區劃分：

收入地區以客戶所在地點為準。商譽及無形資產以現金產生單位經營所在地為基準；其他非流動資產地區以資產實際所在地點為準。

本集團客戶眾多，截至二零一八年及二零一七年十二月三十一日止年度，概無任何來自特定外界客戶佔本集團收入超過10%之重大收入。

7. 收入

本集團主要從事鐘錶及時計產品製造及分銷、物業投資以及銀行及金融業務。

就銀行及金融業務而言，收入主要包括利息收入淨額、服務費及佣金收入淨額以及交易收入淨額(附註7(a)、7(b)、7(c)及7(d))。就非銀行及金融業務而言，收入主要指售出貨品發票淨值以及已收及應收租金收入(附註7(e))。

7. REVENUE (Continued)

Revenue recognised during the year is as follows:

(a) Net interest income from banking business

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interest income from banking business arising from:	下列各項所產生之銀行業務之利息收入：		
Interest income – due from banks	利息收入－應收銀行款項	161,518	85,006
Interest income – due from clients	利息收入－應收客戶款項	29,512	23,405
Interest income from trading portfolio investments	交易組合投資的利息收入	72	155
Interest income from mortgage loans	按揭貸款之利息收入	8,026	3,751
Interest income from available-for-sale financial assets	可供出售金融資產之利息收入	–	1,945
Interest income from held-to-maturity investments	持至到期投資的利息收入	–	5,551
Interest income from money market papers	貨幣市場票據之利息收入	8,827	1,792
Interest income from financial assets	金融資產之利息收入	12,973	–
Negative interest income/(expense) on due to clients	應付客戶款項之負利息收入／(開支)	720	(1,001)
		221,648	120,604
Interest expenses from banking business arising from:	下列各項所產生之銀行業務之利息開支：		
Interest expense on due to banks	應付銀行款項之利息開支	(38,403)	(20,620)
Interest expense on due to clients	應付客戶款項之利息開支	(564)	(946)
Interest expense for issued debt instruments	已發行債務工具之利息開支	(1,645)	(3,606)
Negative interest income on due from banks and clients	應收銀行及客戶款項之負利息收入	(205)	(440)
		(40,817)	(25,612)
Net interest income from banking business	銀行業務之利息收入淨額	180,831	94,992

(b) Net service fees and commission income from banking business

(b) 銀行業務之服務費及佣金收入淨額

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Service fees and commission income from banking business arising from:	下列各項所產生之銀行業務之服務費及佣金收入：		
Commission income from loans	貸款所得佣金收入	4,049	2,743
Brokerage fees	經紀費	37,107	47,871
Custody account fees	託管賬戶費	27,368	27,281
Commission on investment advice and asset management	投資建議及資產管理佣金	105,612	93,665
Commission income from service fees	服務費佣金收入	92,890	78,710
Commission income from fiduciary fees	信託費佣金收入	554	528
Commission income from retrocession	轉分保佣金收入	4,385	3,954
Other commission income	其他佣金收入	53,649	52,289
		325,614	307,041
Service fees and commission expenses from banking business	銀行業務之服務費及佣金開支	(89,253)	(94,425)
Net service fees and commission income from banking business	銀行業務之服務費及佣金收入淨額	236,361	212,616

7. 收入(續)

年內確認之收入如下：

(a) 銀行業務之利息收入淨額

7. REVENUE (Continued)

(c) Trading income from banking business

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Debt instruments	債務工具	(815)	598
Securities	證券	5	298
Forex and precious metals	外匯及貴金屬	62,715	63,868
Funds	基金	1,267	463
Trading income from banking business	銀行業務之交易收入	63,172	65,227

7. 收入(續)

(c) 銀行業務之交易收入

(d) Revenue from financial business

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Service fees and commission income	服務費及佣金收入	3,342	9,307
Interest income	利息收入	193	128
Revenue from financial business	金融業務之收入	3,535	9,435

(d) 金融業務之收入

(e) Revenue from non-banking and financial businesses

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Sales of goods	貨品銷售	2,444,364	2,583,495
Rental income	租金收入	9,586	16,936
Revenue from non-banking and financial businesses	非銀行及金融業務之收入	2,453,950	2,600,431

(e) 非銀行及金融業務之收入

8. OTHER INCOME AND OTHER NET GAINS OR LOSSES

8. 其他收入及其他收益或虧損淨額

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Gain/(loss) on fair value changes in trading portfolio investments, net	交易組合投資的公平值變動收益／(虧損)淨額	15,541	(5,949)
Loss on fair value changes in derivative financial instruments, net	衍生金融工具之公平值變動虧損淨額	–	(11)
Fair value loss on early redemption of the convertible bond	提早贖回可換股債券之公平值虧損	(978)	–
Net (deficit)/surplus on revaluation of investment properties	投資物業重估之(虧絀)／盈餘淨額	(4,066)	17,605
Gain on disposal of subsidiaries (note 12)	出售附屬公司之收益(附註12)	–	1,382,042
(Loss)/gain on disposal of property, plant and equipment	出售物業、廠房及設備之(虧損)／收益	(1,589)	1,711
Bank and other interest income from non-banking business	非銀行業務之銀行及其他利息收入	5,648	9,723
Dividend income from trading portfolio investments	交易組合投資的股息收入	1,097	1,406
Dividend income from financial assets at fair value through other comprehensive income	按公平值計入其他全面收入之金融資產之股息收入	11,316	–
Dividend income from available-for-sale financial assets	可供出售金融資產之股息收入	–	3,436
Sales of scrap materials	廢料銷售	161	217
Other operating income	其他經營收入	8,281	4,453
Government subsidies (note (a))	政府補助金(附註(a))	40,701	26,672
Impairment loss on intangible assets (note 32)	無形資產減值虧損(附註32)	–	(123,378)
Impairment loss on goodwill (note 33)	商譽減值虧損(附註33)	–	(19,000)
Reversal of provision/(provisions) for litigation risks	訴訟風險撥回撥備／(撥備)	320	(158)
Expected credit losses on due from banks and clients	應收銀行及客戶款項預期信貸虧損	(3,256)	–
Reversal of impairment due from banks and customers credit risks	撥回應收銀行及客戶信貸風險減值	–	96
Other sundry income, net	其他雜項收入淨額	6,310	1,527
		79,486	1,300,392

Note:

附註：

(a) Government subsidies mainly comprised of unconditional subsidies received for subsidising the Group's business.

(a) 政府補助金主要包括已收無條件補貼本集團業務之補助金。

9. FINANCE COSTS FROM NON-BANKING BUSINESS

9. 非銀行業務之財務費用

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interest charged on corporate bonds and convertible bond	公司債券及可換股債券利息開支	34,454	30,534
Interest charged on bank borrowings, bank overdrafts and other borrowings	銀行借貸、銀行透支及其他借貸的利息開支	29,510	37,719
Margin loan interests	保證金貸款利息	1,864	200
		65,828	68,453

10. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging/(crediting):

10. 除所得稅前溢利

除所得稅前溢利已扣除／(計入)下列各項後達致：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cost of inventories recognised as expense, including:	確認為開支的存貨成本，包括：	1,022,568	1,226,494
– Reversal of provision for inventories	– 撥回存貨撥備	(7,301)	–
– Provision for inventories	– 存貨撥備	11,050	48,383
Depreciation and amortisation	折舊及攤銷	128,913	122,797
– Depreciation (note (a))	– 折舊(附註(a))	126,255	119,767
– Amortisation of prepaid land lease payments (note (b))	– 預付土地租賃款項攤銷(附註(b))	864	1,219
– Amortisation of intangible assets (note (b))	– 無形資產攤銷(附註(b))	1,794	1,811
Lease payments under operating leases in respect of:	以下經營租賃項下之租賃款項：		
– Land and buildings	– 土地及樓宇	54,333	56,964
– Plant and machinery	– 廠房及機器	–	1,400
Auditor's remuneration	核數師酬金	4,600	4,300
Gross rental income	租金收入總額	(9,586)	(16,936)
Less: direct operating expenses	減：直接經營開支	2,309	3,970
Net rental income	租金收入淨額	(7,277)	(12,966)
Research and development expenses (note (b))	研究及開發開支(附註(b))	55,267	54,317
Impairment losses on trade receivables	應收賬款減值虧損	–	8,110
Expected credit losses on trade receivables	應收賬款預期信貸虧損	4,381	–

Notes:

- (a) Depreciation expense of HK\$19,653,000 (2017: HK\$15,082,000) has been included in cost of sales from non-banking and financial businesses, HK\$53,213,000 (2017: HK\$50,159,000) in selling and distribution expenses and HK\$53,389,000 (2017: HK\$54,526,000) in administrative expenses.
- (b) Amortisation expenses and research and development expenses had been included in the administrative expenses.

附註：

- (a) 折舊支出19,653,000港元(二零一七年：15,082,000港元)已計入非銀行及金融業務之銷售成本、53,213,000港元(二零一七年：50,159,000港元)計入銷售及分銷費用以及53,389,000港元(二零一七年：54,526,000港元)計入行政費用。
- (b) 攤銷開支以及研究及開發開支已計入行政費用。

11. INCOME TAX EXPENSE

For the year ended 31 December 2018 and 2017, Hong Kong profit tax has been provided for certain subsidiaries within the Group and is calculated at 16.5% (2017: 16.5%) on the estimated assessable profits. The subsidiaries established in the PRC are subject to income taxes at tax rates ranging between 15% and 25% (2017: 15% and 25%). Overseas tax is calculated at the rates applicable in the respective jurisdictions.

The Group is also subject to PRC withholding tax at the rate of 5% or 10% (2017: 5% or 10%) in respect of its PRC sourced income earned, including rental income from properties in the PRC, dividend income derived from PRC incorporated company and profit arising from the transfer of equity interest in PRC incorporated company.

11. 所得稅開支

截至二零一八年及二零一七年十二月三十一日止年度，本集團已為若干附屬公司計提香港利得稅撥備，並按估計應課稅溢利16.5%（二零一七年：16.5%）計算。於中國成立之附屬公司須按介乎15%至25%（二零一七年：15%至25%）之所得稅率繳稅。海外稅項按相關司法權區適用稅率計算。

本集團亦就其於中國賺取之收入按稅率5%或10%（二零一七年：5%或10%）繳交中國預扣稅，預扣稅包括來自中國物業之租金收入、產生自中國註冊成立公司之股息收入及轉讓於中國註冊成立公司股權產生之溢利。

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current tax for the year	年內即期稅項		
Hong Kong	香港	665	465
PRC	中國	78,140	224,845
Liechtenstein	列支敦士登	27,891	19,059
Switzerland	瑞士	289	812
Deferred tax for the year (note 42)	年內遞延稅項(附註42)	(1,321)	(23,615)
Total income tax expense	所得稅開支總額	105,664	221,566

Reconciliation between income tax expense and accounting profit at applicable tax rates:

按適用稅率計算之所得稅開支與會計溢利之對賬：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	347,112	1,432,764
Tax on profit before income tax, calculated at the rates applicable to the tax jurisdictions concerned	除所得稅前溢利之稅項(根據相關稅務司法權區適用之稅率計算)	90,526	129,637
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(25,657)	(16,727)
Tax effect of non-deductible expenses	不可扣稅開支之稅務影響	5,968	46,593
Utilisation of tax losses not recognised	動用未確認稅項虧損	-	(26)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	34,827	62,089
Total income tax expense	所得稅開支總額	105,664	221,566

12. DISPOSAL OF SUBSIDIARIES

12. 出售附屬公司

		2017 二零一七年 HK\$'000 千港元
Gain on disposal of Seti Timber Group (note 12.1)	出售森帝木業集團之收益(附註12.1)	1,353,795
Gain on disposal of Gold Vantage Group (note 12.2)	出售金燾集團之收益(附註12.2)	28,247
Gain/(loss) on disposal of subsidiaries	出售附屬公司之收益/(虧損)	1,382,042

12.1 Disposal of Seti Timber Group

In September 2017, the Group has completed the disposal of the entire equity interest in Seti Timber Group at the total consideration of RMB1,513,515,000 equivalent to HK\$1,762,703,000 in which RMB1,400,000,000 (equivalent HK\$1,630,446,000) is cash consideration and the remaining balances of RMB113,515,000 (equivalent to HK\$132,257,000) is the tax paid by vendor on behalf of the Group. The Group recognised a gain on disposal of subsidiaries of approximately HK\$1,353,795,000. Details of the Group's gain on disposal of Seti Timber Group for the year ended 31 December 2017 were set out as follows:

12.1 出售森帝木業集團

於二零一七年九月，本集團以總代價人民幣1,513,515,000元相當於1,762,703,000港元完成出售其於森帝木業集團之全部股權，當中人民幣1,400,000,000元(相當於1,630,446,000港元)為現金代價，而餘下結餘人民幣113,515,000元(相當於132,257,000港元)為賣方代表本集團支付之稅項。本集團確認出售附屬公司之收益約為1,353,795,000港元。有關本集團於截至二零一七年十二月三十一日止年度出售森帝木業集團收益詳情載列如下：

		HK\$'000 千港元
Net assets disposed of:	出售資產淨值：	
Cash and deposits	現金及存款	59,724
Other assets	其他資產	350,815
Prepaid land lease payments (note 31)	預付土地租賃款項(附註31)	11,977
Income tax payable	應付所得稅	(298)
Other liabilities	其他負債	(7,688)
Net assets disposed of	出售資產淨值	414,530
Non-controlling interests	非控股權益	(2,670)
Release of exchange reserve upon disposal	於出售時解除外匯儲備	(2,952)
		408,908
Less: Total consideration	減：總代價	(1,762,703)
Gain on disposal of Seti Timber Group	出售森帝木業集團之收益	(1,353,795)

		HK\$'000 千港元
Net cash inflow arising on disposal:	出售產生之現金流入淨額：	
Cash consideration	現金代價	1,630,446
Less: Cash and deposits disposed of	減：所出售之現金及存款	(59,724)
Net cash inflow for the year ended 31 December 2017	截至二零一七年十二月三十一日 止年度之現金流入淨額	1,570,722

The cash consideration of RMB1,400,000,000 (equivalent to HK\$1,630,446,000) in respect of disposal of Seti Timber Group has been fully received by the Group during the year ended 31 December 2017.

截至二零一七年十二月三十一日止年度，有關出售森帝木業集團，本集團已悉數收取現金代價人民幣1,400,000,000元(相當於1,630,446,000港元)。

12. DISPOSAL OF SUBSIDIARIES (Continued)**12.2 Disposal of Gold Vantage Group**

In December 2017, the Group has completed the disposal of its 51% equity interest in Gold Vantage Group to Fair Future Industrial Limited ("Fair Future"), the associate company of the Group, at the total consideration of HK\$5,100 and the Group recognised a gain on disposal of subsidiaries of approximately HK\$28,247,000. Details of the Group's gain on disposal of Gold Vantage Group for the year ended 31 December 2017 were set out as follows:

		HK\$'000 千港元
Net liabilities disposed of:	出售負債淨額：	
Cash and deposits	現金及存款	10,346
Trade receivables	應收賬款	13,661
Inventories	存貨	20,181
Property, plant and equipment (note 29)	物業、廠房及設備(附註29)	54,317
Other assets	其他資產	16,489
Trade payables	應付賬款	(18,532)
Income tax payable	應付所得稅	(578)
Borrowings	借貸	(210)
Other liabilities [#]	其他負債 [#]	(148,874)
Net liabilities disposed of	出售負債淨額	(53,200)
Non-controlling interests	非控股權益	24,815
Release of exchange reserve upon disposal	於出售時解除外匯儲備	143
		(28,242)
Less: Total consideration	減：總代價	(5)
Gain on disposal of Gold Vantage Group	出售金熹集團之收益	(28,247)

		HK\$'000 千港元
Net cash outflow arising on disposal:	出售產生之現金流出淨額：	
Cash consideration	現金代價	5
Less: Cash and deposits disposed of	減：所出售之現金及存款	(10,346)
Net cash outflow for the year ended 31 December 2017	截至二零一七年十二月三十一日止年度之現金流出淨額	(10,341)

The cash consideration of HK\$5,100 from disposal of Gold Vantage Group has been fully received by the Group during the year ended 31 December 2017.

截至二零一七年十二月三十一日止年度，有關出售金熹集團，本集團已悉數收取現金代價5,100港元。

[#] Other liabilities included an amount of HK\$22,457,000 due to the Group. This amount was not settled as at 31 December 2017, and was presented as amounts due from an associate under other assets in note 34 to the consolidated financial statements.

[#] 其他負債包括應付本集團款項22,457,000港元。該款項於二零一七年十二月三十一日並未償付，且於綜合財務報表附註34呈列為其他資產項下之應收一間聯營公司款項。

12. 出售附屬公司(續)**12.2 出售金熹集團**

於二零一七年十二月，本集團以總代價5,100港元完成出售其於金熹集團之51%股權予本集團聯營公司俊光實業有限公司(「俊光」)，本集團確認出售一間附屬公司收益約28,247,000港元。有關本集團於截至二零一七年十二月三十一日止年度出售金熹集團收益詳情載列如下：

13. DIVIDENDS

13.1 Dividend attributable to the year

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Special dividend of HK5 cents per share for 2017 (note a)	二零一七年特別股息每股5港仙 (附註a)	—	217,516
Proposed final dividend (note b)	擬派末期股息(附註b)	—	261,019
		—	478,535

Notes:

- (a) The board of directors resolved to recommend a special dividend of HK5 cents per share for the year ended 31 December 2016. The proposed special dividend for the year ended 31 December 2016 was approved by the shareholders in the 2017 annual general meeting held on 26 May 2017 and had been paid to the Company's shareholders during the year ended 31 December 2017.
- (b) At the board meeting held on 29 March 2019, the board of directors do not recommend the payment of final dividend for the year ended 31 December 2018 (2017: recommended final dividend of HK6 cents per share). The proposed 2017 final dividend is subject to shareholders' approval in the forthcoming 2017 annual general meeting and has not been recognised as dividend payable as at 31 December 2017, but will be reflected as an appropriation of retained profits/share premium for the year ending 31 December 2018.

附註：

- (a) 董事會議決建議於截至二零一六年十二月三十一日止年度派付特別股息每股5港仙。於截至二零一六年十二月三十一日止年度擬派特別股息已於二零一七年五月二十六日召開之二零一七年股東週年大會上獲股東批准，並已於截至二零一七年十二月三十一日止年度向本公司股東派付。
- (b) 於二零一九年三月二十九日舉行之董事會會議上，董事會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(二零一七年：建議末期股息每股6港仙)。擬派二零一七年末期股息須待股東於應屆二零一七年股東週年大會批准後方可作實，於二零一七年十二月三十一日並無確認為應付股息，惟將反映為截至二零一八年十二月三十一日止年度之保留溢利/股份溢價之分派。

13.2 Dividend attributable to the previous financial year, approved and paid 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
Final dividend in respect of previous financial year of HK6 cents (2017: nil)	就過往財政年度之末期股息 6港仙(二零一七年：無)	261,113	—
		261,113	—

The amount of actual 2017 final dividend paid was HK\$261,113,000 as result of the issue of 1,575,000 new ordinary shares due to exercise of share options during the year. The aforementioned issuance of ordinary shares were completed before the closure of members' register on 29 June 2018. As such, those ordinary shares newly issued were entitled to the 2017 final dividend.

13.2 年內批准及支付之過往財政年度應佔股息

由於年內因購股權獲行使而發行1,575,000股新普通股，故二零一七年末期股息之實際派付金額為261,113,000港元。上述發行普通股於二零一八年六月二十九日暫停辦理股份過戶登記手續前完成。因此，該等新發行普通股有權獲派二零一七年末期股息。

14. EARNINGS PER SHARE

The calculations of basic and diluted earnings per share attributable to owners of the Company are 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
Earnings	盈利		
Profit attributable to owners of the Company for the purpose of calculating basic and diluted earnings per share	計算每股基本及攤薄盈利所依據之本公司擁有人應佔溢利	201,372	1,170,484

		2018 二零一八年 Number of shares 股份數目 '000 千股	2017 二零一七年 Number of shares 股份數目 '000 千股
Number of shares	股份數目		
Weighted average number of shares for the purpose of calculating basic earnings per share	計算每股基本盈利所依據之加權平均股數	4,351,370	4,350,313
Effect of dilutive potential shares: – share options issued by the Company	潛在股份之攤薄影響： – 本公司發行之認購股份權	2,249	5,752
Weighted average number of shares for the purpose of calculating diluted earnings per share	計算每股攤薄盈利所依據之加權平均股數	4,353,619	4,356,065

15. EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS)**15.1 Employee benefit expense**

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Wages and salaries	工資及薪金	669,441	649,300
Pension costs	退休金成本	91,286	99,571
		760,727	748,871

Employee costs, including directors' emoluments of HK\$83,775,000 (2017: HK\$113,680,000) has been included in cost of sales from non-banking and financial businesses, HK\$285,027,000 (2017: HK\$265,766,000) in selling and distribution expenses and HK\$391,925,000 (2017: HK\$369,425,000) in administrative expenses.

14. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃根據以下數據計算：

15. 僱員福利開支(包括董事酬金)**15.1 僱員福利開支**

僱員成本(包括董事酬金)83,775,000港元(二零一七年:113,680,000港元)已計入非銀行及金融業務之銷售成本、285,027,000港元(二零一七年:265,766,000港元)已計入銷售及分銷開支以及391,925,000港元(二零一七年:369,425,000港元)已計入行政開支。

15. EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) (Continued)

15.2 Defined benefit pension plans

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Net defined benefit obligations	定額福利責任淨額	83,140	94,323

Net defined benefit liability has been included in "other liabilities" (see note 43) in the consolidated statement of financial position.

The defined benefit pension plans are primarily arising from Eterna AG Uhrenfabrik and its subsidiaries (together the "Eterna Group"), Montres Corum Sàrl and its subsidiaries (together the "Corum Group") Bendura Bank AG and its subsidiaries (the "Bendura Group"), the Ernest Borel Group. The Group makes contributions to the defined benefit pension plans that provide post-retirement benefits for employees upon retirement. Under the schemes, the employees in Switzerland and Liechtenstein are entitled to retirement benefits based on the plan assets accumulated on attainment of the retirement age and a fixed annual rate. Since there is potential down-side risk for the employer to pay additional contributions in case the plan has a deficit, Swiss and Liechtenstein plans are classified as defined benefit pension plans.

The latest independent actuarial valuations of plan assets and the present value of the defined benefit obligation on the Eterna Group were carried out at 31 December 2018 and 2017 by Martin Schnider, a member of the Swiss Association of Actuaries in Switzerland, using the projected unit credit method.

The latest independent actuarial valuations of plan assets and the defined benefit obligations on the Corum Group were carried out at 31 December 2018 and 2017 by Nicolas Colozier, a member of the Swiss Association of Actuaries in Switzerland, using the projected unit credit method.

The latest independent actuarial valuations of plan assets and the defined benefit obligations on the Ernest Borel were carried out at acquisition date and 31 December 2018 by Swiss Life Pension Services AG, an independent qualified professional actuary and a member of the Swiss Association of Actuaries in Switzerland, using the projected unit credit method.

The latest independent actuarial valuations of plan assets and the defined benefit obligations on the Bendura Group were carried out at 31 December 2018 and 2017 by AXA Pension Solutions AG, a member of Swiss Association of Actuaries in Switzerland, using the projected unit credit method.

15. 僱員福利開支(包括董事酬金)(續)

15.2 定額退休金福利計劃

定額福利負債淨額已計入綜合財務狀況表「其他負債」(見附註43)項下。

定額退休金福利計劃主要來自Eterna AG Uhrenfabrik及其附屬公司(統稱「綺年華集團」)、Montres Corum Sàrl及其附屬公司(統稱「崑崙集團」)、富地銀行股份有限公司及其附屬公司(「富地集團」)以及依波路集團。本集團向定額退休金福利計劃作出供款，為僱員於退休時提供退休後福利。根據計劃，瑞士及列支敦士登僱員可享有退休福利，乃根據達到退休年齡及固定年率所累計之計劃資產釐定。由於一旦計劃出現赤字，僱主須支付額外供款，導致潛在損失風險，故瑞士及列支敦士登計劃分類為定額退休金福利計劃。

綺年華集團計劃資產之最新獨立精算估值及定額福利責任現值乃由瑞士Swiss Association of Actuaries之一位會員Martin Schnider於二零一八年及二零一七年十二月三十一日使用預測單位入賬方法進行。

崑崙集團計劃資產之最新獨立精算估值及定額福利責任乃由瑞士Swiss Association of Actuaries之一位會員Nicolas Colozier於二零一八年及二零一七年十二月三十一日使用預測單位入賬方法進行。

依波路計劃資產之最新獨立精算估值及定額福利責任乃由一位獨立合資格專業精算師兼瑞士Swiss Association of Actuaries之會員Swiss Life Pension Services AG於收購日期及二零一八年十二月三十一日使用預測單位入賬方法進行。

富地集團計劃資產之最新獨立精算估值及定額福利責任乃由瑞士Swiss Association of Actuaries之一位會員AXA Pension Solutions AG於二零一八年及二零一七年十二月三十一日使用預測單位入賬方法進行。

15. EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) (Continued)

15.2 Defined benefit pension plans (Continued)

- (a) The amount included in the consolidated statement of financial position arising from the Group's obligation in respect of its defined benefit plans 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
Present value of defined benefit obligations	定額福利責任現值	478,397	456,532
Fair value of plan assets	計劃資產之公平值	(395,257)	(362,209)
Net liability arising from defined benefit obligations	定額福利責任產生之負債淨額	83,140	94,323

- (b) Movements in the present value of the defined benefit obligations for both the years ended 31 December 2018 and 2017 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
At 1 January	於一月一日	456,532	413,556
Addition through acquisition of subsidiaries	透過收購附屬公司之添置	14,409	—
Current service costs	現時服務成本	29,242	27,883
Past service costs	過往服務成本	2,941	1,362
Interest cost	利息成本	3,085	3,010
Actuarial gains	精算收益	(30,853)	(2,657)
Benefits paid	已付福利	(11,059)	(7,410)
Contribution by plan participants	計劃參與者供款	15,547	—
Exchange realignment	匯兌調整	(1,447)	20,788
At 31 December	於十二月三十一日	478,397	456,532

- (c) Movements in the fair value of the plan assets for both the years ended 31 December 2018 and 2017 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
At 1 January	於一月一日	362,209	323,926
Addition through acquisition of subsidiaries	透過收購附屬公司之添置	9,440	—
Interest income	利息收入	64	—
Return on plan assets	計劃資產之回報	4,664	2,403
Actuarial (losses)/gains	精算(虧損)/收益	(2,492)	10,126
Contributions by the employers	僱主供款	19,265	15,902
Contributions by plan participants	計劃參與者供款	14,929	13,665
Contributions by employees	僱員供款	617	—
Benefit paid	已付福利	(11,059)	(21,075)
Exchange realignment	匯兌調整	(2,380)	17,262
At 31 December	於十二月三十一日	395,257	362,209

15. 僱員福利開支(包括董事酬金)(續)

15.2 定額退休金福利計劃(續)

- (a) 計入綜合財務狀況表本集團就其定額福利計劃責任所產生之金額如下：

- (b) 截至二零一八年及二零一七年十二月三十一日止兩個年度定額福利計劃責任現值變動如下：

- (c) 截至二零一八年及二零一七年十二月三十一日止兩個年度計劃資產公平值變動如下：

15. EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) (Continued)

15.2 Defined benefit pension plans (Continued)

- (d) Amounts recognised in the consolidated statement of comprehensive income in respect of these defined benefit plans 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
Service cost:	服務成本：		
Current service costs	現時服務成本	29,242	27,883
Past services costs	過往服務成本	2,941	1,362
Net interest expense	利息開支淨額	3,021	3,010
Components of defined benefit costs recognised in profit or loss	於溢利或虧損中確認之定額福利成本之組成部分	35,204	32,255
Remeasurement on the net defined benefit liability:	重新計量定額福利負債淨額：		
Return on plan assets	計劃資產之回報	4,664	2,403
Actuarial gains	精算收益	28,361	12,783
Components of defined benefit costs recognised in other comprehensive income	於其他全面收入中確認之定額福利成本之組成部分	33,025	15,186

The defined benefit cost of HK\$35,204,000 (2017: HK\$32,255,000) has been included in the administrative expenses. The remeasurement of the net defined benefit liability is included in other comprehensive income.

定額福利成本35,204,000港元(二零一七年：32,255,000港元)已計入行政費用。重新計量定額福利負債淨額計入其他全面收入。

- (e) The major categories of the fair value of the plan assets at the end of reporting period 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
Equity instruments	股本工具	59,770	65,841
Debt instruments	債務工具	90,284	91,948
Properties	物業	77,295	76,937
Commodities instruments	商品工具	4,274	1,937
Assets from reinsurance	重新保險資產	144,474	113,858
Hedge funds	對沖基金	9,117	4,387
Cash	現金	8,018	7,301
Other	其他	2,025	—
		395,257	362,209

The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets whereas the fair value of properties, commodities instruments, assets from reinsurance and hedge funds are not based on quoted market prices in active markets.

上述股本及債務工具之公平值按活躍市場之市場報價釐定，而物業、商品工具、重新保險資產及對沖基金之公平值並非按活躍市場之市場報價釐定。

15. 僱員福利開支(包括董事酬金)(續)

15.2 定額退休金福利計劃(續)

- (d) 就該等定額福利計劃於綜合全面收入表內確認之金額如下：

- (e) 於報告期末計劃資產公平值之主要類別如下：

15. EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS) (Continued)

15.2 Defined benefit pension plans (Continued)

- (f) The principal assumption used for the purpose of the actuarial valuations was as follows:

		2018 二零一八年	2017 二零一七年
Discount rate(s)	貼現率	0.8%–1.0%	0.6%–0.7%
Expected rate(s) of salary increase	預期薪金升幅	0.5%–1.5%	1%–1.5%

- (g) Sensitivity analysis on defined benefit pension plans

Significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary rate of increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

- If the discount rate is 50 basis points higher/(lower), the defined benefit obligation would decrease by HK\$35,823,000 (2017: HK\$36,316,000)/increase by HK\$44,759,000 (2017: HK\$42,118,000).
- If the expected salary rate of increase/(decreases) by 50 basis points, the defined benefit obligations would increase by HK\$8,435,000 (2017: HK\$7,477,000)/decrease by HK\$5,086,000 (2017: HK\$6,942,000).

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit liability recognised in the consolidated statement of financial position.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

15. 僱員福利開支(包括董事酬金)(續)

15.2 定額退休金福利計劃(續)

- (f) 用於精算評估目的之主要假設如下：

		2018 二零一八年	2017 二零一七年
Discount rate(s)	貼現率	0.8%–1.0%	0.6%–0.7%
Expected rate(s) of salary increase	預期薪金升幅	0.5%–1.5%	1%–1.5%

- (g) 定額退休金福利計劃之敏感度分析

釐定定額福利責任之主要精算假設為貼現率及預期薪金增幅比率。下文之敏感度分析乃按當所有其他假設保持不變時，報告期末所產生有關假設合理可能變動而釐定。

- 倘貼現率上升／(下降) 50個基點，定額福利責任將減少35,823,000港元(二零一七年：36,316,000港元)／增加44,759,000港元(二零一七年：42,118,000港元)。
- 倘預期薪金增幅比率增加／(減少) 50個基點，定額福利責任將增加8,435,000港元(二零一七年：7,477,000港元)／減少5,086,000港元(二零一七年：6,942,000港元)。

上述敏感度分析可能並不代表定額福利責任之實際變化，原因為若干假設可能彼此關聯，假設中之變化不大可能單獨出現。

此外，就上述敏感度分析之呈列，於報告期末定額福利責任之現值使用預測單位入賬方法計算，即與於綜合財務狀況表中所確認定額福利負債之計算所應用者相同。

過往年度用以制定敏感度分析之方法及假設概無變動。

16. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS

16.1 Directors' emoluments

Details of emoluments of the directors of the Company in connection with the management of affairs of the Company and its subsidiaries are set out below:

16. 董事酬金及高級管理層酬金

16.1 董事酬金

有關管理本公司及其附屬公司事宜之本公司董事酬金之詳情載列如下：

		Directors' fees	Salaries, allowances and benefits in kind	Contributions to pension scheme	Total
		董事袍金	薪金、津貼及實物福利	退休金計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
2018	二零一八年				
Executive directors	執行董事				
Mr. Hon Kwok Lung	韓國龍先生	—	2,091	18	2,109
Mr. Shang Jianguang	商建光先生	—	13,722	83	13,805
Mr. Shi Tao*	石濤先生*	—	1,810	18	1,828
Mr. Lam Toi Man	林代文先生	—	1,430	18	1,448
Mr. Bi Bo	畢波先生	—	1,456	18	1,474
Ms. Sit Lai Hei	薛黎曦女士	—	1,430	18	1,448
Mr. Hon Hau Wong	韓孝煌先生	—	1,430	18	1,448
Mr. Tao Li [^]	陶立先生 [^]	—	141	2	143
Mr. Teguh Halim **	Teguh Halim 先生 **	—	2,964	21	2,985
Independent non-executive directors	獨立非執行董事				
Mr. Fung Tze Wa	馮子華先生	200	—	—	200
Dr. Kwong Chun Wai, Michael	鄺俊偉博士	150	—	—	150
Mr. Zhang Bin	張斌先生	150	—	—	150
Mr. Rudolf Heinrich Escher [▲]	Rudolf Heinrich Escher 先生 [▲]	200	—	—	200
		700	26,474	214	27,388

16. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

16. 董事酬金及高級管理層酬金(續)

16.1 Directors' emoluments (Continued)

16.1 董事酬金(續)

		Directors' fees	Salaries, allowances and benefits in kind	Contributions to pension scheme	Total
		董事袍金	薪金、津貼及實物福利	退休金計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
2017	二零一七年				
Executive directors	執行董事				
Mr. Hon Kwok Lung	韓國龍先生	—	2,222	18	2,240
Mr. Shang Jianguang	商建光先生	—	12,458	78	12,536
Mr. Shi Tao*	石濤先生*	—	1,560	18	1,578
Mr. Lam Toi Man	林代文先生	—	1,430	18	1,448
Mr. Bi Bo	畢波先生	—	1,456	18	1,474
Ms. Sit Lai Hei	薛黎曦女士	—	1,430	18	1,448
Mr. Hon Hau Wong	韓孝煌先生	—	1,430	18	1,448
Mr. Tao Li [^]	陶立先生 [^]	—	3,016	122	3,138
Independent non-executive directors	獨立非執行董事				
Mr. Fung Tze Wa	馮子華先生	200	—	—	200
Dr. Kwong Chun Wai, Michael	鄺俊偉博士	150	—	—	150
Mr. Li Qiang [#]	李強先生 [#]	8	—	—	8
Mr. Zhang Bin	張斌先生	150	—	—	150
Mr. Rudolf Heinrich Escher [▲]	Rudolf Heinrich Escher 先生 [▲]	190	—	—	190
		698	25,002	308	26,008

Notes:

There was no arrangement under which a director waived or agreed to waive any remunerations during the year ended 31 December 2018 (2017: nil).

* Save as disclosed in the above table, the Group also provided a quarter to the executive director, Mr. Shi Tao at HK\$10,000 monthly rental (2017: HK\$10,000). The carrying amount of the Group's investment property which was rented to the executive director as quarter as at 31 December 2018 was HK\$26,000,000 (2017: HK\$25,500,000).

[^] Mr. Tao Li has resigned as an executive director of the Company with effect from 23 January 2018.

[#] Mr. Li Qiang had resigned as an independent non-executive director of the Company with effect from 20 January 2017.

[▲] Mr. Rudolf Heinrich Escher had been appointed as an independent non-executive director of the Company with effect from 20 January 2017.

** Mr. Teguh Halim has been appointed as an executive director of the Company with effect from 23 January 2018.

附註:

截至二零一八年十二月三十一日止年度，並無董事放棄或同意放棄任何酬金安排(二零一七年：無)。

* 除上表所披露者外，本集團亦為執行董事石濤先生提供一間宿舍，月租為10,000港元(二零一七年：10,000港元)。於二零一八年十二月三十一日，租予執行董事作宿舍之本集團投資物業之賬面值為26,000,000港元(二零一七年：25,500,000港元)。

[^] 陶立先生已辭任本公司之執行董事，自二零一八年一月二十三日起生效。

[#] 李強先生已辭任本公司之獨立執行董事，自二零一七年一月二十日起生效。

[▲] Rudolf Heinrich Escher 先生獲委任為本公司獨立非執行董事，自二零一七年一月二十日起生效。

** Teguh Halim 先生獲委任為本公司之執行董事，自二零一八年一月二十三日起生效。

16. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

16.2 Five highest paid individuals

The five highest paid individuals of the Group during the year included two (2017: two) directors, details of whose remuneration are reflected in the analysis presented in note 16.1. Details of the remuneration of the remaining three (2017: three) non-director, highest paid individuals of the Group for the year 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
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	12,294	12,735
Contribution to pension scheme	退休金計劃供款	824	1,134
		13,118	13,869

The emoluments of non-director highest paid individuals were within following bands:

		2018 二零一八年 No. of individuals 人數	2017 二零一七年 No. of individuals 人數
HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至 3,000,000 港元	–	1
HK\$3,500,001 to HK\$4,000,000	3,500,001 港元至 4,000,000 港元	1	–
HK\$4,500,001 to HK\$5,000,000	4,500,001 港元至 5,000,000 港元	2	–
HK\$5,000,001 to HK\$5,500,000	5,000,001 港元至 5,500,000 港元	–	1
HK\$5,500,001 to HK\$6,000,000	5,500,001 港元至 6,000,000 港元	–	1
		3	3

No emolument was paid by the Group to the directors or the three (2017: three) highest paid employee(s) as an inducement to join or upon joining the Group, or as compensation for loss of office (2017: nil).

非董事最高薪人士之薪金介乎以下級別：

本集團並無向董事或三名(二零一七年：三名)最高薪僱員支付酬金作為加入或於加入本集團時之獎勵，或作為離職補償(二零一七年：無)。

16.3 Emoluments to members of senior management

The emoluments to members of senior management (excluding the remunerations to directors which have been disclosed in note 16.1 above) were within the following bands:

		2018 二零一八年 No. of individuals 人數	2017 二零一七年 No. of individuals 人數
HK\$1 to HK\$1,000,000	1 港元至 1,000,000 港元	–	1
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	1	1
HK\$2,000,001 to HK\$2,500,000	2,000,001 港元至 2,500,000 港元	–	1
HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至 3,000,000 港元	1	–
		2	3

16. 董事酬金及高級管理層酬金(續)

16.2 五名最高酬金人士

年內，本集團五名最高薪人士包括兩名(二零一七年：兩名)董事，彼等酬金詳情反映於附註16.1所列分析。年內本集團餘下三名(二零一七年：三名)非董事最高薪人士酬金詳情如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	12,294	12,735
Contribution to pension scheme	退休金計劃供款	824	1,134
		13,118	13,869

非董事最高薪人士之薪金介乎以下級別：

		2018 二零一八年 No. of individuals 人數	2017 二零一七年 No. of individuals 人數
HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至 3,000,000 港元	–	1
HK\$3,500,001 to HK\$4,000,000	3,500,001 港元至 4,000,000 港元	1	–
HK\$4,500,001 to HK\$5,000,000	4,500,001 港元至 5,000,000 港元	2	–
HK\$5,000,001 to HK\$5,500,000	5,000,001 港元至 5,500,000 港元	–	1
HK\$5,500,001 to HK\$6,000,000	5,500,001 港元至 6,000,000 港元	–	1
		3	3

本集團並無向董事或三名(二零一七年：三名)最高薪僱員支付酬金作為加入或於加入本集團時之獎勵，或作為離職補償(二零一七年：無)。

16.3 高級管理層成員酬金

高級管理層成員酬金(不包括已於上文附註16.1披露之董事酬金)介乎以下級別：

		2018 二零一八年 No. of individuals 人數	2017 二零一七年 No. of individuals 人數
HK\$1 to HK\$1,000,000	1 港元至 1,000,000 港元	–	1
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	1	1
HK\$2,000,001 to HK\$2,500,000	2,000,001 港元至 2,500,000 港元	–	1
HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至 3,000,000 港元	1	–
		2	3

17. CASH AND DEPOSITS

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cash and bank balances (note (a) and note (b))	現金及銀行結餘(附註(a)及附註(b))	395,444	560,329
Cash held on behalf of clients (note (c))	代客戶持有之現金(附註(c))	46,932	47,251
Sight deposits with central banks (note (d))	中央銀行之活期存款(附註(d))	7,259,367	6,813,098
		7,701,743	7,420,678

Notes:

- (a) Cash at bank earns interest at the floating rates based on the daily bank deposits rates.
- (b) Included in cash and bank balances of the Group are the amount of approximately HK\$249,220,000 (2017: HK\$222,403,000) denominated in RMB which are placed with the banks in the PRC. RMB is not freely convertible into other currencies. Under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB into foreign currencies through the banks authorised to conduct foreign exchange business.
- (c) In respect of the Group's financial business of securities dealing, the Group maintains segregated trusts accounts with authorised financial institutions to hold client's monies. The Group classifies clients' monies under cash and deposits in the consolidated statement of financial position and has recognised the corresponding balances due to cash and margin clients separately under trade payables (note 36) on the grounds that the Group is liable for any loss or misappropriation of clients' monies and does not have a currently enforceable right to offset those payables with the deposits placed.
- (d) These balances with central banks represent sight deposits placed by the Bendura Group and they can be withdrawn immediately without any restrictions.
- (e) As at 31 December 2018, cash and deposits of HK\$7,369,156,000 (2017: HK\$6,910,905,000) are attributable to banking and financial businesses.

附註：

- (a) 銀行現金按每日銀行存款利率計算之浮動利率計息。
- (b) 本集團現金及銀行結餘包括為數約249,220,000港元(二零一七年：222,403,000港元)以人民幣計值存於中國之銀行之款額。人民幣不得自由兌換為其他貨幣。根據中國關於外匯管理及結匯、售匯及付匯管理規定，本集團可透過獲授權進行外匯業務之銀行將人民幣兌換為外幣。
- (c) 就本集團證券買賣之金融業務而言，本集團於獲授權金融機構開設獨立信託賬戶以持有客戶款項。本集團於綜合財務狀況表內將客戶款項分類為現金及存款，並根據其須就客戶款項之任何損失或挪用任何金額負責之基礎而確認為應付賬款項下各自應付予相關客戶之現金及保證金之相應結餘(附註36)，且本集團現時並無可強制執行之權利動用其所存放之存款以抵銷有關應付賬款。
- (d) 該等中央銀行結餘指當地集團所存放之活期存款，可即時提取而無任何限制。
- (e) 於二零一八年十二月三十一日，現金及存款7,369,156,000港元(二零一七年：6,910,905,000港元)乃來自銀行及金融業務。

18. DUE FROM BANKS AND CLIENTS

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Due from clients – mortgage loans	應收客戶款項—按揭貸款	825,042	359,956
Due from clients – other	應收客戶款項—其他	759,493	654,591
Valuation adjustments for default risk (note (a))	違約風險估值調整(附註(a))	(9,097)	(3,031)
Total due from clients	應收客戶款項總額	1,575,438	1,011,516
Due from banks on a daily basis	應收銀行日常款項	3,205,104	5,808,499
Due from banks other claims	應收銀行其他申索	185,557	113,571
Valuation adjustments for default risk (note (a))	違約風險估值調整(附註(a))	(2,825)	(192)
Total due from banks	應收銀行款項總額	3,387,836	5,921,878

18. 應收銀行及客戶款項

18. DUE FROM BANKS AND CLIENTS (Continued)

Notes:

- (a) Movement in the expected credit losses in respect of due from banks and clients are as follows:

		Stage 1 第1階段 HK\$'000 千港元	Stage 2 第2階段 HK\$'000 千港元	Stage 3 第3階段 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1 January 2018	於二零一八年一月一日之結餘	-	-	3,223	3,223
Implementation of HKFRS 9	實施香港財務報告準則第9號	5,519	-	-	5,519
Balance at 1 January 2018, as restated	於二零一八年一月一日之結餘，經重列	5,519	-	3,223	8,742
Newly formed expected credit losses	新增預期信貸虧損	1,299	-	1,957	3,256
Exchange realignment	匯兌調整	(43)	-	(33)	(76)
Balance at 31 December 2018	於二零一八年十二月三十一日之結餘	6,775	-	5,147	11,922

Origination of new due from net of those settled resulted in an increase in loss allowance of HK\$3,256,000 contributed to the increase in the loss allowance during 2018:

Movement in the valuation adjustments for default risk in respect of due from banks and clients for the year ended 31 December 2017 is as follow:

		HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	3,033
Newly formed valuation adjustments for default risks	新增違約風險估值調整	264
Utilise of valuation adjustments for default risks	動用違約風險估值調整	(157)
Release of valuation adjustments for default risks	撥回違約風險估值調整	(360)
Exchange realignment	匯兌調整	443
At 31 December 2017	於二零一七年十二月三十一日	3,223

- (b) Impaired amounts due from banks and clients

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Impaired amounts due from banks and clients, gross	應收銀行及客戶減值款項總額	11,922	3,223
Estimated realisation proceeds from collateral	估計抵押品變現所得款項	-	-
Impaired amounts due from banks and clients, net	應收銀行及客戶減值款項淨額	11,922	3,223

- (c) Non-performing loans

No interest income impact from non-performing loans was recognised for the year ended 31 December 2018 and 2017.

18. 應收銀行及客戶款項(續)

附註:

- (a) 應收銀行及客戶款項之預期信貸虧損變動如下:

於二零一八年，產生新應收款項減已結清款項導致虧損撥備增加3,256,000港元導致虧損撥備增加:

截至二零一七年十二月三十一日止年度之應收銀行及客戶款項違約風險估值調整變動如下:

- (b) 應收銀行及客戶減值款項

- (c) 不良貸款

截至二零一八年及二零一七年十二月三十一日止年度，概無確認不良貸款產生之利息收入影響。

19. TRADING PORTFOLIO INVESTMENTS

19. 交易組合投資

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Equity instruments	股本工具		
Listed equity instruments in Hong Kong at market value	按市值於香港上市之股本工具	42,793	556,634
Listed equity instruments outside Hong Kong at market value	按市值於香港境外上市之股本工具	35,429	42,579
Total equity instrument	股本工具總額	78,222	599,213
Debt instruments	債務工具		
Debt instruments of financial institutions listed outside Hong Kong	於香港境外上市之金融機構債務工具	603	33,878
Unlisted debt instruments of financial institutions	金融機構之非上市債務工具	12,890	2,733
Total debt instruments	債務工具總額	13,493	36,611
Investment fund units	投資基金單位		
Investment fund units listed outside Hong Kong	於香港境外上市之投資基金單位	793	3,228
Unlisted investment fund units	非上市投資基金單位	7,851	1,979
Total investment fund units	投資基金單位總額	8,644	5,207
Investment in other financial products	其他金融產品投資	23,247	-
Total trading portfolio investments	交易組合投資總額	123,606	641,031

The investments under trade portfolio investments are held for trading purposes.

交易組合投資乃持有作買賣用途。

Fair value of the listed equity instruments, debt instruments and investment fund units have been determined by reference to their quoted market prices at the reporting date in an active market. Fair value of the listed trading portfolio investments is Level 1 recurring fair value measurement.

上市股本工具、債務工具及投資基金單位之公平值乃經參考其於報告日在活躍市場所報市價後予以釐定。上市交易組合投資之公平值為第一級經常性公平值計量。

Fair value of unlisted debt instruments and investment fund units have been determined using significant inputs, which are market observable, directly or indirectly. The fair value of the unlisted trading portfolio investments is Level 2 recurring fair value measurement.

倘重大輸入數值為市場可觀察數據，則非上市債務工具及投資基金單位之公平值直接或間接釐定。非上市交易組合投資之公平值為第二級經常性公平值計量。

Other financial products are referring to the insurance policy entered by the Group. The fair value of investments in insurance policies are determined based on the account value as stated in cash surrender value statements issued by insurers. Fair value of other financial products is Level 2 recurring fair value measurement.

其他金融產品指本集團訂立之保單。保單投資之公平值乃按保險公司發出之現金退保單所示賬目金額而釐定。其他金融產品之公平值為第二層經常性公平值計量。

There is no transfer under the fair value hierarchy classification for the years ended 31 December 2018 and 2017.

截至二零一八年及二零一七年十二月三十一日止年度，概無根據公平值層級分類之轉移。

The fair value gain during the year was amounted to HK\$15,541,000 (2017: fair value loss of HK\$5,949,000), which has been recognised in the consolidated statement of comprehensive income as "other income and other net gains or losses" (note 8) for the year ended 31 December 2018.

本年度之公平值收益為15,541,000港元(二零一七年：公平值虧損5,949,000港元)，已於截至二零一八年十二月三十一日止年度之綜合全面收入表內確認為「其他收入及其他收益或虧損淨額」(附註8)。

As at 31 December 2018, listed equity instruments with an aggregated carrying amount of HK\$35,749,000 (2017: HK\$56,366,000) have been pledged to secure the margin loan payable (note 39).

於二零一八年十二月三十一日，總賬面值為35,749,000港元(二零一七年：56,366,000港元)之上市股本工具已抵押作擔保應付保證金貸款(附註39)。

20. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

20. 按公平值計入其他全面收入之金融資產

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	Notes 附註			
Listed equity instruments in Hong Kong (note (a))	於香港上市之股本工具(附註(a))	(a)	492,759	-
Listed equity instruments outside Hong Kong (note (b))	於香港境外上市之股本工具(附註(b))	(b)	128,730	-
Unlisted equity investments	非上市股本投資		5,711	-
			627,200	-

Under HKAS 39, equity investments not held for trading were classified as available-for-sale financial assets. These equity investments are classified as at FVPL under HKFRS 9, unless they are eligible for and designated at FVOCI by the Group. At 1 January 2018, the group designated its listed equity instruments in or outside Hong Kong and unlisted equity investments at FVOCI as below, as those investments are held for strategic purposes.

根據香港會計準則第39號，並非持作買賣之股本投資分類為可供出售金融資產。根據香港財務報告準則第9號，該等股本投資按公平值計入溢利或虧損，除非符合資格及由本集團指定按公平值計入其他全面收入。於二零一八年一月一日，本集團按下列方式將其於香港境內或境外之上市股本根據及非上市股本投資指定為按公平值計入其他全面收入，原因為該等投資乃就策略用途持有。

(a) As at 31 December 2018, the listed equity investments in Hong Kong represented 14.76% equity interest in Min Xin Holdings Limited ("Min Xin Shares"). As at 31 December 2018, the Group held 88,150,000 Min Xin Shares. A dividend income totalling HK\$6,996,000 was recognised by the Group in the consolidated statement of comprehensive income for the year ended 31 December 2018.

(a) 於二零一八年十二月三十一日，於香港上市之股本投資指於閩信集團有限公司之14.76%股權（「閩信股份」）。於二零一八年十二月三十一日，本集團持有88,150,000股閩信股份。本集團於截至二零一八年十二月三十一日止年度之綜合全面收入表確認股息收入合共6,996,000港元。

Particulars of the listed equity investments at fair value are as follows:

按公平值列賬之上市股本投資詳情如下：

Name 名稱	Country of incorporation 註冊成立國家	Particulars of issued shares held 所持已發行股份詳情	Number of shares held by the Group 本集團所持股份數目	Percentage of ownership interest attributable to the Group 本集團應佔擁有權權益百分比
Min Xin Holdings Limited 閩信集團有限公司	Hong Kong 香港	Ordinary Share 普通股	88,150,000	14.76%

20. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Continued)

- (b) The listed equity investment at fair value of HK\$128,730,000 represented the investment in Citychamp Dartong Company Limited (referred to "Dartong" and its shares referred to as the "Dartong Shares"). During the year, Dartong declared cash dividend of RMB1.2 per 10 shares. A dividend income totalling HK\$4,320,000 was recognised by the Group in the consolidated statement of comprehensive income for the year ended 31 December 2018.

Mr. Shang Jianguang, Ms. Sit Lai Hei and Mr. Hon Hau Wong, the executive directors of the Company are also the executive directors of Dartong. Dartong is owned as to approximately 31.99% by Fujian Fengrong Investment Company Limited ("Fengrong"). Ms. Sit Lai Hei and Ms. Lu Xiaojun are the daughters-in-law of Mr. Hon Kwok Lung and the beneficial owners of Fengrong. Mr. Hon Hau Wong, an executive Director of the Company, is the spouse of Ms. Lu Xiaojun.

Particulars of the listed equity investments at fair value are as follows:

Name	Country of incorporation	Particulars of issued shares held	Number of shares held by the Group	Percentage of ownership interest attributable to the Group
名稱	註冊成立國家	所持已發行股份詳情	本集團所持股份數目	本集團應佔擁有權權益百分比
Citychamp Dartong Company Limited 冠城大通股份有限公司	PRC 中國	Ordinary A Share A股普通股	30,389,058	2.04%

During the year, the decrease in fair value of financial assets at fair value through other comprehensive income of HK\$123,352,000 has been dealt with in other comprehensive income and FVOCI reserve. There is no transfer of cumulative gain or loss within equity during the year.

21. DERIVATIVE FINANCIAL INSTRUMENTS

	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
Derivative financial assets	衍生金融資產		
Convertible bond investment – Conversion option component	可換股債券投資 – 換股權部分	(a)	71
Forward and option contracts	遠期及期權合約	(b)	4,609
		7,694	4,680
Derivative financial liabilities	衍生金融負債		
Forward and option contracts	遠期及期權合約	(b)	(35,656)
		(20,866)	(35,656)

20. 按公平值計入其他全面收入之金融資產 (續)

- (b) 按公平值列賬之上市股本投資 128,730,000 港元指於冠城大通股份有限公司(「大通」,其股份稱為「大通股份」)之投資。年內,大通宣派現金股息每 10 股人民幣 1.2 元。本集團於截至二零一八年十二月三十一日止年度於綜合全面收入表確認股息收入合共 4,320,000 港元。

本公司執行董事商建光先生、薛黎曦女士及韓孝煌先生亦為大通之執行董事。大通由福建豐榕投資有限公司(「豐榕」)持有約 31.99%。薛黎曦女士及陸曉珺女士均為韓國龍先生之兒媳兼豐榕之實益擁有人。本公司執行董事韓孝煌先生為陸曉珺女士之配偶。

按公平值列賬之上市股本投資詳情如下：

21. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

Notes:

(a) Convertible bond investment – Conversion option component

The Group has subscribed a convertible bond issued by a company listed in Hong Kong, which is due on 1 December 2018 and convertible into fully paid ordinary shares with a par value of HK\$0.1 each at an initial conversion price of HK\$5, subject to adjustment on the occurrence of dilutive or concentrative event. The Group can exercise the conversion at any time until the maturity date and the convertible bond cannot be redeemed before maturity date (in whole or in part).

The principal amount of the convertible bond was HK\$10,000,000, which carries interest at 8% per annum payable every six months in arrears. There was no disposal or conversion of the convertible bond during the years ended 31 December 2017. The convertible bond have been fully redeemed upon the maturity date on 1 December 2018.

Before the adoption of HKFRS 9, the convertible bond is separated into two components: the debt component and the conversion option component. The Group has classified the debt component of the convertible bond as other assets (note 34) and the conversion option component of the convertible bond as derivative financial instruments.

The initial value of the debt component is the residual value after separating out the initial fair value of conversion option component. The initial fair value of conversion option component is determined by the directors with reference to the valuation performed by a valuer, Asset Appraisal Limited ("Asset Appraisal"). Subsequent to initial recognition, the debt component is carried at amortised cost using the effective interest method and the conversion option component is carried at fair value. The effective interest rate of the debt component is 29% as at 31 December 2017. The convertible bond investment has been redeemed by the issuer at the maturity date (i.e. 1 December 2018).

The fair value of the conversion option component at the reporting dates is measured by the directors with reference to the valuation performed by Asset Appraisal using Binomial Option Pricing Model with the following key assumptions:

		At 31/12/2017 於二零一七年 十二月三十一日
Stock price	股價	HK\$3.08 港元
Conversion price	轉換價	HK\$5.00 港元
Expected volatility	預期波幅	30.41%
Discount rate	貼現率	7.63%
Risk free rate	無風險利率	1.04%
Expected dividend yield	預期股息率	0.00%
Time to maturity	到期時間	0.92

At 1 January 2018, the convertible bond investment was reclassified to trading portfolio investments as a whole upon the adoption of HKFRS 9.

21. 衍生金融工具 (續)

附註：

(a) 可換股債券投資 – 換股權部分

本集團已認購一間香港上市公司所發行之可換股債券，其於二零一八年十二月一日到期，且可按初步轉換價5港元轉換為每股面值0.1港元之繳足普通股，惟可因應攤薄或集中事件予以調整。本集團可隨時行使該轉換權，直至到期日為止，而可換股債券於到期日前不可贖回(全部或部分)。

可換股債券之本金額為10,000,000港元，附帶年利率8%，每六個月屆滿支付。截至二零一七年十二月三十一日止年度，概無出售或轉換可換股債券。於二零一八年十二月一日到期日，可換股債券經已悉數贖回。

於採納香港財務報告準則第9號前，可換股債券分為兩部分：債務部分及換股權部分。本集團已將可換股債券之債務部分分類為其他資產(附註34)，而可換股債券之換股權部分則分類為衍生金融工具。

債務部分之初始價值為剔除換股權部分之初始公平值之餘值。換股權部分之初始公平值由董事經參考估值師中誠達資產評估顧問有限公司(「中誠達」)作出之估值後釐定。初始確認後，債務部分使用實際利率法按攤銷成本列賬，而換股權部分則按公平值列賬。於二零一七年十二月三十一日，債務部分之實際利率為29%。可換股債券投資已於到期日(即二零一八年十二月一日)由發行人贖回。

於報告日換股權部分之公平值乃由董事經參考中誠達使用二項式期權定價模式作出之估值後計量，主要假設如下：

於二零一八年一月一日，採納香港財務報告準則第9號後，可換股債券投資已整體重新分類至交易組合投資。

21. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

Notes: (Continued)

(a) Convertible bond investment – Conversion option component (Continued)

The carrying amounts of the debt component and conversion option component of the convertible bond are as follows:

		Debt component 債務部分 HK\$'000 千港元	Conversion option component 換股權部分 HK\$'000 千港元	Trading portfolio investments 交易組合投資 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	7,098	82	–	7,180
Interest received	已收利息	(800)	–	–	(800)
Effective interest income	實際利息收入	2,123	–	–	2,123
Change in the fair value of conversion option component	換股權部分之公平值變動	–	(11)	–	(11)
At 31 December 2017	於二零一七年十二月三十一日	8,421	71	–	8,492
Reclassification upon the adoption of HKFRS 9	採納香港財務報告準則第9號後重新分類	(8,421)	(71)	8,492	–
Effect of initial application of HKFRS 9	首次應用香港財務報告準則第9號之影響	–	–	1,621	1,621
At 1 January 2018, as restated	於二零一八年一月一日，經重列	–	–	10,113	10,113
Change in the fair value of convertible bond investment	可換股債券投資的公平值變動	–	–	(113)	(113)
Redemption of convertible bond	贖回可換股債券	–	–	(10,000)	(10,000)
At 31 December 2018	於二零一八年十二月三十一日	–	–	–	–

The convertible bond investment has been redeemed by the issuer at the maturity date.

The fair value loss of the convertible bond investment for the year ended 31 December 2018 was amounted to HK\$113,000, which has been recognised as “other income and other net gains or losses” (note 8) in the consolidated statement of comprehensive income for the year.

The fair value loss of the conversion option component for the year ended 31 December 2017 was amounted to HK\$11,000, which had been recognised as “other income and other net gains or losses” (note 8) in the consolidated statement of comprehensive income for the year.

The fair values of the conversion option component and convertible bond investment are Level 3 recurring fair value measurement. There is no transfer under the fair value hierarchy classification for the years ended 31 December 2018 and 2017.

The key significant unobservable inputs to determine the fair value of the conversion option component are the discount rate and the expected volatility.

A higher in the discount rate would result in an decrease in the fair value of the conversion option component, and vice versa.

A higher in the expected volatility would result in an increase in the fair value of the conversion option component, and vice versa.

21. 衍生金融工具(續)

附註：(續)

(a) 可換股債券投資－換股權部分(續)

可換股債券之債務部分及換股權部分之賬面值如下：

可換股債券投資已由發行人於到期日贖回。

截至二零一八年十二月三十一日止年度之可換股債券投資的公平值虧損為113,000港元，其已於本年度綜合全面收入表中確認為「其他收入及其他收益或虧損淨額」(附註8)。

截至二零一七年十二月三十一日止年度之換股權部分之公平值虧損為11,000港元，其已於本年度綜合全面收入表中確認為「其他收入及其他收益或虧損淨額」(附註8)。

換股權部分及可換股債券投資的公平值屬第三級經常性公平值計量。截至二零一八年及二零一七年十二月三十一日止年度，公平值層級分類項下概無轉移。

釐定換股權部分公平值之主要重大不可觀察輸入數值為貼現率及預期波幅。

貼現率上升導致換股權部分之公平值減少，反之亦然。

預期波幅上升可導致換股權部分之公平值增加，反之亦然。

21. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

Notes: (Continued)

(b) Forward and option contracts arising in banking business

The Group's subsidiaries under the banking business segment act as an intermediary to offer derivative products including interest rate and currency forwards and swap to its customers. These derivative positions are managed through entering back-to-back deals with external parties to ensure the remaining exposures are within acceptable risk levels.

The following tables and notes provide an analysis of the nominal amounts of derivatives and the corresponding fair values as at the year ended date. The nominal amounts of the derivatives indicate the volume of transactions outstanding as at the reporting date; they do not represent amounts at risk.

		31 December 2018 二零一八年十二月三十一日		
		Nominal amount	Assets	Liabilities
		面值	資產	負債
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Non-hedging instruments	非對沖工具			
– Currency derivatives	– 貨幣衍生工具	2,151,141	7,480	(20,652)
– Option	– 期權	23,839	214	(214)
		2,174,980	7,694	(20,866)

		31 December 2017 二零一七年十二月三十一日		
		Nominal amount	Assets	Liabilities
		面值	資產	負債
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Non-hedging instruments	非對沖工具			
– Currency derivatives	– 貨幣衍生工具	3,093,502	4,609	(35,656)
– Option	– 期權	9,027	–*	–*
		3,102,529	4,609	(35,656)

* Represents the amount less than HK\$1,000.

* 即指金額少於1,000港元。

Nominal amount analysed by remaining maturity

按餘下到期日分析之面值

		2018 二零一八年	2017 二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
Within 3 months	3個月內	1,753,659	3,076,434
Between 3 months and 1 year	3個月至1年	416,090	19,678
Between 1 year and 5 years	1年至5年	5,231	6,417
		2,174,980	3,102,529

The remaining term to maturity of derivatives does not represent the Group's intended holding period. Change in the fair value of forward and option contracts arising in banking business has been recognised in the consolidated statement of comprehensive income under "Trading income from banking business".

衍生工具到期日餘下期限並不代表本集團之擬持有期。來自銀行業務之遠期及期權合約之公平值變動已根據「銀行業務之交易收入」於綜合全面收入表內確認。

21. 衍生金融工具(續)

附註：(續)

(b) 來自銀行業務之遠期及期權合約

本集團銀行業務分部下之附屬公司作為中介向其客戶提供衍生工具產品，包括利率以及貨幣遠期及掉期。該等衍生工具持倉乃透過與外界人士訂立背對背交易進行管理以確保餘下風險於可接受風險水平內。

下表及附註就截至該日止年度之衍生工具面值及相應公平值提供分析。衍生工具之面值顯示於報告日尚未完成之交易量而並無呈現風險金額。

22. TRADE RECEIVABLES

22. 應收賬款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade receivables arising from watches and timepieces business: (note (a))	鐘錶及時計產品業務產生之應收賬款： (附註(a))		
Trade receivables	應收賬款	613,650	554,036
Less: Provision for impairment loss	減：減值虧損撥備	(50,976)	(53,056)
		562,674	500,980
Trade receivables arising from financial business: (note (b))	金融業務產生之應收賬款： (附註(b))		
– Margin clients	– 保證金客戶	260	531
– Cash clients	– 現金客戶	8,490	3,197
– Clearing house	– 結算所	–	1,579
		8,750	5,307
Trade receivables, net	應收賬款淨額	571,424	506,287

(a) The Group's trading terms with its customers of watches and timepieces business are mainly on credit, except for certain customers, where payment in advance is required. The credit period is generally for a period of one to six months (2017: one to six months) for major customers. The credit term for customers is determined by the management according to industry practice together with consideration of their creditability. In view of the aforementioned and the fact that the Group's trade receivables relate to a wide range of customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

Impairment losses in respect of trade receivables arising from watches and timepieces business are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly.

Movements in the expected credit losses of trade receivables arising from watches and timepieces business are as follows:

(a) 除若干客戶須預先付款外，本集團與其鐘錶及時計產品業務客戶訂立之買賣條款主要為記賬方式。主要客戶一般可獲一至六個月(二零一七年：一至六個月)之信貸期。客戶之信貸期由管理層根據行業慣例並考慮客戶之信譽釐定。鑒於上述事項及本集團應收賬款涉及大量不同客戶，故並無高度集中信貸風險。應收賬款並不計息。

鐘錶及時計產品業務產生之應收賬款減值虧損乃使用撥備賬列賬，除非本集團信納收回有關金額之可能性極低則作別論，在此情況下，減值虧損會直接撇銷應收賬款。

鐘錶及時計產品業務產生之應收賬款之預期信貸虧損變動如下：

		2018 二零一八年 HK\$'000 千港元
At 1 January	於一月一日	53,056
Effect on the adoption of HKFRS 9	採納香港財務報告準則第9號之影響	1,793
Written-off of provision for impairment loss	撇銷減值虧損撥備	(6,712)
Reversal of expected credit losses	撥回預期信貸虧損	(231)
Expected credit losses for the year	年內預期信貸虧損	4,612
Exchange realignment	匯兌調整	(1,542)
At 31 December	於十二月三十一日	50,976

Movements in the provision for impairment loss of trade receivables arising from watches and timepieces business are as follows:

鐘錶及時計產品業務產生之應收賬款之減值虧損撥備變動如下：

		2017 二零一七年 HK\$'000 千港元
At 1 January	於一月一日	42,251
Written-off of provision for impairment loss	撇銷減值虧損撥備	(470)
Impairment loss for the year	年內減值虧損	8,110
Exchange realignment	匯兌調整	3,165
At 31 December	於十二月三十一日	53,056

22. TRADE RECEIVABLES (Continued)

(a) (Continued)

The Group does not hold any collateral over these balances. As at 31 December 2018, trade receivables of HK\$14,639,000 (2017: HK\$20,724,000) have been pledged to secure banking facilities granted to the Group during the year (note 39).

Ageing analysis of trade receivables arising from watches and timepieces business as at the reporting date, based on invoice dates, and net of provisions, 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
1 to 3 months	1至3個月	401,115	407,744
4 to 6 months	4至6個月	73,448	44,480
Over 6 months	超過6個月	88,111	48,756
		562,674	500,980

Ageing analysis of trade receivables arising from watches and timepieces business as at 31 December 2017, based on due dates and net of provisions, is as follows:

		2017 二零一七年 HK\$'000 千港元
Neither past due nor impaired	並無逾期或減值	406,139
Less than 3 months past due	逾期少於3個月	44,720
More than 3 months but less than 6 months past due	逾期超過3個月但少於6個月	35,008
More than 6 months past due	逾期超過6個月	15,113
		94,841
		500,980

As at 31 December 2017, receivables that were neither past due nor impaired related to a wide range of customers for whom most of them do not have recent history of default.

Receivables that were past due but not impaired related to a number of customers that have a good track record with the Group. Based on past experience and the available forward-looking information, management believes that no additional impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable as at 31 December 2017.

The directors of the Company consider that as trade receivables arising from watches and timepieces business are expected to be recovered within one year, their fair values are not materially different from their carrying amounts because these balances have short maturity periods on their inception at the reporting date.

22. 應收賬款 (續)

(a) (續)

本集團並無就該等結餘持有任何抵押品。於二零一八年十二月三十一日，14,639,000 港元之應收賬款已予抵押（二零一七年：20,724,000 港元），以使本集團於年內獲授銀行融資（附註39）。

鐘錶及時計產品業務產生之應收賬款（扣除撥備）按照發票日期於報告日之賬齡分析如下：

鐘錶及時計產品業務產生之應收賬款（扣除撥備）按照到期日於二零一七年十二月三十一日之賬齡分析如下：

於二零一七年十二月三十一日，並無逾期或減值之應收款項與多名客戶有關，大部分該等客戶最近並無拖欠記錄。

已逾期但並無減值之應收款項與若干於本集團擁有良好付款記錄之客戶有關。根據過往經驗及可用前瞻性資料，管理層相信，由於信貸質素並無重大變化，加上有關結餘於二零一七年十二月三十一日仍被視為可悉數收回，故毋須就該等結餘作出額外減值撥備。

本公司董事認為，於報告日，由於鐘錶及時計產品業務產生之應收賬款預期將於一年內收回，且有關結餘自其開始以來之到期日偏短，故其公平值與其賬面值並無重大差異。

22. TRADE RECEIVABLES (Continued)

- (b) The settlement term of trade receivables arising from the financial business of securities dealing is two business days after trade date ("T+2").

Margin loans due from margin clients are current and repayable on demand. Margin clients are required to pledge securities as collateral to the Group in order to obtain credit facilities for securities trading. As at 31 December 2018, the total market value of securities pledged as collateral in respect of the receivables from margin clients are approximately HK\$4,026,000 (2017: HK\$6,647,000). Margin loans are interest bearings at fixed rate of 8.25% per annum. Subject to certain conditions, the Group is allowed to repledge collateral from margin clients. There was no repledge of collateral from margin clients as at 31 December 2018. No aging analysis is disclosed for trade receivables from margin clients. In the opinion of the directors, aging analysis is not meaningful in view of the business nature of securities dealing.

Trade receivable from cash clients related to a wide range of customers for whom there was no recent history of default. Based on the past experience, current assessment and the available forward-looking information, the management believes that the impairment allowance is insignificant in respect of these balances as there has not been a significant change in credit quality and the balances are considered fully recoverable.

Trade receivables from clearing house, i.e. Hong Kong Securities Clearing Limited, is current which represents pending trades arising from the financial business of securities dealing and are normally due on "T+2" day in accordance with the requirements of Hong Kong Exchange and Clearing Limited.

The Group has policy for impairment allowance which requires management's judgement and estimation. The directors are in opinion that no impairment allowance is necessary in respect of trade receivables arising from the financial business of securities dealing as at 31 December 2018.

22. 應收賬款 (續)

- (b) 證券買賣之金融業務所產生應收賬款之結算期限為交易日後兩個營業日 ("T+2")。

應收保證金客戶之保證金貸款屬即期且須於要求時償還。保證金客戶須抵押證券抵押品予本集團，方可取得證券交易之信貸融資。於二零一八年十二月三十一日，與應收保證金客戶賬款有關係作為抵押品抵押之證券市值總額約為4,026,000港元(二零一七年：6,647,000港元)。保證金貸款乃按固定年利率8.25%計息。在若干條件規限下，本集團可再抵押保證金客戶之抵押品。於二零一八年十二月三十一日，概無再抵押保證金客戶之任何抵押品。由於董事認為，鑒於證券買賣之業務性質，賬齡分析並無意義，故並無披露應收保證金客戶賬款之賬齡分析。

與大量客戶有關之現金客戶應收賬款最近並無拖欠記錄。根據過往經驗、現時評估及可用前瞻性資料，管理層相信，該等結餘之減值撥備並不重大，乃由於信貸質量並無重大變動且結餘被認為可悉數收回。

應收結算所(即香港中央結算有限公司)賬款為即期，其指證券買賣之金融業務產生之待決交易，且一般按照香港交易及結算所有限公司之規定於「T+2」日到期。

本集團就計提減值撥備設有政策，要求管理層作出判斷及估計。董事認為，於二零一八年十二月三十一日，毋須就證券買賣之金融業務所產生應收賬款而計提減值撥備。

23. OTHER FINANCIAL ASSETS AT AMORTISED COST**23. 按攤銷成本列賬之其他金融資產**

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Listed debt instruments, at amortised cost	上市債務工具，按攤銷成本列賬	1,034,773	-
Issued by:	由以下人士發行：		
Governments and public sector	政府及公營部門	7,822	-
Financial institutions	金融機構	716,747	-
Corporations	企業	310,204	-
		1,034,773	-

The listed debt investments represented the investments in listed debt instruments mainly issued by financial institutions and corporations in Europe.

上市債務投資指主要由歐洲金融機構及企業發行之上市債務工具投資。

24. AVAILABLE-FOR-SALE FINANCIAL ASSETS

24. 可供出售金融資產

		2017 二零一七年 HK\$'000 千港元
Listed equity investments at fair value (note (a))	上市股本投資，按公平值列賬(附註(a))	237,959
Listed debt instruments, at fair value (note (b))	上市債務工具，按公平值列賬(附註(b))	178,747
Unlisted investment, at fair value	非上市投資，按公平值列賬	
– Insurance policy (note (c))	– 保單(附註(c))	5,814
– Financial product investments (note (d))	– 金融產品投資(附註(d))	59,825
Unlisted equity investment, at cost	非上市股本投資，按成本列賬	
– Others (note (e))	– 其他(附註(e))	6,023
Total	總計	488,368

Notes:

- (a) As at 31 December 2017, the listed equity investments represented 2.04% equity interest or 30,389,058 shares in Dartong. During the year ended 31 December 2017, Dartong declared cash dividend of RMB1 per 10 shares. A dividend income totaling HK\$3,436,000 was recognised by the Group in the consolidated statement of comprehensive income for the year ended 31 December 2017.

The fair value of the listed equity investments held as available-for-sale financial assets has been determined directly with reference to published price quotation in active market. During the year ended 31 December 2017, the decrease in fair value of Dartong Shares of HK\$5,099,000 has been dealt with in other comprehensive income and the investment revaluation reserve.

As disclosed in note 2(a)(i)(b), the listed equity investments were reclassified from available-for-sales financial assets to financial assets at FVOCI upon the adoption of HKFRS 9.

- (b) The listed debt instruments of HK\$178,747,000 represented the investment in listed debt instruments mainly issued by financial institutions and corporations in Europe.

The fair value of the debt instruments held as available-for-sale financial assets has been determined directly with reference to published price quotation in active market. During the year ended 31 December 2017, the increase in fair value of the debt instruments of HK\$42,000 has been dealt with in other comprehensive income and the investment revaluation reserve for the year ended 31 December 2017.

As disclosed in note 2(a)(i)(c), the listed debt instruments were reclassified from available-for-sales financial assets to other financial assets at amortised cost upon the adoption of HKFRS 9.

- (c) For the year ended 31 December 2017, the increase in fair value of HK\$16,000 had been dealt with in other comprehensive income and the investment revaluation reserve. The fair value of investment in insurance policy is determined based on account value as stated in cash surrender value statement issued by insurer.

As disclosed in note 2(a)(i)(e), the insurance policy was reclassified from available-for-sales financial assets to trading portfolio investments upon the adoption of HKFRS 9.

附註：

- (a) 於二零一七年十二月三十一日，上市股本投資指大通2.04%股權或30,389,058股股份。截至二零一七年十二月三十一日止年度，大通宣派現金股息每10股人民幣1元。本集團於截至二零一七年十二月三十一日止年度之綜合全面收入表確認股息收入合共3,436,000港元。

持作為可供出售金融資產之上市股本投資之公平值乃直接按活躍市場公佈之報價而釐定。截至二零一七年十二月三十一日止年度，大通股份之公平值減少5,099,000港元已於其他全面收入及投資重估儲備處理。

誠如附註2(a)(i)(b)所披露，採納香港財務報告準則第9號後，上市股本投資已由可供出售金融資產重新分類至按公平值計入其他全面收入之金融資產。

- (b) 178,747,000港元之上市債務工具即指主要由歐洲金融機構及企業發行之上市債務工具投資。

持作為可供出售金融資產債務工具之公平值乃直接按活躍市場公佈之報價而釐定。於截至二零一七年十二月三十一日止年度，債務工具之公平值增加42,000港元已於截至二零一七年十二月三十一日止年度其他全面收入及投資重估儲備內處理。

誠如附註2(a)(i)(c)所披露，採納香港財務報告準則第9號後，上市債務工具已由可供出售金融資產重新分類至按攤銷成本列賬之其他金融資產。

- (c) 截至二零一七年十二月三十一日止年度，公平值增加16,000港元已於其他全面收入及投資重估儲備內處理。保單投資之公平值乃按保險公司出具現金退保單所示之賬目金額而釐定。

誠如附註2(a)(i)(e)所披露，採納香港財務報告準則第9號後，保單已由可供出售金融資產重新分類至交易組合投資。

24. AVAILABLE-FOR-SALE FINANCIAL ASSETS (Continued)

Notes: (Continued)

- (d) The Group had purchased financial product investments from major banks in the PRC. These financial product investments are not subject to maturity. The Group is entitled to require the banks to redeem the investments with the banks at anytime with immediate effect. The directors of the Company consider that the carrying value of financial product investments approximates to their fair value at end of the reporting period.

As disclosed in note 2(a)A(i)(e), the financial product investments was reclassified from available-for-sales financial assets to trading portfolio investments upon the adoption of HKFRS 9.

- (e) The balance represented 4.95% equity interests in Henan Jinjue Enterprise Company Limited which was classified as available-for-sales financial assets and stated at cost as at 31 December 2017.

As disclosed in note 2(a)A(i)(d), the unlisted equity investments were reclassified from available-for-sales financial assets to financial assets at FVOCI upon the adoption of HKFRS 9.

24. 可供出售金融資產 (續)

附註：(續)

- (d) 本集團向中國主要銀行購買金融產品投資。該等金融產品投資並無到期日。本集團隨時有權要求銀行贖回銀行投資並即時生效。本公司董事認為，於報告期末，金融產品投資之賬面值與其公平值相若。

誠如附註2(a)A(i)(e)所披露，採納香港財務報告準則第9號後，金融產品投資已由可供出售金融資產重新分類至交易組合投資。

- (e) 於二零一七年十二月三十一日，有關結餘指被分類為可供出售金融資產及按成本列賬之河南金爵實業有限公司4.95%股本權益。

誠如附註2(a)A(i)(d)所披露，採納香港財務報告準則第9號後，非上市股本投資已由可供出售金融資產重新分類至按公平值計入其他全面收入之金融資產。

25. HELD-TO-MATURITY INVESTMENTS**25. 持至到期投資**

		2017 二零一七年 HK\$'000 千港元
Listed debt instruments, at amortised cost	上市債務工具，按攤銷成本列賬	1,138,704
Issued by:	由以下人士發行：	
Governments and public sector	政府及公營部門	362,084
Financial institutions	金融機構	475,157
Corporations	企業	301,463
		1,138,704

Held-to-maturity investments were reclassified to other financial assets at amortised cost upon the adoption of HKFRS 9.

採納香港財務報告準則第9號後，持有至到期投資重新分類至按攤銷成本列賬之其他金融資產。

26. INVENTORIES**26. 存貨**

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Raw materials	原材料	584,342	369,402
Work-in-progress	在製品	359,015	313,621
Finished goods and merchandises	製成品及商品	1,371,188	1,344,168
		2,314,545	2,027,191

27. INTERESTS IN JOINT VENTURES

27. 所佔合營企業權益

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 January	於一月一日	5,117	–
Subscription of the shares of joint ventures	認購合營企業之股份	–	6,276
Share of total comprehensive income of joint ventures	應佔合營企業之全面收入總額	(2,678)	(1,159)
At 31 December	於十二月三十一日	2,439	5,117

Particulars of the joint ventures, which are accounted for using equity method in the consolidated financial statements, are as follows:

綜合財務報表採用權益法入賬之合營企業詳情如下：

Name 名稱	Particulars of issued capital 已發行股本詳情	Place of incorporation 註冊成立地點	Percentage of interest held 持有權益所佔百分比 2017 二零一七年	Principal activities and principal place of operation 主要業務及主要營業地點
Corum Investment Management Limited ("Corum Investment")	US\$100 100美元	Cayman Islands 開曼群島	40%	Investment holding in Hong Kong 於香港投資控股
Corum Capital Partners Limited ("Corum Capital")	US\$10,000 10,000美元	Cayman Islands 開曼群島	40%	Investment holding in Hong Kong 於香港投資控股

Despite the Group's holding of 40% equity interest in Corum Investment and Corum Capital respectively, the directors have confirmed that neither the Group nor other shareholders of the joint ventures has unilateral control over the operating and financing decision of the joint ventures in accordance with the joint venture agreement. Under HKFRS 11, these joint arrangements are classified as joint ventures and have been accounted for in the consolidated financial statements using equity method.

儘管本集團分別持有 Corum Investment 及 Corum Capital 之 40% 股本權益，根據合資協議，董事確認概無本集團或合營企業之其他股東可單方面控制合營企業之經營及財務決策。根據香港財務報告準則第 11 號，該等合營安排被分類為合營企業且於綜合財務報表採用權益法入賬。

28. INTERESTS IN ASSOCIATES

28. 所佔聯營公司權益

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 January	於一月一日	99,648	88,841
Share of total comprehensive income of associates	應佔聯營公司之全面收入總額	8,271	20,807
Dividend income from an associates	聯營公司之股息收入	(5,000)	(10,000)
At 31 December	於十二月三十一日	102,919	99,648

Particulars of the principal associate, which is a limited liability company, at 31 December 2018 are as follows:

於二零一八年十二月三十一日，主要聯營公司(為有限公司)之詳情如下：

Name 名稱	Particulars of issued capital 發行股本詳情	Place of incorporation 註冊成立地點	Percentage of interest held 持有權益所佔百分比	Principal activities and Principal place of operation 主要業務及主要營業地點
Fair Future Industrial Limited ("Fair Future") 俊光實業有限公司(「俊光」)	HK\$600,000 600,000 港元	Hong Kong 香港	25% (2017: 25%) (二零一七年: 25%)	Manufacturing of watches and related accessories in the PRC 於中國製造鐘錶及相關配件

28. INTERESTS IN ASSOCIATES (Continued)

The summarised financial information of the Group's material associate extracted from its management accounts for the years ended 31 December 2018 and 2017 is as follows:

28. 所佔聯營公司權益(續)

以下為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重大聯營公司之財務資料概要(摘錄自其管理賬目):

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Fair Future	俊光		
As at 31 December	於十二月三十一日		
Current assets	流動資產	679,548	646,529
Non-current assets	非流動資產	140,252	149,798
Current liabilities	流動負債	(556,625)	(543,665)
Non-current liabilities	非流動負債	(275)	(803)
Net assets	資產淨值	262,900	251,859
Less: Non-controlling interests	減: 非控股權益	(352)	(616)
Net assets attributable to owners of the associate	聯營公司擁有人應佔資產淨值	262,548	251,243
Reconciliation to the Group's interest in Fair Future:	本集團於俊光之權益之對賬:		
Proportion of the Group's ownership	本集團擁有權之比例	25%	25%
Group's share of net assets of the associate	本集團應佔聯營公司之資產淨值	65,725	62,965
Goodwill on acquisition	收購之商譽	37,987	37,987
Effect of unrealised profits arising from the transactions with an associate	來自與一間聯營公司交易之未實現溢利影響	(1,151)	(1,595)
Other reconciliation items	其他對賬項目	208	141
Carrying amount of the investment	投資賬面值	102,769	99,498

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
For the year ended 31 December	截至十二月三十一日止年度		
Revenue	收入	1,223,729	1,186,391
Profit for the year	本年度溢利	31,510	80,038
Other comprehensive income	其他全面收入	(468)	385
Total comprehensive income	全面收入總額	31,042	80,423
Profit for the year attributable to owners of an associate	一間聯營公司擁有人應佔本年度溢利	31,774	80,038
Total comprehensive income for the year attributable to owners of an associate	一間聯營公司擁有人應佔本年度全面收入總額	31,306	80,423
Reconciliation to the Group's share of results of Fair Future:	本集團應佔俊光業績之對賬:		
Proportion of the Group's ownership	本集團擁有權之比例	25%	25%
Group's share of profits of the associate	本集團應佔聯營公司之溢利	7,943	20,009
Effects of unrealised profits arising from the transactions with an associate	來自與一間聯營公司交易之未實現溢利影響	444	702
Share of profit of the associate for the year	應佔年內聯營公司溢利	8,387	20,711
Group's share of other comprehensive income of the associate	本集團應佔聯營公司之其他全面收入	(117)	96
Other	其他	1	-
Share of total comprehensive income of the associate	應佔聯營公司之全面收入總額	8,271	20,807

29. PROPERTY, PLANT AND EQUIPMENT

29. 物業、廠房及設備

		Land and buildings	Leasehold improvements	Plant and machinery	Furniture, fixtures and office equipment 傢具、裝置 及辦公室設備	Motor vehicles	CIP	Total
		土地及樓宇	租賃物業裝修	廠房及機器		汽車	在建工程	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2017	於二零一七年一月一日							
Cost	成本	443,761	45,904	197,786	349,308	47,522	234,997	1,319,278
Accumulated depreciation	累計折舊	(55,179)	(33,048)	(65,412)	(182,896)	(34,721)	-	(371,256)
Net carrying amount	賬面淨值	388,582	12,856	132,374	166,412	12,801	234,997	948,022
Year ended 31 December 2017	截至二零一七年 十二月三十一日止年度							
Opening net book amount	年初賬面淨值	388,582	12,856	132,374	166,412	12,801	234,997	948,022
Additions	添置	41,048	36,140	9,475	51,851	2,787	60,951	202,252
Transfer	轉撥	246,960	-	-	-	-	(246,960)	-
Acquisition of subsidiaries (note 51.2)	收購附屬公司(附註51.2)	-	30	-	78	-	-	108
Disposal of subsidiaries (note 12.2)	出售附屬公司(附註12.2)	-	(5,587)	(46,013)	(2,488)	(229)	-	(54,317)
Depreciation	折舊	(19,815)	(12,867)	(20,356)	(62,634)	(4,095)	-	(119,767)
Disposal	出售	(5,727)	(3,511)	(592)	-	(636)	-	(10,466)
Exchange realignment	匯兌調整	28,251	1,777	10,258	9,288	564	11,333	61,471
Closing carrying amount	年末賬面淨值	679,299	28,838	85,146	162,507	11,192	60,321	1,027,303
At 31 December 2017	於二零一七年十二月三十一日							
Cost	成本	738,529	64,140	166,230	416,957	46,313	60,321	1,492,490
Accumulated depreciation	累計折舊	(59,230)	(35,302)	(81,084)	(254,450)	(35,121)	-	(465,187)
Net carrying amount	賬面淨值	679,299	28,838	85,146	162,507	11,192	60,321	1,027,303
Year ended 31 December 2018	截至二零一八年 十二月三十一日止年度							
Opening net book amount	年初賬面淨值	679,299	28,838	85,146	162,507	11,192	60,321	1,027,303
Additions	添置	28,874	19,916	5,123	51,849	4,791	2,477	113,030
Transfer	轉撥	19,648	-	52	-	-	(20,387)	(687)
Acquisition of subsidiaries (note 51.1)	收購附屬公司(附註51.1)	27,233	3,637	859	6,915	472	-	39,116
Depreciation	折舊	(33,136)	(17,311)	(11,512)	(61,248)	(3,048)	-	(126,255)
Disposal	出售	(16)	(138)	(61)	(314)	(1,060)	-	(1,589)
Exchange realignment	匯兌調整	(8,137)	(1,482)	(666)	(2,485)	(576)	(836)	(14,182)
Closing carrying amount	年末賬面淨值	713,765	33,460	78,941	157,224	11,771	41,575	1,036,736
At 31 December 2018	於二零一八年十二月三十一日							
Cost	成本	801,236	85,196	193,058	580,813	48,213	41,575	1,750,091
Accumulated depreciation	累計折舊	(87,471)	(51,736)	(114,117)	(423,589)	(36,442)	-	(713,355)
Net carrying amount	賬面淨值	713,765	33,460	78,941	157,224	11,771	41,575	1,036,736

At 31 December 2018, land and buildings in Switzerland with an aggregated carrying value of HK\$120,711,000 (2017: HK\$117,871,000) have been pledged to secure banking facilities granted to the Group (note 39).

於二零一八年十二月三十一日，本集團已抵押位於瑞士賬面總值120,711,000港元(二零一七年：117,871,000港元)之土地及樓宇以獲授銀行融資(附註39)。

30. INVESTMENT PROPERTIES

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

Changes to the carrying amounts presented in the consolidated statement of financial position can be summarised as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日之賬面值	125,384	107,779
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	57,815	-
Net (deficit)/surplus on revaluation of investment properties	投資物業重估之(虧絀)/盈餘淨額	(4,066)	17,605
Carrying amount at 31 December	於十二月三十一日之賬面值	179,133	125,384

The carrying amounts of the Group's investment properties situated in Hong Kong and the PRC held under medium-term leases are analysed as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Hong Kong	香港	26,000	25,500
PRC	中國	153,133	99,884
		179,133	125,384

At 31 December 2018, the Group has not obtained the relevant title certificates for investment properties with an aggregate carrying value of HK\$46,340,000 (2017: HK\$43,318,000). The Group's legal advisors have confirmed that the Group is the rightful and equitable owner of these investment properties. The directors are now in process of obtaining the title certificates from the relevant government authorities.

Investment properties were revalued at 31 December 2018 and 2017 by Asset Appraisal and Chung, Chan & Associate, independent professionally qualified valuers, at HK\$179,133,000 (2017: HK\$125,384,000) in aggregate. Asset Appraisal is a member of Hong Kong Institutes of Surveyors and Chung, Chan & Associates is a member of Royal Institution of Chartered Surveyors. Both have appropriate qualifications and relevant experiences in the location and category of properties being valued.

30. 投資物業

本集團所有就賺取租金或資本增值而以經營租約持有之物業權益，乃按公平值模式計量，並分類及入賬為投資物業。

於綜合財務狀況表呈列之賬面值變動概述如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日之賬面值	125,384	107,779
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	57,815	-
Net (deficit)/surplus on revaluation of investment properties	投資物業重估之(虧絀)/盈餘淨額	(4,066)	17,605
Carrying amount at 31 December	於十二月三十一日之賬面值	179,133	125,384

本集團位於香港及中國以中期租約持有之投資物業之賬面值分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Hong Kong	香港	26,000	25,500
PRC	中國	153,133	99,884
		179,133	125,384

於二零一八年十二月三十一日，本集團並未就賬面總值46,340,000港元(二零一七年：43,318,000港元)之投資物業取得相關業權證明。本集團法律顧問已確認，本集團為該等投資物業之合法權益擁有人。董事現正向相關政府機關取得業權證明。

投資物業於二零一八年及二零一七年十二月三十一日由獨立專業認可估值師中誠達及 Chung, Chan & Associate 重估為合共179,133,000港元(二零一七年：125,384,000港元)。中誠達為香港測量師學會成員，Chung, Chan & Associate 則為英國皇家特許測量師學會成員。兩者均於經估物業之位置及分類方面具備適當資格及相關經驗。

30. INVESTMENT PROPERTIES (Continued)**Fair value hierarchy**

The fair value of investment properties is a Level 3 recurring fair value measurement. A reconciliation of the opening and closing fair value balance is provided below.

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Opening balance (Level 3 recurring fair value)	年初結餘(第三層經常性公平值)	125,384	107,779
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	57,815	-
Net (deficit)/surplus on revaluation of investment properties charge to profit and loss	扣自溢利或虧損之投資物業重估之(虧絀)/盈餘淨額	(4,066)	17,605
Closing balance (Level 3 recurring fair value)	年末結餘(第三層經常性公平值)	179,133	125,384
Change in unrealised (loss)/gain for the year included in profit or loss for assets held at 31 December	就十二月三十一日所持有資產計入溢利或虧損之年度未變現(虧損)/收益變動	(4,066)	17,605
Change in unrealised gain for the year included in other comprehensive income for assets held at 31 December	就十二月三十一日所持有資產計入其他全面收入之年度未變現收益變動	57,128	-

During the years ended 31 December 2018 and 2017, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

For the fair value measurement for investment properties in the PRC under income approach, the fair value was determined by taking into account the net rental incomes of the properties derived from the existing tenancies with due allowance for the reversionary income potential of the tenancies, which are then capitalised into the values at appropriate capitalisation rates.

Significant unobservable inputs

	Range
Capitalisation rate	2.0% to 6.50% (2017: 2.2% to 6.43%)
Market unit rent per square metre	HK\$6.51 to HK\$114.89 (2017: HK\$5.16 to HK\$99)

A lower in the capitalisation rate and a higher in the market unit rent used would result in an increase in the fair value measurement of the investment properties, and vice versa.

For the fair value measurement for investment property in Hong Kong under direct comparison method, it is assumed that each of the properties is capable of being sold in its existing state with the benefit of vacant possession and by making reference to comparable sales evidence as available in the relevant markets.

30. 投資物業(續)**公平值級別**

投資物業之公平值為第三層經常性公平值計量。年初及年末公平值結餘之對賬載列如下。

於截至二零一八年及二零一七年十二月三十一日止年度，第一層與第二層之間並無轉撥，亦無轉撥入第三層或自第三層轉撥出。本集團之政策為於發生之報告期末確認各公平值級別水平之間之轉撥。

就按收益法評估之中國投資物業公平值計量，公平值乃計入該等物業從現有租賃產生之租金收入淨額，並考慮到租賃復歸之後收入潛力，其後按適當資本化比率撥充資本計出價值。

重大不可觀察輸入數值

	範圍
資本化比率	2.0%至6.50% (二零一七年： 2.2%至6.43%)
單位市場租金 (每平方米)	6.51港元至 114.89港元 (二零一七年： 5.16港元至99港元)

使用較低資本化比率及較高單位市場租金會導致計算投資物業之公平值增加，反之亦然。

就根據直接比較法計量香港投資物業公平值而言，乃假設各項物業可按其現狀交吉出售，並參考有關市場可得之可比較銷售憑證。

30. INVESTMENT PROPERTIES (Continued)**Fair value hierarchy (Continued)**

One of the key inputs used under direct comparison method in valuing the investment property was the price per square feet and taking into account location and other individual factors. The price per square feet used is approximately HK\$17,020 (2017: HK\$15,199). An increase in the price per square feet would result in an increase in the fair value measurement of the investment property, and vice versa.

There has been no change from the valuation technique used in the prior year. The fair value measurement is based on the above properties' highest and best use, which does not differ from their actual use.

31. PREPAID LAND LEASE PAYMENTS

Changes to the carrying amounts are summarised as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日之賬面值	51,083	59,042
Amortisation during the year	年內攤銷	(864)	(1,219)
Disposal of subsidiaries (note 12.1)	出售附屬公司(附註12.1)	-	(11,977)
Exchange realignment	匯兌調整	(2,614)	5,237
Carrying amount at 31 December	於十二月三十一日之賬面值	47,605	51,083

As at 31 December 2018, the amount of the Group's prepaid land lease payments expected to be recognised as expense after more than one year is HK\$46,775,000 (2017: HK\$50,207,000). The remaining prepaid land lease payments are expected to be recognised as expense within one year.

As at 31 December 2018 and 2017, all of the Group's prepaid land lease payments are related to land located in the PRC and held under medium-term leases.

30. 投資物業(續)**公平值級別(續)**

評估投資物業時，直接比較法項下主要輸入數值之一為每平方呎價格，且計及位置及其他個別因素。所用每平方呎價格約為17,020港元(二零一七年：15,199港元)。每平方呎價格上升會導致投資物業公平值計量增加，反之亦然。

於上一年度使用之估值方法並無變動。公平值乃根據上述物業之最高及最佳用途為基準計算，該等用途與其實際用途並無不同。

31. 預付土地租賃款項

賬面值變動概述如下：

於二零一八年十二月三十一日，本集團一年以後預計將被確認為費用之預付土地租賃付款為46,775,000港元(二零一七年：50,207,000港元)。餘下預付土地租賃款項預計將於一年內確認為費用。

於二零一八年及二零一七年十二月三十一日，本集團之預付土地租賃款項乃與位於中國並根據中期租約持有之土地有關。

32. INTANGIBLE ASSETS

32. 無形資產

		Supplier and distribution networks 供應商及分銷網絡 HK\$'000 千港元	Brand names 品牌名稱 HK\$'000 千港元	Patents 專利權 HK\$'000 千港元	Trading rights 交易權 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					
Cost	成本	20,417	220,106	30,564	-	271,087
Accumulated amortisation and impairment losses	累計攤銷及減值虧損	(13,603)	(102,310)	(30,270)	-	(146,183)
Net carrying amount	賬面淨值	6,814	117,796	294	-	124,904
Year ended 31 December 2017	截至二零一七年十二月三十一日止年度					
Opening carrying amount	年初賬面值	6,814	117,796	294	-	124,904
Acquisition of subsidiaries (notes 51.2 and 51.3)	收購附屬公司(附註51.2及51.3)	-	-	-	7,246	7,246
Impairment loss for the year (note 8)	年內減值虧損(附註8)	-	(123,070)	(308)	-	(123,378)
Amortisation	攤銷	(1,672)	(74)	(65)	-	(1,811)
Exchange realignment	匯兌調整	443	5,653	79	-	6,175
Closing carrying amount	年末賬面值	5,585	305	-	7,246	13,136
At 31 December 2017	於二零一七年十二月三十一日					
Cost	成本	21,857	236,246	32,203	7,246	297,552
Accumulated amortisation and impairment losses	累計攤銷及減值虧損	(16,272)	(235,941)	(32,203)	-	(284,416)
Net carrying amount	賬面淨值	5,585	305	-	7,246	13,136
Year ended 31 December 2018	截至二零一八年十二月三十一日止年度					
Opening carrying amount	年初賬面值	5,585	305	-	7,246	13,136
Acquisition of subsidiaries (note 51.1)	收購附屬公司(附註51.1)	-	42,000	-	-	42,000
Amortisation	攤銷	(1,718)	(76)	-	-	(1,794)
Exchange realignment	匯兌調整	68	(100)	-	-	(32)
Closing carrying amount	年末賬面值	3,935	42,129	-	7,246	53,310
At 31 December 2018	於二零一八年十二月三十一日					
Cost	成本	20,927	271,867	32,203	7,246	332,243
Accumulated amortisation and impairment losses	累計攤銷及減值虧損	(16,992)	(229,738)	(32,203)	-	(278,933)
Net carrying amount	賬面淨值	3,935	42,129	-	7,246	53,310

As at 31 December 2018, intangible assets of HK\$46,064,000 (2017: HK\$5,890,000) are attributable to watches and timepieces business while intangible assets of HK\$7,246,000 (2017: HK\$7,246,000) are attributable to financial business.

Intangible assets with indefinite useful lives amounted to HK\$27,011,000 are attributable to the CGU of Corum Group. The recoverable amount of the CGU of Corum Group has been determined from value-in-use calculation in which overall negative cash flow is expected. The recoverable amount of the CGU of Corum Group as at 31 December 2017 would be nil. In the opinion of the directors of the Company, the revenue growth of Corum Group is not achieved as previously expected and it is uncertain that those intangible assets could generated economic benefit to Corum Group. As such, an impairment loss on the intangible assets of HK\$27,011,000 was recognised in the consolidated statement of comprehensive income for the year ended 31 December 2017.

於二零一八年十二月三十一日，無形資產46,064,000港元(二零一七年：5,890,000港元)乃來自鐘錶及時計產品業務，而無形資產7,246,000港元(二零一七年：7,246,000港元)則來自金融業務。

崑崙集團現金產生單位應佔具無限可使用年期之無形資產為27,011,000港元。崑崙集團現金產生單位之可收回金額乃以計算使用價值釐定，預期出現整體負現金流量。於二零一七年十二月三十一日，崑崙集團現金產生單位之可收回金額為零。本公司董事認為，崑崙集團之收入增幅較早前預期遜色及無法確定該等無形資產能對崑崙集團產生經濟效益。因此，無形資產減值虧損27,011,000港元於截至二零一七年十二月三十一日止年度綜合全面收入表中確認。

32. INTANGIBLE ASSETS (Continued)

The recoverable amount of this CGU is determined based on a value-in-use calculation which uses cash flow projections based on financial budgets approved by the directors covering a five-year period, followed by an extrapolation of expected cash flow at the zero growth rate which do not exceed the long-term growth rate for the business in which the CGU operates, and a discount rate of 16.95% per annum. The discount rate used is pre-tax and reflect specific risks relating to the CGU. No further impairment loss would be provided for the year ended 31 December 2018.

Intangible assets with indefinite useful lives amounted to HK\$96,058,000 and intangible assets with definite useful lives amounted to HK\$309,000 are attributable to the CGU of The Dreyfuss Group Limited and its subsidiaries ("Dreyfuss Group"). As the recoverable amount of the CGU of Dreyfuss Group would be nil, an impairment loss on the intangible assets of HK\$96,367,000 was recognised in the consolidated statement of comprehensive income for the year ended 31 December 2017. Details of the impairment assessment of the CGU of Dreyfuss Group are set out in note 33 to the consolidated financial statements. No further impairment loss would be provided for the year ended 31 December 2018.

Intangible assets with indefinite useful lives amounted to HK\$2,850,000 (2017: HK\$2,850,000) and HK\$4,396,000 (2017: 4,396,000) are attributable to the CGU of Shun Heng and Metasequoia Capital respectively. Details of the impairment assessment of the CGU of Shun Heng and Metasequoia Capital are set out in note 33 to the consolidated financial statements.

33. GOODWILL

The amount of goodwill capitalised as an asset recognised in the consolidated statement of financial position, arising from business combinations, 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
At 1 January	於一月一日		
Gross carrying amount	賬面總值	1,053,412	980,561
Accumulated impairment losses	累計減值虧損	(147,376)	(117,727)
Net carrying amount	賬面淨值	906,036	862,834
Year ended 31 December	截至十二月三十一日止年度		
Opening carrying amount	年初賬面值	906,036	862,834
Acquisition of subsidiaries (note 51)	收購附屬公司(附註51)	201,454	3,080
Impairment loss	減值虧損	-	(19,000)
Exchange realignment	匯兌調整	(35,938)	59,122
Closing carrying amount	年末賬面值	1,071,552	906,036
At 31 December	於十二月三十一日		
Gross carrying amount	賬面總值	1,213,345	1,053,412
Accumulated impairment losses	累計減值虧損	(141,793)	(147,376)
Net carrying amount	賬面淨值	1,071,552	906,036

32. 無形資產(續)

該現金產生單位之可收回金額乃以計算使用價值釐定，有關計算使用董事所批准覆蓋五年期之財務預算之現金流量預測，再按零增長率(其不超過於現金產生單位經營之業務之長期增長率)及年貼現率16.95%推斷預期現金流量。所用貼現率為反映現金產生單位特定風險之除稅前比率。截至二零一八年十二月三十一日止年度，並無計提更多減值虧損撥備。

於The Dreyfuss Group Limited及其附屬公司(「帝福時集團」)現金產生單位應佔具無限可使用年期之無形資產為96,058,000港元及可使用年期有限之無形資產為309,000港元。截至二零一七年十二月三十一日止年度，由於帝福時集團現金產生單位之可收回金額將是零，無形資產減值虧損96,367,000港元於綜合全面收入表中確認。有關帝福時集團現金產生單位之減值評估詳情載於綜合財務報表附註33。截至二零一八年十二月三十一日止年度，並無計提更多減值虧損撥備。

具有無限使用年期之無形資產2,850,000港元(二零一七年：2,850,000港元)及4,396,000港元(二零一七年：4,396,000港元)分別歸屬於信亨及水杉資產之現金產生單位。信亨及水杉資產之現金產生單位之減值評估詳情載於綜合財務報表附註33。

33. 商譽

業務合併產生之商譽資本化金額於綜合財務狀況表確認為資產如下：

33. GOODWILL (Continued)

For the purpose of impairment testing, goodwill is allocated to the CGUs under watch and timepieces segment and banking and financial businesses segment. The CGUs were identified as follows:

	Segment 分類	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Jia Cheng Investment Limited and its subsidiaries 佳城投資有限公司及其附屬公司	Watches and timepieces 鐘錶及時計產品	623,243	657,315
Corum Group 崑崙集團	Watches and timepieces 鐘錶及時計產品	49,347	49,640
Dreyfuss Group 帝福時集團	Watches and timepieces 鐘錶及時計產品	92,446	97,736
Bendura Group 富地集團	Banking business 銀行業務	244,192	245,641
Shun Heng 信亨	Financial business 金融業務	801	801
Metasquoia Capital 水杉資產	Financial business 金融業務	2,279	2,279
Ernest Borel 依波路	Watches and timepieces 鐘錶及時計產品	201,037	–
Gross carrying amount 賬面總值		1,213,345	1,053,412

Valuations were carried out by Asset Appraisal to assess the recoverable amount of the goodwill arising from the acquisitions. The Group's management's key assumptions for the Group include stable profit margins, which have been determined based on the past performance and its expectations for the market share after taking into consideration of published market forecasts included in industry reports.

Jia Cheng Investment Limited and its subsidiaries

The recoverable amount of this CGU is determined based on a value-in-use calculation which uses cash flow projections based on financial budgets approved by the directors covering a five-year period, followed by an extrapolation of expected cash flow at the zero growth rate (2017: zero) which do not exceed the long-term growth rate for the business in which the CGU operates, and a discount rate of 19.79% per annum (2017: 19.47%). The discount rate used is pre-tax and reflect specific risks relating to the CGU. The directors believe that any reasonably possible changes in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable of the CGU as at 31 December 2018 and 2017. No impairment loss was recognised since the acquisition of Jia Cheng Investment Limited and its subsidiaries.

Corum Group

The goodwill arising from the acquisition of Corum Group in the watch and timepieces segment had been fully impaired in previous years.

33. 商譽(續)

就進行減值測試，商譽分配至鐘錶及時計分類以及銀行及金融業務分類之現金產生單位。現金產生單位已識別為：

中誠達已進行估值，以評估收購所產生商譽之可收回金額。本集團管理層就本集團之主要假設包括穩定邊際溢利，乃經計及於業內報告所公佈市場預測後，按過往表現及其市場佔有率預測釐定。

佳城投資有限公司及其附屬公司

該現金產生單位之可收回金額乃以計算使用價值釐定，有關計算使用董事所批准覆蓋五年期之財務預算之現金流量預測，再按零增長率(二零一七年：零)(其不超過於現金產生單位經營之業務之長期增長率)及年貼現率19.79%(二零一七年：19.47%)推斷預期現金流量。所用貼現率為反映現金產生單位特定風險之除稅前比率。董事認為，根據主要假設之任何合理可能變動計得之可收回金額不會致使賬面總值超過現金產生單位於二零一八年及二零一七年十二月三十一日之可收回款項總額。自收購佳城投資有限公司及其附屬公司以來並無確認減值虧損。

崑崙集團

收購崑崙集團產生鐘錶及時計產品分類之商譽於過往年度已悉數減值。

33. GOODWILL (Continued)

Dreyfuss Group

Dreyfuss Group incurred loss for the year ended 31 December 2017 and the revenue growth and the plan of new market development are not achieved as previously expected. The directors of the Company considered the goodwill arising from the acquisition of Dreyfuss Group should be impaired. The recoverable amount of the CGU of Dreyfuss Group as at 31 December 2018 would be nil (2017: nil). An impairment loss on the goodwill of HK\$19,000,000 was recognised in the consolidated statement of comprehensive income for the year ended 31 December 2017.

The recoverable amount of this CGU is determined based on a value-in-use calculation which uses cash flow projections based on financial budgets approved by the directors covering a five-year period, followed by an extrapolation of expected cash flow at the zero growth rate which do not exceed the long-term growth rate for the business in which the CGU operates, and a discount rate of 15.21% per annum. The discount rate used is pre-tax and reflect specific risks relating to the CGU.

Bendura Group

The recoverable amount of this CGU is determined based on a value-in-use calculation which uses cash flow projections based on financial budgets approved by the directors covering a five-year period, followed by an extrapolation of expected cash flow at the zero growth rates (2017: Zero) which do not exceed the long-term growth rate for the business in which the CGU operates, and a discount rate of 12.48% (2017: 12.35%) per annum. The discount rate used is pre-tax and reflect specific risks relating to the CGU. The directors believe that any reasonably possible changes in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable of the CGU as at 31 December 2018 and 2017. No impairment loss was recognised since the acquisition of Bendura Group.

Shun Heng and Metasequoia Capital

The recoverable amounts of these CGUs are determined by the directors based on fair value less costs of disposal. The determination of fair value less costs of disposal is based on the recent similar transactions in the market. The fair value less cost of disposal of these CGUs are level 3 recurring fair value measurement. The key significant unobservable inputs to determine the fair value less cost of disposal are the discount specific to uncertainty on expected profitability of those CGUs. The higher in the discount would result in a lower the fair value less cost of disposal of the CGUs, and vice versa. The directors of the Company concluded that, based on the assessment result, no impairment loss on goodwill has been recognised for the year.

Ernest Borel

The recoverable amount of the CGU are determined by the directors based on fair value less costs of disposal. The determination of fair value less costs of disposal is based on the market price of Ernest Borel's share. The fair value less cost of disposal of the CGU is level 1 fair value measurement. The directors of the Company concluded that, based on the assessment result, no impairment loss on goodwill has been recognised for the year.

Goodwill arising from business combinations prior to 2001

Goodwill arising from business combinations prior to 2001 had been eliminated against the consolidated reserves. As at 31 December 2018, the carrying amount of goodwill in the consolidated reserves was HK\$15,300,000 (2017: HK\$15,300,000).

33. 商譽(續)

帝福時集團

帝福時集團截至二零一七年十二月三十一日止年度出現虧損，收入增幅及新市場發展計劃亦未達早前預期。本公司董事認為從收購帝福時集團產生之商譽應減值。截至二零一八年十二月三十一日，帝福時集團現金產生單位之可收回金額將是零(二零一七年：零)。商譽減值虧損19,000,000港元於截至二零一七年十二月三十一日止年度之綜合全面收入表中確認。

該現金產生單位之可收回金額乃以計算使用價值釐定，有關計算使用董事所批准覆蓋五年期之財務預算之現金流量預測，再按零增長率(其不超過於現金產生單位經營之業務之長期增長率)及年貼現率15.21%推斷預期現金流量。所用貼現率為反映現金產生單位特定風險之除稅前比率。

富地集團

該現金產生單位之可收回金額乃以計算使用價值釐定，有關計算使用董事所批准覆蓋五年期之財務預算之現金流量預測，再按增長率零(二零一七年：零)(其不超過於現金產生單位經營之業務之長期增長率)及年貼現率12.48%(二零一七年：12.35%)推斷預期現金流量。所用貼現率為反映現金產生單位特定風險之除稅前比率。董事認為，根據主要假設之任何合理可能變動計得之可收回金額不會致使賬面總值超過現金產生單位於二零一八年及二零一七年十二月三十一日之可收回款項總額。自收購富地集團以來並無確認減值虧損。

信亨及水杉資產

該等現金產生單位之可收回金額由董事根據公平值減出售成本釐定。釐定公平值減出售成本乃基於近期市場上之類似交易。該等現金產生單位之公平值減出售成本為第三層經常性公平值計量。釐定公平值減出售成本之主要重大不可觀察輸入數值為該等現金產生單位預期盈利不確定因素之特有貼現率。貼現越高，現金產生單位之公平值減出售成本越低，反之亦然。本公司董事之結論為，基於評估結果，本年度並無確認商譽減值虧損。

依波路

現金產生單位之可收回金額由董事按公平值減出售成本釐定。釐定公平值減出售成本乃基於依波路股份之市場價格。現金產生單位之公平值減出售成本為第一層公平值計量。本公司董事之結論為，基於評估結果，本年度並無確認商譽減值虧損。

二零零一年前業務合併產生之商譽

於二零零一年前業務合併產生之商譽已於綜合儲備對銷。於二零一八年十二月三十一日，於綜合儲備內之商譽賬面值為15,300,000港元(二零一七年：15,300,000港元)。

34. OTHER ASSETS

34. 其他資產

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Other receivables	其他應收款	174,845	164,998
Dividend receivable from an associate (note 50.1)	應收一間聯營公司股息(附註50.1)	5,000	17,500
Consideration receivable from an associate in respect of disposal of brand name (note 50.1)	出售品牌名稱應收一間聯營公司代價(附註50.1)	-	20,000
Consideration receivable in respect of disposal of subsidiaries	出售附屬公司之應收代價	-	45,460
Debt component of convertible bond investment (note 21(a))	可換股債券投資的債務部分(附註21(a))	-	8,421
Amounts due from an associate (note 50.1)	應收一間聯營公司款項(附註50.1)	18,280	22,457
Amounts due from related companies (note 50.1)	應收關連公司款項(附註50.1)	1,065	1,065
Prepayments	預付款項	111,285	67,277
Deposits	按金	37,450	35,395
Management and performance fees receivables	應收管理及履約費	12,606	14,191
Other interest receivables	其他應收利息	36,128	34,034
Settlement and clearing account	交收及結算賬戶	911	19,800
		397,570	450,598

Other receivables represented cash advance to staff, VAT receivable, other advances and deposits in the securities accounts.

其他應收款即指預付員工之現金、增值稅應收款項、其他墊款及證券賬戶之存款。

As at 31 December 2018, the amount of the Group's other assets expected to be recovered or recognised as expense after more than one year is HK\$17,484,000 (2017: HK\$16,367,000). The remaining other assets are expected to be recovered or recognised as expense within one year.

於二零一八年十二月三十一日，本集團其他資產預計將於一年後收回或確認為開支之金額為17,484,000港元(二零一七年：16,367,000港元)。餘下其他資產預計於一年內收回或確認為開支。

None of the above other receivables is either past due or impaired. Other receivables relate to counterparties for which there was no recent history of default.

上述其他應收款概無逾期或減值。與交易對方有關之其他應收款並無最近拖欠記錄。

Movements in expected credit losses for the other assets are as follows:

其他資產之預期信貸虧損變動如下：

		2018 二零一八年 HK\$'000 千港元
At 1 January	於一月一日	-
Effect of the adoption of HKFRS 9	採納香港財務報告準則第9號之影響	5,313
At 31 December 2018	於二零一八年十二月三十一日	5,313

35. DUE TO CLIENTS

35. 應付客戶款項

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Due to clients precious metals	應付客戶貴金屬款項	73,950	45,865
Other amounts due to clients, mainly bank deposits	其他應付客戶款項(主要為銀行存款)	12,430,641	14,224,224
		12,504,591	14,270,089

36. TRADE PAYABLES

36. 應付賬款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade payables arising from watches and timepiece business (note a)	鐘錶及時計產品業務產生之應付賬款(附註a)	280,567	262,629
Trade payables arising from financial business (note b):	金融業務產生之應付賬款(附註b):		
– Cash clients	– 現金客戶	36,496	40,276
– Margin clients	– 保證金客戶	2,294	2,893
– Clearing house	– 結算所	4,749	–
		43,539	43,169
Trade payables	應付賬款	324,106	305,798

- (a) The credit terms of trade payables arising watches and timepieces business vary according to the terms agreed with different suppliers. Trade payables to watches and timepieces business are non-interest bearing.

- (a) 鐘錶及時計產品業務產生之應付賬款之信貸期根據與不同供應商協定之條款而變。鐘錶及時計產品業務之應付賬款為不計息。

Ageing analysis of trade payables arising from watches and timepieces business as at the reporting dates, based on the invoice dates, is as follows:

鐘錶及時計產品業務所產生之應付賬款按照發票日期於報告日之賬齡分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
1 to 3 months	1至3個月	215,854	172,581
4 to 6 months	4至6個月	25,151	23,410
Over 6 months	超過6個月	39,562	66,638
		280,567	262,629

- (b) The settlement term of trade payables arising from the financial business of securities dealing is "T+2". Trade payables arising from financial business during the "T+2" period are current whereas those which are outstanding after the "T+2" period are repayable on demand.

- (b) 證券金融業務產生之應付賬款之結算期限為「T+2」。於「T+2」期間，金融業務產生之應付賬款屬即期，而於「T+2」期間後，尚未償還之應付賬款則須按要求償還。

37. CONTRACT LIABILITIES

The contract liabilities mainly represented the advance consideration received from customer. As at 31 December 2018, the aggregated amount of transaction price allocated to remaining performance obligations under the Group's existing contract is HK\$30,918,000. The Group will recognise the expected revenue in future when or as the work is completed, which is expected to occur in the next 12 month.

37. 合約負債

合約負債主要為自客戶收取之預付代價。於二零一八年十二月三十一日，分配至本集團現有合約下剩餘履約責任之交易價格總額為30,918,000港元。未來，本集團將於或就完成工程確認預期收入，即預期將於未來12個月進行。

38. CORPORATE BONDS

38. 公司債券

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 January	於一月一日	732,978	692,127
Amortisation of transaction costs	交易成本攤銷	4,243	4,022
Sales of corporate bonds	出售公司債券	27,566	392
Exchange realignment	匯兌調整	(4,543)	36,437
At 31 December	於十二月三十一日	760,244	732,978

On 24 July 2014, the Group issued CHF denominated corporate bonds of principal amount of CHF100,000,000 bears interest at 3.625% per annum. The interests of the corporate bonds are paid in arrears on 24 July every year. The corporate bonds are listed in SIX Swiss Exchange in Switzerland and guaranteed by the Company. The corporate bonds will mature on 24 July 2019.

Net proceeds from the issue of the corporate bonds, as reduced by transaction cost, amounted to approximately CHF97,295,000 (equivalent to approximately HK\$762,913,000).

The Group may, at any time after the date of issuance and prior to the date of maturity, redeem the whole corporate bonds at 100% of the total principal amounts together with payments of interest accrued up to the dates of such early redemption by serving a prior notice to a period of not less than 30 days nor more than 60 days.

During the year ended 31 December 2018, the Group had sold certain re-purchased corporate bonds with principal amount of CHF3,460,000 (equivalent to approximately HK\$27,728,000) at the consideration of CHF3,440,000 (equivalent to approximately HK\$27,566,000) in the public market.

During the year ended 31 December 2017, the Group had sold certain re-purchased corporate bonds with principal amount of CHF50,000 (equivalent to approximately HK\$396,000) at the consideration of CHF49,500 (equivalent to approximately HK\$392,000) in the public market.

During the year ended 31 December 2018 and 2017, the Group had not repurchased any corporate bonds.

於二零一四年七月二十四日，本集團發行瑞士法郎公司債券，本金額為100,000,000瑞士法郎，按年利率3.625%計息。該等公司債券利息於每年七月二十四日分期支付。該等公司債券於瑞士證券交易所上市及由本公司擔保。該等公司債券將於二零一九年七月二十四日到期。

發行公司債券之所得款項淨額（扣除交易成本）為約97,295,000瑞士法郎（相當於約762,913,000港元）。

本集團可於發行日後任何時間至到期日前，發出不少於30日及不多於60日之事先通知，按本金總額100%連同直至該提早贖回日期止累計利息款項贖回全部公司債券。

截至二零一八年十二月三十一日止年度，本集團已於公開市場出售本金額為3,460,000瑞士法郎（相當於約27,728,000港元）之若干購回公司債券，代價為3,440,000瑞士法郎（相當於約27,566,000港元）。

截至二零一七年十二月三十一日止年度，本集團已於公開市場出售本金額為50,000瑞士法郎（相當於約396,000港元）之若干購回公司債券，代價為49,500瑞士法郎（相當於約392,000港元）。

截至二零一八年及二零一七年十二月三十一日止年度，本集團並無購回任何公司債券。

39. BORROWINGS

39. 借貸

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Bank overdrafts (note 39.1)	銀行透支(附註39.1)	14,822	54,466
Bank borrowings (note 39.1)	銀行借貸(附註39.1)	1,030,774	526,123
Margin loan payable (note 39.2)	應付保證金貸款(附註39.2)	1,593	2,680
		1,047,189	583,269

39.1 Bank overdrafts and bank borrowings

As at 31 December 2018, the amount of the Group's bank overdrafts and bank borrowings repayable within one year or on demand is HK\$823,493,000 (2017: HK\$564,498,000). The remaining balances are repayable over one year.

Based on the scheduled repayment dates set out in the loan agreements and ignore the effect of any repayment on demand clause. Borrowings are repayable as follows:

39.1 銀行透支及銀行借貸

於二零一八年十二月三十一日，本集團須於一年內償還或按要求償還之銀行透支及銀行借貸金額為823,493,000港元(二零一七年：564,498,000港元)。餘下餘額須於一年後償還。

根據載於貸款協議之計劃還款日期，且不計及按要求償付條款之影響。借貸須按下列方式償付：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Borrowings payable:	應付借貸：		
Within one year or on demand	於一年內或按要求	823,493	564,498
In the second year	於第二年	103,671	480
In the third to fifth year	於第三至第五年	105,539	1,441
After fifth year	第五年後	12,893	14,170
		222,103	16,091
		1,045,596	580,589

The abovementioned borrowings are charged at floating rates ranging from 2.53% to 7.00% (2017: 2.04% to 5.50%) per annum.

At the reporting dates, the Group's borrowings were secured by:

- (i) corporate guarantees provided by subsidiaries within the Group as at 31 December 2018 and 2017;
- (ii) a legal charge over certain of the Group's land and buildings with the carrying amounts of HK\$120,711,000 (2017: HK\$117,871,000) as at 31 December 2018 (note 29); and
- (iii) certain of the Group's trade receivables with the carrying amounts of HK\$14,639,000 (2017: HK\$20,724,000) as at 31 December 2018 (note 22).

上述借貸按浮動年利率介乎2.53%至7.00%(二零一七年：2.04%至5.50%)計息。

於報告日，本集團之借貸以下列各項作抵押：

- (i) 本集團內附屬公司於二零一八年及二零一七年十二月三十一日所提供之公司擔保；
- (ii) 本集團於二零一八年十二月三十一日賬面值為120,711,000港元(二零一七年：117,871,000港元)之若干土地及樓宇之法定押記(附註29)；及
- (iii) 本集團於二零一八年十二月三十一日之賬面值為14,639,000港元(二零一七年：20,724,000港元)之若干應收賬款(附註22)。

39. BORROWINGS (Continued)**39.1 Bank overdrafts and bank borrowings (Continued)**

Certain of bank overdrafts and bank borrowings contain clause which give the banks the right at their sole discretion to demand immediate repayment at any time irrespective of whether the Group has complied with the covenants and met the scheduled repayment obligations. Borrowings due for repayment after one year which contain a repayment on demand clause and are expected to be settled within one year. The carrying amounts of the bank overdrafts and bank borrowings are approximate to their fair value.

39.2 Margin loan payable

The interest rate of the margin loan payable is 6.59% (2017: 2.576%) per annum and repayable on demand. At 31 December 2018, margin loan payable was secured by the Group's trading portfolio investments with the carrying amount of HK\$35,749,000 (2017: HK\$56,366,000) (note 19). The carrying amount of the margin loan payable is approximate to its fair value. As at 31 December 2018, margin loan payable of HK\$1,593,000 (2017: HK\$2,680,000) are attributable to financial business.

40. PROVISIONS

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Provision for litigation and tax risks	訴訟及稅務風險撥備		
At 1 January	於一月一日	721	532
Newly formed and charged to profit or loss	新作出並扣自溢利或虧損	-	158
Released and credited to profit or loss	解除及計入溢利或虧損	(320)	-
Exchange realignment	匯兌調整	75	31
At 31 December	於十二月三十一日	476	721
Maturity of the provisions	撥備到期日		
Within one year	一年內	476	721

During the year ended 31 December 2018, reversal of provision for litigation risks of HK\$320,000 (2017: provision for litigation risks of HK\$158,000) has been recognised in the consolidated statement of comprehensive income.

As part of the normal business activities of banking business, the Group is exposed to a wide range of legal risks. These include in particular risks relating to litigation. The Group recognises provisions for such litigation risks if the Group's management and its legal advisors are of the opinion that an outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount. The amount of the provisions and their timing are by their nature subject to uncertainty. However, these uncertainties are evaluated as being low since it was possible to reliably estimate the individual amounts and the majority of the recognised provisions will probably become due within one year.

39. 借貸(續)**39.1 銀行透支及銀行借貸(續)**

若干銀行透支及銀行借貸包含給予銀行可要求於任何時間即時償付之全權酌情權之條文，而不論本集團是否已遵守契諾及符合計劃償付責任。於一年後到期償付之借貸部分包含按要求償付條文，且預期於一年內結付。銀行透支及銀行借貸賬面值與其公平值相若。

39.2 應付保證金貸款

應付保證金貸款之年利率為6.59% (二零一七年：2.576%)，並按要求償還。於二零一八年十二月三十一日，應付保證金貸款以本集團賬面值為35,749,000港元(二零一七年：56,366,000港元)之交易組合投資擔保(附註19)。應付保證金貸款賬面值與其公平值相若。於二零一八年十二月三十一日，應付保證金貸款1,593,000港元(二零一七年：2,680,000港元)乃來自金融業務。

40. 撥備

截至二零一八年十二月三十一日止年度，撥回訴訟風險撥備320,000港元(二零一七年：訴訟風險撥備158,000港元)已於綜合全面收入表中確認。

作為銀行業務日常業務活動一部分，本集團面臨多類法律風險。該等風險包括與訴訟有關之特定風險。倘本集團管理層及其法律顧問認為體現經濟利益之資源可能流出且金額能可靠估計，則本集團就該訴訟風險確認撥備。撥備金額及其時間根據其性質受不確定因素規限。然而，由於能可靠地估計個別金額及大多數已確認撥備可能於一年內到期，故此經評估該等不確定因素為低。

41. SUBORDINATED DEBT

41. 次級債務

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Subordinated private placements	次級私人配售	–	95,674

Bendura Bank AG issued a subordinated debt instrument in the amount of EUR10 million via a private placement in 2013. In respect of the issued debt securities, there were no late payments or breaches of contract in the years under review. The maturity date is 14 June 2018 and its nominal and effective interest rates are 4% per annum. The subordinated debt has been fully repaid during the year.

富地銀行股份有限公司於二零一三年透過私人配售發行1,000萬歐元次級債務工具。就已發行債務證券，於回顧年度概無逾期付款或違約。到期日為二零一八年六月十四日，其名義及實際年利率為4%。年內已償還全部次級債務。

42. DEFERRED TAX

Deferred tax is calculated in full on temporary differences under the liability method using the applicable tax rates prevailing in the jurisdictions in which the Group operates.

42. 遞延稅項

遞延稅項按負債法採用本集團業務所在司法權區之現行適用稅率就暫時差額全面計算。

Details of the Group's deferred tax assets/(liabilities) recognised and movements are as follows:

本集團之已確認遞延稅項資產/(負債)及其變動詳情載列如下：

		Revaluation of intangible assets 重估無形資產 HK\$'000 千港元	Revaluation of property, plant and equipment 重估物業、廠房及設備 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Impairment loss on investments 投資減值虧損 HK\$'000 千港元	Temporary difference arising from bond repurchase 購回債券產生之暫時差額 HK\$'000 千港元	Decelerated tax depreciation 減速稅項折舊 HK\$'000 千港元	Other temporary differences 其他暫時差額 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	(24,449)	(11,404)	8,081	(267)	(1,826)	2,337	5,073	(22,455)
Acquisition of subsidiaries (note 51.2 and 51.3)	收購附屬公司(附註51.2及51.3)	(981)	–	–	–	–	–	–	(981)
Credited/(Charged) to profit or loss (note 11)	於溢利或虧損中計入/(扣除)(附註11)	25,669	368	(3,689)	277	1,733	(2,484)	1,741	23,615
Exchange realignment	匯兌調整	(1,220)	(520)	403	(10)	(75)	147	(192)	(1,467)
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日	(981)	(11,556)	4,795	–	(168)	–	6,622	(1,288)
Effect of the adoption of HKFRS 9	採納香港財務報告準則第9號之影響	–	–	–	–	–	2,289	–	2,289
At 1 January 2018, restated	於二零一八年一月一日，經重列	(981)	(11,556)	4,795	–	(168)	2,289	6,622	1,001
Acquisition of subsidiaries (note 51.1)	收購附屬公司(附註51.1)	(10,416)	–	–	–	–	(566)	(21,424)	(32,406)
Credited/(Charged) to profit or loss (note 11)	於溢利或虧損中計入/(扣除)(附註11)	–	385	(246)	–	446	378	358	1,321
Charge to other comprehensive income	於其他全面收入中扣除	–	(22,212)	–	–	–	–	1,169	(21,043)
Exchange realignment	匯兌調整	–	207	(43)	–	(112)	3	140	195
At 31 December 2018	於二零一八年十二月三十一日	(11,397)	(33,176)	4,506	–	166	2,104	(13,135)	(50,932)

42. DEFERRED TAX (Continued)

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of deferred tax balances for financial reporting purposes:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	9,437	6,900
Deferred tax liabilities	遞延稅項負債	(60,369)	(8,188)
		(50,932)	(1,288)

As at 31 December 2018, the Group has estimated unused tax losses arising in Hong Kong of HK\$357,820,000 (2017: HK\$321,526,000), subject to the agreement of Inland Revenue Department, that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

As at 31 December 2018, the Group has estimated unused tax losses arising in the PRC of HK\$94,495,000 (2017: HK\$148,342,000) which are available for offsetting against future taxable profits for a maximum period of five years from the reporting date. Deferred tax assets have not been recognised in respect of these estimated unused tax losses as these were incurred by the companies that have been loss-making for some time.

As at 31 December 2018, the Group has estimated unused tax losses in United Kingdom of HK\$159,848,000 (2017: HK\$119,759,000), subject to the agreement of tax bureau in United Kingdom, that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. No deferred tax assets (2017: nil) have been recognised in respect of these estimated unused tax losses as these were incurred by the companies that have been loss-making for some time.

As at 31 December 2018, the Group has estimated unused tax losses in Switzerland of HK\$1,146,355,000 (2017: HK\$1,067,310,000), subject to the agreement of tax bureau in Switzerland, that are available for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets of HK\$4,506,000 (2017: HK\$4,795,000) have been recognised in respect of these estimated unused tax losses to the extent of deferred tax liabilities recognised in respect of revaluation of identifiable assets as a result of the acquisitions. Deferred tax assets have not been recognised in respect of the estimated unused tax losses as these were incurred by the subsidiaries that have been loss-making for some time. These estimated unused tax losses will be available for offsetting against future taxable profit for a maximum period of five years from the reporting date.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders during the year.

As at 31 December 2018, deferred taxation has not been provided in the consolidated financial statements in respect of temporary differences attributable to the profits earned by the PRC subsidiaries amounted to HK\$2,081,049,000 (2017: HK\$2,146,126,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future.

42. 遞延稅項 (續)

為於綜合財務狀況表中呈報，若干遞延稅項資產及負債已予抵銷。以下為用於財務報告之遞延稅項結餘分析：

於二零一八年十二月三十一日，本集團於香港產生估計未動用稅項虧損 357,820,000 港元 (二零一七年：321,526,000 港元)，有待與稅務局協議，可用作抵銷產生虧損公司之日後應課稅溢利。

於二零一八年十二月三十一日，本集團於中國產生之估計未動用稅項虧損為 94,495,000 港元 (二零一七年：148,342,000 港元)，可用作抵銷最長為由報告日起計五年之未來應課稅溢利。並無就該等估計未動用稅項虧損確認遞延稅項資產，乃由於有關虧損產生自己於一段時間內錄得虧損之公司。

於二零一八年十二月三十一日，本集團於英國產生估計未動用稅項虧損 159,848,000 港元 (二零一七年：119,759,000 港元)，有待與英國稅務局協議，可無限期待用作抵銷產生虧損公司之日後應課稅溢利。並無就該等估計未動用稅項虧損確認遞延稅項資產 (二零一七年：無)，乃由於有關虧損產生自己於一段時間內錄得虧損之公司。

於二零一八年十二月三十一日，本集團於瑞士產生估計未動用稅項虧損 1,146,355,000 港元 (二零一七年：1,067,310,000 港元)，有待與瑞士稅務局協議，可用作抵銷產生虧損公司之日後應課稅溢利。以收購重估可識別資產之已確認遞延稅項負債為限，就該等估計未動用稅項虧損確認之遞延稅項資產為 4,506,000 港元 (二零一七年：4,795,000 港元)。並無就該等估計未動用稅項虧損確認遞延稅項資產，乃由於有關虧損產生自己於一段時間內錄得虧損之附屬公司。該等估計未動用稅項虧損可用作抵銷最長為由報告日起計五年之日後應課稅溢利。

年內，本公司並無因向其股東支付股息而須承擔任何所得稅後果。

於二零一八年十二月三十一日，綜合財務報表並無就中國附屬公司所賺取溢利應佔之暫時差額 2,081,049,000 港元 (二零一七年：2,146,126,000 港元) 作出遞延稅項撥備，原因為本集團能夠控制撥回暫時差額之時間，加上暫時差額很可能不會於可見將來撥回。

43. OTHER LIABILITIES

43. 其他負債

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Accruals	應計費用	106,653	125,084
Due to associates (note 50.1(iv)(a) and (c))	應付聯營公司款項 (附註50.1(iv)(a)及(c))	25,230	346
Warranty provision	保養撥備	5,183	3,674
Net defined benefit obligations	定額福利責任淨額	83,140	94,323
Accrued interests and commission	應計利息及佣金	18,636	19,391
Other tax payable	其他應付稅款	40,054	43,258
Interest payable	應付利息	20	2,540
Commission payable	應付佣金	41,943	35,656
Other payables	其他應付款	228,072	245,873
		548,931	570,145

Other payables represented accrued management and performance fees, accrued services fee, accrued salaries and bonus, accrued audit fee and accrued other operating expenses.

As at 31 December 2018, the amount of the Group's other liabilities expected to be due after more than one year is HK\$86,787,000 (2017: HK\$98,741,000). The remaining other liabilities are expected to be due within one year.

其他應付款即指應計管理及履約費、應計服務費、應計工資及花紅、應計審計費及應計其他營運開支。

於二零一八年十二月三十一日，本集團預期超過一年後到期之其他負債金額為86,787,000港元(二零一七年：98,741,000港元)。餘下其他負債預期將於一年內到期。

44. SHARE CAPITAL

44. 股本

		2018 二零一八年		2017 二零一七年	
		Number of shares 股份數目 '000 千股	HK\$'000 千港元	Number of shares 股份數目 '000 千股	HK\$'000 千港元
Authorised:	法定：				
Ordinary shares of HK\$0.10 each at 1 January and 31 December	於一月一日及十二月三十一日 每股面值0.10港元之普通股	6,000,000	600,000	6,000,000	600,000
Issued and fully paid:	已發行及繳足：				
At 1 January	於一月一日	4,350,314	435,032	4,346,814	434,682
Share option scheme – proceeds from shares issued (note (a))	認購股份權計劃—發行股份 所得款項(附註(a))	1,575	157	3,500	350
At 31 December	於十二月三十一日	4,351,889	435,189	4,350,314	435,032

44. SHARE CAPITAL (Continued)

Note:

- (a) During the year, 1,575,000 (2017: 3,500,000) new ordinary shares of the Company were issued upon the exercise of share options. The total proceeds received for the issues of shares under the share option scheme are HK\$511,000 (2017: HK\$1,138,000). The amount of HK\$354,000 (2017: HK\$788,000), representing the excess of the proceeds received over the nominal value of the ordinary shares of HK\$157,000 (2017: HK\$350,000), has been included in share premium account.

Details of the share options exercised during the years ended 31 December 2018 and 2017 are summarised in note 45. All shares issued in both years in relation to the share option scheme have the same rights as the Company's other issued ordinary shares.

45. SHARE-BASED COMPENSATION

At the general meeting held on 30 May 2008, the shareholders of the Company terminated the option scheme adopted on 25 May 2001 and adopted a new share option scheme (the "Share Option Scheme") for a period of 10 years commencing on the adoption date.

The directors may, at their discretion, invite the eligible participants to take up options to subscribe for shares. The eligible participants include (i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries; (ii) any directors (including executive directors, non-executive directors and independent non-executive directors) of the Company or any of its subsidiaries; and (iii) any advisers, consultants, suppliers, customers and agents to the Company or any of its subsidiaries.

Under the Share Option Scheme, the maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme shall not exceed 30% of the share capital of the Company in issue from time to time. No options may be granted under the Share Option Scheme if the grant of such option will result in the limit being exceeded. Subject to the approval of the Company's shareholders, the aggregate number of the Company's shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme shall not exceed 30% of the Company's shares in issue from time to time.

The total number of shares issued and which may fall to be issued upon exercise of the options and the options granted under the Share Option Scheme (including both exercised or outstanding options) to each grantee in any 12-month period shall not exceed 1% of the issued share capital of the Company. Where any further grant of options to a grantee would result in the shares issued and to be issued upon exercise of all options granted and proposed to be granted to such person (including exercised, cancelled and outstanding options) under the Share Option Scheme in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the shares in issue, such further grant requires approval of the shareholders of the Company in general meeting with such grantee and his associates abstaining from voting.

44. 股本(續)

附註：

- (a) 年內，本公司就行使認購股份權時發行 1,575,000 股 (二零一七年：3,500,000 股) 新普通股。就根據認購股份權計劃發行股份收取之所得款項總額為 511,000 港元 (二零一七年：1,138,000 港元)。為數 354,000 港元 (二零一七年：788,000 港元) 為已收所得款項超出普通股面值 157,000 港元 (二零一七年：350,000 港元) 之金額，該筆款項已計入股份溢價賬。

截至二零一八年及二零一七年十二月三十一日止年度，獲行使認購股份權詳情於附註 45 概述。所有於兩個年度內發行之股份 (與認購股份權計劃有關) 與本公司其他已發行普通股享有同等權利。

45. 股份補償

於二零零八年五月三十日舉行之股東大會上，本公司股東終止於二零零一年五月二十五日採納之認購股份權計劃並採納新認購股份權計劃 (「認購股份權計劃」)，自採納日期起計為期 10 年。

董事可酌情邀請合資格參與者承購認購股份權，以認購股份。合資格參與者包括 (i) 本公司或其任何附屬公司之任何全職或兼職僱員、行政人員或高級人員；(ii) 本公司或其任何附屬公司之任何董事 (包括執行董事、非執行董事及獨立非執行董事)；及 (iii) 本公司或其任何附屬公司之任何顧問、諮詢人士、供應商、客戶及代理。

根據認購股份權計劃，於認購股份權計劃項下授出及有待行使之所有尚未行使認購股份權獲行使時可予發行之最高股份數目，不得超過本公司不時已發行股本之 30%。倘授出之認購股份權導致超出有關上限，則不得根據認購股份權計劃授出認購股份權。除經本公司股東批准外，根據認購股份權計劃授出及有待行使之所有尚未行使認購股份權獲行使時可予發行之本公司股份總數，不得超過本公司不時已發行股份之 30%。

在任何 12 個月期間根據認購股份權計劃向每名承授人授出之認購股份權 (包括已行使或尚未行使之認購股份權) 行使時已發行及可能將予發行之股份總數不得超過本公司已發行股本之 1%。倘向一名承授人進一步授出認購股份權，導致該名人士根據認購股份權計劃於 12 個月期間直至進一步授出日期 (包括當日) 行使獲授及建議獲授之所有認購股份權 (包括已行使、註銷及尚未行使認購股份權) 後，已發行及將發行股份之數目合共超過已發行股份 1%，有關進一步授出認購股份權必須於股東大會獲本公司股東批准，而有關承授人及彼之聯繫人士須放棄表決。

45. SHARE-BASED COMPENSATION (Continued)

The maximum number of shares issued and to be issued upon exercise of the options granted under the Share Option Scheme to each of any eligible persons (including those cancelled, exercised and outstanding options), in any 12 months period up to the date of the latest grant shall not exceed 1% of the Company's shares in issue provided that the number of shares issued and to be issued upon exercise of all options granted and to be granted to each of the independent non-executive directors or substantial shareholders of the Company or any of their respective associates in the 12 months period up to the date of such grant in excess of 0.1% of the Company's shares in issue and with a value in excess of HK\$5 million must be approved in advance by the Company's independent shareholders. Any further grant of options in excess of such limit requires the approval of the shareholders in general meeting in accordance with the requirements of the Listing Rules.

The exercise period of the share options granted is determinable by the directors, and should not be later than 10 years from the date of the acceptance of the share options (the "Option Period").

The subscription price is equal to the higher of (i) the nominal value of the share of the Company; (ii) the closing price per share of the Company as stated in the Stock Exchange's daily quotation sheet on the date of grant; and (iii) the average closing price per share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant.

The fair value of share options granted is recognised in profit or loss taking into account the probability that the options will vest over the vesting period. Upon the exercise of the options the resulting shares issued are recorded as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded in the share premium account. At the time when the share options are exercised, the amount previously recognised in share option reserve is transferred to share premium account. When the share options are forfeited or are still not exercised at the expiry date, the amount previously recognised in share option reserve is transferred to retained profits. Lapsed options are deleted from the outstanding options prior to their exercise date. All equity-settled share-based compensation expense is settled in equity. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

The grantees may exercise the options in whole or in part by giving exercise notice to the grantor at any time during the Option Period provided that the grantees shall exercise the options to acquire the option shares in accordance with the following vesting schedule:

Vesting schedule	Maximum percentage of option shares comprised in an option which may be exercised
One year after the grant date	30%
Two years after the grant date	35%
Three years after the grant date	35%

45. 股份補償 (續)

在任何12個月期間直至最後授出日期根據認購股份權計劃向每名合資格人士授出之認購股份權(包括已註銷、行使及尚未行使之認購股份權)行使時已發行及將予發行之股份最高數目,不得超過本公司已發行股份之1%,惟倘於截至有關授出日期止12個月期間向本公司各獨立非執行董事或主要股東或彼等各自之任何聯繫人士授出及將予授出之所有認購股份權獲行使時已發行及將予發行之股份數目超過本公司已發行股份0.1%及價值超過5百萬港元,有關授出必須事先獲本公司獨立股東批准。任何進一步授出超過有關限額之認購股份權必須根據上市規則之規定獲股東於股東大會上批准。

所授出認購股份權之行使期由董事釐定,且不應超過認購股份權接納日期後10年(「認購股份權期間」)。

認購價相當於下列各項之最高者:(i)本公司股份面值;(ii)本公司股份於授出日期在聯交所每日報價表所示之每股收市價;及(iii)緊接授出日期前五個營業日股份於聯交所每日報價表所示之每股平均收市價。

所授出認購股份權之公平值於計及認購股份權於歸屬期歸屬之可能性後在溢利或虧損確認。於認購股份權獲行使時,所產生之已發行股份按股份面值記入額外股本,而每股行使價超出股份面值之差額則計入股份溢價賬。認購股份權獲行使時,先於認購股份權儲備中確認之款額會轉撥至股份溢價賬。當認購股份權被沒收或於屆滿日期仍未行使時,先於認購股份權儲備中確認之款額會轉撥至保留溢利。於行使日期前已失效認購股份權會自尚未行使認購股份權中剔除。所有以股本結算之股份補償開支將以權益結算。本集團並無法定或推定責任以現金購回或結算認購股份權。

承授人可於認購股份權期間任何時間向授出人發出行使通知,行使全部或部分認購股份權,惟承授人將根據下列歸屬期時間表行使認購股份權購入認購股份權股份:

歸屬時間表	可行使認購股份權所包含認購股份權股份最高百分比
授出日期後一年	30%
授出日期後兩年	35%
授出日期後三年	35%

45. SHARE-BASED COMPENSATION (Continued)

Details of the share options granted up to the reporting date are as follows:

Date of grant:	9 December 2008
Exercisable period:	9 December 2009 to 7 January 2019
Exercise price:	HK\$0.325

The share option scheme has been expired on 30 May 2018.

Share options and weighted average exercise price are as follows for the reporting periods presented:

		2018 二零一八年		2017 二零一七年	
		Number '000 數目千份	Weighted average exercise price 加權平均行使價 HK\$ 港元	Number '000 數目千份	Weighted average exercise price 加權平均行使價 HK\$ 港元
Outstanding at 1 January	於一月一日尚未行使	7,055	0.325	10,555	0.325
Exercised	已行使	(1,575)	0.325	(3,500)	0.325
Expired	已屆滿	(5,480)	0.325	-	-
Outstanding at 31 December	於十二月三十一日尚未行使	-	-	7,055	0.325
Exercisable at the end of the year	於年末可行使	-	-	7,055	0.325

There is no options outstanding at 31 December 2017 had a weighted average remaining contractual life of 1 year. All the share options granted were expired during the year. The weighted average share price for share options exercised during the year at the date of exercise was HK\$1.74 (2017: HK\$1.77) per share for the year ended 31 December 2018.

During the year, the Group did not grant any share options (2017: nil).

Movements of the Share Option Scheme for the years ended 31 December 2018 and 2017 are as follows:

2018

Name or category of participants	參與者姓名或所屬類別	Number of share options 認購股份權數目			
		At 1 January 2018 二零一八年一月一日	Exercised during the year 於年內行使	Expired during the year 於年內屆滿	At 31 December 2018 二零一八年十二月三十一日
Other eligible employees In aggregate	其他合資格僱員 合計	1,575,000	(1,575,000)	-	-
Other eligible persons In aggregate	其他合資格人士 合計	5,480,000	-	(5,480,000)	-
Total	總計	7,055,000	(1,575,000)	(5,480,000)	-

45. 股份補償 (續)

直至報告日為止已授出認購股份權詳情如下：

授出日期：	二零零八年十二月九日
行使期：	二零零九年十二月九日至 二零一九年一月七日
行使價：	0.325 港元

認購股份權計劃已於二零一八年五月三十日屆滿。

報告期內之認購股份權及加權平均行使價呈列如下：

概無於二零一七年十二月三十一日尚未行使而加權平均餘下合約年期為1年之認購股份權。全部已授出認購股份權已於年內屆滿。截至二零一八年十二月三十一日止年度，已於年內行使之認購股份權於行使日期之加權平均股價為每股1.74港元(二零一七年：1.77港元)。

年內，本集團概無授出任何認購股份權(二零一七年：無)。

於截至二零一八年及二零一七年十二月三十一日止年度，認購股份權計劃之變動如下：

二零一八年

45. SHARE-BASED COMPENSATION (Continued) 2017

Name or category of participants	參與者姓名或所屬類別	Number of share options 認購股份權數目		
		At 1 January 2017 於二零一七年 一月一日	Exercised during the year 於年內行使	At 31 December 2017 於二零一七年 十二月三十一日
Independent non-executive director Mr. Li Qiang	獨立非執行董事 李強先生	3,500,000	(3,500,000)	–
Other eligible employees In aggregate	其他合資格僱員 合計	1,575,000	–	1,575,000
Other eligible persons In aggregate	其他合資格人士 合計	5,480,000	–	5,480,000
Total	總計	10,555,000	(3,500,000)	7,055,000

46. RESERVES

Group

The amounts of the Group's reserves and movements therein during the year are presented in the consolidated statement of changes in equity.

The share premium account mainly includes shares issued at a premium.

The share options reserve represents the cumulative expenses recognised on the granting of share options to the employees over the vesting period.

Other reserve represents (i) the cumulative expenses recognised on the granting of share options to an independent third party; (ii) the effect of transactions with non-controlling interests as disclosed in note 52 to the consolidated financial statements and (iii) the effect of the redemption of convertible bond.

Certain amounts of goodwill arising on the acquisition of subsidiaries in prior years remain eliminated against the consolidated reserves.

In accordance with the PRC regulations, certain of the Group's subsidiaries established in the PRC are required to transfer part of their profits after tax to the statutory reserve before profit distributions are made. The amounts of the transfers are subject to the approval of the boards of the directors of these subsidiaries, in accordance with their joint venture agreements and/or articles of association. The statutory reserve is non-distributable and has restricted use.

Exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations in accordance with the accounting policy adopted in note 4.23.

Investment revaluation reserve represents gains or losses arising on remeasuring financial assets classified as available-for-sale financial assets at fair value.

Fair value through other comprehensive income reserve represents gains or losses on remeasuring the financial assets classified as financial assets at fair value through other comprehensive income.

Revaluation reserve for property, plant and equipment is the revaluation gain arising from the transfer of property, plant and equipment to investment properties.

45. 股份補償 (續) 二零一七年

46. 儲備

本集團

本集團於年度之儲備數額及有關變動於綜合權益變動表中呈列。

股份溢價賬主要包括按溢價發行之股份。

認購股份權儲備指於歸屬期間向僱員授出認購股份權中確認之累計開支。

其他儲備指 (i) 向一名獨立第三方授出認購股份權中確認之累計開支；(ii) 與非控股權益進行交易之影響 (於綜合財務報表附註 52 披露) 及 (iii) 贖回可換股債券之影響。

於過往年度收購附屬公司所產生之若干商譽仍於綜合儲備對銷。

按照中國法規，本集團若干於中國成立之附屬公司於作出溢利分派前，須將其部分除稅後溢利轉撥至法定儲備。轉撥款額須由該等附屬公司之董事會按各自之合營協議及／或公司章程細則批准。法定儲備不可分派，且用途有所限制。

根據附註 4.23 內所採納之會計政策，外匯儲備包括換算海外業務財務報表所產生之所有匯兌差額。

投資重估儲備指按公平值歸類為可供出售金融資產之金融資產重新計量所產生之收益或虧損。

按公平值計入其他全面收入儲備指重新計量分類為按公平值計入其他全面收入之金融資產之金融資產之收益或虧損。

物業、廠房及設備重估儲備為將物業、廠房及設備轉撥至投資物業時產生之重估收益。

46. RESERVES (Continued)

Company

The reserves of the Company as at 31 December 2018 and 2017 are as follows:

46. 儲備(續)

本公司

本公司於二零一八年及二零一七年十二月三十一日之儲備如下：

		Share premium account	Share option reserve	Fair value through other comprehensive income reserve	Other reserve	Retained profits	Total
		股份溢價賬	認購股份權儲備	按公平值計入其他全面收入儲備	其他儲備	保留溢利	總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	773,749	1,601	-	22,692	74,291	872,333
Proceeds from shares issued under share option scheme	根據認購股份權計劃發行股份之所得款項	788	-	-	-	-	788
Exercise of share options	行使認購股份權	531	(531)	-	-	-	-
Profit and total comprehensive income for the year	本年度溢利及全面收入總額	-	-	-	-	123,882	123,882
2016 Special dividend (note 13.1)	二零一六年特別股息(附註13.1)	(3,866)	-	-	-	(213,650)	(217,516)
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日	771,202	1,070	-	22,692	(15,477)	779,487
Impact on initial application of HKFRS 9	首次應用香港財務報告準則第9號之影響	-	-	107,999	-	(106,378)	1,621
At 1 January 2018, as restated	於二零一八年一月一日，經重列	771,202	1,070	107,999	22,692	(121,855)	781,108
Proceeds from shares issued under share option scheme	根據認購股份權計劃發行股份之所得款項	354	-	-	-	-	354
Exercise of share options	行使認購股份權	239	(239)	-	-	-	-
Lapse of share option	認購股份權失效	-	(831)	-	-	831	-
Profit and total comprehensive income for the year	本年度溢利及全面收入總額	-	-	(12,197)	-	292,370	280,173
2017 final dividend (note 13.2)	二零一七年末期股息(附註13.2)	(89,767)	-	-	-	(171,346)	(261,113)
At 31 December 2018	於二零一八年十二月三十一日	682,028	-	95,802	22,692	-	800,522

Under the Companies Law Cap. 22, (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which a dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

根據開曼群島公司法第22章(一九六一年第3條法例，經綜合及修訂)，本公司股份溢價賬之資金可供分派予本公司股東，惟緊隨建議分派股息日期後，本公司須有能力償還其於日常業務過程中到期之債務。

47. OPERATING LEASE ARRANGEMENTS/COMMITMENTS

47.1 At 31 December 2018 and 2017, total future minimum lease receipts by the Group under non-cancellable operating leases 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
Within one year	一年內	7,756	5,283
In the second to fifth year	第二年至第五年	23,508	21,766
After fifth year	五年後	949	2,948
		32,213	29,997

The Group leases certain of its properties under operating lease arrangements, with leases negotiated for initial terms ranging from one to twenty years (2017: one to twenty years). None of the leases include contingent rentals.

本集團根據經營租約安排租賃若干物業，議定之初步租約為期一年至二十年（二零一七年：一年至二十年）不等。該等租約不包括或然租金。

47.2 At 31 December 2018 and 2017, the total future minimum lease payments by the Group under non-cancellable operating leases 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
Within one year	一年內	45,107	34,083
In the second to fifth year	第二年至第五年	58,588	11,647
After fifth year	五年後	8,761	7,756
		112,456	53,486

The Group leases certain offices and factory premises under operating lease arrangements, for initial terms ranging from one to ten years (2017: one to ten years). None of the leases include contingent rentals.

本集團根據經營租約安排租賃若干辦公室及工廠物業，初步租約為期一年至十年（二零一七年：一年至十年）不等。該等租約不包括或然租金。

47.3 The Group is required to pay an annual fee in respect of the leasehold land in the PRC from 1992 up to 2042 with a 20% increment for every five years. During the year, an annual fee of HK\$592,000 (2017: HK\$576,000) was charged as an expense in profit or loss of the Group.

47.3 本集團自一九九二年至二零四二年止，須就中國之一幅租賃土地支付年費，年費每五年增加20%。年內，年費592,000港元（二零一七年：576,000港元）已於本集團溢利或虧損內按開支支銷。

47. 經營租約安排／承擔

47.1 於二零一八年及二零一七年十二月三十一日，根據不可註銷之經營租約，本集團應收未來最低租賃款項總額如下：

47.2 於二零一八年及二零一七年十二月三十一日，根據不可註銷之經營租約，本集團應付未來最低租賃款項總額如下：

48. CAPITAL COMMITMENTS

At the reporting date, the Group had the following outstanding commitments:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Contracted, but not provided for	已訂約但未撥備：		
– Purchase of property, plant and equipment	– 購買物業、廠房及設備	–	5,265
– Investment in an associate – Citychamp Allied International Limited (note (a))	– 於聯營公司之投資 – 冠城聯合國際有限公司(附註(a))	270,000	270,000
		270,000	275,265

Note:

- (a) On 28 September 2016, Union United Investment Limited (“Union United”), a wholly-owned subsidiary of the Company, entered into an agreement with Citychamp Dartong (Hong Kong) Limited (“CD(HK)”) and Fengrong Investment (Hong Kong) Company Limited (“FI(HK)”), in relation to the formation of the joint venture company (“JV Company”) in the British Virgin Island. JV Company shall be owned as to 40% by FI(HK), 30% by CD(HK) and 30% by Union United. JV Company is engaged in potential overseas equity investment. Pursuant to the agreement, Union United agreed to contribute the maximum capital commitment of HK\$270,000,000 to JV Company. Details of the transaction are set out in the Company’s announcement dated 28 September 2016.

48. 資本承擔

於報告日，本集團未履行之承擔如下：

附註：

- (a) 於二零一六年九月二十八日，本公司之全資附屬公司聯和投資有限公司(「聯和」)與冠城大通(香港)有限公司(「冠城大通(香港)」)及豐榕投資(香港)有限公司(「豐榕投資(香港)」)訂立協議，內容有關於英屬處女群島成立合營公司(「合營公司」)。豐榕投資(香港)、冠城大通(香港)及聯和將分別擁有合營公司40%、30%及30%權益。合營公司從事潛在境外股本投資業務。根據該協議，聯和同意向合營公司作出最高資本承擔270,000,000港元。交易詳情載於日期為二零一六年九月二十八日本公司之公佈。

49. OFF BALANCE SHEET ITEMS

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Irrevocable commitments	不可收回承擔	4,642	27,542
Contract volume	合約量	2,174,980	3,102,529
Fiduciary transactions with third-party banks	與第三方銀行之信託交易	2,506,925	1,863,516
		4,686,547	4,993,587

49. 資產負債外項目**50. RELATED PARTY TRANSACTIONS**

50.1 Save as disclosed elsewhere in these consolidated financial statements, the Group had the following transactions carried out with related parties:

(i) Rental income

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Sub-lease income received (note)	已收分租收入(附註)	–	313

Note:

Sub-lease income was received from a company of which Mr. Shang Jianguang, Ms Sit Lai Hei and Mr. Hon Hau Wong, directors of the Company are also directors of the related company, and this was charged at approximately HK\$26,000 per month on average in 2017. The sub-leasing arrangement has been terminated during the year ended 31 December 2017.

50. 關連人士交易

50.1 除於綜合財務報表其他部分所披露者外，本集團曾與關連人士進行以下交易：

(i) 租金收入

附註：

分租收入乃向一間公司收取，其中本公司董事商建光先生、薛黎曦女士及韓孝煌先生亦為該關連公司之董事，於二零一七年，平均每月租金約26,000港元。於截至二零一七年十二月三十一日止年度，分租安排已被終止。

50. RELATED PARTY TRANSACTIONS (Continued)

50.1 (Continued)

(ii) Transactions with an associate, Fair Future and its subsidiaries

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Disposal of Gold Vantage Group (note 12.2)	出售金熹集團(附註12.2)	–	5
Sales of goods	貨品銷售	1,107	4,716
Service expenses	服務開支	–	4,342
Purchases of goods	購買貨品	40,688	58,515
Rental expenses paid	已付租金開支	354	354
Maintenance fee paid	已付保養費用	–	19
Inspection fee paid	已付檢查費用	1,016	4,338
Interest expenses	利息開支	804	–

(iii) Transactions between Shun Heng and the related parties of the Group

During the year, the Group has the following transactions with the related parties of the Group. The details of the transactions are disclosed as follows:

(iii) 信亨與本集團關連人士之交易

年內，本集團與本集團關連人士進行以下交易，交易詳情披露如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Name of related party 關連人士名稱	Nature of transaction 交易性質		
Directors of the company and their close family members 本公司董事及其直系親屬	Services fees and commission income 服務費及佣金收入	8	35
	Interest income 利息收入	10	23
Directors of subsidiaries and their close family members 附屬公司董事及其直系親屬	Services fees and commission income 服務費及佣金收入	–	3
	Interest income 利息收入	–	16
Related company 關連公司	Services fees and commission income 服務費及佣金收入	109	79
	Interest income 利息收入	37	12

Mr. Hon Kwok Lung, a director of the Company is also the director and beneficial owner of the related company.

本公司董事韓國龍先生亦為關連公司之董事及實益擁有人。

50. RELATED PARTY TRANSACTIONS (Continued)

50.1 (Continued)

(iv) Outstanding related party balances included in trade receivables, other assets, trade payables and other liabilities

50. 關連人士交易(續)

50.1 (續)

(iv) 計入應收賬款、其他資產、應付賬款及其他負債之未償付關連人士結餘

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Dividend receivable from an associate	應收一間聯營公司股息	5,000	17,500
Consideration receivable from an associate in respect of disposal of brand name	出售品牌名稱應收一間聯營公司代價	-	20,000
Due from an associate (note (a))	應收一間聯營公司款項(附註(a))	18,280	22,457
Trade receivables from associates	應收聯營公司賬款	3,927	-
Due from related companies (note (b))	應收關連公司款項(附註(b))	1,065	1,065
Loan from an associate (note (c))	來自一間聯營公司貸款(附註(c))	25,000	-
Due to a shareholder (note (d))	應付一名股東之款項(附註(d))	73,000	-
Due to associates (note (a))	應付聯營公司款項(附註(a))	230	346
Trade payables to associates	應付聯營公司賬款	38,113	38,395

Notes:

- (a) The balance was unsecured, interest-free and repayable on demand. The maximum outstanding balance of amounts due from associates during the year was HK\$25,067,000 (2017: HK\$24,588,000).
- (b) The amounts were due from companies of which Mr. Shang Jianguang, Ms. Sit Lai Hei and Mr. Hon Hau Wong, directors of the Company are also the directors of the related companies. The balance was unsecured, interest-free and repayable on demand. The maximum amount outstanding during the year was HK\$1,065,000 (2017: HK\$1,065,000).
- (c) Loan from an associate with principal amount of HK\$25,000,000 was unsecured, interest bearing at 5% per annum and repayable on 28 January 2019.
- (d) The balance was unsecured, interest-free and repayable on demand.

附註:

- (a) 有關結餘為無抵押、免息及須應要求償還。於年內，最高未償付應收聯營公司款項結餘為25,067,000港元(二零一七年：24,588,000港元)。
- (b) 該等款項為應收公司款項，而本公司董事商建光先生、薛黎曦女士及韓孝煌先生亦為該等關連公司之董事。有關結餘為無抵押、免息及須應要求償還。於年內，最高未償付金額為1,065,000港元(二零一七年：1,065,000港元)。
- (c) 本金額為25,000,000港元來自一間聯營公司貸款為無抵押、按年利率5%計息及須於二零一九年一月二十八日償還。
- (d) 有關結餘為無抵押、免息及須應要求償還。

50. RELATED PARTY TRANSACTIONS (Continued)**50.1 (Continued)****(v) Financial guarantee provided to Fair Future**

As 31 December 2018, the Group has provided a corporate guarantee of HK\$60,000,000 (2017: HK\$60,000,000) in respect of a revolving loan facility of up to HK\$60,000,000 (2017: HK\$60,000,000) granted to Fair Future (note 54.1). The corporate guarantee is ending on the expiry of the term of the revolving loan facility.

The above transactions were conducted in accordance with the terms mutually agreed between the Group and the related companies controlled by the directors.

50.2 Key management personnel compensation:

Included in staff costs are key management personnel compensation and comprises the following categories:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Short-term employee benefits	短期僱員福利	27,174	25,700
Post-employment benefits	離職後福利	214	308
		27,388	26,008

The key management represents all directors of the Company. Further details of directors' emoluments are included in note 16.1 to the consolidated financial statements.

51. ACQUISITION OF SUBSIDIARIES**51.1 Acquisition of Ernest Borel**

The Group has completed the acquisition of 58.22% of the issued share capital of Ernest Borel, which listed on Stock Exchange with stock code 1856 in September 2018. The total consideration paid for the acquisition is HK\$374,209,000.

Details of the net assets acquired at the acquisition date are as follows:

		HK\$'000 千港元
Cash consideration	現金代價	374,209
Less: Fair value of net assets acquired	減：已收購資產淨值之公平值	(172,755)
Goodwill (note 33)	商譽(附註33)	201,454

The goodwill of HK\$201,454,000, which is not deductible for tax purposes, comprises the acquired workforce and the expected synergy with existing watch business of the Group.

50. 關連人士交易(續)**50.1 (續)****(v) 向俊光提供之財務擔保**

於二零一八年十二月三十一日，本集團就授予俊光一項最多60,000,000港元(二零一七年：60,000,000港元)之循環貸款融資提供60,000,000港元(二零一七年：60,000,000港元)之公司擔保(附註54.1)。公司擔保於循環貸款融資期限屆滿時終止。

上述交易乃按本集團與董事控制之關連公司互相協定之條款進行。

50.2 主要管理人員之酬金：

主要管理人員之酬金計入員工成本內，包括以下類別：

董事酬金之進一步詳情載於綜合財務報表附註16.1。

51. 收購附屬公司**51.1 收購依波路**

於二零一八年九月，本集團完成收購依波路(於聯交所上市公司，股份代號為1856)已發行股本58.22%。就收購事項已付之總代價為374,209,000港元。

於收購日期收購之資產淨值詳情如下：

不可扣稅商譽201,454,000港元包括已獲得之勞動力及預期與本集團現有鐘錶業務之協同效應。

51. ACQUISITION OF SUBSIDIARIES (Continued)**51.1 Acquisition of Ernest Borel (Continued)**

The fair values of the identifiable assets and liabilities arising from the acquisition of Ernest Borel as at the date of acquisition:

		Fair value 公平值 HK\$'000 千港元
Cash and deposits	現金及存款	25,714
Property, plant and equipment (note 29)	物業、廠房及設備(附註29)	39,116
Intangible assets (note 32)	無形資產(附註32)	42,000
Inventories	存貨	383,747
Financial assets at fair value through profit or loss	按公平值計入溢利或虧損之金融資產	16,995
Trade receivables	應收賬款	55,024
Other assets	其他資產	11,501
Deferred tax liabilities (note 42)	遞延稅項負債(附註42)	(32,406)
Trade payables	應付賬款	(5,324)
Notes payable	應付票據	(100,000)
Borrowings	借貸	(10,505)
Income tax payables	應付所得稅	(2,951)
Liability portion of convertible bonds	可換股債券負債部分	(97,184)
Other liabilities	其他負債	(28,999)
		296,728
Less: Non-controlling interests	減：非控股權益	(123,973)
Fair value of net assets acquired	已收購資產淨值之公平值	172,755

		HK\$'000 千港元
Net cash outflow from acquisition of a subsidiary:	收購一間附屬公司之現金流出淨額：	
Cash and deposits in subsidiaries acquired	已收購附屬公司之現金及存款	25,714
Less: Purchase consideration settled in cash	減：以現金償付之購買代價	(374,209)
		(348,495)

Ernest Borel contributed revenue of approximately HK\$41,501,000 and net loss of approximately HK\$35,568,000 to the Group from the date of acquisition to 31 December 2018.

Had the business combination taken place on 1 January 2018, revenue of the Group for the year ended 31 December 2018 would have been increased by approximately HK\$130,305,000 and net profit would have decreased by HK\$62,098,000. The pro-forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of the operations of the Group that actually would have been achieved had the acquisition of the Ernest Borel been completed on 1 January 2018 nor are they intended to be a projection of future results.

51. 收購附屬公司(續)**51.1 收購依波路(續)**

收購依波路所產生之可識別資產及負債於收購日期之公平值：

自收購日期起至二零一八年十二月三十一日止，依波路向本集團貢獻收入約41,501,000港元及虧損淨額約35,568,000港元。

倘業務合併已於二零一八年一月一日進行，本集團於截至二零一八年十二月三十一日止年度之收入應增加約130,305,000港元，而純利應減少62,098,000港元。備考資料僅供說明，不一定代表於二零一八年一月一日完成收購依波路後本集團實際應取得之收入及經營業績之指標，亦不擬作未來業績之預測。

51. ACQUISITION OF SUBSIDIARIES (Continued)**51.2 Acquisition of Shun Heng**

In February 2017, the Group acquired the entire interest of Shun Heng, a company licensed to conduct Type 1 (dealing in securities) regulated activity under the Securities and Futures Ordinance (the "SFO"). Following the acquisition, the Group obtained the control over the Shun Heng through the Company's right to nominate majority members of Shun Heng's board of directors, and Shun Heng became a subsidiary of the Company. The acquisition provides an opportunity for the Group to participate in the securities trading industry in Hong Kong and allow the Group to broaden the revenue and income stream.

Details of the net assets acquired as at the acquisition date are as follows:

		HK\$'000 千港元
Cash consideration	現金代價	24,800
Less: Fair value of net assets acquired	減：已收購資產淨值之公平值	(23,999)
Goodwill (note 33)	商譽(附註33)	801

The goodwill of HK\$801,000, which is not deductible for tax purposes, comprises the acquired workforce and the expected future growth of the financial business to diversify the revenue stream of the existing business of the Group.

The fair values of the identifiable assets and liabilities arising from the acquisition of Shun Heng as at the date of acquisition:

		Fair value 公平值 HK\$'000 千港元
Cash and deposits	現金及存款	88,924
Property, plant and equipment (note 29)	物業、廠房及設備(附註29)	108
Intangible assets (note 32)	無形資產(附註32)	2,850
Trading portfolio investments	交易組合投資	1,104
Trade receivables	應收賬款	13,416
Other assets	其他資產	2,516
Deferred tax liabilities (note 42)	遞延稅項負債(附註42)	(256)
Trade payables	應付賬款	(84,574)
Other liabilities	其他負債	(89)
Fair value of net assets acquired	已收購資產淨值之公平值	23,999

51. 收購附屬公司(續)**51.2 收購信亨**

於二零一七年二月，本集團收購信亨，一間根據證券及期貨條例(「證券及期貨條例」)獲發牌進行第1類(證券交易)受規管活動的公司之全部股權。收購完成後，本集團透過本公司提名信亨董事會大多數成員之權利而獲得對信亨之控制權，而信亨成為本公司之附屬公司。該收購事項為本集團提供機遇參與香港證券交易行業，使本集團能夠拓寬收益及收入流。

於收購日期收購之資產淨額詳情如下：

不可扣稅商譽801,000港元包括已獲得之勞動力及預期金融業務未來發展以使本集團現有業務收入來源多樣化。

收購信亨所產生之可識別資產及負債於收購日期之公平值：

51. ACQUISITION OF SUBSIDIARIES (Continued)**51.2 Acquisition of Shun Heng (Continued)**

		HK\$'000 千港元
Net cash inflow from acquisition of a subsidiary:	收購一間附屬公司之現金流入淨額：	
Cash and deposits in subsidiaries acquired	已收購附屬公司之現金及存款	88,924
Less: Purchase consideration settled in cash	減：以現金償付之購買代價	(24,800)
Add: Deposits paid in the previous year	加：於上年度已付按金	10,000
		74,124

Shun Heng contributed revenue of approximately HK\$9,395,000 and net profit of approximately HK\$3,347,000 to the Group from the date of acquisition to 31 December 2017.

Had the business combination taken place on 1 January 2017, revenue of the Group for the year ended 31 December 2017 would have been increased by approximately HK\$102,000 and net profit would have decreased by HK\$239,000. The pro-forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of the operations of the Group that actually would have been achieved had the acquisition of the Shun Heng been completed on 1 January 2017 nor are they intended to be a projection of future results.

51.3 Acquisition of Metasequoia Capital

In February 2017, the Group acquired the entire interest of Metasequoia Capital, a licensed company to conduct Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO. Following the acquisition, the Group obtained the control over the Metasequoia Capital through the Company's right to nominate majority members of Metasequoia Capital's board of directors, and Metasequoia Capital became a subsidiary of the Company.

Details of the net assets acquired as at the date of acquisition are as follows:

		HK\$'000 千港元
Cash consideration	現金代價	6,000
Less: Fair value of net assets acquired	減：已收購資產淨值之公平值	(3,721)
Goodwill (note 33)	商譽(附註33)	2,279

The goodwill of HK\$2,279,000, which is not deductible for tax purposes, comprises the acquired workforce and the expected future growth of the financial business to diversify the revenue stream of the existing business of the Group.

51. 收購附屬公司(續)**51.2 收購信亨(續)**

自收購日期起至二零一七年十二月三十一日止，信亨向本集團貢獻收入約9,395,000港元及純利約3,347,000港元。

倘業務合併已於二零一七年一月一日進行，本集團於截至二零一七年十二月三十一日止年度之收入應增加約102,000港元，而純利應減少239,000港元。備考資料僅供說明，不一定代表於二零一七年一月一日完成收購信亨後本集團實際應取得之收入及經營業績之指標，亦不擬作未來業績之預測。

51.3 收購水杉資產

於二零一七年二月，本集團收購水杉資產（一家獲准進行證券及期貨條例第4類（就證券提供意見）及第9類（提供資產管理）受規管活動之持牌公司）全部權益。收購完成後，本集團透過本公司提名水杉資產董事會大多數成員之權利而獲得對水杉資產之控制權，而水杉資產成為本公司之附屬公司。

於收購日期收購之資產淨值詳情如下：

不可扣稅商譽2,279,000港元包括金融業務之已獲得勞動力及預期未來發展以使本集團現有業務收益來源多樣化。

51. ACQUISITION OF SUBSIDIARIES (Continued)**51.3 Acquisition of Metasequoia Capital (Continued)**

The fair values of the identifiable assets and liabilities arising from the acquisition of Metasequoia Capital as at the date of acquisition are as follow:

		Fair value 公平值 HK\$'000 千港元
Cash and deposits	現金及存款	171
Intangible assets (note 32)	無形資產(附註32)	4,396
Other assets	其他資產	21
Deferred tax liabilities (note 42)	遞延稅項負債(附註42)	(725)
Other liabilities	其他負債	(142)
Fair value of net assets acquired	所收購資產淨值之公平值	3,721

		HK\$'000 千港元
Net cash outflow from acquisition of a subsidiary:	收購一間附屬公司之現金流出淨額：	
Cash and deposits acquired	收購之現金及存款	171
Less: Purchase consideration settled in cash	減：以現金償付之購買代價	(6,000)
Add: Deposits paid in the previous year	加：於上年度之已付按金	3,000
		(2,829)

No revenue has been generated by Metasequoia Capital from 1 January 2017 to 31 December 2017. Metasequoia Capital contributed net profit of approximately HK\$213,000 to the Group from the date of acquisition to 31 December 2017.

Had the business combination taken place on 1 January 2017, net profit of the Group for the year ended 31 December 2017 would have been decreased by approximately HK\$92,000. The pro-forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of the operations of the Group that actually would have been achieved had the acquisition of the Metasequoia Capital been completed on 1 January 2017 nor are they intended to be a projection of future results.

51. 收購附屬公司(續)**51.3 收購水杉資產(續)**

收購水杉資產所產生之可識別資產及負債於收購日期之公平值如下：

自二零一七年一月一日至二零一七年十二月三十一日，水杉資產概無產生收入。自收購日期起至二零一七年十二月三十一日，水杉資產為本集團帶來溢利淨額約213,000港元。

倘業務合併已於二零一七年一月一日進行，則本集團於截至二零一七年十二月三十一日止年度之純利應減少約92,000港元。備考資料僅供說明，不一定代表於二零一七年一月一日完成收購水杉資產後本集團實際應取得之收入及經營業績之指標，亦不擬作未來業績之預測。

52. TRANSACTIONS WITH NON-CONTROLLING INTERESTS

(a) Acquisition of additional interest in Ernest Borel

In September 2018, the Group has further acquired 84,366,000 shares of Ernest Borel, representing approximately 24.28% at HK\$1.85 per share, through an open offer, the total consideration paid for acquiring the additional equity interest is HK\$156,077,000. The effect of changes in the ownership interest of Ernest Borel on the equity attributable to owners of the Company during the year is summarised as below:

		2018 二零一八年 HK\$'000 千港元
Carrying amount of non-controlling interests acquired	已收購非控股權益之賬面值	68,875
Consideration paid for acquisition of non-controlling interests	收購非控股權益已支付之代價	(156,077)
Excess of consideration paid recognised within equity	於股權內確認之已支付代價之超出差額	(87,202)

(b) Deemed acquisition of additional interest in Bendura Group

In July 2018, Bendura Group repurchased 500 equity shares of Bendura Bank at cash consideration CHF352,000 (equivalent to HK\$2,756,000). Following the repurchase, the Company's effective equity interest in Bendura Group increased by 0.21%. The Group recognised a decrease in non-controlling interest of HK\$2,225,000 and a decrease in equity attributable to owners of the Company of HK\$531,000. The effect of changes in the ownership interest of Bendura Group on the equity attributable to owners of the Company during the year is summarised as below:

		2018 二零一八年 HK\$'000 千港元
Carrying amount of non-controlling interests acquired	已收購非控股權益之賬面值	2,225
Consideration paid for acquisition of non-controlling interests	收購非控股權益已支付之代價	(2,756)
Excess of consideration paid recognised within equity	於股權內確認之已支付代價之超出差額	(531)

(c) Acquisition of additional interest in Bendura Group

In June 2017, the Company acquired additional 1.49% equity interest of Bendura Group at cash consideration of CHF1,977,000 (equivalent to HK\$16,093,000). Following the acquisition, the Company effectively hold 86.12% equity interest of Bendura Group. The Group recognised a decrease of in non-controlling interests of HK\$11,556,000 and a decrease in equity attributable to owners of the Company of HK\$4,537,000. The effect of changes in the ownership interest of Bendura Group on the equity attributable to owners of the Company during the year is summarised as below:

		2017 二零一七年 HK\$'000 千港元
Carrying amount of non-controlling interests acquired	已收購非控股權益之賬面值	11,556
Consideration paid for acquisition of non-controlling interests	收購非控股權益已支付之代價	(16,093)
Excess of consideration paid recognised within equity	於股權內確認之已支付代價之超出差額	(4,537)

52. 與非控股權益之交易

(a) 收購依波路額外之權益

於二零一八年九月，本集團透過公開要約，按每股1.85港元之價格進一步收購依波路84,366,000股股份，相當於約24.28%之股權，就收購額外股權已支付之總代價為156,077,000港元。年內，依波路擁有權權益之變動對本公司擁有人應佔權益之影響概述如下：

(b) 視為收購富地集團之額外權益

於二零一八年七月，富地集團以現金代價352,000瑞士法郎（相當於2,756,000港元）購回富地銀行500股權益股。購回完成後，本公司於富地集團之實際股權增加0.21%。本集團確認非控股權益減少2,225,000港元及本公司擁有人應佔權益減少531,000港元。年內，富地集團擁有權權益之變動對本公司擁有人應佔權益之影響概述如下：

(c) 收購富地集團額外之權益

於二零一七年六月，本公司以現金代價1,977,000瑞士法郎（相當於16,093,000港元）收購富地集團額外1.49%之股權。收購完成後，本公司實際持有富地集團86.12%之股權。本集團確認非控股權益減少11,556,000港元及本公司擁有人應佔權益減少4,537,000港元。年內，富地集團擁有權權益之變動對本公司擁有人應佔權益之影響概述如下：

52. TRANSACTIONS WITH NON-CONTROLLING INTERESTS (Continued)**(d) Deemed disposal of equity interest in Bendura Group**

On 29 December 2017, Bendura Group disposed 3,000 treasury shares of Bendura Group at cash consideration of CHF1,350,000 (equivalent to HK\$10,808,000). Following the transfer of treasury shares, the Company's effective equity interest in Bendura Group decreased by 1.29%. The Group recognised an increase in non-controlling interests of HK\$4,173,000 and a decrease in equity attributable to owners of the Company of HK\$4,173,000. The effect of changes in the ownership interest of Bendura Group on the equity attributable to owners of the Company during the year is summarised as below:

		2017 二零一七年 HK\$'000 千港元
Carrying amount of deemed partial equity interest disposed	視為部分已出售股權之賬面值	(14,988)
Consideration received for the deemed disposal	就視為出售已收取代價	10,808
Loss on the deemed disposal recognised within equity	於股權內確認視為出售之虧損	(4,180)

(e) Deemed disposal of equity interest in Shenzhen Permanence Commerce Co. Ltd. ("Permanence")

In May 2017, Seti Timber Group disposed the entire equity interest in Permanence to Zhuhai Rossini Watch Industry Limited ("Rossini") at consideration of RMB2,904,000 (equivalent to HK\$3,487,000). The Group effectively hold 91% equity interest of Rossini. Upon the completion of the transaction, the Group's effective equity interest in Permanence decreased from 100% to 91%. The transaction has been accounted for as an equity transaction with the non-controlling interests as follows:

		2017 二零一七年 HK\$'000 千港元
Carrying amount of deemed partial equity interest disposed	視為部分已出售股權之賬面值	(1,061)
Gain on the deemed disposal recognised within equity	於股權內確認視為出售之收益	1,061

(f) Deemed disposal of equity interest in Guangzhou Five Goat Watch Co., Limited ("Five Goat")

In June 2017, Seti Timber Group disposed 73% equity interest in Five Goat to Rossini at consideration of RMB76,004,000 (equivalent to HK\$86,562,000). Upon the completion of the transaction, the Group's effective equity interest in Five Goat decreased from 77.75% to 74.1%. The transaction has been accounted for as an equity transaction with the non-controlling interests as follows:

		2017 二零一七年 HK\$'000 千港元
Carrying amount of deemed partial equity interest disposed	視為部分已出售股權之賬面值	8,298
Loss on the deemed disposal recognised within equity	於股權內確認視為出售之虧損	(8,298)

52. 與非控股權益之交易(續)**(d) 視為出售富地集團之股權**

於二零一七年十二月二十九日，富地集團以現金代價1,350,000瑞士法郎(相當於10,808,000港元)出售富地集團3,000股庫存股份。轉移庫存股份後，本公司於富地集團之實際股權減少1.29%。本集團確認非控股權益增加4,173,000港元及本公司擁有人應佔權益減少4,173,000港元。年內，富地集團擁有權權益之變動對本公司擁有人應佔權益之影響概述如下：

(e) 視為出售深圳市恒譽嘉時貿易有限公司(「恒譽嘉時」)之股權

於二零一七年五月，森帝木業集團以代價人民幣2,904,000元(相當於3,487,000港元)向珠海羅西尼錶業有限公司(「羅西尼」)出售恒譽嘉時之全部股權。本集團實際持有羅西尼91%之股權。交易完成後，本集團於恒譽嘉時之實際股權由100%減至91%。有關交易已與非控股權益按以下事項入賬作為權益交易：

(f) 視為出售廣州五羊錶業有限公司(「五羊」)之股權

於二零一七年六月，森帝木業集團以代價人民幣76,004,000元(相當於86,562,000港元)向羅西尼出售五羊73%之股權。交易完成後，本集團於五羊之實際股權由77.75%減至74.1%。有關交易已與非控股權益按以下事項入賬作為權益交易：

52. TRANSACTIONS WITH NON-CONTROLLING INTERESTS (Continued)**(g) Deemed disposal of equity interest in Global Wealthy Link Limited ("Global Wealthy")**

In March 2017, Global Wealthy allotted 20,000,000 shares to two independent third parties at HK\$20,000,000. Upon the completion of the share allotment, the Group's effective equity interest in Global Wealthy decreased from 100% to 60%. The transaction has been accounted for as an equity transaction with the non-controlling interests as follows:

		2017 二零一七年 HK\$'000 千港元
Carrying amount of deemed partial equity interest disposed	視為部分已出售股權之賬面值	(11,518)
Consideration received for deemed disposal	就視為出售已收取代價	20,000
Loss on the deemed disposal recognised within equity	於股權內確認視為出售之虧損	8,482

(h) Effect of transactions with non-controlling interests on the equity attributable to owners of the Company for the year ended 31 December 2018

		2018 二零一八年 HK\$'000 千港元
Change in equity attributable to owners of the Company arising from:	本公司擁有人應佔權益之變動來自：	
– Acquisition additional equity interest in Ernest Borel	– 收購依波路之額外股權	(87,202)
– Deemed acquisition additional equity interest in Bendura Bank	– 視為收購富地銀行之額外股權	(531)
Net effect for transactions with non-controlling interests on equity attributable to owners of the Company	與非控股權益進行交易對本公司擁有人應佔權益之淨影響	(87,733)

(i) Effect of transactions with non-controlling interests on the equity attributable to owners of the Company for the year ended 31 December 2017

		2017 二零一七年 HK\$'000 千港元
Change in equity attributable to owners of the Company arising from:	本公司擁有人應佔權益之變動來自：	
– Acquisition additional equity interest in Bendura Bank	– 收購富地銀行之額外股權	(4,537)
– Deemed disposal of partial equity interest in Bendura Bank	– 視為出售富地銀行之部分股權	(4,180)
– Deemed disposal of partial equity interest in Permanence	– 視為出售恒譽嘉時之部分股權	1,061
– Deemed disposal of partial equity interest in Five Goat	– 視為出售五羊之部分股權	(8,298)
– Deemed disposal of partial equity interest in Global Wealthy	– 視為出售環球富盛之部分股權	8,482
Net effect for transactions with non-controlling interests on equity attributable to owners of the Company	與非控股權益進行交易對本公司擁有人應佔權益之淨影響	(7,472)

52. 與非控股權益之交易 (續)**(g) 視為出售環球富盛有限公司(「環球富盛」)之股權**

於二零一七年三月，環球富盛以20,000,000港元向兩名獨立第三方配發20,000,000股股份。股份配發完成後，本集團於環球富盛之實際股權由100%減至60%。有關交易已與非控股權益按以下事項入賬作為權益交易：

(h) 與非控股權益之交易對截至二零一八年十二月三十一日止年度本公司擁有人應佔權益之影響**(i) 與非控股權益之交易對截至二零一七年十二月三十一日止年度本公司擁有人應佔權益之影響**

53. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Reconciliation of liabilities arising from financing activities:

53. 綜合現金流量表附註

融資活動產生之負債之對賬：

		Borrowings	Corporate bonds	Subordinate debt	Dividend payables	Due to a shareholder	Notes payable	Liability component of convertible bond
		借貸	公司債券	次級債務	應付股息	應付一名股東之款項	應付票據	可換股債券負債部分
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
As at 1 January 2018	於二零一八年一月一日	583,269	732,978	95,674	-	-	-	-
Proceeds from new loans	新貸款之所得款項	710,999	-	-	-	73,000	-	-
Repayment of loan	償還貸款	-	-	(95,767)	-	-	(100,000)	(100,000)
Proceeds from sales of repurchased bonds	銷售購回債券之所得款項	-	27,566	-	-	-	-	-
Repayment of borrowings	償還借貸	(227,929)	-	-	-	-	-	-
Dividend paid to shareholders of the Company	向本公司股東派付股息	-	-	-	(261,113)	-	-	-
Interest paid	已付利息	(29,510)	(27,630)	-	-	-	-	(744)
Total changes from financing cash flow	融資現金流量變動總額	453,560	(64)	(95,767)	(261,113)	73,000	(100,000)	(100,744)
Other changes:	其他變動：							
Acquisition of subsidiaries (note 51.1)	收購附屬公司 (附註51.1)	10,505	-	-	-	-	100,000	97,184
Dividend declared	宣派股息	-	-	-	261,113	-	-	-
Interest accrued	應計利息	29,510	27,630	-	-	-	-	2,582
Fair value loss on early redemption of convertible bond	提早贖回可換股債券之公平值虧損	-	-	-	-	-	-	978
Exchange adjustments:	匯兌調整：	(29,655)	(300)	93	-	-	-	-
As at 31 December 2018	於二零一八年十二月三十一日	1,047,189	760,244	-	-	73,000	-	-

		Borrowings	Corporate bonds	Subordinate debt	Dividend payables
		借貸	公司債券	次級債務	應付股息
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
As at 1 January 2017	於二零一七年一月一日	1,190,340	692,127	83,345	-
Proceeds from new loans	新貸款之所得款項	-	73,326	-	-
Proceeds from sales of repurchased bonds	銷售購回債券之所得款項	-	-	392	-
Repayment of borrowings	償還借貸	(703,737)	-	-	-
Dividend paid to shareholders of the Company	向本公司股東派付股息	-	-	-	(217,516)
Interest paid	已付利息	(37,919)	(26,512)	(1,886)	-
Total changes from financing cash flow	融資現金流量變動總額	(668,330)	(26,120)	14,741	(217,516)
Other changes:	其他變動：				
Disposal of subsidiaries	出售附屬公司	-	(210)	-	-
Dividend declared	宣派股息	-	-	-	217,516
Interest accrued	應計利息	37,919	26,512	2,080	-
Exchange adjustments:	匯兌調整：	23,550	40,459	(4,492)	-
As at 31 December 2017	於二零一七年十二月三十一日	583,269	732,978	95,674	-

54. CONTINGENT LIABILITIES

54.1 Financial guarantee

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Financial guarantees	財務擔保	60,000	60,000

At 31 December 2018, the Group had contingent liability in relation to guarantee of approximately HK\$60,000,000 (2017: HK\$60,000,000) given to a bank in respect of a revolving loan facility of up to HK\$60,000,000 (2017: HK\$60,000,000) granted to an associate. The corporate guarantee is ending on the expiry of the term of the revolving loan facility. In the opinion of the directors, it is unlikely that a claim will be made against the Group and no cash outflow under the financial guarantee contract, the financial impact arising from the above guarantee is insignificant and accordingly, they are not accounted for in the consolidated financial statements.

54.2 Legal proceeding

In June 2016, Bendura Bank AG and Bendura Fund Management Alpha AG (hereafter "Bendura Group") have been confronted with potential claims of one investor having invested into an investment fund that currently is in liquidation. Bendura Bank AG acted as custodian and Bendura Fund Management Alpha AG acts as fund management company whereas the asset management function has been outsourced to an external asset manager. The court dismissed the case at first instance. The investor appealed against the decision. The appeal court referred back to the first instance. Bendura Group, together with its legal advisors, concluded that the outcome of the case cannot be reliably estimated and the possibility of an outflow of economic resources is not probable as at 31 December 2018 and 2017.

54.3 Credit card commitments

As 31 December 2018, the Group had contingent liability in relation to credit card commitments of approximately HK\$98,387,000 (2017: approximately HK\$72,539,000) given to third parties. Credit card commitments represents the undrawn amount of credit card limits. In the opinion of the directors, those credit commitments are given with collateral and the possibility of an outflow of economic resources is not probable.

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group has various financial assets and financial liabilities such as available-for-sale financial assets, trading portfolio investments, derivative financial assets, cash and deposits, due from banks and clients, trade receivables, held-to-maturity investments, short-term investments, financial assets at fair value through other comprehensive income, other financial assets at amortised cost, other assets, derivative financial liabilities, due to banks and clients, trade payables, corporate bonds, borrowings, subordinated debt, due to a shareholder and other liabilities, which arise directly from its operations. The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk, liquidity risk, fair value risk and equity price risk.

54. 或然負債

54.1 財務擔保

於二零一八年十二月三十一日，本集團之或然負債為就一間聯營公司獲授最多60,000,000港元(二零一七年：60,000,000港元)之循環貸款融資而向一間銀行提供約60,000,000港元(二零一七年：60,000,000港元)之擔保。公司擔保於循環貸款融資期限屆滿時終止。董事認為，根據財務擔保合約對本集團作出申索之機會甚微，且並無現金流出，故上述擔保產生之財務影響並不重大，因此，上述財務擔保並不會於綜合財務報表中入賬。

54.2 訴訟

於二零一六年六月，富地銀行股份有限公司及Bendura Fund Management Alpha AG(統稱「富地集團」)面臨一名投資於一項清算中投資基金之投資者之可能申索。富地銀行股份有限公司擔任託管人及Bendura Fund Management Alpha AG擔任基金管理公司，而資產管理職能則外判予外部資產經理。法院於一審駁回此案。有關投資者對該判決提出上訴。上訴庭發還一審。富地集團連同其法律顧問認為，於二零一八年十二月三十一日之經濟資源流出可能性並不大。

54.3 信用卡承擔

於二零一八年十二月三十一日，本集團擁有就授予第三方之信用卡承擔之或然負債約98,387,000港元(二零一七年：約72,539,000港元)。信用卡承擔指信用卡額度之未提取金額。董事認為，該等信貸承擔是以抵押品之形式所提供，故經濟資源流出之可能性不大。

55. 財務風險管理目標及政策

本集團有直接源自業務之金融資產及金融負債，例如可供出售金融資產、交易組合投資、衍生金融資產、現金及存款、應收銀行及客戶款項、應收賬款、持至到期投資、短期投資、按公平值計入其他全面收入之金融資產、按攤銷成本列賬之其他金融資產、其他資產、衍生金融負債、應付銀行及客戶款項、應付賬款、公司債券、借貸、次級債務、應付一名股東之款項及其他負債。本集團金融工具所產生主要風險為利率風險、外匯風險、信貸風險、流動資金風險、公平值風險及股本價格風險。

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

It is not the Group's policy to actively engage in the trading of financial instruments for speculative purposes. Its treasury department works under the policies approved by the directors and identifies ways to access financial markets and monitors the Group's financial risk exposures. Regular reports are provided to the directors. The board has reviewed and agreed policies periodically for managing each of these risks and they are summarised below.

55.1 Summary of financial assets and financial liabilities by category

The carrying amounts of the Group's financial assets and financial liabilities as recognised at 31 December 2018 and 2017 are categorised as follows:

55. 財務風險管理目標及政策 (續)

本集團之政策並非就投機目的積極買賣金融工具。其庫務部門根據經董事批准之政策行事，並確定涉足金融市場之方法及監察本集團所面對財務風險，並定期向董事提供報告。董事會定期檢討及協定管理上述各項風險之政策，有關政策概述如下。

55.1 金融資產及金融負債分類概要

於二零一八年及二零一七年十二月三十一日確認之本集團金融資產及金融負債賬面值分類如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Financial assets	金融資產		
Financial assets at fair value:	按公平值列賬之金融資產：		
– Available-for-sale financial assets	– 可供出售金融資產	–	482,345
– Due from banks	– 應收銀行款項	74,301	45,976
– Trading portfolio investments	– 交易組合投資	123,606	641,031
– Derivative financial assets	– 衍生金融資產	7,694	4,680
		205,601	1,174,032
At amortised cost	按攤銷成本列賬		
– Cash and deposits	– 現金及存款	7,701,743	7,420,678
– Due from clients	– 應收客戶款項	1,575,438	1,011,516
– Due from banks	– 應收銀行款項	3,313,535	5,875,902
– Trade receivables	– 應收賬款	571,424	506,287
– Other financial asset at amortised cost	– 按攤銷成本列賬之其他 金融資產	1,034,773	–
– Other assets	– 其他資產	283,417	377,722
		14,480,330	15,192,105
Available-for-sale financial assets, at cost	可供出售金融資產，按成本列賬	–	6,023
Held-to-maturity investments	持至到期投資	–	1,138,704
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收入之 金融資產	627,200	–
		15,313,131	17,510,864
Financial liabilities	金融負債		
Financial liabilities at fair value:	按公平值列賬之金融負債：		
– Due to clients	– 應付客戶款項	73,950	45,865
– Derivative financial liabilities	– 衍生金融負債	20,866	35,656
		94,816	81,521
Financial liabilities measured at amortised cost:	按攤銷成本計量之金融負債：		
– Due to banks	– 應付銀行款項	4,181	3,042
– Due to clients	– 應付客戶款項	12,430,641	14,224,224
– Trade payables	– 應付賬款	324,106	305,798
– Corporate bonds	– 公司債券	760,244	732,978
– Borrowings	– 借貸	1,047,189	583,269
– Subordinated debt	– 次級債務	–	95,674
– Due to a shareholder	– 應付一名股東之款項	73,000	–
– Other liabilities	– 其他負債	503,694	559,265
		15,143,055	16,504,250
		15,237,871	16,585,771

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

55.2 Interest rate risk

Interest rate risk relates to the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from borrowings and bank deposits. Borrowings and bank deposits bearing variable rates and fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The interest rate and repayment terms of the borrowings outstanding at the end of the reporting period are disclosed in note 39.

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings and bank deposits with a floating interest rate.

Sensitivity Analysis

At 31 December 2018, it is estimated that a general increase/decrease of 50 basis points in interest rates, with all other variables held constant, would increase/decrease the Group's profit after income tax and retained profits by approximately HK\$22,756,000 (2017: increase/decrease the Group's profit after income tax and retained profits by approximately HK\$28,900,000). The assumed changes have no impact on the Group's other components of equity.

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of reporting period. The assumed changes in interest rates are considered to be reasonably possible changes on observation of current market conditions and represent management's assessment of a reasonably possible change in interest rates over the next twelve month period.

The calculation is based on a change in average market interest rates for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variable are held constant. The sensitivity analysis for the year ended 31 December 2017 has been prepared on the same basis.

55.3 Foreign currency risk

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group mainly operates in Hong Kong, Switzerland, United Kingdom, Liechtenstein and the PRC with most of the transactions denominated and settled in HK\$, US\$, Euro, CHF, GBP and RMB. The Group's exposure to foreign currency risk primarily arise from certain financial instruments including available-for-sale financial assets, other assets, cash and deposits, due from clients and banks, trading portfolio investments, derivative financial assets, held-to-maturity investments, due to clients, derivative financial liabilities, other liabilities and borrowings which are denominated in US\$, Euro, CHF, GBP and RMB. The Group currently does not have a foreign currency hedging policy but the management continuously monitors the foreign exchange exposure.

55. 財務風險管理目標及政策 (續)

55.2 利率風險

利率風險與金融工具之公平值或現金流量因市場利率變動而波動之風險有關。本集團之利率風險主要源自借貸及銀行存款。本集團分別因按浮息及定息計息之借貸及銀行存款面對現金流量利率風險及公平值利率風險。於報告期末尚未償還借貸之利率及償還條款於附註39披露。

本集團所面對市場利率變動風險主要與本集團按浮息計息之借貸及銀行存款有關。

敏感度分析

於二零一八年十二月三十一日，假設所有其他因素維持不變，估計假如利率整體上調／下調50個基點，將導致本集團之除所得稅後溢利及保留溢利增加／減少約22,756,000港元（二零一七年：本集團之除所得稅後溢利及保留溢利增加／減少約28,900,000港元）。所假設變動對本集團權益內其他項目並無影響。

上述敏感度分析乃假設利率於報告期末出現變動。利率之假設變動乃經觀察現行市況後被視為合理可能出現之變動，並為管理層對未來十二個月期間利率之合理可能變動之評估。

計算乃依據各期間市場平均利率變動及於各報告日所持對利率變動敏感度高之金融工具作出。所有其他因素保持不變。截至二零一七年十二月三十一日止年度之敏感度分析乃按相同基準編製。

55.3 外匯風險

外匯風險指金融工具之公平值或未來現金流量因匯率變動而波動之風險。本集團主要於香港、瑞士、英國、列支敦士登及中國經營，大部分交易以港元、美元、歐元、瑞士法郎、英鎊及人民幣列值及結算。本集團面對之外匯風險主要源自若干以美元、歐元、瑞士法郎、英鎊及人民幣列值之金融工具，包括可供出售金融資產、其他資產、現金及存款、應收客戶及銀行款項、交易組合投資、衍生金融資產、持至到期投資、應付客戶款項、衍生金融負債、其他負債及借貸。本集團目前並無外匯對沖政策，惟管理層一直監察外匯風險。

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

55.3 Foreign currency risk (Continued)

The following table summarises the Group's major financial assets and financial liabilities denominated in currencies other than the functional currencies of the respective group companies as at 31 December 2018 and 2017.

		Expressed in HK\$'000 以千港元呈列				
		US\$ 美元	Euro 歐元	CHF 瑞士法郎	GBP 英鎊	RMB 人民幣
As at 31 December 2018	於二零一八年十二月三十一日					
Cash and deposits	現金及存款	11,303	4,925,392	1,040	54	47,171
Due from clients	應收客戶款項	122,489	884,262	-	-	-
Due from banks	應收銀行款項	2,577,822	176,602	-	-	-
Trading portfolio investments	交易組合投資	546	5,931	-	-	-
Derivative financial assets	衍生金融資產	6,468	226	-	-	-
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收入之金融資產	-	-	-	-	128,730
Other financial assets at amortised cost	按攤銷成本列賬之其他金融資產	613,832	347,405	-	-	-
Other assets	其他資產	43,368	2,144	319	-	8,254
Due to clients	應付客戶款項	(4,797,723)	(6,343,678)	-	-	-
Derivative financial liabilities	衍生金融負債	(13,493)	-	-	-	-
Borrowings	借貸	-	-	-	-	(232)
Other liabilities	其他負債	(6,886)	(1,360)	-	-	-
Overall net exposure	整體風險淨額	(1,442,274)	(3,076)	1,359	54	183,923
As at 31 December 2017	於二零一七年十二月三十一日					
Cash and deposits	現金及存款	26,806	3,349,168	1,259	2,890	30,541
Due from clients	應收客戶款項	119,154	789,358	-	-	-
Due from banks	應收銀行款項	4,097,543	548,568	-	-	-
Trading portfolio investments	交易組合投資	513	9,649	-	-	-
Derivative financial assets	衍生金融資產	16	2,901	-	-	-
Available-for-sale financial assets	可供出售金融資產	156,639	14,067	-	-	237,959
Held-to-maturity investments	持至到期投資	689,937	378,708	-	-	-
Other assets	其他資產	40,503	1,266	16,384	-	118
Due to clients	應付客戶款項	(7,708,671)	(4,992,129)	-	-	-
Derivative financial liabilities	衍生金融負債	(35,067)	-	-	-	-
Borrowings	借貸	(104,204)	-	-	-	-
Other liabilities	其他負債	(79,951)	(104,625)	(9,241)	(16)	(44,852)
Overall net exposure	整體風險淨額	(2,796,782)	(3,069)	8,402	2,874	223,766

The following table indicates the approximate change in the Group's profit for the year and investment revaluation reserve (due to the change in fair value of the available-for-sale financial assets) in response to reasonably possible changes in the foreign exchange rates to which the Group has significant exposure at the end of reporting period. The sensitivity analysis includes balances between Group companies where the denomination of the balances is in a currency other than the functional currencies of the lender or the borrower. A positive number below indicates an increase in profit and investment revaluation reserve where the underlying functional currency weakens against the relevant foreign currency. For a strengthening of the underlying functional currency against the relevant foreign currency, there would be an equal and opposite impact on the profit and investment revaluation reserve, and the balances below would be negative.

55. 財務風險管理目標及政策 (續)

55.3 外匯風險 (續)

下表概述於二零一八年及二零一七年十二月三十一日本集團以有關集團公司各自功能貨幣以外之貨幣列值之主要金融資產及金融負債。

下表顯示本集團(因可供出售金融資產之公平值變動)就本集團於報告期末有重大風險之外匯匯率之合理可能變動所作出之本年度溢利及投資重估儲備之概約變動。敏感度分析包括本集團公司間之結餘，結餘以非貸款人或借款人之功能貨幣之貨幣列值。以下正數表示相關功能貨幣兌有關外幣貶值情況下，溢利及投資重估儲備之增加。倘相關功能貨幣兌有關外幣升值，則對溢利及投資重估儲備有相等及相反影響，而以下結餘將為負數。

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

55.3 Foreign currency risk (Continued)

		2018 二零一八年			2017 二零一七年		
		Change in foreign exchange rates	Effect on profit for the year	Effect on fair value through other comprehensive income	Change in foreign exchange rates	Effect on profit for the year	Effect on investment revaluation reserve
		外匯 匯率變動	對本年度 溢利之影響 HK\$'000 千港元	對按公平值 計入其他全面 收入之影響 HK\$'000 千港元	外匯 匯率變動	對本年度 溢利之影響 HK\$'000 千港元	對投資重估 儲備之影響 HK\$'000 千港元
US\$	美元	+5%	(72,114)	-	+5%	(142,563)	7,832
		-5%	72,114	-	-5%	142,563	(7,832)
Euro	歐元	+5%	(154)	-	+5%	(857)	703
		-5%	154	-	-5%	857	(703)
CHF	瑞士法郎	+5%	68	-	+5%	420	-
		-5%	(68)	-	-5%	(420)	-
GBP	英鎊	+5%	3	-	+5%	144	-
		-5%	(3)	-	-5%	(144)	-
RMB	人民幣	+5%	2,760	6,437	+5%	(710)	11,898
		-5%	(2,760)	(6,437)	-5%	710	(11,898)

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual reporting date. In this respect, it is assumed that there is no significant exposure expected on financial assets and liabilities denominated in US\$ for Group companies whose functional currency is HK\$ since HK\$ are pegged to USD. Results of the analysis as presented in the above table represent an aggregation of the effects on each of the group entities' profit for the year and equity measured in the respective functional currencies, translated into HK\$ at the exchange rate ruling at the end of reporting period for presentation purposes. The analysis is performed on the same basis for 2016.

55.4 Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instruments and cause a financial loss to the Group.

The Group considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition.

55. 財務風險管理目標及政策 (續)

55.3 外匯風險 (續)

列示之變動代表管理層對外匯匯率於直至下一年度報告日止期間之合理可能變動之評估。就此而言，由於港元與美元掛鉤，故已假設功能貨幣為港元之本集團公司以美元所計值之金融資產及負債不會承擔任何重大風險。上表呈列之分析結果，代表對各集團實體本年度溢利及股本（以各自功能貨幣計量及按報告期末規定作呈列用途之匯率換算為港元）之總體影響。二零一六年進行之分析採用相同基準。

55.4 信貸風險

信貸風險指金融工具之交易對手未能按金融工具之條款履行其責任，並導致本集團錄得財務虧損之風險。

本集團於初步確認資產時考慮違約或然率及於各報告期內持續考慮信貸風險有否大幅增加。為評估信貸風險有否大幅增加，本集團將於報告日資產發生違約之風險與於初步確認日期之違約風險作比較。

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

55.4 Credit risk (Continued)

It considers available reasonable and supportive forward looking information. Especially the following indicators are incorporated:

- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
- actual or expected significant changes in the operating results of the counterparty
- significant expected changes in the performance and behaviour of the counterparty, including changes in the payment status of counterparties in the group and changes in the operating results of the counterparty

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due.

Financial assets are written off when there is no reasonable expectation of recovery.

The assessment of credit risk and the estimation of ECL are unbiased and probability-weighted, and incorporate all available information that is relevant to the assessment including information about past events, current conditions and reasonable and supportable forecasts of future events and economic conditions at the reporting date. In addition, the estimation of ECL should take into account the time value of money.

The credit risk of the Group is primarily attributable to the cash and deposit, due from clients and banks, other financial assets at amortised cost and other assets.

The credit risk of the cash and deposit is limited because the majority of the counterparties are banks with good reputation. No impairment had been provided under 12-month expected credit loss assessment.

55. 財務風險管理目標及政策 (續)

55.4 信貸風險 (續)

本集團考慮可得之合理及有理據前瞻性資料，特別包括下列指標：

- 外部信貸評級 (如適用)
- 預期會導致交易對手履行責任之能力發生重大變動之業務、財務或經濟狀況之實際或預期重大不利變動
- 交易對手經營業績之實際或預期重大變動
- 交易對手之表現及行為出現重大預期變動，包括集團內交易對手之付款狀況變動及交易對手經營業績之變動

倘交易對手未能於合約付款到期時支付，則屬金融資產違約。

倘無合理預期可收回款項時，則撇銷金融資產。

評估信貸風險及估計預期信貸虧損採用公正及概率加權方式，並計入所有與評估相關之可得資料，包括有關過往事件之資料、現行狀況、有關未來事件之合理及有理據預測以及報告日之經濟狀況。此外，預期信貸虧損估計應計及貨幣時間價值。

本集團之信貸風險主要產生自現金及存款、應收客戶及銀行款項、按攤銷成本列賬之其他金融資產以及其他資產。

由於大部分交易對手為信譽良好之銀行，現金及存款之信貸風險有限。概無根據12個月預期信貸虧損評估計提減值撥備。

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

55.4 Credit risk (Continued)

The credit risk of due from clients and banks (excluding the precious metal) is determined based on the combination of the internal and external credit rating, the average debt recovery, peer review information and comparison with publically available data. The Group calculates ECL using three main components: a probability of default, a loss given default ('LGD') and the exposure at default ('EAD'). The 12-month ECL is calculated by multiplying the 12-month PD, LGD and EAD. Lifetime ECL is calculated using the lifetime PD instead. The 12-month and lifetime PDs represent the probability of default occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money. Amount to HK\$3,256,000 impairment allowance has been provided under expected credit loss assessment for the year ended 31 December 2018.

The balance of due from clients and banks also subject to concentration risk which the ten largest single exposures encompass HK\$858,871,000 (2017: HK\$543,533,000), which are related to due from clients of the banking business as of 31 December 2018.

Since 1 January 2018, the Group adopts the "ECL model" on its debt instruments which are classified as financial assets measured at amortised cost and at FVOCI in accordance with the provisions of HKFRS 9. For financial assets that are included in the measurement of ECL, the Group evaluates whether the credit risks of related financial assets have increased significantly since initial recognition. The "three stage" impairment model is used to measure their loss allowances respectively to recognise ECL and their movements. The ECL assessment made by the Group mainly reference to the internal and market credit rating information. Amount to HK\$22,000 impairment allowance has been provided after the assessment during the year.

For the trade receivables, the Group carries out regular review on these balances and follow-up action on any overdue amounts to minimise exposures to credit risk. The Group measures the lifetime expected credit losses based on the outstanding balances and historical credit loss experience adjusted to reflect the Group's view of current and forecast economic conditions that may affect the ability of the debtors to settle receivables. Amounted to HK\$4,381,000 impairment allowance had been provided under expected credit loss assessment which calculated using simplified approach according to the ageing by due date disclose in note 22.

55. 財務風險管理目標及政策 (續)

55.4 信貸風險 (續)

應收客戶及銀行款項 (不包括貴金屬) 信貸風險乃結合內部及外部信貸評級、平均債務收款、同行檢討資料及與公開資料比較而釐定。本集團以三個主要組成部分計算預期信貸虧損：違約或然率、違約損失率 (「違約損失率」) 及違約風險承擔 (「違約風險承擔」)。12 個月預期信貸虧損乃將 12 個月違約或然率與違約損失率及違約風險承擔相乘而計算。全期預期信貸虧損則使用全期違約或然率計算。12 個月及全期違約或然率分別指未來 12 個月及工具剩餘年期內發生違約之概率。違約風險承擔指預期違約結餘，並經計及結算日至違約事件期間之本金及利息還款及承諾融資的任何預期提取額。違約損失率指出現違約事件時違約風險承擔之預期虧損，並經計及 (包括其他特性) 預期變現抵押品價值時之緩和影響及貨幣時間價值。截至二零一八年十二月三十一日止年度，根據預期信貸虧損之評估，已計提減值撥備 3,256,000 港元。

應收客戶及銀行款項結餘亦面對集中風險，十大單一風險包括於二零一八年十二月三十一日之 858,871,000 港元 (二零一七年：543,533,000 港元)，乃與應收銀行業務客戶賬款相關。

自二零一八年一月一日起，本集團對債務工具採納「預期信貸虧損模式」，根據香港財務報告準則第 9 號之規定，有關債務工具分類為按攤銷成本計量及按公平值計入其他全面收入之金融資產。就預期信貸虧損計量涉及之金融資產而言，本集團評估相關金融資產之信貸風險自初步確認起有否大幅增加，並就確認預期信貸虧損及其變動分別使用「三階段」減值模式計量虧損撥備。本集團進行預期信貸虧損評估時，主要參照內部及市場信貸評級資料。年內，於評估後已計提減值撥備 22,000 港元。

至於應收賬款，本集團定期檢討結餘及對任何逾期金額採取跟進行動，以盡量降低信貸風險。本集團根據未償還結餘及過往信貸虧損經驗計量全期預期信貸虧損，並作出調整以反映本集團對可能影響債務人償付應收款項能力之現時及預測經濟狀況的看法。根據附註 22 所披露按到期日劃分賬齡採用簡化方法計算之預期信貸虧損評估，已計提減值撥備 4,381,000 港元。

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

55.4 Credit risk (Continued)

The loss allowance as at 31 December 2018 was determined for trade receivables as follows:

31 December 2018

		Expected credit loss rate – weighted average (%) 預期信貸虧損率 – 加權平均 (%)	Gross carrying amount 賬面總值 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元	Net amount 淨額 HK\$'000 千港元
Not yet pass due	尚未逾期	0.13%	401,619	(504)	401,115
Overdue within 90 days	逾期不超過90天	0.48%	73,800	(352)	73,448
Overdue 91 to 180 days	逾期91至180天	1.04%	61,045	(637)	60,408
Overdue over 180 days	逾期超過180天	6.56%–100%	77,186	(49,483)	27,703
Total	總計		613,650	(50,976)	562,674

For the other assets mainly comprise of rental deposits, dividend receivables, amounts due from an associate and related parties and other tax recoverable. Management considers rental deposits do not have significant credit risk since the deposits are refundable from landlords upon end of lease term or recoverable by the Group through using the leased property. For the other assets, given the short term nature of these assets, the ECL is had been provided under 12-month expected credit loss assessment. An ECL provision of HK\$5,313,000 has been made as at 1 January 2018 after the implementation of the HKFRS 9. The management considered there is no additional provision has to make for the other assets after the assessments for the year ended 31 December 2018.

55. 財務風險管理目標及政策 (續)

55.4 信貸風險 (續)

於二零一八年十二月三十一日釐定之應收賬款虧損撥備如下：

二零一八年十二月三十一日

其他資產主要包括租金按金、應收股息、應收一間聯營公司及關連人士款項以及其他可收回稅項。管理層認為租金按金並無重大信貸風險，原因為租期結束時將可由業主退還按金或本集團將可透過使用租賃物業收回按金。就其他資產而言，鑒於該等資產之短期性質，預期信貸虧損按12個月預期信貸虧損評估計提撥備。於實施香港財務報告準則第9號後，於二零一八年一月一日已計提預期信貸虧損撥備5,313,000港元。管理層於評估後認為於截至二零一八年十二月三十一日止年度毋須就其他資產計提額外撥備。

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

55.4 Credit risk (Continued)

(i) Maximum credit risk exposure of the Group

The maximum exposure to credit risk (excluding cash and deposits as at the end of reporting date without taking into consideration of any collateral held or other credit enhancement) is represented by the net balance of each type of financial assets in the consolidated statement of financial position (after deducting any impairment allowance). A summary of the maximum exposure is as follows:

At 31 December 2018

		Banking business	Financial business	Non-banking and financial businesses	Total
		銀行業務	金融業務	非銀行及 金融業務	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Due from clients	應收客戶款項	1,575,438	–	–	1,575,438
Due from banks	應收銀行款項	3,387,836	–	–	3,387,836
Trading portfolio assets	交易組合資產	6,655	46,686	70,265	123,606
Derivative financial assets	衍生金融資產	7,694	–	–	7,694
Trade receivables	應收賬款	–	8,750	562,674	571,424
Financial assets at fair value through other comprehensive income	按公平值計入其他全面 收入之金融資產	–	–	627,200	627,200
Other financial assets at amortised cost	按攤銷成本列賬之 其他金融資產	1,034,773	–	–	1,034,773
Other assets	其他資產	52,313	3,017	228,087	283,417
		6,064,709	58,453	1,488,226	7,611,388
Credit card commitments, Irrevocable commitment and guarantees provided	信用卡承擔、不可收回 承擔及已提供擔保	103,030	–	60,000	163,030
Maximum credit risk exposure	最高信貸風險	6,167,739	58,453	1,548,226	7,774,418

55. 財務風險管理目標及政策 (續)

55.4 信貸風險 (續)

(i) 本集團之最大信貸風險

於各報告日末，除現金及存款以外之最大信貸風險（不計及任何所持抵押品或其他信用增級）由綜合財務狀況表中各類金融資產之結餘淨值（經扣除任何減值撥備後）呈列。最高風險概要如下：

於二零一八年十二月三十一日

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

55.4 Credit risk (Continued)

(i) Maximum credit risk exposure of the Group (Continued) At 31 December 2017

		Banking business	Financial business	Non-banking and financial businesses	Total
		銀行業務 HK\$'000 千港元	金融業務 HK\$'000 千港元	非銀行及 金融業務 HK\$'000 千港元	總計 HK\$'000 千港元
Due from clients	應收客戶款項	1,011,516	–	–	1,011,516
Due from banks	應收銀行款項	5,921,878	–	–	5,921,878
Trading portfolio assets	交易組合資產	10,352	89,420	541,259	641,031
Derivative financial assets	衍生金融資產	4,609	–	71	4,680
Trade receivables	應收賬款	–	5,307	500,980	506,287
Available-for-sale financial assets	可供出售金融資產	178,747	–	309,621	488,368
Held-to-maturity investments	持至到期投資	1,138,704	–	–	1,138,704
Short-term investments	短期投資	–	–	–	–
Other assets	其他資產	77,553	5,584	294,585	377,722
		8,343,359	100,311	1,646,516	10,090,186
Credit card commitments, Irrevocable commitment and guarantees provided	信用卡承擔、不可收回承擔 及已提供擔保	100,081	–	60,000	160,081
Maximum credit risk exposure	最高信貸風險	8,443,440	100,311	1,706,516	10,250,267

(ii) Credit exposure by quality of assets of the banking business is as follows:

As at 31 December 2018

		AAA to AA AAA級至 AA級 HK\$'000 千港元	A+ to BBB– A+級至 BBB–級 HK\$'000 千港元	BB+ or lower BB+級或 更低 HK\$'000 千港元	No external rating 無外部評級 HK\$'000 千港元	Book value of impaired loans net 已減值貸款之 賬面淨值 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Due from banks	應收銀行款項	1,118,414	2,162,781	–	106,458	183	3,387,836
Due from clients	應收客戶款項	–	–	–	1,570,472	4,966	1,575,438
Financial instruments	金融工具	527,488	509,391	–	4,549	–	1,041,428
Other assets	其他資產	–	37	–	52,276	–	52,313
Derivative financial instruments	衍生金融工具	5,823	24	–	1,847	–	7,694
		1,651,725	2,672,233	–	1,735,602	5,149	6,064,709
Contingent liabilities	或然負債	–	3,585	–	99,445	–	103,030

55. 財務風險管理目標及政策 (續)

55.4 信貸風險 (續)

(i) 本集團之最大信貸風險 (續) 於二零一七年十二月三十一日

(ii) 按銀行業務資產質素劃分之信貸 風險如下：

於二零一八年十二月三十一日

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

55.4 Credit risk (Continued)

(ii) (Continued)

As at 31 December 2017

		AAA to AA AAA 級 至 AA 級 HK\$'000 千港元	A+ to BBB- A+ 級至 BBB- 級 HK\$'000 千港元	BB+ or lower BB+ 級 或更低 HK\$'000 千港元	No external rating 無外部評級 HK\$'000 千港元	Book value of impaired loans net 已減值貸款之 賬面淨值 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Due from banks	應收銀行款項	1,279,808	4,561,845	-	80,033	192	5,921,878
Due from clients	應收客戶款項	-	-	-	1,008,485	3,031	1,011,516
Financial instruments	金融工具	728,066	593,968	94	5,675	-	1,327,803
Other assets	其他資產	-	17	-	77,536	-	77,553
Derivative financial instruments	衍生金融工具	2,168	-	-	2,441	-	4,609
		2,010,042	5,155,830	94	1,174,170	3,223	8,343,359
Contingent liabilities	或然負債	-	5,421	-	94,660	-	100,081

The above table shows the quality of assets according to the external ratings available. Financial instruments without a rating are mainly instruments for which there is no external rating available. Amounts due from clients are allocated to the category "no external rating".

(iii) Credit exposure by collateral of the banking business is as follows:

As at 31 December 2018

		Mortgage- backed 以按揭支持 HK\$'000 千港元	Other collateral 其他抵押品 HK\$'000 千港元	No collateral 無抵押品 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Due from clients of which mortgage loan	按揭貸款之應收客戶款項				
- Residential property	- 住宅物業	723,400	11,997	98	735,495
- Office and business property	- 辦公室及商用物業	7,366	-	-	7,366
- Commercial and industrial property	- 工商物業	80,096	-	-	80,096
- Other	- 其他	291	729,146	23,044	752,481
Financial instruments	金融工具	-	-	1,034,773	1,034,773
Derivative financial instruments	衍生金融工具	-	-	7,694	7,694
		811,153	741,143	1,065,609	2,617,905
Contingent liabilities	或然負債	4,642	98,378	10	103,030

55. 財務風險管理目標及政策 (續)

55.4 信貸風險 (續)

(ii) (續)

於二零一七年十二月三十一日

上表列示根據已有外部評級的資產質素。無評級金融工具主要為並無外部評級之工具。應收客戶款項歸類為「無外部評級」。

(iii) 按銀行業務抵押品劃分之信貸風險如下：

於二零一八年十二月三十一日

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

55.4 Credit risk (Continued) (iii) (Continued)

As at 31 December 2017

		Mortgage- backed 以按揭支持 HK\$'000 千港元	Other collateral 其他抵押品 HK\$'000 千港元	No collateral 無抵押品 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Due from clients of which mortgage loan	按揭貸款之應收客戶款項				
– Residential property	– 住宅物業	338,915	–	–	338,915
– Office and business property	– 辦公室及商用物業	8,320	–	–	8,320
– Commercial and industrial property	– 工商物業	12,722	–	–	12,722
– Other	– 其他	5,014	597,100	49,445	651,559
Financial instruments	金融工具	–	–	1,327,803	1,327,803
Derivative financial instruments	衍生金融工具	–	–	4,609	4,609
		364,971	597,100	1,381,857	2,343,928
Contingent liabilities	或然負債	27,542	72,539	–	100,081

The above table shows that secured lending represents constantly more than 90 per cent of the total due from clients.

(iv) Credit risk by geographical sector of the banking business is as follows:

As at 31 December 2018

		Switzerland and Liechtenstein 瑞士及 列支敦士登 HK\$'000 千港元	Europe (excluding Switzerland and Liechtenstein) 歐洲 (不包括瑞士及 列支敦士登) HK\$'000 千港元	Other 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Due from banks	應收銀行款項	1,661,804	1,726,032	–	3,387,836
Due from clients	應收客戶款項	326,891	1,105,377	143,170	1,575,438
Financial instruments	金融工具	2,103	484,313	555,012	1,041,428
Other assets	其他資產	47,854	4,442	17	52,313
Derivative financial instruments	衍生金融工具	5,847	9	1,838	7,694
		2,044,499	3,320,173	700,037	6,064,709
Contingent liabilities	或然負債	98,524	4,033	473	103,030
		2,143,023	3,324,206	700,510	6,167,739

55. 財務風險管理目標及政策 (續)

55.4 信貸風險 (續) (iii) (續)

於二零一七年十二月三十一日

上表顯示有抵押貸款持續佔應收客戶款項總額超過90%。

(iv) 按銀行業務地區區域劃分之信貸風險如下：

於二零一八年十二月三十一日

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

55.4 Credit risk (Continued)

(iv) (Continued)

As at 31 December 2017

		Switzerland and Liechtenstein	Europe (excluding Switzerland and Liechtenstein) 歐洲	Other	Total
		瑞士及 列支敦士登 HK\$'000 千港元	(不包括瑞士及 列支敦士登) HK\$'000 千港元	其他 HK\$'000 千港元	總計 HK\$'000 千港元
Due from banks	應收銀行款項	2,004,999	3,916,879	–	5,921,878
Due from clients	應收客戶款項	254,599	552,549	204,368	1,011,516
Financial instruments	金融工具	–	561,932	765,871	1,327,803
Other assets	其他資產	76,982	168	403	77,553
Derivative financial instruments	衍生金融工具	3,886	272	451	4,609
		2,340,466	5,031,800	971,093	8,343,359
Contingent liabilities	或然負債	66,493	31,962	1,626	100,081
		2,406,959	5,063,762	972,719	8,443,440

The above table shows a concentration in due from banks and clients as well as financial instruments outside Switzerland and Liechtenstein. As at 31 December 2018, outside Switzerland and Liechtenstein commitments amounted to HK\$4,024,209,000 (2017: HK\$6,040,485,000), or 65% (2017: 71%) percent of the total lending volume.

(v) Credit risk by counterparty of the banking business is as follows:

As at 31 December 2018

		Central banks	Banks	Public sector entities	Private and institutional investment clients	Other	Total
		中央銀行 HK\$'000 千港元	銀行 HK\$'000 千港元	公營實體 HK\$'000 千港元	私人及機構 投資客戶 HK\$'000 千港元	其他 HK\$'000 千港元	總計 HK\$'000 千港元
Due from banks	應收銀行款項	–	3,387,836	–	–	–	3,387,836
Due from clients	應收客戶款項	–	–	–	1,575,438	–	1,575,438
Financial instruments	金融工具	–	717,349	7,822	316,257	–	1,041,428
Derivative financial instruments	衍生金融工具	–	5,847	–	1,847	–	7,694
Other assets	其他資產	–	16,727	20	35,566	–	52,313
		–	4,127,759	7,842	1,929,108	–	6,064,709
Contingent liabilities	或然負債	–	3,825	–	99,205	–	103,030

55. 財務風險管理目標及政策 (續)

55.4 信貸風險 (續)

(iv) (續)

於二零一七年十二月三十一日

上表顯示應收瑞士及列支敦士登以外銀行及客戶款項及金融工具集中。於二零一八年十二月三十一日，瑞士及列支敦士登以外承擔為4,024,209,000港元（二零一七年：6,040,485,000港元），或總借貸量之65%（二零一七年：71%）。

(v) 按銀行業務交易對手劃分之信貸風險如下：

於二零一八年十二月三十一日

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

55.4 Credit risk (Continued)

(v) (Continued)

As at 31 December 2017

		Central banks	Banks	Public sector entities	Private and institutional investment clients	Other	Total
		中央銀行 HK\$'000 千港元	銀行 HK\$'000 千港元	公營實體 HK\$'000 千港元	私人及機構 投資客戶 HK\$'000 千港元	其他 HK\$'000 千港元	總計 HK\$'000 千港元
Due from banks	應收銀行款項	-	5,921,878	-	-	-	5,921,878
Due from clients	應收客戶款項	-	-	-	1,011,516	-	1,011,516
Financial instruments	金融工具	-	644,697	362,084	321,022	-	1,327,803
Derivative financial instruments	衍生金融工具	-	2,168	-	2,441	-	4,609
Other assets	其他資產	-	1,717	529	75,307	-	77,553
		-	6,570,460	362,613	1,410,286	-	8,343,359
Contingent liabilities	或然負債	-	8,904	-	91,177	-	100,081

The above table shows a concentration of bank counterparties, which is managed by a limit system. This process ensures the diversification of the counterparties themselves as well as the counterparty domiciles. Financial instruments issued by corporate entities are allocated to the category "private and institutional investment clients".

(vi) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

55. 財務風險管理目標及政策 (續)

55.4 信貸風險 (續)

(v) (續)

於二零一七年十二月三十一日

上表顯示銀行交易對手集中且由有限體系管理。該過程確保交易對手及其所屬地方分散。公司實體發行之金融工具歸類為「私人及機構投資客戶」。

(vi) 抵銷

當有可合法執行權利抵銷已確認金額及計劃按淨額基準結清，或同時變現資產及結清負債時，金融資產與金融負債相互抵銷，且淨額於綜合財務狀況表列報。

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

55.4 Credit risk (Continued)

(vi) Offsetting (Continued)

55. 財務風險管理目標及政策 (續)

55.4 信貸風險 (續)

(vi) 抵銷 (續)

		Financial assets subject to offsetting 可予抵銷之金融資產					Related amounts not offset in the consolidated statement of financial position 並無於綜合財務狀況表中抵銷之相關金額	
		Gross amount of recognised financial assets	Gross amount of recognised financial liabilities offset in the statement of financial position	Net amount of financial assets presented in the consolidated statement of financial position	Financial instruments other than cash collateral	Cash collateral received	Net amount	
		已確認 金融資產總額 HK\$'000 千港元	於財務狀況表中 抵銷之已確認 金融負債總額 HK\$'000 千港元	於綜合財務 狀況表中呈列之 金融資產淨額 HK\$'000 千港元	金融工具 (現金抵押品 除外) HK\$'000 千港元	已收 現金抵押品 HK\$'000 千港元	淨額 HK\$'000 千港元	
		At 31 December 2018 於二零一八年十二月三十一日						
Type of financial assets	金融資產類型							
Trade receivables from clearing house	應收結算所賬款	2,919	(2,919)	-	-	-	-	
At 31 December 2017 於二零一七年十二月三十一日								
Type of financial assets	金融資產類型							
Trade receivables from clearing house	應收結算所賬款	5,876	(4,297)	1,579	-	-	1,579	
		Financial liabilities subject to offsetting 可予抵銷之金融負債					Related amounts not offset in the consolidated statement of financial position 並無於綜合財務狀況表中抵銷之相關金額	
		Gross amount of recognised financial assets	Gross amount of recognised financial liabilities offset in the statement of financial position	Net amount of financial assets presented in the consolidated statement of financial position	Financial instruments other than cash collateral	Cash collateral received	Net amount	
		已確認 金融資產總額 HK\$'000 千港元	於綜合 財務狀況表中 抵銷之已確認 金融負債總額 HK\$'000 千港元	於綜合 財務狀況表中 呈列之 金融資產淨額 HK\$'000 千港元	金融工具 (現金抵押品 除外) HK\$'000 千港元	已收 現金抵押品 HK\$'000 千港元	淨額 HK\$'000 千港元	
		At 31 December 2018 於二零一八年十二月三十一日						
Type of financial liabilities	金融負債類型							
Trade payables to clearing house	應付結算所賬款	7,668	(2,919)	4,749	-	-	4,749	
At 31 December 2017 於二零一七年十二月三十一日								
Type of financial liabilities	金融負債類型							
Trade payables to clearing house	應付結算所賬款	4,297	(4,297)	-	-	-	-	

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

55.4 Credit risk (Continued)

(vi) Offsetting (Continued)

The tables below reconcile the amounts of trade receivables and trade payables as presented in the consolidated statement of financial position:

Trade receivables	應收賬款	2018	2017
		二零一八年 HK\$'000 千港元	二零一七年 HK\$'000 千港元
Net amount of trade receivables from clearing house	應收結算所賬款淨額	-	1,579
Trade, loan and interest receivables not in the scope of offsetting disclosure	不在抵銷披露範圍之應收賬款、應收貸款及應收利息	571,424	504,708
Trade, loan and interest receivables as disclosed in the consolidated statement of financial position	綜合財務狀況表所披露之應收賬款、應收貸款及應收利息	571,424	506,287

Trade payables	應付賬款	2018	2017
		二零一八年 HK\$'000 千港元	二零一七年 HK\$'000 千港元
Net amount of trade payables to clearing house	應付結算所賬款淨額	4,749	-
Trade payables not in the scope of offsetting disclosure	不在抵銷披露範圍之應付賬款	319,357	305,798
Trade payables as disclosed in the consolidated statement of financial position	綜合財務狀況表所披露之應付賬款	324,106	305,798

55.5 Liquidity risk

Liquidity risk related to the risk that the Group will not be able to meet its obligation associated with its financial liabilities. The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business. Liquidity needs are monitored on a day-to-day basis. Long-term liquidity needs for a 360-day lookout period are identified monthly.

The Group maintains mainly cash to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities.

The following tables show the remaining contractual maturities at the reporting date of the Group's financial liabilities, which are based on contractual undiscounted cash flow (including interest payments computed using contractual rates or, if floating, based on rates current at the reporting date) and the earliest date the Group can be required to pay. Specially, for bank borrowings which contain a repayment on demand clause which can be exercised at the bank's sole discretion, the analysis shows the cash outflow based on the earliest period in which the entity can be required to pay, that is if the lenders were to invoke their unconditional rights to call the loans with immediate effect.

55. 財務風險管理目標及政策 (續)

55.4 信貸風險 (續)

(vi) 抵銷 (續)

下表為於綜合財務狀況表所呈列應收賬款與應付賬款之對銷：

55.5 流動資金風險

流動資金風險與本集團無法履行其金融負債相關責任之風險有關。本集團透過謹慎監控長期金融負債之擬定還款期及日常業務現金流出，以管理其流動資金需求。本集團每日監察其流動資金需求。擁有360日監察期之長期流動資金需求於每月確定。

本集團主要利用現金應付其最多30日期間之流動資金需求。所需長期流動資金透過保持充足承諾信貸融資提供。

下表顯示於報告日本集團金融負債之剩餘合約到期日，其以合約未貼現現金流量(包括以合約利率計算之利息款項，或就浮息而言，基於報告日之當前利率)及本集團可能須付款之最早日期為基礎。具體而言，對於包含按要償還條款而有關條款可由銀行全權酌情行使之銀行借貸，該分析根據實體可能須付款之最早期間列示現金流出，即猶如放款人會行使其要求即時還款之無條件權利。

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

55.5 Liquidity risk (Continued) As at 31 December 2018

		Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	Over 1 year
		賬面值 HK\$'000 千港元	合約未貼現 現金流量總額 HK\$'000 千港元	1年內或 按要求 HK\$'000 千港元	超過1年 HK\$'000 千港元
Non-derivative financial liabilities	非衍生金融負債				
Due to banks	應付銀行款項	4,181	4,181	2,589	1,592
Due to clients	應付客戶款項	12,430,641	12,430,641	12,382,172	48,469
Trade payables	應付賬款	324,106	324,106	324,106	–
Corporate bonds	公司債券	760,244	776,320	776,320	–
Borrowings	借貸	1,047,189	1,065,349	1,065,349	–
Due to a shareholder	應付一名股東之款項	73,000	73,000	73,000	–
Other liabilities	其他負債	503,694	503,694	503,694	–
		15,143,055	15,177,291	15,127,230	50,061
Maximum contractual amount	最高合約金額				
Financial guarantee issued	已發出財務擔保	–	60,000	60,000	–
Credit card commitments	信用卡承擔	–	98,388	98,388	–
Irrecoverable commitments	不可收回承擔	–	4,642	4,642	–
		–	163,030	163,030	–

As at 31 December 2017

於二零一七年十二月三十一日

		Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	Over 1 year
		賬面值 HK\$'000 千港元	合約未貼現 現金流量總額 HK\$'000 千港元	1年內或 按要求 HK\$'000 千港元	超過1年 HK\$'000 千港元
Non-derivative financial liabilities	非衍生金融負債				
Due to banks	應付銀行款項	3,042	3,042	–	3,042
Due to clients	應付客戶款項	14,224,224	14,224,224	14,183,594	40,630
Trade payables	應付賬款	305,798	305,798	305,798	–
Corporate bonds	公司債券	732,978	775,047	26,570	748,477
Borrowings	借貸	583,269	597,911	581,089	16,822
Subordinated debt	次級債務	95,674	101,574	3,827	97,747
Other liabilities	其他負債	559,265	559,265	464,852	94,413
		16,504,250	16,566,861	15,565,730	1,001,131
Maximum contractual amount	最高合約金額				
Financial guarantee issued	已發出財務擔保	–	60,000	60,000	–
Credit card commitments	信用卡承擔	–	72,539	72,539	–
Irrecoverable commitments	不可收回承擔	–	27,542	27,542	–
		–	160,081	160,081	–

Liquidity risk also arises when there is mismatch between amounts and maturity dates of financial assets and financial liabilities.

流動資金風險乃由於金融資產及金融負債之金額及到期日錯配而產生。

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

55.5 Liquidity risk (Continued)

The Group manages liquidity risk by holding liquid assets (including cash and deposits, financial instruments and other assets) of appropriate quality and quantity to ensure that short term funding requirements are covered within prudent limits.

The following tables indicates the analysis by remaining maturities of the Group's financial assets and liabilities:

As at 31 December 2018

		Repayable on demand 按要求償還 HK\$'000 千港元	Within 1 year 1年內 HK\$'000 千港元	More than 1 year 超過1年 HK\$'000 千港元	No maturity date 無到期日 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Total financial assets	金融資產總額	10,030,978	3,425,063	1,721,408	638,587	15,816,036
Total financial liabilities	金融負債總額	(14,129,767)	(989,744)	(848,105)	-	(15,967,616)
Financial asset-liability gap	金融資產負債缺口	(4,098,789)	2,435,319	873,303	638,587	(151,580)

As at 31 December 2017

		Repayable on demand 按要求償還 HK\$'000 千港元	Within 1 year 1年內 HK\$'000 千港元	More than 1 year 超過1年 HK\$'000 千港元	No maturity date 無到期日 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Total financial assets	金融資產總額	10,287,408	5,707,190	1,206,645	309,621	17,510,864
Total financial liabilities	金融負債總額	(15,297,804)	(479,670)	(808,297)	-	(16,585,771)
Financial asset-liability gap	金融資產負債缺口	(5,010,396)	5,227,520	398,348	309,621	925,093

As the financial instruments such as trading portfolio investments and available-for-sale investments may be sold before maturity or due to banks and clients may mature without being withdrawn, the contractual maturity dates do not represent expected dates of future cash flows.

The below table summarises the maturity analysis of borrowings with a repayment on demand clause based on agreed scheduled repayments set out in the loan agreements. The amounts included interest payments computed using contractual rates. As a result, these amounts were greater than the amount disclosed in the "Within one year and on demand" time band in the maturity analysis above. Taking into account the Group's financial positions, the directors do not consider that it is probable that the banks will exercise their discretion to demand immediate repayment. The directors believe that such borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

55. 財務風險管理目標及政策 (續)

55.5 流動資金風險 (續)

本集團透過持有適當質量之流動性資產 (包括現金及存款、金融工具及其他資產) 管理流動資金風險，以確保在經審慎釐定之限額內符合短期資金需求。

下表列示本集團按餘下到期日計算金融資產及負債之分析：

於二零一八年十二月三十一日

於二零一七年十二月三十一日

由於金融工具如交易組合投資及可供出售投資可能於到期前出售或應付銀行及客戶款項可能在不被提取之情況下到期，合約到期日並非代表未來現金流量之預計日期。

下表概述根據貸款協議所載協定擬定還款期須按要求償還條款之借貸之到期日分析。有關金額包括以合約利率計算之利息款項。因此，該等金額大於上文到期日分析之「一年內或按要求」時間範圍所披露之金額。經考慮本集團財務狀況後，董事認為銀行將不可能酌情行使其要求即時償付之權利。董事相信有關借貸將根據貸款協議所載擬定還款日償付。

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

55.5 Liquidity risk (Continued)

		Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	Over 1 year but within 2 years	Over 2 years
		賬面值 HK\$'000 千港元	合約未貼現 現金流量總額 HK\$'000 千港元	1年內或 按 要求 HK\$'000 千港元	超過1年但 於2年內 HK\$'000 千港元	超過2年 HK\$'000 千港元
As at 31 December 2018	於二零一八年 十二月三十一日	862,821	895,772	895,772	-	-
As at 31 December 2017	於二零一七年 十二月三十一日	428,583	439,386	439,386	-	-

55.6 Fair value risk

The fair value of the Group's current financial assets and liabilities are not materially different from their carrying amounts because of the immediate or short-term maturity. The fair values of non-current financial assets and liabilities were not disclosed because the carrying values were not materially different from their fair values.

55.7 Equity price risk

Equity price risk related to the risk that the fair values or future cash flows of a financial instrument will fluctuate because of change in market price (other than changes in interest rate and foreign exchange rate). The Group is exposed to equity price changes arising from equity investments classified as trading portfolio investments, financial assets at fair value through other comprehensive income and available-for-sale financial assets at fair value.

Decisions to buy or sell trading portfolio investments are based on daily monitoring of the performance of individual securities and other industry indicators, as well as the Group's liquidity needs. Financial assets at fair value through other comprehensive income and available-for-sale financial assets at fair value are based on their longer term growth potential and are monitored regularly for performance against expectations.

The following table indicates the approximate change in the Group's profit after income tax and consolidated equity in response to reasonably possible changes in the share prices of the listed investments classified as trading portfolio investments, financial assets at fair value through other comprehensive income and available-for-sale financial assets at fair value to which the Group has significant exposure at the reporting date. The analysis is performed on the same basis for 2017.

55. 財務風險管理目標及政策 (續)

55.5 流動資金風險 (續)

55.6 公平值風險

由於本集團流動金融資產及負債即時或於短期內到期，故其公平值與賬面值並無重大差異。由於非流動金融資產及負債之賬面值與公平值並無重大差異，故不披露其公平值。

55.7 股本價格風險

股本價格風險與金融工具之公平值或未來現金流量因市價變動而波動(利率及外匯匯率變動除外)之風險有關。本集團須面對來自分類為交易組合投資、按公平值計入其他全面收入之金融資產及按公平值列賬之可供出售金融資產之股本投資之股本價格變動風險。

買賣交易組合投資決定按每日監察個別證券之表現及其他行業指標以及本集團之流動資金需要作出。按公平值計入其他全面收入之金融資產及按公平值列賬之可供出售金融資產以較長期間之增長潛力為基準，並定期監察投資表現是否符合預期。

下表顯示分類為交易組合投資之上市投資股價、按公平值計入其他全面收入之金融資產及本集團於報告日所持面對重大風險之按公平值列賬之可供出售金融資產之合理可能變動，對本集團之除所得稅後溢利及綜合權益之概約變動。二零一七年之分析按相同基準編製。

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

55.7 Equity price risk (Continued)

		2018 二零一八年		2017 二零一七年	
		Effect on profit after tax and retained profits 對除稅後溢利 及保留溢利 之影響 HK\$'000 千港元	Effect on fair value through other comprehensive income reserve 對按公平值計入 其他全面收入 儲備之影響 HK\$'000 千港元	Effect on profit after tax and retained profits 對除稅後溢利 及保留溢利 之影響 HK\$'000 千港元	Effect on other comprehensive income and to the investment revaluation reserve 對其他全面收入 及投資重估儲備 之影響 HK\$'000 千港元
Trading portfolio investments:		交易組合投資：			
Increase in share prices of the listed investments by 30% (2017: 30%)	上市投資之股價上升30% (二零一七年：30%)	23,466	-	190,896	-
Decrease in share prices of the listed investments by 30% (2017: 30%)	上市投資之股價下跌30% (二零一七年：30%)	(23,466)	-	(190,896)	-
Financial assets at fair value through other comprehensive income:		按公平值計入其他全面收入之金融資產：			
Increase in share price of the listed investment by 30%	上市投資之股價上升30%	-	188,160	-	-
Decrease in share price of the listed investment by 30%	上市投資之股價下跌30%	-	(188,160)	-	-
Available-for-sale financial assets at fair value:		按公平值列賬之可供出售金融資產：			
Increase in share price of the listed investment by 30%	上市投資之股價上升30%	-	-	-	144,704
Decrease in share price of the listed investment by 30%	上市投資之股價下跌30%	-	-	-	(144,704)

55.8 Operational risks

Operational risk is the risk of losses due to faulty internal processes, procedures and systems, inappropriate behaviour by employees, or external influences. The definition includes all legal risks as well as reputational risks. However, it excludes strategic risks. The ongoing monitoring of operational risk is, whenever possible, embedded in the operational processes. Separation of functions and a dual control principle are crucial elements in monitoring. The directors oversee the management of operational risk based on standardised reporting and ad hoc information.

Capital management

The Group's capital management objectives are:

- To safeguard the Group's ability to continue as a going concern, so that it continues to provide returns and benefits for stakeholders;
- To support the Group's stability and growth; and
- To provide capital for the purpose of potential mergers and acquisitions.

55.8 營運風險

營運風險指由於不完善之內部流程、程序及制度、員工行為不當或外部影響而造成損失之風險。其定義包括所有法律風險以及聲譽風險，然而並不包括戰略風險。每當可行，營運過程中均會持續監察營運風險。職能分隔和雙重控制原則是營運風險監控之關鍵因素。董事基於標準化報告及即時資料監察營運風險管理。

資本管理

本集團之資本管理目標為：

- 確保本集團能夠持續經營，以繼續為持份者提供回報及利益；
- 支持本集團穩定增長；及
- 為潛在合併及收購提供資金。

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

55.8 Operational risks (Continued)

Capital management (Continued)

The Group sets the amount of equity capital in proportion to its overall financing structure. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the amount dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debts.

The capital-to-overall financing ratio at reporting 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
Capital	資本		
Total equity	權益總額	4,809,491	5,148,126
Overall financing	整體融資		
Borrowings	借貸	1,047,189	583,269
Due to a shareholder	應付一名股東之款項	73,000	–
Corporate bonds	公司債券	760,244	732,978
Subordinated debt	次級債務	–	95,674
		1,880,433	1,411,921
Capital-to-overall financing ratio	資本佔整體融資比率	2.56	3.65

Capital adequacy of Bendura Group

Starting February 1, 2015, the calculation of regulatory capital incorporates the capital requirements following the Capital Requirements Regulation (EU) No. 575/2013 (Capital Requirements Regulation – CRR) and the Capital Requirements Directive No. 2013/36/EU (CRD 4) as implemented into Liechtenstein law. The minimum capital requirement is 8% of risk weighted assets which consists at least of 4.5% common equity tier 1 (CET 1) capital, 1.5% additional tier 1 capital and 2% tier 2 capital. In addition, the Bendura Group has to fulfill 2.5% buffer requirements (capital conservation buffer). The buffer requirement must be fulfilled with CET 1 capital.

Capital ratios measure capital adequacy by comparing the Bendura Group's eligible capital with balance sheet assets, off-balance sheet commitments and market positions at weighted amounts to reflect their relative risk. Assets are weighted according to broad categories of notional risk, first being multiplied by a conversion factor and then being assigned a risk weighting according to the amount of capital deemed to be necessary for them. Off-balance sheet commitments and default risk positions are also multiplied and risk-weighted. Market risk is calculated with the standard approach.

All results are based on the full application of the final CRR and CRD 4 framework in the European Union and thus without consideration of applicable transitional rules. The Bendura Group has complied with all externally imposed capital requirements as at 31 December 2018 and 2017.

55. 財務風險管理目標及政策 (續)

55.8 營運風險 (續)

資本管理 (續)

本集團根據其整體財務結構之比例釐定股本資金。本集團管理資本結構，並因應經濟狀況轉變及相關資產之風險特徵作出調整。為維持或調整資本結構，本集團或會調整向股東支付之股息金額、向股東退回資金、發行新股份或出售資產減債。

於報告日，資本佔整體融資比率如下：

富地集團資本充足

自二零一五年二月一日起，隨著列支敦士登法律納入資本要求法規(歐盟)(資本要求法規 – CRR) 第 575/2013 號及資本規定指令第 2013/36/EU 號 (CRD 4)，監管資本之計算包含資本要求。最低資本要求為風險加權資產之 8%，其中至少包括 4.5% 核心一級資本 (核心一級資本)、1.5% 額外一級資本及 2% 二級資本。此外，富地集團須滿足 2.5% 之緩衝要求 (資本儲備緩衝)。緩衝要求必須以核心一級資本達成。

資本充足率以資本比率衡量，方法為將富地集團之合格資本與資產負債表中資產、資產負債表外承擔及按加權金額計算之市場持倉比較，以反映其相對風險。資產根據大範圍名義風險加權，先乘以一個轉換因素，再根據被視為對其必要之資金數額分配加權風險。資產負債表外承擔及違約風險狀況亦會作出乘數及被分配加權風險。市場風險以標準方法計算。

所有結果基於全面遵守歐盟最終版 CRR 及 CRD 4 框架而得出，因此未考慮適用過渡規定。富地集團於二零一八年及二零一七年十二月三十一日已全面遵守外部施加之資本要求。

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

55.9 Fair value measurements recognised in the consolidated statement of financial position

The fair values of the Group's financial assets and financial liabilities are determined as follows:

- the fair values of listed equity investments, precious metal, debt instruments and investment fund units classified under due from banks, trading portfolio investments, financial asset at fair value through other comprehensive income and due to clients are determined by reference to their quoted market prices at the reporting date in active markets and have been translated using the spot foreign currency rates at the end of the reporting periods where appropriate.
- the fair value of certain equity investments under financial assets at fair value through other comprehensive income is determined based on the fair value of their underlying net assets.
- the fair values of unlisted debt instruments and investment fund units classified under trading portfolio investments have been determined using significant inputs, which are market observable, directly or indirectly.
- the fair value of convertible bond investment classified as level 3 financial assets, is determined by the directors of the Company with reference to the valuation performed by Asset Appraisal Limited, an independent professionally qualified valuer, by using valuation techniques such as Binomial Option Pricing Model. These valuation techniques maximise the use of observable market data where it is available for all significant inputs and rely as little as possible on entity specific estimates.
- the fair values of derivative financial assets and liabilities are marked to market using the foreign exchange forward rates ruling at the end of each reporting periods.
- the fair value of unlisted investment in insurance policy is determined based on amount value as stated in cash surrender value statement issued by insurer.
- the fair value of unlisted financial product investments is determined based on the latest transaction price.
- the fair values of derivative financial assets and liabilities classified as level 2 financial assets, are marked to market using the foreign exchange forward rates ruling at the end of each reporting periods.

55. 財務風險管理目標及政策 (續)

55.9 於綜合財務狀況表確認之公平值計量

本集團金融資產及金融負債之公平值按以下情況釐定：

- 分類至應收銀行款項、交易組合投資、按公平值計入其他全面收入之金融資產及應付客戶款項之上市股本投資、貴金屬、債務工具及投資基金單位之公平值經參考其於報告日於活躍市場上之買入市價釐定，並已按報告期末之即期匯率換算(如適用)。
- 按公平值計入其他全面收入之金融資產之若干股本投資之公平值按相關資產淨值之公平值釐定。
- 分類至交易組合投資之非上市債務工具及投資基金單位之公平值乃直接或間接使用市場可觀察之重大輸入數值釐定。
- 分類至第三級金融資產之可換股債券投資之公平值乃根據本公司董事經參考獨立專業合資格估值師中誠達資產評估顧問有限公司使用估值方法(如二項式期權定價模式)作出之估值釐定。該等估值方法最大限度地利用可供所有重大輸入數值之觀察所得市場數據，並盡可能不依賴特定實體估計。
- 衍生金融資產及負債之公平值乃以各個報告期末當前遠期匯率按市價計價。
- 未上市保單投資之公平值乃按保險公司出具現金退保單所示之金額而釐定。
- 非上市金融產品投資之公平值根據最近期交易價釐定。
- 分類為第二級金融資產之衍生金融資產及負債之公平值乃以各個報告期末當前遠期匯率按市價計價。

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

55.9 Fair value measurements recognised in the consolidated statement of financial position (Continued)

HKFRS 13 introduced a three-level hierarchy for fair value measurement disclosures and additional disclosures about the relative reliability of fair value measurements.

The hierarchy groups financial assets and financial liabilities into three levels based on the relative reliability of significant inputs used in measuring the fair value of these financial assets and financial liabilities. The fair value hierarchy has the following levels:

- Level 1: unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: observable direct and indirect inputs other than quoted prices included within Level 1; and
- Level 3: unobservable inputs are inputs for which market data are not available.

The financial assets and financial liabilities measured at fair value in the consolidated statement of financial position are grouped into the fair value hierarchy as follows:

55. 財務風險管理目標及政策 (續)

55.9 於綜合財務狀況表確認之公平值計量 (續)

香港財務報告準則第13號就公平值計量披露及有關公平值計量之相對可靠性之額外披露引入三個公平值層級。

金融資產及金融負債根據用於計量金融資產及金融負債之公平值之重大輸入數值之相對可靠性分為三個層級。公平值層級有以下層級：

- 第一級：相同資產或負債於活躍市場之報價(未經調整)；
- 第二級：直接或間接可觀察之輸入數值(不包括第一級報價)；及
- 第三級：無法觀察之輸入數值乃並無市場數據之輸入數值。

綜合財務狀況表以公平值計量之金融資產及金融負債分為以下公平值層級：

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
2018	二零一八年				
Assets	資產				
Due from bank – precious metal	應收銀行款項—貴金屬	–	74,301	–	74,301
Trading portfolio investments	交易組合投資	80,329	43,277	–	123,606
Derivative financial assets	衍生金融資產	–	7,694	–	7,694
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收入之金融資產	621,489	5,711	–	627,200
		701,818	130,983	–	832,801
Liabilities	負債				
Derivative financial liabilities	衍生金融負債	–	20,866	–	20,866
		–	20,866	–	20,866
2017	二零一七年				
Assets	資產				
Due from bank – precious metal	應收銀行款項—貴金屬	–	45,976	–	45,976
Trading portfolio investments	交易組合投資	633,091	7,940	–	641,031
Derivative financial assets	衍生金融資產	–	4,609	71	4,680
Available-for-sale financial assets at fair value	按公平值列賬之可供出售金融資產	403,447	19,073	59,825	482,345
		1,036,538	77,598	59,896	1,174,032
Liabilities	負債				
Derivative financial liabilities	衍生金融負債	–	35,656	–	35,656
		–	35,656	–	35,656

55. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

55.9 Fair value measurements recognised in the consolidated statement of financial position (Continued)

There have been no significant transfers between Levels 1 and 2 in the reporting period.

The level in the fair value hierarchy within which the financial assets and financial liabilities are categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting periods.

The fair value of financial product investments classified as available-for-sales investments is Level 3 recurring fair value measurement. A reconciliation of the opening and closing fair value balances are provided as below.

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Opening balance (Level 3 recurring fair value)	年初結餘(第三級經常性公平值)	59,825	-
Acquisition	收購	-	59,825
Reclassification upon the adoption of HKFRS 9	採納香港財務報告準則第9號時 重新分類	(59,825)	-
Closing balance (Level 3 recurring fair value)	年末結餘(第三級經常性公平值)	-	59,825

The key inputs to determine the fair value of financial product investments are the latest transaction price on the same product. A higher in latest transaction price would result in an increase in the fair value of financial product investments, and vice versa.

55. 財務風險管理目標及政策(續)

55.9 於綜合財務狀況表確認之公平值計量(續)

於報告期內，第一級及第二級之間並無重大轉撥。

金融資產及金融負債整體所歸入之公平值層級級別，乃基於對公平值計量屬重大之最低層次輸入數值劃分。

計量公平值所用方法及評估方式與以往報告期間無異。

分類為可供出售投資之金融產品投資公平值為第三級經常性公平值計量。年初及年末公平值結餘之對賬載列如下。

釐定金融產品投資公平值之主要輸入數值為相同產品之最近期交易價格。最近期交易價格增加將導致金融產品投資之公平值增加，反之亦然。

56. STATEMENT OF FINANCIAL POSITION

56. 財務狀況表

		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
ASSETS AND LIABILITIES	資產及負債			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備		3,171	4,930
Interests in subsidiaries	所佔附屬公司之權益		1,503,248	828,882
Financial asset at fair value through other comprehensive income	按公平值計入其他全面收入之金融資產		426,115	—
			1,932,534	833,812
Current assets	流動資產			
Other assets	其他資產		61,032	68,435
Trading portfolio investments	交易組合投資		61,865	473,717
Cash and deposits	現金及存款		12,730	192,427
			135,627	734,579
Current liabilities	流動負債			
Other liabilities	其他負債		21,150	19,668
Borrowings	借貸		738,299	334,204
Due to a shareholder	應付一名股東之款項		73,000	—
			832,449	353,872
Net current (liabilities)/assets	流動(負債)/資產淨值		(696,822)	380,707
Total assets less current liabilities	總資產減流動負債		1,235,712	1,214,519
Net assets	資產淨值		1,235,712	1,214,519
EQUITY	權益			
Share capital	股本	44	435,190	435,032
Reserves	儲備	45	800,522	779,487
Total equity	權益總額		1,235,712	1,214,519

The statements of financial position of the Company was approved and authorised for issue by the board of directors of the Company on 29 March 2019 and are signed on its behalf by:

本公司財務狀況表於二零一九年三月二十九日獲本公司董事會批准及授權刊發，並由以下董事代表簽署：

Hon Kwok Lung
韓國龍
Director
董事

Shang Jianguang
商建光
Director
董事

57. INFORMATION ABOUT PRINCIPAL SUBSIDIARIES

Particulars of the principal subsidiaries, each of which is a limited liability company, at 31 December 2018 are as follows:

57. 主要附屬公司資料

於二零一八年十二月三十一日，主要附屬公司(均為有限公司)之詳情如下：

Name 名稱	Place of incorporation/ registration 註冊成立/註冊地點	Particulars of issued/paid-up capital 已發行/繳足 股本詳情	Effective percentage of equity interest held by the Company 本公司所持股權之 實際百分比		Principal activities and principal place of business 主要業務及主要營業地點
			2018 二零一八年	2017 二零一七年	
<i>Directly held:</i> 直接持有：					
Qingapen Limited 晴嘉投資有限公司	Hong Kong 香港	HK\$2 2港元	100%	100%	Property investment, PRC 於中國投資物業
China Haidian Commercial Network Services Limited 中國海澱商業網絡服務有限公司	Hong Kong 香港	HK\$2 2港元	100%	100%	Property investment, PRC 於中國投資物業
Haidian-Creation International Limited	British Virgin Islands ("BVI") 英屬處女群島 (「英屬處女群島」)	US\$1 1美元	100%	100%	Investment holding, Hong Kong 於香港投資控股
Sure Best Management Limited 港益管理有限公司	Hong Kong 香港	HK\$1 1港元	100%	100%	Investment holding, Hong Kong 於香港投資控股
Jia Cheng Investment Limited 佳城投資有限公司	BVI 英屬處女群島	US\$1 1美元	100%	100%	Investment holding, Hong Kong 於香港投資控股
Citychamp Watch and Jewellery SwissCo AG	Switzerland 瑞士	CHF100,000 100,000瑞士法郎	100%	100%	Issuance of bonds, Switzerland 於瑞士發行債券
Bendura Bank AG 富地銀行股份有限公司	Liechtenstein 列支敦士登	CHF20,000,000 20,000,000瑞士法郎	85.07%	84.86%	Assets management, accepting client deposits, making investment and granting loans, Liechtenstein 於列支敦士登管理資產、接受客戶 存款、投資及批出貸款
Shun Heng Finance Holding (Hong Kong) Limited 信亨金融控股(香港)有限公司	Hong Kong 香港	HK\$50,000,000 50,000,000港元	60%	60%	Investment holding, Hong Kong 於香港投資控股
<i>Indirectly held:</i> 間接持有：					
EBOHR Luxuries International Co., Limited (note a) 依波精品(深圳)有限公司(附註a)	PRC 中國	HK\$116,000,000 116,000,000港元	100%	100%	Manufacture and distribution of watches and timepieces, PRC 於中國製造及分銷鐘錶及時計產品
Shenzhen EBOHR Luxuries Online E-commerce Company Limited (note b) 深圳市依波精品在線電子商務有限公司 (附註b)	PRC 中國	RMB1,000,000 人民幣1,000,000元	100%	100%	Distribution of watches and timepieces, PRC 於中國分銷鐘錶及時計產品
Actor Investments Limited 安達投資有限公司	Hong Kong 香港	HK\$10,000 10,000港元	100%	100%	Investment holding, Hong Kong 於香港投資控股

57. INFORMATION ABOUT PRINCIPAL SUBSIDIARIES (Continued)

57. 主要附屬公司資料(續)

Name 名稱	Place of incorporation/ registration 註冊成立/註冊地點	Particulars of issued/paid-up capital 已發行/繳足 股本詳情	Effective percentage of equity interest held by the Company 本公司所持股權之 實際百分比		Principal activities and principal place of business 主要業務及主要營業地點
			2018 二零一八年	2017 二零一七年	
<i>Indirectly held: (Continued)</i> 間接持有:(續)					
Zhuhai Rossini Watch Industry Limited (note d)	PRC	RMB180,000,000	91%	91%	Manufacture and distribution of watches and timepieces, PRC 於中國製造及分銷鐘錶及時計產品
珠海羅西尼錶業有限公司(附註d)	中國	人民幣180,000,000元			
PAMA Precision Manufacturing Limited (note b)	PRC	RMB10,000,000	100%	100%	Manufacture and distribution of watches and timepieces, PRC 於中國製造及分銷鐘錶及時計產品
深圳市帕瑪精品製造有限公司(附註b)	中國	人民幣10,000,000元			
Shenzhen Permanence Commerce Co., Limited (note b)	PRC	RMB23,000,000	91%	91%	Distribution of watches and timepieces, PRC 於中國分銷鐘錶及時計產品
深圳市恒譽嘉時貿易有限公司(附註b)	中國	人民幣23,000,000元			
Zhuhai Rossini Glasses Industry Limited (note b)	PRC	RMB1,000,000	91%	91%	Distribution of glasses, PRC 於中國分銷眼鏡
珠海羅西尼眼鏡有限公司(附註b)	中國	人民幣1,000,000元			
Sino Swiss Clock & Watch Technology Limited (note b)	PRC	RMB5,000,000	63.7%	63.7%	Provision of services in watch maintenance and repairment and technical advisory, PRC 於中國提供鐘錶維修及技術諮詢服務
中瑞(珠海)鐘錶技術有限公司(附註b)	中國	人民幣5,000,000元			
Eterna AG Uhrenfabrik	Switzerland	CHF6,000,000	100%	100%	Manufacture and distribution of watches and timepieces, Switzerland 於瑞士製造及分銷鐘錶及時計產品
	瑞士	6,000,000瑞士法郎			
Eterna Uhren GmbH, Kronberg	Germany	EUR205,000	100%	100%	Distribution of watches and timepieces, Germany 於德國分銷鐘錶及時計產品
	德國	205,000歐元			
Eterna Movement AG	Switzerland	CHF1,000,000	100%	100%	Manufacture and distribution of watches and timepieces, Switzerland 於瑞士製造及分銷鐘錶及時計產品
	瑞士	1,000,000瑞士法郎			
Guangdong Juxin Watch Co., Limited (note d)	PRC	RMB15,000,000	51%	51%	Distribution of watches and timepieces, PRC 於中國分銷鐘錶及時計產品
廣東鉅信鐘錶連鎖有限公司(附註d)	中國	人民幣15,000,000元			
Liaoning Hengjia Horologe Co., Limited (note d)	PRC	RMB25,500,000	51%	51%	Distribution of watches and timepieces, PRC 於中國分銷鐘錶及時計產品
遼寧恒嘉鐘錶有限公司(附註d)	中國	人民幣25,500,000元			
Guangzhou Five Goat Watch Co., Limited (note b)	PRC	RMB100,000,000	74.1%	74.1%	Manufacture and distribution of watches and timepieces, PRC 於中國製造及分銷鐘錶及時計產品
廣州五羊錶業有限公司(附註b)	中國	人民幣100,000,000元			

57. INFORMATION ABOUT PRINCIPAL SUBSIDIARIES (Continued)

57. 主要附屬公司資料(續)

Name 名稱	Place of incorporation/ registration 註冊成立/註冊地點	Particulars of issued/paid-up capital 已發行/繳足 股本詳情	Effective percentage of equity interest held by the Company 本公司所持股權之 實際百分比		Principal activities and principal place of business 主要業務及主要營業地點
			2018 二零一八年	2017 二零一七年	
<i>Indirectly held: (Continued)</i> 間接持有:(續)					
Eterna (Asia) Limited 綺年華(亞洲)有限公司	Hong Kong 香港	HK\$5,000,000 5,000,000 港元	70%	70%	Distribution of watches and timepieces, Hong Kong 於香港分銷鐘錶及時計產品
Centenaire Trading (Shanghai) Co., Ltd (note a) 聖坦尼爾貿易(上海)有限公司(附註a)	PRC 中國	RMB4,550,000 人民幣4,550,000 元	70%	70%	Distribution of watches and timepieces, PRC 於中國分銷鐘錶及時計產品
Eterna (Beijing) International Trading Co., Ltd (note b) 綺年華(北京)國際貿易有限公司(附註b)	PRC 中國	RMB1,000,000 人民幣1,000,000 元	70%	70%	Distribution of watches and timepieces, PRC 於中國分銷鐘錶及時計產品
Jilin Dayou Watch Limited (note d) 吉林大有鐘錶有限公司(附註d)	PRC 中國	RMB15,000,000 人民幣15,000,000 元	51%	51%	Distribution of watches and timepieces, PRC 於中國分銷鐘錶及時計產品
Montres Corum Sàrl	Switzerland 瑞士	CHF3,000,000 3,000,000 瑞士法郎	100%	100%	Manufacture, and distribution of watches and timepieces, Switzerland 於瑞士製造及分銷鐘錶及時計產品
Montres Corum (UK) Ltd.	United Kingdom 英國	GBP3,383,424 3,383,424 英鎊	100%	100%	Distribution of watches and timepieces, United Kingdom 於英國分銷鐘錶及時計產品
Corum Italia SRL	Italy 意大利	EUR10,400 10,400 歐元	100%	100%	Distribution of watches and timepieces, Italy 於意大利分銷鐘錶及時計產品
Montres Corum Europe SA	Switzerland 瑞士	CHF100,000 100,000 瑞士法郎	100%	100%	Distribution of watches and timepieces, Switzerland 於瑞士分銷鐘錶及時計產品
Servicio de Importacion SA	Spain 西班牙	EUR739,000 739,000 歐元	100%	100%	Distribution of watches and timepieces, Spain 於西班牙分銷鐘錶及時計產品
Corum Deutschland GmbH	Germany 德國	EUR200,000 200,000 歐元	100%	100%	Distribution of watches and timepieces, Germany 於德國分銷鐘錶及時計產品
Corum (Hong Kong) Limited	Hong Kong 香港	HK\$1,000 1,000 港元	100%	100%	Distribution of watches and timepieces, Hong Kong 於香港分銷鐘錶及時計產品

57. INFORMATION ABOUT PRINCIPAL SUBSIDIARIES (Continued)

57. 主要附屬公司資料(續)

Name 名稱	Place of incorporation/ registration 註冊成立/註冊地點	Particulars of issued/paid-up capital 已發行/繳足 股本詳情	Effective percentage of equity interest held by the Company 本公司所持股權之 實際百分比		Principal activities and principal place of business 主要業務及主要營業地點
			2018 二零一八年	2017 二零一七年	
<i>Indirectly held: (Continued)</i> 間接持有：(續)					
The Dreyfuss Group Limited	United Kingdom 英國	GBP 221,541 221,541 英鎊	100%	100%	Distribution of watches and timepieces, United Kingdom 於英國分銷鐘錶及時計產品
Rotary Overseas Limited	United Kingdom 英國	GBP 1,000,000 1,000,000 英鎊	100%	100%	Distribution of watches and timepieces, United Kingdom 於英國分銷鐘錶及時計產品
Artemis Watch Company Limited	United Kingdom 英國	GBP 100 100 英鎊	100%	100%	Distribution of watches and timepieces, United Kingdom 於英國分銷鐘錶及時計產品
Rotary Watches LLC	United States of America 美國	USD 10 10 美元	100%	100%	Distribution of watches and timepieces, United States of America 於美國分銷鐘錶及時計產品
Dreyfuss & Co SA	Switzerland 瑞士	CHF 100,000 100,000 瑞士法郎	100%	100%	Manufacturing of watches and timepieces, Switzerland 於瑞士製造鐘錶及時計產品
Fabrique de Moritres Rotary S.A	Switzerland 瑞士	CHF 1,000,000 1,000,000 瑞士法郎	100%	100%	Manufacturing and distribution of watches and timepieces, Switzerland 於瑞士製造及分銷鐘錶及時計產品
Bendura Fund Management Alpha AG	Liechtenstein 列支敦士登	CHF1,500,000 1,500,000 瑞士法郎	85.07%	84.66%	Providing investment counselling, acting as technical administrator of fund units, acting as a fund management company and acting as an alternative investment fund manager, Liechtenstein 於列支敦士登提供投資諮詢、擔任 基金單位之技術管理員、擔任基 基金管理公司及擔任另類投資基金 經理
Bendura Fund Management Beta AG	Liechtenstein 列支敦士登	CHF1,500,000 1,500,000 瑞士法郎	85.07%	-	Providing investment counselling, acting as technical administrator of fund units, acting as a fund management company and acting as an alternative investment fund manager, Liechtenstein 於列支敦士登提供投資諮詢、擔任 基金單位之技術管理員、擔任基 基金管理公司及擔任另類投資基金 經理

57. INFORMATION ABOUT PRINCIPAL SUBSIDIARIES (Continued)

57. 主要附屬公司資料(續)

Name 名稱	Place of incorporation/ registration 註冊成立/註冊地點	Particulars of issued/paid-up capital 已發行/繳足 股本詳情	Effective percentage of equity interest held by the Company 本公司所持股權之 實際百分比		Principal activities and principal place of business 主要業務及主要營業地點
			2018 二零一八年	2017 二零一七年	
<i>Indirectly held: (Continued)</i> 間接持有：(續)					
VFM Mutual Fund AG	Liechtenstein 列支敦士登	CHF 500,000 500,000 瑞士法郎	85.07%	84.66%	Managing a particular fund as general partner Liechtenstein 於列支敦士登作為一般合夥人管理一項特別基金
HIB Investment Ltd	BVI 英屬處女群島	USD50,000 50,000 美元	85.07%	84.66%	Managing the benchmark portfolio of Bendura Bank AG, Liechtenstein 於列支敦士登管理富地銀行股份有限公司之基準投資組合
LFM ALPHA SOLUTIONS AGmvk	Liechtenstein 列支敦士登	CHF50,000 50,000 瑞士法郎	85.07%	84.86%	Provision of asset investment and management services for qualified investors, Liechtenstein 於列支敦士登向合資格投資者提供資產投資及管理服務
Hong Kong Metasequoia Capital Management Limited 香港水杉資產管理有限公司	Hong Kong 香港	HK\$800,000 800,000 港元	60%	60%	Provision of asset management services, Hong Kong 於香港提供資產管理服務
Shun Heng Securities Limited 信亨証券有限公司	Hong Kong 香港	HK\$26,380,000 26,380,000 港元	60%	60%	Dealing and advising in securities, Hong Kong 於香港進行證券交易及顧問服務
Metasequoia Investment Fund SPC – Global Opportunities Fund SP	Cayman Islands 開曼群島	US\$10,000,000 10,000,000 美元	44.98%	44.98%	Investment fund, Cayman Islands 於開曼群島之投資基金
Ernest Borel Holdings Limited 依波路控股有限公司	Cayman Island 開曼群島	HK\$3,474,000 3,474,000 港元	82.5%	–	Investment holding 投資控股
Boillat Les Bois S.A.	Switzerland 瑞士	CHF100,000 100,000 瑞士法郎	82.5%	–	Development, manufacturing and marketing of watches 開發、製造及推廣鐘錶
Ernest Borel S.A.	Switzerland 瑞士	CHF100,000 100,000 瑞士法郎	82.5%	–	Manufacturing and trading of watches 製造及買賣鐘錶
Ernest Borel (Far East) Company Limited 依波路(遠東)有限公司	Hong Kong 香港	HK\$20,000 20,000 港元	82.5%	–	Assembling and sales of watches 組裝及銷售鐘錶
Ernest Borel (Guangzhou) Trading Co., Ltd 依波路(廣州)貿易有限公司	PRC 中國	RMB20,000,000 人民幣20,000,000 元	82.5%	–	Distribution and sales of watches 分銷及銷售鐘錶
Ernest Borel (Hong Kong) Limited 依波路(香港)有限公司	Hong Kong 香港	HK\$1,000 1,000 港元	82.5%	–	Investment holding 投資控股

57. INFORMATION ABOUT PRINCIPAL SUBSIDIARIES (Continued)

57. 主要附屬公司資料(續)

Name 名稱	Place of incorporation/ registration 註冊成立/註冊地點	Particulars of issued/paid-up capital 已發行/繳足 股本詳情	Effective percentage of equity interest held by the Company 本公司所持股權之 實際百分比		Principal activities and principal place of business 主要業務及主要營業地點
			2018 二零一八年	2017 二零一七年	
<i>Indirectly held: (Continued)</i> 間接持有：(續)					
Ernest Borel Investment Limited 依波路投資有限公司	British Virgin Islands (the "BVI") 英屬處女群島 (「英屬處女群島」)	USD100 holding 100美元控股	82.5%	-	Investment 投資
Swissmount Holdings Limited	BVI holding 英屬處女群島控股	USD100 100美元	82.5%	-	Investment 投資
Swissmount Global Company Limited 瑞亨寰球有限公司	Hong Kong 香港	HK\$1,000 1,000港元	82.5%	-	Inactive 無業務
Innovative Natural Resources Trading Company Limited (Formerly known as Mega Success Pacific Limited) (創新 能源貿易有限公司) 創新能源貿易有限公司(前稱創昇太平洋 有限公司)	Hong Kong 香港	HK\$1 1港元	82.5%	-	Inactive 無業務

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net 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 issued any debt securities at the end of the year.

Notes:

- These subsidiaries are registered as wholly foreign owned enterprises under the law of PRC.
- These subsidiaries are registered as limited liability companies under the law of PRC.
- This subsidiary is registered as foreign joint venture under the law of PRC.
- These subsidiaries are registered as sino-foreign joint ventures under the law of PRC.

上表載列董事認為主要影響本集團本年度之業績或構成本集團資產淨值重大部分之本公司附屬公司。董事認為，詳列其他附屬公司之資料將會令有關資料過於冗長。

概無附屬公司於年末發行任何債務證券。

附註：

- 該等附屬公司根據中國法律登記為外商獨資企業。
- 該等附屬公司根據中國法律登記為有限公司。
- 該附屬公司根據中國法律登記為外商合資企業。
- 該等附屬公司根據中國法律登記為中外合資企業。

57. INFORMATION ABOUT PRINCIPAL SUBSIDIARIES (Continued)

Set out below are the summarised financial information for the subsidiaries that had non-controlling interests which is material to the Group, before any elimination.

57. 主要附屬公司資料(續)

下文載列於任何對銷前擁有對本集團而言屬重大之非控股權益之各附屬公司財務資料概要。

		Ernest Borel Group 依波路集團		Bendura Bank AG 富地銀行股份有限公司		Zhuhai Rossini Watch Industry Limited 珠海羅西尼錶業有限公司	
		2018 二零一八年 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	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	
Summarised statement of financial position As at 31 December	財務狀況表概要 於十二月三十一日						
Effective non-controlling interests percentage	實際非控股權益百分比	17.5%	14.93%	15.14%	9%	9%	
Current	流動						
Assets	資產	469,285	13,523,012	15,323,116	835,871	952,388	
Liabilities	負債	(266,399)	(12,662,307)	(14,574,258)	(323,596)	(124,804)	
Total net current assets	流動資產總淨值	202,886	860,705	748,858	512,275	827,584	
Non-current	非流動						
Assets	資產	102,771	-	-	384,133	322,922	
Liabilities	負債	(34,410)	-	-	-	-	
Total net non-current assets	非流動資產總淨值	68,361	-	-	384,133	322,922	
Net assets	資產淨值	271,247	860,705	748,858	896,408	1,150,506	
Accumulated non-controlling interests	累計非控股權益	47,468	139,151	113,377	80,677	103,546	
Summarised statement of comprehensive income	全面收入表概要						
For the year ended 31 December	截至十二月三十一日止年度						
Revenue	收益	42,826	480,364	372,835	1,066,289	1,011,518	
(Loss)/profit before income tax	除所得稅前(虧損)/溢利	(31,830)	210,151	144,837	351,241	324,546	
Other comprehensive income	其他全面收入	3,836	8,385	20,193	-	-	
Total comprehensive income	全面收入總額	(27,994)	190,506	146,249	185,677	275,493	
(Loss)/profit allocated to non-controlling interests	分配至非控股權益之(虧損)/溢利	(4,899)	28,843	22,142	16,711	24,794	
Dividends paid to non-controlling interests	向非控股權益支付之股息	-	10,295	5,493	44,329	11,404	
Summarised statement of cash flows	現金流量表概要						
For the year ended 31 December	截至十二月三十一日止年度						
Cash flows generated from/(used in) operating activities	經營業務產生/(所用)之現金流量	2,165	(184,302)	2,985,342	200,951	58,418	
Cash flows generated/(used in) from investing activities	投資活動產生/(所用)之現金流量	16,839	(108,616)	(458,441)	(62,308)	(100,588)	
Cash flows (used in)/generated from financing activities	融資活動(所用)/產生之現金流量	(47,209)	(163,356)	(348,716)	(156,419)	3,329	
Net cash (outflow)/inflow	現金(流出)/流入淨額	(28,205)	(456,274)	2,178,185	(17,776)	(38,841)	

FIVE YEAR FINANCIAL SUMMARY

五年財務資料摘要

A summary of the published results and financial position of the Group for the year ended 31 December 2018 and the last four years is set out below. This summary does not form part of the audited financial statements.

本集團截至二零一八年十二月三十一日止年度及過去四年之已刊發業績及財務狀況概要載列如下。此概要並不組成經審核財務報表之一部分。

FINANCIAL PERFORMANCE

財務表現

		Year ended 31 December 截至十二月三十一日止年度				
		2018	2017	2016	2015	2014*
		二零一八年	二零一七年	二零一六年	二零一五年	二零一四年*
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Net interest income from banking business	銀行業務之利息收入淨額	180,831	94,992	17,983	-	-
Net service fees and commission income from banking business	銀行業務之服務費及佣金淨額	236,361	212,616	72,595	-	-
Trading income from banking business	銀行業務之交易收入	63,172	65,227	18,902	-	-
Service fees and commission income from financial business	金融業務之服務費及佣金收入	3,342	9,307	-	-	-
Interest income from financial business	金融業務之利息收入	193	128	-	-	-
Sales of goods from non-banking and financial businesses	非銀行及金融業務之貨品銷售收入	2,444,364	2,583,495	2,811,352	3,458,245	3,470,665
Rental income from non-banking and financial businesses	非銀行及金融業務之租金收入	9,586	16,936	19,123	18,109	17,888
Total revenue	總收入	2,937,849	2,982,701	2,939,955	3,476,354	3,488,553
Cost of sales from non-banking and financial businesses	非銀行及金融業務之銷售成本	(1,022,568)	(1,226,494)	(1,296,518)	(1,694,496)	(1,797,911)
Other income and other net gains or losses	其他收入及其他收益或虧損淨額	79,486	1,300,392	63,165	257,545	269,603
Selling and distribution expenses	銷售及分銷費用	(849,551)	(800,923)	(841,444)	(883,152)	(926,387)
Administrative expenses	行政費用	(737,985)	(774,011)	(648,477)	(616,151)	(698,077)
Share of loss of joint ventures	應佔合營企業虧損	(2,678)	(1,159)	-	-	-
Share of profit of associates	應佔聯營公司溢利	8,387	20,711	23,134	9,685	13,333
Finance costs from non-banking business	非銀行業務之財務費用	(65,828)	(68,453)	(79,447)	(77,075)	(65,055)
Profit before income tax	除所得稅前溢利	347,112	1,432,764	160,368	472,710	284,059
Income tax expense	所得稅開支	(105,664)	(221,566)	(96,528)	(132,551)	(121,027)
Profit for the year	本年度溢利	241,448	1,211,198	63,840	340,159	163,032
Other comprehensive income	其他全面收入					
Item that will not be subsequently reclassified to profit or loss	不會於日後重新分類至溢利或虧損之項目					
- Remeasurement of net defined benefit obligations	- 重新計量定額福利責任淨額	33,025	15,186	14,368	9,485	(5,955)
- Change in fair value of financial assets at fair value through other comprehensive income	- 按公平值計入其他全面收入之金融資產公平值變動	(123,352)	-	-	-	-
- Revaluation gain upon transfer of owner occupied land and buildings to investment properties	- 將自用土地及樓宇轉撥至投資物業時之重估收益	57,128	-	-	-	-
- Deferred tax arising from transfer of owner occupied land and buildings to investment properties	- 將自用土地及樓宇轉撥至投資物業產生之遞延稅項	(22,212)	-	-	-	-
		(55,411)	15,186	14,368	9,485	(5,955)

FINANCIAL PERFORMANCE (Continued)

財務表現(續)

		Year ended 31 December 截至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	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014* 二零一四年* HK\$'000 千港元
Items that may be subsequently reclassified to profit or loss	可能於日後重新分類到溢利或虧損之項目					
– Exchange differences on translation to presentation currency	– 換算呈列貨幣之匯兌差額	(162,086)	233,906	(226,038)	(142,928)	(2,021)
– Release of exchange reserve to profit or loss upon disposal of subsidiaries	– 於出售附屬公司後解除外匯儲備至溢利或虧損	–	(2,809)	4,701	256	(2,015)
– Share of exchange differences on translation of associates	– 應佔聯營公司匯兌差異	(117)	96	(112)	133	(16)
– Release of investment revaluation reserve upon disposal	– 於出售時解除投資重估儲備	–	–	–	–	(163,542)
– Changes in fair value of available-for-sale financial assets	– 可供出售金融資產公平值變動	–	(5,041)	(75,210)	9,051	(11,533)
		(162,203)	226,152	(296,659)	(133,488)	(179,127)
Other comprehensive income for the year	本年度其他全面收入	(217,614)	241,338	(282,291)	(124,003)	(185,082)
Total comprehensive income for the year	本年度全面收入總額	23,834	1,452,536	(218,451)	216,156	(22,050)
Profit for the year attributable to:	以下人士應佔本年度溢利：					
Owners of the Company	本公司擁有人	201,372	1,170,484	36,703	307,675	132,005
Non-controlling interests	非控股權益	40,076	40,714	27,137	32,484	31,027
		241,448	1,211,198	63,840	340,159	163,032
Total comprehensive income for the year attributable to:	以下人士應佔本年度全面收入總額：					
Owners of the Company	本公司擁有人	(9,083)	1,395,850	(227,203)	196,583	(55,528)
Non-controlling interests	非控股權益	32,917	56,686	8,752	19,573	33,478
		23,834	1,452,536	(218,451)	216,156	(22,050)

ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS

資產、負債及非控股權益

		Year ended 31 December 截至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	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Total assets	總資產	20,258,229	21,855,671	17,255,820	6,838,556	6,732,878
Total liabilities	總負債	(15,448,738)	(16,707,545)	(13,403,130)	(2,604,069)	(2,657,948)
Non-controlling interests	非控股權益	(369,700)	(343,245)	(219,809)	(191,234)	(228,406)
		4,439,791	4,804,881	3,632,881	4,043,253	3,846,524

* Certain reclassifications are made to conform to current year's presentation.

* 若干重新分類為符合本年度呈列方式而作出。

SCHEDULE OF PRINCIPAL INVESTMENT PROPERTIES

主要投資物業附表

Description	詳情	Group interest 集團權益	Use 用途	Tenure 年期
Flat B, 21st Floor, Jolly Villa No. 8 Tai Hang Road Hong Kong and Car parking space No. 32 on 3rd Floor of the same building	香港大坑道8號 竹麗苑21樓B室及 同一幢樓宇內 3樓之32號車位	100%	Residential 住宅	Medium term lease 中期租約
Industrial Complex including Dormitories in the Sixth Industrial Zone Houjie Town Dongguan County, Guangdong Province The People's Republic of China (the "PRC")	中華人民共和國 (「中國」) 廣東省東莞市 厚街鎮 第六工業區工廠 綜合大樓 (包括宿舍)	100%	Industrial/Residential 工業／住宅	Medium term lease 中期租約
2nd Lower Ground Level Jin Hua Building Yan He South Road Luohu District Shenzhen, Guangdong Province The PRC	中國 廣東省深圳市 羅湖區 沿河南路 錦花大廈 底下層二層	100%	Commercial 商業	Medium term lease 中期租約
Shops at Street Nos. 13, 14 and 15 New City Centre Plaza Garden Nos. 459, 461 and 463 Xiang Hua Road Zhuhai City, Guangdong Province The PRC	中國 廣東省珠海市 香華路 459、461及463號 新城市中心花園 商舖13、14及15號	100%	Commercial 商業	Medium term lease 中期租約
Office B, 7th Floor No. 78, Nanguan Road Shenhe District, Shenyang City The PRC	中國 瀋陽市沈河區 南關路78號 7樓B座辦公室	100%	Commercial 商業	Short term lease 短期租約
No. 1004, Block B, Xinnengyuan Building Nanhai Avenue, Nanshan District Shenzhen, Guangdong Province The PRC	中國 廣東省深圳市 南山區南海大道 新能源大廈B座1004號	100%	Commercial 商業	Long term lease 長期租約
Nos. 203, 204, 205, 206, 208, Building 16, Dengliang Garden Dengliang Road, Nanshan District Shenzhen, Guangdong Province The PRC	中國 廣東省深圳市 南山區登良路 登良花園16棟 203、204、205、 206、208號	100%	Residential 住宅	Medium term lease 中期租約
Nos. 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, Building A, Lifang Village Nanshan Avenue, Nanshan District Shenzhen, Guangdong Province The PRC	中國 廣東省深圳市 南山區南山大道 荔芳村A棟 228、229、230、231、 232、233、234、235、 236、237號	100%	Residential 住宅	Medium term lease 中期租約

Concept, design and printing: iPro Financial Press Limited
設計與製作：邁步財經印刷有限公司

Website: www.iprofp.com
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